

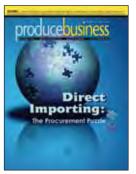


Have you thought of your New Year's resolution?

Make yours to increase banana sales and help consumers lose weight – with DOLE and the diet craze that has swept Japan and still has bananas flying off the shelf.

As a leader in nutrition, Dole has created a delicious banana diet to inspire consumers to keep their New Year's resolution and to sell more bananas.









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THIS MONTH'S WINNER:



Ryan Haynie Sales Associate Aspen Produce LLC Center, CO

How To Win

To win the Produce Business Quiz, the first thing you have to do is enter. The rules are simple: Read through the articles and advertisements in this issue to find the answers. Fill in the blanks corresponding to the questions below, and either cut along the dotted line or photocopy the page, and send your answers along with a business card or company letterhead to the address listed on the coupon. The winner will be chosen by drawing from the responses received before the publication of our January issue of Produce Business. The winner must agree to submit a color photo to be published in that issue.

Having only been with Aspen Produce for a little over a year, some might call him a newbie. But Ryan Haynie, a sales associate charged with selling San Luis Valley potatoes to a variety of brokers and retailers, doesn't mind. "I came to the produce business from the auto parts industry," he says, "but if I had known how great it is here, I would have come much sooner!"

One of the things Haynie likes best about his job is that everyone has a great working relationship. "It's very different than what I was used to," he says. "Here, we work with our clients. It's always, 'What do you need?' as opposed to a price set in stone that may be a challenging for clients to meet.'

During the year he has spent at Aspen Produce, Haynie has spent many lunch breaks reading PRODUCE BUSINESS. "It's definitely a topic of conversation during breaks," remarks Haynie. "The magazine is very informative and really offers a full view of what's happening in the industry."

As the winner of the PRODUCE BUSINESS quiz, Ryan will receive a portable LCD television.

WIN AN ICELESS WINE CHILLER

This iceless wine chiller guarantees your favorite wines will be served at the perfect temperature. An internal database knows 40 varieties of red and white wine - and Champagne, too - to gently cool or warm each bottle for optimum flavor and bouquet. A backlit LED displays the current and target temperature. Soft chimes and a screen color change accounces the wine is ready.



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Photocopies of this form are acceptable. Please send answers to: NOVEMBER QUIZ PRODUCE BUSINESS • P.O. Box 810425 • Boca Raton, FL 33481-0425 oroducebu

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WASHINGTON GRAPEVINE

A report on the inside happenings of government.

SUBMITTED BY TOM STENZEL, PRESIDENT AND CEO • UNITED FRESH PRODUCE ASSOCIATION



FDA or USDA — Who's on First?

or those produce industry members who don't spend the majority of their time dealing with food safety, the hodgepodge of federal government agencies overseeing and interacting with our industry can be a confusing mess. But, this puzzle may become a little clearer in the future with new agreements between the Food and Drug Administration (FDA) and the U.S. Department of Agriculture (USDA).

FDA has the clear legal responsibility and authority to regulate the safety of fresh produce, as well as about 80 percent of all foods. That is not likely to change even with new legislation pending before Congress. But confusion sometimes arises because USDA does have authority to regulate meat and poultry, and its agricultural marketing authority allows it to oversee various selfregulation programs for different commodities that choose to implement marketing orders and agreements, which are increasingly being used by commodity groups to implement food safety practices.

It's this authority at USDA that's led the Western Growers, United Fresh Produce Association and others to ask USDA to implement a National Leafy Green Marketing Agreement, a vehicle that would allow growers and handlers of leafy greens to voluntarily come together to verify compliance with appropriate good agricultural practices.

It appears increasingly likely the Obama Administration may be serious about using the expertise and strengths of both FDA and USDA in a more comprehensive approach to food safety. United and the produce industry have long called on FDA to reach out to USDA for education about farming, production and marketing of perishable products.

We also hear frequently about bringing HACCP programs to the farm, similar to those in manufacturing plants. Yet, the "CCP" in that acronym stands for "critical control points," which are steps in the manufacturing process that must be controlled 100 percent to ensure safety. We don't have "critical control points" with produce grown

in a natural environment, but instead must focus on reducing known risk factors.

As FDA is driving forward in writing new produce safety rules, it's a good sign that a longtime USDA career employee, Lee Anne Skelton, has been put on special assignment at FDA to help in the effort. Ms. Skelton's experience in all sectors of produce, most recently working with USDA's GAP audit programs, will be valuable in sharing realworld views.

The model of FDA and USDA working together has broader implications that all of us in produce may find relevent in the coming years.

But longer term, the real value of an FDA-USDA partnership may come back to a model similar to the marketing agreements referenced above. USDA's role in the marketing agreement would be to provide inspections and audits to verify compliance with those standards. In this case, the leafy greens industry feels so strongly about rebuilding public and buyer confidence that some 99 percent of the industry in California and Arizona have been willing to take on the cost of that inspection system themselves through state marketing agreements. That essentially is the purpose of voluntary marketing agreements — they allow groups of like-minded producers and handlers to team up and pay to address whatever their needs may be.

However, self-funded marketing agreements are not the likely course of action for most industry groups in produce. They simply don't face the same challenges as the leafy greens sector, and there's no basis for a user-fee system to pay for government's responsibility for food safety inspections. Yet the model of FDA and USDA working together has broader implications that all of us in produce may find relevant in the coming years.

As both Congress and the FDA move toward establishing more clear rules on produce safety, it is highly unlikely that thousands of new FDA inspectors will be hired to start policing farms across the country. Rather, a model in which FDA turns to its partners at USDA as well as state departments of agriculture appears increasingly likely. In this case, FDA would contract with USDA and state agriculture departments to conduct on-farm inspections, using the expertise and resources of these government agencies. For produce growers, these agricultural specialists would likely be better trained and more familiar with the production of fresh fruit and vegetables than a new series of federal inspectors pulled from processing plants.

There's little doubt that new food safety rules are right around the corner. We're working every day in Washington, DC with the Congress, FDA and USDA to make sure those rules are commodity specific, based on sound science and are equitable to both imports and domestic production, large and small, organic and conventional. No one can be exempt from proper food safety standards, and the rules must be applied fairly and consistently.

But we're also working on how those standards will eventually be implemented. We can't just put new rules on the books, and then walk away. That's where training, auditing and inspections come into play. Like it or not, government has a role here, too in ensuring that all across the industry are following appropriate food safety practices. Our goal is to make sure that government puts the most knowledgeable agricultural specialists to work in assuring the public of the safety of our foods.



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THE FRUITS **OF THOUGHT**



Risks Of Direct Importing

ike the age of the paperless society, the age in which large retailers handle all their own produce imports is always just upon us, yet never quite begins.

Most who have attempted such projects, notably Supervalu, found the projects floundered on a fundamental dilemma: Direct importing puts a retailer into a business that is not its forté. Whether the issue is forecasting volume requirements a season in advance or knowing how to maximize returns on poor quality arrivals, importing involves a whole roster of skill sets not typically found among retail executives.

Beyond these special skills, importing always places a buyer in a quandry: If a retailer attempts to import all of its needs of any produce item, it has little choice but to purchase far in advance, and estimates of product volume requirements made weeks, months or

a season in advance of actual need, by their nature, would be far less accurate than estimates of product volume requirements made to allow purchase, often overnight, from a U.S.based importer.

These inaccurate estimates would mean the retailer always would be long or short on product, either necessitating cuffing product in terminal markets often at a big loss or buying in product to cover shorts, often paying premiums

On the other hand, if a retailer elects to purchase only a portion of its needs for a particular imported product, another dynamic takes place. First, even if savings are there, it is hard for the savings to be significant if a retailer is only importing a small percentage of its needs. Second, the importers providing the rest of the product start to think their days are numbered as a supplier, so they begin to take better care of other customers.

Those retailers who have done substantial work in global procurement, such as Wal-Mart,

learn soon enough what every vendor could tell them: It is not easy being a supplier.

Large retailers have enormous discretion. It doesn't matter what "good delivery standards" require, what grade standards may delineate, even what a retailer's own specifications demand. If a large chain retailer doesn't like the way a load of produce smells, it is rejected. Vendors, always anxious to placate a customer, take the product back and it is no longer the retailer's problem. If, however, a retailer is purchasing product down in Argentina, it owns the product, and rejections in Albuquerque are a problem for the importing program.

In fact, the biggest risk for retailers of a direct import program is a hidden one: The temptation to not put the consumer first. Effective merchandising, marketing and procurement decisions are those done with the consumer foremost in mind. With a direct import program, though, retail executives suddenly have a conflict of interest, as they already own the produce. If, for example, cantaloupes are particularly sweet and should be prominently displayed one particular week, that decision could be influenced by the need to move a big inventory position on some honeydew.

Very often, direct importing leads to a subtle degradation of standards. Product that would be rejected if supplied by a third party is accepted because the retailer already owns it. Sometimes this happens as a result of explicit decisions; more often it is a subtle, but predictable, psychological phenomenon. If the inspector at a distribution center rejects product from an outside vendor, the vendor is unlikely to make a fuss and, even if he does, nobody will care as

> rejecting the product costs the retailer nothing. In contrast, if product from global procurement is rejected, executives there may well make a big fuss because rejecting the loads will cost the retailer a lot of money. Even if corporate executives back up the inspector 100 percent of the time, many an inspector will ask what the upside is in having to fight those kinds of battles - far easier to just wave the produce through.

> Very few senior executives at retail organizations have any real experience with produce. The top people at supermarket chains have typically risen from grocery or front-end, and, more recently, from accounting or from other forms of retail such as department stores. This detachment from produce often leads management to misinterpret the P&Ls that their produce operations produce. Very often, they perceive procurement as some kind of independent profit center.

To achieve optimal results, a produce retailer has to integrate procurement with merchan-

dising and marketing. For an executive to look at a P&L and salivate at the prospect of buying a few percentage points cheaper, is more a testament to that executive's limited ability to understand how to maximize produce profits than it is a serious pool of money to go after. In reality, the strictures of what is necessary to delight consumers - the best product available, not being out of stock, merchandised to highlight the products that will produce the best experience for consumers — requires a different perspective.

Of course, it is a free country, and retailers can import directly if they choose to do so. But the focus on such an initiative is not only a distraction from delighting the consumer, it creates short-term incentives to disappoint the consumer. Only a rigorous focus on consumer satisfaction is a path to sustainable prosperity.



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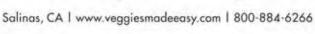
When it comes to stringless sugar snap peas, only Mann delivers:

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Fresh Vegetables Made Easy."





Coloring Between Holiday Tradition And Everyday

ater this month, American families like mine will sit down together for a Thanksgiving holiday dinner — one with turkey piled high on the plate, served with perennial favorite side dishes including stuffing and mashed potatoes, followed by pumpkin pie. Mine will also have spinach casserole, steamed broccoli, fresh mushroom and onion gravy and more. Few meals in this country are as traditional as an American Thanksgiving.

For me, the tradition is still fairly new: Time: my first Thanksgiving dinner, 1977 Place: a University of Chicago faculty

member's home in Hyde Park, on Chicago's south side

Reason: I was a fresh-off-the-plane overseas graduate student with nowhere else to go — and no idea of what, or to whom, thanks were being given

State of mind: bewilderment beforehand, indigestion afterwards

So this holiday provides the perfect backdrop to update you on a new initiative for the produce and foodservice sectors to significantly change other traditional meals: ones served away from home. I first wrote about the initiative here in May, right after it was announced by Produce Marketing Association (PMA), National Restaurant Association and International Foodservice Distributors Association (IFDA). We now have concrete and exciting news to share from the project, as detailed in a new two-part report.

The first part summarizes research conducted for the partners by National Restaurant Association's research group in April and June. That research included a quantitative survey of a nationwide sample of 500 restaurant operators with fresh produce purchasing authority and qualitative interviews with 10 major chains' purchasing executives.

The research found that opportunities abound to increase fresh produce use on restaurant menus. Produce is already seen as a way to draw diners and to differentiate one's operation from its competition. More than 40 percent plan to serve more produce in the next two years; 56 percent will serve at least the same amount.

Yet unfilled demand remains; a majority of operators said they wish they had more fresh produce options, and three-fifths noted they wished there was more information on how to incorporate fresh produce on their menu. Top interests include local sourcing and food safety.

The second part of the report documents an "executive think tank" discussion of leading produce, operator and distributor executives convened by the associations in late July to discuss the operator research. Our panel set a goal to double produce usage in foodservice by 2020, and identified five priority strategies to work toward that goal:

- Re-imagine the restaurant experience, with produce having a stronger presence and telling its story from field-to-fork;
- Increase consumer confidence in fresh produce, including product safety, trust and integrity:
- Demonstrate social responsibility, balancing the needs of people, the planet and profitability;
- Foster closer collaboration among the industry sectors, including operators, distributors and grower/shippers;
- Foster closer collaboration with government and other stakeholders.

The think tank panel report documents the panel's day-long gathering, including: analysis of the forces working for and against increased produce usage in foodservice; rationale for setting an ambitious goal to galvanize action; discussion of the five strategies.

This portion of the report details some of the discussion the group members had along the way, including the importance of telling industry's story, the role of an increasingly

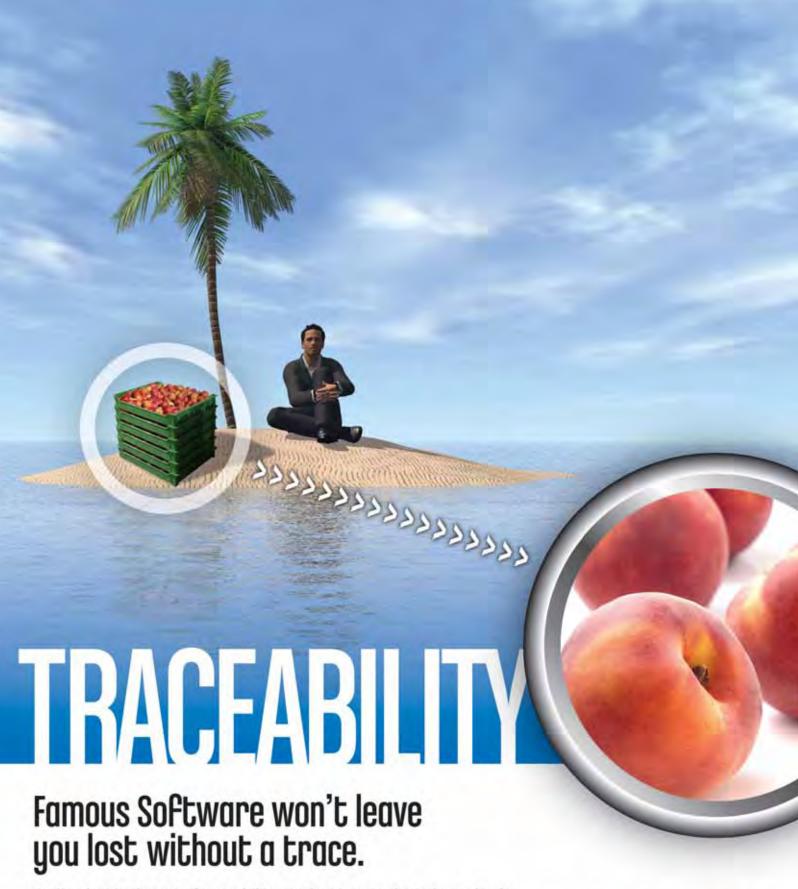
ur future will not be made of choices that are "either/or" but will be filled with many that are "both/and" \cdot let's learn to color between the extremities.

regional food system, and that a one-sizefits-all solution won't work across a diverse foodservice industry with 70 categories. The executives also stressed the need to better define collaborating as much more than just reporting — working together to find mutual solutions, rather than talking at each other.

The work of the new Foodservice 2020 Steering Committee we're creating to bring our three associations together won't be easy given our goal: to focus on the five priority areas and thus drive changes within the foodservice sector that will double produce use in the next decade.

Changing the traditional Thanksgiving meal is not our target. Our future will not be made of choices that are "either/or" but will be filled with many that are "both/and" let's learn to color between the extremities. Occasional gluttony observed as family and societal tradition is as old as humankind. But driving food choices to reflect changing consumer demands and needs on most other days of the year is a recognition that we can shape what we offer most of the time — for healthier menus, healthier consumers and healthier business.

I wish you and your families a joyous and healthful Thanksgiving holiday.



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TRANSITIONS

PRODUCE MARKETING ASSOCIATION NEWARK, DE

Nancy Ferguson was hired as public relations manager. She will be responsible for providing media and other public relations support for PMA events, including the Fresh Summit International Convention and Exposition, as well as association products and services, departments and staff experts. She has a background in journalism.



RIVERHEAD, NY

RAILEX LLC

Thomas Shurstad was hired as president. He previously worked as president of Pacer International Inc. from 2006 to 2007, president of the Beltway Railroad from 1998 to 2001, and chief operations officer for Malayan Railroad and president of Terminal Railroad. He will be based in the Riverhead corporate office.



RIVER RANCH FRESH FOODS SALINAS, CA

Rick Russo was hired as vice president of sales and marketing. He brings more than 20 years of experience in fresh produce sales and marketing with several Salinas Valley produce companies. His duties will include directing sales and marketing activities for value-added retail, foodservice and commodity products.



MAYRSOHN INTERNATIONAL TRADING CO. INC. MIAMI, FL

Eric Boritz was hired as import director/account executive. He has begun a project that includes updating the company's computer infrastructure by unveiling new ordering and accounting systems.



SUREHARVEST SOQUEL, CA

Dr. Cliff Ohmart was hired as vice president of professional services. For 13 years, he worked as the sustainable winegrowing director at the Lodi Winegrape Commission (LWC). His duties will include meeting the growing demand for agrifood sustainability solutions and achieving greater protection of natural resources.



WESTERN CAPE CITRUS PRODUCERS FORUM GLOUCESTER CITY, NJ

Joretha Geldenhuys was appointed to CEO. She previously worked for the Government Central Statistical Service, South Africa Reserve Bank, Katope Citrus and African Realty Trust and Umlimi Holdings. She brings a wealth of experience in fruit exporting and logistics and will assist in strengthening WCCPF's position in the United States and global markets.



DULCINEA FARMS LLC LADERA RANCH, CA

Mike Agar was hired as area manager for the Eastern and offshore operations. He brings 25 years of produce experience heavily concentrated in grower relations, supply chain management and daily operations. His duties will include interacting with growers and partners to further the East Coast and offshore efforts.



WEST PAK AVOCADO TEMECULA, CA

Dan Acevedo was hired as director of business development. He brings 25 years of experience in the retail food industry, having worked for Frito Lay, Kellogg's and Chiquita Brands North America/Fresh Express. He will be responsible for increasing sales with key customers and developing new customers.



J&C TROPICALS, HOMESTEAD, FL

Peter Lelfermann was hired to the sales and procurement department. He previously worked for Fresh King Inc. and C-Brand Tropicals Inc. His duties will include strengthening Florida produce programs and diversifying international product lines. He possesses a good deal of sales and marketing experience in tropicals, along with more than 15 years of experience in the produce business.



BEN B. SCHWARTZ & SONS INC. **DETROIT, MI**

James Beach was hired as a new sales associate. He is a graduate of the University of Michigan. He will work all produce categories, helping to ensure the company successfully follows through with its strategically aligned plans and reaches its goals.



NEW PRODUCTS SEEN AT PMA'S FRESH SUMMIT CONVENTION

ECO-FRIENDLY PACKAGING

Gills Onions, Oxnard, CA, introduced redesigned, ecofriendly PLA retail packaging in a 7-ounce size to provide consumers more convenience and better value, retailers more turns and profits and a sustainable responsible solution for fresh-cut produce marketing and sales.



Reader Service No. 300

VARIABLE PRINT SYSTEM

Sinclair Systems, Fresno, CA, launched its cutting-edge variable print system, which is geared toward packer/shippers looking to reduce inventory costs by stocking fewer multiple label designs, replacing them with an imprintable version whereby variable data is printed onto the label during application.



Reader Service No. 301

VALUE-ADDED POTATOES

Potandon Produce LLC, Idaho Falls, ID, introduced an entirely new product line of fresh, microwavable, steamin-a-bag, value-added potatoes. Green Giant Whole Baby Potatoes in Sauce come in Roasted Garlic, Four Cheese, Mesquite Bacon and Three Chile flavors. They are packed with a butter sauce "puck" and are the perfect side dish for a medium-sized family.



Reader Service No. 302

RENEWABLE FLEXIBLE PACKAGING

Clear Lam Packaging Inc., Elk Grove Village, IL, introduced EarthClear renewable films made from 50 to 100 percent renewable plant-based plastics, such as modified polylactic acid, not oil. Available in clear, metalized and printed rollstock, these new structures are used to package produce and an array of other foodrelated items.



Reader Service No. 303

ON-PACK TASTE AND TEXTURE SCALES

Dole Fresh Vegetables, Monterey, CA, unveiled on-pack taste and texture scales designed to measure the specific taste and texture characteristics of each blend, along with a category first: an on-pack "Pairs Well With" feature that uses blend-specific information developed by Dole chefs



to actively encourage users to spruce up their salads through the purchase of blendspecific dressings, fruits, vegetables and other fresh accompaniments.

Reader Service No. 304

BANANA BREAD MIX

Concord Foods Inc., Brockton, MA, introduced Chiquita Banana Bread Mix, providing consumers with an easy-tomake bread that contains real bananas and is trans fat- and preservative-free. Unlike current, all-in-one dry mixes, Chiquita Banana Bread Mix is a unique offering that simply requires two bananas, water and an egg. The mix will be available in 12-unit cartons and 48-unit floor display ship-



Produce Watch is a regular feature of Produce Business. Please send information on new products, personnel changes, industry, corporate and personnal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, PRODUCE BUSINESS, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com

NEW PRODUCTS SEEN AT PMA'S FRESH SUMMIT CONVENTION

DATA LOGGER

DeltaTrak Inc., Pleasanton, CA, introduced the Flash Link VU data logger, an LCD display data logger that can be factory programmed with temperature limits to meet specific needs. The display presents current temperatures along with icons that indicate logger status. Trip statistics and a highly visible, 2-tier alarm notification system are also available on the LCD display.



Reader Service No. 306

RECYCLABLE STRAWBERRY PACKAGING

Naturipe Farms LLC, Naples, FL, and International Paper, Memphis, TN, launched a new display-ready strawberry package that is fully recyclable. Naturipe is the first strawberry shipper to adopt the enhanced, wax-free One Touch

design from International Paper. The key benefit is the complete elimination of wax in the corrugated package.





Reader Service No. 307

DRINKABLE, EDIBLE SNACK

Fruit2day, Broomfield, CO, launched Fruit2day, a drinkable, edible fruit snack with real fruit bits in a bottle. Fruit2day provides natural fruit nutrition without peels, pits, bruising or spoiling. With only 110 to 120 calories, Fruit2day comes in four flavor combinations: Cherry Grape, Mango Peach, Pineapple Banana and Strawberry Orange.



Reader Service No. 308

FOOTBALL SHIPPERS

Dream Foods International LLC, Santa Monica, CA, introduced Football Shippers, which can hold four to six cases of the Volcano Lemon Burst and Volcano Lime Burst organic juices. The new, footballthemed display helps remind consumers that these products go great with many drinks, dips and marinades on game day.



Reader Service No. 309

AVOCADO **H**UMMUS

Yucatan Foods, Los Angeles, CA, launched Cabo Fresh Avo-Hummus, a blend of 50 percent avocado and 50 percent classic hummus. Offered in a resealable, recyclable tub, the blend combines two



favorites: golden ripe, Hass avocados with rich, creamy hummus. Sold in the produce department, each 12-ounce container of Avo-Hummus is packaged in a clear tub, emphasizing freshness and quality.

Reader Service No. 310

MICROFLUTE CONTAINERS

Maxco Supply Inc., Parlier, CA, introduced Microflute Tri-Wall, a sustainable container that increases topto-bottom strength and reduces bottom sag. The



use of microflutes virtually eliminates flute lines, resulting in a superior printing surface that increases the appeal of the container. Tri-Wall is used for all strawberry, tree fruit and grape trays, as well as the body of bliss boxes.

Reader Service No. 311

THE EVOLUTION OF AN INDUSTRY

The 2nd Annual Food Safety, Food Security and Importing Procedure **Trade Meeting** Hosted by:

The Fresh Produce Association of the Americas

November 12 & 13, 2009 10:00am - 5:00pm

This year's event is being held in conjunction with our 41st Annual Produce Convention and Golf Tournament and will feature experts from the U.S. Food and Drug Administration (FDA), U.S. Department of Agriculture (USDA), U.S. Department of Commerce (DOC), and U.S. Customs and Border Protection (CBP). Don't miss this great opportunity to network and hear the most up-to-date information about topics impacting our industry.

FDA - Nov 12 Import Process PREDICT Compliance Issues

FDA Filer Audits Mobile Lab Import Safety Plan DOC - Nov 13 Tomato Suspension Agreement Compliance Issues CBP/USDA - Nov 13

CBP Ag Inspections Compliance Issues **USDA-APHIS Programs** Cargo Statistics Mariposa Port Redesign H1N1 S.O.P.'s

VENUE:

Tubac Golf Resort & Spa - Mission Ballroom 520.398.2211 or www.tubacgolfresort.com/

TRADE MEETING FEES (includes refreshments and lunch): **FPAA MEMBERS** NON-MEMBERS

\$100 5100 1 Day \$150 \$200

No charge for government employees.

REGISTRATION:

Register online at www.freshfrommexico.com or contact The Fresh Produce Association at 520,287,2707.



Reader Service # 57

Produce Watch is a regular feature of Produce Business. Please send information on new products, personnel changes, industry, corporate and personal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, Produce Business, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com

NEW PRODUCTS SEEN AT PMA'S FRESH SUMMIT CONVENTION

SPRING MIX LETTUCE

Tanimura & Antle, Salinas, CA, announces Artisan Lettuce, a fresher alternative to Spring Mix, offering more variety, color, flavor and texture. Tanimura & Antle offers customized merchandising programs to build your holiday promotions. Fully mature, yet petite in size, each head is harvested for peak flavor, texture and quality.



Reader Service No. 312

SLICED APPLES

Mott's Fresh and C.H. Robinson Worldwide Inc., Minneapolis, MN, launched Mott's Sliced Apples, a fresh, convenient and healthful choice for people on-the-go. The new product is packaged in 2-ounce and 16-ounce bags and is available in both red and green varieties. National distribution is expected by the end of 2010.



Reader Service No. 313

ANNOUNCEMENTS

KPG SOLUTIONS OFFERS TRACEABILITY, FOOD SAFETY MANAGEMENT

KPG Solutions Inc., Longwood, CA, became the first software company in the world to



offer traceability, food safety management and Enterprise Resource Planning (ERP) solutions. Food Safety Manager is a software solution that monitors all aspects of food safety, including HACCP and SQF compliance. The technology diversifies KPG Solutions' inventory of software.

Reader Service No. 314

MARIANI NUT DEBUTS ALMOND RETAILER MERCHANDISING PROGRAM

Mariani Nut Company, Winters, CA, announced Get Your Heart Pumping, the theme of its new Almond Retail Merchandising Program.



Retailers may access a full range of support materials including shelf-talkers, free-standing signage, POP displays, take-one-cards, pamphlets, floor stickers, danglers and crates or bins that carry the message.

Reader Service No. 315

SUNSET KUMATO DEMAND EXCEEDS PRODUCTION

Mastronardi Produce Ltd., Kingsville, ON, Canada, has increased its acreage for next season's Sunset Kumato Brown Tomato. It has quickly become one of the leading specialty varieties this year. Currently grown at



Mastronardi's home farm, the company will shift its production south for the winter season, making it available year-round.

Reader Service No. 316

BABE' FARMS ADDS BABY LETTUCE BOUQUET

Babe' Farms, Santa Monica, CA, has added Baby Lettuce Bouquet, a new twist to its packaged baby head lettuces. It's the latest release from Babe' Farms, a collection of gourmet baby head lettuces and elegant Baby



Blonde Frisee in a convenient clamshell container. The baby lettuces are an attractive combination that includes the Platinum Blonde Frisee.

Reader Service No. 317

Chiquita Customers it!

Chiquita will-love it!

and good I sell more banamass! Banana Bread CHOURTA wat the CHOURTA Logo are single Introducing our Mews Chiquita™ Banana Bread Mix Uses two bananas Preservative free & low fat Makes for an inviting display in the produce section Great tasting with convenient preparation

Confact Concord Foods or your local broker today for our complete marketing program: Call 508-580-1700 ext. 319 or email customerservice@concordfoods.com Visit us online at www.concordfoods.com

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ANNOUNCEMENTS

CUSTOMIZED BROKERS EXPANDS TO U.S. WEST COAST

Customized Brokers Inc., the Miami, FL-based customs brokerage that has specialized in the clearance of fresh fruit into the United States for 20 years, has brought its expertise to the U.S. West Coast, establishing a new office in Inglewood, CA.



Reader Service No. 318

PARAMOUNT CITRUS UNVEILS CAMPAIGN

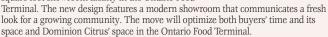
Paramount Citrus, Delano, CA, unveiled a new marketing campaign. Cuties Brand signed two-time Olympic Gold medalist, World Cup Champion and ultimate soccer mom, Joy Fawcett, as its spokeswoman for the 2009/2010 season.



Reader Service No. 320

DOMINION CITRUS REOPENS FOOD TERMINAL SHOWROOM

Dominion Citrus, Toronto, ON, Canada, announced the grand re-opening of its newly designed and renovated 4,500 square-foot showroom facility in the Ontario Food



Reader Service No. 322

CALIFORNIA AVOCADO SEASON YIELDS MORE SALES

California Avocado Association, Irvine, CA, reported retailers achieving \$70 million more in avocado sales during the California avocado season. The California grower campaign and CAC's nutrition and culinary outreach programs encourage demand for California avoca-



dos in season with expanded impact on the entire avocado category

Reader Service No. 324

MANN PACKING UNVEILS NEW PACKAGING SYSTEM

Mann Packing Co., Salinas, CA, unveiled a new packaging system designed to segment the fresh-cut vegetable category at the store level. The new packages, rolling out to stores now, color codes the fresh-cut vegetable category by segment for shoppers so they can easily identify and differentiate core vegetable products from specialty niche products and snacks.



Reader Service No. 326

H. Brooks & Co. ADDS NEW LOGO

H. Brooks & Co., New Brighton, MN, created a new logo. Its state-of-the-art warehouse and distribution technology allows it to deliver fresh fruit fast. Customers get dramatically improved quality, taste, guaranteed longer shelf-life, happier customers and higher returns.



Reader Service No. 328

NMB WRAPS UP KIDS COOKING PROGRAM

The National Mango Board, Orlando, FL, concluded its second annual Rising Mango Star Video Contest, a cooking contest for aspiring kid chefs, ages 8 to 14. This program supports the NMB's goal of increasing consumer education and media coverage, and builds on the boards' childrens outreach programs. Devon Davis, 13, of Plant City, FL, won this year's contest.



Reader Service No. 330

STEMILT ENHANCES APPLESWEETS QUALITY

Stemilt Growers Inc., Wenatchee, WA, invested in new technology that enhances the quality of its AppleSweets sliced apple products. The near-infrared (NIR) sorting line helps ensure every sliced apple meets the company's high standards for quality.



Reader Service No. 332

DEL MONTE FRESH PRODUCE INTRODUCES VENDING LINE

Del Monte Fresh Produce Co., N.A. Inc., Coral Gables, FL, a subsidiary of Fresh Del Monte Produce Inc., launched its new vending line of healthful snack alternatives. The line, which features specialty packaged bananas and fresh-cut fruit and vegetables, offers vending operators a solution to meet society's growing demand for healthful snacks in vending machines.



Reader Service No. 319

CAIA LAUNCHES INTEGRATED RETAIL PROMOTION

The Chilean Avocado Importers Association, Aptos, CA, launched the Chilean Avocado Lovers Club. Consumers have the opportunity to join the club and enter the club's "So Good. So Many Ways" random drawing between September 1, 2009 and February 15, 2010, to win \$250 in free groceries or an official soccer ball. An instore Avocados From Chile display unit with handy ripening bags is available for retailers.



Reader Service No. 321

MAC Sponsors Effort To BOOST APPLE CONSUMPTION

The Michigan Apple Committee, DeWitt, MI, hosts the fourth annual Check In To Michigan Apples program that involves nearly 300 Michigan-lodging facilities urging their guests to taste Michigan Apples this fall. The campaign will not only benefit Michigan apple growers, but the lodging properties and community tourism organizations such as chambers and visitor bureaus.



Reader Service No. 323

BARD VALLEY PRODUCE

Bard Valley Produce, Bard, CA, now offers its Medjool dates in new 8- and 12-ounce tub sizes. The product can be merchandised upright or on its back. Medjool dates have extremely high levels of antioxidants - as much as blueberries contain.



Reader Service No. 325

FIRST FRUITS MARKETING ADDS COLUMBIA VALLEY FRUIT

First Fruits Marketing of Yakima, WA, has added a new apple packer to its supply mix. Columbia Valley Fruit, a premier Yakima Valley packer of conventional and organic apples, will begin marketing its fruit



through FirstFruits Marketing this season. The company will also sell apples grown and packed by Broetje Orchards, making it one of the largest suppliers of organic apples in the state. Reader Service No. 327

FRIEDA'S OFFERS BLACK GARLIC

Frieda's Inc., Los Alamitos, CA, now offers Black Garlic, a new gourmet ingredient. It's an easyto-display shelf-staple packaged product that adds value and variety to garlic displays. It's available in cases of 12 in 1.27-ounce bags with each bag containing two bulbs of naturally fermented garlic featuring a uniquely delicious flavor.



Reader Service No. 329

CAL GIANT TO BEGIN STRAWBERRY SEASON

California Giant, Watson, CA, will begin to shift strawberry production districts closer to the holiday season in late November. The company has also increased staffing in all growing regions to provide improved company



representation globally. The increased volume projected for 2009/2010 and the new staff positions created this season furthers the commitment of Cal Giant to provide quality and service.

Reader Service No. 331

PMA FIT ANNOUNCES FRESH SUMMIT 5K WINNERS

The Produce Marketing Association, Newark, DE announced the top finishers in its first annual Live Fit 5K run/walk at Fresh Summit 2009 in Anaheim, CA. The top overall male finishers were: Jamie Moracci of Pure Hothouse Foods Inc., Michael Rotter of Highline Produce Ltd., Marco Munoz of Frontera Produce Ltd. Overall female finishers were: Eliza Voita of SunCoast Produce Inc., Vicki Sawin of SunCoast Produce Inc. and Tristan Kieva of Pandol Brothers Inc.



Reader Service No. 333

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ANNOUNCEMENTS

PBN Honors Chef In Recognition Program

The Pear Bureau Northwest, Portland, OR, named Geoff Kelty, executive chef of Eddie Merlot's in Columbus, OH, as the first honoree of the season of its September, 2009, chef-of-the-month. He will be recognized in the fresh pear organization's Pear Panache program, which coincides with peak pear season and spotlights creative uses of Northwest-grown USA pears.



Reader Service No. 334

JACOBS FARM/DEL CABO **EXPANDS GREENHOUSE PRODUCTION**

Jacobs Farm / Del Cabo, Pescadero, CA, expanded its greenhouse production in Northern California. It will be converting 22 acres of greenhouses into active organic production by early 2010. The expanded production will help meet year-round demand for fresh herbs and strengthen supply for both local California retailers and national sales.



Reader Service No. 335

Melissa's/World Variety Produce **OFFERS HOTTEST CHILE**

Melissa's/World Variety Produce Inc., Los Angeles, CA, offers Dried Bhut Jolokia Chile Peppers, also known as Ghost Chiles, in the dried form in the United States. This dried chile variety was once known and grown in India and made national headline news in 2007, when it became a record holder as the hottest chile pepper in the world, according to Guinness Book of World Records.



Reader Service No. 336

TANIMURA & ANTLE ANNOUNCES PTI PILOT

Tanimura & Antle, Salinas, CA, will be collaborating with TraceGains and RedLine Solutions on two separate pilot programs that will enable Produce Traceability Initiative compliance for field-packed items. The PTI pilot will identify potential improvements to this system and efficiency of operations.



Reader Service No. 337

WELL-PICT PLANTS TWO NEW STRAWBERRY VARIETIES

Well-Pict Berries, Watsonville, CA, planted two new strawberry varieties this season in its Oxnard fields. Just completing the first year of production, these superior plants were specifically developed to produce larger berries later in the season, without sacrificing any delicious flavor.



Reader Service No. 338

TURBANA LAUNCHES NEW IDENTITY

Turbana Corporation, Coral Gables, FL, unveiled new corporate and brand identities. The change includes a new corporate logo and fruit label, both inspired by bananas, but abstract enough to be interpreted as any tropical fruit, a growth segment for Turbana. The effort will entail a redesign of all packaging, shipping materials, collateral and Web site.



Reader Service No. 339



Messe Berlin North America 805 Princess Anne Street, Suite 1 · 22401, Fredericksburg, Virginia · USA Tel +1-540-372-3777 • Fax +1-540-372-1414 www.fruitlogistica.com · berlin@exhibitpro.com



THE RISING STAR RECEPTION



On Saturday night, October 3, at the PMA Fresh Summit in Anaheim, CA, PRODUCE BUSINESS, in conjunction with sponsors, the MIXTEC Group and Ocean Mist Farms, hosted the fifth annual Rising Star Reception to celebrate this year's 40-Under-Forty* class.

In addition to the members of the Class of 2009, attendees included members of the classes of 2005, 2006, 2007 and 2008 as well as many movers and shakers of the produce industry. Forty-eight students from seven U.S. colleges and five international colleges also attended. The students were participants of the Pack Family/PMA Career Pathways Fund.

*40-Under-Forty, an annual feature of PRODUCE BUSINESS, honors the produce leaders of tomorrow, all of whom have been chosen by industry mentors for their industry and community accomplishments. Please see this year's winners by visiting www.producebusiness.com and clicking on our June 2009 issue. You can also nominate candidates for next year's class by clicking on the 40-under-Forty icon.



Jim Prevor, PRODUCE BUSINESS, and members of the 40-Under-Forty Class of 2009



Catherine Crockett, Maria Lopez and Cisco Martinez, Ocean Mist Farms



Michelle Gonzalves, Russell Evans and Ronda Reed, Dole Fresh Vegetables



David Barbrack, Rainier Fruit Co.



Sweet International









Gary York, C.H. Robinson Worldwide

THE RISING STAR RECEPTION



Jan DeLyser, California Avocado Commission (CAC), Dick Spezzano, Spezzano Consulting Service, and Chris Nelson, MIXTEC



Jim Prevor, PRODUCE BUSINESS, and Anthony Barbieri, Acme Markets Inc.



Carroll C. Graham, United States Potato Board (USPB)



Ken Whitacre, PRODUCE BUSINESS, and Shane Towne, Indianapolis Fruit Co. Inc.



Jim Lemke, C.H. Robinson, and Lorelei DiSogra and Ray Gilmer, United Fresh Produce Association



James Margiotta, J. Margiotta Co., and Matthew D'Arrigo, D'Arrigo Bros. Co. of New York



Linda Nguyen, UC Davis, and Michelle Story, Taylor Farms



Lynn Peterson and Gary Caloroso, Sahlman Williams, and Alicia Calhoun, PMA



Gordon Smith, California Tree Fruit Agreement, Kasey Cronquist, California Cut Flower Commission (CCFC), and David Cruz, California Avocado Commission (CAC)



Chuck Ciruli, Ciruli Bros., Todd Penza, Pinto Bros. Inc.



Kevin Donovan, Phillips Mushroom Farms, and Lorna Christie, PMA



Roberta Cook, UC Davis, and Ed and Rosa Boutonnet, Ocean Mist Farms



Priscilla Lleras, Peruvian Asparagus Importers Association, and Jodean Robbins, PRODUCE BUSINESS



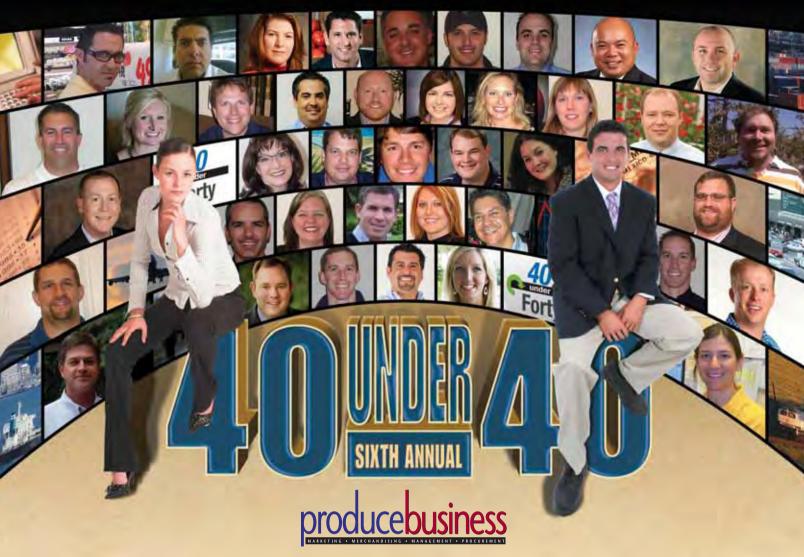
Farmer's Best International LLC.



Nelia Alamo, Gills Onions, Kevin Partida, Eurofresh Farms, and Maik Shanahangeis, Buy California Marketing Agreement



Jesus (Chuy) Loza Freska Produce International LLC



PRODUCE BUSINESS is accepting nominations for its Sixth Annual 40 Under Forty Project, which recognizes the produce industry's top young leaders.

Honorees will be selected based on their professional accomplishments, demonstrated leadership and industry/community contributions. To be eligible, nominees must be under the age of 40 as of January 1 (People born after January 1, 1970).

To nominate someone, please go to www.producebusiness.com and click on the 40 under Forty icon, or fill out this form by March 1, 2010, and fax back to 561-994-1610.

Once nominated, the candidate will receive forms from us to fill out asking for detailed information. A candidate only needs to be nominated one time. Multiple nominations will have no bearing on selection.

ABOUT THE NOMINEE: Nominee's Professional Achievements: First Name _ _____ Last Name _____ Approximate Age Company _____ Position ____ ______ Nominee's Industry/Community/Charitable Activities: Address ____ City ______ State _____Postal Code _____ Country _____ Phone _ ABOUT THE NOMINATOR: E-mail _ First Name _____ Last Name _____ Company _____ In 100 words or less, describe why this person should be nominated: Position (You can use the back of this sheet for this) Address _____ ______ State _____Postal Code _____ City ____ Phone ______ Fax _____ E-mail _____

THE RISING STAR RECEPTION





Bill Martin and Jacqueline LoMonte,

PRODUCE BUSINESS





Nancy Tucker, PMA, Kristen Reid and Leonard Batti, MIXTEC, and Adam Linder, CHEP

Ken Whitacre, PRODUCE BUSINESS, and Paula Gonzalez, PMA

Brennon Neff, Dole Fresh Fruit Co.









Elaine Thomson, Jack S. Thomson, Karen M. Thomson and Jeff Thomson, Thomson International Inc.

Rich and Clari Dachman, Sysco Corp., Francis Nathanson, and Yulia Kalina, Arizona State University







Jim Prevor, Product Business, Kori Tuggle, Ocean Mist Farms, Jay Pack, The Pack Group, and Mary and Joe Pezzini, Ocean Mist Farms

Peter Grannis, Maines Paper & Food Service Inc.









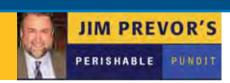
Gail Roemling and Ande Manos, Babe' Farms Inc., Jeanette DeConinck-Hertzler, MCL Fresh, Joe Ange, Markon Cooperative, and Rocio Munoz, Babe' Farms Inc.

Brian Rayfield, J & J Produce Inc.

Agrexco (USA) Ltd.

Safeway And Stater Bros. **Approach Recession Differently**

From Jim Prevor's Perishable Pundit October 30, 2009



ow to handle a recession is a very interesting business question. The Wall Street Journal ran a piece by Timothy W. Martin, titled "Safeway Shifts Tactics in Grocery Price War":

Safeway Inc. long banked on customers paying higher prices in return for top-notch fresh produce and upscale ambience in its Dominick's, Vons, Tom Thumb and other supermarkets. Now the third-largest U.S. grocery chain by revenue says it is cutting prices to stop shoppers from going elsewhere.

It may be too little too late. The Pleasanton, Calif., chain Thursday reported its third straight quarter of declining sales at stores open at least a year as earnings slid 35% compared with a year ago.

Some analysts think the company is half-heartedly cutting prices while continuing to build and remodel stores that are monuments to better days.

Even after its discounts, its prices are still higher. Safeway's prices are 10.7% higher than those of Kroger Co.'s, according to a September pricing study by J.P. Morgan, measuring identical baskets of 31 products.

Says Morgan Stanley retail analyst Mark Wiltamuth, "Safeway is on the wrong end of the trade-down occurring in grocery."

Over the past six years, Safeway invested more than \$8 billion upgrading its stores and adding exotic fresh produce and a bevy of prepared foods. Then the economy tumbled. Stung by high unemployment and economic uncertainty, many Safeway customers trimmed food budgets and left for less expensive grocers or warehouse clubs including Costco Wholesale Corp. Safeway's embrace of olive bars and prepared foods were a turnoff to customers who took them as signs of extravagance.

Safeway Chief Executive Steve Burd declined an interview through a spokesman but told analysts last month that his strategy will be proven correct eventually. "When the business cycle returns to normal, we'll be handsomely rewarded," he said.

For now, Safeway's paying a steep price for moving slowly. The company on Thursday posted fiscal third-quarter earnings of \$128.8 million, or 31 cents a share, down from \$199.7 million, for its fiscal-third quarter ended Sept. 12. Sales at stores open at least a year declined 3%, while overall revenue fell 7%, to \$9.5 billion for the quarter.

Last month, Mr. Burd conceded had the chain moved quicker to lower prices, it would be "doing a bit better than we are now."

It seems as if Steve Burd's inclination is to stay upscale in the hope of maintaining its reputation. He is, in effect, saying when the economy rebounds, consumers will move upscale and Safeway wants to be there.

A contrasting attitude can be seen in this quote from the same article:

Stater Bros. Markets, a regional chain with 167 stores in southern California, lowered prices this summer on more than 6,000 items while sending employees to rival stores in search of discounts to match.

"We are scraping the bottom of the tank right now on prices," Stater's CEO Jack Brown said in a recent interview. "I'm not going to let somebody steal my customer, because when this (recession) is all over, I don't want to go looking for my customer."

So Jack Brown is basically saying that he wants to hold onto the customer and then, if the market changes and consumers start to want to go upscale, he will move upscale with them.

One never wants to underestimate Jack Brown but, with one caveat, we think Steve Burd has the better argument.

The problem with Jack Brown's theory is that going upscale is not just a matter of carrying upscale merchandise... it is a matter of having an upscale reputation.

Of course, the article says that Safeway is now lowering prices:

In 2005, Mr. Burd told investors he wanted to brand his stores' shopping experience "just as a consumer packaged goods company can brand a product." The grocer invested in remodeling its 1,700-plus stores, installing softer lighting and painting ceilings and walls with earthy tones.

And during the economic boom it worked. Same-store sales grew steadily - from 1.5% to 4.5%, quarter-to-quarter - from 2005 through March 2008.

But, even as the economy began to sour, the chain fell behind rivals at lowering prices. By September 2008, same-store sales growth — excluding fuel - had slid to less than 1%; in the quarter ended June 20, same-store growth declined by 2.2% and September's worsened.

Today, it's trying to make up for lost time. In a Safeway-operated Dominick's in Chicago, banners now proclaim, "Thousands of New Everyday Low Prices." It promotes green bell peppers that have been marked down to 99 cents from \$1.39. The price of a 10-pack of Capri Sun 100% grape juice was nearly halved, to \$2.99 from its old price of \$4.79.

On the front page of weekly ad circulars in Denver, Safeway stores tout "Dollar Deals!" like 79-cent brownie mix and 99-cent sausage links. Safeway's Tom Thumb stores offer a weekend discount including five boxes of macaroni & cheese for \$2.

The truth is that if your store is a brand, there are limits on what one can and should do. Otherwise, the prestige will be gone when things eventually turn around.

Of course, the problem with that strategy is that companies do not have infinite capital to wait for the cycle to turn, and executives at publicly held companies do not have infinite time before restless boards of directors and common shareholders force changes.

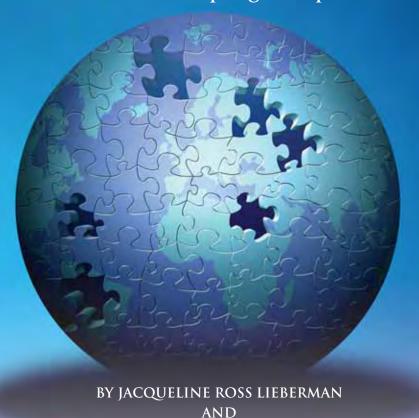
So the question is: Does a company like Safeway have enough staying power to stick to its brand positioning until things get better? The answer depends on how distant any turnaround is. Steve Burd thinks it is soon:

Mr. Burd is optimistic the boom days will return. He told analysts on Thursday the grocery giant is seeing signs of easing in the double-digit deflation in dairy and fresh produce. Shoppers are also showing signs of trading up, buying more lattes over coffee and purchasing more premium wines. "That suggests to me, we're at or near the bottom of this whole thing," Mr. Burd said.

Let us hope he's right. Although, sometimes, the wish is father to the thought.

DIRECT IMPORTING: THE PROCUREMENT PUZZLE

Retailers given the mandate to streamline efficiencies should think twice before attempting to import directly.



JENNIFER LESLIE KRAMER

espite the bold effort of a few retail chains to import fresh produce directly from foreign countries, virtually all, if not all, retailers are still relying on brokers and importers for the vast bulk of their imported goods. With mandates from top executives to cut costs and streamline efficiencies, international procurement strategies are on the table for discussion. However, according to importers, brokers and international trade experts, retailers need to consider all the pitfalls before heading down that road.

"Right now, the industry is in a state of change as some stores are moving toward direct buying," asserts Nancy Tucker, vice president of global business development for the Produce Marketing Association (PMA), in Newark, DE. "Certainly, there's been a lot of discussion about Wal-Mart's changes in procurement," she adds.

Other large retailers are looking to save money by buying direct, as well. In addition to Wal-Mart, many are looking to the UK to serve as a model, where retailers often have direct contact with overseas suppliers, as in the



For The Biggest & Best In California Table Grapes, All Varieties Lead To Dulcich







Jakov P. Dulcich & Sons









case of South Africa.

"We're seeing that more and more," agrees Jose Luis Obregon, managing director for the Hass Avocado Board (HAB), headquartered in Irvine, CA. "There are certain retailers that are big enough to import their own product. Those bigger retailers have so much more volume coming in that they can import directly."

The current economic climate may be encouraging this trend. "As competition gets stiffer and people try to cut costs, they try to do things direct," explains Obregon. But, he notes, most Hass avocados are still imported by distributors.

VARIABLES TO CONSIDER

Direct international procurement is not as easy as it seems, and bypassing importers has its downsides. "Retailers are looking at what they can do to reduce their costs," says Tucker, "but they also have to figure out the additional costs. It's a balancing act," she asserts. "Does the chain have the expertise and is it large enough to take on all the logistics that are needed?"

Dr. Hans Maurer, managing director for Auckland, New Zealand-based The AgriChain Centre and chairman for the International Federation for Produce Standards, which provides an international forum to address issues of standardization for produce sectors around the world, acknowledges the trend, but, "also sees some retailers getting

"Retailers are looking at what they can do to reduce their costs, but they also have to figure out the additional costs. It's a balancing act. Does the chain have the expertise and is it large enough to take on all the logistics that are needed?"

> Nancy Tucker Produce Marketing Association

their fingers burned in an area where angels fear to tread." With that in mind, he recommends retailers ask themselves five fundamental questions before embarking on a direct import regime:





- 1. Why is direct importing part of my core business?
- 2. How am I placed to cope with the increased business risks related to foreign management, owning crops on the water and operating in isolation from the market?
- 3. What will I do with the produce I have imported directly if it has quality problems upon arrival?
- 4. Where will I obtain replacement merchandise if something goes awry with my own imports?
- 5. How sure am I that I could not have a better profit if I were to stick to my knitting?

"A retailer's purpose in life is to satisfy the needs and wants of its consumers," maintains Dr. Maurer. "Household shoppers do not care whether the produce is imported directly, by one of the big brand wholesalers or by rowboat from China. They judge the produce they buy through appearance, taste and value. A retailer wishing to be an importer can't expect to be treated any differently by the consumer when it comes to quality and value."

Additionally, with fluctuating currencies, many overseas exporters want to try selling their goods to the United States, diversifying their market and currency risks. "Fluctuating international currency values have opened up the market with product, as many are sending their product to the United States, hoping for better returns," explains John





The Hass Avocado Board promotes Hass avocados from a variety of countries including Mexico, Chile, New Zealand and the Dominican Republic.

Anderson, president and CEO of David Oppenheimer & Associates Partnership, based in Vancouver, British Columbia, Canada. "As such, prices remain competitive."

"It's because of consumer demand," contends Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., based in Los Angeles, CA. "People would love to have a peach during the off-season. That's the beauty of being able to import in. People love to have currants for Thanksgiving and cherries for Valentine's Day." The ability to use the same fresh produce item yearround is especially important at the foodservice level, Schueller adds. "If they have a signature dish, they like to offer that dish year-round."

Many of the companies bringing in Hass avocados are realizing the same thing, which is why many distributors are vertically integrated with growing regions around the world, providing yearround product for their customers, notes Obregon.



Reader Service # 37

As a result, items such as avocados are always in the pipeline. But this does not always mean the flow is even. There are still peak seasons and times when supply is relatively low.

As avocados have increasingly become available from diverse sources, "The industry understands the flow of fruit from these various sources," Obregon adds. However, with the exception of a few mammoth-sized retailers, most retail operations do not have the resources required to properly monitor supply quality and markets in multiple sources of production that span the globe. Thus, it's a more consistent and economical choice for most retailers to rely on suppliers that have the experience and assets to provide safe, consistent crops year-round.

"A retailer wishing to be an importer can't expect to be treated any differently by the consumer when it comes to quality and value."

— Dr. Hans Maurer The AgriChain Centre

"With its global scope, Wal-Mart has special reasons to pursue global procurement," notes Jim Prevor, who writes on retailing and international trade at *perishablepundit.com*, headquartered in Boca Raton, FL. "The company wants to build political equity in nations around the world as it will need government approvals for acquisitions,

Rising To Meet Phytosanitary Requirements

oreign products bound for the United States must meet a number of phytosanitary requirements set forth by the USDA's Animal and Plant Health Inspection Services, also known as APHIS. While these rules and regulations prove to be a challenging process, many countries are pursuing APHIS' approval in an effort to export more products to the United States.

"The USDA/APHIS approval process to allow new products from a new source to enter the USA is a lengthy, expensive and time-consuming endeavor," explains Mark Greenberg, senior vice president and chief operating officer for Fisher Capespan U.S.A. LLC, based in Gloucester City, NY. "It is aimed at ensuring that a new product does not carry with it a phytosanitary or other threat that could negatively impact domestic fruit production or marketing. But in recent years, Chilean citrus, Clementines a few years ago, and Navel oranges this year, were granted access to the United States, so we are active in sourcing Chilean citrus. In addition, our activities in Peru have increased as Peruvian citrus gained access to the United States three years ago." He adds, "Argentinean lemons may well be re-introduced to the United States shortly."

"In recent years, the United States has allowed the import of produce from many countries of origin that were previously restricted," reports John Anderson, president and CEO of David Oppenheimer & Associates Partnership, based in Vancouver, British Columbia, Canada. At long last, many countries are finally meeting APHIS requirements. "One recent example would be Chilean navels, which have just been allowed into the country for the first time this year. Two summers ago, it was the first imports of exotic fruits such as rambutans and mangosteens from Thailand," adds Anderson.

Even tried-and-true items benefit from year-round availability when USDA/APHIS approves new foreign countries. In the case of Hass avocados, "There are certain countries that are looking for access into the United States," says Jose Luis Obregon, managing director for the Hass Avocado Board (HAB), based in Irvine, CA. One possible source is Peru, but the country must first meet APHIS requirements.

"Most imported produce is restricted by what products from what areas the USDA /APHIS will allow," notes Patricia Compres, vice president and general manager of Customized Brokers, headquartered in Miami, FL. "People have been bringing avocados from Chile and Mexico for years. There's a window of opportunity for Peru, but that's not happening until the USDA sees that the country has met APHIS requirements."



Tropicals have been a mainstay in the importing industry for many years.

stores locations, etc." With the exception of Wal-Mart, though, few American retailers are making substantial efforts in global procurement, perhaps due to the fact that many produce companies are doing it for them. For example, it is not unusual today for a Chilean operation to set up a U.S. sales office or for an American company to place sourcing executives overseas.

Jim Lemke, vice president of produce for C.H. Robinson Worldwide Inc., based in Eden Prairie, MN, notes this trend growing stronger during the last two or thee years. "We decided to establish our own overseas offices so we could strengthen our relationships a bit and we could get closer to the source of supply," explains Lemke. "We want to establish people on the ground very similarly to how we have them here in North America."

As a result, C.H. Robinson can assure its customers of product consistency and quality, regardless of where the product was grown. What's more,



New Zealand's Jazz apples are just one example of exciting new varieties of imported produce being marketed into the United States.

retailers don't have to be concerned that their suppliers are out of touch. With offices around the world, they are assured their suppliers remain on the pulse of the industry and are on top of product quality and consistency.

The simple existence of a unique foreign product overseas isn't enough to justify its import into the United States. Certainly, produce suppliers are always on the lookout for new, great-tasting items, but there are certain conditions that must be met before an import program can get off the ground.

"We expand our sourcing activities to new regions when it produces a product of superior quality that fills a real need for our customer base, where the source is reliable and safe and there exists infrastructure to get the product to market efficiently or a willingness to develop such an infrastructure and expertise," says Mark Greenberg, senior vice president and chief operating officer for Fisher Capespan U.S.A. LLC, based in Gloucester City, NY. With international marketers running the show, retailers can feel confident they won't get into a risky or incomplete buying deal with a country many miles away.

KEEPING CONSUMERS HAPPY

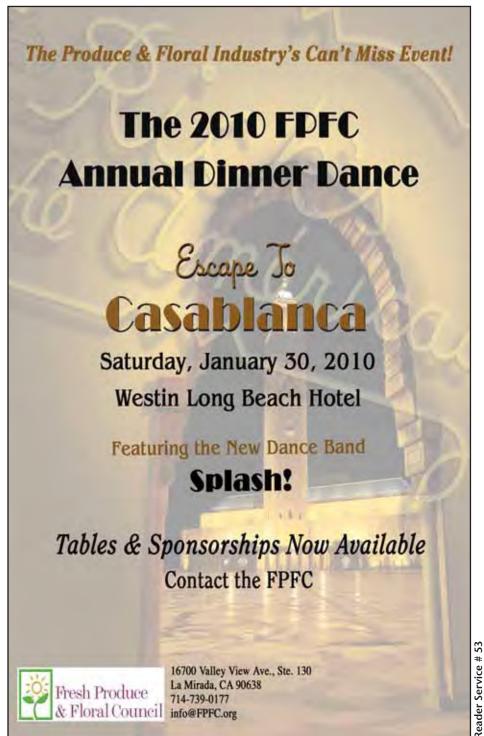
Availability is not enough to please the American consumer. Quality counts as well. Suppliers understand this, and as more produce is grown and packaged for the American population, "The consistency and quality improves as the years go by," reports the HAB's Obregon.

"U.S. consumers are no different from those elsewhere in the developed world," says The AgriChain Centre's Dr. Maurer. "They have high expectations when it comes to quality and consistency and lately in food safety, fair trade and production methodology, too." This is why international standards have become increasingly important. "Standards allow importers to purchase with a higher degree of confidence."

A lack of uniform standards may be hampering imports and creating further challenges for those retailers attempting to import direct. "Foreign retailers imposing their own environmental and food safety standards above and beyond what governments require complicates sourcing," says Sven-Erik Nielsen, policy analyst for Seattle, WAbased Bryant Christie Inc., a firm that helps companies and organizations open, access and expand international markets.

"Rather than a global patchwork-quilt of standards, we need harmonized global standards that consumers, retailers and producers can all have confidence in," he explains. Otherwise, growers who have spent additional time and money cultivating crops acceptable for those countries with stricter import standards would sooner sell to these countries, where they have the opportunity to make higher profits for their high-quality produce, rather than be short-changed selling to the United States.

There are many opportunities for retailers to please consumers and gain a competitive edge through new products. As consumers are staying in and rediscovering the joys of cooking and entertaining at home due to the current economic climate, they are spending more money discovering new items at the grocery store, such as New Zealand's latest apple variety or South Africa's newest kind of orange. Anderson of David Oppen-



The Locally Grown Push vs. **Produce From Around The Globe**

r. Hans Maurer, managing director for Auckland, New Zealand-based The AgriChain Centre and chairman for the International Federation for Produce Standards asserts the international trade of produce has come a long way. "There have been great improvements in the pace at which we are capable of shipping around the world and the [packaging and logistics] technology used to get it right, which is now at our disposal. As a consequence, the market contains substantial customer segments for which the concept of seasonal supply is simply unacceptable." However, Dr. Maurer also recognizes the growing segment of the population supporting the locally grown movement. "There is also a growing market segment that rejects that and wants to turn the clock back, increasing market complexity yet again."

John Anderson, president and CEO of David Oppenheimer & Associates Partnership, based in Vancouver, British Columbia, Canada, notices the same trend. "There is a strange dichotomy going on in the global industry that has been made worse by the economy," he points out. "On one hand, we have more produce entering the market from sources around the world, but on the other, there is a greater demand from the media and consumers for domestic product."

It may seem counterintuitive to offer more produce from farther away while the local movement gains ground. But, Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., based in Los Angeles, CA, wonders, "Who really knows what 'locally grown' means to people? In most states across the country, that's pretty much a two-month deal." While residents of a few choice California counties can eat locally the whole year through, the majority of the country has come to depend on the consistent arrival of fresh produce from foreign countries throughout the year.

"The United States produces a wide range of fresh fruit products," adds Mark Greenberg, senior vice president and chief operating officer for Fisher Capespan U.S.A. LLC, in Gloucester City, NY. "Indeed, the United States produces almost every type of deciduous, citrus and sub-tropical fruit. The imported fruit industry — tropicals aside — is engaged primarily in bringing high-quality products that bridge the end of the domestic production season with the start of the next. With initiatives aimed at lengthening the domestic marketing season through extending storage programs — as in the case of apples — to development of new late season varieties — in the case of table grapes — to cultivating products that had previously been almost the exclusive domain of importers — as in the case of Clementines — those of us engaged in the imported fruit business will need to be more intrepid and more creative in the types of products we source in order to continue to offer our customers quality products that enhance their offerings to their customers."

In other words, unless the item is not grown here, "The focus of imported fruits and vegetables should be to offset what we grow domestically," says Schueller. "Produce in America is not sustainable by itself, unless you want to only eat root vegetables all winter long."

In addition, the supply coming from the United States may well shrink in upcoming years. "People are looking to get produce that is not as expensive to grow elsewhere as it is to grow here," notes Patricia Compres, vice president and general manager of Customized Brokers, in Miami, FL. In the United States, "Land is very valuable; labor is very expensive; there are environmental issues. It's often much cheaper to grow it somewhere else. This may not be as true for grains, harvested efficiently on massive combines, but for fresh produce, where harvest typically requires hard-labor, it is a serious issue."

The fact is, in today's marketplace, consumers want what they want, when they want it. Consumers have gotten accustomed to the year-round availability of many items. For example, they expect to see summer fruit, such as cherries, available in the winter for Valentine's Day, and consumers perceive avocados as an item with an endless season. "There are a lot of crops you can't grow year-round, such as peaches. So we look to the opposite side of the equator," says Schueller.

"Consumers have gotten used to a wide variety of fresh, delicious produce available any time of year," acknowledges Anderson. "But in order to be able to give them that, retailers must rely on international product. The growing seasons are determined by nature, and some tropical crops won't grow here at all. In order to offer the types of fresh produce in the volumes that are necessary, you may have to look beyond the borders of our country. That's a good thing — a healthy thing — both for consumers and the global community. We have a wide range of growers in North America and abroad bringing fresh and delicious produce to our customers in every season. When it comes down to it, we're all working toward a common goal — the more people we get eating fresh produce, the better off we'll all be," Anderson continues.

Retailers' attention to local buying patterns may also lead to more domestic production of products that are enjoyed from overseas exporters. Melissa's Schueller points out that once interesting, new items are introduced to the American palate, domestic growers are often inspired to try growing that crop in the United States. When this occurs, retailers win big, as they are now able to domestically source items that were previously foreign specialties.

For example, mangos have been grown commercially in California for five years and lychees have been grown in Florida for two. "Twenty years ago, shallots were purely a 100 percent imported item," Schueller says. "Due to consumer demand and the fact that shallots are not too different from onions, domestic onion growers embraced the shallot." Today, shallots are grown in the United States year-round and most of what is sold here is grown domestically. In other cases, "There are some fruits and vegetables that we just can't grow, such as bananas," he adds, which combined with counter-seasonal imports and imports driven by prices, assures the importance and necessity of importpb ing to come for many years.

heimer & Associates confirms this trend. "With consumers spending less on big-ticket items, they're spending more time at home and on 'little

luxuries,' such as fresh produce. Jazz apples and Enza's newest addition, the Envy, offer a new take on an old favorite." Thus, it's critical retailers pay attention to consumer buying habits, being sure to stay on the cusp of new and exciting produce varieties arriving from around the world.



Despite the chill in the air, produce sales will continue to be hot with a focus on upcoming holidays that are perfectly promotable.

BY CAROL BAREUTHER, RD

"There's no place like home for the holidays." The title of this 1950s hit Christmas tune may ring even truer with consumers this season due to tough eco-

According to results from Whole Foods Market's annual Food Shopping Trends Tracker survey, conducted by Harris Interactive and released September 2, over half (51 percent) of the nearly 2,200 adults



surveyed nationwide said they were eating dinner at home more often. This should translate into good news for retailers, as shoppers head to the supermarket to buy ingredients for holiday meals and parties.

Even better, says Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., based in Los Angeles, CA, is that "all the major holidays from December through February take place on a weekend. Produce sales are larger and promotions are more successful when holidays fall on the weekend. That's because consumers have more time for cooking and entertaining."

HANUKKAH: December 11

Known as the Festival of Lights, this holiday celebrated by the Jewish faith lasts eight days and eight nights and features many traditional foods and customs.

Schueller asserts, "The timing this year is great. Hanukkah falls about two weeks after Thanksgiving and two weeks before Christmas so retailers can promote one holiday right after another."

Potatoes, onions, root vegetables and fresh herbs are among the popular produce items to promote.

CHRISTMAS & NEW YEARS: December 25 & December 31

Entertaining is popular in the run-up to the winter holidays. This season, Stemilt Growers, in Wenatchee, WA, is introducing its What A Pear promotion, a great way to position pears as perfect party fare. Roger Pepperl, marketing director, says, "The promotion pairs a classic pear variety with a cheese that complements the fruit's distinctive flavor. It entices shoppers to purchase pears by giving them a new way to incorporate the fruit into their diets beyond simple, out-of-hand eating."

Stemilt offers four 11x7-inch POS cards for the promotion. Each one features one of four pairings: Red Anjou pears with Brie cheese, Bartlett pears with Gouda cheese, Anjou pears with Goat cheese and Bosc pears with White Aged Cheddar cheese. The company also offers a pop-up bin display unit that can hold either bulk or tote bags of pears and be set up in the produce department or in the deli or dairy next to the cheese display.

"Feature a different pairing each month," recommends Pepperl. "This will maintain consumer interest and drive sales all season long. Be sure to offer ripe pears. Research shows that carrying conditioned pears can increase sales by 16 percent."

Enticing customers to buy more pears, especially more specialty pears, is the goal of Sage Fruit's new Pear Points program, which started in October and will run through the end of the season in May Chunk Sinks, president of sales and marketing for Yakima, WA-based Sage Fruit Co. LLC, says, "Bartletts and Anjous are the bulk of pear sales, but Bosc, Comice, Seckel and Forelle are all available during the winter. We've put a sticker offering either one point for mainline varieties or three points for non-mainline varieties in each box of pears. At the end of the season, produce managers can redeem the points they accumulate for a variety of prizes."

Cranberries are a key ingredient in many Christmas dinners. Blake Johnston, principal partner/managing member of The Cranberry Network LLC, based in Wisconsin Rapids, WI, reveals, "Our goal is to assure a consistent supply of cranberries into the end of December, which hasn't been the case in the past."

Johnston adds, "After Thanksgiving, retailers should promote cranberries in early December and again in the week or

Christmas At Kings Super Markets Means Traditional Meal Fixings



hristmas produce promotions at Kings Super Markets Inc., a 26-store chain based in Parsippany, NJ, focus on fixings for the traditional holiday meal. Paul Kneeland, vice president of produce and floral, says, "Most people are going to have a turkey, roast or ham. So we'll promote all the sides, such as potatoes, asparagus and other cooking vegetables. Broccoli is especially a big hit."

Last year, Kneeland and his staff created a special 6-foot display in store that highlighted the combination of broccoli and cheese. Wrapped heads of fresh broccoli were positioned around a wicker basket that held cut blocks of cheddar cheese. A large, uncut wheel of cheddar sat at the top of the display while another wicker basket placed in front of the display held dry packets of hollandaise mix. Upright bundles of fresh asparagus were located on either side of the broccoli and cheddar display with fresh lemons and red bell peppers cross-merchandised into the mix.

"The display provided great color and practical meal solutions, too," says Kneeland. **pb**

two before Christmas. Let customers know it's the end of the season and time to stock up, especially since cranberries freeze well. Offer recipes, too, as they can be used to make more than just cranberry sauce. You can bake with them, for example, or use them in smoothies."

Sweet potatoes are another holiday staple. Matt Garber, partner in Garber Farms, in Iota, LA, points out, "Christmas is the third biggest holiday of the year for sweet potato sales, with Thanksgiving and Easter ranking first and second, respectively."

Stocking more than one size of sweet potatoes will increase sales, maintains Garber. "That means everything from the standard 12- to 18-ounce to a 6- to 8-ounce potato," he clarifies. "Some consumers prefer a smaller potato because of the portion size.

Smaller potatoes also cook faster."

Randy Boushey, president of A & L Potato Co. Inc., located in East Grand Forks, ND, believes, "Anytime there's family gatherings is a good time to promote potatoes."

Seth Pemsler, vice president of retail for the Idaho Potato Commission (IPC), in Eagle, ID, agrees and advises, "Offer an assortment of potato varieties. Consumers tend to lean toward traditional dishes, but they're also more apt to splurge on a higher quality or premium type of potato this time of year."

Russets are the all-purpose baking and mashing potato, notes Randy Shell, vice president of marketing for Russet Potato Exchange Inc. (RPE), headquartered in Bancroft, WI. "But, whites, reds or Yukons can be mashed, too. Fingerlings are also becom-

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ing more popular."

Maine historically is a white potato producing state. However, according to Timothy Hobbs, director of development and grower relations for the Maine Potato Board, based in Presque Isle, ME, "Our growers have become increasingly interested in growing a variety of potatoes, including reds and yellows as well as baby size potatoes."

Cross-merchandising can boost sales, says Roland McDonald, market development officer for the Prince Edward Island Potato Board, in Charlottetown, PEI, Canada. "Consumers still want ideas on how to prepare potatoes. Tie ingredients such as cheeses, dressings and herbs into the display and provide recipes," he suggests.

Potatoes tend to be a shopping list item during the holidays. However, Ted Kreis, marketing and communications director for the Northern Plains Potato Growers Association, in East Grand Forks, MN, acknowledges, "It doesn't hurt to promote to keep them top of mind. Some retailers use them as a loss leader, but you don't have to sacrifice your margin to get good movement."

New Year's Day is filled with college football games, parades and food, points out

Melissa's Schueller. "Offer a full variety of snack items and stock up on fresh ingredients to make meals." he advises.

CITRUS SEASON: January, February & March

The citrus category is growing, and there are now a number of specialty orange, tangerine and grapefruit varieties that can liven up the produce department in winter.

Julie DeWolf, director of retail marketing for retail promotions at Sunkist Growers Inc., in Van Nuys, CA, reports, "Specialty citrus is becoming a bigger part of the category. For example, more retailers want exclusive rights to a variety. Many of these varieties, such as the Pixie tangerine and Golden Nugget Mandarin, are in small supply and have a short window."

Consumer demand is growing the production of other types of specialty citrus, such as Cara Cara navels. DeWolf reports, "Cara Caras will be up 28 percent in volume over last year and more than 50 percent of the crop is projected to size large, in the 56 to 72 range."

In general, when building a citrus display, "Remember that 'eye' appeal is 'buy' appeal," reminds Paula Fouchek, marketing director for the Edinburg Citrus Association, based in Edinburg, TX. "Always have cut Texas Red grapefruit on display, as doing this can increase sales up to 10 percent. Likewise, cut, wrap and display oranges so the consumer can see the interior quality of the fruit. Also, provide the consumer with a choice. Have bulk fruit for individual selection and bagged fruit for value. Bagged fruit can help lift sales up to 30 percent."

Fouchek adds, "Take care of the displays. Don't forget to pay attention to the fruit. Remove fruit if it is dehydrated, shriveled or flabby and don't forget to check the bagged

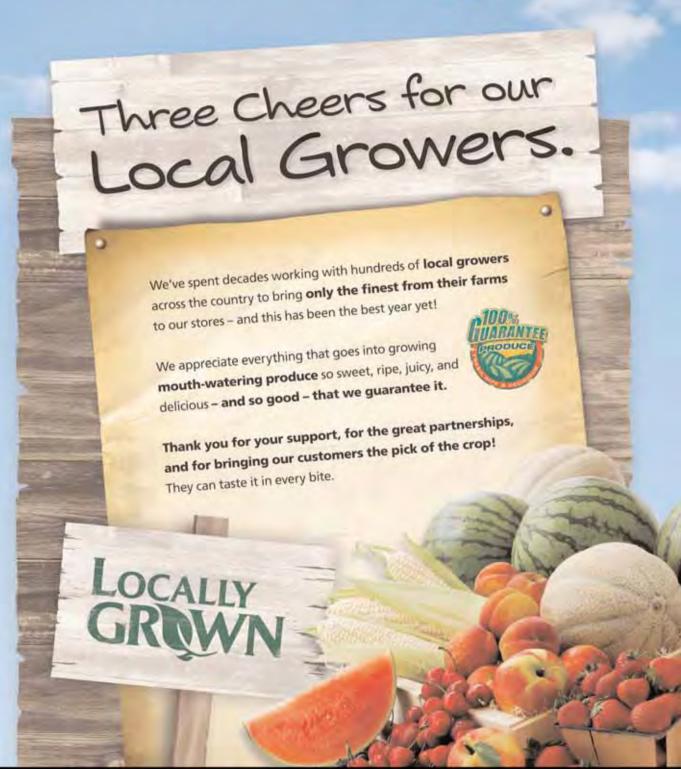
This season, the Florida Department of Citrus (FDOC), located in Lakeland, FL, will offer new POS materials to retailers. Pete Palmer, retail communications director, remarks, "We put these materials together after extensively speaking with both retailers and grower/shippers to get their input." The materials are targeted to oranges and tangerines and include a 5x7-inch bin sign, which comes with clear plastic display clips, a pocket-size (3x5-inch) consumer brochure and display holder and produce cards.

In addition, the FDOC will repeat its successful grapefruit spoon offer. Mail-in coupons offering free grapefruit spoons will be included in 3-pound bags of grapefruit. Last year, more than 20,000 spoons were sent to consumers. The FDOC has also pro-



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SAFEWAY ()















duced a new Produce Buyer's Guide for citrus. Information contained in this guide includes a description of varieties and availability

Peak volume for domestic citrus in California, Texas and Florida is January, February and March. DeWolf notes, "February is a good time to promote multiple varieties six, seven or eight at a time - on ad as a 'citrus spectacular.'" Sunkist will also be working with retailers on a variety of promotions, one of which positions citrus as a preventative for colds and flu.

SUPER BOWL: February 7

Think snack and finger foods for Super Bowl parties, says Melissa's Schueller. "This includes guacamole, salsa and 'dippers,' such as carrot sticks and celery sticks. Some produce departments will even bring in beer and merchandise it next to the limes."

Phil Gruszka, vice president of marketing for Grimmway Farms, in Bakersfield, CA, reports, "Seventy percent of total dollar sales in the carrot category are baby carrots, but don't forget about other value-added products such as carrot chips and shreds. These can add incremental sales without

cannibalizing sales of the baby carrots."

"Cherry and grape tomatoes for snacking and sliced rounds of tomatoes for sandwiches are popular for promotion at Super Bowl time," according to Larry Narwold, director of business development for Nation Fresh, hadguartered in Littleton, CO. "But romas for dicing and making into fresh salsa really lead the pack."

Likewise, avocados are a big ingredient for guacamole making. Jan DeLyser, vice president of merchandising for the California Avocado Commission, headquartered in Irvine, CA, reveals, "53.5 million pounds of avocados were sold for Super Bowl 2009, up from 53.1 pounds in 2008. This is a time of

Citrus Stars In Wintertime **Promotions At New Seasons Market**

itrus fruit is featured in a big way in the run up to the Christmas holidays, as well as in January at New Seasons Market, a 9-store chain based in Portland, OR. Jeff Fairchild, director of produce, says, "We build big displays of 3- and 5-pound boxes of Satsumas and Clementines on end caps in the front of the department and merchandise them as gift fruit in December. They make great impulse purchases as hostess gifts during this holiday season."

Gift baskets are also popular. "We offer three types at three different price points," Fairchild reports. "One will feature local Northwest apples and pears, another will be made up of all high-end tropicals along with citrus, and a third will be mid-priced combination of the two."

Navel oranges take over end cap displays in January. "One weekend in January we'll host a huge sampling event of up to 25 different types of citrus," Fairchild says. "There will be different varieties of oranges, tangerines and grapefruit from Florida, Texas and California. We'll also have some lemons and limes, including Meyer and Lisbon lemons."

Fairchild adds, "Our staff cuts up and samples the fruit while explaining to customers what's unique about it, what it's good for and how to enjoy it. It's an educational event that really boosts sales by encouraging customers to try something new." pb





year when the three major supplying regions, Chile, Mexico and California, are all in the market."

The Chilean Avocado Importers Association (CAIA), offers several promotional opportunities for retailers including an instore display contest called Grab Some for the Game. When creating a winning display of avocados, Maggie Bezart, marketing director, recommends, "Build it big and keep it full. Most retailers display avocados with the tomatoes. Tomatoes are a perfect complement for avocados since both are merchandised unrefrigerated."

Bezart adds, "Utilizing multiple sizes allows for multiple price points. Buy-one-get-one and multiple buys, such as 5-for-\$5 and 10-for-\$10 really create sales excitement and additional movement. With high volumes and excellent case costs, retailers will have a good margin and consumers will have an enticing retail this season."

Be sure to display a good mix of preripened or breaking fruit and hard fruit, Bezart continues. "Shopper surveys illustrate 46 percent of shoppers are looking for unripe fruit."

The CAIA offers new bins that are the



Platters & Party Foods Featured For Super Bowl At Econo Foods

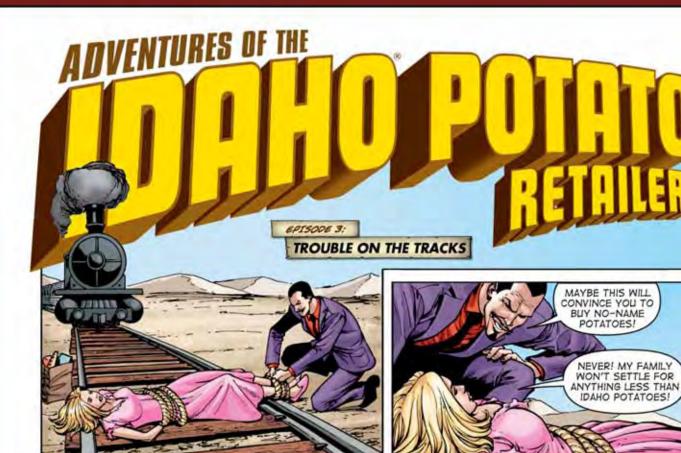
osts and hostesses shopping for foods to feed family and friends on Super Bowl weekend will find a one-stop-shop of choices at Econo Foods, a 6-store chain based in Brillion, WI. Jim Weber, produce supervisor, says, "We set up a grab-and-go section in the first section you see when you walk into the produce department. Here, we'll display cut fruit and vegetable platters that we make ourselves in the back room. They're priced \$7.98 each and have a dip included. We see sales of these platters increase by over 500 percent in the week leading up to the Super Bowl."

Cauliflower, broccoli, celery, baby carrots, snap peas and grape tomatoes are among the main ingredients in the vegetable platters, while both red and green grapes, cantaloupe, honeydew, pineapple and strawberries are in the fruit platters.

"We'll also merchandize prepared guacamole and salsa in the same primary position as the platters," says Weber. For customers who want to make their own, Weber features vegetable dips and produce items, such as baby carrots, broccoli florets and grape tomatoes, in the chain's weekly circular ad, as well as avocados, vine-ripe tomatoes and onions for making guacamole and salsa.

Peanuts are also on sale. "We'll bring in a watermelon-sized bin that holds 400 pounds of roasted, salted peanuts in the shell," says Weber. "We sell them bulk by the pound."



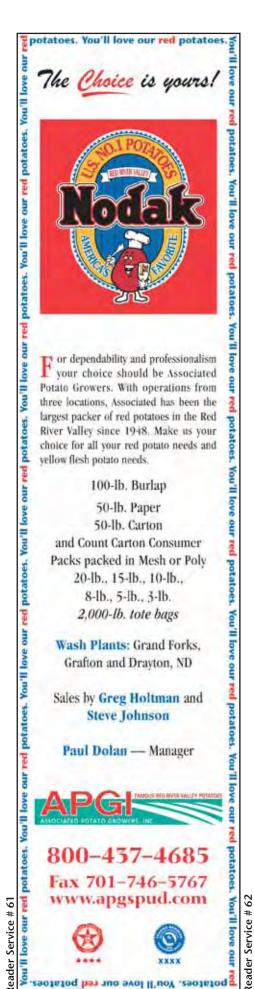












Schnuck Celebrates Chinese New Year

ustomers shopping at Schnuck Markets Inc., a chain based in St. Louis, MO, enjoyed a fun, hands-on opportunity last January 24th to learn about the exotic fruits, vegetables and gourmet ingredients that make up the Chinese New Year's feast. Schnucks teamed with Frieda's, a specialty produce supplier based in Los Alamitos, CA, to carry out this promotion.

During the 8-hour signature Frieda's Produce University open house, Schnucks customers were able to see, touch, taste and inquire about a variety of Asian specialties as well as learn how to incorporate these items into meals. The specialty produce items included citrus fruits such as Oroblancos, Kumquats, Pummelos, Ginger Root, Egg Roll and Won Ton Wrappers, Asian noodle varieties such as Chow Mein, Udon and Yakisoba, Mori-Nu Tofu, Daikon Radish, and stir-fry vegetables such as Water-Packed Water Chestnuts, Bamboo Shoots and Baby Corn, as well as fresh Snow Peas, Sugar Snap Peas and Baby Bok Choy. Many of these items were sampled as part of this produce education program

Mike O'Brien, Schnucks vice president of produce, says, "Chinese New Year is the perfect food-focused occasion for learning about the great variety of fresh Asian specialties."

same footprint that is used by those from California. "These allow retailers to merchandise avocados in several different locations in the store, from the front of the produce department and the potato chip and snacking aisles, to building a bigger display for their holiday and sports promotions and even right at the check-out," explains Bezart.

POTATO LOVER'S MONTH: February 1 to 28

February has swung from one of the worst months for potato sales to one of the best, says the IPC's Pemsler. "We believe one of the main reasons for this is the annual Idaho Potato Lover's Month Retail Display Contest." he remarks. "In 2009, we had near-

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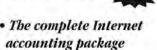
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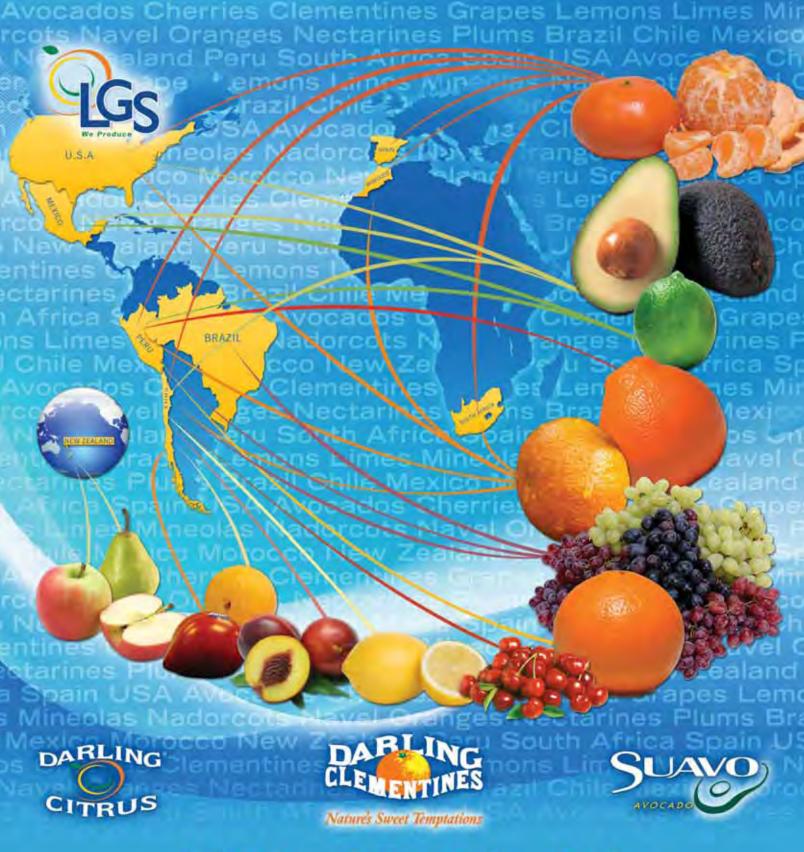
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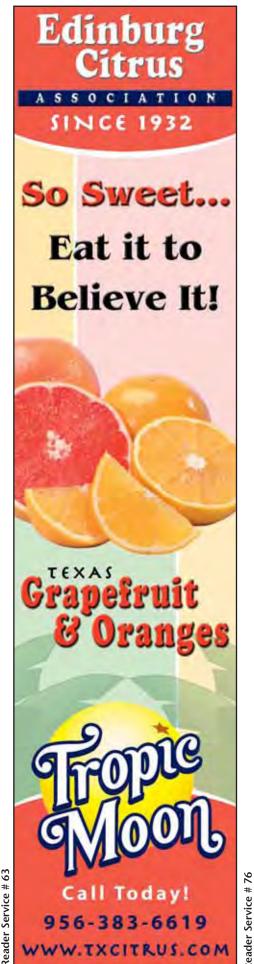
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Take advantage of the Chinese New Year by grouping popular Asian items.

ly 2,200 entries, and growers in the state reported shipping numbers in February equivalent to those during the Thanksgiving and Christmas time periods."

Once again, Kraft Food's Mrs. Dash Seasoning Blends and Molly McButter are joining the IPC promotion as partners to help pump up sales. A POS display kit is available to help fuel retailers' creativity to make a sales-driving product display. Displays must be in place at least one week during the January 26 - February 27, 2009, contest period. Entries will be judged on the following criteria: use of Potato Lover's Month signage; creativity of the display; how the display incorporates the partner products; and perceived salability of the display. Prize money is awarded to winners in three different store categories.

Aside from participating in the display contest, bigger isn't always better when setting a retail potato display, maintains Paul Dolan, general manager for Associated Potato Growers Inc., based in Grand Forks, ND. "When it gets too large, it can be difficult to maintain well. Potatoes need to be rotated regularly to prevent greening and product must be culled to keep the display fresh."

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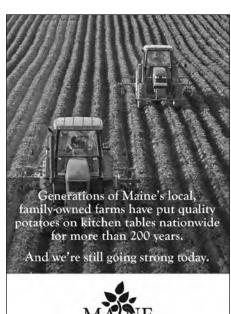
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In addition, Pemsler recommends, "Let customers know the value of buying potatoes. We offer signage that notes an average 5.6-ounce potato costs only 25 cents."

CHINESE NEW YEAR: February 14

According to Melissa's Schueller, "Chinese New Year celebrations are a time of reunion, when families get together and celebrate over special feasts with foods to symbolize abundance, wealth, longevity and good fortune. Good items to promote include ginger, daikon, bok choy, Napa cabbage, snow peas, sugar snap peas, egg roll and wonton wrappers, as well as Korean pears, star fruit, kumquats and Buddha's hand citrus."

Pummelos and tangerines are also popular in Asian communities for Chinese New Years, says Sunkist's DeWolf.

Jan Berk, vice president of marketing and business development for San Miguel Produce Inc., Oxnard, CA, reports, "Asian specialty items are a new product line for us." The line includes 8.8-ounce packs of vegetables such as flowering cabbage, baby bok choy and snow pea shoots.

VALENTINE'S DAY: February 14

A favorite combination to promote for Valentine's Day is fresh strawberries and crepes, points out Karen Caplan, president of Frieda's Inc., in Los Alamitos, CA.

Fouchek of the Edinburg Citrus Association suggests, "Tie in Red grapefruit with prepared strawberry glaze and packaged crepes in a display for Valentine's Day. Also, introduce red grapefruit to customers in a salad promotion. Build a display with bagged salads and suggest tossing sections of Red grapefruit into various salad blends. Then, add various sweet dressings to the display such as raspberry vinaigrette or balsamic, for example. Since red grapefruit doesn't need to be held below 50 degrees, a secondary display can be built in front of the refrigerated salad rack."

The Pear Bureau Northwest, headquartered in Milwaukie, OR, will host its Perfect Pears promotion in February. Dennis James, director of marketing, says, "This month-long celebration focuses on the passion of cooking." Retailers can customize the promotion around themes such as in-store culinary classes, or cooking for couples, or Moms and Dads cooking with their kids. Instore radio in 6,500 stores nationwide and spots on Radio Disney in 25 markets will support the promotion.



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Imported Onions: Challenges & Opportunities Highlight Sweet Winter Deal

With consistent availability from around the globe and proper retail displays, imported onions are set for success.

BY CAROL BAREUTHER

Sweet onions are staple ingredients in summertime salads and sandwiches, but today's consumers desire mild-flavored onions for their cold weather chiles, soups and stews.

Over the past decade, several onion grower/shippers have seized on this opportunity and set up import programs in South America, Central America and Mexico in an effort to fill in the domestic supply gap.

Paul Kneeland, vice president of produce and floral for Kings Super Markets Inc., a 26-store chain based in Parsippany, NJ, says, "Customers want sweet onions all the time now and that means buying them from offshore in the winter. Year-round availability, and the sweet onion's mild flavor, has made it our No. 1 seller in the onion category."



The imported sweet onion deal is counter-seasonal to the United States, offering a perfect winter fill-in to American-grown onions.

SEAMLESS AVAILABILITY

The United States imported 544.5 million pounds of onions from Mexico, Peru, Chile, Guatemala and Ecuador in 2008, according to statistics provided by the USDA's Economic Research Service, down 18 percent from the prior year, due to weather-related issues. Many, but not all of these, are short-day, flat-shaped, Granex type, what's known as 'sweet' onions.

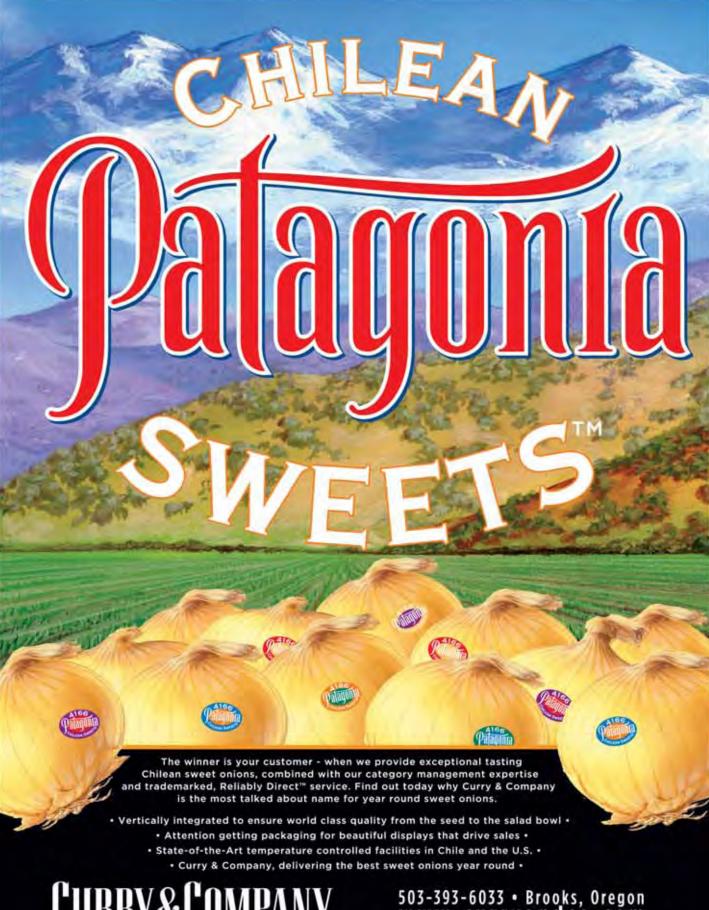
To produce a truly sweet onion in the winter, "you need the right variety of seed as well as the proper day length, climate, soil conditions and good agricultural practices," explains Marty Kamer, sales manager for the Northeast office of Keystone Fruit Marketing Inc., based in Greencastle, PA.

Imports of offshore sweet onions begin in early fall - just as Georgia Vidalias and Washington Walla Wallas are finishing up - and runs through March, when the 1015s start in Texas.

According to Delbert Bland, president and CEO of Glennville, GA-based Bland Farms LLC, "The supply of sweet onions is pretty seamless year-round. For example, this year we had already brought in 100 loads from Peru by the time we finished up the Vidalias."

Peruvian sweet onions start arriving in U.S. ports from late August to early September, reports John Shuman, president and director of sales at Shuman Produce Inc., in Reidsville, GA. "Arrivals are mostly done by late December into early January with sales finishing up anywhere between mid-January to early February."

In addition to being counter-seasonal to the United States, Peru's climate is conducive to sweet onion cultivation, explains Barry Rogers, president of the Sweet Onion Trading Corp., headquartered in Melbourne, FL. "The onion growing region in Peru is a desert. A dry atmosphere means less pathogens



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and less disease pressures. Water is supplied through irrigation."

Sweet onions start shipping out of Chile in January and run through March, according to Mark Breimeister, president of Waterford, MI-based AAA Produce Exchange Inc. and logistics manager for the OSO Sweet brand of onions from Chile. "Some shippers try to sell Peruvian onions through February, but certain sugars in the onions can break down during storage," he says. "Growing sweet onions in Chile takes about 60 days longer than it does in Peru. Fields are located at the foothills of the Andes Mountains. However, it's the combination of cool nights and warm days that produces a good, fresh sweet onion during this window."

So far, the weather has been ideal in Peru and Chile, remarks Matt Curry, president of Curry & Co. Inc., located in Brooks, OR. "At this point in time [mid-September], we're expecting full crops from both countries. In 2008, availability was one of the greatest challenges. There was strong demand from the United States and other countries for the Peruvian onion and we fought all year to meet this demand," he adds. "In 2009, we believe we have ample volumes for consistent supplies and we're going to work closely with our retail partners to guarantee the

"Logistics is a big challenge in offshore markets. You have to sell product while it is still on the water and market movement and pricing can change."

— Curtis DeBerry Progreso Produce Co.

consistent supply they need."

Some companies import sweet onions from Ecuador and Guatemala during the same time frame that Peru and Chile, respectively, are in the market.

Other companies, such as Edinburg, TX-based Frontera Produce Ltd., will import sweet onions from the Tampico area of Mexico from the first of February through mid-March. Chris Eddy, director of sales, says, "This allows us to get a head start on the









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season and have a sweet onion for consumers when the springtime thaw hits. The advantage is truck transit overnight from Mexico to south Texas, rather than a couple of weeks on the sea from South America." He adds, "This season, we're changing our harvest method. Instead of hand-picking into a burlap bag, we'll use a bin system. This should help with quality, bruising and shelf-life issues."

SHELF LIFE CONCERNS & WELL-SET DISPLAYS

One of the challenges in marketing imported sweet onions is that they lose some shelf-life in transportation time, points out Steve Phipps, principal owner and sales and marketing director for Market Fresh Services, headquartered in Springfield, MO. "The way to remedy this is to keep inventory turns high and watch displays for any breakdown or spoilage," he adds. "Also, rotate, rotate, rotate."

Displays of sweet onions at Econo Foods, a 6-store chain based in Brillion, WI, are about the same size year-round, reports produce supervisor Jim Weber. "They're our No. 1 selling onion."

Frontera's Eddy adds, "The majority of imported sweet onions are sold bulk in a jumbo or a colossal size, although there are some consumer packs with smaller onions available, too."

Curry & Co.'s Curry details, "We have 2-, 3- and 5-pound high-graphic bags available. The bagged onion category continues to be a strong one in these economic times and bagged sweet onions carry the same value message as standard bagged onions."

Consumers buy with their eyes, says AAA Produce's Breimeister. "Big displays of sweet onions are what sells."

Not Just For Summer

teve Phipps, principal owner and sales and marketing director for Market Fresh Services, headquartered in Springfield, MO says, "Sweet onions are no longer just a summer item."

Paul Kneeland, vice president of produce and floral for Kings Super Markets Inc., a 26-store chain based in Parsippany, NJ, agrees and says, "We promote sweet onions for football season. For example, we'll cross display them along with green bell peppers over near the sausage in the meat department. Throughout the winter, we'll also cross promote them with roasts. Sales improve when we do this."

Depending on the region of the country, Matt Curry, president of Curry & Co. Inc., located in Brooks, OR, points out, "Retailers can cross merchandise winter onions with a variety of 'winter-appropriate' foods. For example, in the northern part of the country there's a lot of soups, stews and chilis, and sweet onions are great in recipes for all of these. In the south, you still have a lot of barbecuing and sweet onions are a must for barbecued hamburgers and chicken."

"The winter holidays are a great time to promote sweet onions because they are shelf-stable and have multiple uses in recipes so consumers see a value in this product," explains John Shuman, president and director of sales at Shuman Produce Inc., in Reidsville, GA.

Barry Rogers, president of the Sweet Onion Trading Corp., headquartered in

Melbourne, FL, says, "We do a tremendous business with Peruvian sweets starting around the first of November and see exponential sales that continue right through the holiday period."

In the run up to Thanksgiving, Derrell Kelso, Jr., owner and president of Onions Etc. Inc., in Stockton, CA, recommends, "Build a big display and put sweet onions on ad the week before the holiday. There's more room on trucks this week; produce staff isn't as busy as they are on the holiday week; and sweet onions have a good shelf life. Then, leave the display up for Thanksgiving week and clean up your inventory on this busy sales week."

The Super Bowl in January is another good time to promote. Brian Katsick, general manager for OSO Sweet Onions, says, "Our onions out of Chile peak in supply in January. This is a time when there isn't a lot of other produce available to promote and it corresponds to Super Bowl time. Sweet onions are great in all the dishes people eat while watching the game, such as chili, appetizers and burgers."

Katsick adds, good promotional strategies to implement during this time "are 10 pounds for \$10 promotions. Also, crossmerchandise the sweet onions in the meat department for added sales."

The imported sweet onion category has come a long way. Ten years ago, it was a "niche," says Kelso. "It's now a huge opportunity for retailers and we expect to see this grow in the future." pb



Bagged onions are a popular choice during the current economic climate.

Curry agrees, noting, "I think there is an opportunity for retailers to have a clearly defined 'sweet onion' display that celebrates the variety of sweet onions as their respective season is harvested. In fact, we have just branded our own category as 'Three-Six-Five Solutions' to demonstrate to retailers that we can supply onions for them 365 davs-a-vear."

Specifically for winter onion merchandising, Curry continues, "I think some of the tried-and-true display methods work. Waterfall or other large displays that allow for the packaging and/or signage can help catch the customers' attention. Often times, consumers and their kids aren't familiar with the geographical location of certain countries. Retailers could feature a map that illustrates the location of Peru, noting this is where these onions come from."

Brian Katsick, general manager for Charleston, WV-based OSO Sweet Onions, a grower/shipper of Chilean onions, adds, "We offer our onions in classic, wood crates that make great display pieces. We also provide 12x36-inch high-graphic banners and other POS materials, such as recipe cards. Customized photography and script is available for retailers who want to design their own display and promotional materials. Our onions have a great story to tell and consumers today want to know more about their food and where it comes from."

EDUCATION IS KEY

Consumers still need to be educated about the availability of sweet onions. Weber of Econo Foods says, "It is important to let customers know we have sweet onions available all the time. We do this a couple of ways. One is through our produce managers as they talk with customers each day. Other ways are to always make sure we have proper signage on the display. We often use point-of-sale materials from suppliers as well."

Signing a display of onions as 'sweet' is doubly important. Frontera's Eddy explains, "Brands of imported sweet onions don't have the name recognition that an onion such as a Vidalia does."

Curry maintains, "A stand-alone or waterfall display can physically separate the sweets from the everyday onions. We also offer high graphic bags, which attract consumer attention."

Signage, branding and packaging aside, another way to educate consumers about sweet onions is to teach them what to look for in a sweet onion. Sweet onions tend to have a flatter shape than standard onions, explains Curry. "Occasionally, retailers have used that as a point of distinction between

onions with consumers."

It's also important for cashiers to know the difference between a sweet onion and a storage onion. Curry adds, "Our bright and colorful PLU labels allow cashiers to easily capture the value-added sale of a sweet onion. This is critical to maximize their sweet onion sales."

PRICE & PROMOTION

One of the biggest challenges when it comes to merchandizing imported sweet onions is price. Kneeland of Kings Super Market's admits, "Sweet onions cost more in



the winter than they do in the summer. Quality can make up for this since this is part of the value equation for customers."

However, at Econo Foods, Weber finds that higher price isn't much of a drawback. "The cost of an imported sweet onion isn't double what it is in the summer, like you might find for tree fruit," he clarifies. "For example, Vidalias might be 99-cents perpound during the peak of the season and imported sweets might be \$1.29 to \$1.39 during their peak. Red and white onions are in this same price range, so customers don't really see a big difference."

Curtis DeBerry, owner of Progreso Produce Co., based in Pharr, TX says, "There is a narrowing of the price range between imported and domestic sweet onions. For example, FOBs on imports over the last five years have generally dropped from the upper to mid and now lower \$20s. By contrast, the FOBs on Texas 1015s and Vidalias have been in the upper teens." However, he adds, "Logistics is a big challenge in offshore markets. You have to sell product while it is still on the water and market movement and pricing can change. For example, if you've got a big snow in the Northeast, no one moves around or goes out to shop. The ports can even be snowed in."

> "The cost of an imported sweet onion isn't double what it is in the summer, like you might find for tree fruit. For example, Vidalias might be 99cents per-pound during the peak of the season and imported sweets might be \$1.29 to \$1.39 during their peak."

> > — Jim Weber **Econo Foods**

Bland of Bland Farms cautions retailers not to merchandize sweet onions one week and a less expensive variety of onion the next week that may be more pungent. "If you go back and forth between the two, you'll confuse the customer," he explains. "It's hard to build consumer confidence and repeat sales when there's a lack of consistency in the product."

Imported sweet onions aren't necessarily promoted as often as their domestic counterparts. Jeff Fairchild, director of produce at New Seasons Market, a 9-store chain based in Portland, OR, says, "We'll carry imported sweet onions, but we don't promote them. Our customers look to us to support locally grown product. But there isn't a locally grown sweet onion this time of year."

Econo Food's Weber adds, "While we keep display size the same, the difference is that we won't promote sweet onions during the winter." However, he adds, "We will sign the onions as 'new crop' when we enter a new growing region."

Curry & Co.'s Curry asserts, "Advertising sweet onions as 'new' or 'seasonal' can help create excitement and alert your customers to the fact that you are a leader in the sweet onion category."



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 - · Received numerous professional awards including one on Produce Marketing for Nutrition Research and the Five a Day for Better Health Award. In addition to many others from Michigan Chamber of Commerce, Michigan University and Michigan Department of Labor and Economics award for thirty years of work with setting and implementing occupational health standards.
 - · Served on the board of United Fresh Fruit and Vegetable Association and the Michigan Onion Committee.
 - · Master Farmer award from the Michigan Vegetable Council.

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Build California Citrus Sales

Stock this season's latest and greatest varieties from long-time staples to emerging favorites and seasonal specialties.

BY AMY SHANNON

Despite increased international competition and recent detection of disease-causing insects, California growers are increasing production of several well-known citrus favorites, such as navel oranges, Clementines and other Mandarin varieties.

> As production in Chile and other international growing regions winds down, domestic production is heating up, providing retailers with plenty of opportunity to maximize California citrus sales.

> According to the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Services' (NASS), California's 2009/10 navel orange crop is projected at 1.5 million tons, 16 percent higher than last season's revised crop estimate of 1.3 million tons. The increase is due to a 46 percent higher fruit set per tree and an expected bigger average size per fruit over last season.

> "Already, there are some Sunkist specialty citrus varieties in the market and with larger volumes to come as the holidays approach," states Leland Wong, director of marketing for Sunkist Growers Inc., in Van Nuys, CA. "Supplies will be more abun-

Displaying all citrus together provides an eye-catching color break, drawing attention to the fruit.

dant this year as Sunkist growers are producing more of these wonderful winter treats."

Sunkist markets all major varieties of California citrus, including navels and Valencia oranges, grapefruits and lemons. The citrus cooperative also works with a wide variety of seasonal specialties, such as Clementines, Minneolas, California Mandarins, Pomelos and specialty oranges.

Paramount Citrus, headquartered in Delano, CA, is a fully integrated orange, lemon and Clementine grower, packer, shipper and marketer of fresh citrus. It owns, cultivates and harvests more than 30,000 acres of fresh citrus, including Clementines, Mandarins, navel and Valencia oranges, lemons, Minneolas and other citrus varieties. "By growing a wide variety of California citrus, we are able to ensure retailers and consumers have a year-round supply," reports Ashley Martorana, director of marketing.

In order to keep up with increasing demand for fresh California citrus, Booth Ranches LLC, in Orange Cove, CA, recently closed a deal with Sunny Cove Citrus LLC, also based in Orange Cove, CA, to obtain a 17,000-square-foot Sunny Cove packing shed as part of an expansion deal. By 2012, Booth Ranches expects to ship 4 million cartons of navels, reports Neil Galone, vice president of marketing and sales, describing the move as "planned growth strategy."

Ranked second in the United States in citrus production, California produced 26 percent of the nation's citrus, including 80 percent of the country's fresh-market oranges, reports NASS in its Fruits and Tree Nuts Trade Outlook published September 29, 2009. Florida leads the citrus industry, producing 71 percent, while Texas and Arizona account for the remaining 3 percent. California also supplies 87 percent of the nation's lemons.

California-grown lemons are a year-round favorite, adds Wong, and beginning in October, a wide variety of oranges, including Cara Cara navels, the Power Orange, grapefruits and Mandarins will begin their season. "Cara Cara navel oranges have emerged as a consumer favorite because in addition to having a unique citrus taste, they are an excellent source of vitamin C and are a natural source of lycopene and potassium," explains Wong.

"There's been a lot of talk about Cara Caras," reports Barney Evans, vice president of sales and marketing for Sun Pacific Marketing Cooperative Inc., the Los Angeles, CA-based marketing arm of Sun Pacific. Each year, Sun Pacific moves more than 20 million boxes of Cuties Clementines and more than 9 million boxes of oranges to destinations throughout the world. "Navels are really our cornerstone, but we're growing more Clementines, too."

Sunkist growers continue to expand its list of organic varieties, which includes organic navel, Valencia, Cara Cara oranges, lemons, Satsumas and W. Murcott Mandarins. "Our customers tell us they are very pleased that we have crafted an organics programs and are happy to see it expanding," reports Russ Hanlin, Sunkist president and CEO.

COMPETITIVE MARKET

While competition for consumers' dollars is increasing as the global market expands to include Chile, Australia, South Africa, Spain, Morocco and Peru, U.S. growers are learning to adapt and even embrace the challenge. "Worldwide competition has brought greater attention to the citrus category, but at the same time, each growing region has their own seasonality, unique qualities and place on everyone's shopping list," notes Wong. "Sunkist California- and Arizona-grown citrus remain a best-selling brand to the trade and consumers."

Sunkist's size, expertise and excellent reputation allow it to better position itself to market to larger operators, keep its customer focus and find new niches for its products. "The citrus industry is always about change and Sunkist has adapted," Wong notes. "Sunkist Global has partnered with quality southern hemisphere growers to make counter-seasonal fresh citrus available year-around to consumers."

NASS's 2009 Citrus Summary, released September 24, reports the season-average equivalent-on-tree price for California navels in 2008/09 was \$11.31 per 75-pound box. Due to the expected bigger crop this season, California navel orange growers are likely to receive a lower price-per-box than last season.

NASS indicators suggest that a larger navel orange crop may mean higher prospects of boosting exportable supplies this coming winter and spring - the peak season for the crop. The opportunities are welcome, considering export growth of major U.S. citrus fruit was lackluster during the 2008/09 season, posting volume declines of 41 percent for the season through July for lemons, 19 percent for

Disease-Carrying Insect Threatens California Citrus Crop

s California growers gear up for the fall citrus season, attention is turning to the discovery of Asian citrus psyllid (ASP), a small, winged, brown-speckled insect that can carry Huanglongbing (HLB), a bacterial disease deadly to citrus trees. As of press time, the disease itself hadn't appeared in California, but the alarm triggered several quarantines in the state.

In September and October, the California Department of Food and Agriculture (CDFA), based in Sacramento, CA, placed several counties, including Los Angeles and Orange counties, on quarantine regulating the movement of citrus and closely related plants. "The quarantine is an important step toward the spread of this pest," notes CDFA Secretary A.G. Kawamura. "This action pro-

oranges and 9 percent for grapefruits.

While domestic production dropped this past season, U.S. imports of fresh oranges and tangerines, including Clementines, climbed 16 percent and 39 percent between 2007/08 and 2008/09 seasons. "Much of the growth in orange imports this season through July began around late winter as California navel orange supplies tightened," according to the NASS report.

Steve Nelsen, managing partner of Valhalla Sales & Marketing Inc., based in Visalia, CA, says the worldwide citrus competition has "impacted us more in the summertime when it comes to Valencias and domestic lemons, but overall, we've had one of the better Valencia years." The company plans to begin harvesting Satsuma Mandarins in the later part of October and navels just before Thanksgiving.

LUCIOUS LEMONS

In the 2008/09 season, Chile regained its rank as the No. 1 supplier of imported lemons to the United States, with shipments up 17 percent, according to the NASS report. Greater availability of lemons in the domestic market, resulting from the bigger California lemon crop this past year, decreased demand for imported lemons. "Mexican lemons were mostly affected by the lack of demand in the United States because Mexico's lemon shipping season coincides with the peak season for domestic lemons," the report adds.

"On the flip side," Martorana states, "Mexican lemons have helped Paramount Citrus provide a consistent lemon supply to our customers when the California crop is at tects our state's citrus farmers and also protects our backyard citrus trees, which are equally susceptible to the HLB disease that these pests can spread."

Fortunately, awareness about the disease is growing, and California citrus growers are taking precautions today more than ever. CDFA regularly conducts field surveys for ACP and other pests statewide.

"Controlling the pest will not be easy, but it can be done," stresses Ted Batkin, president of the California Citrus Research Board (CCRB), based in Auburn, CA. "We need help from the community to inspect their trees and report the pest in order to protect not only the citrus industry in California, but also the ability of homeowners to grow citrus in their backvards."

its lowest."

Paramount Citrus makes secondary lemon displays bins available to retailers with the purchase of the company's lemons. "This helps drive impulse sales of lemons and limes outside of the produce department and have proven to be very effective," Martorana adds.

Once found only at local farmers' markets or specialty stores, Meyer lemons are growing in popularity. Sunkist growers now offer them year-round in half, 20-pound cartons and convenient 1-pound net bags. The gourmet treats are originally from China and considered to be a cross between a regular lemon and a Mandarin, or an orange. Their juice is sweeter and less acidic than regular lemons and they have a thin, smooth, brightly colored rind. Consumers like using them in lemon-based deserts.

Melissa's/World Variety Produce Inc., headquartered in Los Angeles, CA, works with seedless lemons that are perfect to add juice and zest to marinades and sauces. They can even be used to retain the color and add flare to fruit salads. "A squeeze of lemon without the seeds speeds up preparation time and enhances the flavor of many dishes, including chicken, fish, vegetables and soups," notes Robert Schueller, public relations director.

CLEMENTINES AND MANDARINS

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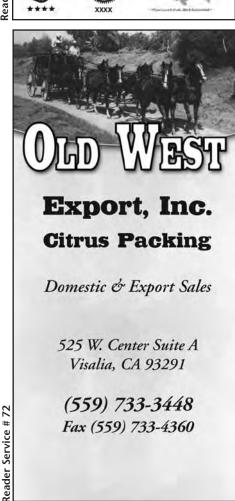


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Otis Booth, Jr.







will continue to increase over the next 10 years," notes Paramount's Martorana.

The Mandarin segment of the fresh citrus category has grown 28 percent in dollar sales over the last three years, reports Martorana, citing Nielsen Fresh Facts. "This is driven by the Cuties brand, which is up 135 percent during this same 3-year period."

Sunkist markets not only Mandarin varieties from California and Arizona, but also from other growing regions as well. "Coming over the next few years will also be a large variety of other Mandarin varieties that will help grow the market," Wong says.

November marks the beginning of Paramount Citrus' Cuties California Clementine and navel orange season, perhaps two of its most popular citrus products, states Martorana. "Since 2004, our Cuties brand of California Clementines and Mandarins has been a household favorite in the Western United States," according to Martorana. "As their popularity grows, we are now able to expand our distribution further into the South and Midwest and will hopefully hit grocery store produce departments nationally by November 7, 2009."

IRRESISTIBLE DISPLAYS

One of the best ways to boost California citrus sales is to build displays that include a nice mix of bulk and packaged product. "In addition to the traditional bulk displays and 4-pound bags, Sunkist has been a leader in developing recyclable and sustainable citrus packaging in line with consumer shopping preferences," explains Wong. "Consumer cartons and [tote] bags not only make a visual impact, but also provide busy shoppers with the convenience to grab-and-go at their favorite supermarket or club store.

Strategically placed secondary displays within the produce department and throughout the store saves busy consumers the trouble of backtracking to pick up items they may have forgotten the initial goround. "This can be especially easy to do with boxed Clementines or bagged navels as they come in bins," explains Martorana. "Plus, rotating citrus to the front of the produce section when navels and Clementines come into season is a great way to gain traction early on," recommends Martorana.

Sunkist's Wong reccomends stocking a wide range of packaged California citrus in addition to the traditional bulk displays. "Provide signage that identifies, describes, or includes recipe suggestions and provides nutritional information."

Display citrus varieties all together to provide nice color breaks for the consumers and draw attention to the fruit, notes Martorana. "Secondary placement of lemons



and limes outside of produce in the seafood section or beverage aisle has found tremendous success."

MARKETING ASSISTANCE

Many citrus marketing companies, such as Sunkist, provide helpful merchandising information on their Web sites. "Sunkist offers some sensational retail support to encourage consumers to experience the amazing flavors of these holiday favorites," Wong notes.

In-store displays, freestanding inserts (FSIs) and in-pack coupons are three vehicles that have proven to be particularly successful for Paramount's Cuties brand. "Our in-pack coupon had a redemption rate of over 20 percent, which is unheard of," states Martorana proudly.

For the 2009/10 season, Paramount Citrus will be continuing its coupon program with three FSIs and two in-pack coupons. Cuties will continue with the in-store displays, in-pack kids activity and new stickers, "which were a big hit with consumers last year," Martorana adds. "We will also continue with our soccer sponsorships, an event that hit more than 90 cities across the country, but concentrated in California, Arizona and Texas."

"We also have a special offer around bagged navels where we will donate 5 percent of the sales of the bag to a community organization selected by the retailers," Martorana points out.

Creating best practices from strategy through evaluation, Sun Pacific works closely with its retail customers to develop customized programs that work for them and their consumers. Captivating POP materials, category management tools and retail marketing programs, including contests and special events, are available upon request. pb



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Central American Imports Mean Quality, Consistent And Competitive Produce

Fall and winter produce from Central America enables retailers to offer consistent, high-quality supply of popular items year-round at competitive prices.

BY JACQUELINE ROSS LIEBERMAN

Central America has become a steady source of supply for counter-seasonal, non-traditional and tropical produce.

Today, these countries also grow a variety of fruits and vegetables, including snow peas, sugar snap peas, green beans, blackberries, raspberries, mangos, limes and melons. Yet their products rarely compete with those same items that are grown in the United States.

"Produce from Central America is available at times of the year when domestic product is not

available," explains Charlie Eagle, vice president of business development for Pompano Beach, FL-based Southern Specialties Inc., growers and importers of a number of produce items from Central America.

"Our season starts at the tail end of the domestic season and ends right before the domestic season begins again," elaborates Lou Kertesz, vice president of Fresh Quest Inc., located in Plantation, FL. The company grows, packs and imports melons and other commodities. Within Central America, seasons vary from

area to area. "That gives us the ability to be consistent with our supply," he adds.

"Consumers are becoming more aware of the benefits of incorporating fresh produce into their diets," notes Dionysios Christou, vice president of North American marketing for Del Monte Fresh Produce N.A. Inc., in Coral Gables, FL.

"With the growing interest in healthy foods, the demand for year-round, premium-quality produce has been steadily increasing," says Christou. "Local climates and conditions do not always permit the production of certain fruits year-round, such as melons, for example, but growing in Central America allows Del Monte to meet consumers' demand regardless of the season. Additionally, you cannot grow bananas or pineapple commercially in the mainland United States."

Of the five Central American countries — Guatemala, Honduras, Nicaragua, Costa Rica and El Salvador — Guatemala exports the most produce, with Honduras and Nicaragua coming in second and third place, respectively. Costa Rica and El Salvador grow very little in the way of produce, according to Martin Maldonado, a sales associate with Doral, FL-based Team Produce International Inc., a company that deals in a number of fruits and vegetables from Central America.

Kertesz remembers, "Years ago, in the wintertime, you were limited to the amount of fruit in the store. Now you can get about any variety and it's going to be good." In many instances, this would be impossible without Central American produce.

At Grocery Outlet Bargain Market stores, headquartered in Berkeley, CA, "We carry cantaloupes and honeydews, for example, from Central America," says Don Murphy, director of produce and floral. "The advantage is that without these growing



Importing cantaloupes from Central America allows the crop to be a year-round item.

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Snow peas grown in Guatemala, such as those grown by Southern Specialties, typically have smaller pods than those grown domestically.

areas we would not be able to offer our customers these products consistently during this time of year."

Central America offers growers many advantages, including significantly lower labor costs, which allows companies to grow items that are best picked by hand and to pack them by hand, as well, without raising the price point beyond what American consumers are willing to accept.

As a result, farmers can grow different varieties of familiar vegetables in these regions than can be grown in the United States. In the case of Southern Specialties' snow peas, the pods are typically smaller than most of those grown in the United States, so the crop does not yield as much weight per-acre, and the labor is more intensive. "We've selected a variety of snow peas

that is known for its dark green color, its snap and its flavor," explains Eagle. Due to lower labor costs, "Our pricing is competitive," he adds.

There are other advantages, as well. "Labor is less expensive, but the growing conditions are also ideal for the products we grow," adds Eagle of Southern Specialties. For example, Guatemala lays claim to rich volcanic soils and a variety of microclimates. "Each one is ideally suited to the product," he points out.

At Fresh Quest, growers are constantly tinkering with new varieties to determine which ones are best suited to Central American growing areas. The company's New Generation Harper cantaloupes are consistently sweet, with a long shelf-life, according to Kertesz. "The variety works very well in



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Central America," he asserts.

Del Monte's Christou says, "Freight costs are also an issue, no matter what region fresh produce is coming from. The efficiency of ocean transport and the proximity to the United States make Central America a viable sourcing region for most markets."

In fact, Central America is also much closer to the United States than a lot of other growing regions. By boat, most produce from Central America reaches Florida in two or three days, reports Kertesz. "By plane, Central America to Miami is a two-hour flight," he adds.

VERTICAL INTEGRATION

Many Central American grower-packershippers are in complete control of the product from beginning to end. "Southern Specialties has been very involved in the vertical integration process," says Eagle. The company ensures it receives the varieties it wants from quality-assured sources.

Brooks Tropicals LLC, in Homestead, FL, grows, packs and ships tropical fruits and vegetables, including Caribbean Red and Caribbean Sunrise papayas, SlimCado avocados, star fruit and Uniq Fruit, as well as chayote, calabaza, eddos, yams, plantains, yucca and malanga. "We grow more than 70 percent of what we sell," explains Mary Ostlund, director of marketing. "That allows vertical integration, literally planting and harvesting to meet our customers needs, and also lets customers' to plan four to six weeks ahead for advertising."

Fresh Quest's operations are also vertically integrated. "We took the initiative to

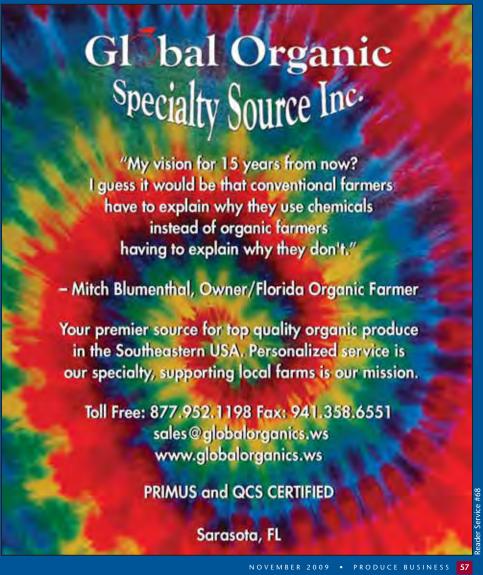
have total control of the product from the time it is put in the ground until it reaches its destination," says Kertesz. As a result, the company's food safety assurances are second-to-none. "We were one of the first to be HACCP-certified. This is our tenth season, and today, we have basically every type of food safety certification you can get."

TAKING ADVANTAGE OF TROPICALS

Many Central American items are similar to those grown domestically. The exceptions, of course, are tropicals, which retailers should use to their advantage. "Most tropical fruits and vegetables are year-round," notes Ostlund. "Retailers should view tropicals with the potential of delivering sturdy sales throughout the year. Developing a tropical







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Reader Service #10

What's New

here are a few new items to watch for out of Central America. Ayco Farms Inc., located in Deerfield Beach, FL, growers and shippers of personal seedless watermelons, as well as cantaloupes and honeydews, just introduced its new SuperMiniMe single-serve watermelons.

"We're always working on new commodities," says Lou Kertesz, vice president of Fresh Quest Inc., in Plantation, FL. "Not something that is far-fetched, but something for which we see demand. Each season on each of our farms we have an area we designate for trials." The company tries hundreds of varieties at a time, often choosing two or three from all of those that will go on to further trials. This is how Fresh Quest discovered the New Generation Harper variety of cantaloupe, which Kertesz contends is sweet, flavorful and firm, with a good shelf-life. In other words, "We've found a variety that meets everybody's specifications."

Next, Fresh Quest hopes to find a honevdew melon that similarly pleases all of its customers. "Our goal is to constantly be one step ahead of the competition," explains Kertesz.

Although new items do come out of Central America, Martin Maldonado, a sales associate with Team Produce International Inc., in Doral, FL, does not expect to see too many too soon. "Nicaragua has been doing some traditionally Caribbean products, like yucca and mélange," he says. There are some exotic items, such as rambutans, now available from Central America.

But for the most part, "Everyone is happy with what's coming out. Not much is changing," Maldonado say. Instead, what is changing is how the produce arrives. During the past five years, more produce from Central America is being packaged, often in microwaveable bags. "It's not so much the new items; it's the packaging," Maldonado points out.

aisle is taking a solid step forward in developing a great relationship with your Hispanic buyers. Educate your consumers who may be unfamiliar with the various kinds of produce," she adds. "Brooks has fact sheets on each item that can easily be handed out or displayed in the store. Pick two or three bullet points from the fact sheet to highlight how a consumer can enjoy the tropical fruit or vegetable."





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ONE OF A KIND: Atlanta State Farmers' Market

Growers and wholesalers create a lively atmosphere with a unique combination of produce offerings.

BY KEN HODGE

More than 50 years after its official opening in January, 1959, the Atlanta State Farmers' Market in Forest Park, GA, has become a staple in both the retail and wholesale market.

At 150 acres, it is one of the largest markets in the world and also one of the most unique. Its gates are open 'round the clock — except on Christmas day — and buyers who enter represent a broad cross-section of the populace, in addition to wholesale produce buyers who traditionally frequent produce markets.

More than simply a venue for wholesale fruits and vegetables, Atlanta's market is also a traditional farmers' market — the largest roadside fruit and vegetable stand in the world. Farmers and others with produce to sell can set up shop in 18 open sheds and six enclosed sheds with a total of 672 retail stalls that bring swarms of consumers from the ethnic melting pot that is greater Atlanta.

The market has two distinct sections. Wholesale buildings house nearly 40 produce vendors. The retail sheds include retail farm stands for consumers, as well as some purveyors who cater to both consumers and wholesale buyers.

The market creates many jobs and provides a significant boost to the local economy. Business is enhanced because wholesalers and retailers enjoy a symbiotic relationship, trading in all directions with each other to meet customers' needs.

As the market celebrates its 50th birthday this year at its Forest Park location, after beginning life in a smaller venue in 1939, part of its uniqueness lies in the fact that it was established by the state of Georgia and is administered by the Georgia Department of Agriculture with a vision much broader than those of other markets. This extra touch has called a great deal of public attention to the market, enhanced business for all concerned and contributed significantly to the community at large.

BREATHING NEW LIFE

"We've added a number of special events, shows and marketing opportunities, such as Salad Day, Watermelon Day, RV shows and the Exotic Bird Show that help focus attention on the market and attract visitors to our property," reveals Tommy Irvin, Georgia's commissioner of agriculture. "As the market has grown and expanded over the years, we have been able to continue hosting established events while



adding new ones. Our Georgia Grown Welcome Center and market tours for local schools and community groups continue to be popular."

Shows held in the market's exhibit hall bring "thousands of new customers to the market, who often are getting their first introduction to purchasing freshproduce directly from the farm," Irvin adds.

"I think our produce at the Atlanta Market is unique because we have a diverse ethnic population around the market and in the metro Atlanta area," Irvin elaborates. "But our main draw has always been the produce sheds dedicated to Georgia-grown produce. It's extremely important that Georgia consumers have the opportunity to purchase some of the freshest, best-tasting, best-looking produce in the nation."

Much of the Georgia-grown produce for which the market is well known is seasonal, according to Bobby Harris, assistant commissioner of marketing at the Georgia Department of Agriculture. "We are open year-round, but we really start to get busy with local produce in April when the Vidalia onions start coming in," he explains. "They are one of our most unique, one-of-a-kind products."

PROTECTING THE MARKET AND ITS PRODUCE

Orderly, clean, safe and secure are words Craig Nielsen, market manager, use to describe the Atlanta market. "Our market police help maintain the safety and security of the market," he declares. "This is



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Cleanliness and food safety are important ingredients in the produce industry and Atlanta is no exception. Many wholesalers commission their own inspections to be sure their products are absolutely safe for consumers. "Coosemans takes food safety as priority No. 1," Brian Young, vice president at Coosemans Atlanta Inc., emphasizes. "We work exceptionally hard to be perfect in our HACCP programs. We have had a 98 percent superior rating over the last few years in our audits. Food safety is something we do from the time the doors open until they close."

At General Produce Inc., another wholesaler on the market, Andrew Scott, sales and procurement manager, notes, "We just had our first full third-party audit. It was the USDA, GAP and GHP; we passed with flying colors. It makes our customers breathe easier because of our commitment to safety, quality and traceability. Since 1996, General Produce has been stickering each case of produce we receive to ensure traceability and help with inventory control."

Mike Jardina, president and CEO of J.J. Jardina Co. Inc., a firm that started as a farmstand on the market and has become one of its largest wholesalers, says, "Food safety is extremely important to our operation. We are now Primus- and USDA-certified."

SUCCESS THROUGH LOCATION AND DIVERSITY

Jardina agrees the Atlanta State Farmers' Market is unique, adding, "We have diversity not only of products, but also of customer mix," he points out. "Our location is central to the entire East Coast and having both an openair market and produce warehouses at this location is an advantage."

rather than carrying mainstream products. Much of the company's product line is dictated by the variety of ethnic cuisines popular in the Atlanta area. "We continue growing our business by increasing our Hispanic and Asian lines," he explains. "For instance, there are now chain stores in the area for Korean customers. Where Georgia may have been the traditional South 10 or 15 years ago, it's hard to find people now who are born and raised southerners living here. Pomegranate and

"In this location, we can reach 80 percent of the country overnight by truck, including places like Chicago, Boston, New York — everywhere but the extreme West and Northwest. It's location, location, location."

- Brian Young, Coosemans Atlanta Inc.

At Coosemans, Young agrees, "In this location, we can reach 80 percent of the country overnight by truck, including places such as like Chicago, Boston, New York — everywhere but the extreme West and Northwest."

The diversity of ethnic groups in Atlanta also adds to the attraction of settling there. Young reports Coosemans handles a product line of nearly 700 specialty produce items,

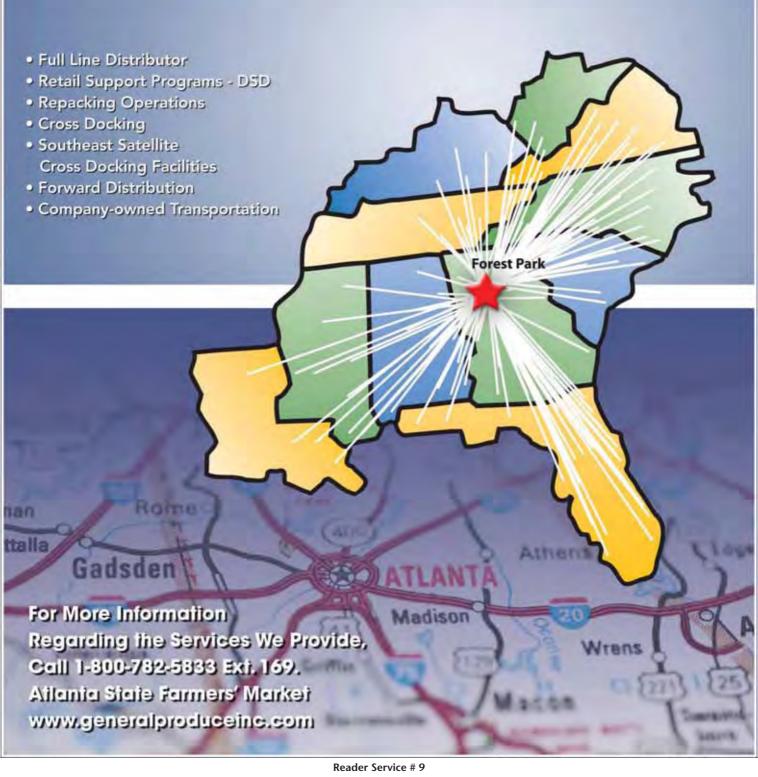
guince are not items that a southern belle or gentleman would necessarily be aware of, but Koreans can't get enough of them," Young points out.

General Produce, the largest wholesaler on the Atlanta State Farmer's market, is a full-line distributor of mainstream produce items such as apples, citrus, stone fruit, potatoes, lettuce, salads, onions and other items to retailers,





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foodservice operators and other wholesalers, according to Scott. "You can find just about any kind of produce on this market from A to Z," he says.

"Atlanta is a melting pot," Scott continues. "The population has been changing for many years, especially after the 1996 Summer Olympics. That led to even more unique produce items here in Atlanta. The Summer Olympics were a great three-week advertisement for Atlanta."

NEW ECONOMY. **NEW BUSINESS**

Changes in demographics, consumer demand and economic conditions are constantly affecting the way produce is packaged and sold in Atlanta, according to Scott. For more than 25 years, General Produce has been repacking fruits and vegetables in custom package sizes to fit customer preferences. "Currently, we have four warehouses on the market," he reports. "One is a repacking operation where we repack produce like a shipper. We recently purchased a new, state-of-the-art, two-line repacking machine. Now, we can repack apples, onions and citrus in a variety of ways, including 2-, 3-, 4-, 5- and even 8pound bags. It is versatile for what our customers need."

As consumers tighten their purse strings,



Vidalia onions are among the most popular Georgia-grown items.

Bell's Food Stores, based in Athens, GA, has felt the impact, according to Ralph Costa, director of operations. Celebrating 83 years in the grocery business this October, Bell's is a family-owned chain of six "upscale neighborhood grocery stores" that buys produce at the Atlanta market because of the excellent service and quality available there. "Our clients are pretty sophisticated in terms of produce," Costa says. "The quality we get from General Produce is grade 'A.' For a lot of the items they carry, they are able to go straight to the growers, which ensures freshness and quality for our consumers. People's buying patterns have gone from getting what they want to just purchasing what they need. They're also making more stops per week. Everybody is affected due to the situation with the economy."

At Produce Exchange of Atlanta Inc., another wholesaler on the market, manager Chris Grizzaffe agrees the economy has changed the way his retail and foodservice customers buy produce. "The economy has made a difference. Customers are scaling back. It used to be instead of buying three or four of an item, they wanted a case. Now they're not doing that. Some of our customers used to come just two or three times a week. Now they're coming every day and just buying what they need. There's no over-buying."

Nickey Gregory, president of Nickey Gregory Co. LLC, located on the Atlanta market, has noticed the same phenomenon with regard to changing consumer-buying habits. "The economy has put people back into eating meat and potatoes, literally" he remarks. "Potatoes have become a bigger item, and restaurants are buying more of them."

Produce pricing has undergone changes, too, Gregory points out. "Until two years ago, the market for some items could get as high as it really wanted," he notes. "Now, with the economy like it is, you can get the price too high and stop an item from selling. It doesn't matter what it is. In the past 10 years there weren't any ceilings on price," he reasons. "But today, instead of buying an item when the price is high, people will just do without it. People used to buy things if they wanted them, but I don't think they have that same attitude today."

Irvin says the economic downturn has not affected the number of trucks making deliveries to the Atlanta market, but total value of those deliveries dropped in 2009 compared to 2008. "Looking at the gatehouse totals for fiscal years 2008 and 2009, we actually had 38,033 trucks in 2009," he reports. "That's 84 more than 2008. However, despite having more trucks coming through the gate, the combined value of the produce and other food items logged in at our gatehouse dropped in fiscal year 2009. Fiscal year 2008 was the largest in recent memory, with \$527 million worth of products coming into the market," he continues. "In fiscal year 2009, we took a different turn as the value of the products brought to the market fell to \$436 million, which was the lowest total since 2004. I can say that since the financial crisis, we've had a few businesses leave the market, but traditionally we do not have a lot of turnover here. To have several businesses leave is unusual, but for every business that has to close, we have several others able to fill their space."



Upping The Ante For Your Banana Sales

Retailers who bet on the right quality and color can hit the jackpot in banana sales.

BY IODEAN ROBBINS

ananas may seem to be a pretty easy sell for most retailers, but a focus on promotion and merchandising is a good bet and can yield a big win in increased sales. "It's true people seek out the fruit," says Paul Rosenblatt, vice president of Banana Distributors, in the Bronx, NY. "However, bananas with a prominent display definitely sell more. The fruit has to be kept in order and uniform. When setting up a stand, you need visibility. Customers want to see a nicely organized, clean banana display. You'll sell even more if you merchandise and display in a proper way."

"Bananas are one of the top things customers come in the store to buy," reports Mike Barbour, a produce supervisor with K-VA-T Food Stores Inc., in Abingdon, VA, with 94 stores. "Attractive, quality bananas at the right ripeness will definitely increase sales. It can be the No. 1 item as far as tonnage and unit sales. There's a big difference if you don't have the right quality or maturity; it will affect your sales."

Lack of focus on banana displays can lead to lost sales and even lost customers. Mayra Velazquez de Leon, president of Organics Unlimited Inc., based in San Diego, CA, explains, "While bananas do sell themselves if they're displayed properly, we must always remember customers have options. If the bananas are in disarray, at a poor level of ripeness, or look damaged or bruised, customers will opt for other fruits, or bananas from another retailer. Everything — even bananas — has competition, and we can never forget that consumer satisfaction is kev."

"It seems easy to take banana sales for granted since bananas are typically the largest selling item in the store," says Bil Goldfield, communications manager for



While managing a two-color program is challenging, stores that do so successfully will maximize their sales.

Dole Fresh Fruit Co., in Westlake Village, CA. "However, retailers must be vigilant to ensure bananas are ripened and handled correctly all the way to the display in the supermarket. If the product does not look good or the display is half full, many consumers will pass by the banana display without a purchase."

Bananas are an opportunity to position the store and department as sensitive to customers' needs. "Bananas are your most consistently bought item on a weekly basis," agrees David Julian, produce manager for Stauffers of Kissel Hill, the 8-store chain with three grocery store locations and five garden centers, headquartered in Lititz, PA. "Customers have options and you want to be sure you are meeting their needs daily. To do that, you must constantly manage your banana display, inventory and forecast what

your movement will be to provide them with options in banana color from ready-toeat today to something that can be consumed three days from now. Do that consistently and you will develop a loyal customer."

BET ON DISPLAY SIZE AND LOCATION

Space for banana sales can vary greatly depending on the store and its demographic. Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., in Los Angeles, CA, reports, "Space averages about 5 percent, but can range from 2 to 30 percent. It tends to be higher in stores with an ethnic demographic. In core Hispanic stores, it reaches 30 percent."

"Dole recommends a minimum display space for bananas of at least 30 square feet,"



Baby bananas, along with other types of specialty bananas, are perfect for kids and consumers seeking variety.

states Goldfield. "It is equally important to ensure the banana display is kept full throughout the day. Banana sales are maximized when bananas are merchandised on a large, single-layered, well-padded display."

A larger display yields increased sales and secondary displays help encourage impulse sales. "Visual appeal is always an important factor when trying to drive product sales, especially since bananas are an impulse buy," explains Dionysios Christou, vice president of North American marketing for Del Monte Fresh Produce N.A. Inc., in Coral Gables, FL. "Big displays [averaging 30 square feet] should attract more consumers, however, demographics and store size should be carefully analyzed in order to avoid shrink. End caps are best suited for bananas, but six- to eight-foot side displays work as well."

"The larger the displays, the greater the sales," adds Mike Potts, vice president of sales for Turbana Corp., in Coral Gables FL. "Bananas can be impulse purchases, so secondary displays are very helpful."

Banana Distributors' Rosenblatt agrees on the importance of secondary displays. "Just putting bananas in a free-standing display in another aisle or near the check-out has been reported to increase sales."

VARY YOUR HAND

Merchandising a variety of bananas in the departments has multiple wins, including increasing consumer excitement and adding higher margin items to a low margin category. "Bananas are typically high volume and low margin," says Schueller. "However, specialty bananas have a tendency for high margins within the banana display in

Keep Your Conscience

air trade and social responsibility has become an increasingly important aspect of the banana supply side as banana growers, exporters and importers work to improve conditions for their employees. Turbana Corp., based in Coral Gables, FL, has recognized the importance of sustainable and social issues by becoming the first importer of Fair Trade-certified bananas in North America and announcing a corporate commitment to social responsibility in 2008.

Organics Unlimited Inc., in San Diego, CA, introduced its own program in 2005. "We feel that social responsibility is a must have," says president, Mayra Velazquez de Leon. "That's why Organics Unlimited introduced the GROW (Giving Resources and Opportunities to Workers) program in 2005. GROW has been instrumental in funding health and education programs in both Mexico and Ecuador for the banana workers and their families. GROW goes beyond what we consider the base line of a fair wage for all workers, and provides additional opportunities through scholarships, clinics and entrepreneurial outreach."

Social responsibility is an imperative for Dole Fresh Fruit Co., headquartered in Westlake Village, CA, as well. "It touches all aspects of how we operate," says Bil Goldfield, communications manager. "A highquality Dole banana is judged not only for its bright yellow color, clean unblemished peel, and sweet flavor, but also for the commitment we make to ensure the welfare of the environment and employees responsible for producing and transporting the fruit to market."

Outside of these programs being the right thing for those producing the product, they also present a huge opportunity for retailers in positioning themselves with their customers. "Consumers are becoming sensitive to social issues," says Mike Potts, vice president of sales for Turbana. "They want to feel good about their purchases."

"I don't think enough retailers are really taking advantage of these types of programs, but they should," adds Paul Rosenblatt, vice president of Banana Distributors, in the Bronx, NY. "It is a marketing opportunity that's not really being used yet. Customers want to have green in their homes, so why not their produce? If we have growers who are taking the steps to make their product more green or socially responsible, we need to follow that through and educate the consumer about these efforts."

"I believe there may be a time when there is greater interest for Fair Trade and other socially responsible products," agrees David Julian, produce manager for Stauffers of Kissel Hill, the 8-store chain with three grocery store locations and five garden centers, headquartered in Lititz, PA. "There appears to be more interest in the larger cities, and I know there are some very passionate groups who are aggressively marketing this concept. Over time, there is a very good chance there will be more of a demand." pb

today's markets."

"Consumers have shown they want to experiment with different varieties," adds Potts. "Retailers should advertise the varieties to create excitement."

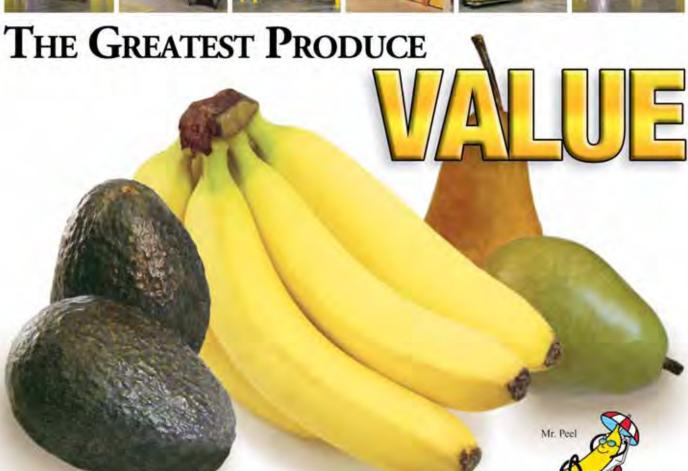
"Consumers enjoy specialty bananas, such as red bananas, because their flavor and appearance are different from 'normal' varieties," points out Velazquez de Leon of Organics Unlimited. "Plantains are an important sales item with the Latino population as well as a growing item for the marketplace, in general. We recommend displaying them next to the regular bananas where more people will see them, instead of in an area designated for specialty items. Displaying them with recipes or serving recommendations will help increase sales, too."

Specialty bananas include plantains, red banana, burros, manzano and baby, and may require more care in handling. "Many specialties don't refrigerate well and are very thin-skinned and subject to damage," warns Rosenblatt. "They get bruised very easily and will end up looking awful. So handle them with care."

Merchandising specialty bananas is all about knowing your customer base. Stauffers' Julian notes, "One store might have very little success with specialty bananas, yet within a 10-mile radius there could be a percentage of consumers who are looking for the non-traditional banana. Make no assumptions, do your homework and listen to your employees and customers."

"Latino markets, or stores with Latino clientele, should be merchandising differently," advises Melissa's Schueller. "There should be a lot more allocation of display within the store and more importance in Plantain variety. At this point, in plantains and baby bananas we're starting to see some





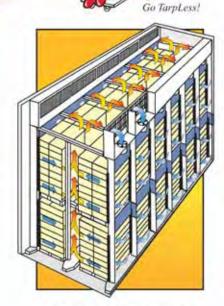
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distribution outside of Latin retailers. However, the red banana, burros, and manzano are pretty much strictly limited to Latin retailers."

Organic bananas is another growing area where retailers can add interest and margin to the category. "Cavendish bananas are the most common and popular banana, and Organics Unlimited has plentiful supplies of these," says Velazquez de Leon. "For consumers who are concerned about both health and environmental consequences of the use of chemicals in growing, these are an important alternative. Since bananas are

one of the first fruits that can be easily eaten raw by babies, having organic bananas for new mothers is important."

"Organic is a growing market for us," reports Barbour of Food City. "We also carry plantains and some stores have the red bananas. We keep our specialties with the regular banana display. That way, if customers are looking for a banana, they'll find all of them. Keeping them together may stimulate impulse purchases as well."

Ripeness Drives Sales

aving the right color banana can mean the difference between making and losing a sale. "Ripening is crucial to banana merchandising," says Karen-Ann Christenbery, general manager of American Ripener LLC, in Charlotte, NC. "Consumers today are more on-the-go than ever and they are looking for fruit that is ready to eat the day they purchase it. Proper ripening of bananas ensures retailers can provide their customers with attractive and ripe displays of bananas ready for purchase. A beautiful display of ripe bananas will bring customers into the produce department. If a store consistently carries a nice display of ripe bananas, customers are more likely to shop at that store rather than a store that is inconsistent in the ripeness of their fruit."

"Quite simply, proper banana color drives sales," asserts David Byrne, vice president of sales for Thermal Technologies Inc., based in Blythewood, SC. "Research has revealed that most consumers prefer to purchase Color 5 and 6 bananas, (yellow with green tips or full yellow) so having that color range on display is crucial to a retailer's profitability. In order to capture sales from the consumers who appreciate greener fruit, some chains have implemented two-color programs. If it is well executed, chains have boosted overall sales. For some, managing two colors has been quite a challenge. Certainly, ripening technology can help to facilitate these programs with features like dual temperature zones."

More and more retailers are building their own ripening rooms. Christenbery explains, "This cuts out the middle man, reduces the handling of the fruit and ensures they can control their own ripening process. Of course, all of the major banana suppliers also provide ripening services for their customers who do not have ripening rooms of their own."

"We do our own ripening at our distribution center," reports Mike Barbour, a produce supervisor with K-VA-T Food Stores Inc., in Abingdon, VA, with 94 stores. "It's a benefit to do it ourselves because we can control the ripening and speed it up or slow it down as needed."

"Most, if not all, large retailers continue to build ripening rooms," adds Byrne. "A couple of medium/large retailers are actually building rooms for the first time to begin ripening for themselves. In addition, certain wholesalers and suppliers are adding to their existing ripening capacity, which is indicative of their volume growth."

However, having your own ripening facility may not be the best solution for everyone. "There is a need for someone, such as ourselves, for those customers who don't have the volume to ripen on their own," says Paul Rosenblatt, vice president Banana Distributors, in the Bronx, NY. "If the cost of building a ripening room is around \$150,000, you really have to have the volume and outlet for it to be feasible."

Ripening is an art as well as a science and must be done with proper expertise. "Bananas are one of the most sensitive items and ripening facilities play a vital role in the success of your banana sales," says David Julian, produce manager for Stauffers of Kissel Hill, the 8-store chain with three grocery store locations and five garden centers, headquartered in Lititz, PA. "Temperature, humidity and air movement must be measured hourly to give your consumer a high quality banana. To do this and do it well is very difficult at the retail level. As retailers, we rely on our banana suppliers to be the experts and meet our needs on a daily basis."

"You have to be consistent in your ripening and it's not a formula," warns Rosenblatt. "You have to base it on where the bananas come from, their grade and condition, then ripen accordingly. I've been doing this for 38 years and some of it just comes from the experience and knowledge of knowing what needs to be done. So much has to be considered before you set the temperature on that room. What is most important in the ripening process is that fruit needs to be coddled and ripened slowly. You don't want to force them to become ripe or it shortens the shelf life."pb

"Typically, you have customers who are looking for bananas that can be consumed right away and customers who are looking for a banana that will be ready to consume in the next few days. This is often a challenge for retailers, however, if offered, banana sales will reflect a job well done."

> — David Julian Stauffers of Kissel Hill

CONSIDER YOUR COLOR

Color is perhaps the most challenging, yet most telling, aspect of managing a banana display. "We encourage the retailer to have multiple colors on display," emphasizes Rosenblatt of Banana Distributors. "We sell them that way at the wholesale level and it's our signature motto: 'Every Color, Every Day.' Many customers want some to eat now and some to hold for later, so having multiple colors increases sales. Customers will buy for now and for later, therefore increasing their purchases. Not everybody's looking for full color; not everybody wants to buy them green; and not everybody will come back mid-week to get the right color banana," he continues. "You want to take advantage and sell them as much as you can on their one shopping trip. Also, a

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lot of ethnic communities want green bananas for cooking and fully ripened bananas for eating."

"Visually appealing and enticing banana displays at the right color are extremely important when trying to drive product sales," maintains Del Monte's Christou. "In addition, sales will be crushed if it's a display of Color 2 or 3 green bananas."

"We always recommend different stages of ripeness, so if a customer wants a banana that is perfect for eating today, they can buy one," says Velazquez de Leon of Organics Unlimited. "However, bananas that are too green today will be perfect for eating within a day or two, and if a customer wants to use bananas in baking, then a ripe, Stage 7 banana would be preferable. The best display always allows the customers to find what they want easily."

Achieving the right balance of color stage and shelf-life is a daily gamble. "We pretty much like to have them around a 21/2 at delivery and in two days they ripen to about 31/2 for the consumer to buy," says Food City's Barbour. "Once you're past 31/2 to 4, then you get into a tough situation."

"We recommend retailers receive either Stage three or Stage four on the ripening chart so that they have the right color, but also the maximum shelf-life," says Velazquez de Leon.

Most sources agree on using a two-color display to increase purchases. "The key to success is a noticeable display and to be able to consistently provide two color stages of bananas," explains Stauffer's Julian. "Typically, you have customers who are looking for bananas that can be consumed right away and customers who are looking for a banana that will be ready to consume in the next few days. This is often a challenge for retailers, however, if offered, banana sales will reflect a job well done."

"The most persistent consumer complaint about bananas is that the fruit ripens too quickly," adds Dole's Goldfield. "A store can maximize sales by merchandising ready-to-eat fruit, as well as green fruit that will be ripe and ready later in the week."

"Having two stages of ripened fruit gives the consumers an opportunity to purchase fruit to eat now and to use later," agrees Potts of Turbana.

In the specialties area, color is not as much an issue, with the exception of plantains. "Plantains should be displayed at two levels of ripeness, green (unripe) and black (ripe)," advises Melissa's Schueller. "All other specialty varieties are sold firm and unripe."

THE BAG GAME

While bagged bananas are making head-

way in some select markets and segments, in general, most banana sales are still naked. "Bags typically do well in a club store environment where you have very little labor," says Julian. "You have the ability to sell a hand of bananas by the bunch versus by the pound. The challenge with bags is they will typically cause fruit to ripen more quickly versus naked. Also, a customer who only wants one or two single bananas will not have the option if they are bagged. We choose to offer our customers naked with the exception of organic, which allows us to merchandise in a way where our customers can distinguish between the two."

"The colors, unique tastes and interesting sizes of specialty bananas, such as red, manzano and baby, are appealing to kids and offer tremendous opportunities to increase consumption among younger consumers and adults who seek variety."

> **Dionysios Christou Del Monte Fresh Produce N.A. Inc.**

"Bags are effective when selling fruit by the count and not by the weight, for example with our Disney Juniors," adds Potts. "The Baby Boomers are reaching retirement and family units are getting smaller, so changes to packaging makes a great deal of sense. Offering multiple banana SKUs helps satisfy the needs of various consumer groups. Retailers have been reluctant to promote bananas recently, but by offering multiple SKUs retailers can now promote one SKU without giving up the gross on the whole category."

The New York metro area seems to be one of the few markets where bananas are sold in bags. "Bagged bananas are a New York thing," says Rosenblatt of Banana Distributors. "The big box stores, such as Cost-

Include The Kids

whole slew of alternative banana items work to reach directly into the children's market segment. "Many of the specialties, especially the baby banana, are great products to market for kids," advises Robert Schueller, director of public relations for Melissa's/World Variety Produce Inc., in Los Angeles, CA.

"The baby banana, or niño, is wonderful when marketed to children," agrees Paul Rosenblatt, vice president of Banana Distributors, in the Bronx, NY. "If a retailer actually marketed them in the correct way, there could be tremendous potential for these with kids."

"The colors, unique tastes and interesting sizes of specialty bananas, such as red, manzano and baby, are appealing to kids and offer tremendous opportunities to increase consumption among younger consumers and adults who seek variety," states Dionysios Christou, vice president of North American marketing for Del Monte Fresh Produce N.A. Inc., in Coral Gables, FL.

Turbana has been supplying bananas under the Disney Garden label since early 2007. The Disney Garden program includes conventional bananas, junior bananas, baby bananas, organic bananas and pineapples. Disney Garden bananas feature colorful packaging, collectible PLU stickers and bags with kid-friendly information about healthful food choices and good nutri-

According to Juan Alarcon, CEO of Coral Gables, FL-based Turbana Corp., "We are excited by the Disney Garden program. The packaging and artwork allow us to reach new consumers and their children with all of our products. We are especially enthusiastic to see growth in our whole banana and pineapple categories by bringing these items to the attention of young children and their parents through the power of Disney."

Bananas are an easy fit with retail promotions for children. "We have a Kids Club, which includes a Fruit of the Month we give to the kids and bananas fit well into that program," says Mike Barbour, a produce supervisor with K-VA-T Food Stores Inc., in Abingdon, VA, with 94 stores. pb

co, want all the bananas bagged, but as far as retail stores go, once you get out of New York, nobody buys bags. However, within New York, if I have naked bananas here, I have a hard time giving them away. Even the street peddlers in New York want bagged bananas."

"New York retailers prefer bags to cut down on shrink," explains Potts.

For specialties, bags are not in the equation. Melissa's Schueller states, "A bulk display works best. Plantains are not even sold in hands, but separated since it is such a large banana variety."

WIDEN YOUR PLAY

By merchandising to specific market segments or customers, retailers can encourage increased purchases. "Bananas are the top seller in the produce department, and they appeal to many different segments," says Velazquez de Leon of Organics Unlimited. "They are very high in nutritional content and perfect for school lunches. They are the perfect snack for after a workout and provide a great source of potassium for seniors."

"Children and older adults consume more bananas than other age demographics," explains Dole's Goldfield. "Asian and Hispanic populations also consume more bananas than other ethnic groups. There is an opportunity to educate the Baby Boomer generation about the nutritional benefits of bananas as their health concerns and priorities change. Bananas offer unsurpassed nutrition to active people of all ages as well as being a super-food for the heart."

"Organic and specialty bananas offer retailers the opportunity to take advantage of the unique demographics of their consumer base," adds Goldfield. "Organic bananas sell particularly well among consumers with higher income levels and those that have achieved higher levels of education. These consumers tend to be more wiling to experiment with different tastes found in unfamiliar varieties. Retailers must educate consumers and ideally sample specialty varieties to reduce the perceived risk of purchasing something unfamiliar."

MAKE A PLAY WITH OTHER PRODUCTS

Bananas may be one of the easiest crossmerchandising opportunities both in and out of the department. "We have found cross-merchandising to be successful," says Stauffer's Julian. "We've been successful merchandising bananas in the cereal aisle and also crossing over grocery items with our banana displays. The key to success is balance with cross-merchandising. You



Cross-merchandising outside of the department can drive impulse sales.

don't want to have your display look cluttered or take away from the primary display."

Velazquez de Leon suggests, "Cross-merchandise bananas in the produce department with dates, mangos, coconuts, papayas, kiwi, grapefruit, pineapple and date rolls. Outside of the produce department, try cross-merchandising with cold cereals, milk, yogurt or snack foods. One store in Oregon gives any child who comes in the store a free banana. They give away a lot of free bananas, but it sells a lot of other product."

Bananas can be paired with a multitude of products. Christou suggests, "Different ideas for cross-merchandising include pairing bananas with ice cream, strawberries, other tropical fruit, cereal, salads, chocolate dips and peanut butter. It can be especially beneficial to pair bananas with other fruits for smoothie purposes, as they are a big part of the healthful lifestyle trend. Cross-merchandising ripe and green plantains with cheeses and other typical Hispanic foods, such as guacamole or rice and beans, can also create additional sales opportunities."

"Our two biggest cross-merchandising items are a banana cream pouch for making quick banana pudding as well as banana wafers," explains Barbour. "The powdered mixes for smoothies are another item we put out."

M Ε R

Cause Marketing In The **Produce Department**

"Locally grown" takes on new meaning as retailers rally behind local charities and worthy causes.

BY BRYANT WYNES

hile retail produce buyers scan the countryside for local suppliers, hoping to bring a homegrown flavor to their displays that will resonate with customers, their corporate public affairs offices are attempting to capture some of the same attention by linking their marketing efforts with charitable support for local causes: Fresh fruit for those participating in a charity run, nutrition information for nearby elementary schools or organizing a fund-raiser for a local community theater.

Welcome to the world of cause marketing. According to David Hessekiel, founder and president of Rye, NY-based Cause Marketing Forum Inc., which recognizes marketers for their efforts in support of charitable programs, cause marketing is "the idea of companies and causes working together in a mutually beneficial relationship." It's big business, and has been growing steadily for years. Hessekiel, whose organization hosts the annual Halo Awards competition, which honors the best in cause marketing activities, estimates that cause marketing efforts will generate \$1.5 billion in 2009. "And that doesn't begin to capture the tremendous 'in-kind' support that businesses across the country - mostly local retailers - provide," he continues.

Hessekiel notes nutrition messaging has become extremely important, and believes that it is an area where retailers - and most notably their produce departments — can take the lead. A case in point is the 2008 Silver Halo winner, Albertson's/Supervalu, headquartered in Eden Prairie, MN. The company was recognized in the health cate-



Save Mart hands out fresh produce to children during storytime, along with special saver cards to reward their efforts to add fruits and vegetables to their diets.

gory for their Healthy Eaters program, which reinforced the nutrition and healthy living curricula taught in schools. More than 80,000 students participated in 2,850 field trips to their local Albertson's store where they learned about the various food groups via activities and sampling.

Tying produce to nutrition is very typical. In fact, when talking to retailers about their cause marketing efforts, it is obvious that they look to their produce departments to participate in events by regularly providing both tasty, healthy sampling and nutrition information.

DECA FOCUSES ON FITNESS

DeCA, in Fort Lee, VA, forms partnerships to support military programs. The U.S. military is one "employer" committed to the cause of worksite wellness via proper nutri-

tion and physical fitness. Defense Commissary Agency dietitian, Lieutenant Colonel (LTC) Karen Hawkins, points to the key role that commissary produce departments are playing in two distinct partnership programs: Eat Healthy - Be Active - Your Way! (in partnership with the Department of Health and Human Services) and Food for Thought (partnering with Department of Defense Dependent Schools).

"We're obviously not providing monetary support or donations to the programs," remarks LTC Hawkins. "But we've found that commissary produce departments are the first place to turn for examples that make personnel more aware of good food choices. And they love our food samples!" Hawkins notes the commissary produce departments work with local military communities to support physical fitness runs



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that are an integral part of the "Eat Healthy, Be Active" program. At the top of the request list are fresh fruit and vegetable snacks for event participants.

Food for Thought is an education program to promote healthy eating. The program just finished a pilot test in the Kaiserslautern District Middle School in Vogelweh, Germany, and is being expanded this vear to four other school districts. "Working with this local school we were able to interact directly with the children of base personnel," explains LTC Hawkins. "Good nutrition is integrated into learning objectives for math, reading, science, social studies and health in unique ways." For example, while students tour the produce department to learn about the various fruits and vegetables, the department manager is able to weave in a geography lesson, highlighting where the different produce comes from around the world.

SAVE MART PARTNERS WITH COMMUNITY

Save Mart Supermarket, based in Modesto, CA, looks to marketing to enhance charitable activities, too. "Why just open a checkbook and make a donation when engaging both customers and associates to support a worthy cause can make the effort more impactful?" says Alicia Rockwell, Save Mart's director of community affairs and public relations. Rockwell believes that it's the marketing side of cause marketing that can make the company's involvement in community programs bigger. "We have great assets in our store associates who are a part of their own communities. They can look for partnerships to fill a need in their own town or neighborhood, and we can work together to make a difference," she says.

When it comes to involving produce in worthy causes, Rockwell attributes the work of the company's nutritionists. "They are great resources who are able to bring community needs to our attention through their everyday work," Rockwell explains.

The company is currently involved in three community events that showcase fresh produce as a key component. Walktober celebrates Walk-to-School Month, encouraging physical activity. According to Save Mart dietitian, Sharon Blakely, the company is working with eight elementary schools and around 300 students per school. "Kids who participate in the program are greeted at school with a healthy produce snack - and a produce coupon for mom and dad," she reports.

Sponsorship contributions by way of produce "infomercials" in between acts,

allow Save Mart to support the Merced Children's Playhouse, a community theater in downtown Merced, CA, as well as educate the audience about the great benefits and values awaiting them in the company's fresh produce departments. Blakely sees it is a fun way to show support for the community theater and deliver an important health message at the same time.

Finally, adding a new twist to a long-running favorite program, Save Mart has expanded its popular Super Produce Storytime to local public libraries. The educational events had previously been held only at the company's stores. Produce staff would read a book to children assembled for the Saturday morning events. Fresh produce was sampled and special saver cards were distributed to the kids to reward their efforts to add more fruits and vegetables into their meals. "These events have now expanded to local libraries in the form of a Play With Your Food event where children are encouraged to learn about making smart food choices from the variety of fresh produce available at Save Mart," explains Blakely.

BASHA'S COMPANY CAUSES

Chandler, AZ-based Basha's Inc. produce departments play a supporting role in company causes. According to Basha's registered dietitian, Barbara Ruhs, it's the naturally healthy attributes that make produce an integral part of charitable fund-raising activities at the retailer.

"Basha's is committed to our communities; we like to support our neighbors," says Ruhs. "Even though we have no program that relies solely on the produce department, we're often looking for waysto incorporate fresh produce into our fundraising activities because of the nutrition 'halo' it lends to a program."

Ruhs indicates that fresh produce samples are always welcome at local Heart Walk events in both Phoenix and Tucson, AZ, where funds are raised for the American Heart Association and the Juvenile Diabetes Walk. "Our produce vendors are always there with product samples and coupons for participants who turn out to make these activities successful," she adds.

On the local level, the company's Food City stores host a special golf outing to support Chicanos Por La Causa. During the fund-raising tournament, Basha's associates are on hand to whip up fresh salsa and other welcome treats featuring fresh produce.

FEEL-GOOD FACTOR

At the end of the day one question still remains: Are these programs beneficial for business?



Save Mart has expanded its popular Super Produce Storytime to local public libraries.

While retailers hesitate to quantify the specific sales impact of supporting charitable programs, they all share the belief that community involvement was at the heart of their company's success. According to Albertson's, its Healthy Eating program not only received high marks from educators, but management is confident the program is building customer loyalty among teachers, parents and future generations of shoppers.

That's a sentiment shared by Cause Marketing Forum's Hessekiel, who notes his organization's research shows that 81 percent of companies believe there is a positive impact on sales tied to their own good deeds. "Every marketer should be aware that consumers overwhelmingly prefer to purchase products from good corporate citizens. As such, it's important for companies to communicate and demonstrate they are involved in supporting charitable causes," he explains.

One additional benefit is the positive impact on company associates. Basha's Ruhs says that hard dollars may not always be readily visible, "but rallying around a good cause helps establish a sense of 'team spirit' among associates."

Regardless of the program, and the perceived or actual business benefits, Hessekiel believes the need to support causes has never been more important. Now, during these difficult economic times, organizations are more appreciative of the support they receive and are willing to work with potential donors to create programs that are highly visible and acknowledge the sponsor's crucial role.

Top Ways To Merchandise Peruvian Asparagus

High-quality, visible displays, and smart promotions will put Peruvian asparagus front and center.

BY IODEAN ROBBINS

eruvian asparagus has become a mainstay in the produce department. According to the Department of Commerce's Foreign Trade Statistics, in 2008, the United States imported more than 308,256,000 pounds of fresh-market asparagus, of which Peruvian asparagus represented more than 56 percent of the total supply.

The contribution Peruvian asparagus exports have made to the U.S. market accounts for increasing consumption. "Per capita consumption of fresh asparagus has increased by more than 37 percent since 1998," says Priscilla Lleras, coordinator of the Peruvian Asparagus Importers Association (PAIA) in the United States. "It is forecast to increase to 1.2 pounds per person, including foodservice, in 2009. Per capita consumption of asparagus in the United States has nearly doubled in the last decade, exceeding the rate of growth exhibited by nearly all other fresh market vegetables."

Despite the increase, there is still even greater potential, and retailers who promote and merchandise effectively will enjoy the benefits of increased sales. "Our association will focus even greater efforts in 2009/2010 on spreading the positive word concerning the benefits of fresh asparagus, and we encourage our retail partners to do the same," asserts Lleras.

Here are some top picks for asparagus merchandising ideas.

THINK LOCATION, LOCATION, LOCATION

Putting your display front-and-center will help move asparagus. Paul Kneeland, vice president of produce and floral for Kings Super Markets, a 26-store chain headquartered in Parsippany, NJ, states, "Loca-



Upscale displays, with upright asparagus in crushed ice, draw consumer attention.

tion, location, location, as they say, is most important. When it's in season and bright and beautiful, I like to see it up front in big displays in a high traffic area. The key is to move it quickly, so if you put it someplace where people really see it, they buy it."

Dan Borer, Northwest sales manager for Keystone Fruit Marketing Inc., based in Greencastle, PA, adds, "This has always been a pretty obvious answer - the more exposure the display has, the more opportunity for sales there will be. The display should be relative to the traffic flow of the customer."

"Don't be tied into just the perimeter of the department," adds Kneeland. "Build a bigger display in the middle of traffic flow unbundle your department."

HIGH QUALITY DISPLAYS

Quality is paramount in asparagus sales and should be reflected in the display. "An attractive display makes the product very

appealing and it becomes an impulse buy with higher frequency than if it is simply 'stacked up,'" notes Rick Durkin, asparagus category manager and vice president of sourcing for Bounty Fresh LLC, in Miami, FL. "Upscale presentations with bunches standing upright in crushed ice give a very attractive presentation and draw consumers to the product."

"Make sure it's not wrinkled and is a nice size," advises Dave Brossert, produce manager with Jungle Jim's International Market, a single-store supermarket in Fairfield, OH. "A quality appearance will sell itself. We don't overwrap it. We sell it just like it comes in the rubber bands."

Durkin suggests, "One of the more effective merchandising vehicles is either a section of the shelf or a stand-alone table with crushed ice and individual bunches standing upright in the ice. It lends a 'fresh and cared for' image to the product and draws consumers to the display. Presentations are especially effective if the individual bunches have colorful hang-tags or wraps so the display is very attractive, colorful and orderly."

Color not only attracts customers visually, but also helps highlight the unique asparagus varieties. "Always display white and green asparagus together," points out Julia Inestroza, marketing and merchandising manager for Gourmet Trading Co., in Los Angeles, CA. "It adds interest to the display and drives sales of both colors. From September through January, the display should include purple asparagus from Peru as well."

MAKE THE MOST OF SIGNAGE

The bigger and more vibrant the signage is, the more the consumer will be drawn to the product. Daniel Pollak, vice president with Carb/Americas Inc., in Pompano Beach, FL, explains, "Asparagus is usually one of those commodities that gets hidden in the produce section. In these cases, it is even more important to have bigger and better signage."

Signage plays an important role in communicating asparagus benefits to your customers. "Adding some signage promoting the

"Items that should be displayed next to asparagus are other high-value, gourmet items such as red bell peppers, mushrooms and artichokes. This reduces the price pressure and also leads to recipe ideas."

> - Julia Inestroza **Gourmet Trading Inc.**

nutritional benefits of asparagus could also be educational and helpful in incremental sales," says Durkin.

"We like the idea of placing informative signage near our products," says Charlie Eagle, vice president of business development for Southern Specialties Inc., located in Pompano Beach, FL. "Customers respond to recipe suggestions and product information. We educate consumers about white asparagus. What makes it white? How does it taste? How is it prepared?"

Signage can also stimulate purchases via usage and handling ideas. "It can be helpful to provide signage that can spark an idea for a meal, as impulse buys are key," suggests Inestroza. "Recipe cards should be utilized for the white asparagus to help guide customers in proper preparation."

Make sure the size and look of the sign is appropriate for the display. "Whenever you make a big display, the sign should be proportional to the display," advises Kings' Kneeland. "You don't want a sign made for a 2-foot display used on an 8-foot display."

TREAT IT RIGHT

Temperature and hydration are two of the most important elements of merchandising asparagus since poor quality product will not sell no matter how clever the display. "The most important consideration for a retailer when merchandising Peruvian asparagus is to keep the product fresh and crisp on the display," asserts Pollak. "To do this, the product must be kept moist and cold. This type of display invites customers to come and buy asparagus, resulting in more sales and less shrink."

"Asparagus needs to be held at 36 degrees during storage in back rooms, and in an



Are you achieving full potential from your asparagus program?

Asparagus consumption continues to rise as North American consumers realize the advantages of year-round supply and year-round application of asparagus dishes in their weekly meal planning. No longer is asparagus considered just a holiday vegetable.

To maximize your asparagus category management program and pull in top profits, please consider contacting one of the members of the Peruvian Asparagus Importers Association. We represent over 56% of the total imported supply of asparagus in the US and know a thing or two about the category.

Our "Category Management Plan Outline" covers vital market statistics, consumer trends and gives guidance to optimal sales of asparagus. Please mention it to your asparagus provider and let us help you take a fresh look at the category.



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To become part of our dynamic association that is positively impacting the future of the fresh asparagus industry, please contact: Priscilla Lleras e-mail: prestige@1scom.net

Reader Service # 12

environment with high humidity if it will be there for any amount of time," advises Durkin of Bounty Fresh. "A cold 'dry room' will dehydrate the spears in a relatively short time. Keep it cool and moist, and don't let it dry out."

"The freshness factor in asparagus is important and dehydration is the number one issue affecting freshness," explains Keystone Fruit's Borer. "Proper hydration is important for the quality of asparagus and this comes through the butt end of the product. Displaying it by laying it flat on its side doesn't help the shelf-life."

While common knowledge has always recommended displaying asparagus in water trays, some retailers are turning to ice and dry tables and focusing more on movement. "If you put it in the right location and re-hydrate it at night when you break down the department, it doesn't need to be displayed in water," explains Kneeland. "We put it on dry tables during the day, then at night we put them in big buckets of water in coolers so they get re-hydrated. But you must make sure you're getting the turns on the product if you do this."

ADD VALUE-ADDED

In an effort to increase household penetration and reach new consumers, a number of Peruvian asparagus suppliers are offering value-added options. Lleras states, "Valueadded programs provide the consumer with options including convenience, savings, microwaveable and ready-to-eat meals."

"Portion size is an important issue and understanding your customers' appropriate portion size is important," says Borer.

Retailers can promote value-added convenience items both in produce and deli. "Value- added can be especially promoted at holiday time," says Southern Specialties' Eagle. "Our asparagus tips require almost no prep and cook in minutes. This is a real time and labor savings when there are several dishes to prepare."

PROMOTE FOR THE HOLIDAYS

Thanksgiving and Christmas are historically the two key holiday pull periods for fresh asparagus, and retailers have an opportunity to help customers incorporate the product in new ways. "White asparagus is an excellent holiday option," suggests Eagle. "They provide a unique option. Mixing green and white asparagus gives a great visual impact."

"Incremental volume could result from introducing new cooking formats or recipes," explains Bounty Fresh's Durkin. "Play up the potential of using asparagus as

-Think Outside The Box -

etting creative with cross-merchandising ideas will also sell product. Rick Durkin, asparagus category manager and vice president of sourcing for Bounty Fresh LLC, in Miami, FL, suggests, "Try a display of olive oil, balsamic vinegar, and sea salt - all excellent ingredients for seasoning asparagus. A traditional hollandaise sauce is another option as

"Cheddar cheese has been a great item for us to sell with the asparagus," says Paul Kneeland, vice president of produce and floral for Kings Super Markets, a 26-store chain in Parsippany, NJ. "It encourages customers to buy."

Higher value products compliment asparagus and can increase the ring. "Items that should be displayed next to asparagus are other high-value, gourmet items such as red bell peppers, mushrooms and artichokes," says Julia Inestroza, marketing and merchandising manager for Gourmet Trading Co., headquartered in Los Angeles, CA. "This reduces the price pressure and also encourages recipe ideas."

"Consider cross-merchandising with cheeses or prosciutto," says Charlie Eagle, vice president of business development for Southern Specialties Inc., in Pompano Beach, FL. "Also, asparagus is a great grilling vegetable so merchandise them with other products suitable for grilling."

Merchandising asparagus in other departments is a win-win. "Get your meat and seafood departments involved," suggests Eagle. "Let them sample asparagus with products from their departments. Encourage your prepared food employees to offer asparagus creations as often as possible."

"Almost always you'll see asparagus at the seafood counters in Kings' stores," says Kneeland. "It's a great impulse grab there. As people are waiting for their fish to be wrapped up, they have time to see it and decide to grab it."

an ingredient in stuffing for the holiday turkey. Similar to celery, asparagus provides a very distinct and flavorful vegetable treat. Sourdough bread, onion, celery and asparagus make a real holiday stuffing treat."

Retailers are urged to look beyond the two traditional holidays and create opportunity with other festive times. "Any big eating holiday is a good time to promote fresh produce," says Carb/Americas' Pollak. "The Thanksgiving and Christmas Holidays have always been a great time to promote asparagus, however Memorial Day, Fourth of July and Labor Day are excellent promotion times as well. Asparagus is excellent grilled right on the BBQ."

WORK AROUND ANY PRICE BARRIER

Asparagus pricing can be a challenging conversation, but suppliers and aggressive retailers continue to argue for keeping retail prices as affordable as possible. "There appears to be a psychological barrier at prices above \$4-a-pound," suggests Durkin. "A \$3.99 EDLP seems to be acceptable for consumers, with a promotional price of \$2.99-per-pound."

Using promotional and multiple pricing can help stimulate volume and move product. Kneeland adds, "We try to do multiple promotional pricing, such as two pounds for \$4. This gets customers to buy more volume than they normally would. We try to tie in the white and organic asparagus and have a tiered pricing encompassing all of it."

USE ALL AVAILABLE TOOLS

The PAIA has created and distributed a Category Management Plan Outline for Peruvian Asparagus to equip retailers and the industry with the type of information necessary to sell more Peruvian fresh-market asparagus. "Specifically included within the outline are merchandising goals that encompass display ideas, promotion and advertising plans," explains PAIA's Lleras. "Many importers are utilizing the outline as a tool to distribute to their merchandisers."

Making the most of your supplier partnership is another bonus. "Select a partner that offers a variety of asparagus offerings," suggests Southern Specialties' Eagle. "A good partner can provide excitement on the shelf, and value to the retailer, by providing different packs and asparagus products."

"Information is key and sharing that information with consumers is important," says Keystone Fruit's Borer. "Anything we can do as vendors to help retailers educate the customers will benefit everyone. Individual marketers have multiple options available to help retailers, depending on their relationship. Most major marketers and suppliers are more than happy to help their customers promote the product."

D)

Dried Fruits And Nuts Spread Holiday Cheer

Dried fruit and nuts, including dates and figs, have come a long way since fruitcakes, as consumers find new and exciting ways to incorporate these healthful treats into their holiday celebrations.

BY ION VANZILE

istorically, there have been two good reasons to sell dried fruits and nuts over the holiday season: religious traditions and fruitcakes. Today, however, consumer perception of dried fruits and nuts are changing, opening up new sales opportunities for these holiday staples.

THE SEASONAL SPIKE

The dried fruit market is loosely divided into two classes of product: traditional, "Old World" dried fruits, such as figs and dates, and "nouveau" dried fruits such as cranberries, blueberries and cherries. Although typically displayed together, these products often appeal to different consumers for different reasons.

Old World dried fruits usually experience two large bumps in sales, or what some insiders jokingly call "the pumpkin syndrome." The first sales bump comes at Christmas, followed by a smaller one around Easter. These sale peaks are somewhat religious in nature. Both Muslims and people of Jewish faith use these fruits in their holiday celebrations.

Nouveau dried fruits, however, are beginning to change the way the entire market segment is viewed. No longer associated with stodgy fruitcakes or religious ceremonies, many consumers are turning to dried fruits as important health foods.

"One of the problems with dried fruit is that some still see it as a baking item," remarks Andrew Stillman, president of Amport Foods, in Minneapolis, MN. "But dried fruit is a produce item because the health benefits have superseded baking."

Blueberries, cranberries, dates, figs, cherries and other dried fruits are packed with antioxidants, so health-conscious consumers



The produce department is a natural place to merchandise dried fruits and nuts as they are healthful, natural snacks sought out by health-conscious consumers.

see them as "safe" snacks. This is especially true of younger consumers and Baby Boomers, who are more concerned than ever about eating healthful foods.

Nuts, too, are transitioning from a salty snack food to a healthful option. Dieticians regularly recognize the health value of nuts, which are loaded with the monounsaturated fats doctors say help prevent heart disease.

The result of these changing expectations is an opportunity in the produce department. Savvy retailers, such as Publix, are already moving away from traditional seasonal displays of dried fruits and nuts toward permanent, highly profitable standalone departments within a department.

A FOOT IN THE DOOR

There is still a long way to go, however, before permanent dried fruit and nut sections are a staple in every produce department. The fact remains that the bulk of sales of dried fruits and nuts - especially the seasonal stalwarts such as dates and figs

- still take place around the holidays.

Still, even with the seasonal demand, the holidays represent an opportunity to make a long-term change. The holidays are the perfect time to build an integrated display of dried fruits and nuts, attract customers and lay the foundation for a permanent display in the produce department.

"This is the time to build the display," Stillman asserts. "It is the time to pull the section into the aisle so consumers can see it. Build up a section of dates and use it as a vehicle to introduce the fact that dried fruit is in produce."

Among producers, there is a surprising agreement in the best way to merchandise dried fruits and nuts in the produce section. They are best sold grouped together in a dedicated display. The display should contain all manner of dried fruits and nuts, including trail mixes, individual fruits and mixed fruits. Finally, the display should be located either near the back or the front of the produce section, but not necessarily

Peanuts: A Nutty Holiday?

eanuts occupy a somewhat unique place in the world of dried fruits and nuts. Unlike some other nuts, peanuts are a less natural fit with the produce section shoppers except to find a large peanut display in the aisles, not a small peanut display in the produce section.

The exception, however, is rawshelled peanuts. Not only a snack food, raw-shelled peanuts are widely used in holiday baking, according to Betsy Owens, executive director of the Virginia-Carolina Peanut Promotions, headquartered in Nashville, NC. "They make great gifts, too," Owens says. "Sugar-coating is a really popular item for gift-giving."

near the greens, where most people are looking for fresh fruits and vegetables.

"The best way we've seen to sell dried fruits and nuts is to have a stand-alone, fourto six-foot section at the back of the produce aisle, with dried fruits and mixed nuts in one section," explains Stillman. "Most people who buy dried fruit also buy nuts, and it should be sold in the department where healthful foods are most likely to be found."

This doesn't mean, however, that certain traditional fruits should not appear elsewhere in the produce section. Dates, for example, sell very well when they're displayed near bananas and apples. Bananas, in particular, are high in potassium like dates, so they are natural foods to group together.

Similarly, cherries and blueberries displayed in individual packs near the bagged salads and lettuces can spur impulse sales as salad toppers. "Merchandising is key," notes Lisa Goshgarian, marketing manager with Mariani Packing Co., in Vacaville, CA. "We like to encourage retailers to talk about solutions-selling. For example, include a secondary display of cherries near the salad area to inspire toppings."

HOLIDAY DATING?

Even without a large, permanent display, one thing is certain: shoppers look for dates over the holiday period, especially the big Medjool dates.

"Dates are very seasonal for religious purposes," explains Shaleen Heffernan, national account manager for Agrexco (USA) Ltd., located in Jamaica, NY. "It is a

biblical fruit, so any of the biblical religions will have a tradition with dates."

In areas with large Jewish or Muslim populations, many retailers opt for both packaged date and bulk date displays. Heffernan also recommends placing such a display near the bananas, where the color contrast shows both foods off.

Even with strong religious ties, however, the same forces are at work in the date market. Increasingly, dates are seen as a health food and a safe, sweet treat, which is translating into year-round interest.

Lorrie Cooper, manager with the California Date Administrative Committee in Indio, CA, says this new view of dates has spurred its year-round availability. "Because of its sweetness, the date was always stuck in the dessert category. But we've shown people that you can make gravies, barbecue sauces, stuffings for meat - anything with a sweet and sour profile."

THE FIG EFFECT

Like dates, figs are another dried fruit that is experiencing a rebirth as a foodie delight. Figs, which have been closely associated with holiday traditions for centuries, are suddenly popping up in all manner of gourmet settings. Upscale restaurants are using figs in recipes; they're appearing on cooking shows and in recipes in high-end cooking magazines.

"People are rediscovering how wonderful figs are," states Linda Cain, vice president of marketing and retail sales at the Valley Fig Growers in Fresno, CA. "They're very versatile. They pair well with cheese, and they work with pastas and desserts. They're construed as a sensual food." She adds figs display particularly well with nuts.

HEALTHY FOOD, **HEALTHY PROFIT**

However they are displayed, dried fruits and nuts belong in the produce department, even if they are also located in other areas of the store such as the deli or a dried fruit section in the aisles, according to Heffernan. "They come from trees," she declares. "They're a natural food."

But it also makes good business sense. Dried fruits and nuts have higher profit margins than many produce items and they boast a much longer shelf-life. Dates, for example, have a shelf-life of about six months in cold storage and 30 to 90 days at room temperature, while dried figs have a shelf-life of two years.

"Stores that have elected to sell dried fruits and nuts year-round in stand-alone displays have experienced tremendous growth," says Amport's Stillman.



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FLORAL WATCH

ANNOUNCEMENTS



HIGAKI HONORED

The Produce Marketing Association, Newark, DE, named Harrison Higaki the 2009 Floral Marketer of the Year during PMA's Fresh Summit International Convention and Exposition held in Anaheim, CA, October 2-5. Higaki is owner and president of Bay City Flower Co., Half Moon Bay, CA. The award recognizes an outstanding floral professional who has served the mass-market floral industry with dedication and distinction.

Reader Service No. 336

NEW PRODUCTS



BAG VASE MAKES **EASY PURCHASE**

DecoWraps, Miami, FL, shows off its new Origami bag for bouquet flowers. Available in purple, pink, orange, yellow, green, red and black, the convenient bag is waterresistant and folds flat for shipping. Available in 16- and 20-inch sizes.

Reader Service No. 337



FLOWERS TO-GO

The Sun Valley Group, Arcata, CA, now offers Takeout Bouquets featuring European-style, small floral clusters. Packed six to a box, the whimsical bouquets are arranged in colorful, water-resistant boxes that resemble Chinese food takeout containers. The shipper display box offers easy-to-attach POS material for in-store promotions.



TIE-DYE FLOWER POWER

Galleria Farms, Miami, FL, introduces Tie Dye flowers as the newest addition to its extensive product line. This new trend in flowers can be seen in the company's beautiful Hydrangeas, Spider Mums or Gerberas. The Tie-Dye line can be ordered in pastel colors as well as vibrant shades.

Reader Service No. 339

ANNOUNCEMENTS **NEW PRODUCTS**



VERIFLORA CERTIFICATION

Ellepot-USA, a partnership between Ellegaard of Denmark and Blackmore Company Inc. of Belleville, MI, utilizes two types of papers in its cutting and seed propagation system, now listed as VeriFlora Approved Input Materials. The Ellepot propagation system uses the special EP or VP paper with reusable trays, rather than planting directly into disposable plastic pots. VeriFlora is an agricultural sustainability certification and eco-labeling program administered by Scientific Certification Systems (SCS) Emeryville, CA.

Reader Service No. 340



FOR FEBRUARY AND BEYOND ARKO & Associates, Spring, TX, introduces lustrous pearl finish, 10-inch tall, ceramic vases perfect for Valentine's Day — or any day. Shipped as a 12-pack, each case includes four pieces each of red, pink, and white to complement a wide range of flowers.

Reader Service No. 341



Reader Service No. 338

TALKING BOUOUETS **BOAST POS**

GEMS International Inc., Miami, FL, introduces ChatterBuds, a fresh-cut bouquet combined with a re-recordable gift card. Available for every day and holiday occasions, the bouquets make memorable presents for recipients of all ages. Easy instructions for consumers to record their own audio message are included within the card. POS material draws attention and the fun, audio gift card boosts the bouquet with an interesting twist

Reader Service No. 342



SWEET NOTES

Blossom Bucket Inc., North Lawrence, OH, is promoting its colorful and functional KISS Bead Block Note Holder. Great as a thoughtful anytime gift, designer Suzi Skoglund's note holder stands 3 inches high x 4½ inches long. With heart details and a sweet sentiment, this must-have note holder will capture collectors and entice floral department gift shoppers for Valentine's Day.

Reader Service No. 343

Floral Watch is a regular feature of Produce Business. Please send information on new products, personnel changes, industry, corporate and personal milestones and available literature, along with a color photo, slide or transparency to: Managing Editor, PRODUCE BUSINESS, P.O. Box 810425, Boca Raton, FL 33481-0425, or e-mail us at info@producebusiness.com

Floral Packaging Trends

From take-out food containers to handled sleeves and a nod to the environment, convenience and fun become focal points for floral department packaging.

BY ION VANZILE

ome significant changes in floral packaging are taking place thanks to film and materials technology. For several decades, bouquets have been wrapped in simple plastic sleeves or sheets for sale. The blander the better – the logic went that few consumers wanted to be caught buying grocery store flowers. Today, however, supermarket floral sections are offering top-quality floral products, and in such a fiercely competitive environment, stores are looking for every opportunity to reinforce their own brands.

"The perception was that supermarket flowers were second-rate," says Noah Temkin, vice president of sales and marketing for Temkin International, based in Payson, UT. "These days, it's straight from the farm. It's quality stuff."

Packagers have responded by developing custom printed sleeves and sheets. These new products can be tailored for any application, from decorative pictures and store logos to specific themed campaigns.

"We've seen a trend as supermarkets shift toward custom product," notes Ana Munoz, marketing associate and designer with Koen Pack USA, headquartered in

"What I hear all the time is, 'I don't want to see my package over at the competitor's," Temkin explains. "Whether they're branding products or just using custom colors, supermarkets want fresh-cut produce packaging to match floral packaging and to match the rest of the store."

Realistically, though, branding in the floral department is still in its infancy. The reason, according to Dennis DeBaltzo, national sales manager with A-ROO Co. LLC, based in Strongsville, OH, comes down to cost. Custom printed floral packages are more expensive, adding "a couple cents per package." With floral margins so tight, few floral buyers have been willing to make the leap to fully custom packaging.

But a number of factors, including floral

product guarantees, chain-wide branding initiatives and dropping price points, are steadily pushing the industry toward branded sleeves. All that's needed, according to DeBaltzo, is for one national chain to step forward and prove it works on a large scale, and the rest of the industry will follow suit.

"The thinking that started it is the same principle that's still driving it," Temkin says. "Competition has gotten stiffer. Price points have come down, and brand differentiation is more important than ever."

THE GREEN FACTOR

The same thing might be said of the push for environmentally friendly sleeves and sheets: the technology exists, but so far, there hasn't been widespread adoption of new, green floral packaging or environmentally

controlled packaging. In recent years, a number of products have been introduced that claim to improve upon the standard plastic sheet. These include compostable and biodegradable, or degradable, plastic films for floral sheets and sleeves.

One of the most popular of these is EarthFirst PLA film, which is derived from dextrose from corn products. By contrast, standard plastic is derived from petroleum, and even though it is recyclable, it is not biodegradable and does not decompose. "We took a proactive approach in this arena," remarks DeBaltzo. "As a plastics manufacturer, we wanted to be able to come out with perceived environmentally friendly products. We were the first to come out with a corn-based PLA product for plants and flowers. We are licensed partners with Earth-First." EarthFirst brand film is manufactured and distributed by Plastic Suppliers Inc.,



chandised in a labor-saving shipper display box.

based in Columbus, OH. According to DeBaltzo, EarthFirst PLA film is not a biodegradable film, but is compostable in an industrial composting facility.

Still, other plastic films are in development or newly introduced, offering similar qualities. NatureFlex film is derived from wood products and is also compostable in an industrial composting facility. Another film, offered by EPI, Environmental Products Inc., in Vancouver, BC, Canada, is oxodegradable, meaning that it degrades much faster than normal plastic. DeBaltzo asserts the EPI film begins to break down as soon as it's handled and notes the product shelf-life is six to 15 months.

From a regulatory point of view, there is no simple, national standard to define what is biodegradable versus degradable, or even what these words mean when applied to space-age plastics. In recent months, the

industry has begun to shy away from using the word biodegradable in favor of accelerated biodegradable or degradable. And then there is the EPI product, which is described as oxo-degradable, meaning it breaks down with exposure to air. Each of these terms has generated controversy, both within state regulatory agencies and even within the environmental movement.

"The standards are different depending on what state you're in," explains Temkin of Temkin International. "Some films are considered biodegradable or compostable in some states, but are not in California, which has the strictest definitions."

And of course, there is the cost question. These films don't cost any more to handle, ship, or print, but the raw material itself is more expensive than traditional polyethylene film. In some cases, depending on the film, the raw material can be significantly more expensive. As a result of the increased cost, say producers, the initial burst of interest in green films has backed off somewhat. "Three years ago, everybody was asking for it," declares Temkin. "But it's tapered off because nobody wanted to pay for it."

The same is true of controlled atmosphere bags for floral. The technology has long existed — Modified Atmosphere Packaging (MAP) has been extensively used in produce, to extend the shelf life of everything from cut lettuce to cherries to grapes. "There's no question it extends shelf-life," Temkin admits. "But that's the only advantage. A lot of floral is impact. You want to see it. You want to stick your nose in it."

None of these issues is surprising, says Koen Pack's Munoz. "People have been talking about replacing the plastic sleeve with something that's biodegradable for a long, long time," she says. "But what happens is there's a burst of great research, and then no one wants to pay the price, and so everyone goes back to the regular sleeve."

One notable exception to this trend, however, is the recent interest in craft paper. Craft paper side-steps the whole issue of plastic biodegradability. It's inexpensive, printable and decomposes quickly and easily in any compost pile or recycling program.

INNOVATIVE PACKAGING

Outside of changes to the sleeve material, numerous manufacturers are experimenting with new package designs meant to make buying floral products more exciting and convenient. Chief among these are bouquet and floral packages with handles. "Anything easier to grab is better," points out Temkin. "We're introducing a handle that's inside of the packaging so you can grab the bouquet and the flowers are all still loose Create Fun With New Products

etailers should have fun introducing new and exciting products and seeking profits in the floral department.

Flower-filled take-out containers, similar to Chinese food boxes, are the colorful and fun eye-catchers recently introduced by The Sun Valley Group, in Arcata, CA. With the idea of creating something bold and different for consumers looking to purchase a quick gift or playful pick-me-up, the California flower grower designed the to-go containers featuring European-style, small clusters of flowers. Short stem flowers are featured in the bouquets, which finished are eight to 10 inches tall. "We wanted to make the Takeout Bouquets appealing to consumers who traditionally have been accustomed to our long-stemmed bouquets," explains Vince Thomas, director of

logistics and distribution.

In addition to the amusing use of designer take-out containers available in a variety of colors, the line also features efficient packaging appealing to retailers. "We designed the shipper box to also serve as a point-of-purchase display. Smart retailers looking to save on labor and merchandising headaches will appreciate how these floral treasures arrive," explains Thomas. Packed six bouquets to a box, the retailer needs only to remove the lid, flip the top of the box, place the tray holding the Takeout Bouquets inside and wrap the display box with the three-side POS material. Easyto-follow, illustrated, set-up instructions are included in each shipment. Thomas says



feedback from the new item is encouraging and retail sales are proving popular with new floral consumers younger people not accustomed to buying long-stemmed bouquets.

GEMS, in Miami, FL, has introduced the ChatterBud tag for floral products. The ChatterBud uses the same technology card makers use to create audio cards, except that customers can record their own messages. "We've shown this to a lot of customers," says Bonnie Armellini, co-owner of GEMS. "What we try to bring is added value. There's nothing like the ChatterBud."

Initially, ChatterBud bouquets will be marketed for holidays, but GEMS is hoping the product catches on for everyday use. Additionally, the company plans to offer ChatterBud labels, sans bouquet, so a retailer can affix the ChatterBud to their own bouquets. pb

and not smashed together. The handle connects to the center of the bouquet."

A-ROO has moved into the handled package with the Petal Pouch, which is available for both potted foliage and fresh bouquets. The Petal Pouch is a standard sleeve with handles attached and available in a variety of colors. "We've found that consumers gravitate toward them. The colors grab them, and the fact they can do multiple purchases grabs them as well, DeBaltzo reveals. "Oftentimes, the only time a consumer will make an impulse purchase is if it's really easy."

Dos Gringos — A California Flower Company, a grower shipper in Vista, CA, has taken a different direction with floral displays. The company developed a half-pallet shipping box that transforms into a floor sales display for its sunflowers. According to Jason Levin, president of Dos Gringos, the half-pallet shipper includes everything needed to create an instant floor display, including the buckets and flowers. After receiving the shipper box, all that remains for store-level employees is to remove the box top, pull out the bouquets and buckets, replace the box top, and replace the buckets into the custom lid and fill them with bouquets. The shipper is both economical and environmentally responsible. Levin explains, "The retailer saves 33 percent on freight because we're able to put more flowers per pallet position. They also save money from labor and set-up."



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RETAIL **PERSPECTIVE**



Demographic Retailing

n numerous areas throughout the United States, retailers find themselves with stores in areas with widely varying demographics and have oriented the individual units to successfully meet the needs of the respective consumer groups.

Too frequently, major retailer upper management will see another successful operation merchandised to attract a unique demographic group. Should they have some of the same ethnic group in their own marketing area, they may make an effort to attract some of these potential customers with a similar product offering, often without a completely integrated merchandising and operational program. Frequently, the implosion of these items

comes without a complete evaluation of sales potential and the result has been tokenism with shrink, discouragement, and eventually, program abandonment.

Even in staid New England, in little over a hundred miles, the demographics range from approximately 99 percent Caucasian in Augusta, ME, to Caucasian being in the minority in Lowell, MA. In between are varying assortments of ethnic mixtures, all requiring marketing with great flexibility in order to be successful. In some larger metropolitan areas, concentrations of varying economic groups present these challenges within only a relatively few miles of each other.

Gwinnett County, GA, immediately to the northeast of Atlanta, has been one of the fastest growing counties in the United States during the last decade. Of the five million metro population residing in Atlanta's surrounding 23 counties, more than 15 percent of the people live in Gwinnett County. The recent composite of 7 percent Asians, 11 percent Hispanics and 13 percent African Americans are often clustered into many diverse

communities, including 14 incorporated cities. Driving through some of the areas, many signs are in a number of various languages, not including English.

Entrepreneurs recognizing this diversity and rapid population growth discovered that in contrast to the chain's Caucasian-focused supermarkets and small, exclusively ethnic retail outlets, there was the potential for large food stores focusing on expanded ethnic variety in conjunction with products also available in traditional supermarkets. With the assistance of primarily Korean investors from Chicago, New York and Washington entering into agreements with local, smaller store owners, approximately a half dozen new large stores have been developed in the county during this millennium.

International Farmers Market has two units in the 100,000-

square-foot size range located within five miles of each other. This is where you find fresh fruit and vegetables of nearly every variety and description in expanded display areas half the size of a medium-sized supermarket. One would be hard-pressed to find few of the industry's speciality items missing from the presentation.

Quantities are not tokenism. For example, Jackfruit was on display in not one, but two pallet bins. Here, they were of a chocolaty color, ranging up to approximately 30 pounds with numerous customers making purchases. Appealing to the clientele almost immediately after entering the front door, the initial displays included four or more pallets of mangos, as well as similar or larger quanti-

> ties of watermelon and tomatoes. The larger of the produce departments had produce refrigerated cases covering 250 feet of wall and gondola space plus over 450 linear feet of dry tables, in addition to the space devoted to the special displays leading directly into the department from the store entrance.

> On an early Friday morning, shoppers of all nationalities filled the aisles. although Latinos and Asians were the most numerous. An abundance of clerks. mostly Asian, were everywhere, straightening and refilling displays creating an excitement and communication often missing in conventional supermarkets. According to management, Friday is only the fourth busiest shopping day, behind Saturday, Sunday and Monday. Estimating volume is nearly impossible. But it is sufficient so product is often purchased at shipping point for delivery directly to the stores. The Atlanta Wholesale Produce Market, about 25 miles away, readily supplies additional requirements.

Although fresh fruit and vegetables are a key to attracting customers, the wide array of fresh fish, both filets and heads-on, plus an open meat prep area, in addition to the wide variety of international grocery items, add appeal.

Midway between the two International Farmers Markets is a Publix Supermarket, recently remodeled to include a stronger Hispanic focus, both in terms of décor and product offering, but the adaptation is a fraction of the competitor's offering. Contrasted with the area's typical chain supermarket, this identification with the Latino customer, especially the produce variety and display positioning at the beginning of the department, provides a good opportunity to evaluate the appeal of alternative retailing approaches in markets with diverse demographics.



EUROPEAN



A Voice For Global Issues - Part II

Dr. Hans Maurer, Chair International Federation for Produce Standards (IFPS) Headquartered in London, UK

n Part I of II, Pundit investigator and special projects editor, Mira Slott, examined the role the International Federation for Produce Stasdards (IFPS) is playing in standardizing PLU numbers internationally. In the conclusion of the interview, Dr. Maurer covers such issues as food safety, the reach of IFPS as well as its membership and governing board.

Q: The U.S. produce industry is very concerned and trying to take a more proactive role in shaping new government legislation involving more stringent traceability measures and other regulatory actions throughout the supply chain. Could IFPS play a role considering the international trade component?

A: We're a part of it to an extent. PMA is the U.S. member of our association. In the first instance, PMA is a signatory toward the IFPS system, so PMA on one hand has the support of IFPS to make its voice heard in the U.S., and secondly, PMA would ensure that the IFPS principles that it has mentored are actually taken into account in the work as an ambassador to the United States to get PMA's point across.

Q: Are you finding that most stakeholders can come to a consensus or mutually agreeable compromise on these often complex and sometimes hotly debated issues? With the diverse membership and cultures, combined with different government structures and ever-evolving legislation, it must be an intriguing experience at times...

A: I can't talk about whether there will be a consensus on global legislation, because honestly I don't know. I can tell you that IFPS works on a consensus basis. So when IFPS issues statements or participates in events or meetings or whatever it may be, whoever represents IFPS in a dialogue does so because IFPS membership is united in its view that IFPS needs to be there at that point.

Q: How do you coordinate IFPS spokespeople or experts to represent membership's collective views at these various international forums?

A: The board of IFPS is not necessarily the topic expert in every instance. Out of the board members around the table, maybe one or two, for example, are competent in food safety. One of the determinations we made at our meeting, in Spain, in May, was that we would reactivate our food safety subcommittee so that we are able to specifically engage directly with the global experts on the topic of food safety. This will take the form of each member country nominating a food safety expert from within its own national industry, so then you've got food safety experts as a committee of IFPS.

Q: Our readership spans the global spectrum. If someone wanted to get involved with IFPS and your mission, what advice could you give them?

A: We invite for membership any national trade association as full members. So, if the Italian or Spanish horticulture association or the one in Cameroon were interested, etc., we would welcome them with open arms.

We also have a category for associate members, which are companies, as opposed to organizations or individuals not directly involved in the trade of produce, but play a part in it. It could be a technology company, or it could be a company making the little stickers for PLU labels or tags for RFID - any organization that is not directly involved in the trade. We have not pushed that very much because we really wanted to get the critical mass in our core membership first.

Q: The way you describe your organization in some ways parallels one aspect of the Perishable Pundit, which acts as a global interactive forum to debate important issues in an effort to move the industry forward. It sounds like that is a goal of yours as well.

A: Right. But we are doing it from the perspective of coming together as formal associations - we're bundling our expertise and views to have a global position.

Q: With food safety for example, do you take the highest or most comprehensive standard and try to get everyone up to that level? Or alternatively, do you shoot for a minimum, knowing that many retailers, foodservice providers and other companies within the supply chain will demand more rigorous standards?

A: We won't look to the highest standard, necessarily. Let me give you an example. You have a body like the global food safety initiative, which recently re-named itself, and on the other hand you've got GlobalGAP. GlobalGAP is a body that looks at standards in good agricultural practice. The global food safety initiate is an organization, which amongst other things, is the umbrella organization for standards relating to produce pack houses. But both of those organizations have their own structures, goals and objectives, and there is a gray area between both of them.

When do agriculture practices stop and pack houses start? When does a grower actually become a packer? Does it mean a grower/packer needs to do both audits? One of the things we do in this situation is we engage in both organizations, letting them know what the position of our membership is and that we would like a rationalized system.

Blast Past Past

ome families pass on freckles, while others are prone to twins. For the Mayrsohns, it was a love for the produce industry. Spanning more than a century and three generations, the Mayrsohn family has been active in the fresh fruit and vegetable business since 1899. It was then that a young Mayr Mayrsohn began the family business.

Following many trips back and forth from New York to Cuba during the 1890s, Mayr began importing fresh fruits and vegetables from the island nation into the New York Market. Mayr went on to have three sons, Casper, Bernard (Barney) and Jack, along with two daughters, Helen and Sarah.

After serving in World Word II and graduating from Cornell University's College of Agriculture, Barney joined the family business, which became known as Mayrsohn and Sons. By 1959, Barney was part owner and became president of the public company Prevor-Mayrsohn International. However, with a son of his own, Mark, Barney went on to form Mayrsohn International Trading Co. (MITCO) in 1982.

Today, Mayrsohn International Trading Co., Inc. remains one of the leaders in the worldwide import and export of produce.



MAYRSOHN FAMILY

- 1. Casper Mayrsohn: Mayr's son
- 2. Bernard Mayrsohn: Mayr's son, CEO Mayrsohn Intl.
- 3. Jack Mayrsohn: Mayr's son
- 4. Helen Mayrsohn: Mayr's daughter
- 5. Sarah Mayrsohn: Mayr's daughter
- 6. Mayr Mayrsohn: Father Mayrsohn
- 7. Mark Mayrsohn: Bernard's son, President Mayrsohn Intl.
- 8. Dorothy Knopke-Boritz: Helen's daughter
- 9. James Knopke: Helen's husband
- 10. Ethel Mayrsohn: Bernard's wife, Mark's mother
- 11. Hannah Mayrsohn: Mayr's wife
- 12. Toby Mayrsohn: Jack's wife

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A & L Potato Company, Inc	38	62	800-365-5784	218-773-1850
A&A Organic Marketing, Inc	56	35	831-768-0300	831-685-0302
Agrexco USA, Ltd	24	5	718-481-8700	718-481-8710
Agrexco USA, Ltd	79	6	718-481-8700	718-481-8710
Albert's Organics	56	38	678-429-9497	610-444-0316
Associated Potato Growers, Inc	38	61	800-437-4685	701-746-5767
Awe Sum Organics, Inc	56	34	831-462-2244	831-462-2552
Blue Book Services	83	47	630-668-3500	630-668-0303
Booth Ranches, LLC	51	58	559-626-4732	559-626-4818
California Leafy Greens Marketing	88	32	916-441-1240	
Capital City Fruit Co., Inc	52	31	515-981-5111	515-981-4564
Chilean Avocado Importers Association				
Chiquita	14	14	508-580-1700	508-584-9425
Christopher Ranch	57	50	408-847-1100	408-847-0581
Church Brothers, LLC	41	15	800-799-9475	831-796-1050
Concord Foods	14	14	508-580-1700	508-584-942
Coosemans Atlanta, Inc	64	78	404-366-7132	404-366-705
The Cranberry Network LLC	31	40	715-422-0410	715-422-040
Crowley Maritime Corp	55	27	800-CROWLEY	
Curry & Company	43	70	503-393-6033	503-393-608
DeBruyn Produce Co				
DeBruyn Produce Co	46	74	800-733-9177	616-772-424
Del Monte Fresh Produce	69	75	800-950-3683	305-520-849
Dole Fresh Fruit Company	2	48	818-879-6600	818-879-6628
Domex Superfresh Growers	5	64	509-966-1814	509-966-3608
dProduce Man Software	38	49	888-PRODMAN	650-712-9973
Duda Farm Fresh Foods, Inc	53	41	561-978-5714	561-978-570
Earthbound Farm	58	24	888-624-1004	831-623-7886
East Coast Brokers & Packers, Inc	87	33	800-557-7751	863-869-985
Edinburg Citrus Association	40	63	956-383-6619	956-383-243
Famous Software LLC	7	26	800-444-8301	559-447-633
Fresh Partners AB	70	45	46-8-742-1215	46-8-742-620
Fresh Produce Association of The Americas .	13	57	520-287-2707	520-287-2948
Fresh Produce & Floral Council	27	53	714-739-0177	714-739-0226
Fruit Logistica	16	19	540-372-3777	540-372-1414
G&D Wallace, Inc	41	18	360-757-0981	360-757-SPU[
Garber Farms	40	76	337-824-6328	337-824-267

COMPANY	PAGE #	RS#	PHONE	FAX
General Produce, Inc	63	9	800-782-5833	404-361-1841
Global Organic Specialty Source, Inc				
Herb Thyme Farms	59	17	831-476-9733	760-722-4042
Idaho Potato Commission				
Interex Corp	25	37	888-441-8676	
J J Jardina Company, Inc				404-366-1386
Kern Ridge Growers, LLC	58	16	661-854-3156	661-854-2832
Keystone Fruit Marketing, Inc	44	77	717-597-2112	717-597-4096
Lakeside Organic Gardens				
LGS Specialty Sales, Ltd	39	7	800-796-2349	718-542-2354
M&M Farm, Inc	24	30	800-634-7898	305-233-0813
Maine Potato Board	40	60	207-769-5061	207-764-4148
Mann Packing Company, Inc	9	22	800-884-6266	831-422-5171
J. Marchini & Son / LeGrand	59	13	559-665-9710	559-665-9714
Mayrsohn International Trading Co., Inc	41	21	305-470-1444	305-470-1440
Miatech	70	29	800-339-5234	503-659-2204
MIXTEC Group	46	67	626-440-7077	626-440-1557
Nakata Farms	58	39	559-497-1020	559-497-1023
Nickey Gregory Company, LLC	61	71	404-366-7410	404-363-1169
Northern Plains				
Potato Growers Assn	32	56	218-773-3633	218-773-6227
Old West Exports, Inc	52	72	559-733-3448	
OsoSweet Onion Co	47	73	231-946-9696	304-342-5022
Patagonia Orchards LLC.Com	58	42	520-761-8970	520-761-8971
Peruvian Asparagus Importers Association	76	12	817-793-3133	
Produce for Better Health Foundation	73	46	302-235-2329	302-235-5555
Safeway				
Sage Fruit Company	34	54	913-239-0060	913-239-0055
Shuman Produce, Inc	45	25	912-557-4477	912-557-4478
Sunlight Int'l. Sales	23	36	661-792-6360	661-792-6529
Sutherland Produce Sales				
Sweet Onion Trading Company	44	44	800-699-3727	321-674-2003
Tanimura & Antle, Inc	24	52	800-772-4542	831-455-3915
Thermal Technologies, Incorporated	67	28	888-4-MR-PEEL	803-691-8010
Twin State Farms of Florida Inc				
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