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Only Dole’s Premium Celery Hearts deliver the mild flavor, superior texture and crunch that your consumers want.

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Snack It! Chop It! Cook It!

Celery and Peanut Butter Blueberry Cranberry Chicken Salad Cranberry Apple Stuffing

To add NEW Dole Premium Celery Hearts to your stores, contact your sales representative. Visit Dole.com for more information.

DOLE AND RELATED MARKS ARE TRADEMARKS OF DOLE FOOD COMPANY, INC.
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Sweet Scarletts are consumers' #1 pick.

OUR GRAPEFRUIT brings unexpected sweetness to the breakfast table. So consumers are sayin’ the sweetest things about us. They rate our Sweet Scarletts Texas Reds the best tasting.* Which is why we’ll be supporting our premium brand with three national freestanding inserts (FSIs), a digital campaign, public relations and in-store point-of-sale materials throughout the season. Of course, our Sweet Scarletts will also have the biggest merchandising team in produce behind them. So gear up and get ready for grapefruit season. It’s sure to be sweet, y’all! Call your Wonderful Citrus sales representative in California, 661-720-2500, or Texas, 956-205-7400.

*Source: April 2014 Grapefruit Taste Test

SweetScarletts.com
Healthy Sales.

Time to get jolly this holiday season with POM Wonderful pomegranates. In fact, a third of all pomegranates are sold in December alone.* Now, that’s the gift that keeps on giving. Just like our multimillion-dollar marketing effort featuring holiday-themed bins, in-store POS, a Dec. 6 FSI, 1.5 billion anticipated PR impressions and displays that generate three times more sales per square foot than the category average.* It really is the most wonderful time of the year.

To order bins and take advantage of the largest merchandising team in produce, contact CustomerService@POMWonderful.com or call 877-328-7667.

*Source: 2014 Nielsen Perishables Group, Fresh Pomegranates
McAllister, who works a 200-mile radius in the Connecticut area, loves entering contests of all kinds and is a four-time winner of the ‘Best Booth Contest’ at the New England Produce Council Produce & Floral Expo. A long time reader of Produce Business, McAllister says the magazine packs a punch. “I get a lot of information about people and companies in the industry that are on the move. It has very useful information. It’s a great magazine.”

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WIN A CLASSIC PINBALL BASEBALL GAME

Just in time for the holiday season, this wooden tabletop baseball game plays like a pinball machine, challenging players to score with the deft swing of the bat. Evoking the ballparks of yesteryear, the spectator stands are decorated with scores of the day’s games, a number of local business ads and pennants. With an air of authenticity the game features working LED stadium lights that illuminate the playing field during extra innings. Lights require six AA batteries. 23” L x 213/4” W X 13 H. (9 lbs.)

QUESTIONS FOR THE NOVEMBER ISSUE

1) What ad pays tribute to Billy Joel’s “New York State of Mind?”

2) What ad features a company celebrating its 110th year?

3) In Jim Prevor’s poem: In the old days, how did copy editors signal “the end”? 

4) In the Fresh From Florida ad: What PMA booth number is cited?

5) What product is so ‘profitable, it’s nutty?’

6) What fruit from New York State is ‘Ready for its close-up?’

This issue was: ☐ Personally addressed to me ☐ Addressed to someone else

Name_________ Position_________

Company_________

Address_________ City_________ State_________ Zip_________

Phone_________ Fax_________

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- Wonderful Citrus is America’s largest integrated grower, shipper and packer of fresh citrus
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- In-store support from 200 merchandisers nationwide

Call your Halos® sales representative at CA: 661.720.2500 TX: 956.205.7400

Come see us at PMA, Booth 3634. halosfun.com
NOVEMBER 8 - 11, 2015  
WESTERN GROWERS 90TH ANNUAL MEETING  
Conference Venue: Grand Del Mar, San Diego, CA  
Conference Management: Western Growers Association, Newport Beach, CA  
Phone: (949) 863-1000 • Fax: (949) 863-9028  
Email: info@wg.org  
Website: wg.org

NOVEMBER 30, 2015  
FOUNDATIONAL EXCELLENCE  
Cornell University’s Future-Leaders-in-Produce Program  
Conference Venue: Hilton New York, NYC  
Conference Management: Produce Business, Boca Raton, FL and Cornell University, Ithaca, NY  
Phone: (561) 994-1118 • Fax: (561) 994-1610  
Email: info@producebusiness.com  
Website: producebusiness.com

DECEMBER 1 - 3, 2015  
NEW YORK PRODUCE SHOW & CONFERENCE  
Conference Venue: Jacob Javits Convention Center, New York, NY  
Conference Management: Eastern Produce Council, Short Hills, NJ and Produce Business, Boca Raton, FL  
Phone: (561) 994-1118 • Fax: (561) 994-1610  
Email: info@nyproduceshow.com  
Website: newyorkproduce.com

JANUARY 7 - 10, 2016  
SOUTHEAST REGIONAL FRUIT & VEGETABLE CONFERENCE  
Conference Venue: Savannah International Trade and Convention Center, Savannah, GA  
Conference Management: Georgia Fruit & Vegetable Growers Association, LaGrange, GA  
Phone: (877) 994-3842 • Fax: (706) 883-8215  
Email: skilgore@asginfo.net  
Website: gfvga.org

JANUARY 12 - 14, 2016  
POTATO EXPO  
Conference Venue: The Mirage Hotel, Las Vegas, NV  
Conference Management: National Potato Council, Washington, D.C.  
Phone: (202) 682-9456 • Fax: (202) 682-0333  
Email: hollee@nationalpotatocouncil.org  
Website: potato-expo.com

JANUARY 14 - 15, 2016  
UPPER MIDWEST REGIONAL FRUIT & VEGETABLE GROWERS CONFERENCE & TRADE SHOW  
Conference Venue: St. Cloud River’s Edge Convention Center, St. Cloud, MN  
Conference Management: Minnesota Fruit & Vegetable Growers Association, Ham Lake, MN  
Phone: (763) 434-0400 • Fax: (763) 413-9585  
Email: mfvga.msn.com  
Website: mfvga.org

JANUARY 17 - 19, 2016  
WINTER FANCY FOOD SHOW  
Conference Venue: Moscone Center, San Francisco, CA  
Conference Management: Specialty Food Association, New York, NY  
Phone: (212) 482-6440 • Fax: (212) 482-6555  
Email: erivera@specialtyfood.com  
Website: fancyfoodshows.com

JANUARY 20 - 22, 2016  
TROPICAL PLANT INDUSTRY EXPOSITION (TPIE)  
Conference Venue: Broward Convention Center, Ft Lauderdale, FL  
Conference Management: Florida Nursery Growers & Landscape Association, Orlando, FL  
Phone: (407) 295-7994 • Fax: (407) 295-1619  
Email: shaines@fngla.org • Website: fngla.org

JANUARY 24 - 26, 2016  
SWEET POTATO CONVENTION  
Conference Venue: Chattanooga Choo Choo Hotel, Chattanooga, TN  
Conference Management: United States Sweet Potato Council, Columbia, SC  
Phone: (803) 788-7101 • Fax: (803) 788-7101  
Email: USSPCouncil@gmail.com  
Website: sweetpotatousa.org

JANUARY 26 - 28, 2016  
HOTEL, MOTEL & RESTAURANT SUPPLY SHOW OF THE SOUTHEAST  
Conference Venue: Myrtle Beach Convention Center, Myrtle Beach, SC  
Conference Management: Leisure Time Unlimited, Inc., Myrtle Beach, SC  
Phone: (843) 448-9483 • Fax: (843) 626-1513  
Email: info@hmsss.com  
Website: hmrsss.com

FEBRUARY 3 - 5, 2016  
FRUIT LOGISTICA 2016  
Conference Venue: Messe Berlin GmbH, Berlin  
Conference Management: Messe Berlin GmbH, Berlin  
Phone: +49(0)30/3038-2020  
Email: fruitlogistica@messe-berlin.de  
Website: fruitlogistica.de/en

To submit events to our Forward Thinking calendar, please email info@producebusiness.com.
SAVE THE DATE
DECEMBER 1-3, 2015

FOR MORE INFORMATION:
PH: 212-426-2218 • www.nyproduceshow.com
More than 500 produce industry executives attended the United Fresh 2015 Washington Conference in Washington, D.C., this September. During their “March on Capitol Hill,” United Fresh members met with nearly 200 members of Congress and their staff about critical issues such as child nutrition, immigration reform, drought-relief and federal transportation policy. United Fresh members made it clear that these diverse issues must be addressed now for growers, producers, distributors, wholesalers, retailers and other businesses to sustain an economic livelihood, and for consumers to continue to enjoy safe, nutritious and an abundant variety of fresh fruits and vegetables grown in the United States.

In addition to educating policymakers and their staffs, attendees also heard directly from key members of Congress, who are leading the fight on issues of prime importance to our industry. Touching on the challenges of getting drought-relief legislation passed, Representative David Valadao (R-California) noted it was necessary to get broader backing particularly by one of California’s two senators. “I do believe there’s room to agree. What we need is for senators to have some sort of cover, someone backing them up.”

Turning to trade, in his first speech before the produce industry, Representative David Perdue (R-Georgia) addressed the need for fair and balanced global trade deals so that fresh produce growers in Georgia and across the country can export product and compete with other countries on a level playing field. “The U.S. is a global leader,” he said, “but we are losing our competitive edge.”

On the nutrition front, Representative Tim Ryan (D-Ohio), who earlier this summer introduced the Salad Bars in Schools Expansion Act, affirmed the country needs a new food system, one in which “produce is at the center of what we need to do in the next 10 to 20 years.”

On the regulatory side, Under Secretary for Food, Nutrition and Consumer Services, U.S. Department of Agriculture (USDA), reminded volunteer leaders that the Healthy, Hunger-Free Kids Act of 2010, which charged USDA with updating school meal standards based on current nutrition science, does not need to be weakened. Esther Bleicher, policy analyst, U.S. Food and Drug Administration (FDA), revealed to attendees new requirements under the Food Safety and Modernization Act’s (FSMA) Preventive Controls ruling, and Priya Rathnam, supervisory consumer safety officer, Center for Food Safety and Applied Nutrition at USDA, provided guidance on implementation activities, timelines and enforcement strategies of the final rule.

In addition to legislators, attendees heard from General Michael Hayden, former director of the Central Intelligence Agency (CIA) and National Security Agency (NSA), who shed light on foreign geopolitical developments and their impact on business overseas and stateside. Political journalist Tucker Carlson also gave an in-depth analysis and outlook for the 2016 presidential campaign.

United Fresh members also participated in education sessions on topics such as trade, GMOs, and the outlook for California agriculture in light of an epic drought in that state. With Congress working to wrap up its legislative business for 2015, United Fresh will continue to build on the momentum from the Washington Conference to achieve legislative successes needed for a strong business environment.
Your Customers

We Get That.

Delivering exceptional berries to you, season after season. Enticing your customers with fresh, sweet, delightful berries, day after day.
WITH LOVING PURPOSE, WE CELEBRATE A MILESTONE

Thirty years ago at the PMA Convention in San Francisco, we unveiled a new entrepreneurial venture that would grow into an industry institution: Produce Business magazine. We had deep roots in the trade, as my great-grandfather Jacob Prevor moved the family produce business from Russia into the old Wallabout Produce Market in Brooklyn. Then my grandfather Harry Prevor moved the business to the old Washington Street Market in Manhattan, and later, my father Michael Prevor moved our headquarters to the then-brand-spanking-new Hunts Point Market in the Bronx.

Yet, though our roots were old and deep, we wound up doing something new and innovative. We launched a magazine that in many ways revolutionized the trade press. From an aesthetic point of view, we pioneered the move away from old newsprint to a paper that reflected more the beauty of our products. From a substantive standpoint, we elevated industry discussion by moving away from weekly news reports to the higher level of strategic business thinking that dealt with marketing, merchandising, management and procurement issues, while facilitating the forward movement of the industry. Indeed we adopted as our motto a note of engagement as we committed this entity to “Initiate Industry Improvement.”

In time we found new ways to serve our purpose – with online newsletters, websites, webinars, live share groups, conferences, trade shows and more. But it all went back to those early days and thoughts of inspiring the children of today’s produce executives to be more proud of their parents’ occupation. We thought we could accomplish that by elevating the conversation to a higher level intellectually.

It has been quite a ride. What started with a hotel room drop of magazines in San Francisco turned out to be quite a bully pulpit, and it led to more than 100 TV and radio appearances, articles or quotes in The Wall Street Journal, New York Times, Financial Times, Times of London, Los Angeles Times and more.

We’ve given speeches and presentations on every continent, save Antarctica.

We have much more to do... with the passing of time, we actually see more clearly where we want to go. There are destinations we will travel to, and we are excited that in bringing the industry with us, we travel with friends.

Journalism is sometimes portrayed as a contact sport, but we have always seen our role as uplifting. Whether everyone has agreed with us or not, we have engaged with industry members who sincerely want the trade to advance and who realize that only robust discussion, by the best minds in the business, could move the industry forward. We’ve been fortunate to sit in the epicenter of those discussions for three decades, to interact with the best, the brightest and the most earnest the industry has to offer.

Especially rewarding about this journey is that I have not travelled it alone. I remember the day I called up Ken Whitacre and asked if he wanted to join me on a great adventure. It is 30 years later and we are still finding new rivers to ford and mountains to climb. Few who read this will know Diana Levine, but she typeset the first issue of Produce Business with her own hands and is still working with us today. Eric Nieman and Ellen Rosenthal also have gone most of this journey with us.

My family has stood with me since the beginning. My mother edited the first articles and typed many a list. My brother has been a constant source of insight and advice. When we started, both my grandfather and father were alive. My grandfather died shortly after we started publishing, but I still remember him handing out copies to his friends and neighbors in Tamarac, FL.

My father inspired the whole enterprise, from my childhood days when we had dinner conversations over the trade publications of the day until we launched The New York Produce Show and Conference. He was still healthy and could make the first event. For a son, it is a great moment. I remember being proud of his gleaming – how proud he was that we had built something that served the industry, the industry he had toiled in all his professional life.

There are new people now – just as we have new events and publications, new ways to create and new ways to serve. We go across the ocean and around the world now. And because the life of a magazine and a company is a continuum, they deserve thanks as well.

We also go back to PMA, where it all started. And this year, we wish we could sit down with each and every reader, every attendee, and just say thank you. What we have accomplished the past 30 years is only possible because so many joined us in trying to make this industry a better industry.

So much has happened in my life and business. I now have a wife and two fine sons. Seemingly every investment bank in New York and London has hired us for our thoughts. But for all that is new, love never dies, and the continuum from my great-grandfather Jacob to The New York Produce Show and Conference and The London Produce Show and Conference is a story written with love.

If we could actually meet with all our industry friends, our promise would be to let love inform all we do for the industry in the 30 years to come.

We wish we could sit down with each and every attendee, and just say thank you. What we have accomplished the past 30 years is only possible because so many joined us in trying to make this industry a better industry.

Jim’s Note.indd 1
10/16/15 4:19 PM
CUTTING EDGE MEETS CUT VEG

Gluten Free
On Trend!

Paleo/Vegan Friendly

Grow your sales of on-trend super foods by offering your shoppers Mann’s Culinary Cuts.* Perfect for the Fall/Winter selling season, Mann’s Culinary Cuts are two of the fastest selling squash and sweet potato items where sold.* Get your shoppers out of their recipe rut—stock Mann’s Culinary Cuts.

* Nielsen flat file ending 12/2015

Mann Packing Co., Inc., Salinas, CA • 800.884.6266 • veggiesmadeeasy.com
An Improvement That Transformed An Industry

Editor’s Note: As Produce Business celebrates its 30-year anniversary, highlighting 30 industry improvements in its October, November and December issues, we invite members of the industry to weigh in on their own opinions of which improvements advanced our industry.

Reusable Plastic Containers (RPCs) are a critically important link in the fresh food supply chain, but their presence and benefits can sometimes be taken for granted. A generation ago RPCs did not exist. They were not simply a new twist on an old idea. RPCs were a revolutionary concept that changed the food and agriculture sector forever.

Plato, the legendary Greek philosopher, believed difficult situations inspire the greatest solutions and coined the phrase “necessity is the mother of invention.” RPCs are a perfect example. A dire need for a better way to pack, transport and display fresh food served as the inspiration for the creation of RPCs.

The history of mankind is largely one of incrementalism — small improvements to the ideas and inventions of others in the name of progress. Much rarer is an idea or invention that transcends the status quo by leaps and bounds. When it comes to value chain logistics in the fast moving consumer goods sector, there is a good case to be made that RPCs are one of the most important innovations of the last 100 years.

For decades, fresh food was moved from farms and processing facilities to retailers using myriad containers made from a wide range of materials. Wood, bags and cardboard were principally used throughout most of the 20th century to get fresh food — wet and dry produce, meat, eggs and baked goods — to market.

Unfortunately, over time, the limitations of wood, bags and cardboard were exposed. They are easily damaged. They have a limited life cycle and in the instance of cardboard, can be used only once, making them expensive. They must be disposed of, which leads to waste and additional reverse logistics costs.

During most of the 20th century, growers, packaging companies and retailers managed to make the best of the situation, learning over time how to work within existing packaging constraints to provide consumers with year-round access to a wide variety of fresh food.

On a parallel course with the growth of the food sector, the early and middle part of the 20th century saw the rise of the plastics industry. An impressive strength-to-weight ratio and reusability of plastics made them an ideal replacement for many functions previously performed by wood, metal and cardboard.

Little did anyone know the plastics industry and fresh food packaging were on a collision course. Stymied by the inherent limitations of wood and cardboard, retailers in Europe were determined to find a better way. They turned to the rapidly growing polymer plastics sector to find a solution. That is when the modern RPC was born.

By the early 1990s retailers across Europe were experimenting with reusable plastic containers for the shipment of goods between trading partners. Based on their inherent benefits, RPCs quickly replaced boxes, bags and crates used to ship fresh food. In the early years, retailers bought and managed their own RPC pools, including transportation, maintenance and cleaning.

As RPCs increased in popularity, retailers discovered outsourcing the operation and cleaning of their RPC pools was more efficient than doing it themselves. That is where IFCO came onto the scene.

In 1992, the International Food Container Organization Ltd., the predecessor of the company known today as IFCO, was established in Germany with the goal of becoming the world’s premier provider of integrated reusable packaging systems for food. For the next 20 years, IFCO and the RPC market continued to grow, and now, IFCO operates a pool...
Introducing NEW Dole Chopped Salad Kits with Brussels Sprouts.

- Two new craveable restaurant inspired flavors
- Featuring shaved Brussels Sprouts for added nutrition and crunch
- Made with premium fresh ingredients
- Featuring two new Signature Dole dressings - Poppy Seed Greek Yogurt and Pomegranate Vinaigrette

To add the NEW Dole Chopped Salad Kits with Brussels Sprouts to your stores, contact your sales representative. Visit Dole.com for more information.

DOLE AND RELATED MARKS ARE TRADEMARKS OF DOLE FOOD COMPANY, INC.
of 225 million RPCs in circulation in 37 countries across five continents.

The rapid success of IFCO and the RPC market is relatively easy to explain. RPCs are more efficient to handle, more sustainable and protect food better than one-way packaging. In fact, IFCO recently partnered with researchers at California Polytechnic University (Cal Poly) to compare RPCs with one-way packaging to establish the benefits of both types of packaging. The results are compelling:

**RPCs are efficient:** At distribution centers, RPCs are processed as much as 226 percent faster than one-way packaging. RPCs are more efficient when it comes to slotting, order picking, stretch wrapping and loading than one-way packaging.

**RPCs are store-friendly:** At retail locations, RPCs are more efficient by as much as 53 percent over one-way packaging in stocking, order picking, transport to shelf and folding, stacking and bailing. RPCs are more space efficient, both packed and empty, helping better utilize limited space in the back room and on carts.

**RPCs are easily handled:** During disposal and sorting activities, RPCs are more efficient by 16 percent for unloading and 154 percent more efficient for sorting and securing. Folded RPCs were easier to handle than one-way packaging, which frequently broke and required restraping.

**RPCs are effective:** RPC use resulted in a 0.9 percent product damage rate, while one-way packaging had an 8.56 percent damage rate due to structural integrity limitations and/or improper stacking.

Based on the Cal Poly research, IFCO and the study authors have developed the IFCO freshIMPACT economic modeling tool. FreshIMPACT is a program retailers can use to compare the input and reverse logistics costs associated with one-way and reusable packaging to determine which one is best for its stores and products.

While efficiency and sustainability are important attributes, food safety is another key benefit of RPCs. RPCs have an impeccable track record when it comes to food safety. IFCO customers in particular benefit from our state-of-the-art cleaning and sanitation process. Using our propriety technology, IFCO provides its customers with the details of when and how each RPC is cleaned and sanitized to comply with strict government, industry and company standards at one of our 56 service centers.

RPCs are also the choice of sustainability-minded retailers. They require less energy and water than one-way packaging and result in less material sent to landfills.

Simply stated, there is a reason 180 retailers and more than 10,000 producers have turned to IFCO RPCs. They are more efficient, protect food better and are more sustainable than one-way packaging.

Today’s consumers benefit from a global food supply that keeps the costs of groceries affordable while providing access to a wide variety of fresh food year-round. It is hard to imagine the transformation of the global food supply during the past 20 years without reusable packaging for fresh food — making RPCs one of the most important innovations in the consumer packaged goods industry of past century.

Daniel Walsh
President
IFCO Systems North America

### Industry Changing Invention

**Ishida Blend Weigher**

**Salad CCW, Rotary fingers**

For the 30 Improvements feature, I’d like to nominate the Computer Combination Weigher, more commonly known as the multihed weigher.

Prior to the invention of this technology by Ishida Scales, Ltd., fresh fruits, vegetables, and all other products having random piece weights were laboriously weighed by hand. This regularly produced overweight packages resulting in excessive product giveaway.

Ishida actually invented the weigher to accurately package green bell peppers. Heat and Control’s owners became aware of the technology during a business trip to Japan in the early 1980s and partnered with Ishida to become the exclusive representative in North and South America.

By eliminating underweight packages and reducing product giveaway to under 1 gram, the Ishida Computer Combination Weigher completely changed the packaging industry within a few years of its introduction. They are now the dominant method of weighing fresh cut vegetables, fruits, berries, salads, and other fresh and frozen produce, saving the industry millions of dollars in product giveaway every year.

Bill Klein
Heat and Control, Inc.
Hayward, CA

**Letters to the Editor should be mailed to Produce Business, P.O. Box 810425, Boca Raton, FL 33481 or email: info@producebusiness.com**
Visit us at
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we’re having

ANOTHER GREAT SEASON

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Governor: Chris Christie  Secretary of Agriculture: Douglas H. Fisher
New Jersey Department of Agriculture 609-292-8853
produce watch

ALLEN LUND COMPANY
LA CANADA FLINTRIDGE, CA

The Allen Lund Company, ALC Logistics division announces the expansion of TMS and the hiring of Greg Au (top photo), as business development specialist, and Ian Fisher (bottom photo), as implementation and customer support. In addition, ALC Logistics is increasing installations and expanding customized transportation solutions for its shipping customers.

LITEHOUSE FOODS
SANDPOINT, ID

Litehouse Foods names Brent Carr to the executive role of senior vice president of sales and marketing. In his new role, Brent will report directly to president and chief executive, Jim Frank, and lead the company’s fast-paced growth in the dressings, dips, cheese and herbs categories. A graduate of Boise State University with a degree in marketing, Carr is a 30-year industry veteran who spent the first 15 years of his career at consumer packaged goods giant, Colgate-Palmolive. He then expanded his skill set with deep experience in the produce industry, working at Fresh Express for 10 years leading its national account teams. Carr joined Litehouse in 2009 to help build the value-added channel, and he was promoted to vice president of sales in 2012.

CAC CONGRATULATES
WINNERS OF RECIPE CONTEST

The California Avocado Commission (CAC), Irvine, CA, congratulates the winners of its 2015 Supermarket Registered Dietitian (SRD) California Fresh Sandwiches recipe contest: Giant Eagle, Molly Ault; HAC Retail, Alyson Fendrick; Hy-Vee, April Graff, Shannon Muhs, Stephanie Rupp and Brian Schell; Kroger, Allison Kuhn and Molly McBride; Raley’s, JoAnne Mastracco; Redner’s Markets, Meredith Mensigner. The winning recipes ranged from a California Avocado Breakfast Wrap to a vegetarian Portabella Mushroom with California Avocado Sandwich to a zesty Kickin’ Chicken and Avocado Sandwich. Vegetarian Portabella Mushroom with California Avocado Sandwich photo is courtesy of CAC.

SOUTHERN SPECIALTIES
POMPANO BEACH, FL

Southern Specialties, Inc. announces Kristen Francisco joins the company as director of sales. Ms. Francisco most recently worked for Redondo Beach, CA-based Gourmet Trading Company as vice president sales and marketing. In her role Ms. Francisco will be responsible for leading the sales team, developing pricing, inventory management and coordinating promotions with the company’s procurement department.

CONRAD & ADAMS FRUIT
INSTALLS NEW PACKING LINE

Conrad & Adams Fruit, a Grandview, WA-based grower-shipper, recently installed a new apple packing line, which incorporates the latest internal and external sorting technology as well as doubling the amount of bins per hour they can run. The company is a grower, packer and shipper of conventional and organic apples, conventional and organic pears, cherries, peaches, nectarines, Italian prunes and plums in the Yakima Valley.

TERRA EXPORTS
LAS VEGAS, NV

Terra Exports announces the addition of Michael Burbank to its leadership team as the U.S. West Coast director of sales. As a continued part of its customer-centric focus, Terra created the role to benefit its customer base. Burbank manages U.S. West coast grapes, apples, stone fruit, citrus, and cherries, while visiting supply partners in person to oversee and guarantee clients are receiving the highest quality fruit shipments.

VISION PRODUCE COMPANY’S FREIGHT SOLUTIONS LLC INITIATES E-LOGS

Los Angeles-based Vision Produce Company’s Freight Solutions, LLC announces that its truck fleet is now equipped with ELDs (Electronic Logging Devices), which will be required by the U.S. Department of Transportation by the second half of 2016. ELDs installed in interstate commercial trucks will ensure compliance with safety rules that govern the number of hours a driver can work. The early transition to E-Logs will also allow Vision Produce Company’s Freight Solutions to remain competitive and maintain its premium customer service.

GREAT BASIN COMMUNITY FOOD CO-OP LAUNCHES “MEET YOUR FARMER” APP

The Reno, AZ grocer is combining the growing “know your farmer” trend with mobile technology to create an entirely new way for its customers to meet and interact with local produce growers. The app from Great Basin Community Food Co-op allows customers to point their phones to signs throughout the produce aisles, learn about the local grower who produced the food, and watch a quick video from the farmer. The Meet Your Farmer App will feature 25 producers local to the Reno area sharing their love of farming with consumers. With facts about their history, farming practices and produce, these growers will connect with individuals to tell a story not only about the produce, but also the farmers working behind the scenes to deliver fresh, healthy foods to the store.

WCCPF WELCOMES SOUTH AFRICA’S AMBASSADOR AT RECEPTION

South Africa’s exporters of Summer Citrus, the Citrusdal, South Africa-based Western Cape Citrus Producers Forum (WCCPF), welcomed H.E. Ambassador Mniwa Mahlangu (pictured), South Africa’s Ambassador to the United States at a reception at the Port of Philadelphia in Gloucester City, New Jersey. Since 1999, South Africa’s WCCPF exported summer citrus to the U.S. from June through October when citrus grown in the U.S. is less available. The program expanded with nearly 50,000 tons of citrus from South Africa annually entering the U.S. market. Ambassador Mahlangu said the Summer Citrus program is a model for other Industries in South Africa, such as mangoes and avocados, and described how the investment in products from South Africa, with the renewal of the African Growth & Opportunity Act, enables an overall economic growth of South Africa to produce additional products and goods for export to the U.S. and elsewhere.
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AMS PREVIEWS EXPANSION OF SUCCESSFUL GROUPGAP PILOT PROGRAM

The U.S. Department of Agriculture’s Agricultural Marketing Service (AMS) Administrator Anne Alonso previewed the planned expansion of a pilot program that helps small and mid-sized growers and cooperatives meet retailers’ on-farm food safety requirements. The Administrator emphasized that transitioning the GroupGAP pilot to a full program will increase the ability of small and mid-sized growers to obtain food safety certification, thereby improving market access opportunities throughout the produce industry.

THE EPC SUPPORTS EFFORT WITH DONATION TO THE NJ FARM TO SCHOOL NETWORK

The “School Garden of the Year” Award presented by NJ Farm to School Network and Edible Jersey magazine, was presented to Princeton Day School (PDS) is an independent, co-educational school for students from Pre-K through Grade 12) at the school’s outdoor classroom/garden on campus. This was the third year the award was presented to a school that provided exemplary education to highlight teaching children where real food comes from. Going forward, the NJ Agricultural Society will be making these awards and they will be awarded bi-annually. The Eastern Produce Council was thrilled to support this effort with a donation of $5,500 to the NJ Farm to School Network, which awarded PDS with a check for the same amount.

Pictured/Back Row (L to R): Nancy Painter, Edible Jersey’s Publisher; Susan McAleavy Sarlund, Eastern Produce Council Executive Director; Pam Flory, Princeton Day School Garden Educator; Beth Feehan, NJDA Farm to School Program Coordinator; Liz Cutler, PDS Sustainability Coordinator; and Paul Stefano, PDS Head of School. Front Row: students representing PDS.

PROCACCI BROTHERS CELEBRATES RETIREMENT OF MIKE BARBER

During his time with Philadelphia-based Procacci Brothers, Mike Barber made innumerable contributions that brought value to the company and to the produce industry in general. In addition to overseeing exponential growth in Procacci’s banana business, Mike’s contributions during his 33 years with the company include but are not limited to: introducing fresh herbs, miniature vegetables and edible flowers to the Philadelphia market; establishing Procacci Brothers’ Organic Produce Program, which made a wide variety of organic produce available to countless produce shoppers in the Northeast for the first time; expanding Procacci’s tropical produce offerings to include a wide variety of West Indian and Caribbean roots and fruits; creating the company’s first Chinese and Middle Eastern vegetable program; and developing contracts with exporters in Mexico to initiate direct shipments for a wide variety of Mexican produce, long before importing tropical produce from Mexico was commonplace in the US produce industry. Barber’s plans for retirement include working together with his wife Rosa to care for their large collection of tropical plants and traveling.

BAYER CROPSCIENCE VEGETABLE SEEDS AND THE NATIONAL WATERMELON ASSOCIATION PARTNER

Germany-based Bayer CropScience Vegetable Seeds and the Lakeland, FL-based National Watermelon Association (NWA) are entering into an unprecedented partnership to attract new members into the association. Effective immediately and for the next two years, Bayer is funding first-year memberships to all eligible watermelon growers.

EMBALAJES AGRICOLAS SAMBRAMEX ADDS CLAMSHELLS FROM HIGHLAND PACKAGING SOLUTIONS

Embajales Agricolas Sambramex (Tijuana, B.C., Mexico) was selected as the in-country distributor in Mexico for products from Plant City, FL-based Highland Packaging Solutions. Clamshells manufactured by Highland are now available in Mexico via Embajales Agricolas Sambramex. These clamshells for berries and tomatoes will be distributed from Sambramex’s main warehouse facilities in Zamora, Michoacán, and Vicente Guerrero, B.C., Mexico.

ROBINSON FRESH INTRODUCES NEW MOTT’S FRESH SLICED APPLE PRODUCTS

Robinson Fresh, Eden Prairie, MN, introduces new organic varieties and value-added fresh apple products to the Mott’s brand. Mott’s fresh apples are an integral part of Robinson Fresh’s lineup of national consumer brands available through exclusive licensing agreements. In response to the rapid growth of consumer interest in organic produce, Robinson Fresh added several offerings to complement Mott’s lineup of fresh-cut sliced apples. To provide a variety of options for its retail, wholesale, and foodservice customers, Robinson Fresh offers four pack sizes including 2-ounce bags of red organic apple slices inside a 5-, 6-, and 8-count clamshell pack as well as an 11-ounce bag of loose slices.

H-E-B PARTNERS WITH DOLE TO DONATE

7 SALAD BARS

Seguin Independent School District (ISD) in Seguin, TX, will now feature a fresh and fun new way to eat fruits and vegetables. H-E-B donated seven salad bars to elementary schools in ISD, a district where 69 percent of students qualify for free and reduced lunch. The self-serve produce bars are made possible through a partnership with Dole Food Company (Dole) and will feature a wide array of fresh fruits and vegetables to boost new choices for students at breakfast and lunch. The salad bar donations from H-E-B and Dole were organized in conjunction with the United Fresh Start Foundation, a founding partner of the national Let’s Move Salad Bars to Schools initiative.

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WPRAWL WELCOMES DISNEY CHANNEL TO HEADQUARTERS TO FILM KATIE’S KROPS SEGMENT
Walter P. Rawl & Sons, Inc, a Pelion, SC-based grower/processor/shipper of leafy greens, welcomed Disney Channel to the company’s headquarters to film Katie’s Krops’ founder Katie Stagliano and fellow young gardeners. The “Make Your Mark” segment, part of Disney’s Healthy Living Commitment that partners with parents to help make healthier generations, was filmed during the third annual Katie’s Krops Camp sponsored by WP Rawl and is airing on the Disney Channel.

STEMILT PROMOTES TOP KIDS’ FRUIT THROUGH LIL SNAPPERS
According to a recent study from the American Academy of Pediatrics, apples rank as the top fruit consumed by people ages 2 to 19 in the United States. The study, which looked at fruit consumption of more than 3,000 responses to the National Health and Nutrition Examination Survey from 2011-12, found that apples accounted for nearly 19 percent of fruit intake among children. Whole fruits, such as Stemilt’s Lil Snappers kid-sized apples, accounted for 53 percent of fruit intake, while fruit juices accounted for 34 percent. Stemilt has been marketing apples to kids and parents since 2011, when the company launched its Lil Snappers line of kid-sized fruits packed in convenient, 3-pound pouch bags.
PUBLIC POLICY DECISIONS HAVE TO DEPEND ON MORE THAN IDIOSYNCRASIES. THEY HAVE TO DEPEND ON A GOOD UNDERSTANDING OF THE SITUATION — AND THE SITUATION IS ALWAYS ALMOST WIDER THAN THE ISSUE AT HAND. VERY OFTEN PUBLIC POLICIES HAVE UNINTENDED CONSEQUENCES.

The Wall Street Journal recently ran a piece titled Do Bike Helmet Laws do More Harm than Good? The gist of the piece is that helmet laws, though seemingly providing an obvious public health benefit, may not do so at all, for two reasons. First the statistics are tricky:

All-ages helmet laws might actually make cycling more dangerous, some cyclists say, by decreasing ridership. Research shows the more cyclists there are on the road, the fewer crashes. Academics theorize that as drivers become used to seeing bikes on a street, they watch more closely for them.

Second, anything that discourages cycling reduces exercise and has its own health impact:

Sedentary lifestyles can have quieter but wider long-term effects than bike crashes, such as billions of dollars in health-care costs for chronic conditions, they say.

Piet de Jong, a professor of applied finance and actuarial studies at Sydney’s Macquarie University, actually calculated the trade-off of mandatory helmet laws. In a 2012 paper in the journal Risk Analysis, he weighed the reduction of head injuries against increased morbidity due to foregone exercise from reduced cycling.

Dr. de Jong concluded that mandatory bike-helmet laws “have a net negative health impact.” That is in part because many people cycle to work or for errands, experts say. People tend to replace that type of cycling not with another physical activity such as a trip to the gym, but with a ride in a car.

In produce, the industry has long made similar arguments in regards to organic produce. The trenchant critique against the Environmental Working Group’s Dirty Dozen reports is all the research shows higher consumption of conventional produce is beneficial from a health standpoint. So if organizations such as EWG scare people away from conventional consumption but they don’t move to organic — say because of price or availability — but more to candy bars — then even if EWG is RIGHT about the superiority of organics, the program may result in worse outcomes than just encouraging people to eat more produce.

Yet it is also true the produce industry has been prone to endorse lots of programs without any study as to their likely effectiveness. We will trumpet how much more produce is given out at a school or office in a snack fruit program, without ever studying how this impacts consumption at home. We will celebrate school salad bar programs without ever comparing whether long term consumption is best increased by letting children make their own, often uneducated, choices — or if long term consumption is best boosted by offering composed salads, designed by chefs and optimized for flavor and digestibility.

As a result of the Food Safety Modernization Act, we have the FDA with lots of new powers, and it is publishing loads of new rules related to food safety. As Dr. David Acheson, now chief executive of the Acheson Group and formerly chief medical officer at the FDA, has written, “These new rules will literally impact hundreds of thousands of entities globally when one considers all seven new rules due out in the coming months and in the early part of 2016.”

This is almost certainly a sign of trouble because it is impossible for any human being or team to have carefully considered the unintended consequences when so many entities are directly impacted. Dr. Acheson also stated: “FDA had to essentially write a one-size-fits-all set of rules, and the food industry is anything but one size.”

Recently, this columnist has received many calls and e-mails asking us to write about recent food safety outbreaks on cucumbers, spinach and other products. Many reporters have called asking what these producers have done wrong. Certainly, we have examples of people doing bad things when it comes to food safety. The Peanut Corporation of America showed a willful disregard for public health and people are, correctly, going to jail.

In the fresh produce industry, though, even the most egregious problems are mostly matters of opinion. Is a dunk tank with chlorine better or worse than a spray system with fresh water? And in many of these cases, we have no reason to believe anyone did anything wrong.

Even among the highest quality producers, food safety outbreaks are freakish events that pop up from time to time even with the best of procedures. In fact, there were no tests done before the passage of the FSMA that determined such a new regime would have any impact on the frequency of food safety outbreaks in fresh produce.

It is certain the FSMA will bring extra costs. Equally, it is certain efforts to hold producers criminally responsible for food safety issues, even when they had no intent to do harm, will discourage production.

Ultimately it is certain that all this disincentive to produce and all this increase in cost will be reflected in higher consumer prices, which will impact consumption, and thus health. So whether the FSMA is going to improve public health outcomes is a highly debatable subject, but those who make these policies just want the opportunity to declare they did something.

What they actually did may be completely counterproductive.
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To understand what’s happening in agriculture labor, look to the efforts of a California organization digging deep to understand and make changes with the complexities of farm labor culture.

When The Los Angeles Times published a piece focused on agriculture labor abuse in Mexico, titled “Hardship on Mexico’s Farms, a Bounty for U.S. Tables,” we analyzed and wrote extensively about this article as well as the content of several pieces published after it.

To learn other angles and address the violations and abuses reported in the exposé, Pundit Investigator and Special Projects Editor Mira Slott interviewed Amy Wolfe, president/CEO of AGSafe in Modesto, CA. The non-profit organization was founded in 1991 as a response to regulatory changes happening, and California became the first state to mandate all businesses, regardless of industry and size, have a formal written safety program. Here are excerpts from the interview:

Q: We’re interested in your thoughts on issues raised by The Los Angeles Times series on agriculture worker abuses in Mexico.
A: It’s essential for people to not just see the LA Times piece as the explosive exposé that it is, but to go deeper into the issues magnified in the piece to have a better understanding of what to do about it.

Q: Did the regulatory changes challenge the types of safety programs in place?
A: Looking at grower and farm labor contract elements, it was a matter of just recognizing while many businesses have a culture of safety, it was certainly a very fluid informal process. It was very much “do the job, do it safely, take care of yourself.”

Q: How did the scope of your work change?
A: In the mid-2000s, we expanded our reach from doing training with farmers and contractors. We became an approved training center through the state labor commissioner for labor standard enforcement to provide the continuing education for farm labor contractors. It allowed us to expand beyond the scope of just safety to issues that those of us in corporate America would consider human-resources-related.

Q: What did you find to be the most pressing concerns?
A: A lot of smaller operators don’t have silos for an HR department, a safety department, and a compliance department like larger businesses. There really was this evolving need to not just specialize in safety and health issues connected to agriculture, but to grow our knowledge and our subject expertise and relationships to bring in human resource issues as well.

Q: Could you give us a breakdown of your client base within the supply chain?
A: We have an equal breakdown between farmers and contractors, and packers/shippers and processors. We can do more even further down the supply chain. In our five-year strategic plan, we’re looking at how we can have a greater presence on a national scale.

Q: The LA Times piece reported some egregious violations and abuses. In your experience, have you discovered any serious worker safety problems, intentional or unintentional?
A: I’ve been with AGSafe for six years in June, and I’ve worked in agriculture my entire career, 15-plus years. I have yet to encounter one person who hasn’t genuinely cared about their people. In this industry, growers and farm labor contractors recognize their workers are an important, if not the most important, element in their ability to get their crop to market. When we see the issues, honestly, it’s really a function of lack of knowledge.
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Q: How complex are these different health and safety regulations, compensation procedures and other labor requirements?

A: We work with 11 different federal agencies to have knowledge of the various issues and oversights when it comes to workers. An almond farmer knows how to farm almonds, but the expectation that he knows all the different agencies that have oversight and dictate how he treats his workers, I’m sorry, but it’s unrealistic. A lot of times, the position we end up being in is that they truly didn’t know there was a law. Equally important, things are written in complicated legal terms, many times by people who have zero farming knowledge.

Q: That sounds like a conundrum. Could you point to some examples?

A: We work at night in different commodities here in California. The wine grape industry has been doing it for years. Folks put on bright orange vests with the reflective tape so if they’re out working, someone can see them. Now the state says it has to be a Class 2 high visibility vest, with a specific amount of reflective tape and color brightness. People think they are complying with the law, but there’s a good chance they’re not meeting the classification change. We’re getting down to a nitty-gritty level of detail. Growers are providing effective reflective vests, but because of politics, they have to replace them.

Q: What role do retailers play in this scenario?

A: Growers in Mexico and their counterparts in the United States, as well as the retailers and foodservice firms buying and receiving product, must play a role. If everyone is coming together and acknowledging change needs to be made, then everyone has to be willing to invest the time and resources necessary for a systemic solution.

Q: You’re a liaison and mediator of sorts, right?

A: Everything we do is about education, training and resources. Using harvest food safety protocol as an example, we have a series for all groups in the supply chain, the ownership, food safety management, the crew boss or foreman responsible for managing people in the field, and then the workers themselves.

Q: And this comes within a politically charged climate of unsettled immigration reform. How do you stay out of the political fray?

A: My board of directors and I have been very committed to remain a neutral resource. Part of the reason we work very well with those 11 agencies is because I don’t have a lobbyist, or a super Pac.

Q: What are the most important things you want readers to know?

A: We are a resource for the industry and are expanding our reach. A grower has done right by his workers, but is scratching his head, dealing with bureaucracy, overlapping federal and state regulations, and multiple duplicate forms. The pendulum has swung to overzealous. For us, there’s a real calling and purpose.

Agsafe is an incredible organization because it is so focused on not just the right issues but on the real obstacles to implementing solutions. It is easy to paint these things as Simon Lagree or demand laws. It is so difficult to get down to the micro-level of people’s lives and real business operations and actually solve problems. Still, we don’t think the rest of the world should get a free pass and that these problems should be seen as solely a grower problem.

The story about the wine grape harvesters wearing the high-visibility vests sounds small and unimportant, but you multiply that by a thousand such edicts, sometimes contradictory, from various government agencies at various levels of government, and you wind up having an enormous waste of resources for little or no gain in safety or anything else.

Half the time, if you research the matter, you find out that the providers of many solutions are gaming the system. In the wine grape harvesting scenario, we have no idea how this particular change came about, but certainly it would make sense for high-visibility vest manufacturers to implement minor changes every few years and then try to get the new vests required by law or regulation.

It is also worth noting that these things all have negative competitive implications for California farmers. California has no authority to make farmers in other states or countries follow these regulations. So these are costs California growers must shoulder, but not competitors from other states or countries.

We also don’t think retailers and other buyers should be given a free pass. When we wrote about child labor on a blueberry farm in Michigan in a piece titled, When Child Labor Laws Don’t Necessarily Help Children, we pointed out that retailers terminating procurement from this farm weren’t actually helping these children. They still had no school or summer program to go to; they still had no way of getting to and from such programs that did exist, and now their parents would also be unemployed!

The LA Times piece was very unfair because it didn’t quantify anything. Obviously all horrors are terrible, and we want them purged from the supply chain. But it makes a big difference in understanding the nature of the problem if 99% of production has the issue or 1% has the issue. One is a systemic problem; the other is a bad apple.

I remember when Joe Nucci was alive and I would visit with him at the Mann Packing plant. Very often, female laborers would want to give him a burrito or some other dish they made. He never turned them down. They were his people and he wanted the best possible relations with them. That has been my experience across production agriculture in the produce industry.

Organizations such as Agsafe are providing useful services in helping to translate that inclination into positive action. Many thanks to Amy Wolfe for sharing what Agsafe is doing for the industry.
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Certified 100% Idaho Potatoes
An Examination Of The Relationship Between Plate Waste And Food Pairings In School Meals

BY ARIUN ISHDORJ, ORAL CAPPS, JR. AND PETER S. MURANO OF TEXAS A&M; MAUREEN STOREY OF ALLIANCE FOR POTATO RESEARCH AND EDUCATION (APRE)

The Premise
Plate waste, defined as the quantity of edible food left uneaten after a meal, is a challenge for schools participating in the National School Lunch Program (NSLP). It is not clear why students participating in NSLP waste as much food as they do. Many factors may contribute to the waste, which include: a dislike or unfamiliarity with the foods served, the environment in which students are eating, lack of time to eat, or perhaps other factors. One factor not explored was the meal composition or pairings of certain foods that could enhance appeal, palatability and acceptability of the meal and lead to less plate waste. Therefore, the objective of this study (Investigating the Relationship between Food Pairings and Plate Waste from Elementary School Lunches) was to examine the relationship between food pairings (e.g. entrees and vegetables; and plate waste by elementary school students).

Logistics
During the 2012-2013 school year, new school meal nutrition standards were implemented in accordance with United States Department of Agriculture (USDA) regulations stemming from the Healthy, Hunger-Free Kids Act (HHFKA) of 2010 and the 2010 Dietary Guidelines for Americans. The new USDA guidelines for school meals were designed to improve the nutrient density of foods offered and set standards for calories, sodium, and saturated fat. In addition, among other requirements, the guidelines specified serving a greater variety of foods and established larger portion sizes for fruits and vegetables.

Data Collection
Plate waste data was collected from three elementary schools (kindergarten through fifth grade) in one school district located in central Texas participating in the United States Department of Agriculture’s school meal program. Plate waste collections were conducted in two phases. Phase 1 was conducted in April and May 2012, pre-implementation of the new nutrition standards, while Phase 2 was conducted in October and November 2012, post-implementation of the new nutrition standards.

Altogether, plate waste data from 8,430 students were collected — corresponding to 4,145 students pre-implementation and 4,285 students post-implementation of school meal standards. A total of 144 observations of entrée/vegetable pairings repeated by grade and school (27 distinct pairings) were collected pre-implementation; and 305 observations of entrée/vegetable pairings repeated by grade and school (56 distinct pairings) were collected post-implementation. Analyses of the respective entrée/vegetable pairings were conducted to determine plate waste and therefore, acceptability for particular entrée/vegetable pair subsequently.

Reaching A Goal
In order to meet the new nutrition standards, schools in our sample offered more selection of vegetables and modified recipes post-implementation of the new standards, but the serving sizes did not change. Overall, our results indicated that more nutritious meals were offered during the post-implementation period compared to the pre-implementation period. The new school meal standards had no effect on the entrée plate waste, but vegetable plate waste increased by 5.6 percent. This led to a small insignificant increase in the combined plate waste from entrée and vegetable pairings (40.4 percent pre- and 43.5 percent post-implementation). Modification of the recipes and possible lower familiarity with some of the vegetables offered may have contributed to the increased vegetable waste observed post-implementation.

Results
The top five vegetables in terms of popularity were all starchy vegetables, the majority of which were potatoes in various processed forms. The least popular vegetables were dark-green leafy vegetables, such as steamed broccoli, both pre- and post-implementation. Chicken nuggets were the most popular entrée and were wasted the least. Four out of five pairings that had the lowest overall plate waste involved white potato products. Our findings from elementary school lunches, therefore, are consistent with those from previous behavioral and experimental studies. We observed that specific pairings of entrées and vegetables reduced total food waste. Pairings of more popular entrées with less popular vegetables resulted in higher vegetable waste. Specifically, chicken nuggets were wasted less when paired with green beans and wasted more when paired with mashed potatoes. Compared to pairing of green beans with chicken nuggets, green beans were wasted less when paired with steak fingers and pepperoni hot pockets. In general, entrees and vegetables pairings with the least overall plate waste involved the most popular entrées and the most popular vegetables for elementary school students.

Research was funded by the Alliance for Potato Research and Education (APRE).

The Authors:
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Let Them Choose

BY JIM PREVOR, EDITOR-IN-CHIEF, PRODUCE BUSINESS

Sometimes we have to do research to confirm what we strongly suspect — in this case, if you serve the entrees children like best and pair them with the vegetables children like best, then the children are more likely to eat what is served — thus waste less than if you served less popular entrees and vegetables.

The question is: What does this mean for the school lunch program and, more generally, for produce industry efforts to interface with schoolchildren?

There is an argument to be made that these efforts are misplaced. In Britain, famed chef Jamie Oliver helped redesign the school lunch program in a healthier direction, but the kids so objected to the food that we soon had TV reports showing mothers sneaking food to their kids during recess.

Food waste, itself, is probably as much a function of serving policy as it is of foods offered. Although the authors are uncertain why children waste as much food as they do, we would say that the answer is pretty clear: The children are being required to put foods they don't want on their plates. In a private school, not participating in the National School Lunch Program, just down the road from this magazine's headquarters, the children used to walk down the cafeteria line and select which items they wanted on their plates. In order to boost vegetable consumption, the school changed policies and required that every student accept the vegetable and have it put on the plate. No research was done, so whether there was any incremental increase in vegetable consumption can't be stated definitively, but the amount of food waste was so obviously increased that the whole project was abandoned.

There is something about the attitude with which this field is approached that treats children like prisoners or members of the army. The obvious alternative is to treat children as people, well able to make their own food choices. Then, those who want to urge them to eat healthier food have to actually do something difficult: educate children about making good choices and offer culinary options that are delicious, appealing and healthy.

The other thing to note is many of these initiatives are questionable both because children differ from one another in nutritional needs and because what exactly promotes health is controversial. For example, this columnist's nephews were both in high school when the new guidelines were implemented. Both are more than 6 feet tall, both are highly athletic; one is a runner who clocked in several hours a day; the other is always playing volleyball, basketball and other sports. They are each thin as a rail. After practice, they would enjoy a Snapple beverage. After the switch to the new standards, the school only would sell Diet Snapple. What, precisely, is accomplished here? Certainly my nephews have no need to restrict their caloric consumption. Is it so obvious to everyone that consuming aspartame is healthier?

In fact, the offer of the diet beverages indicates the whole effort is off kilter anyway. The real challenge is to retrain children's palates to appreciate flavor profiles that are not instinctive. This is a big challenge. At home, conscientious moms have done this for generations both by educating their progeny and by identifying those specific healthy things their own children would want to eat.

Now at home, it is increasingly difficult as working mothers have to prioritize getting things done and rely on more processed foods. Diet beverages should, in theory, reduce caloric intake, but if the consumption of diet beverages trains the taste buds to like sweet things, they may lead to high-caloric consumption.

Looking to increase vegetable consumption is laudable, but if you are serving chicken nuggets, one might question the seriousness of the effort to serve healthy food.

And in back of all this, we have the trade's primary school outreach effort, to get salad bars placed in every school. Salad bars have the great effect of showing respect to children by allowing them to choose their own foods. The produce industry likes them because the industry sees visible POIs for items every week. But, we are dealing with children, and if the respect for autonomy in children is not combined with proper education — not just for what is good for you, but also for how to compose foods in a delicious and easy-to-digest manner — we may find that children turn themselves off fresh produce, because they don’t know how to compose foods in a way they will enjoy.

In this sense, getting children to stop wasting vegetables illustrates the challenge before the industry. It is not enough to change laws or rules and dump a big ratatouille on every child’s plate. We have to serve foods children enjoy, and if we want those foods to be healthy, we have to educate children both as to what is healthy and how to make the healthy delicious.
Local, Organic, Natural: Jackson Whole Grocer

Community-minded shopping in Jackson, WY

BY KRISTEN POPE

nestled in the Jackson Hole valley, Jackson Whole Grocer (JWG) has provided locals and visitors alike independent and local food for more than 25 years.

Just last year, JWG moved to a new location, more than doubling its floor size from 11,000 square feet to 23,000 square feet. Approximately one-seventh of that space is dedicated to produce, according to produce manager Calvin Palmer.

The eco-conscious grocer focused on sustainable building practices when they relocated. The building itself utilized reclaimed wood in addition to 95 percent LED lights and GreenChill certified refrigeration.

Local Specialty Items

Purchasing local products and specialty items is key to JWG’s business model. The store as a whole offers more than 5,000 products made locally, and its management continuously works to increase that number.

JWG focuses on obtaining high-quality and unique products from a variety of sources. “I primarily use a cooperative for my main category and I fill up the gaps with harder to get produce and organic specialty items with two other vendors typically, but it depends on the time of year,” says Palmer. “Higher quality is what I’m interested in.”

Palmer currently uses around 15 vendors to provide the products he’s looking for, such as locally grown dragon beans. In total, he carries roughly 1,000 produce items.

In the summer, JWG specializes in local fresh goods, setting aside a six-to-eight foot section dedicated to local salads, beans, potatoes, and other items from local vendors. “It’s more work, but I would rather support a local vendor,” says Palmer.

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The grocer also showcases “Slow Food in the Tetons” vendors and local producers, including Wyomatoes from Wyomatoes Organic Farm in Big Piney, WY and items from the Robinson Family Farm in Bedford, WY. “I look for local vendors that are on the smaller side and more willing to, in a nutshell, play ball and work with the specialty side of things,” says Palmer.

Letting customers sample products is a key part of the process. Sometimes JWG grills peaches, chili peppers, and other items in front of the store. Employees explain the ingredients, preparation process, and pairings to customers. “In the past, we’ve had chilis roasting outside, and people can sample them with specialty goat cheese,” says Ginny Hutchinson, senior director of marketing and sales.

Organic Options

In an affluent and extremely health-conscious community, consumers care about what kind of produce they put in their bodies. For this reason, sales of organic produce, particularly the “Dirty Dozen” are very high.

“We see an extreme interest in nutrition and health,” says Palmer. “If I had conventional raspberries at $2.99 each and I had organic raspberries sitting right next to them merchandised in the same cooler, I would sell
So profitable, it’s nutty.

When you put our pistachios on the floor, wonderful things happen. One of the most profitable items you can display, Wonderful Pistachios offer more profit per square foot than popular moneymakers bananas and peanuts. Maybe it’s our multimillion-dollar national TV campaign that gets people through your door. Or maybe it’s our eye-catching displays that make sure they have a handful of pistachios when they walk away. Either way, Wonderful Pistachios always shell out.
the organic raspberries more than the conventional raspberries on a killer deal.”

In addition to a large organic selection, the shop also offers conventional produce. “People may not want only organics,” says Hutchinson. “They may want a conventional banana but want the option for organic lettuce.”

Building relationships with key vendors who put aside top-notch produce works well for Palmer. “I’m selective in purchasing,” says Palmer. “Over time, I found out who has good stuff or average stuff, and it’s trial and error and working with vendors who set aside certain commodities specifically for me and I have first pick.”

Education Via Merchandising

JWG works to educate customers about the store’s produce. “We try to educate our customers about the country of origin for the food they’re eating,” says Hutchinson. Signs alert customers to Washington-grown apples or items from Chile.

The stores also cross merchandise items when possible, such as keeping “Back to School” themed items together. “People want to buy juice boxes, so we have the juice boxes next to other healthy choices like cut fruits, grapes, carrots, and hummus,” says Hutchinson.

JWG also works to repurpose produce that’s not at its peak. The grocer also partners with local nonprofit Jackson, WY-based Hole Food Rescue to re-home imperfect produce and other food items that would otherwise be tossed. JWG also works to use past-peak produce in its in-house creations, such as turning over-ripe avocados into housemade guacamole or specialty soups.

The store has weekly newsletters that offer deals and promotes specialty items. The newsletter features recipes for everything from chile polenta to peach cobbler, but the store doesn’t keep recipe cards on hand.

Unique Characteristics

Oftentimes, customers head into JWG knowing exactly what they want to purchase. Many private chefs use the store to shop for their clients. “They often come in knowing just what they’re looking for,” says Hutchinson.

The store also carries items specifically geared toward the hard-driving athletic nature of this ski town. “Most locals are very athletic,” says Palmer. “Normally in a produce department, I would carry smaller russet potatoes, but here I carry the larger baker potatoes that are conventional not for the sense they’re cheaper but because they are a very good source of starch and carbohydrates.”

In addition to standard and conventional produce, JWG offers a number of amenities in the produce department. The grocer has a fresh juice machine, a peanut grinder in the bulk department, and a full salad bar with 27 organic items. The produce clerks are also happy to core and slice pineapples or other tricky-to-handle items for customers.

Every day, clerks in the produce department work to keep the department fresh by rotating and culling merchandise. “If possible, we do so every hour, but at least at the beginning of every shift,” says Palmer.

Social Media

JWG uses Facebook as its main social media platform for events and deals, in addition to other outlets. “We do have an Instagram account, which is really helpful for people to see our food quality,” says Hutchinson.

Additionally, the company sends an email newsletter twice a week. Emphasis is placed on the business’ rankings on Google, Yahoo, and TripAdvisor. “Being a resort town, we really pay attention to our reviews on Yelp and TripAdvisor,” says Hutchinson.

Hands-On Service

While JWG does spend time advertising online, reaching out to customers in person is key to the small-town customer service it provides.

“We take a hands-on approach to customer service,” says Palmer, who regularly offers customers samples of produce on the floor. “I try to walk the sales floor and approach as many people as I can with things they might not purchase themselves.”

He offers customers slices of organic peaches or lychee nuts, explains the health benefits of tamarindo, and works to make each customer feel comfortable. “I approach them in a friendly way and already have a peach cut in my hand,” says Palmer. “It’s the best conversation starter I’ve found. Who’s going to turn down a peach that’s amazing?”

Top-Notch Food Safety

Food safety is important to customers, and JWG strives to exceed standards. “I utilize proper cleaning standards every day to avoid cross-contamination and I clean everything that I possibly can,” says Palmer. “My cooler actually gets cleaned and everything is moved twice a week so it can be cleaned.” And it hasn’t run afoul of any health and safety regulations.

“We have an impeccable record with health,” says Hutchinson.

Community Efforts

Throughout JWG’s history in the valley, it has worked hard to support local community initiatives. In its new location, JWG has a Community Room available for nonprofits, organizations, groups, and businesses to hold meetings.

The grocer also hosts events, clinics, lectures, and a variety of different community gatherings, especially those focusing on wellness and sustainability. Sometimes the company even has live music and dancers for various events.

JWG’s cafe displays local artwork created by local students and artists, and classes tour the grocer to learn about food. “Quite a few preschool through high school classes come through here,” says Hutchinson. “Often teachers in PE or health and wellness will want kids to learn about food and teach them at an early age.”

JWG supports Vertical Harvest, a project to produce local food year-round in a 13,500-square-foot hydroponic greenhouse located in downtown Jackson. Over the years, JWG also donated more than $300,000 to local causes. “We’re committed to putting our money where our mouth is when supporting the community,” says Hutchinson.
Global supply, category management and value-added products were produce science fiction when a teen-age Jim Richter started bagging groceries at Gerland’s Food Fair in Houston. After earning a bachelor’s degree in business administration at the University of Texas in Austin, Richter embarked on a retail produce career working at H-E-B, Indiana-based Marsh Supermarkets, Randall’s Food Markets and 7-Eleven in a series of progressive executive positions. He moved to the supply side in 2006, where he is now chief executive at Rexburg, ID-based potato grower and marketer, Wilcox Fresh. Richter currently serves on the Produce Marketing Association (PMA) Foundation board of directors.

Where were you in 1985?

I had just been promoted to produce buyer at H-E-B after working as store director at the chain’s Victoria and Port Lavaca locations in Texas.

What was the produce department like in 1985?

We (H-E-B) had 150 stores back then and carried 300 to 350 items in produce. PLU stickers weren’t on the scene yet. There weren’t many organics. The global marketplace hadn’t developed to year-round. We had to manage seasonal gaps and work through them. It was too soon for fresh-cuts. The first generation of fresh-cuts didn’t come until about 1990 with bagged salads. I remember in March of that year we put bagged salads in first position in the traffic flow and moved the iceberg, which we wrapped in house at the time, further down. We felt bagged salads were the future back then. It was also in the 1990s that I was on PMA’s Category Management Task Force.

How would you characterize the overall retail environment back then?

The retail environment was very competitive. There was no shortage of good companies. However, there were more regional players, and national chains weren’t as dominant in all Texas markets, such as where HEB operated. We always looked to differentiate. It was as true then as it is now. There was a move away from a ‘one size fits all’ philosophy in favor of being sensitive to and catering to the demographics of customers who shopped at a particular store. This meant more than picking slots in the warehouse and moving items. To be on top of the game, you had to carry items customers wanted. You also have to do this with a different number of SKUs in small, medium and large stores.

When did things start to change and what were the drivers of change?

In 1992, and data drove the change. I was director of produce at Marsh Supermarkets and that was the year the Marsh Super Study was published. This was a sequel to the Dillion Study from 1960. The Marsh Study tracked sales, space and profits throughout the entire store for over a year. There were three take-home messages that have since stuck in my mind. First, not every customer shops every department on every trip. Second, the highest prevalence of purchase is in produce. Third, once in produce, 85 percent make a purchase, the highest of any other department.

What are some of the biggest innovations you’ve seen in the produce industry over the past 30 years?

Value-added and global supply. We used to prep produce in the back room. That took a lot of labor. Now, regional processors do it for you. The result is an increase in quality and consistency and near elimination of food safety problems.

There’s no longer gaps in supply thanks to the global market. Everything is in season all the time, and quality continues to develop favorably. Produce departments exploded in size as a result. I remember the first Marsh store in the early 1990s to have 10,000 square feet for produce. It was position in front and center, not to the right or left or in the back. SKUs increased exponentially too. I remember we were the first to carry a Holland bell pepper when no one had seen one of these in Indiana before.

How would you describe the produce department today?

Produce is the number one reason why customers shop a store. Seven hundred items is the norm rather than the exception. Value-added and pre-cut produce abounds in answer to customers’ craving for convenience. It’s the place that first helps shoppers answer the daily question, ‘What’s for dinner?’

What led you to the supply side of the industry?

Working for Lynn Wilcox is a good fit for me. We have mutual goals and objectives. I
saw where I could help to make a difference. That is, developing items customers wanted that would help a retailer differentiate itself. In this way, I brought a fresh set of eyes with many years of retail experience to product development. It’s been a win-win.

What do you think was the greatest lesson you learned about retailing over the past 30 years, both as a retailer and from the supply side?
The produce business is all about trust and relationships. Relationships built early in a career, and the trust gained, carry over throughout your entire career.

What do you think will drive the produce industry in the next 10 to 20 years?
Value-added package technology will grow in ways that no one can think of now. For example, in potatoes, we’re looking at developing biodegradable packaging in steamable bags. Convenience is king. We’ll also see other channels like C-store and dollar stores evolve more fully with opportunities for fresh produce in these channels.

What are the challenges holding the industry back?
The impact of consolidation and need for cross-training. I see this from my beginnings as a store operator who was fortunate to get tapped to be a produce buyer. That background allowed me to learn the whole market. Someone who has a background in operations and buying can write their ticket in the industry today. That kind of training is important to get early in a career.

What are your thoughts on choosing produce as a career today?
As a member of the PMA Foundation Board of Directors, we are tasked with coming up with strategies to grow, attract, develop and retain the best and brightest next generation of industry talent. I’ll often have up to six college students that I mentor. It’s great to be able to introduce them to the possibilities in this industry. A career in produce is one of the most dynamic. You can start at the ground floor where supply chain management is fun and fast paced, and rise from there. If you work hard, you’ll reap the rewards. You can go from being a bagger to managing a billion dollar perishables department.

What advice would you give young retailers entering the produce industry?
Learn as much as you can at the store level from merchandising and in the buying office. Look for every opportunity to diversify your skill set especially early in your career. Look for good career advice from mentors within your company or in another company. If you do this, you will find great success.
Limited SKUs, little variety and a location in a small corner of the supermarket characterized produce departments when Randy Scott started his career with Affiliated Foods in Keller, TX in 1983. After working a year as a distribution consultant for OMI International, Scott joined Food Lion in 1991. He served as procurement manager, produce buyer and category manager for the Salisbury, NC-headquartered Delhaize America subsidiary, until this past summer. In July, Scott assumed the position of senior manager of produce procurement position for Sprouts Farmers Market, a 212-store chain based in Phoenix. Over the past six years Scott has made a name for himself in the produce industry by taking on leadership roles as co-chairman of the United Fresh Convention in 2009, member of United Fresh’s board of directors in 2010, and most recently chairman of United’s Retail-Foodservice Board.

Where were you in 1985?
I was into my second year of learning about inspecting produce while working as a produce receiver for Affiliated Foods.

What was the produce department like in 1985?
The number of SKUs back then was relatively low and variety was limited. The core items such as iceberg lettuce, bananas, apples, etc., carried much of the weight in the department. Just thinking of apples, we only had a few varieties to choose from, with Red Delicious, Granny Smith, and Golden Delicious as the predominant varieties. Most fruit categories were seasonal. Grapes, berries and other commodities would have a fairly large gap between seasons.

I don’t remember the first fresh-cut produce until well into the 1990s, outside of what we cut in-store such as melons and pineapple. The first packaged salads to arrive were in sealed bags that we called ‘bricks,’ because of how tightly they were vacuum-sealed. Even then, the variety was limited to just a few SKUs.

How would you characterize the overall retail environment back then?
In 1985, the independent, small grocery stores had a large presence. We had more than 900 stores in our co-op and many were family owned stores. Produce departments were in a small corner of those stores, although they were very important to customers. It seemed as if you always knew your local produce manager by name and it was easy to develop a family-type relationship with them. They remembered all of their regular customers.

We did not have the ancillary items in the produce departments at that time. Refrigerated dressings, croutons, dried fruit … all of those did not arrive until several years later.

Floral was only brought in as seasonal situations demanded. We would bring in poinsettias, lilies and a couple of fresh-cuts for holidays. Bedding plants would be available each spring for a short period of time.

When did things start to change and what were the drivers of this change?
Many things contributed to change, but I would say the packaged salad arrival was one of the biggest drivers. Customers began to see the benefit of convenience and they jumped on that trend quickly. At that same time, other commodities were showing up in different package options. Grapes were starting to be sold in bags. Strawberries in clamshell containers began to replace the plastic pint containers that required us to cap them in-store.

What are some of the biggest innovations you’ve seen in the produce industry over the past 30 years?
A couple of things stand out to me when I think of innovation. The ability to purchase almost all commodities throughout the entire year is a big one. We can import from all over the world to fill whatever gaps we may have, specifically on fruits, but on vegetables as well. The other big one is the fresh-cut and packaged salad innovations. There is no limit to the number of options for different salad varieties and the quality is outstanding.

How would you describe the produce department today?
There are so many adjectives that would fit today. Produce has become perhaps the most important department in the store. Customers expect fresh, quality produce every time they
walk into the store and if they have a bad experience they will shop elsewhere. We all must focus on delivering what our customers want each and every day.

What do you think was the greatest lesson you learned about retailing over the past 30 years?

Listen to your customers and be open to change. Your customers will let you know what they want and staying relevant means you must listen to them. If you are not open to changing the way you go to business, you will be left behind. Someone else will step in front and you will eventually fall to the back of the line.

What are your views of ‘local’? It is a trend or here to stay?

Local has always been important, even in 1985. I wouldn’t necessarily call it a trend, but it has gained momentum in the past few years. In a short answer, yes, it is here to stay. In general, consumers want to be able to trust their food source and they feel a connection they can trust when it comes from a local area.

What do you think will drive the produce industry in the next 10 to 20 years?

Food safety will most likely be at the top of the list. We must ensure our produce is safe. Our customers depend on us to provide them with safe and healthy food. As an industry, we must align across the supply chain to put standards in place that are efficient and effective.

What are the challenges holding the industry back?

While there are a number of areas I could point to, just a couple are top of mind. One is the increased consolidation in both retail and the supply side of our business. With this consolidation, our businesses become stale and we lose the personal relationships between the supplier and the buyer. The other is obviously food safety. As I mentioned previously, if we don’t find solutions that will be operative for the entire supply chain, we won’t be able to maintain a stable supply of fresh produce in the future.

What are your thoughts about choosing produce as a career today?

Many of us who have had long careers in produce didn’t actually choose this career. I am no different. When I started with Affiliated Foods in 1983, I had no idea that I would be making a career out of what I was learning. Things fell into place over time and I grew to love the produce industry. It is exciting to me. I enjoy the fast pace that it brings. If I could go back 32 years, knowing what I know now, I would do it all over again.

What advice would you give young retailers entering the produce industry?

Find your passion. Be prepared for the ride of your life. Not everyone is wired to work in the produce industry. You will find out in quick fashion if it is suitable for you. You will develop relationships in this industry that will last a lifetime. Many of them will become lifelong friends and/or mentors. You could realize in 30 years, that you are now a mentor to a young energetic person wanting to begin a career in produce.
Independents ruled, communication meant telephone, and deals were sealed with your word when Craig Carlson began his career as a produce manager with Cub Foods. That was 1978, when the Stillwater, MN-headquartered retailer had only five stores compared to 77 today. Carlson worked in produce even earlier as a stock boy, a position he held from high school through graduation from the University of St. Thomas. His bachelor’s degree in business prepared him for an accounting career. However, Carlson took a Cub-offered produce manager job instead. Over the next three-plus decades, he has held positions such as vice president of produce operations and merchandising for Penn Traffic; vice president of produce and floral merchandising at Pathmark stores; and senior director of produce for Wal-Mart.

In 2011, Carlson became senior vice president and senior director of category management and sourcing for produce at US Foods. Two years later, he left to start Carlson Produce Consulting, LLC, based in Chicago, of which he is president and chief executive. A project that exemplifies his consulting work is the successful rebranding and repositioning of ONE BANANA. For 15 of these years, Carlson held volunteer leadership positions with the Produce for Better Health Foundation, Eastern Produce Council and Produce Marketing Association.

**Where were you in 1985?**

I was a produce buyer/merchandiser at Cub Foods in Columbus, OH. I did all the buying and merchandising for the new Columbus division when it opened.

**What was the produce department like in 1985?**

We were a trendsetter in produce. Many departments then were located in the back of stores, with limited SKUs and a lot of packaged options. At Cub Foods, we moved produce upfront, made it proportionally larger than average, tried to have as many SKUs as possible and focused primarily on bulk. Still, the SKU count was only half what it is today. That’s because imports and organics were few, seasonality dictated what was available, and fresh-cuts were either a thought of the future or done at store level.

**How would you characterize the overall retail environment back then?**

There were a lot more of the smaller independents. Big box stores were just starting to ramp up. Retailers such as Wal-Mart, Costco, H-E-B, Meijer and Wegmans had yet to really expand. It was a time, though, that the importance of produce was beginning to take root with the more innovative retailers. That meant mass displays, fixtures, signage and aggressive pricing and promotion.

**When did things start to change and what were the drivers of change?**

For me, it was when I got involved with the Produce Marketing Association. Everyone at the conventions talked about how to move the industry forward. There was a framework, a collaborative environment. There was a push for retailers as a whole to get better and to work with the grower community to accomplish this.

**What innovation has changed the produce industry over the past 30 years?**

PLU codes. Before these, there was no way to compare an individual chain’s performance to its competitor or to the industry as a whole. Plus, PLUs gave us an ability to sell more than one item in each category. That has allowed every category in the produce department to really expand in number of SKUs. In turn, customers today want to eat healthier, and they are looking for a large variety of great tasting produce. The ability to offer this has enabled retailers to capture more customers and more shopping trips. This is all because of PLUs.

**How would you describe the produce department today compared to 30 years ago?**

Then, the retail buying process involved a combination of brokers, wholesalers and growers; now it’s a grower focus. Then, produce buyers came up within the organization. They were usually a long-term associate who worked 10 to 15 years before moving into the buyer position. Now, they are people with great knowledge but less store experience. Then, we talked on the phone...
when negotiating price and programs. Your word was your bond and your signature that signed the deal.

Today, it is much more difficult to talk directly to buyers and most communication is by email. Then, it was all about driving gross profit dollars, gross margins were half what they are today. Then, the focus was on driving sales and volume. We had opportunity buys where we’d grab the incremental volume at a reduced price and pass the savings on to the customers.

With retail chain execution nowadays, it is hard to get the lift that generates the gross profit dollars to offset the reduction on retail price. However, today opportunity buys represent a huge potential for volume-oriented formats, and many independents continue to capitalize on this approach.

What led you to the consulting side of the industry? What insights have you gained on the consulting side that you wish you had known as a retailer?

I wanted to utilize my vast experience to build high performance programs within the produce supply chain. There is a huge need for growers to continually reposition and remarket themselves to remain relevant to retail. The world is much different now than 30 years ago, and growers need to be prepared for where they will have to be in the next 10 years.

What do you think was the greatest lessons you learned about retailing over the past 30 years both as a retailer and as a consultant?

I learned the power of communication between retailers and suppliers. It’s important to partner and communicate with your supplier. Every day the best customer gets the best produce. In that way, growers take care of the retailers they communicate best with. I live by the 24-hour rule; that is to answer all voice mail and email within 24 hours.

What do you think will drive the produce industry in the next 10 to 20 years?

Millennials. They want to know about their produce. Who grew it? Where was it grown? How was it grown? Suppliers need to tell their story. The avocado industry did this, and look where consumption of this fruit is today. Social media is an especially cost-effective means to do this, plus this form of communication resonates with Millennials. Today most companies are checking the box by providing social media. In the future it will become an integral part of driving consumption.

What are the challenges holding the industry back?

We are being out-marketed by snack and fast food companies. They have more advertising dollars and are way more sophisticated than us. As an industry, we need to do more to assure fresh produce will gain a greater share of stomach.

What are your thoughts on choosing produce as a career today?

There’s a tremendous career opportunity in the produce industry today. This prospect lies in helping suppliers market and position themselves to Millennial customers in a cost effective way that drives consumption and performance.

What advice would you give young retailers entering the produce industry?

Spend time working in a store. Know what it’s like to work with customers from first-hand experience. If you’re working for a retail chain, ask for at least one month at store level to touch, feel and see how it operates. It will make a drastic difference in your career.
Deconstructing 30 Years of Industry Improvements

In celebration of 30 years in the produce industry, the editors of PRODUCE BUSINESS select 30 revolutionary topics and 30 industry influencers who share their expertise and experiences.

This second series features the following topics and industry influencers.
Consolidation
‘The Great Chase’

“The significant consolidation that happened in our industry post Wal-Mart also happened with the suppliers of fresh produce. There were fewer buyers — but there were also fewer sellers.”

Many want to attribute all the changes at retail over the past couple decades to the seismic changes Wal-Mart inflicted on the food retailing marketplace. And yes, Wal-Mart had a dominant and forever-lasting effect but more importantly the company woke up every other food retailer in the United States to the new world order as they were significantly better at addressing the needs of what in hindsight appeared to be an underserved segment of customers. They created the Great Chase of better understanding the customer segment for which each retailer could compete.

What emerged post Wal-Mart was traditional grocery stores being forced to redefine themselves or risk not being relevant anymore. Some did it very well. Some didn’t change and don’t or won’t exist anymore. It all has to do with being relevant to today’s ultimate customer. The survivors also took varied approaches by marketing to different customer segments including rebranding existing stores or purchasing stores that helped them better target the changing needs of specific customer groups. During this time there was massive consolidation in our industry caused by the need to be more relevant to the customer and the need to be geographically diverse.

But Who To The Chase?
Before customer-specific data was available, the industry relied on U.S. Census data along with other data points to attempt to define who lived where and how best to market to them. But the game changer came when some companies began to analyze their vast databases of customer scan data to “bucket” customers into marketable segments. Now you knew who they were, where they shopped, what key items they purchased on a regular basis and what items you might be able to influence them to buy. Then you could send them specific coupons or sales without offering that coupon or sale to everyone. You basically were able to market “One to One” vs. the historical grocery marketing concept of “One to Many” — running an ad and hoping there is something for everyone in it. Now you were able to personalize your message and begin to build loyalty with your customers.

Supply Partners And The Chase
The significant consolidation that happened in our industry post Wal-Mart also happened with the suppliers of fresh produce. There were fewer buyers — but there were also fewer sellers. While there will always be a “healthy tension” between buyers and sellers, the more progressive partners — on both sides of the equation — began to work collaboratively to help market to specific customer buckets. Now while most fresh produce items have broad appeal to most if not all customer segments, there are areas where both sides can work together to build incremental sales and unit growth. As we move into the next phase where there is a mature Wal-Mart, less traditional grocery stores, more specialty stores such as Whole Foods Market, The Fresh Market, Sprouts Farmers Market, etc. etc., it is imperative both the supply and demand sides work closer together in a more collaborative environment.
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Over the past 30 years, the fresh produce industry has adjusted practices to address a growing number of safety concerns. Some concerns are indisputable, some theoretical, and others more a function of faith. All the while, the industry has increased choice, quality, consistency of supply, and costs relative to inflation — in short “value.”

In addition, successful retailers and foodservice firms have sought to meet consumer demands. Organic and locally grown products are but two examples. These demands are a byproduct of living in an affluent society, yet there is no consensus on how they impact risk.

Of course, nothing affects a firm’s priorities like an expensive lawsuit or settlement. While some risks may produce bad press or damaged brands, more traditional sources of risk: — microbial, physical and chemical contaminates — result in subpoenas, court appearances, and financial losses.

Any fresh produce executive who fails to balance safe production and handling concerns with assurances of product availability, competitive pricing, quality, display, and a plethora of other core competencies that have historically separated successful businesses from failed ones will, sooner or later, join the latter.

Safe production and handling of fresh produce is not the exclusive concern of those in the supply chain, as other entities now serve the industry by assisting both suppliers and buyers in sustained food safety efforts. Obvious players include the consultants, laboratories, and auditing firms that have the potential to identify disconcerting practices.
30th Anniversary Issue
30 IMPROVEMENTS AND 30 INDUSTRY INFLUENCERS

Practices and/or contaminated products or facilities. These entities focus on safety issues to a far greater degree than those in the supply chain. Now a third group is playing an increasingly important role, focusing with laser-like precision on the risks associated with safe production and handling practices. Insurance underwriters provide entities throughout the supply chain with coverage for consumer illnesses and have a strong financial incentive to encourage mitigating measures.

Insurance underwriters have historically provided legal departments of each fresh produce firm with the most direct and simplest solution to minimizing retailer risk — indemnification backed by a contractual obligation to carry a defined level of insurance. But with the increased numbers of smaller local suppliers, will this solution continue to be viable?

Underwriters have a self-interest in reducing their risk. The more information available to them and the more detailed the analysis of producers’ mitigating efforts, the better their ability to measure that risk. In so doing, insurance underwriters have the capacity to incentivize producers’ best practices. If leveraged properly, underwriters’ risk analyses can facilitate the transformation of best practices to standard practices far more effectively than any firm in the supply chain (See Figure 1).

Retailers and foodservice firms’ insistence on third party audits and microbial testing has laid the foundation for collaboration with the insurance industry. The range of mitigating practices exercised throughout the fresh produce industry is diverse with hundreds, if not thousands, of variants. Collecting, analyzing and converting that data into a format that is of value, not only to insurance underwriters, but also to insurance brokers, is critical. A simplified assessment that serves the underwriters’ interest would enlist insurance brokers as missionaries carrying the safe production and handling message. More importantly, these brokers offer tangible and nearly immediate benefits — premium reductions to those adopting best practices.

This concept is not far removed from risk assessments conducted by lending institutions when they purchase FICO scores for consumers interested in financing cars or homes, or business assessments conducted by Dun & Bradstreet. If fresh produce is interested in leveraging the focus of the insurance industry, buyers will need to insist on transparency in suppliers’ mitigating efforts.

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This will require a level of information far closer to what is currently demanded by buyers with regards to quality. Want some more good news? Many suppliers’ food safety efforts are already approaching their level of commitment to quality. Now is the time for “big data” analytics to assist those efforts.
Global trade — it has become the lifeblood of the produce industry. Countries around the world are united in their need to import products to satisfy consumer demand as well as export products to maintain commodity prices and provide a return to growers.

In the past decade, the BRIC countries (Brazil, Russia, India and China) were looked upon as the high growth markets of the future, but all have had their challenges.

The Russian ban on produce from nations supporting the economic sanctions against them resulted in downward price pressures from the resulting oversupply of product on the European market. Many countries that depended on this major fruit importer have been challenged to find other markets for their products. But Russia has been a difficult market even for the countries able to export to it.

As the Russian ruble deteriorated significantly against the U.S. dollar, returns to exporters declined as well. Falling oil and energy prices have significantly decreased the country’s income (although there are substantial government reserves). The most telling is the decline in real disposable income, wages and pensions, which have been in negative growth percentages since the end of last year.

China has made headlines throughout the year. Slowing growth rates and the unexpected triple devaluation of the currency in August raised concerns about this important market for exports. While it used to be said that when the U.S. sneezed, Latin America caught a cold, now the same is being said about China and its impact on the rest of the world. However, even though returns from exports to China may be diminished from last year, China has been and remains a major export destination. A growing middle and upper class appreciates imported produce for characteristics such as food safety, quality and variety.

Brazil is facing major challenges of economic stagnation, lack of confidence in the government, and devaluation of currency. In 2012, one Brazilian real was worth US$.60 and is now (at the writing of this article) less than half that amount at US$.28. For U.S. exporters, this situation adds another challenge on to the already long shipping times needed to reach this market. EU exporters have the advantage of a shorter transit time, but must work to improve their post-harvest processes to compensate for transit times longer than those for their traditional exports within Europe. Brazilian exporters that did not usually export to the U.S. are exploring this alternative due to the exchange rate.

India, little by little, is opening up its economy, but the World Bank notes its tariffs continue to be high when compared with other countries, and its investment norms are still restrictive. A large and well educated middle class where English is widely spoken makes India a very attractive market. However, infrastructure and cold chain limitations, in addition to the tariffs, have hampered fresh produce trade in this country.

These are but four countries in the huge world of trade. New opportunities are growing in other markets, competition is increasing from traditional and new production areas, and climate and economic changes continue to impact trade. It’s never boring.
The premise of the 1985 comedy classic Back to the Future was a local one. Going back and forth across 30 years, Marty McFly and Doc achieved the dream of time travel to take care of the greater good of family, friends and their community.

Since 1985, clearly, much has changed. Transportation is much improved and safer. Technology advances have facilitated quantum leaps across all aspects of life. And, yes, prices of goods have doubled, tripled and even quadrupled in many instances.

What about dining habits? Interestingly, the eating-out formula is nearly the same as 30 years ago. Then, we looked for a restaurant that provided quality, value, freshness, something that tastes appealing and a great experience. Today, that remains true … except for a few cultural and social nuances.

Among the most prominent twists comes from those tykes whom we buckled into the backseats of our cars in the mid-80s — the Millennials. Now, as discerning adults, they care about the integrity of their food to a much higher degree than previous generations. They want to know what's in the food, where it comes from, the beneficial nutrients and such.

Additionally, today's generation of diners wants to more intimately connect to their food. They're comforted by knowing who the farmer is, how frequently they ship, and where the products are available.

Defining “local” often depends on your viewpoint. While some base it on the distance from the farm to your fork — 10 miles, 100 miles, 200 miles — there’s no debating that local is a trend. Customers are demanding it as an option, and, for many retailers, their success depends on it. Sysco and our FreshPoint produce subsidiary have supported local family farms for decades. It’s a philosophy that we reinforce through local produce programs in all of our markets across our U.S. and Canadian footprints.

Within these programs, cultivating the awareness of food safety through Good Agricultural Practices (GAP) is important. Through numerous educational programs and fair trade initiatives, and by offering our insurance liability coverage, we help local suppliers understand the importance of incorporating those practices into their operations.

More than 500 small farmers have completed food safety workshops in the past several years, which are staged by Sysco and industry partners such as the Produce Marketing Association. Additionally, some 40 local FreshPoint ambassadors meet monthly to discuss ways to support the local farms through distribution, marketing, GAP education, insurance assistance, farm tours, system updates, and more. FreshPoint’s active database of traceability from local farm to customer has allowed our clients to have specific information on farm identification and distance to their location previously unheard of.

So, if any of you own the secret to time travel, go back to 1985 and tell them the future of fresh produce is better than ever. We’ll be here “going local” when they get back to the future.

“Today’s generation of diners wants to more intimately connect to their food. They’re comforted by knowing who the farmer is, how frequently they ship, and where the products are available.”
Private Label
‘What Do You Stand For?’

“Category positioning focuses on your go-to-market strategy. When visiting Whole Foods Market, you would expect their private label to be local, organic or natural.”

Continuous improvement. That is what we strive for in our companies, in our careers and in our lives. Most businesses in growth mode believe this to their core and live it every single hour of every single day. Strategic advancements in private label recently have proven this theory is alive and well. Private label growth is steady and exceeds growth of most categories in a grocery store. Why? Consumer perception, the value proposition, category positioning, strategic alignment of retail branding, and tier branding have all played a part in the growth of private label.

Consumer perception of private brands starts with the logo on the building. What do you stand for? Is it price, quality, organic, natural? Consumers will at first align the private label to your overall perception in the market. Where does it not work? If you have a high quality image and sell low quality private brands, you will have a mismatch in strategy. Sounds simple, but so many retailers are trying to be all things to all people.

Category positioning focuses on your go-to-market strategy. When visiting Whole Foods Market, you would expect their private label to be local, organic or natural. High-end retailers would focus on the high-end categories like olive oils or...
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marinades, for example. This also overlaps into the strategic alignment of their retail branding. What do you want to be known for? Is it price, quality, natural, local, or any strategic focus of the company. All of your private label should be aligned.

Tier branding has helped reach across multiple consumer levels. A retailer may have a National Brand Equivalent, generally produced by a national brand company, a higher end label that appeals to the specialty consumer, and one other level that could be local, organic, or value driven. If it is value-driven in a tier system, the consumer understands that the quality is not the same as the top tiers.

Private label has been around a long time, since the 1800s, started by companies such as A&P, Rexall, Kroger, Sears and others. Establishment of private brands at that time meant the elimination of the middlemen, reducing costs and competing with national brands on quality and price often selling at retails below the national brands cost. This caused several lawsuits that pulled the Clayton Antitrust Act into the picture, eventually allowing national brands to set their own retails at stores. At one point, A&P private brand dominance established the company as the largest importer in the world.

In the 1970s through the era of massive inflation in the U.S., private brands took on a different role. Low cost was the dominant go-to-market strategy. And private label meant savings to consumers at a time when that was important.

Since then, private label has evolved further. Strategies that refocus on strategic initiatives, align with core beliefs of the company, and are understood and trusted by consumers will win. Trusted. A big word that has an enormous impact on repeat sales.
“Proprietary produce offers growers, marketers and retailers a crucial point of difference in this increasingly competitive and commodity oriented environment.”

“Proprietary” produce, the result of technological advances in public and private fruit and vegetable breeding efforts, is altering the face and pace of produce sales as growers, marketers and retailers use the genetic edge that new varieties offer to differentiate themselves from their commodity-oriented counterparts.

During the past 30 years, the produce industry has undergone a steady (varietal) transformation in most crop categories, with particular advances impacting the berry, tomato, apple, grape and melon categories.

Two mainstream and longstanding apple varieties, Red Delicious and Golden Delicious, dominated the apple landscape in the mid-1980s. Today the world’s apple producers have more than 100 varieties available to them, including proprietary ones such as Jazz, Cameo, Pink Lady, SweeTango and Honeycrisp.

Berry production three decades ago was limited largely to public university-bred varieties whereas today berry behemoths have introduced their own lines of proprietary and more flavorful strawberries, blueberries and raspberries, often offered as year-round branded lines from Northern and Southern Hemisphere supply sources.

And, the table grape industry has witnessed massive change as the ubiquitous Thompson Seedless and Red Globe are replaced by many dozens of new proprietary seedless varieties. More than 84 grape varieties are now produced in California, one of the world’s leading grape producing regions. In just the past few years, the world’s grape producers have been introduced to more than 50 new proprietary grape varieties and many more are on the way.

Proprietary produce is usually the subject of plant patents or other intellectual property (IP), which can restrict who grows it, how much is produced and often ensures that higher and consistent quality specifications are met. More reliable IP protection and growers’ willingness to respect those proprietary rights encourages licensors, private breeders and IP owners to more eagerly share their inventions. And those same IP owners are increasingly utilizing brands to help consumers recognize the uniqueness of their special varieties, particularly those available consistently from multiple growing areas.

As consumer demand grows for more flavorful (and consistent supplies of) fruits and vegetables — and as retailers face greater competitive threats from discounters and high-end retailers alike, as well as from online retailers and alternative drug and convenience channels — the drive to differentiate continues throughout the food chain. Proprietary produce offers growers, marketers and retailers a crucial point of difference in this increasingly competitive and commodity oriented environment.

Throughout the past three decades, the global produce industry has benefited from many factors but three involving proprietary produce stand out: a proliferation of new public and private varieties, a greater emphasis on flavor and the overall eating experience, and the strategic commercial approach to producing and marketing proprietary varieties through international clubs and other branded licensing programs. All three dynamics contribute to more satisfied consumers, increased sales and, of course, improved financial results throughout the supply chain.
One of the most significant developments the industry has experienced over the past 30 years is the growth of the hothouse or protected ag industry. Since 1985, hothouse products have advanced from an almost unknown and expensive U.S. import to an affordable mainstream category. Retail interest in these products was fueled because they have been profitable and popular with consumers. As retailers increased space, it helped drive sales, resulting in protected ag products now dominating the tomato category. As well, the majority of SKUs in peppers at retail are hothouse and, though cucumbers in bulk are still mostly field grown, hothouse cukes are increasing substantially year after year.

The road to our current hothouse industry really began in the 1980s with the need for a good tasting tomato on a year-round basis. The intersection of this marketplace demand with the North American Free Trade Agreement (NAFTA) spurred the development of the protected ag industry in Mexico. As a result of NAFTA, the Mexican government backed the transition of Mexican wheat, corn and soybean producers (now not competitive with U.S. producers) to the high value hothouse items. The support of the Mexican government in investment allowed producers to go from 0 to 100 MPH overnight. Though this category began with TOV and red rounds, eventually protected ag saw the opportunity and need to offer other varieties – where the growth is now.

Hothouse colored peppers took a
different path, urged on by drivers of consistency, availability and quality. The first retailer to announce it would no longer stock field-grown colored peppers was Costco in about 2010. Costco’s decision resulted in its implementation of a supply system for sourcing hothouse colored peppers, creating a whole colored pepper category backed by new sourcing developments. With growing demand for hothouse products, producers looked for ways to increase quality, consistency and economy. The evolution of the shade-house, as opposed to a greenhouse, allowed products to be produced at lower costs yet still provide sufficient quality and consistency over field-grown.

Innovation, including variety and creativity, has widened the road for the hothouse category. The European cucumber, for example, has seen consistent sales for years in the United States but now the renamed “salad” or “Persian” cucumbers are driving sales. Also, the uniqueness of the bagged, miniature, colorful sweet peppers has been embraced by consumers. Wonderful developments in hothouse product packaging provide a real ability to attract consumers and communicate messages.

The hothouse tomato industry did come to a roadblock in the past decade when the natural course of the business led to TOVs and round reds with great shelf life but at the sacrifice of some flavor. Innovative growers are now looking and working with seed companies to develop varieties focused on flavor again. The explosion of the whole snacking tomato category is a result of flavor.

This category has come a long way in 30 years. I remain inspired by the variety and flavor profile of protected ag products because it allows us to better serve consumers. I believe we have more satisfied customers now than three decades ago. When variety, consistency, flavor and availability all come together, we are further down the road toward our goal of increasing consumption for fresh fruits and vegetables.
Imagine a board meeting where each board member speaks a different language. Now add a translator for each language, the time to translate, and the inevitable errors caused by translation. Will that meeting be efficient/productive? Now imagine how all of those inefficiencies would be eliminated simply by standardizing the language to just one.

The establishment and use of a standard in the supply chain has the same impact. It maximizes productivity and efficiency. Automation is rendered ineffective if there is more than one standard involved in the process. In 1973, the standard for identifying retail items was set: the UPC (Universal Product Code). The UPC is a unique 12-digit number to identify a specific product linked to a specific manufacturer.

When using a barcode scanner, the UPC enabled point-of-sale scanning, eliminating the need to manually enter a number at the register. Though in wide usage throughout supermarkets by 1985, UPC codes in the produce department really didn’t come into use until the advent of fresh-cut bagged salad and other value-added packages.

“Though in wide usage throughout supermarkets by 1985, UPC codes in the produce department really didn’t come into use until the advent of fresh-cut bagged salad and other value-added packages.”

The standards evolution continued with the GTIN uniquely identifying a case. The GTIN is ubiquitously used on the case, and has become the key identifier used when electronically transmitting documents (EDI, XML), tracking and tracing product up and down the supply chain (traceability), forecasting quantities (Continuous Replenishment), capturing warehouse movement/inventory, monitoring case movement (GPS), and many other applications.

The final level of packaging addressed with standards is the pallet. To identify pallets, the SSCC (Serial Shipping Container Code) was created. Unlike the other standards, the SSCC is used to uniquely identify each and every pallet on a shipment (e.g. two similar pallets side by side will have different SSCC #s).

With standards now in place at every level of packaging (item, case, pallet), the foundational work has been completed to accommodate virtually any technology. The sky is now the limit for new technologies and new applications of technology intersecting the produce industry.

Over the next 30 years, we will continue to see an increase in technology innovations for the consumer, making it even easier to purchase products. We will also see more innovations in the supply chain, eliminating inefficient methods, erasing extraneous transactions, increasing food safety, speeding up replenishment, and utilizing data in ways to make business more streamlined and profitable. The unsung hero: standards.
Warehouse Clubs ‘No Longer Dismissed As A Serious Threat’

“Warehouse clubs are a driving force in our industry. They appeal to families with disposable income levels that allow them to purchase large packs for additional value, as well as large families looking to stretch their food dollars.”

BY BOB DIPIAZZA PRESIDENT, SUN PACIFIC MARKETING AND FORMER SVP PERISHABLES AT SAMS CLUB AND VP PRODUCE/ GROUP VP FRESH FOODS AT DOMINICK’S

My first exposure to the warehouse club business was in 1986 when BJ’s and Sam’s operated clubs in the greater Chicago area. At the time, I was the corporate produce supervisor for Dominick’s, a regional supermarket chain. Along with my team of six field supervisors, we were responsible for store level operating standards and merchandising in the produce area of our stores.

In 1986, both these club operators used third parties to operate their produce sections. These third parties were experimenting to develop more productive produce assortments. Eventually Sam’s and BJ’s took over their own operations, which led to more rapid growth.

Like many retailers at the time, I did not fully understand the club business model, and was quick to dismiss this format as a serious threat. As Price Club, Costco, Sam’s Club, BJ’s and others continued to develop, evolve and refine their assortments and merchandising, it became apparent that I was dead wrong. I would never have dreamed that some years later

I would be responsible for the fresh areas at a large warehouse club operation.

Today the warehouse club format sells billions of dollars worth of fresh produce at aggressive prices. What I did not understand in 1986 was that warehouse clubs were serving both small business owner members, and personal consumption members — both looking for quality produce at a value. Many of the largest packs I originally dismissed eventually became very productive items for food service operators.

I was confused by the low margins on produce and made an assumption warehouse clubs would not be able to sustain their margins and be profitable. What I did not understand was that profit was derived from membership fees, and the goal of the business model was to sell merchandise at prices that just covered club operating expenses ... in other words, break even.

Keeping operating expenses low (under 10 percent) along with membership revenue enabled the clubs to operate on lower margins that offered value for membership.

To achieve low operating cost ratios, clubs looked to suppliers for greater efficiency in pack size and packaging. Assortments were limited to high velocity movement items to increase turns and reduce shrink. Most products were sold at fixed weights, or by the “each,” eliminating the need for front end scaling and improving checkout productivity. Product was pallet- or case-driven in self-merchandising cartons to keep labor costs down. And the most common display fixture in the building was a wooden pallet.

It would be more than 10 years later before I spent time in Costco, Sam’s and BJ’s in other parts of the country, and they were hitting stride and growing membership by tens of millions.

Assortments had been slightly expanded, but still focused on high turn merchandise. A great deal of fresh produce was also incorporated into warehouse club fresh prepared foods and bakery goods.

Over the years, clubs identified changes in consumer purchasing behavior and adjusted their assortments. Items were added, such as organics, more salad-related offerings, an expanded variety of berries and healthy beverages. Warehouse clubs are a driving force in our industry. They appeal to families with disposable income levels that allow them to purchase large packs for additional value, as well as large families looking to stretch their food dollars. They act as a warehouse where small businesses like convenience store and restaurant owners can purchase their products as needed, without having to meet minimum requirements to have products delivered to their business.

With members paying a fee to shop in warehouse clubs, the focus is all about creating value for the membership.

I guess you could say in the past 30 years, they’ve “come a long way, baby.”
Wholesale Revitalization
‘New Price of Admission’
OF SIGER GROUP LLC AND FORMER PRESIDENT OF UNITED FRESH PRODUCE ASSOCIATION

“The days of starting a wholesale operation with a little capital and a good name are long gone. Today, no large customer would dream of doing business with a produce wholesaler who is unable to maintain the cold chain.”

BY ALAN SIGER, CHAIRMAN OF SIGER GROUP LLC AND FORMER CEO OF CONSUMERS PRODUCE

While 30 years doesn’t seem like a long time to someone like me who has been around for over twice that amount of time, let’s take a quick look back at life in the United States three decades ago. In 1985, Ronald Reagan was in the first term of his presidency, Pete Rose broke Ty Cobb’s baseball record for most career base hits, and Cyndi Lauper won the Grammy for Best New Artist of the Year. The average cost of a gallon of gas was $1.09, a postage stamp cost 22 cents, cell phones were in the experimental phase, and only hobbyists had a personal computer on their desk.

Like popular culture and the cost of commodities, the environment the wholesaler operates in has changed tremendously in the past 30 years. If someone just woke up from a 30-year nap, he or she would have difficulty recognizing how business is transacted today. Let’s consider some of the major changes that have affected the wholesalers’ world since 1985.

Among the most obvious changes is the capital investment required to start and maintain a wholesale business. If space came available on a terminal market 30 years ago, one could set up shop with a small amount of cash. A produce trader with a good reputation among the shipper community could establish vendor credit based on reputation rather than a healthy balance sheet.

Most terminal market customers hauled their own product, so a fleet of trucks was not required; one could rent a non-refrigerated truck and a couple of pallet jacks, and just like that they were in the wholesale business. Many wholesalers in the 1980s operated with little or no permanent refrigeration, used borrowed piggyback trailers or allowed produce to sit out at whatever the temperature was on the terminal.

The days of starting a wholesale operation with a little capital and a good name are long gone. Today, no large customer would dream of doing business with a produce wholesaler who is unable to maintain the cold chain. Most customers now require wholesalers to deliver their product in refrigerated trucks. The costs of maintaining food safety certification, traceability, and electronic data interface with customers and suppliers are just a few of the many items that add to the price of admission to the wholesaler community.

The other major change is the customer base has become much more knowledgeable and sophisticated. In 1985 most customers relied on their market sense, conversations with other customers, or information fed to them by wholesalers to get a feel of the markets. USDA Federal State Market News was also a source, but that information was a day old when received, thus kind of like yesterday’s newspaper.

The internet and other electronic communications level today’s playing field. When buyers for a chain store or foodservice distributor call for product, they know within a few cents of what that product costs and which way the markets are going. The days of picking up a few extra dollars by knowing more about the market than your customer are long gone.

Some terminal markets have continued to thrive over the years while others have fallen by the wayside; I address this in my regular monthly column that appears elsewhere in this issue.
MARKETING PRODUCE TO TODAY’S HISPANIC SHOPPER

One language, many cultures and a myriad of fruits and vegetables to feed specific customer profiles.

BY MINDY HERMANN, RD
Who is today’s Hispanic shopper? Is she a native Spanish speaker who shops only in Hispanic stores and cooks traditional recipes? Or is she bilingual and serving her family a combination of Latin and American foods? Or is he an English-speaking Millennial who is fully acculturated but wants to maintain his Hispanic food heritage? And how does today’s produce department serve all of them?

SIZABLE AND GROWING

The U.S. Hispanic population is second in size only to Mexico, growing 43 percent between 2000 and 2010 and projected to grow by 86 percent between 2015 and 2050. With rapid growth comes an increase in spending power that could reach nearly $1.7 trillion by 2017, according to Nielsen’s Fresh View of Hispanic Consumers. The median age of the Hispanic population is 27-years-old, with a high percentage of Hispanic shoppers in the Millennial generation.

A LOVE OF FRUITS AND VEGETABLES ... AND SHOPPING FOR THEM

Hispanics in the U.S. are more likely than others to enjoy grocery shopping, especially if they have children at home, according to The Why? Behind the Buy U.S. Hispanic Shopper Study, sponsored by Acosta Sales & Marketing (the Jacksonville, FL-based sales and marketing agency serving consumer packaged goods companies and retailers across the United States and Canada) and Univision Communications Inc., a Los Angeles-based media company.

“Northgate González Markets is changing with our shoppers, because people aren’t shopping like they used to, and we have more competition,” says Alfonso Cano, produce manager. “We’ve been in business since 1980, and we are owned and operated by a Mexican family. The chain started at a time when new Spanish-speaking immigrants did not have a lot of options. We respect our history but recognize we need a paradigm shift to the future. Legacy built our original 25 stores; different influences will [help us] build beyond our current stores.”

The 40-store chain no longer stocks just Mexican products and responds to new trends such as organics and non-GMOs. “Shoppers will find more packaged salads and precuts in our produce department, not because they are asking for them, but because overall retail is moving in that direction,” says Cano. “Our competition is not just ethnic Hispanic retailers but also Costco, Trader Joe’s, Whole Foods Market, and Sprouts Farmers Market. At the same time, we have to be realistic. Northgate González Markets is not Whole Foods and Whole Foods is not Northgate.”

Northgate’s shopper base has changed as well. “Many of our second- and third-generation Mexican shoppers don’t speak Spanish. Retro culturization appeals to them, but they don’t need big colorful bilingual signs. It’s okay for our shoppers not to speak Spanish,” says Cano.

Northgate González Markets is known for caring about the health of its shoppers, says Cano. The company collaborated with Los Angeles-based The Transamerica Center for Health Studies — which is a nonprofit focused on empowering consumers and employers so they can achieve the best value and protection from their health coverage, as well as the best outcomes in their personal health and wellness — to create a “Viva la Salud” (Living Healthy) program. The initiative includes a bilingual magazine (Healthier Traditions) with articles and recipes that are available online and free at the retailer.
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The shopper study compiled by Univision reveals nearly three-quarters of Hispanic shoppers say they enjoy shopping in the produce area of the store and one-quarter note a great selection of produce is one of the most important features of a great grocery store. Twice the percentage of Hispanic shoppers, compared to the percentage of all shoppers, say it's extremely or very important to have new products in fresh produce.

Nielsen points out the fresh and healthy qualities of the produce department attract the Hispanic shopper because this shopper group displays a passion for food and nutritious dishes made from fresh ingredients.
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ACCULTURATION AND GENERATION DRIVE TRENDS

The degree of acculturation of the Hispanic American population influences purchasing behaviors in general, and particularly in the produce department. Chicago-based IRI World-wide segments Hispanics into three groups: Acculturated Hispanics are assimilated into American culture, have the highest median income, and use digital technology; Bicultural Hispanics are bilingual, follow Hispanic traditions, and often purchase products directly marketed to Hispanics; Unacculturated Hispanics, with their limited knowledge of English, are most attracted to products specif-
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ically marketed to Hispanics.

Generational differences overlap with degree of acculturation. Millennials (those born between 1980 and 2000) make up a high percentage of the Hispanic population. They tend to be fluent in English; prefer whole, fresh, and “natural” foods; enjoy cooking and learning to cook; are not deal-seekers or coupon-users; and often introduce their non-Hispanic friends to Hispanic foods.

“As second and third generation, Hispanic Millennials may not even speak Spanish,” observes Alfonso Cano, produce manager, Northgate González Markets, Anaheim, CA. “We see a lot of retro culturization and pride in Mexican culture and food in these generations. Every step away from the first generation means losing language and culture, but Hispanics stay connected to their food.” Cano points out, while first generation Hispanics tend to be highly price-sensitive, younger, more acculturated Hispanics look toward quality.

“Retailers have to cater produce to different generations,” says Jin Ju Wilder, director of corporate strategy, Valley Fruit & Produce, Los Angeles. “First generation Hispanic shoppers want to see familiar products. Second and third generation shoppers are more willing to substitute and may not even shop in an ethnic market.”

Third-generation Hispanic Millennials are influenced by the same factors as their non-Hispanic counterparts — specialty, natural, and organic. Carlos Villarreal, international products director of Kansas City-based Associated Wholesale Grocers (AWG), says Hispanic Millennials retain what they like about Hispanic cuisine and gain a mix of other cultural influences in the way they cook and eat.

“The Nueva Latina can move easily between English but are bilingual,” says Stephanie Bazan, Hispanic marketing director, Avocados from Mexico, Irving, TX. Avocados from Mexico targets the young Hispanic female shopper, the “Nueva Latina.”

“The Nueva Latina can move easily between English and Spanish. She uses food, often cooked from scratch at home, as a way to connect with her kids and family and to reinforce tradition and heritage as her family acculturates. Fruits and veggies such as the avocado represent culture.” Bazan also says the family of the Nueva Latina celebrates both U.S. holidays and events and traditional holidays, such as Hispanic heritage festivals.

**ONE LANGUAGE, MANY CUISINES**

While a majority of Hispanics in the U.S. is of Mexican heritage, Hispanics from Central and South America share similar cultural influences on shopping behavior. “We Hispanics tend to eat more fruit, mainly tropical, than vegetables, with vegetables in mixed dishes rather than on their own,” says Diana Romano, assistant state specialist — Adults, Community Nutrition Education Program, Oklahoma State University.
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Lorena Drago, founder of Forest Hills, NY-based Hispanic Foodways, a consultancy that designs culturally innovative education programs to reduce diabetes healthcare costs, says Hispanics may incorporate vegetables in dishes such as rice with chicken (arroz con pollo), sofrito (a seasoning used in Caribbean cuisine prepared with peppers, tomatoes, onions, cilantro, etc.) and soups; they also eat a lot of salads made from lettuce, lettuce mixes and salad kits.

“On the East Coast, Hispanics tend to come from Puerto Rico, the Dominican Republic, Cuba, and the Caribbean,” says Dick Spezzano, a retail produce expert, Spezzano Consulting Service, Inc., Monrovia, CA. “We often bunch them together, but they’re not the same. Central Americans, for example, eat more yuca and other starchy roots.”

Connie Moro, center store category manager at Food Lion, Salisbury, NC, explains Food Lion stores strive to provide a diverse offering to satisfy the needs of Hispanics of both Mexican and Caribbean heritage. “We currently offer more than 50 items in our produce department that appeal to our Hispanic consumers, from multiple varieties of peppers such as jalapeno, poblano, anaheim and serrano; to vegetables and root vegetables like boniato, chayote squash and jicama; to fruits such as mangos, cactus pears, maradol papayas and avocados.”

Some preferences differ by region, says CeCe Krumrine, merchandiser for several commodity boards, Nashua, NH. “For avocados, the retailers I work with tell me the Caribbean Hispanic customer prefers greenskins over Hass avocados, but this is changing somewhat since greenskins are not always available.”

The cultural blurring of lines presents an opportunity for produce retailers. “It would be helpful to provide information about selection, storage and preparation of various Hispanic fruits and vegetables,” suggests Drago. “A customer from Colombia, for example, may want to purchase an item from another Hispanic country but is uncertain how to prepare it. A cross-cultural education campaign with food demonstrations and sampling may increase sales. Most people will not purchase produce if they don’t know how it tastes or how to prepare it.”

**THE TOP 20 SELL THEMSELVES**

What are the top 20 best-selling Hispanic produce items? While lists vary somewhat, they generally include a combination of the vegetables avocado, tomato, potato, mushrooms, carrots, lettuce, onions, chile peppers, white
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onions, Roma tomatoes, cilantro, chili peppers, and tomatillos, Caribbean root vegetables, and the fruits mangos, bananas, papayas, pineapples, apples, citrus fruit, grapes, and watermelons.

ACNielsen “Target Track” Hispanic service provides a measurement of retail sales for a proprietary client database. The recent data for the 52 weeks ending July 11, 2015 reports salad kits, value-added lettuce products, and green beans are the fastest growing, and that sapote, cactus leaves, hot pasilla peppers, and guava index highest among traditional Hispanic produce. Nielsen Perishables Group’s Fresh Facts Shopper Insights points out, however, that some items – avocados and guavas, for example – are bigger sellers in non-Hispanic stores, and jalapeños and jicama are more popular in Tex-Mex than Hispanic stores.

“The top 20 percent of items tends to sell themselves, because Hispanic shoppers buy them every week,” observes Cano of Northgate González Markets.

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Cross-merchandising helps sell items. Avocados from Mexico suggests displaying avocados next to tomatoes, onions, lemons, limes, or other recipe partners to remind shoppers to buy them. Secondary displays in other parts of the store also drive sales, for example, onions and peppers near the steak case.

Merchandising can attract non-Hispanic shoppers too. The Produce Marketing Associ-
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With at least two-thirds of the Hispanic population having Mexican heritage, it’s easy to fall into the trap of marketing Mexican fruits and vegetables to all Hispanic shoppers. The cuisines of Mexico, the Caribbean, Central America, and South America do share an abundance of fruit, along with lettuce salads and vegetables in cooked dishes. Their main point of differentiation is in the usage of root vegetables and specific fruits.

Lorena Drago of Hispanic Foodways, Forest Hills, NY, notes, “Mexican and some Central American countries use a variety of dried and fresh chilies that are not used in Caribbean Hispanic or South American cuisines. Nopales, (the edible, fleshy pad of the Nopal cactus) is much more popular in Mexico and Central America compared to South American countries. Different types of corn and potatoes are widely used in South America, especially Andean countries. Root vegetables such as cassava, yam and eddo and plantains are popular in Caribbean cuisine.”

Mexican and Tex-Mex also share some of the same foods. Jicama is popular in both cuisines. “In Mexican cuisine, jicama is served as a snack, cut up with lime squeezed over it and chili powder for flavor,” says Carina Saez, dietitian and nutrition consultant, Dallas. “When I think Tex-Mex I am reminded of ‘fajitas’ and the mixture of bell peppers and onions, or the use of black beans and cumin, versus pinto beans and jalapenos in Mexican cuisine. Other Mexican vegetables that come to mind are tomatillos, chayote, and calabacitas (zucchini).”

Markets also might notice some blurring of culinary lines between Mexican and Central American shoppers. “Central Americans who spent time in Mexico before coming to the U.S. often adopt a more Mexican way of eating,” observes Dick Spezzano, a retail produce expert, Spezzano Consulting Service, Inc., Monrovia, CA.

Mexican cuisine reflects Spanish, African, Asian, and indigenous Mexican influences. Most fruits and vegetables are native to the country. Many traditional foods in Guatemalan cuisine are based on Mayan cuisine. Southernmost countries in Central America share some of the same foods with South America, namely, potatoes.

Peruvian cuisine melds a rich variety of potatoes and native fruits and vegetables with cuisines from Europe, Asia, and West Africa. Cuban and Puerto Rican fruits and vegetables are representative of the Native American, Spanish, and African influences on their cuisine.

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try, for example, a prickly pear if it is placed next to the Bosc pears.

**CELEBRITY INFLUENCES SALES**

For the first time, Avocados from Mexico selected a celebrity, professional host, chef, lifestyle expert and mother, Maggie Jiménez as a brand spokeswoman. “Hispanics place a certain amount of importance on celebrity endorsements, especially if they are perceived to be a trusted source for information,” says Hispanic marketing director Bazan.

“We use celebrity endorsements to align with our Nueva Latina target shopper. Our objective is to help educate her, not only on core uses for

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According to the The Why? Behind the Buy study, sponsored by Acosta and compiled by Univision, a whopping 74 percent of Hispanics say they enjoy grocery shopping; 16 percentage points higher than total U.S. shoppers.
avocados, but how to select, preserve and ripen an avocado.” Avocados from Mexico also used its spokeswoman to help promote a contest that rewarded social media activity, another distinguishing feature of the Hispanic shopper.

**SHOPPING AS A SOCIAL EVENT**

Acosta and Univision’s The Why? Behind the Buy found a significant 74 percent of Hispanic shoppers say they enjoy grocery shopping, 16 percentage points higher than total U.S. shoppers, in part, because they turn shopping into a social experience. Shopping offers Hispanic families a way to spend time together, and it is not unusual to see a multigenerational family in the market.
Technology in general, and social technology in particular, is integral to the Hispanic shopping experience. As discovered in *The Why? Behind the Buy*, almost three-quarters of Hispanic shoppers use technology for grocery shopping, compared to just 60 percent of total U.S. shoppers. Millennials are particularly avid integrators of technology and shopping, using digital shopping lists, sharing information digitally with friends, and responding to social networking, text messages, websites, and email they receive from markets.

Avocados from Mexico capitalizes on the Nueva Latina’s penchant for social media through digital and mobile campaigns to generate awareness and encourage sign-ups to its loyalty club.

“Social media plays a significant role in reaching the Nueva Latina,” says Bazan. “She over-indexes in technology versus the non-Hispanic, specifically in smartphone usage by using her smartphone to connect on a daily basis with her family and kids. She emails, texts, picture messages and accesses the Internet and her social networks. As a result, mobile must be included in any marketing plan. This community is very receptive to offers, promotions and recipes delivered via social platforms.”

Avocados from Mexico created a community of 350,000 Hispanics on its Facebook page in less than 9 months.

**EVERY COMMUNITY IS DIFFERENT**

Retail giant Wal-Mart sustains a community-based approach that allows each store to tailor its inventory to its shopper base. “We call it the ‘Store of the Community,’” explains John Forrest Ales, Wal-Mart spokesman, Bentonville, AR. “We go aisle by aisle and item by item based on what a store’s shoppers request. Produce comes and goes based on cultural holidays and regional celebrations.”

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**PUBLIX SABOR — ENHANCED EXPERIENCE**

“Our first Publix Sabor store opened in April 2005, and we currently have eight Publix Sabor locations in Southern and Central Florida,” says Maria Brous, director, media & community relations, Publix Sabor, Lakeland, FL. “Publix Sabor is positioned to enhance the shopping experience of our customers by offering products and services reminiscent of the Hispanic culture and land. For instance, the produce departments feature more Hispanic roots and vegetables; our deli offers a wide variety of Hispanic meals; and the meat department offers a wider selection of whole meats. We also offer an extensive selection of items within the center store — including larger portions of staples, such as oils, rice, beans and spices.

Brous says Publix positions its Sabor stores in areas that have a melting pot of customers and associates representing many different Latin cultures. “Our goal is to offer a wide selection and variety of the roots and vegetables associated with Hispanic cuisine. Interestingly, the fruit and vegetable preferences of all of our customers changed during the past several years. It’s not just our Hispanic customers. Shoppers, overall, have an expanded palate and are interested in trying new foods or are interested in recreating recipes they tried in restau-
Ales notes produce department staff changes displays to align with what customers are looking for. Store personnel, chief merchants, and the home office work together to determine the product mix. Bilingual signage is available as needed but is not used in every store with a Hispanic shopper base.

“We offer popular items, such as peppers, in our stores, and the selection doesn’t differ too much from store to store,” says Chris Jacoby, director of produce, Southwest division for Bellingham, WA-based Haggen, Inc. “But our stores have the autonomy to expand a display and adjust pricing to meet demand. For example, our store in San Ysidro, on the California/Mexico border, has a very large Mexican/American shopper population. The store runs ads in Spanish and English, and suppliers provide tie-ins to Mexican holidays.”

Produce departments can do a lot to reach shoppers, from “signs in Spanish to arranging fruits and veggies in a colorful way, to selling produce in packs of four or five — making it easier to spot and buy,” says Oklahoma State’s Romano. “What might not work, however, is marketing organic. Hispanics are used to eating natural produce and many don’t know what organic means, so it’s not important to them.”

**Small Chains and Independents Stand Out**

“Hispanic merchants do a better job than the national chains do of catering to Hispanic shoppers,” says Spezzano. “An Hispanic owner might eliminate one or two full aisles of groceries, cut down the size of the floral section, and then give the extra space to produce. Many stores reduce variety but present items in bigger displays at lower prices.”

Spezzano notes the more traditional stores catering to less acculturated shoppers do not...
stock a lot of value-added produce, because it is more expensive and doesn’t appeal to shoppers who are accustomed to preparing food themselves. Displays of value-priced produce typically greet shoppers as they enter the market, with popular items that are ready-to-eat, modest size, utility grade, and positioned for rapid turnover. Less variety and lower pricing means more rapid turnover.

However, with acculturation and younger shoppers come changes in Hispanic markets. “Hispanic markets are trying to differentiate themselves from each other to attract this younger shopper,” says Wilder of Valley Fruit & Produce. “Maybe the store hires a dietitian or adds a focus on healthy lifestyle. Still, shoppers can walk in and know they are in a Hispanic market because of the tropical fruit displays.”

Carlos Villarreal of AWG says changes in focus accelerated in recent years and even recent months. When Solvang, CA-based El Rancho Market joined AWG in 2012, Villarreal explains the the two-store operation looked more at the cost of items than at the quality. “During the past six or seven months, we noticed our members are putting more emphasis on quality. They realize we compete with national chains such as Albertsons, Kroger, and Tom Thumb for a more educated, sophisticated shopper. Those chains emphasize quality, in addition to natural and organic, so we need to do the same.”

THE PRICE IS RIPE

“What hasn’t changed in marketing produce to Hispanics is that fruit has to be ripe and ready-to-eat,” says Wilder. “To manage pricing, some stores will sell a high quality but smaller size fruit.” Valley Fruit & Produce ripens fruit at its facility.

So does Northgate González Markets. “Since Hispanics often shop several times a week, they want ripe fruit. And we sell a lot of it. That is a huge selling point for us. We play to win on ripeness. We do not worry about what we might lose to shrinkage, instead we focus on how much more we can sell by merchandising ripe and ready-to-eat fruits.”

THE HEALTH CONNECTION

Health is becoming a selling point in marketing to Hispanic shoppers. The Irvine, CA-based Hass Avocado Board (HAB) recently joined the Alexandria, VA-based American Diabetes Association in marketing the national Stop Diabetes movement to Latinos, a commu-
The fresh Hass avocado industry is proud to be the first whole food to nationally partner with the American Diabetes Association in the battle to stop diabetes,” says Emiliano Escobedo, executive director, HAB. “Our campaign includes website support, social media messaging, and recipe cards that will be available in stores that sell Hass avocados.” Escobedo says HAB also is working with Northgate González Markets on health programming for its employees, a win-win in terms of helping to improve employee health and empower produce department employees as health influencers.

BROKERS AND SUPPLIERS MONITOR TRENDS

“As a supplier, we monitor trends by visiting stores, talking to store buyers, and meeting with owners, and then we put together a strategy,” says Wilder. “Store owners mandate the changes for their produce departments. Southern California is saturated with Hispanic stores; so, just like mainstream markets are trying to attract Hispanic shoppers, Hispanic stores are appealing more to mainstream consumers. They’re changing signage, giving stores a more upscale feel, and increasing the sizes of the fruits they carry.” Wilder also sees crossover between Asian and Hispanic markets, because both ethnic groups value fresh produce. In addition to Hispanic employees in Asian-owned stores — a growing number of Hispanics shop in Korean markets — she notes Hispanic stores are adding Asian employees to help connect them with Asian shoppers.

“We carry a full line of Hispanic and tropical fruits and vegetables, with the exception of bananas,” says Stephanie Katzman, executive manager, S. Katzman Produce, Bronx, NY. “Because we import directly, we can be more competitive on price.” S. Katzman supplies a range of customers from small mom-and-pop bodegas to mid-level independents, big chains, and higher-end grocers such as DeCicco in Westchester County, NY, and Agata & Valentina in New York City. “We market by looking at the location of our customers, considering the shoppers living in the area of each store, and we select items that are likely to move well in those neighborhoods. We offer a staff expert to our customers who merchandises and advises stores on displays based on variety, color, and product placement relative to other items in the produce department.”

Health is becoming a selling point in marketing to Hispanics.

Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics. Health is becoming a selling point in marketing to Hispanics.
Metro area has local produce on its mind.

By Mark Hamstra

Once called “The New York of the South,” Atlanta has long been a hive of cultural and business activity for the region — an industrious, urban midpoint between the international glitz and glamour of Miami and the political wheeling and dealing of Washington, D.C.

The greater Atlanta metropolitan area is home to about 6 million people, making it the ninth largest metro area in the United States. Positioned in the northwest corner of Georgia, Atlanta developed as a railroad hub connecting the Southeast and the Midwest, and it continues to serve as a major transportation hub — the Hartsfield-Jackson Atlanta International Airport is the busiest in the world.

While transportation remains a centerpiece of the Atlanta area’s economy, media companies; healthcare and biomedical facilities; and financial and business services firms also help drive the economic engine.

Georgia grows a wide range of fruit and vegetables, and Atlanta itself has a history of urban agriculture that is expanding through several recent initiatives. These include the announcement in September that Atlanta was seeking to hire a director of urban farming, which followed the formation of the Atlanta Local Food Initiative, a coalition of nonprofits, government agencies and local agriculture groups seeking to increase access to locally produced, healthy foods in the market.

“The city is definitely opening up to [urban farming], and those are some of the biggest signs of growth,” says Tenisio Seanima, farmer services coordinator at Georgia Organics, a group that seeks to connect organic farmers with consumers.

The Atlanta Local Food Initiative was able to get the Atlanta Urban Farming Ordinance passed last year, which was needed in part because urban agriculture already existed, he says.

“There was pressure for an ordinance, because urban agriculture was already thriving in Atlanta,” says Seanima.

Other signs that urban agriculture is taking hold abound in the area, including the recent opening of the first farmers market located at a commuter train station, at the West End stop on the city’s MARTA system.

“We hear it’s been going very well, and they want to expand that,” says Scanima.

In addition, a new organization in the area called Common Market is providing an institutional sales channel for small, local farmers seeking to sell to the area’s school systems, hospitals and other commercial buyers. The non-profit organization, which began in Philadelphia several years ago, also helps small producers ensure they are following food-safety procedures, says Scanima.

“This particular venture will set a new standard so farmers will be able to stand behind the quality of their food when they sell it to a local food system,” he says.

Seanima says the entry of Common Market, the launch of the MARTA farmers market, and the city’s creation of a position overseeing urban farming all point to a new environment for agriculture in the city.

“I see Atlanta definitely becoming a very well-rounded model of how urban agriculture will work,” he says. “I think Atlanta is becoming the flagship for the rest of the nation on how to do it.”

WHOLESALEERS EVOLVE

Produce wholesalers in the Atlanta market are adapting to changes in their customer
A lot of chefs want those local products, and they want to know where they are coming from. — Chelsea Glass, Sutherland’s Foodservice

base, which includes a higher proportion of ethnic and specialty retailers and new demands from foodservice operators.

“We are seeing more ‘just in time’ ordering from customers who are keeping their inventories close and their shrink in check,” says Andrew Scott, director of marketing and business development at Nickey Gregory Co., one of the many wholesalers with a local base at the Atlanta State Farmers Market in Forest Park, GA. “Our customers lean on us to fill in the gaps for their out-of-stocks.”

Nickey Gregory Co., which also operates out of Miami, carries a full line of fresh produce to cover any of its customers’ needs, says Scott. He also cites increased demand from schools for single-serve products for their students.

“We are carrying more of these items for our school accounts,” says Scott. “Right now, there is a big demand for small oranges for schools and foodservice customers.”

The company is expanding at its Atlanta location, he says. It delivers to 12 states overnight out of its Atlanta facilities.

“We are adding onto our warehouse here in Atlanta — 37,000 square feet,” says Scott, noting construction was set for September. “We also just recently re-racked our warehouse, and in turn, added 560 pallet spaces.”

ETHNIC CUSTOMERS

Atlanta has seen a big influx of specialty and Asian grocers during the last 10 years, he says. “This has been a nice business for wholesalers,” says Scott. “The independent retailer is doing very well here in the Southeast. They lean on the Atlanta wholesale market for the bulk of their fresh produce business.”

Another company that has evolved over time at the market is Sutherland’s Foodservice, which was one of the original wholesalers on the market.

The company was founded in 1947 by Andrew Sutherland, who together with his wife sold eggs out of the back seat of their car, says Chelsea Glass, director of marketing at Sutherland’s.

The company later merged with Frosty Acres and became a foodservice distributor, eventually providing a full line of product for a wide variety of restaurants and on-site food-service operations as diverse as schools and detention facilities.

“We have great customers who stay with us for long periods of time,” says Glass, citing the famous Varsity Restaurant chain as one of those customers.

The Varsity operates several old-fashioned drive-in restaurants in the region, including a downtown Atlanta location it bills as the world’s largest drive-in.

To accommodate the needs of many of its customers who are seeking local or organic produce, Sutherland’s partners with a sister company called Destiny Organics, which also operates at the Atlanta State Farmers Market.

“A lot of chefs want those local products, and they want to know where they are coming from,” says Glass.

Joe Beaver, produce specialist at Sutherland’s, notes on-site foodservice operators, such as schools, also increasingly seek out locally sourced product.

“We work with local farmers, as much as we are able,” he says. “There’s been a big push for locally sourced product. Right now we have North Georgia apples, and we’re getting those into schools.”

In order to carry a full line of produce, however, Sutherland’s sources product from all over the country, including vegetables such as lettuces and spinach from California, tomatoes from Tennessee, sweet potatoes from North Carolina, and potatoes out of Idaho, Colorado and Minnesota, for example.

Beaver says strong customer service is a hallmark of the company’s operations.

“Our customers order it this afternoon, and we’ll have it there in the morning,” he says.

GEORGIA-GROWN PRODUCE

Mike Jardina, chief executive of J.J. Jardina Co., also based in Forest Park at the Atlanta State Farmers Market, agrees interest in locally grown product is a key driver for produce wholesalers on the market.

“Demand is much higher for locally grown, and specifically, Georgia grown,” he says. “We are currently selling Georgia apples from Mercier Orchards and Scuppernong and Muscadines from Paulk Vineyards,” which are based in Blue Ridge, GA, and Wray, GA, respectively.

Gardner says his company is sourcing as much Georgia-grown and locally grown product as possible to meet customer demands.

“We are working closely with the growers on packs and sizing to accommodate our customers, and at the same time taking care that our growers are happy,” says Jardina.

Brightly colored fresh fruit is displayed on stands as part of the Georgia Grown Farmers Showcase at the Atlanta Farmers Market in Forest Park, GA.
He also agrees the customer base for wholesalers in the Atlanta market has become much more diverse, as Hispanic and Asian trade has “exploded” in some areas.

Georgia growers produce a diverse range of fruits and vegetables, according to Samantha Kilgore, director of communications at the Georgia Fruit & Vegetable Growers Association, based in LaGrange, GA.

“One of the best things about Georgia is that it is extremely diverse in terms of fruits and vegetables,” she says. “From all the way across the state, you can source fruits and vegetables from South Georgia, near the Florida line, all the way up to North Georgia, where we have apples, strawberries, pumpkins and things along those lines in the spring and summer. As far as variety goes, Georgia can definitely meet needs for the majority of the year.”

Other crops grown in large volumes in Georgia include blueberries, blackberries, strawberries, sweet corn, peaches, apples, grapes, pecans, cantaloupe, cucumbers, cabbage, peppers (bell banana and others), greens, eggplant, okra, squash, tomatoes, and of course Vidalia onions, which are only grown in two counties in Eastern Georgia.

Georgia is also a major supplier of watermelons to Canadian retailers, says Kilgore.

Recently, Georgia farmers have increased production of sweet potatoes, beets, broccoli and carrots, she says.

At this year’s Produce Marketing Association Fresh Summit, scheduled for Oct. 23-25 in Atlanta, the Georgia Growers Association will have a presence along with the Georgia Grown pavilion.

“Our organization will be there as well to try to help connect the dots between the retailers that come and the growers that can potentially source for them,” says Kilgore.

Other outreach efforts by the group include a new series of short (two to three minutes each) educational videos designed to teach children about how fruits and vegetables are grown in the state.

The videos will cover strawberries, watermelons, peaches, cantaloupes, blueberries, Vidalia onions and sweet corn.

“These are geared toward a younger audience, to try to educate kids on where their food comes from,” says Kilgore. “They will be a free resource for teachers and educators, and anybody who wants them.”
Produce Stars On Atlanta Restaurant Menus

Chefs gravitate to local and seasonal options.

By Mark Hamstra

Atlanta’s chefs have long recognized the abundance of Georgia-grown produce available to them and incorporated it into their offerings.

Now, consumers are increasingly expecting to find local items, especially locally grown produce, playing a starring role on Atlanta menus.

“We’re definitely seeing much more emphasis on what people can get locally and what they can get seasonally that’s local, so we’re kind of marrying local and seasonal,” says Jesse Gideon, chief operating officer and corporate chef at Fresh To Order, an Alpharetta, GA-based restaurant that blends fine-dining cuisine and fast service.

“There’s also more interest in farms that produce products locally. We can’t get everything locally unfortunately. In Georgia we don’t have these vast lettuce fields.”

Gideon says he’s seeing produce playing a more important role on menus in the area.

“It used to be there was a center of the plate item that came with a side that may or may not have gotten much attention, but now what’s happening is that produce side is becoming more important, and protein is the supporting cast,” he says. “People are starting to say, ‘Hey, fruits and vegetables can be the star.’”

Operators such as Urban Foodie Cafe (see related story) are using more produce than ever, sourcing locally from farmers markets and hyper-local growers such as neighbor, the Metro Atlanta Urban Farm in College Park, GA.

“Guests are seeking out restaurants that are locally sourcing their food,” says Michele K. Tompkins, chef and partner at Urban Foodie.

“I am finding our clients are seeking out restaurants that are sourcing fresh product, because everyone understands it is better for you.”

White Oak Kitchen & Cocktails is another Atlanta trendsetter that features seasonal, locally sourced Southern cuisine, says Eli Zandman, founder and content director at ToNeTo Atlanta, a blog that tracks local retail and restaurant activity.

“I think overall the chef community in the Atlanta area does a good job presenting as local a menu as possible,” he says.

True Food Kitchen, a health-focused casual chain owned by Phoenix-based Fox Restaurant Concepts, “has become quite popular with the yoga set” at its lone Atlanta location in Lenox Square, adds Zandman.

Another foodservice niche that has been booming in Atlanta is the juice bar concept, with several locally based players facing competition from national chains that include Jamba Juice, which is returning to the market via franchising, and Planet Smoothie, which is based in Atlanta. Roots, a Dallas-based operator specializing in cold-pressed juices, also selected Atlanta for one of its three locations.

Local juice specialists include Arden’s Garden, which operates 13 juice cafes in the region and sells bottled juices to retailers and foodservice operators in Southeastern states.

Zandman once described Arden’s Garden founder Arden Zinn as “the grande dame of the juicing scene.”

“She made it cool when no one else was doing it,” he says.

Eggplant Fries with a Lemon Aioli Sauce

PHOTO COURTESY OF URBAN FOODIE CAFE
Urban Foodie Café
Menus Healthier Fare Than Its Predecessor

Traditional southern dishes are prepared with a twist.

By Mark Hamstra

Chef Michele K. Tompkins is giving local produce its due in her new Atlanta restaurant, the Urban Foodie Café. She and her partner, Kathleen McQueen, took over the location in May and have been slowly transitioning it from its former incarnation as the Feed Store to the Urban Foodie Café, which features Southern cuisine revamped with a modern, healthy influence.

“My take on that is just traditional dishes that are Southern and making them in a creative way, but healthier,” says Tompkins. “A lot of Southern food is known for being fattening, and I am just trying to put out food that is less fattening. It’s still good, but less fattening.”

That’s not always an easy task when it comes to Southern cooking.

“I knew if I took fried chicken off the menu, I would have a lot of angry guests,” says Tompkins, noting buttermilk fried chicken has been the top-selling dish at the restaurant for 13 years.

One way she’s seeking to make her menu more healthful is by incorporating more produce.

“My staff has been here since the prior business before I took over the restaurant, and they say there has never been so much produce on the menu,” says Tompkins. “I said, ‘Well get used to it.’”

New dishes include a stuffed chicken breast with collard greens. The chicken is slowly braised with locally sourced peppers and onions and served in a light sauce made from the collard greens.

“It may take a little bit longer, but the end product is all about quality, and that’s what's important to me, putting out quality food,” says Tompkins.

Tompkins sources many of her produce items from a nearby organization called the Metro Atlanta Urban Farm, a nonprofit urban grower just a few miles from downtown Atlanta in College Park.

This summer, in fact, Tompkins featured a salad made entirely from ingredients sourced from the farm, including red and green okra, lemon cucumbers, green and red tomatoes, chives, onions, tossed in a light, house-made citrus vinaigrette.

Eggplant is another item Tompkins sources from the Metro Atlanta Urban Farm. She turns it into eggplant fries served with a house-made lemon aioli.

Tompkins also procures produce from local wholesalers Athena farms, and Bruce’s Best, both of which source locally and operate out of the Atlanta State Farmers Market in Forest Park.

“We’re not 100 percent local, but we try to get as much locally as we can,” says Tompkins. “To me it’s just more about using the ingredients that are nearby and making a difference in our community with our food.”
Natural/Organic Retailers Expand In Atlanta

INDEPENDENT GROCERS JOIN THE ECLECTIC MIX.

By Mark Hamstra

Publix Super Markets and Kroger Co. have long battled for market-share dominance in the Atlanta retail grocery scene, but the roster of niche natural and organic specialists is expanding and seeking to capture a piece of the market.

Last year Sprouts Farmers Market, the fast-growing Phoenix-based chain that specializes in produce, entered the market and has quickly expanded to eight locations. And Earth Fare, the Fletcher, NC-based chain that has been expanding slowly and steadily in the Southeast for 40 years, has recently opened its first two locations in the market and is planning one more by year-end (see article on Earth Fare).

“Sprouts has been tremendously interested in this market, and has been extremely aggressive in their growth,” says Eli Zandman, founder and content director at ToNeTo Atlanta (which stands for Tomorrow’s News Today), a blog that tracks retail and restaurant activity in the market.

Lucky’s Market, a Niwot, CO-based chain with the tagline, “Organics for the 99 percent,” is planning a store in Savannah, and Zandman says the company may be considering stores in the Atlanta market as well.

Whole Foods Market also continues to expand in the Atlanta area after its 2001 acquisition of three Harry’s Farmers Market locations. Whole Foods, based in Austin, TX, operates five locations in the Atlanta market, including one in Marietta that still bears the Harry’s Farmers Market banner.

And The Fresh Market, an upscale specialty grocer based in Greensboro, NC, with a focus on prepared foods, has five locations in the market, including three in Atlanta proper and one each in nearby Marietta and Dunwoody.

“Fresh Market has a reputation of having a good selection, and being the perfect-sized market where you can get in and out and find everything you need, and possibly focusing on organic produce a little more than others,” says Zandman.

Jason Bidart, produce category manager at Earth Fare, says the Atlanta market is a good one for sourcing fruits and vegetables from the region. “It is easier to source locally in Atlanta because Georgia has such a great network of growers of locally grown produce,” says Bidart.

Atlanta is also home to a thriving network of independent grocers serving the diverse ethnic population, which includes sizable Hispanic and Asian communities.

“During the past 10 years, there has been a large influx of Asian and specialty grocery stores that have come into Atlanta, and they do very well,” says Andrew Scott, director of marketing and business development at Nickey Gregory Co., a produce wholesaler based out of the Atlanta State Farmers Market in Forest Park. “They have taken market share away from the ’big box’ retailers and are holding their own.”

FARMERS MARKETS

Several farmers markets also serve the area, including the highly regarded Lucy’s Market in the Buckhead area, according to Zandman.

“They had to move a few times, but they have a great relationship with the local farmers,” he says. “Lucy’s has produce, they have flowers, they have some prepared foods, and they have some gifts. It’s one of the amenities of the neighborhood. It would be great if we had more of those.”

Other farmers markets include Your DeKalb Farmers Market in Decatur, which is undergoing a major expansion that could make it the largest grocery market in the country when it is completed in 2023, according to local reports.

The market was founded by Barbara and Robert Blazer, whose brother Harry had founded the Harry’s Farmers Market chain. Bidart of Earth Fare says he has visited the DeKalb Farmers Market. “It is a pretty impressive market,” he says.

The Buford Highway Farmers Market is another local favorite, and the Atlanta State Farmers Market in Forest Park is a major hub for produce distribution that is also open to the public.

Jason Bidart, produce category manager at Earth Fare, says the Atlanta market is a good one for sourcing fruits and vegetables from the region. “It is easier to source locally in Atlanta because Georgia has such a great network of growers of locally grown produce.”

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Earth Fare Sticks To Its Authentic Roots

The retailer makes its Atlanta debut with two stores.

By Mark Hamstra

Grocer Earth Fare has been a leader in organic and natural retailing in the Southeast for four decades, and it finally expanded its reach into the Metro Atlanta market this year with two locations in Emory Point and Decatur.

By year-end, it is scheduled to open its 40th store, also in the Atlanta market, a fitting finale for its 40th anniversary.

“We are the nation’s first authentic specialty retailer in natural and organic, and we have been in play for 40 years,” says Jason Bidart, produce category manager at Earth Fare. “We have stuck true to our roots, with the same quality standards we have upheld since the beginning.”

Of the two locations the chain opened in the Atlanta market, one, the Decatur store, marked the debut of a new format for Earth Fare. Located near Emory University in a small footprint on the ground floor of an apartment building, the store features a revamped layout modified for the space constraints.

“We had to make it more of an urban feel,” says Bidart. “We just had to kind of shrink things down a little bit to fit that scale, but we still offer the same assortment. We concentrated more on organic and local produce for that store, and we decided to really get back to our roots and focus on local and organic for that market.”

The Decatur store also marked the debut of a new overall approach to store design that will be incorporated in all new stores going forward, he says.

“With our new set, in the urban format and newer stores to come, we are focusing on drawing people into that lifestyle of healthy eating,” says Bidart. “So as you walk into our newer stores, we have made the store more open to showcase the produce department a
little more, improve sight lines, and make it a little easier for customers to see their way into the department.

“In our older stores, we had a wall barrier between the produce department and the rest of the store. We have taken that wall down, and lowered the refrigeration pod units to where they are well below sight lines, so you can see the whole department, as well as the meat department, the wellness department and the deli grab-and-go meals section.”

Earth Fare offers a produce assortment that is about 65 to 70 percent organic, he says. Although he declined to identify any suppliers by name, he says the company seeks to source as much locally as possible. About 10 to 20 percent of produce is sourced locally during peak seasons, he says. The chain seeks to source produce grown within 100 to 200 miles of a store.

“About 10 to 20 percent of produce is sourced locally during peak seasons. The chain seeks to source produce grown within 100 to 200 miles of a store.” — Jason Bidart, Produce Category Manager

“...and-go options, he says, which places more focus on the store's fresh-cut fruit and vegetable section.

“We cut all of our fruit and vegetables from fresh produce that we get in daily, and we make our salsas and guacamoles fresh in-house as well,” he says. “We are chopping tomatoes, chopping onions, scooping out the flesh from avocados, and doing it all from scratch in-house.”

Some of the signature fresh-cut offerings include a three-pound mixed fruit tub, which usually retails for no more than $10.

“We’re going for that convenience, bulk shopper,” says Bidart. “That’s a three-pound tub of pineapples, cantaloupe, honeydew, berries, grapes, and it’s something you can snack on for a couple of days. It’s at a great price compared with some of the competitors who do cut fruit.”

The store-made salsas and guacamoles also are a signature of the chain. They are made according to Earth Fare’s strict quality standards, with no artificial colors, flavors or preservatives.

“We make sure we are focusing on healthy and fresh in the perishables departments that really drive our business,” says Bidart. **pb**
Summer is a bountiful produce season, but there are just as many selling opportunities for retailers in the first and fourth quarter. In fact, it may be the winter months that can help set a produce department apart from competitors.

With the winter holidays in the latter part of the year and the shift toward healthier eating after New Year’s, there are most definitely increased opportunities for fruit and vegetable sales.

“In recent years we’ve seen a clearly defined shift in consumer demand come January 2 to what is often described as diet season,” says Jonathan K. Steffy, director of sales and retail services at Four Seasons Produce, Inc., based in Ephrata, PA. “Salads, lettuces, greens, celery, cucumbers, apples and citrus begin flying off the shelves at accelerated rates that first week of January and the momentum carries well into February.”

With well-timed promotions, proper tie-ins and eye-catching displays, winter can become a more fruitful time for produce departments.

**EFFECTIVE PROMOTIONS**

The majority of winter produce promotions capitalize on the holidays — Christmas, New Year’s and Valentine’s Day — during the December through February timeframe.

Because December eating and food purchasing tend to be about holiday gatherings, building displays focused around fruit for gifting, sharing and party platters helps drive sales.

“Retailers also can organize promotions around American Heart Month, which takes place every year during February,” says Karen Brux, managing director North America for the Chilean Fresh Fruit Association, based in San Carlos, CA.

For a country like Chile that supplies fruits most Americans typically equate with summer, retailers can build large displays focused on
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summer fruits during the colder months.

In addition to centering promotions around winter holidays, more retailers are utilizing Facebook posts and contests to drive sales, so online contests during this period can also be a cost effective marketing tool.

“We also recommend creating thematic destinations that are as creative as they are convenient,” says Chris Baker, director of customer development for Bakersfield, CA-based Bolthouse Farms.

Four Seasons Produce has seen positive sales gains at independent stores that increase visibility of seasonal items. Moving citrus, nuts, root vegetables, potatoes, onions and sweet potatoes during all of the winter months from standard spots to more prominent locations or adding secondary displays is a great way to achieve bottom-line results.

Highlighting items that are at the peak of production can be effective, as well. When it comes to the dark leafy greens category the winter is the time to stock up on kale, collard, mustard and turnip greens. Bin displays of the hard squashes also are very effective. Other winter vegetable groups, such as root vegetables and dark leafy greens, need to be refrigerated so have less potential for displays, but creating
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a destination or home for these products will also help drive sales.

“It’s important to maintain availability and variety during the holiday season, as many consumers are looking for these produce ingredients for holiday dishes,” says Garrett Nishimori, marketing manager and corporate chef at San Miguel Produce, located in Oxnard, CA.

In-store cooking demonstrations are another beneficial way to show customers how easy it is to prepare meals with winter produce and provide added exposure to otherwise unfamiliar ingredients.

“Providing customers with the opportunity to taste a new dish and take home recipes promotes trial and purchase,” says Michelle Hogan, executive director at the Cranberry Marketing Committee USA, located in Wareham, MA. “Sales promotions of buy one, get one free or two for $5 are great ways to build excitement for upcoming holidays.”

Because apples are a strong category contributor in the winter months, and attributed to about 8 percent of produce department dollars during the winter, these products require large displays and constant promotions.

Stemilt Growers, Inc. in Wenatchee, WA, grows apples and pears during the winter, but each fruit has to be treated differently.

“We recommend that multiple apple and
Pear varieties go on ad at least once a month, especially new varieties, so the whole category doesn't flatten,” says Brianna Shales, Stemilt Growers’ communications manager. “During winter, people tend to buy more in bulk, so 3- or 5-pound bags are good choices to help increase register rings.”

Although Seattle, WA-based Northwest Grocers LLC, a provider of services to independent grocers in the Pacific Northwest, doesn’t typically do winter promotions, the company encourages retailers it works with to focus on getting the appropriate winter produce items up front and selling each type at the right price.

DISPLAYS & TIE-INS

Produce displays that are up front, unique to the season with appropriate tie-ins and complementary items are key to garnering incremental sales in the colder months.

In winter, Northwest Grocers displays squash, holiday seedless grapes and both Braeburn and Pink Lady apples more prominently in its stores.

“This year, in particular, the weather has been better in Washington, so we can be aggressive with berries and high tonnage items,” says Jason Kazmirski, produce and floral director/merchandiser for Northwest Grocers. “In winter, California grapes, citrus, colored cauliflower and comfort vegetables remain strong.”

Well-designed signage promoting ‘buy one for now, two for the freezer’ also can drive increased interest and attention from customers. Including in-store registered dietitian endorsements on-shelf, helps communicate health messages. Recipe suggestions and usage ideas give shoppers the confidence to try cooking with fruits or vegetables they usually wouldn’t try, such as beets, celery root, turnips, parsnip and rutabagas.

“Produce purchases by those doing juicing or blending at home far exceed the typical shopper, and winter is the ideal time to cross merchandise key green juice and smoothie ingredients next to a display of juicer or blender appliances,” says Four Seasons’ Steffy. “Customers who just received a new Vitamix, Nutribullet or Omega Juicer for Christmas are eager for recipe ideas.”

During the holidays and winter months, providing not just recipes, but the components to produce these can help encourage customers to try a new winter produce item.

“Beyond the holidays, recipes are an important tool for providing shoppers with new ideas for using cranberries, such as in whole-grain salads, trail mix, oatmeal and smoothies,” says Hogan.

Positioning a summer produce item for winter also can be beneficial. The Cranberry Marketing Committee did the reverse in summer with its 360° summer cranberry promotion at Big Y, which increased sales of the fruit by more than 50 percent compared to a straightforward product sale.

A number of retail chains engage produce teams in display contests, which can help motivate stores to build the biggest and most

“Customers who just received a new Vitamix, Nutribullet or Omega Juicer for Christmas are eager for recipe ideas.”

— Jonathan K. Steffy, Four Seasons Produce
Creative display.

Tie-ins with related products also are effective. "For cherries, we’ve done numerous joint promotions with Bing Juice," says Brux. "The brand gets increased exposure in the produce department, and the large displays and demos draw attention to cherries, which, for many people, are an unexpected item during the winter months."

For blueberries, the Chilean Fresh Fruit Association joined forces with cereal, oatmeal and pancake mix, and for grapes, it partnered with cheese brands.

Whatever the produce, quality merchandise coupled with creative presentation is key. Attractive, thematic displays that capture the imagination can draw people in, inspire purchase and make a lasting impression.

“When retailers develop new displays, it’s important to consider complementary colors, scale, movability and accessibility, and infuse personality," says Bolthouse Farms’ Baker.

Also, thematic tie-ins could be very effective in drawing added attention. Between the months of December through February, there are various timely events to take advantage of, such as the holidays, New Year’s and Super Bowl. Retailers can take advantage of these opportunities and create displays that capture these occasions and cross-promote items.

For example, during the New Year, retailers can attract people who have made nutritional resolutions by creating a healthy snack destination with carrots, hummus and on-the-go fruit- and veggie-inspired beverages. For the Super Bowl, party platters with pre-cut fruit and veggies, as well as dips, hummus and salsa, are appropriate tie-ins.

“Another way to inspire impulse sales is to run multiples or value deals on seasonal items," says Baker. “For example, produce departments can drive healthy snacking during the New Year with a pound of baby carrots for 99 cents.”

This is especially effective with produce that’s in large supply during this time period. For example, the winter months are prime time for pears with all varieties available. Retailers can take advantage of popular pears in the winter holiday season, offering displays with everything consumers need to build gift baskets.

Merchandising items such as pears, nuts, wine and cheese in the same display will create impulse sales of all of the items.

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wine and cheese can add incremental sales,” says Kevin D. Moffitt, president and chief executive of Pear Bureau Northwest, located in Milwaukie, OR. “Retailers can include pears in healthier-for-you displays during the new year with warm cereal in the winter or with salad ingredients for those who want to lighten up after the holidays.”

Like pears, apples are a staple winter item. These can be cross merchandised with pie ingredients around the holidays or alongside cheese and wine for winter entertaining.

Still, displays should not be an afterthought. “It’s important to give apples adequate display space, usually on refrigerated tables with color breaks and in secondary locations to build impulse buys,” says Stemilt Growers’ Shales. “Our Piñata apple sells better with a display around it.”

**WINTER AVAILABILITY ISSUES**

One of the biggest issues in winter is produce availability.

This isn’t true of all items. Fresh cranberries are available in-store from mid-September to mid-December, when other produce is no longer in season. Apples, pears and citrus also are in season during winter.

Carrots, in all varieties and cuts, are available to customers and consumers all year long, with the first and fourth quarter being the primary selling season. The winter time is one of the best seasons for growing dark leafy greens in California and Georgia.

## MAKING A STATEMENT

Winter displays benefit from the use of creative props and proper product positioning that help enhance the wide range of products available.

One of the most popular promotions at Treasure Island, a seven-store operation with stores in the Chicago area, is a winter mushroom promotion held around Thanksgiving.

“We display all different types of mushrooms on logs, so customers can see how they grow,” says Jim Bilbrey, Treasure Island’s produce buyer and supervisor.

Mass displays on seasonal impulse items like avocados, premium variety apples, Mandarins and oranges, also can create excitement and drive sales. Even stores with a lack of space can include a prime spot with orange, golden, green and red citrus fruits front and center.

“We encourage the use of warm, rich autumn colors to remind shoppers of cranberries during the holiday season,” says Michelle Hogan, executive director at the Cranberry Marketing Committee USA, located in Wareham, MA. “In December, retailers can include green to tie in the Christmas holiday and provide a playful contrast to the bright red cranberries. In January, pearly white and silver colors allow cranberries to really standout and remind shoppers of the new year. Rustic wooden crates connect the fruit with the farms they come from and holiday props reinforce cranberries’ place on shoppers’ holiday tables.”

Incorporating a broader winter produce display with imported items can help make a statement and create a destination.

For example, a Chilean fruit display may incorporate stone fruit, grapes and blueberries, bringing a summer-like bounty during the cold winter months.

“Chilean cherries are beautiful any way you display them, but with their brilliant red color, they really stand out during the Christmas season,” says Karen Brux, managing director North America for the Chilean Fresh Fruit Association, based in San Carlos, CA.

Pears are available in various colors and can be promoted around winter holidays, such as red pears for Valentine’s day or Chinese New Year.

“Consumers are always looking for ideas and solutions to make their lives easier,” says Kevin D. Moffitt, president and chief executive at the Pear Bureau Northwest, located in Milwaukie, OR. “They will appreciate seeing decoration ideas on a retailer’s website or fliers showing how they can use pears to add panache to their holiday dinners and parties.”

The Pear Bureau has electronic and printed fliers available showing different ways to use pears, from table displays to place cards.

“Winter citrus provides wonderful color breaks and smells wonderful,” says Karen Caplan, president and chief executive of Frieda’s Specialty Produce, headquartered in Los Alamitos, CA. “Buddha’s Hand Citron always draws a crowd, and Stokes Purple sweet potatoes and other sweet potato varieties like Garnet can add a pop of color to the usually drab potato display.”
“Romas are a product that retailers need to have and offer at a good price. The amount of Roma tomatoes available allows retailers to plan for big end-cap displays.”
— Lance Jungmeyer, Fresh Produce Association of Americas

From late fall to early spring, Mexico is a main supplier of produce, including squash, watermelon and Roma tomatoes.

“Romas are a product that retailers need to have and offer at a good price,” says Lance Jungmeyer, president of Fresh Produce Association of Americas in Nogales, AZ. “The amount of Roma tomatoes available allows retailers to plan for big end-cap displays.”

There also is growth in different Mexican cucumber types, including minis and Persian varieties as well as different eggplant varieties.

Also, blueberries and grapes from Chile are available throughout the winter months. “Because cherries are in and out of the market very quickly, we work closely with retailers so that they time their promotions and ads appropriately and capitalize on the time when cherry volume is strongest,” says Chilean Fresh Fruit Association’s Brux.

For most of the country, local and regional produce is limited to some storage-crop commodities, so demand is focused on Florida, California, Mexico and the Southern Hemisphere for fresh harvest production. This creates opportunities for supermarkets, but challenges as well.

“Winter weather and extended logistics can create more hiccups for staying in stock,” says Steffy. “And with less regions producing, if there is a weather event that damages a crop, the impact on pricing and supply is acute.”

Some retailers prefer to ignore the risks and plan advertised promotions around volatile crops, like berries and lettuces that can be derailed by storms or freezes, while others prefer to stick to more predictable winter ad promotions with citrus, roots and potatoes, avocados, storage apples and pears.

“It is more difficult, because there is less produce available during these months,” says Jim Bilbrey, produce buyer, supervisor at Treasure Island, a retailer with seven stores in the Chicago area. “We’re fortunate to have good access to many produce products all year long at the Chicago International Produce Market.”

Retailers can change the marketing focus, depending on what products are in season and available for winter. In many of these cases, it’s a regional issue. “In other parts of the country, the strategy would be to offer value pricing and feature some multiple ingredient recipes,” says San Miguel Produce’s Nishimori.

While more than ten varieties of pears are available in the winter, some varieties with smaller volumes, such as Comice, Seckel or Forelle, can be used in limited-time promotions.

Winter merchandising is highly dependent on produce availability, yet with the abundant products available during the season, along with the increased amount of imports, there are a number of opportunities to provide added visibility to these products. The result is increased register rings in the fourth and first quarters.
Retailers enjoy a sales boost from produce-companion products — despite space limitations.

BY MARK HAMSTRA

The demands for shelf space in the produce department have never been greater; between the expanding variety of organic offerings, value-added products and increasing consumer interest in specialty items.

So how can retailers justify using this valuable real estate for non-produce tie-ins? The answer is simple: Tie-ins and cross-promotions drive more produce sales overall.

At Pete’s Fine Foods, a three-store retailer in Nova Scotia, cross-merchandising items with produce is an important part of the operation.

“We cross-merchandise avocados and guacamole mix, for example, because that certainly stimulates the sales of both,” says Geoff Lander, produce specialist at Pete’s Fine Foods. He notes while a lot of customers buy avocados to use in salads, many also buy them to make guacamole, so merchandising guacamole mix in the avocado department offers a convenient solution to the shopper.

“We use our own avocados to make the guacamole anyway, so it doesn’t detract from selling avocados,” says Lander.

Pete’s also offers additional tie-ins in the avocado section related to the guacamole, such as corn chips for dipping.

Other produce department tie-ins at Pete’s include apple chips merchandised in the apple section, for example. In addition, Pete’s also tries to incorporate items from the deli department that use produce as an ingredient, says Lander.

At Nap’s Thriftway in Newberg, OR, Chad Peterson, produce manager, says most tie-ins end up driving revenues for the produce department.

“I’m always open to ideas for these kinds of things,” he says. “If anyone asks me if I have room, I usually say, ‘Bring it right in.’”

One of the more successful cross-merchandising tie-ins Nap’s Thriftway has run repeatedly involves merchandising a pre-cooked bacon product with tomatoes to encourage customers to think about making bacon, lettuce and tomato sandwiches.

“That’s a good one,” says Peterson. “I’ll definitely sell more tomatoes if that’s out there on display.”

Reusable plastic food savers, which are used to store fruits and vegetables that have been sliced open, have been another successful tie-in for the produce department at Nap’s Thriftway. The store has had success with both grapefruit savers and onion savers, says Peterson.

“We have an onion saver that we sell out of every month,” he says. “We merchandise that right on top of the onions.”

Other tie-ins at Nap’s Thriftway include banana bread mix alongside bananas, apple crisp mix with apples, and angel food cake.
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“Research tells us 68 percent of shoppers who buy Concord Foods Guacamole Mix will also purchase avocados at an average of three avocados per shopper.”
— Samantha McCaul, Concord Foods

Most retailers are limited on cooler space and have one or possibly two cooler locations in the entire store,” he says. “Even though tofu is considered a dairy item, it is usually found in the organic vegetable section in most retailers. So when you are preparing your stir fry, mung beans and tofu will be within arms’ reach of each other.”

Samantha McCaul, marketing manager at Brockton, MA-based Concord Foods, says she sees mostly positive results from merchandising tie-in items in the produce department. Concord offers a line of items that can accompany produce, including lemon and lime juices, produce seasoning mixes, smoothie mixes, apple-related products, fresh desserts, dips and specialty items.

“At Concord Foods, we strongly believe that carrying complementary products in the produce department has many great benefits,” she says.

In addition to providing convenience for shoppers, one of the biggest attractions of merchandising tie-ins for retailers, says McCaul, is the additional revenues these items can deliver.

“Stores can influence buyer behavior by cross-merchandising fresh produce and non-perishable items,” she says. “For example, research tells us 68 percent of shoppers who buy Concord Foods Guacamole Mix will also purchase avocados at an average of three avocados per shopper.”

Displays also add interest and variety to the produce department, adds McCaul. “As a result, more time and money is spent in the store.”

ADJACENCIES DRIVE SALES

In order for tie-ins to work effectively, the non-produce items must have a strong tie-in with fresh produce, says McCaul, citing as an example Chiquita Banana Bread Mix merchandised with bananas.

Stores should create attention-getting displays in prime locations, she says. “The best placement is always on the shelf, adjacent to the relevant fresh produce item.”

Cowardin of T. Marzetti agrees adjacent displays of related items are key for merchandising tie-ins in the produce department.

“We feel it is effective to place complementary items next to each other in the store,” she says. “This helps to drive impulse purchases and provides shoppers a convenient shopping experience, making comple-
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mentary items easy to find and providing possible meal solutions for consumers.

“For example, merchandising caramel dip with apples, fruit dip with pre-cut fruit, veggie dips with baby carrots and dressings and croutons with lettuce or bagged salads are all great ways to drive sales and make shopping easier for consumers.”

While retailers often merchandise these items directly on the produce display shelves, or on hanging displays attached to the produce racks, Caplan of Frieda’s Specialty Produce says she’s seeing more and more retailers using freestanding shippers for merchandising tie-in merchandise.

Pete’s Fine Foods in Nova Scotia generally creates special displays for merchandising tie-ins, says Lander.

“If we are going to cross-merchandise, we would do it in a special display,” he says. “For example, we’ll do a big lemon display with the lemonade drinks all around it.”

Peterson of Nap’s Thriftway agrees creating special displays for tie-ins might be effective, but he also notes creating them can be labor-intensive.

One of the more effective tie-in promotions Nap’s Thriftway has executed in its produce department has been merchandising jars of bacon bits with potatoes. The items are merchandised on the shelf alongside the loose potatoes and also on a shelf under each bagged potatoes, says Peterson.

Tie-in items are sometimes promoted at a small discount, he says, but are generally not bundled as promotions.

Isenberg of Sunsprout suggests one way to help drive sales of tie-in items is to promote each of the items at the same time in the retailer’s advertising to promote awareness.

He says in-store produce department personnel can play a role as well.

“One of the trends I am seeing is a huge push for consumer awareness and education at the store level,” says Isenberg. “Produce team leaders are being asked more and more to be on the floor and help promote new items and answer questions that the average consumer might have and provide recommendations.”

SEASONAL ITEMS

Retailers can also reap the benefits of merchandising tie-ins by paying close attention to variations in consumer demand throughout the year.

For example, during peak season in the fall, caramel dip displays can be positioned with both bagged and fresh apples, says Cowardin.

“In fact, some of our display offers have space created for bagged apples to be placed right in the display with the caramel dip,” she says.

McCaul of Concord Foods agrees tie-in displays are becoming more and more seasonal.

“Many produce displays are based on seasonality, which is a huge trend right now,” she says. “Seasonal items can be impulse purchases, and displays encourage additional sales. Some examples of this include fall apple displays and non-perishable items such as Concord Foods Caramel Apple Wrap or Apple Crisp.”

Although shelf space is at a premium, and many agree clutter can detract from a store’s appearance, retailers say produce tie-ins are here to stay.

“Cross merchandising is definitely the way to go, and it works for sure,” says Lander of Pete’s.
Produce departments can squeeze even greater benefit from health and fitness trends by emphasizing fresh juice.

BY JODEAN ROBBINS

The billion-dollar juice category boasts a myriad of undefined products running the gamut from commercially processed to in-store freshly squeezed, yet increasing demand for fresh juice options has led many retailers to focus offerings. “There is a strong consumer preference toward healthier beverage alternatives,” reports Dionysios Christou, vice president marketing for Del Monte Fresh Produce in Coral Gables, FL. “The supermarket industry recognizes the trending popularity of juice bar outlets along with the explosion of many nationally recognized juice and smoothie brands consumers are purchasing in all channels.”

“Cold-pressed juices utilizing HPP (high pressure processing) are exploding within the category and creating incremental sales in supermarkets across the nation in every demographic,” describes Kristyn Lawson, vice president of retail sales for Good Foods Group, LLC in Pleasant Prairie, WI. “The popularity of juicing and cold-pressed juices spawned double- to triple-digit sales growth within the segment at leading local, regional and national retailers.”

“The premium refrigerated juice category is growing 17 percent year over year,” reports Maija O’Hanlon, brand manager for Bolt-house Farms, Bakersfield, CA. “A sub-segment of organic, cold-pressed juices we call ‘Ultra Premium’ are outpacing this growth. Ultra Premium dollar sales nearly doubled in the past year due to distribution gains in grocery stores.”

Juicing fits several fundamental consumer trends. “Consumers seek meaning in their food choices and support local companies, sustainability, and responsible practices,” explains Kelli Foster, director of marketing for Red Jacket Orchards in Geneva, NY. “Consumers seek brands they trust and look for food as close to raw or whole as possible.”

“People are focusing more on getting their nutrition from food, and juicing really speaks to this,” says Deborah Rubino, spokesperson for Mother’s Market and Kitchen in Costa Mesa, a natural foods retailer operating seven Southern California locations in Orange County.

“As shoppers increasingly turn to behavioral modification, brands can get in on the act by developing ‘nudges’ consumers need to stay on track,” explains Hilary Martin Long, business development director for Frey Farms/Tsamma Juice in Keenes, IL. “Some 41 percent of consumers overall turn to juice for added nutrition, meaning the category fills a somewhat functional role in the eyes of shoppers. Category players should promote the nutritional value of products, allowing them to stand apart from the competition on crowded store shelves.”

Demand centers on fresher, shorter shelf-life juices with health benefits. “There is a trend
“Premium refrigerated bottled juices are a $1.5 billion category and growing 14 percent according to IRI data in all outlets (excluding Costco) during the 52 weeks ending June 14, 2015.”
— Dahlia Reinkopf, POM Wonderful

toward less processed, more natural products,” states Marc Craen, chief operating officer for United Juice Companies of America, Inc. in Vero Beach, FL.

Good Foods’ Lawson adds, “Consumers want juices with clean ingredient decks, fresh well-balanced flavors, and the added nutritional benefit the cold-pressed juice process offers — not having juice nutrients cooked away.”

“We’ve seen a rise of healthy juices and vegetable beverages at retail,” concurs Natasha Shapiro, marketing manager for Love Beets in Bala Cynwyd, PA. “In an Innova Market Insights study of new product launches in the soft drinks category, the highest new product launch growth between 2010 to 2013 was in the vegetable beverages at retail,” concurs Natasha Shapiro, marketing manager for Love Beets in Vero Beach, FL.

“In an Innova Market Insights study of new product launches in the soft drinks category, the highest new product launch growth between 2010 to 2013 was in vegetable-flavored products.”

“Consumers today are looking for simple ways to make healthy choices,” says Dahlia Reinkopf, senior director of marketing of Los Angeles-based POM Wonderful. “Nearly 80 percent of consumers think drinking fruit juice is a good way to get a serving of fruit.”

Reinkopf says premium juice sales have been skyrocketing in the past few years. “Premium refrigerated bottled juices are a $1.5 billion category and growing 14 percent according to IRI data in all outlets (excluding Costco) during the 52 weeks ending June 14, 2015.

“Household penetration for premium refrigerated juices also continues to grow with nearly 29 percent of U.S. households purchasing super-premium juices, which is up from 24 percent just two years ago, according to recent IRI Panel data 52 weeks ending Q1 2015.”

Increasingly, retailers are turning attention to value-added juices. “Once popularity was with shelf-stable, heavily heated juices in the center section of the store, but we’ve seen the super premium juice category merchandised in produce take off,” says Steve Roodzant, general manager for True Organic Juice, a division of Grimmway Farms, located in Bakersfield, CA. “Suppliers are using fresh ingredients and especially organics — all value-added aspects of the juice.”

FROM ORANGE TO GREEN

While carrot and fresh fruit flavors reigned in the past four decades, green drinks recently came into the spotlight. “We’ve seen a change in the most popular ingredients over the decades,” explains Rubino. “In 1978, it was a lot of carrot juice or fruit smoothies. Now we see a greater variety of ingredients and a lot more green drinks.”

“Green juice in the U.S. went from ‘yuck’ to a status symbol in a short period of time,” explains Butch Dougherty, director of operations at Iovine Brothers an independent urban produce market in Philadelphia, PA. “Anything with kale is popular.”

“Our juice-ologists are developing new flavors weekly using seasonal, tropical, and conventional produce items,” reports Lawson. “Some popular items include kale, spinach, cucumber, and celery. We use nutrient-dense and special produce items like fresh ginger, avocado, sweet potato, citrus and other surprise elements to keep savvy juicers and new consumers engaged.”

Health and nutrition play an important role in current flavor trends. “Vegetable and fruit-based flavors and blends are definitely trending,” states Shapiro. “Anything seen as being a Superfood gets a lot of attention in the juicing world; so beets, kale and other leafy greens, acai, and avocados are all popular.”

“The nutrient-dense green drinks see high demand,” concurs Rubino. “Our most popular combination currently includes apple, celery cucumber spinach, parsley and kale. We still do a lot of carrot blends too.”

This year, Good Foods Group launched a variety of new flavors oriented toward nutrition like its Juicy Watermelon, which is cold-pressed with two pounds of watermelon and including the watermelon rind. Tieraney Planasch, nutritionist at Good Foods Group explains, “Watermelon rind is a great source of many attributes including B-6, lycopene, thiamin and riboflavin (vitamins B1 and B2).”
Bolthouse Farms’ new 1915: Cold-Pressed Organic Juice line is organic and cold-pressed. It features fruit and vegetable blends aiming to strike the balance between taste and nutrition. “Juice drinkers love to get their vegetables without sacrificing taste,” says O’Hanlon. “Our Blueberry flavor, for example, has spinach in it, but tastes great.”

Organic produce items also enjoy increasing popularity among the juicing crowd. Del Monte’s Cristou explains, “There seems to be more interest in using organic produce as opposed to conventional product in juice bars to align with the preferences of that particular consumer.”

“The organic movement is a wave moving through all items in the supermarket,” adds Roodzant of True Organic Juice. “So, it’s a natural connection to offer organic juice alternatives.”

PROMOTING THE NICHE ELEMENT
For some retailers, meeting customer demand translates into implementing a fresh juice bar in store. “Many retailers added juice bars to a select number of stores where local markets and demographics support a juice-bar concept, and consumer response has been favorable,” reports Cristou.

Iovine Brothers decided to put in a juice bar after talking to customers. “We realized more customers were interested in juicing,” says Dougherty. “For us, it was about more than just selling juice, it was about having a bigger impact on the health of our customers and the city we care about.”

Iovine’s juice bar opened in December 2014 utilizing cold-pressed technology. “We thought at first we’d just put a few items through the machine to see if customers bought them,” states Dougherty. “The moment we started making juice, it started to fly! We currently have a massive construction project on our main floor to install larger refrigerators to accommodate the juices and our pre-prepped items.”

Mothers Market and Kitchen has a full-service juice department in all its locations. “We make fresh juice from 8 a.m. until closing,” states Rubino.

“Having a juice bar creates additional value to the produce department,” says Christou. “Retailers are positioning the juice bar in the produce section to identify it as a fresh product.”

“Consumers today care more than ever about where their food comes from and what they are consuming,” says POM’s Reinkopf regarding how retailers can promote juices within the produce department. “Simplicity and transparency are key. When consumers juice their own fruits at home, they know exactly what is going into their beverage. POM Wonderful grows, handpicks and juices its own pomegranates. By managing the entire production process from tree to table, we guarantee that our fresh pomegranates, fresh arils and 100 percent pomegranate juice come from only one source.”

ALTERNATIVE STRATEGIES
Retailers who can’t commit to an in-store juice operation still have plenty of opportunities to capitalize on the juice trend. “There are many recognized manufactured juice and smoothie items in the market selling extremely well such as our own Del Monte Pure Earth juice line,” says Cristou. “These are merchandised together in the produce section in lieu of an investment in an actual fresh juice bar concept.”

“Retailers hesitant to create juice bars within stores or those looking to minimize shrink and maximize consumer convenience should look to partners like us to supply fresh cold-pressed juices to them,” says Lawson with Good Foods. “Our juices are a ‘Juice Bar’ in a bottle. Because of our fully integrated HPP process, we are able to capture the freshness.”

“More manufacturers are offering bottled, fresh-pressed juices,” states Rubino. “These present a good option if you aren’t juicing in-store. We do both because we are about providing choices to customers.”

Convenience leads to retail opportunities in pre-bottled juices. “Not everyone has the time to juice themselves,” adds Shapiro of Love Beets. “Having healthy, tasty and convenient options are incredibly important to servicing customers.”

“Even hard-core juicers can’t get to their juicer every morning,” agrees Roodzant. “Fresh pre-bottled juice provides a convenient option, but without compromise on the ingredients, clean up and waste.”

But bottled juice offerings must still ally with consumer values. “Retailers must understand what consumers are looking for and keep their juice set in line with those demands,” suggests Long of Frey Farms. “According to Beth Bloom, a food and drink analyst, some 41 percent of adults say they are most likely to turn to products in the juice category for added nutrition. Next to that, 40 percent seek good taste. The category would do well to focus on these attributes to expand consumption occasion.”

Long continues, “Buyers should focus on purchasing premium juice where the ingredients are transparent, the health benefits and flavor rank high, and stick with brands that are ‘fresh off the farm.’”

Displays throughout the produce department and store add sales. “Retailers are utilizing secondary displays like coolers or ice bins near fresh produce as a fantastic way to drive impulse, new trial and incremental sales,” reports Lawson. “Additionally, many retailers are creating more space in the department to meet demands of consumers looking for more variety and a wider assortment of brand offerings.”

“Merchandising single-serve juice in secondary locations like the deli or grab-n-go drive growth,” says O’Hanlon. “Convenience is a big factor for juice shoppers and they strive to make healthy choices when on-the-go.”

“We work with each retailer to support merchandising and sampling efforts,” says Long. “The most successful stores are the ones that think outside of the box. For example, displaying Tsamma with the cut watermelons on ice has proven to create more buzz and increase sales.”

THINKING BEYOND THE NORM
Promoting beyond traditional flavor profiles increases excitement. “Retailers are capitalizing on current trends by offering a greater variety of fresh juice options,” reports Craen of United Juice. “No longer just orange juice, but tangerine, grapefruit and fresh lemons.”

“Promote some of the lesser known greens like watercress and parsley,” suggests Dough-
**Promote Deals and Combos**

Retail produce departments can increase movement of produce by targeting juicing customers and creating displays or sections especially for juicing. “Departments can put together a section featuring discounted items the retailer needs to move,” suggests Butch Dougherty, director of operations at Iovine Brothers an independent urban produce market in Philadelphia, PA. “Juicers know it takes volume, so they’re always looking for deals. The retailer benefits by reducing shrink.”

Dougherty continues, “Retailers can keep an eye out for good buys on juicing items and market these specifically to juicing customers. They can really merchandize this as a premier draw rather than a back of the store afterthought. We have plans to create a small bag of mixed juicing ingredients for consumers to take home and juice.”

“Many consumers of super premium juice like to juice at home when they have time,” says O’Hanlon. “Produce items specifically positioned for at-home juicing capitalize on this trend. Bolthouse Farms recently introduced Juicing Carrots, large whole carrots in cello bags, to aid with at-home juicing.”

Focusing on seasonal produce for at-home juicing presents other possibilities. “A retailer could feature watermelon in the summer as a great ingredient for fresh squeezed watermelon juice,” suggests Maija O’Hanlon, brand manager for Bolthouse Farms, Bakersfield, CA. “Promoting fruits and vegetables as ingredients for at-home juicing inspires additional uses for produce.”

Tying-in items related to juicing is another profitable tactic. “Non-produce items to promote with juicing and smoothies include things such as chia seeds, hemp seeds, cacao powder, goji berries and nut or coconut milks,” suggests Natasha Shapiro, marketing manager for Love Beets in Bala Cynwyd, PA.

“Many cross-merchandising opportunities exist for promoting in the juice and smoothie category,” says Hilary Martin Long, business development director for Frey Farms/Tsamma Juice in Keenes, Il. “I’d love to see a produce display cross-merchandising vegan protein powder, chia seeds, almond butter and possibly even almond milk or coconut milk with fresh fruits and vegetables.”

Cross-merchandising juices with fresh product provides increased attention for both. “Red Jacket is home to one of the largest apricot orchards on the East Coast,” explains Kelli Foster, director of marketing for Red Jacket Orchards in Geneva, NY. “We will be working with large well-known retail partners this summer to put our Apricot Stomp right next to our fresh apricots. We hope this gives consumers an incentive to look at what’s in our juice.”

“We run cross-promotions between our organic vegetable items and our juices,” says Steve Roodzant, general manager for True Organic Juice, a division of Grimmway Farms, located in Bakersfield, CA. “For example, buy a 1-pound bag of baby organic carrots, get a bottle of juice for free. It really drives the connection with the fresh produce every retailer is featuring.”

“To add a bit of whimsy and entertaining panache, we feature fun ways to enjoy cold-pressed juices utilizing produce garnishes like mint leaves, basil leaves, and orange peels,” says Kristyn Lawson, vice president of retail sales for Good Foods Group, LLC in Pleasant Prairie, WI. “Customers enjoy creating punch-like drinks for entertaining and adult cocktails with our premium juice blends.”

“Over 60 percent of POM buyers purchase both POM pomegranate juice and POM fresh pomegranates,” says Dahlia Reinkopf, senior director of marketing of Los Angeles-based POM Wonderful. “So, the best strategy for merchandising POM juice is to cross-merchandise with POM Fresh Pomegranates when in season (October – January). We suggest utilizing the berry cooler to build a display including POM 100% Pomegranate Juice and POM POMs Fresh Arils. With a POM display on both sides, it makes for a great seasonal traffic driver in produce.”

Reinkopf adds that the company learned that the most effective promotions are bundled ads that include POM’s family of products (POM 100% Pomegranate Juice, Fresh Pomegranates and Fresh Pomegranate Arils). This bundling of products creates more value for the retailer’s ad space and leverages POM’s strong consumer brand.

“Another effective way to promote fresh pomegranates is by promoting them in ‘multiples,’ or selling more than one unit per transaction (e.g. 2 for $4; 3 for $5),” she explains. "We run cross-promotions between our organic vegetable items and our juices,” says Steve Roodzant, general manager for True Organic Juice, a division of Grimmway Farms, located in Bakersfield, CA. “For example, buy a 1-pound bag of baby organic carrots, get a bottle of juice for free. It really drives the connection with the fresh produce every retailer is featuring.”

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Education and promotion via social media allow for two-way interchange. “We utilize social media to interact directly with our consumers,” says Mandy Bottomlee, creative director at Good Foods. “We learn a lot through these engagements including how our customers enjoy our products. This helps us become better at what we do.”

“Iovine uses social media to inform consumers what blends we’re making and what seasonal blends we have,” says Dougherty. “We also solicit customer input.”
The Calandri clan has farmed onions in Southern California’s Antelope Valley for nearly a century. The family celebrated a milestone in March of this year, when a descendant from the fourth-generation, Brandon Calandri, took over as chief executive of their Lancaster, CA-headquartered SonRise Farms/Antelope Distributing.

The road to success hasn’t been a bed of roses since Brandon’s hard-working great-grandfather, Antonio, emigrated from Italy to the San Fernando Valley where he grew sweet corn and yams. In fact, the family’s legacy boasts a produce industry’s Cinderella story. It began when Antonio’s son, John, the youngest of nine children, decided to make his own way. He followed the wave of Italian immigrants moving north to the San Joaquin Valley and stopped in the Antelope Valley, exactly where, according to family legend, the last of his money ran out.

John followed in his father’s farming footsteps, growing melons, beets and carrots and adding a small plot of onions in the early 1960s. A global onion shortage happened in the late 1960s just as John had harvested a massive crop. This provided the perfect opportunity. John went from dirt poor to quite prosperous over the length of one season.

It was John, and his son John Jr., who served in the Navy during the Vietnam War before entering the family business, who decided to stop growing other crops and set their sights solely on fulfilling the profitable market niche for high quality onions. The second and third generation’s claim-to-fame, and what SonRise Farms/Antelope Distributing continues to be renowned for, is pioneering the white onion market.

Today, the Calandri family’s diverse farming operation spans from Mexicali, in Mexico’s state of Baja California, to Quincy, WA, near the Canadian border. This north-to-south West Coast expansion assures a year-round supply and a full-category of onions. The company and its grower-partners operate from seed-to-shelf in everything from Spanish yellows to white, reds, sweets and organics.

What is unique is 97 to 98 percent of the crop goes to fresh market rather than processing or foodservice segments. SonRise Farms/Antelope Distributing sells domestically nationwide as well as internationally as far as Australia, South America and Middle Eastern countries such as the UAE, Saudi Arabia and Qatar.

“The complexity of the business has changed in four generations,” says Brandon, who will take over company ownership in the next 12 to 18 months and whose 15- and 10-year old sons, Degan and John, and 9-year-old daughter, Grace are poised to become the company’s fifth generation of leadership.

“It’s not only about growing quality onions, but doing so amid the current political and economic changes with food safety, minimum wage increases as well as the advent of computerization and automation. It’s a brave new world. I’d like my generation’s legacy to be the ability to deliver the tradition of high quality onions with a New World of ideas.”
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The incredible family story of Mann Packing is one of continual reinvention. At the same time, the company always stays one step ahead of the curve. It’s an amazing formula that proved successful for more than 76 years and three generations — earning the Salinas, CA-headquartered company recognition as “Large Business of the Year” in 2014 by the Salinas Valley Chamber of Commerce. Where fork meets plate, Mann Packing achieved the appetizing feat of putting signature products such as broccoli, broccoli slaw and Broccolini® on family dinner tables across the nation.

These products were on the distant horizon when H.W. ‘Cy’ Mann founded a carrot packing operation in the Salinas Valley in 1939. Mann soon bucked the trend, and instead of planting iceberg lettuce like his neighbors, he started growing the relatively unknown broccoli. It was a crop he liked and thought had potential. By the early 1980s, the company operated with some 40 growers and more than 14,000 acres. Sales jumped nearly 1,000-fold from 1970 to 1985, a spike that came on the heels of a USDA study funded by Mann Packing and the Produce Marketing Association, which demonstrated the exceptional nutrient content of broccoli. The company blossomed and remains a grower-shipper of fresh broccoli today.

A huge investment in the construction of a state-of-the-art packing shed to ice and twist tie heads of broccoli seemed an obvious next step for Mann. Yet the ribbon-cutting coincided with the invention of a way to perform these functions in the field. Thus, Mann the visionary, and the two talented partners he hired in the 1950s and 1960s, Bill Ramsey and Don Nucci, were left with what townspeople called the great ‘White Elephant.’ Fortunately, the shed’s nickname didn’t stick for very long.

“The question became ‘what do we do now?’ since the investment was already made,” says Lorri Koster, chief executive officer of Mann Packing, and one of Don Nucci’s four children. “The answer was to adapt to the changing marketplace and what we saw emerging as a need for convenience. We started cutting up broccoli into florets. The shed is now a state-of-the-art manufacturing facility, and we expanded on it six times. We keep the ‘White Elephant’ busy with two-shifts daily, six to seven days a week.”

The Mann Packing Company’s pioneering efforts in value-added broccoli expanded to other commodity vegetables. Today, this totals a produce portfolio of more than 35 products such as: carrots, cauliflower, cabbage, Brussels sprouts, green beans and the traditional crop of the Salinas Valley — lettuce — in popular varieties such as Romaine and red leaf in inventively washed single leaves ready-to-eat on sandwiches, burgers and other applications.

The next limb to climb led Mann Packing to branch out from commodities and take a fledging variety under its reputational wing and build a market for new items. The opportunity presented itself when the Sakata Seed Company, where Mann bought its broc-
coli seed from at the time, developed a broccoli-gai lan hybrid in 1993 in an effort to develop a type of broccoli that would thrive in a warmer climate away from the coasts — where farmland was more costly. In 1998, Mann Packing partnered with Sakata to begin marketing this vegetable in the U.S. under the name Broccolini®.

“It was a steep learning curve to grow, and it wasn’t a money-maker for some time, but now Broccolini is profitable; it’s one of our signature items, and it’s one of my favorites,” says Koster. “We also partnered with a seed company that developed sugar snap peas in the same way, and we now have access to exclusive varieties. I think our established market development track record with new products is why the developers of Kalettes came to us. They know we’re patient, and we won’t hesitate to give it the old college try when it comes to building a market for something new,” says Koster.

The Ramsey and Nucci families, who bought out Mann after his death in 1995, continue to lead Mann Packing. Bill’s son Dick Ramsey serves as vice president of the company’s field operations while Don’s daughters Lorri is chief executive, and Gina Nucci works on the foodservice side of the business as director of Healthy Culinary Innovation. Dick’s two sons, Cody and Bixby, work in broccoli operations and sales, respectively. It’s not uncommon to have all three generations in the office at the same time. This gives Mann a Baby Boomer, Gen X and Millennial view when it comes to product innovation and development.

One of the company’s most difficult reinventions came in 2005 after the death of Don’s son, Joe, who was president and chief executive officer. Don, who was semi-retired at the time, took the reins while the company searched for a new leader, but he tragically passed away just 14 months later.

Today, more than 65 percent of Mann Packing’s shareholders are women making it a certified Women’s Business Enterprise. This is an incredible opportunity for the second generation of moms to make their mark after the era of the dads. Or, as Koster says, “own and operate (the operative word being ‘operate’) the company, while being a member of the target audience for our products.”

Moms heading households. Moms making decisions for big-ticket items, such as appliances and cars. Moms as the gatekeeper of the family’s meals. It’s something that with women’s insights at the helm, Mann Packing identifies as the emergent and enormous ‘she-conomy.’

“They say that your stomach is your second brain, and I’m a big believer in gut instinct. Women comprise the majority of in-store decisionmakers, and this is a position I can relate to. I’ve been there, I’ve shopped in their shoes, and I can share mealtime solutions for our products, because I made them myself,” says Koster.

One of the most successful of Mann’s recent merchandising efforts is its hard copy and online “Girlfriends Guides for Moms.” These guides offer quick, simple, family-friendly recipes, nutrition information and tips using a variety of the company’s products in a “from Moms, for Moms” voice. There’s been the Broccoli Coleslaw, Holiday Help, Single Sides and Summer Salad editions.

Going forward, Koster offers this advice to the second-generation legacy:

“I think it’s important to provide a sense of tradition and longevity even though we had to make certain changes and put processes in place due to our sheer size,” she says. “After all, there are some things that only history can teach. This history gives us a longer view as well as an ability to look into the future. I’d like our generation’s legacy to shepherd the company into a major corporation while maintaining family values and culture.”
Our Family Members Are In Your Back Yard

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7,200+ EMPLOYEES

Local Distribution Facilities
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Harvest Sensations
Kent Hamilton, a sixth generation farmer, started Southern Valley Fruit and Vegetable, Inc. in 1987 with his father, brother, and a friend. By 1991, Kent lost both his father and brother — leaving him and his mother, Wanda, sole owners of the farming operation.

Over the years, they brought trusted family and community members into the company to grow the operation. Southern Valley is now a progressive and innovative grower, packer, and shipper while remaining true to its traditional farm roots and family values.

Hamilton places great emphasis on the company’s family foundation. “The investment in a family farm and ties to the land give us a different perspective from corporate-run operations,” he says. “This is more than a business to us. It is our reputation and our legacy. Having children and other family members carry on our tradition and assets is crucial.”

As Southern Valley looks to its future, the company is blessed to have yet another generation entering its fold. Kent’s oldest two children, Austin and Courtney, returned back to the family farm after college to take on prominent roles within the company. Since Wanda, now 74, is beginning to transition into retirement, she welcomed granddaughter Courtney as her understudy. Courtney currently assumed most of the administrative duties as well as additional HR work and other tasks.

Austin joins his father in concentrating on the production side of the business in efforts to continue the company’s growth and bring new innovation to the business. “I love farming — especially developing new products and packaging to be able to offer something different to the market,” he says.

To better serve customers, the company expanded growing and packing abilities to include farming in the Yucatan Peninsula during the winter months and Tennessee in the summer growing months. “By farming these two additional locations, we are able to supply our customers with product year-round,” explains Kent Hamilton.

“These additional growing areas will afford us more uniform production with less peaks and valleys,” adds Courtney Hamilton. “We have all the facilities and infrastructure we need to be successful in leveling out volume and quality for our customers.”

The new generations also look to the company’s state-of-the-art packing shed and high-humidity forced air cooler to offer added benefit. “We developed value-added packaging,” says Austin. “When we renovated our packing house in 2012, we included a climate-controlled repack room. We now offer convenience-packaged salad cucumbers, green beans and yellow squash in bags in response to customer demand. We strive to find ways to support our customers and help differentiate the product for them.”

Though generations, products and packaging may change, the core foundation of Southern Valley remains the same — a commitment to integrity and values. “We give God all the glory for anything and everything we do,” says Austin Hamilton. “Our family values are very important to our company and allow us to serve our customers with the highest standards in and out of the field.”
Family farming at its finest.

Since 1987, our company has developed from a four-man farming effort into a female-owned and family-operated business. Our family values and farm roots run as deep as our commitment to our customers.

southernvalley.us

Shopping List

- squash
- cucumber
- eggplant
In the Vega family’s capable hands, La Hacienda carved a unique niche in providing top-quality Mexican produce to customers. The company sells a variety of Mexican vegetables and fruits including avocados, jalapeños, cilantro, tomatillo, and mangos. To better serve customers, the company also offers Mexican groceries along with frozen corn, restaurant and store supplies, and candy.

La Hacienda became a Vega family business in 1973 when longtime La Hacienda employee Francisco Vega purchased the produce company. Adolfo Vega Sr. bought the company from his father in 1993 and continued its legacy for future generations. The company now includes Adolfo’s daughter, Rocio Vega, as general manager and Adolfo’s son, Adolfo Vega Jr., as produce manager.

The closeness of family permeates the company’s regard for its customers as it seeks to serve all customers’ needs. “We want to make La Hacienda a one-stop shop for a variety of customers,” reports Rocio Vega. “For example, we established a cash and carry for the everyday consumer.”

La Hacienda’s customers reflect the close community of a family ties with their loyalty. “Many of our customers have known my grandfather, my father and my uncles since the business started in 1973,” says Rocio Vega. “As the new generations have come, our customers stuck with us, because they know us and trust us. Our customers are very loyal, and we really appreciate them.”

LA HACIENDA BRANDS, INC | 3000 S. Ashland Ave, Unit 4 | Chicago, IL 60608
Tel: (312) 243-2755 | Fax: (773) 254-4316
Both Nickey Gregory and his wife, Cheryl, were born into the produce industry. Nickey’s father owned his own wholesale produce company, Cowboy’s Produce. Cheryl’s grandparents also owned a wholesale produce company, Georgia-Tennessee.

Today, the couple owns the Nickey Gregory Company, LLC, based in Atlanta, which is a full line distributor carrying more than 300 commodities in a 75,000-square-foot locale in Atlanta and a 25,000-square-foot locale in Miami. The company is also constructing a 37,000-square-foot expansion this winter.

“Nickey Gregory Company was not only started to provide for my family and me, but it is important to me that all the employees succeed along with the company,” says Nickey Gregory. “Our philosophy is to provide our customers with the freshest and safest product available with the best service while making a profit, so all of our employees can make a better living for themselves and their families.”

The company has 165 employees, and 13 of those members are immediate family members. “I am proud to say that this year, the fourth generation of our family, our oldest grandson, began working at the company during his summer break,” says Gregory. “We have such low turnover in personnel, and we all work so close together that all of our associates at Nickey Gregory Company are part of our family.”

Nickey Gregory sources from local-approved farmers and growers when in season in addition to growers throughout the United States, Canada, Spain, Mexico, Chile, Central America, South America and Holland.

“Our prices are some of the most competitive in the market, and our quality is exceptional,” says Gregory. “Fortunately, we have some of the most knowledgeable buyers in the industry with many years of experience. Excellent grower relationships and product sourcing are our greatest strengths.”

It is important to Gregory that the company has the competitive edge — especially with food safety. Both locations of Nickey Gregory Company are now PrimusGFS-certified with superior ratings, scoring 100 on both tests, which puts the company at the top of the industry.

The company also runs its own freight company, Gregory Family Express, which was started to help those customers who began relying on the company for freight.

The Gregory family also does a great deal to help others in the community. “God blessed my family and business, and I believe in passing the blessing along,” he says. “We help Georgia Power with a safe haven for abused women and children. During the year, we sponsor golf tournaments to raise money for the homeless, and we donate a standing order of fresh produce every week.”

The company also partners with several schools and churches as well as the Atlanta Community Food Bank and Hosea Feed the Hungry to help stock food pantries and provide meals for less-fortunate families.
Headquartered in Reidsville, GA, the center of the Vidalia growing region in Southeast Georgia, Shuman Produce is a year-round grower and shipper of sweet onions.

“Vidalia sweet onions are the benchmark of our business, but availability is seasonal,” says John Shuman, president of the company. “So, to be sure that only the best-tasting sweet onions are offered in grocery stores all year long, we also grow in Texas, California, New Mexico, Peru, Chile and Mexico to maintain our year-round sweet onion program.”

A second-generation farmer, Shuman inherited his savvy business philosophy from his father, Buck Shuman: “Take care of your business, and your business will take care of you.” In 1986, Buck Shuman’s 80 acres of Vidalia sweet onions grown on his small family farm were judged by the University of Georgia to be the sweetest in the industry.

Fresh out of college in 1994, John was working in the family Vidalia sweet onion business when his father announced to him and his brothers that economic hardship was forcing him out of the business. This was devastating to John, as he always planned to make a life in the industry.

Despite the fact that he had no resources, John made the choice to do what he loved most and continue the family tradition in Vidalia onions. He went to a local bank for a loan, where he met with an officer he had known his entire life. She turned him down for the grand total of $15,000. With nowhere else to turn, John went to his grandmother, who cosigned the loan.

“I was a little stubborn and just had the dream of wanting to be in this industry again after the trouble our family went through. All I ever saw my dad doing was being a farmer and being in the fertilizer business,” says John. “Our lives were surrounded by farming — 24 hours a day, seven days a week. As far as what little bit I did, it was just a combination of staying committed to doing things right, staying committed to being loyal and faithful, and staying committed to operating a business with integrity.”

In the early years of the business, John created partnerships with local growers to provide Vidalia onions for him to market, because he did not have the financial means to establish a growing operation himself. These include several excellent farmers in Alan Sikes, David Jarriel and James McLain. These growers remain very much a part of the Shuman deal, even though John has been able to re-establish the family legacy, Shuman Farms, and is now a grower himself.

Today, the company John founded stands as one of the leading sweet onion growers and shippers in the industry as Shuman Produce Inc. and its “RealSweet” brand. The company employs a staff of full-time employees in its corporate headquarters in Reidsville, GA. John’s brother, Mark, serves as general manager and brother, Ben, works in operations. Shuman Produce also maintains a staff and facility in Peru where the company has been invested for 17 years. In fact, Shuman Produce’s Peruvian sweet onion program accounted for 29 percent of the market share of onion imports through the Port of Savannah, GA, in 2014.

With two boys (ages 12 and 15) and two nephews (ages 12 and 14), the family business looks like it will stay strong for years to come.

“My brother Mark and I have always been fond of saying, ‘our future is growing,’” he says. “I built our business on three main tenants: customer service, integrity and a quality product. I believe that the combination and commitment to these three things is what separates us from our competition. I truly appreciate the opportunity to work with my family each and every day. It’s what I had hoped to do from the very beginning.”

Shuman Produce is a leader in the sweet onion industry, and John’s ambition is not to be the biggest grower and shipper but to simply provide the best and most consistent sweet onions all year long.
A deeply rooted commitment to people and planet has inspired three generations of the Crisantes family to continually be one step ahead of the produce industry.

The family business began when an enterprising Miguel Crisantes Gatzionis migrated from Greece to Sinaloa, Mexico, in the 1920s and built a successful tomato farming business. Miguel’s forward-thinking son Theojary, pioneered organic farming in the region thirty years ago, a time when few mainstream U.S. supermarket chains carried organic produce.

Today, the Crisantes’ Wholesum Family Farms, based in Nogales, AZ, with protected agriculture farms in Sonora and Culiacan, Mexico, grows, ships and markets organic tomatoes, cucumbers, peppers, squash, zucchini and eggplant.

Theojary’s sons, Ricardo and Theojary Jr, have integrated age-old organic production wisdom with 21st century technologies to create a socially responsible and sustainable operation. For example, the Crisantes brothers were the first to work with TransFair USA, now Fair Trade USA, to design a program for fresh produce from Mexico that would impact their seasonal employees as has been done in other agricultural industries such as coffee and chocolate. The result is not only high-quality produce, but also a higher worker retention rate that speaks to the Crisantes management style, which strikes a balance between work and family.

On the sustainability front, 100 percent of Wholesum Harvest’s consumer packaging is recyclable, 34 percent of the company’s power is solar-generated and use of reusable plastic containers has eliminated 150,000 pounds of cardboard boxes annually. Viewing farming as stewardship is the company’s three-generation culture and why it will soon celebrate a century of success.

WHOLESUM FAMILY FARMS | 2811 N. Palenque Avenue Suite 3 Nogales, AZ 85621 (520) 281-9233 | Wholesumharvest.com
Produce Business is accepting nominations for its Eleventh 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 June 1, 2016 (People born after June 1, 1976).

To nominate someone, please fill out this form by April 15, 2016, and fax back to 561-994-1610 or go to our website at producebusiness.com and look for the 40 Under Forty icon to link to the online application.

Once nominated, the candidate will be interviewed by one of our editors, and will receive forms 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:
First Name ___________________ Last Name ____________________________
Approximate Age ____________________________________________________
Company __________________________________________________________
Position ____________________________________________________________
Address ____________________________________________________________
City ______________________________  State ______Postal Code ____________
Country ___________________________________________________________
Phone ____________________________ Fax ____________________________
E-mail _____________________________________________________________

In 100 words or less, describe why this person should be nominated: (You can use a separate sheet for this)
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

Nominee’s Professional Achievements:
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

Nominee’s Industry/Community/Charitable Activities:
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________
__________________________________________________________________

ABOUT THE NOMINATOR:
First Name ___________________ Last Name ____________________________
Company __________________________________________________________
Position ____________________________________________________________
Address ____________________________________________________________
City ______________________________  State ______Postal Code ____________
Country ___________________________________________________________
Phone ____________________________ Fax ____________________________
E-mail _____________________________________________________________

Nominator information is for our use only and will not be shared with candidate or have a bearing on selection.

For more information email: info@producebusiness.com
LAYING THE GROUNDWORK TO EXCELLENCE

The produce industry offers a rich and rewarding career path along with industry-specific executive challenges. As a young professional starting out in this ever-evolving industry, or a senior executive transferred from another industry, it is important to have produce industry knowledge, support and mentorship.

The Cornell University Future-Leaders-In-Produce Program was crafted specifically for produce industry executives with less than 5 years’ experience to fill a void of educational opportunities for this group of produce professionals.

We invite you to join us on November 30th from 8 AM - 5:15 PM for this career-changing 1-day overview and educational immersion into the structure and operations of the produce industry, including topics such as food system economics, product and information flows, consumer and competitive trends and other critical industry issues.

CONTACT US FOR MORE INFORMATION:
212-426-2218 | info@foundational excellen
c.com

www.foundational excellen
c.com
In Boise, WinCo Out-Prices Wal-Mart

A visit to Boise, ID, points out both Wal-Mart’s enormous strength and its vulnerability.

We visit Boise for the 28th iteration of the “Produce Business Wal-Mart Pricing Report,” and this makes six out of the last eight reports in which Wal-Mart has not been the lowest priced supermarket in terms of produce. This compares to only two out of the first 20 iterations in which it was not the low-price leader. Since we began this study back in 2002, this gradual shift speaks to the gradual growth and development of concepts that can beat Wal-Mart. It also shows a shift in Wal-Mart’s thinking as to what position it wants to hold in the marketplace. After all, there was a time when local managers would have been commanded to respond to lower cost competitors by lowering prices.

Yet, even as Wal-Mart loses the low-price-leader flag in city after city, its produce, at least, remains far less expensive than most standard grocery chains.

In Boise, for example, Albertsons come in a full 40 percent over Wal-Mart on our fresh produce market basket! Forty percent! We have typically found that being even 10 percent over Wal-Mart in prices is sufficient to lead to losses in market share.

Fred Meyer, Kroger’s supercenter concept, came in with prices 11.74 percent over Wal-Mart, somewhat surprising for such a similar concept. The low price leader in Boise, on produce at least, turns out to be WinCo foods, a mostly employee-owned concept that declares itself The Supermarket Low Priced Leader – a positioning confirmed by our study.

WINCO WORTH STUDYING

WinCo is a distinctive concept. It does not accept credit cards and requires consumers to bag their own groceries. There is no in-store pharmacy. So, for these inconveniences, consumers might expect lower prices. On the other hand, all of the WinCo stores are open 24 hours, seven days a week, which is a substantial convenience to many such as shift workers. In addition, many stores offer online shopping with in-store pickup on some non-produce items.

WinCo is a concept well worth studying. Its name has a double meaning -- WinCo being a portmanteau of Winning Company -- but it is also true that WinCo combined the first initials of all the states where WinCo operated when adopting that name: Washington, Idaho, Nevada, California and Oregon. Since then, the chain has...
<table>
<thead>
<tr>
<th>Produce Item</th>
<th>How Sold</th>
<th>Walmart</th>
<th>Albertsons</th>
<th>Fred Meyer</th>
<th>WinCo</th>
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<tr>
<td>Apples - Golden Delicious PLU #4020</td>
<td>Lb</td>
<td>$0.87</td>
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<td>Artichokes</td>
<td>Each</td>
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<td>Brussel Sprouts</td>
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<td>$0.54</td>
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<td>$0.58</td>
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<td>Carrots - Baby</td>
<td>12 oz Pkg</td>
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<td>Each</td>
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<td>Each</td>
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<td>Kale</td>
<td>Each</td>
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<td>Kiw</td>
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<td>Lettuce - Green Leaf</td>
<td>Each</td>
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<tr>
<td>Lettuce - Red Leaf</td>
<td>Each</td>
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<td>$1.49</td>
<td>$1.29</td>
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<td>Lettuce - Romaine Bulk</td>
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<tr>
<td>Limes - Bulk</td>
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<tr>
<td>Mushrooms - White Package</td>
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<td>Pears - Anjou</td>
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<td>Pears - Bartlett</td>
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<td>Peppers - Green Bell</td>
<td>Each</td>
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<tr>
<td>Peppers - Red</td>
<td>Each</td>
<td>$1.38</td>
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<tr>
<td>Pineapple</td>
<td>Each</td>
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<td>Pistachios - Bag</td>
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<td>Plums</td>
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<td>Radishes</td>
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<td>$1.49</td>
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<tr>
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<td>Tomatoes - Hothouse (PLU 4799)</td>
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Since we began this study back in 2002, this gradual shift speaks to the gradual growth and development of concepts that can beat Wal-Mart.

expanded into Utah, Arizona and Texas, with an expected expansion into Oklahoma next. Burt Flickinger III, managing director of New York City-based Strategic Resource Group, was quoted as saying Winco was “Walmart’s worst nightmare,” a line that was picked up by Time magazine.

With over 100 large stores and growth continuing, WinCo seems likely to be a major headache not just for Wal-Mart but for all retailers in the markets it will be expanding into in the years to come.

Wal-Mart’s stock tumbled recently because company executives projected that earnings in 2017 will drop six to 12 percent because of enhanced investment in online and in higher payroll. These steps may be necessary, but they also create a kind of umbrella where others, say Aldi, can slip in and gain the low-cost-leader mantle.

WHAT’S A CONVENTIONAL STORE TO DO?

As for conventional supermarkets, if more sales move online and you have more specialized retailing such as Costco, Trader Joe’s, Aldi, Whole Foods and more convenience concepts such as Ahold’s Bfresh and Everything Fresh, where does that leave retailers such as Albertson’s? They can’t beat Wal-Mart, Aldi or WinCo on price, more and more of the business is moving online, and specialty retailers such as Trader Joe’s and Costco are more interesting and fun to shop.

In many cases, these conventional retailers are just milking the cow, living on consumers with old habits and perhaps maintaining a familiarity halo with store associates. It is hard to imagine there will be much of a place for these concepts when today’s internet-savvy Millennials reach 50.

In the A&P bankruptcy, many stores have gone unsold and others have been sold to real estate interests, not grocery store companies. Sure, these stores are often dated and in need of major investment, etc., but they are mostly in the New York metro area where real estate is tight. One can argue that it is a function of too much real estate being put on the market at one time, but it could also be argued that this is the market expressing that there is too much square footage in conventional grocery.

NO ONE WANTS TO GO TOE-TO-TOE

Fred Meyer’s role in this market is a reminder of both what might have been and, perhaps, a portent of the future. Perhaps the most interesting question for food retailing at the turn of the century is why no supermarket chain decided to compete with a similar concept even though it was obvious
It is unclear why this is precisely. What is clear is that concepts such as WinCo have a kind of “secret sauce,” allowing them to offer a value proposition that appeals to consumers and supports expansion.

That Wal-Mart was planning to role supercenters out across America.

Meijer was never purchased, and when Fred Meyer was purchased by Kroger, observers thought Kroger would use it as the basis for a national rollout of its own supercenter concept, but it never did. Right now, as Aldi and, soon, Lidl, roll out discount concepts, and as Trader Joe’s spreads its epicurean concept, the response from conventional supermarkets is to try to make incremental improvements in their concepts to resist these competitors, but, nobody seems to be interested in creating their own Aldi or Trader Joe’s.

It is unclear why this is precisely. What is clear is that concepts such as WinCo have a kind of “secret sauce,” allowing them to offer a value proposition that appeals to consumers and supports expansion.

Nothing in this 28th iteration of “The Produce Business Wal-Mart Pricing Report” offers much solace to Wal-Mart, which is facing competitors that undermine its low-price image, nor is there much solace for a conventional supermarkets such as Albertson’s, which is simply not price-competitive.

One senses hope for specialized concepts such as WinCo, which can offer low prices, but one looks at the big picture – new small-store concepts and internet shopping – and one wonders if the opportunities in food sales won’t be very different in the future than they have been in the past.
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PRODUCE BUSINESS UK
Today’s successful produce departments know that global world-class variety is a key aspect of building and retaining customers, which is why the amount of specialty produce has been increasing in the stores each year.

Items such as Asian pears, Chinese chives, edamame, gobo root, and lychee — once unheard of — are now important parts of a busy and successful produce department.

Aj Thibodeaux, produce/floral merchandising manager for Associated Grocers, Inc., headquartered in Baton Rouge, LA, notes each of its independent stores decides which specialty produce items to carry.

“We do use Melissa’s Specialty Produce to offer our stores, and some varieties on other specialties, and we try to incorporate specialty produce sets when we reset a store,” he says. “It depends on the demographics of a store. We know what the competition in each area is doing, so if we do a remodel we try to incorporate some of those like-items the competition may have.”

Thibodeaux says that over the past couple of years a lot of specialty items in the Hispanic category have been popular, especially in some of the Louisiana stores.

“We are seeing upticks in malanga and yuca root, which our stores never carried before, but now they are almost forced to carry those due to an increased Hispanic population,” he says.

Robert Schueller, director of public relations at Los Angeles-based Melissa’s/World Variety Produce, says the Hispanic community continues to grow and retailers must grow with it. He cited a study from Pew Research that says the Hispanic total in the United States is...
THE ITALIANS ARE COMING

JOIN THE REVOLUTION

RADICCHIO.COM
more than 55 million. California has the largest number at 15 million, followed by Texas and Florida – altogether the three states account for more than half of the Hispanic population.

“The core products that Hispanic shoppers look for are fresh and dried chili peppers, tomatillos, plaintains, chayote, cactus leaves, jicama and cilantro,” says Schueller.

Lindsay Barthold, marketing manager for Harvest Sensations LLC, headquartered in Los Alamitos, CA, admits it’s challenging to increase the stature of the produce department. “Not all stores manage their categories the same. Harvest Sensations offers amazing year-round asparagus, snow peas, snap peas, peeled carrots, and an amazing variety of ethnic specialty produce,” she says. “While some are grown organically and others are grown conventionally, they’re always available when harvest happens out of East Coast and West Coast locations.

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CATEGORy MANAGEMENT ANALYSIS

Specialty produce is one category of product that, in some cases, may be underrepresented in category management analyses or may not even be in a category. In other words, there are some items that stores have in produce that are upscale, gourmet, low-volume … that attract a certain type of consumer.

David Sasuga, owner of Fresh Origins, based in San Marcos, CA, says that while it’s true these items may not generate the kind of numbers store bean counters look at, each sale may generate larger market baskets among the shoppers that buy them. For example, the company’s BrightFresh microgreens are a new but exciting product still finding its way at retail.

“Like many new product trends, microgreens have been an important ingredient for fine dining restaurant chefs,” says Sasuga. “Now home cooks, especially foodies, are driving interest in microgreens. Retailers are still learning about them and how and where to merchandise for success.”

Because microgreens appeal to that important foodie consumer, they can truly increase the stature of the produce department.

Karen Caplan, president and chief executive of Frieda’s Specialty Produce, headquartered in Los Alamitos, CA, admits it’s challenging to apply category management principles to the specialty produce category since it comprises so many items.

“Many retailers look at an entire category such as tropical fruits versus individual items to judge their performance,” she says. “There is also a ‘halo’ effect with specialties which is not always easy to measure. For example, a store may not sell a lot of radicchio, but that shopper who comes into purchase radicchio may have a very large and profitable ‘market basket’ that includes many other gourmet foods (cheeses, coffees, expensive cuts of meat, wine), so a retailer needs to consider that when evaluating the specialty category.”

Still, every retailer has its own definition of what a specialty item is, and the wholesalers are no different. At Frieda’s, for instance, Caplan notes it defines specialty in two ways: the lower volume, super unique, seasonal or truly unusual items, such as passion fruit, Lady apples or Baby Purple artichokes; and the specialty commodities, which move in higher volume, but are not mainstream, such as mixed melons, strawberry papayas and tri-colored potatoes.

Charlie Eagle, vice president of business development for Southern Specialties, based in Pompano Beach, FL, says the company offers both Southern Selects and private label value-added specialties, which includes a wide range of products. Some of these are easily tracked using conventional methods while others are not.

“Our hand-peeled baby carrots and rainbow carrots with green tips are good examples of exempt items. Typical tracking shows a wide range of value-added carrots; however, baby carrots that come up in this analysis are different from our hand-peeled products.”

Bruce Peterson, former senior vice president food merchandising for Wal-Mart Stores, and president of Peterson Insights, Inc., a consulting firm located in Bentonville, AR, says the key to success with specialties is to not worry so much about what your competitor does but making sure your customer value proposition is dominate.

“Make your competitor chase you in what you do best. Remember, you can’t be all things to all people,” he says. “I am very ‘bullish’ about the area of proprietary produce. I think this is an excellent way for a retailer to differentiate themselves. And this presents tremendous opportunities for growers to collaborate with retailers on very special products that are unique to that given retailer.”

This is already happening with a few very special, strategic retailers, he adds. While the vast majority of buyers still think it’s about beating down their suppliers, smart companies are looking at strategic partnerships with their suppliers to create, produce, and supply consumers with very special products.

GETTING SEEN

When it comes to merchandising the specialty produce, retailers need to highlight new produce with tastings and big displays. And they need to bring attention to the fact that they have more than just one or two specialty items.

“You won’t win customers without variety,” says Barthold. “Today’s shoppers are well-educated foodies who look for uniqueness when they shop.”

Barthold recommends using simple systems like terra-cotta bowls or small convenient containers to present the uniqueness of the products with vibrant color and to use signage that lets shoppers know about the product and...
how to best prepare it.

Mary Ostlund, marketing director for Brooks Tropicals, LLC, headquartered in Homestead, FL, says consumers understand they need to eat more fruits and vegetables and it’s no stretch for that desire to turn into a reach for something new. Therefore, it only makes sense that people and retailers are turning to new specialty items.

“It’s an explosion of adventure. The North American consumer is willing to explore new tastes,” she says. “Changing demographics and the blending of ethnicities within families contributed to the growing demand for a more varied retail assortment. The American melting pot is consistently adding new flavors to the recipe.”

To help inform retailers, Harvest Sensations provides year-over-year product acreage and package growth numbers as well as share consumer demand data.

In an effort to improve the stature of specialty items in the eyes of a category manager, Frieda’s Specialty Produce shares a lot of data, case studies and consumer insights with them so retailers understand their importance.

“We like to partner with retailers to recommend the best product mix offering in the stores versus a standard, cookie-cutter program,” says Caplan. “Once people try these products, many times they are hooked and that will keep them coming back for more and more.”

Sasuga notes that specialties that are fresh, new ingredients help to attract and retain home cooks who are interested in creating upscale meals at home. This drives sales of more produce items, high-quality meats, seafood, wine and other products throughout the store.

Eagle believes most category managers stay in tune with the competitive landscape. They are aware that shoppers purchasing specialties typically purchase more expensive cuts of meat, fish, cheeses and wines. In other words, they provide higher basket sales.

“We ensure our packaging is dynamic and stands out on the shelf,” he says. “Our bags include preparation, nutrition and other information geared to the consumer. With 25 years experience growing and shipping specialties, our team can share a wealth of product knowledge and logistical expertise.”

He also feels retailers should add more specialty items to the stores, citing consumers — especially Millennials — enjoy variety and respond well to having a varied selection.

For today’s produce department to truly be successful, it needs to embrace specialty items and let it be a prominent fixture in the store.
As U.S. weather turns toward the dreary and gray side of the calendar, Central America stands poised to ship a burst of counter-seasonal refreshment to the produce department.

Even with snow outside, residents of the eastern half of the United States can still indulge in familiar favorites like cantaloupe and watermelon, or intriguing fruits like a tangerine-orange cross because of the pipeline from Central America.

"Papayas bring year-round color to the produce aisle, but in the fall and winter Caribbean Red and Solo papayas are stand-outs in color and great taste," says Mary Ostlund, marketing director at Brooks Tropicals, Homestead, FL. "Consumers will appreciate the amount of fruit they get with Caribbean Red papayas, especially as colder months often..."
A TROPICAL TOUCH

When the weather makes many Easterners’ thoughts turn to soup, the fruit from a perennial Central American vine adds a unique touch.

“During the winter, Costa Rica’s chayote squash is a favorite for soups and casseroles that shout colder winter fare,” says Peter Leifermann, director of sales at Brooks Tropicals. “Take advantage of Brooks’ Tropicals 24-count place packs for easy display. The chayote are quality fruits with the box packed with uniformed sizes.”

Another tropical member of the squash family that adds colorful warmth to the menu is a Central American pumpkin look-alike.

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Another tropical member of the squash family that adds colorful warmth to the menu is a Central American pumpkin look-alike.

“I believe with merchandise from Central America it is important to identify the production area so customers look for this product due to their satisfaction with the growing area.”

—Michael Warren, Central American Produce, Inc.

“Our Central American calabaza is drawing great reviews,” says Leifermann. “The Arjuna variety that we specialize in has a consistent size and rounded shape for easy cutting. In Brooks 35# boxes, you’ll find reduced damage over bagged calabaza.” Some tropical fruits from Central America are already familiar to a broad range of consumers.

“Some of our items are transitioning to become more mainstream and have become destination items on retail shelves,” says Charlie Eagle, vice president of business development at Southern Specialties, Pompano Beach, FL. “These products are being found on the menus of not just white tablecloth restaurants, but also family and quick service restaurants.”

Central American fruit first found U.S. markets via the large and growing Hispanic population, but now is entering the mainstream.

“Hispanics in the U.S. want the plantains,” says Dunia Miranda, Guatemala Trade Commissioner in Miami. “Plantains nowadays are also consumed by other people, too.”

Shippers are finding increasing sales of the so-called “Hispanic” fruits grown in Central America.

“We are also seeing an uptick in buyer demand for items such as yuca, malanga, Bonito, and plantains,” says Danny Pollak, co-owner of CarbAmericas, Pompano Beach, FL. “Our sourcing team procures these items in Costa Rica, Nicaragua, Guatemala, Panama and Colombia which are all countries with a rich experience in growing these items.”

CarbAmericas is a family owned company, established in 1993 by Danny’s father, Harvey Pollak, and cousin Jeff Friedman.

The most prominent fruit that went mainstream after Hispanics and Asians introduced it in the U.S. is the mango.

“Our sales of mangos have grown substantially in the last several years,” says Pollak. “Our team has worked diligently to expand our mango sourcing capabilities to assure our customers have high quality fruit during this key shipping period. We ship from Nicaragua and Guatemala. Mango consumption in the United States is growing nicely. We think this is a result of the growing Hispanic population as well as increased awareness among non-Hispanics.”

There are also tropical fruit varieties that bring one-of-a-kind color and flavor profiles to produce.

“Uniq Fruit from Jamaica will be on our shores in November,” says Ostlund. “The crop is looking great for this fruit that crosses the taste of tangerine with grapefruit. It should always be added to any citrus display for the holidays.”

Other fall and winter Central American produce specialties also fit the bill for longstanding traditions during the cooking holidays.

“Ginger is always in demand for the holidays,” says Ostlund of Brooks Tropicals. “Consumers are acquainting themselves with the refreshing taste of fresh ginger dishes outside of stir fries. Our Groovy Coconut (a coconut with a groove around the circumference) deserves a place in the baking aisle,” she says. “Who wouldn’t want their desserts, breads or muffins to come alive with fresh coconut?” These coconuts have a groove around the circumference that makes them easier to open.
“In my opinion, the most important items coming in from Central America are mangos, snow and snap peas, melons and pineapples.”

— Danny Pollak, CarbAmericas

is an indispensable piece of the agronomic puzzle that keeps an abundance and variety of fresh fruits and vegetables on the supermarket shelves 365 days of the year.

“For the East Coast and central part of the United States, to a certain extent Central America is a food basket,” says Eagle from Southern Specialties. “The region provides high quality, quality-assured produce grown under excellent growing conditions, that reaches consumers quickly and efficiently.”

Demand for this produce in the fall and winter continues to expand, according to Guatemala Trade Commissioner Miranda. “The requests are increasing, our export products are increasing,” says Miranda. “Some of the companies specialize in tropical fruits, some in vegetables, and some in Oriental vegetables. Guatemala has four offices in the U.S., so I am responsible for one-fourth of the country. In my area snow peas, sugar snap peas, French beans, and plantains are the most requested items.”

There are also a few staples among the varieties widely grown in Central America for shipment to the U.S.

### WORKING TO EXTEND THE SEASON

Shippers are hoping to find ways to expand beyond the window when the dry season in Central America makes it a natural to harvest for residents of the Eastern United States socked in by cold weather.

“We pull from Guatemala 52 weeks of the year, but the volume goes down June through November,” says Rick Durkin, director of business development at Crystal Valley Foods, Miami. “We would like to be able to increase that volume.”

Some varieties from Central America are already available in volume well beyond the “peak” season.

“Both our Caribbean Red and Solo papayas are year round; we grow the large papaya in Belize, Guatemala and the Dominican Republic,” says Bill Brindle, vice president of sales at Homestead, FL-based Brooks Tropicals. “Good volumes of Caribbean Red papayas are expected for the rest of the year.”

The tropical fruits and vegetables are generally already available 12 months of the year.

“Tropicals are year-round with few exceptions,” says Mary Oslund, marketing director at Brooks Tropicals. “Being so close to North America, Central America provides a great agricultural plus for our enjoyment of tropicaal year-round.”

For many of the counter seasonal squash, bean and pea varieties, however, grower-shippers will be able to extend the season only after they develop new varieties, or new ways of growing the existing varieties.

“The peak season in Guatemala is January through March, because those are the dry months,” says Durkin. “We’re trying row covers, mulch and hoop houses. We’re also working with our growers to develop new varieties that do better in the off-season. We’re doing ongoing trials to develop varieties that are resistant to fungus and molds.”

As growers, shippers and researchers look to extend further into the spring, there is already a significant seasonal market for Central American fruits and vegetables.

“Central America is a great choice during these seasons and beyond,” says Michael Warren, president of Central American Produce Inc., Pompano Beach, FL. “As with all products it is the brands that our customers will be looking for when they taste the difference.”

Homing in on quality will be the key to developing an identity for Central American produce with U.S. consumers.

“We think it is best to merchandise Central American produce based on its quality attributes, especially flavor,” advises Danny Pollak, co-owner of CarbAmericas, Pompano Beach, FL. “The American consumer is heavily focused on local products, and does not fully understand the seasonality of imported produce.”

pb
“In my opinion, the most important items coming in from Central America are mangos, snow and snap peas, melons and pineapples,” says Pollak of CarbAmericas. “Central America production benefits everyone in the supply chain including the grower, importer, retailer, foodservice operator and consumer. Without their production, many of these products would not be available or would cost significantly more. It is heartening to know that our consumers can get great tasting melons, in particular, on a year-round basis.”

Some of the shippers concentrate on sourcing melon varieties available in the middle of the winter. “The products from Central America for fall and winter are varied now,” says Warren of Central American Produce. “Central America has been a longtime production area to bring product to the U.S. market between growing seasons. Among these are melons, watermelon, honeydew and cantaloupe.”

Along with winter melons, Central America is also another minor alternative source for limes. “Make sure you stock up on limes,” says Ostlund. “This increased use of limes in seasoning, squirting and even topping dishes shows no signs of a slow-down.” Other shippers specialize in a variety of vegetables widely grown in Central America. “Guatemala is status quo in terms of varieties, but we’re trying to line up more volume for French beans, sugar snaps, snow peas and baby carrots,” says Rick Durkin, director of business development at Crystal Valley Foods, Miami. “We have more product going into value added. Our business is in the specialty vegetable category; we don’t do melons. We do retail packs of 8, 12, 16 and 32-ounces. Private label packing has become a major item for us. Demand as a whole is increasing.”

Growers and researchers are working to develop varieties that taste better and last longer. “There is a lot of work being done on new melon varieties that have improved flavor with longer shelf life,” says Pollak. “Our growers are continually trying new varieties selecting only the best to ship to our customers.”

Experienced shippers have also developed the infrastructure needed to deliver the quality and safety expected in U.S. markets. “Customers that rely on companies like Southern Specialties can take advantage of 25 years of experience in sourcing produce with quality assurance in the field and facilities, food safety enforcement, logistical expertise, and cold chain management, with product winding up on the shelf optimized,” says Eagle. “We offer a wide menu of specialty items including snow peas, sugar snap peas, French beans, limes, mangos, papayas, heirloom tomatoes, berries and others.”

There is growing competition south of the border for the U.S. produce market in the fall and winter. “We see Central America increasing in items that compete with Mexico,” says Warren. “What we find is a more competitive freight rate and an attention to growing and packing that gives better flavor, more shelf life and improved appearance. These items include greenhouse colored peppers and the hard squashes like butternut and spaghetti that are gaining in year-round demand.”

“There are also mixed melon varieties that are popular in Europe due to the excellent flavor profiles and attractiveness on the shelf. This is the Galia, Canary etc. Customers can have all this during the winter months if they ask their favorite retail stores to carry them,” adds Warren.
The nation’s sweet tooth for onions has led to year-round supply thanks to a delicious mix of U.S. and offshore sourcing. Some grower/shippers, looking to shorten the supply chain and with it logistical costs, are working toward what they call the ‘holy grail’ or a 365-day domestic supply of a true sweet onion. Right now, however, there’s no question that the U.S. market needs a little help from its friends overseas so that retail customers can enjoy a no-cry onion in the fall and especially winter.

Consumers can enjoy the flavor of sweet onions practically year-round. “We’ve seen sweets take sales away from the round yellow Spanish type even though the sweets are generally higher in price,” says Richard Stiles, director of produce and floral for Redner’s Warehouse Markets, a Reading, PA-headquartered chain with 44 warehouse markets and 19 quick shoppes in Pennsylvania, Maryland and Delaware.

There are three challenges and opportunities when it comes to imported onions. First is the quintessential issue of supply and demand. Secondly, is assuring imports are as truly ‘sweet’ as domestic gold standards like Vidalia, Texas 1015 and Walla Walla. Thirdly, there’s an ongoing need for shoppers to see usages for sweets beyond springtime salads and summer grilling.

**SUPPLY & DEMAND**

Demand for sweet onions has steadily increased over the past several years, fueled by increased consumer awareness and a growing popularity of sweet onions.

“For a period of time, the available supply of authentic sweet onions lagged behind demand,” explains Marty Kamer, vice president of Keystone Fruit Marketing Inc., in Greensville, PA. “Today, a reliable steady supply of year-round authentic sweet onions is available to meet increasing demand.”

Domestically-grown sweet onions are in greatest supply from April through August. Smaller volumes are cultivated in Nevada and California during the fall. These are available into December and sold primarily to West Coast markets. East Coast retailers typically start sourcing offshore starting in late August or early September. While some farmers have trialed growing sweet onions in Florida in January and February, the lack of success to date leaves this window especially ripe for imports by retailers nationwide.

“Peru provides the only premium quality sweet onion to the market during its availability and presents retailers with a consistent sweet onion to most effectively capture category sales in the fall and winter,” says John Shuman, pres-
ident and director of sales at Shuman Produce, Inc., in Reidsville, GA. "Cheaper alternatives are certainly available, but as the age-old axiom states, 'you get what you pay for'."

**PERU.** "Sweet onions for the most part grown in other countries are ‘Short Day Onions,’” explains Derrell Kelso Jr., owner and president of Onions Etc, a division of Farmington Fresh Sales LLC in Stockton, CA. "Short day are onions planted in the fall, harvested in the spring. So, to grow these outside the U.S., the season pattern must be opposite of our season here. Plus, sweet onions require the right soil; a sandy loam is best. This is why the Ica area of Peru works so well. There’s a process and educational effort to grow high quality sweet onions that takes years. Peru has invested in this process with the help of onion growers in the U.S. and thus the reason for its success.”

Because of higher-than-normal temperatures in Peru — due to El Niño weather patterns — the 2015-2016 crop had an earlier yield this year.

“Peru started harvesting this year at the beginning of July and we started getting the onions into the U.S. at the end of July,” says John Williams, director of sales and marketing for L.G. Herndon Jr. Farms, Inc., in Lyons, GA. "We have the ability to plant and harvest at the same time to assure that even though the crop was early this year, we will still have onions through February or March.”

Total supply out of Peru this season is forecast to be tighter than normal.

"Industry-wide, Peruvian sweet onion volumes are expected to be down by 25 to 30 percent due to last year’s over production and poor pricing. Retailers should expect the shortage to begin to show itself during the winter holidays. However, quality is good this season with a normal mix of sizing,” says Shuman Produce’s Shuman.

Shuman Produce recently completed construction of a new sweet onion packing facility in Peru in order to promote efficiency in its supply chain during the fall and winter season. Currently in operation, the new facility enables the company to offer greater flexibility, to provide better service to its retail partners and to improve its overall Peruvian sweet onion program.

“Water is becoming an issue in Peru since so many other crops are now being planted, so allocation of water is a concern for the future,” says Mark Breimeister, national sales director for the Saven Corporation, headquartered in Savannah, GA.

Irrigation to onion fields in Peru is supplied by wells.

**MEXICO.** Many sweet onion importers switch from Peru to Mexico in February.

“Our Mayan Sweets from Mexico start mid-February and run through early May,” says Keystone’s Kamer.

This is a time frame traditionally filled by sweet onions out of Chile.

"With Peruvian sweets running to February followed by onions out of Mexico, the window has virtually closed for Chile. Plus, the cost is higher out of Chile than Mexico,” explains LG Herndon Jr. Farms’ Williams.

The Saven Corporation’s Breimeister agrees. “We didn’t import any sweet onions out of Chile last year due to costs compared to Peru. The market doesn’t bear the price point of sweet onions from Chile.”

Growing onions in Mexico does have its trials.

“We’ve farmed onions on 300 to 400 acres in the Tampico region for the past 15 years. The challenges are having to deal with contract growers, and traveling to Mexico is more diffi-
cult than it is to Peru, and the weather in terms of rains can be more volatile. But, this is the only place sweet onions are available this time of year and yields are increasing,” explains Troy Bland, director of operations for Bland Farms in Glenville, GA.

OTHER COUNTRIES. “We import sweet onions from Mexico as well as Honduras, Guatemala and Panama from January to April,” says Barry Rogers, president of the Sweet Onion Trading Co., in Melbourne, FL. “Weather in these counties is good, transportation is favorable.”

Keystone Fruit Marketing has ongoing research and development projects underway in a variety of countries in South America, Central America and even Europe.

“Fifteen years ago we pungency tested everything from offshore. Today, producers have learned what to do in their fertility programs to keep the taste profile for sweet onions in the acceptable range.”

—— Barry Rogers, Sweet Onion Trading Co.

“Future availability of authentic sweet onions from these emerging markets is yet to be determined,” says Keystone’s Kamer.

GUARANTEEING SWEETNESS

“Fifteen years ago we pungency tested everything from offshore. Today, producers have learned what to do in their fertility programs to keep the taste profile for sweet onions in the acceptable range,” says Rogers. It starts with the seed.

“The majority of what we plant is the Granex-shaped Century variety. It’s a seed that a lot of us Vidalia growers use. It produced a flat, bright, mild-flavored tasty onion that grows well in the sandy soils of Georgia or
Peru,” says LG Herndon Jr. Farms’ Williams. It ends with a product that is cultivated to be truly sweet.

Keyperu S.A. is a Peruvian company with more than 15 years’ experience delivering premium products to foreign markets such as the U.S., Spain, Panama, Holland and England. The company’s management and technical advisors monitor all activities including site and soil selection, planting dates, all production and harvest practices, grading, packing and exportation. Geography, climate, and grower management are the keys to success in all growing regions,” says Kamer.

**COOL WEATHER PROMOTIONS**

“In the past, the only sweet onion we carried was Vidalia,” says Randy Bohaty, produce director at B&R Stores, an 18-store chain based in Lincoln, NE that operates under the Russ’s Markets, Super Saver, Apple Market and Save Best Foods banners. “Now with offshore, we can carry sweet onions year-round and onion category sales don’t drop in the winter.”

The onion category contributed 3.1 percent of produce department dollar sales during the 52 weeks ending July 25, 2015, based on Chicago, IL-based Nielsen Perishables Group’s *FreshFacts* data. Fourth quarter 2014 and first quarter 2015 remained at or above this annual average at 3.5 percent and 3.1 percent, respectively.

“I don’t promote where they are from, like we do the Vidalias, but we do regularly promote sweet onions in-store and in our ads during the fall and winter. The promotional retails for both the sweet and regular onions will be the same. Promotions will usually be on bulk onions, since that’s primarily what we carry, but we do offer 3-pound bags of sweet onions every day at all of our stores,” says Bohaty.

B&R Stores’ produce staff will display its entire onion offering in one destination display for the convenience of its customers. Doing so is a great way for customers to distinguish sweet onions from the rest, especially during times of the year when they may not expect to find a sweet onion in-store.

“Consumers get familiar with and recognize the flat shape of a sweet onion during
Vidalia season. This builds the bridge and leads them to always associate a flat onion with a sweet onion,” says the Saven Corporation’s Breimeister.

Fall and winter are great cooking seasons and provide the perfect time to create impulse sales by building large displays of sweet onions, says Keystone’s Kamer. “Nothing says ‘buy me’ like big, prominent bulk and consumer bag displays. Display tips on how to use onions and include recipes when possible. Thirty percent of consumers say they would buy and eat more fruits and vegetables if they knew how to use them. In addition, we have many dynamic custom customer-specific promos planned for this fall and winter from tailgating to holiday cooking to easy Crock-Pot® meals."

The Super Bowl is a particularly profitable winter-time occasion to promote sweet onions, according to the Saven Corporation’s Breimeister. "We offer ad allowances and demo programs in the run-up to the game because sweet onions work well in many dishes served like guacamole, salsa, cheese dips, sandwiches, soups and chili,” says Breimeister.

Sweet onions pair well with numerous items inside and outside of the produce department. "Merchandising sweet onions alongside additional products that can be combined to produce an easy meal solution draws consumers in and raises the ring at the register. For example, a display including sweet onions, bagged salad, tomatoes and refrigerated dressings could be used to create a flavorful salad promotion. Consider displays outside of produce to maximize sales during the fall months when grilling – and tailgating – is top of mind for consumers. Sweet onions make the perfect pairing for burgers, sausage and chicken on the grill, and research shows merchandising them together increases sales of both products,” says Shuman Produce’s Shuman.

New this year, Bland Farms will offer a single merchandising bin for both its Peruvian sweet onions and the sweet potatoes the company began growing and marketing in 2014. This bin comes packed with fresh sweet potatoes and sweet onions in bulk or bagged and features a holiday-themed design, a recipe tear-pad and a consumer text-to-call-out, which reveals six additional original recipes and preparation how-to videos.

Additionally, the company will offer a promotion where consumers receive $1 off a bag of Peruvian sweet onions with the purchase of Bland Farms’ snacks. The snacks, Sweet Onion Petals and Sweet Potato Fries as well as new Zesty Ranch-flavor Sweet Onion Petals and Sweet Potato Skins, are available in mix-and-match 48-count shipper displays.

"These promotions are a great way to sell more off shore sweet onions and get additional produce rings at the same time,” says Sandra Bland, president of Bland Farms’ Vidalia Brands Inc.

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Wisconsin Potatoes Feed Consumers’ Local Appetite

Locally and regionally, consumers reap the benefits from the work of Wisconsin potato growers.

BY KRISTEN POPE

Before digging their forks into a tasty spud piled with butter, sour cream, bacon bits, and chives, more and more consumers want to know the potato’s origin. Wisconsin potato growers are capitalizing on this trend as consumers want to eat locally grown produce, with a side of knowledge about where it was grown and who grew it. The “buy local” movement is thriving, and this helps Wisconsin potatoes get on more plates in the Upper Midwest and east of the Mississippi River.

WISCONSIN POTATOES APPEAL TO EASTERN CONSUMERS

“The ‘buy local’ movement is something people are seeing throughout the country,” says Mike Carter, chief executive for Bushmans’ Inc., headquartered in Rosholt, WI. “Here in the Upper Midwest, it’s no different. [Retailers] seem to understand that’s a concept consumers are interested in and looking for. Consumers love to see produce grown by local farmers.”

One company believes this movement is helping to increase demand. “I think the ‘buy local’ movement is helping to create more demand locally and regionally of Wisconsin potatoes,” says Heidi Alsum-Randal, national sales and marketing manager for Alsum Farms and Produce, headquartered in Friesland, WI. “We have seen some shifting with retailers choosing to carry more local potatoes in their sections.”

GEOGRAPHICAL REACH OF WISCONSIN POTATOES

Just where in the United States are Wisconsin potatoes filling the plates and bellies of consumers? “We tend to predominantly go east of the Mississippi River,” says Carter. “Part of that is just the freight situation. We are centrally located, and we can get products to market on the East Coast almost overnight and definitely within 24 hours. We have a close proximity to a very high number of population centers, and we’re able to supply these locally grown potatoes in markets like Chicago, Minneapolis, and all points east of the Mississippi.”

Potato grower and shipper RPE also focuses on the Eastern market. “RPE has Wisconsin potatoes available nationwide, although most are shipped east of the Mississippi River,” says Randy Shell, vice president of marketing for RPE, headquartered in Bancroft, WI. “Conventional potatoes are available year-round, while our fingerling and specialty potatoes are available on a first-come, first-serve basis — with potential for a few seasonal gaps.”
HOW DO WISCONSIN POTATOES STACK UP?

According to Alsum-Randall, Wisconsin produces the third largest potato crop in the nation, behind Idaho and Washington. “Wisconsin has a very balanced market in the fresh, frozen process, seed, and potato chip categories,” says Alsum-Randall.

Wisconsin’s strategic location provides an advantage in shipping time for Eastern markets. “Wisconsin is able to use our location as a strategic advantage to keep a better return to the grower because we are closer to the market than our Western competitors,” says Alsum-Randall.

It also helps growers offer a competitive price-point. “Potato pricing is really market-driven, based on supply and demand,” says Shell. “Wisconsin potatoes are always priced competitively in the market when compared to other growing regions.”

NEW VARIETIES ON TAP FOR FALL

This fall, consumers will have new Wisconsin potato options from RPE. “We’re excited to be bringing several new varieties of Wisconsin conventional and organic potatoes to the marketplace, along with some updated favorites,” says Shell. These new products include RPE’s Heritage fingerlings line as well as three new varieties of commodity potatoes, “including a unique purple-skinned, yellow flesh variety that is sure to turn some heads.”

These new varieties are appealing to consumers who are learning more about different potato options. “Consumers are becoming more sophisticated and realizing there are other varieties,” says Carter. “It’s not unlike the apple industry where before there were Red Delicious and Granny Smith or McIntosh. Now consumers have access to a wide range of different varieties and understand the varieties and what they’re good for.”

In the potato industry, we see this continues to be the trend.

VALUE-ADDED PRODUCTS OFFER CONVENIENCE

Just as consumers are looking for value-added products in other categories, they are also looking for value-added potato products, whether these are pre-prepared microwaveable steamer packs, pre-seasoned potatoes, or other items. “Consumers are looking for convenience and new ideas on how they can prepare potatoes and other produce items that they love,” says Alsum-Randall.

Being able to toss a potato directly into the microwave is another appealing factor to some. “One of our best increase-sellers on a percentage basis is our ‘speedy spud’ which is triple-washed, wrapped potato that’s ready to eat — just throw it in the microwave,” says Carter.

Redner’s Markets also offers ready-to-cook options, such as seasoned and ready-to-grill potatoes, says Richard Stiles, director of produce for Redner’s Market, headquartered in Reading, PA.

However, the convenience category is not a huge segment of the Wisconsin potato market. “Value-added is a very small segment of the potato category,” says Shell. “However, we are seeing some flavor packs and more microwaveable items being tested in the marketplace. This segment will be one to watch to see how consumers’ buying habits change over the next..."
Shell notes that smaller pack sizes are becoming more popular as consumers become more familiar with potato varieties and use different potatoes for different uses. Potatoes have a special seasonal appeal, he says. “With the fall harvest fast approaching, it will be a great time for retailers to cross-promote new crop potatoes with grilling essentials, which are perfect for football tailgates and easy back-to-school dishes.”

However, while some consumers are seeking small quantities of artisanal varieties, other consumers want the bang for their buck. Alfonso Cano, produce director for Northgate Markets, headquartered in Anaheim, CA, notes that many consumers care about price point first and foremost for the potatoes his stores carry, which generally are not sourced from Wisconsin growers. “In our ethnic market, price points are very important,” says Cano. “Ten-pound bagged russet potato bags have always been used as loss leaders for ads on the West Coast and Southwest.”

MEAT AND DAIRY SIDEKICK: CROSS-MERCHANDISING POTATOES

When people think of meat, they often think of potatoes. Using this knowledge to cross-merchandise is a technique retailers are using to move more product.

“One of the things we found to get extra sales is to always have some kind of alternate display back by the meat aisle,” says Stiles. “We generate a lot of sales when people don’t think about it when they’re going through produce, or they don’t go to produce, but they’ll be buying their meat and pick up potatoes and onions back there. We definitely get a lot of extra impulse sales by having alternate displays back there.” He also found that promoting potatoes near gravies, peas, bacon bits, and even aluminum foil can help boost sales.

Cross-merchandising potatoes with dairy — another one of Wisconsin’s claims to fame — is another key opportunity. “For Wisconsin potatoes, an obvious cross-merchandising opportunity is with dairy given the fact that we’re the dairy state,” says Carter. Even though dairy and potatoes are in different categories, he finds that combining potatoes with cheese, butter, and sour cream is a winning combination. “They’re obviously in two different categories within the grocery store, but if you can get the produce and dairy managers to work together, it can certainly pay off in dividends,” says Carter.

Shell also recommends having more than one potato display to capture consumers. “Setting up a secondary display will help capture impulse purchases, and including organic potatoes in those secondary displays will ensure all of your consumers are able to make impulse purchasing decisions,” says Shell.

POTATOES ARE FOR EVERY MEAL

Many consumers think of potatoes as an item to enjoy during the evening meal, but Carter is working to promote potatoes any
time of day. "There was a great study done at the U.S. Potato Board about breakfast potatoes," says Carter. "We're putting out recipes for breakfast potatoes since that's one of the meals that consumers forget potatoes can work really well in." Carter also tries to emphasize low-fat options when selecting which potato recipes to promote, often including roasting recipes and low-fat potato salad options.

"Consumers are looking for inspiration and ways to reinvent their traditional potato recipes," says Shell. RPE's recipe offerings include signage, recipe tear pads, and high graphic bins. Alsum-Randall also suggests in-store demos of new recipes as well as recipe cards near store displays. Additionally, Redner's Markets and many other retailers, potato growers, and distributors, use social media and advertising to promote new recipes.

Mark Finnessy, who works in sales for Okray Family Farms, headquartered in Plover, WI, says social media helps his company spread the word about new recipes. Okray's website features mouth-watering recipes such as potatoes with green chili-cilantro salsa and creamy lime potato salad. They also use social media to promote these recipes. "We get them out there online," says Finnessy.

**STEADY SALES FORECASTED FOR POTATOES**

Potatoes are not typically an item that sees a lot of fluctuation in sales. "The potato category is like a rock and cornerstone of our produce departments," says Stiles. "It always generates sales and there's not a lot of shrink involved with potatoes. It's on customers' shopping lists and it's something they do come to the supermarket for. It's part of the family meal at least a couple times a week. It's just such a great, stable item."

Alsum-Randall also recognizes that steadiness of potato sales, citing her company's efforts to promote new sales.

"Consumption of fresh table-stock potatoes is relatively flat so we are continuously looking for ways to increase demand for fresh market potatoes," says Alsum-Randall. "This is done through new variety development, new products, and new recipe inspirations."
10 Tips To Expand Peruvian Asparagus Sales

Steady sales can be increased even more with a few strategic merchandising techniques.

BY JODEAN ROBBINS

Asparagus represents a profitable, steady product for most retailers, and the development of supply from Peru has provided new marketing prospects. “It’s a major category for us and we do a lot to promote it,” says Richard Stiles, director of produce and floral for Redner’s Markets in Reading, PA, with 44 stores. “Peruvian asparagus has been beautiful lately. It’s great quality, good for us to handle and good for our consumers.”

Effective asparagus merchandising yields positive results. “During the Peruvian season, many of our retailers report asparagus as their top selling vegetable,” says Jeff Friedman, president of CarbAmericas in Fort Lauderdale, FL. “Asparagus is very responsive to promotion.”

According to the Peruvian Asparagus Importers Association (PAIA) Category Management Plan, Peru supplied 42 percent of the imported fresh asparagus in the U.S. market in 2014. “The volume and quality offered by Peru presents significant opportunity at crucial marketing times,” says Priscilla Lleras, PAIA coordinator and creator of the Plan.

PAIA members report Peru’s main volume arrives during the October through January period for retail promotion. “Peru’s season affords retailers a high quality product available in consistent high volume, especially during the peak of late October and November,” says Tracy Wood, sales manager for Keystone Fruit Marketing, Southeast division, Vero Beach, FL.

PAIA’s Category Management Plan highlights the importance of driving sales with a variety of methods. “Both merchandising and price play a huge role in the success and profit of an asparagus program,” says Peter A. Warren, import director for Ayco Farms in Pompano Beach, FL. “As the PAIA Plan discusses, demos, special buys, cross-merchandising and big displays are all crucial to increasing sales and consumption.”

1: CREATE VISIBLE, MULTIPLE DISPLAYS

Well-conceived visible displays form the foundation for sales. “Increased visibility leads to increased purchases,” says Rick Durkin, director of business development for Crystal Valley Foods in Miami.

The impulse nature of asparagus purchases requires prominent displays. “Many asparagus purchases are not considered in advance as part of a list,” explains Bruce Klein, director of marketing for Maurice A. Auerbach, Inc. in Secaucus, NJ. “The consumer will be drawn to a great looking display.”

Location also lends a hand. “Strategic
merchandising review ➤ peruvian asparagus

displays at the entrances and exits of the department can greatly increase consumer awareness and incremental sales,” says Wood.
North State Grocery in Cottonwood, CA, with 19 stores reports displaying its product on wing buys next to endcaps. “The size of the display is just right for quick turnover and it also places the product in a high traffic location,” says Rick Rutte, produce director.
Increased purchase opportunity accompanies secondary displays. “Secondary displays located in front of the produce department or at the store’s entrance provide good visibility,” explains Gary Meadows, director of sales, wet veg for Progressive Produce in Commerce, CA.
Redner’s uses a small mobile rack to easily reposition displays. “We push it up front by our entry displays or cross-merchandise in other departments,” says Stiles. “It boggles my mind how much more we sell when we merchandise asparagus throughout the store. Often people go through produce and don’t see or think of it, but later on they realize it can be part of the meal they’re planning.”

2: OFFER MULTIPLE SIZES
While standard and large are the predominant retail sizes, stores can promote other sizes for specific purposes. “Extra large and jumbo sizes are great for grilling and can be tied in with cookout promotions,” says Wood. “Small size asparagus can be promoted as a value.”
Variety of size is an opportunity Crystal Valley’s Durkin says many retailers are missing out on. “Consumers have many preferences and this goes for asparagus size as well,” he says. “Giving consumers more of a choice would lead to increased volume movement and consumer satisfaction at the retail level.”
Friedman says stores can promote differing attributes of various size offerings. “Offer two sizes at the same price point,” he suggests. “Place a sign on displays touting the flavor advantage of larger asparagus. Another excellent option is the small or pencil asparagus in ready-to-microwave bags.”

3: LIVEN IT UP WITH COLOR
Peru’s variety of colors allows for additional merchandising creativity. “Green accounts for more than 90 percent of all Peruvian asparagus sold at retail,” explains Friedman. “However, we do have some retailers who have really gotten behind white and to some degree purple and are achieving better penetration.”
While green is the predominant favorite, white continues to emerge. “Interest in all asparagus colors is increasing and we’ve seen steady demand in white at both foodservice and retail,” reports Paul Auerbach, president of Auerbach.
Redner’s Stiles agrees the popularity of white asparagus is growing. “It’s a staple item now, and we sell plenty when it’s available,” he says.
Upscale retailers are urged to play with color. “White and purple stimulate additional purchases for certain demographics,” says Warren. “Higher-end retailers need to have purple and white for their clientele.”
Friedman agrees with adding purple and advises retailers to plan ahead. “Purple has limited availability so planning your needs with the supplier is important.”
Stores can also have fun promoting the slightly different flavor profiles. “Consumers should be aware of the different flavors, cooking times, methods and uses of each color,” suggests Charlie Eagle, vice president of business development for Southern Specialties in Pompano Beach, FL.
Durkin suggests highlighting purple’s unique flavor profile. “The purple has an intense nutty flavor,” he says. “It is spectacular grilled

ASPARAGUS QUALITY DEPENDS ON GOOD LOGISTICS
The asparagus industry boasts some often overlooked logistics heroes on the frontline of assuring high quality and long lasting product. “Asparagus is a very sensitive item to handle,” says Angelica Zarate, imports and sales with TamboSur in Pompano Beach, FL. “We strive to ensure the quality of product throughout the logistics process so our end receiver doesn’t have to reject it because of quality.”
The path asparagus takes to arrive to the end user has a marked effect on quality. “Proper logistics decisions are of extreme importance in getting Peruvian asparagus from farm to table in the shortest time possible,” says Frank A. Ramos, president and chief executive of The Perishable Specialist, Inc. in Miami. “The ultimate goal for all of us involved in the logistics is quality and freshness.”
Carefully planned and executed logistics are crucial to profits. “What we do allows retailers to promote fresher Peruvian asparagus on their shelves all year,” says Nelly Yunta, vice president of Customized Brokers, a Crowley company, in Miami. “Logistics, particularly expedited Customs clearance, plays an important role in their cold chain — extending shelf life and enhancing profitability.”
In addition to a focus on quality and timeliness, logistics providers are tasked for cost efficiency. “Logistics is moving products and information from point of origin to the final customer with the lowest possible cost and creating the highest value for the customer,” explains Pat Compras, chief executive of Advance Customs Brokers & Consulting LLC in Doral, FL. “Without a good logistics plan it can be chaotic.”
Service providers and shippers have developed a myriad of logistics options to ensure cold chain maintenance. “We are able to offer cold storage, trucking and other associated cold chain services in an integrated cold chain solution,” says Yunta.
Suppliers such as TamboSur strive to ensure the integrity of product from step one all the way through the chain. “We run our own trucks from the packing plant to the airport,” explains Zarate. “This decreases the risk of product damage or heat exposure during this phase. In Miami, we take measures to move product efficiently to ensure superior cold chain management and the quickest processing. All this benefits the product in quality and shelf life.”
Retail buyers can partner to help improve logistics issues. “Retailers can follow the process (as some already do) to fully understand the close coordination it takes to get product to market,” advises Yunta. “They should participate in initiatives to continue improving the process by alleviating requirements and contributing their expertise to us in our quest for continuous improvement.”

“Interest in all asparagus colors is increasing and we’ve seen steady demand in white at both foodservice and retail.”
— Paul Auerbach, Maurice A. Auerbach, Inc.
and takes on a 'shitake' flavor when its sugars are caramelized."

4: PROMOTE NUTRITIONAL BENEFITS

PAIA’s Plan also touts the importance of nutrition when merchandising asparagus to today’s consumer. “Consumers are increasingly aware of nutrition, and asparagus offers excellent nutritional benefits,” says Eagle of Southern Specialties.

This information appeals especially to younger generations. “The Millennials are very into nutrition and health,” says Redner’s Stiles. “Nutrition is an important aspect of selling asparagus to them.”

Asparagus has several nutritional benefits. “It is fat-free, sodium-free, cholesterol-free and a good source of vitamins A and C,” says Ayco’s Warren. “These are all key buzz words right now in the health and nutrition arena and using them will encourage sales.”

CarbAmerica’s Friedman concurs asparagus equates to healthy eating. “Asparagus is a low calorie vegetable with about 20 calories in a stalk,” he says. “It contains dietary fiber, folate, and is rich in the B complex group of vitamins. Asparagus is also a good source of antioxidants.”

Redner’s includes this information on its labels. “We also try to put information from our nutritionist about the nutritional value and item preparation on our website,” he says.

5: EDUCATE ON USAGE AND RECIPES

Providing recipes and usage information is another component of driving sales. “Many consumers don’t understand how quick and easy it is to use asparagus,” offers Warren. “Focus on ease of preparation for today’s time-challenged consumer — steam it, microwave it, boil it, bake it, fry it or even eat it raw.”

Marketers point out how usage information increases perceived value. “Recipes offer consumers the ability to utilize all the asparagus they purchase,” explains Eagle. “They are able to limit waste and save money.”

Retailers can find a variety of tools to get recipes into consumers’ hands. Southern Specialties offers serving suggestions and recipes on its website and many shippers provide on-product information. “Information clips attached to asparagus bunches give recipe ideas,” says Progressive’s Meadows. “QR codes can send them to websites for additional information.”

North State utilizes both physical and electronic recipes. “We use either tearpads in-store or do online recipes,” says Rutte.

Ayco cites one successful POP outreach featuring an appetizing photo of asparagus on the grill. “We put these in the meat section of a retail customer and saw a huge increase in asparagus sales along with the grilling meats,” says Warren.

Good usage information has the added benefit of stimulating repeat sales. “When the consumers prepare the asparagus properly, they

Peruvian Asparagus!! Unique Characteristics!

- High In Nutritional Value
- Vibrant Display & Variety, Mix & Match - Green, White & Purple
- Delicious Flavor Profiles
- Quality And Quantity Assured
- Versatile Preparations
- Value Added Solutions Available
- Excellent For Grilling
- Cross Merchandising Availability
- High King Customers

ASPARAGUS 365

PERUVIAN ASPARAGUS – Buy Imports!!

- In 2014, the U.S. imported over 204 million pounds of fresh-market asparagus from Peru.
- Peruvian seasons complement U.S. growing region enabling retailers to sell asparagus 365.
- PERU a principle leader in supply of quality asparagus to the U.S. market.
- Peruvian asparagus – world class food safety and quality.

To assist retailers in managing the category, The Peruvian Asparagus Importers Association (PAIA) has developed a Category Management Plan Outline for Fresh Peruvian Asparagus, available from the association office – prestige@sscom.net

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will have a positive experience which fosters future purchases,” says Auerbach’s Klein.

6: PAIR IT AND CROSS IT

Asparagus yields even greater sales when cross merchandised. “Asparagus pairs well with just about any kind of meal,” says Stiles. “We do a lot of cross merchandising in our meat or seafood aisle and it really moves the product.”

Cross merchandising can be as simple as traditional items or other produce. “Hollandaise sauce or butter are traditional tie-ins,” explains Friedman. “Displaying with other vegetables such as colored peppers or carrots encourages a veg medley preparation.”

North State usually ties in house brand mayonnaise or hollandaise sauce. “Red potatoes and olive oil also do well,” says Rutte.

Auerbach favors complementary gourmet items to spur sales. “A small display of olive oil and parmesan cheese in front of the asparagus case creates impulse purchases,” says Klein.

Progressive Produce suggests pairing up in other departments. “Position product next to meat and seafood with signage promoting great dinner ideas,” says Meadows.

7: CREATE EXCITEMENT WITH IN-STORE DEMOS

Retailers use in-store asparagus demos to create excitement and encourage sales. “Consumers enjoy the experience of tasting the products they may choose to purchase,” says Eagle.

Progressive cites demos as an effective way to engage busy customers. “With the right recipes and flavor profiles, asparagus demos can provide a better shopping experience,” says Meadows.

Demos also highlight various flavor and usage attributes. “Store demos with different yet simple recipes can expose consumers to various flavor profiles,” explains Keystone’s Wood. “The key to a successful demo is for the product to taste great and be easy to prepare.”

8: KEEP IT REFRIGERATED AND HYDRATED

Cold chain management and hydration are crucial considerations for asparagus. “For shelf life, asparagus must be held under 40°F and ideally at 35°F,” says Durkin of Crystal Valley. “A day at 42°F is equal to a week or more at 35°F.”

Meadows concurs the essence to sustained quality for displays includes refrigeration and hydration. “If displayed out of water, it’s important to keep them hydrated with water sprays and cold refrigeration,” he advises.

Redner’s typically keeps its product refrigerated but will go off-refrigeration for promotion. “When we do promote it off refrigeration, we cut the bottom of the stems and place in water,” explains Stiles. “These are times when we’re sure it will move quickly and we need more display space.”

CarbAmericas recommends merchandising everyday volume on the wet rack with the end placed in ice or a water bath. “If you do this, it is important to change the water daily and keep the pan clean,” cautions Friedmann. “Dirty water tends to hurt the shelf life of asparagus.

If the ends appear to be dried and closed, we suggest you trim them slightly so they can absorb the water.”

Redner’s capitalizes on the ease of packaged product throughout the store. “We use packaged asparagus when we cross-merchandise in the meat department because we put it on top of the meat counter,” says Stiles.

Richard Stiles, director of produce and floral for Redner’s Markets in Reading, PA, says white asparagus is growing in popularity. “It’s a staple item now, and we sell plenty when it’s available,” he says.

9: CREATE VALUE WITH EDLP AND ADS

Most industry members suggest focusing on a reasonable everyday price (EDLP) and aggressive ad pricing. “We find consumers respond to simple promotions,” explains Friedman. “Asparagus tends to be very elastic, meaning retailers will get a nice lift for a price investment. It is not uncommon to get a 5 to 8 percent lift in pounds sold when a promotion is executed well.”

Retailers report well-planned ads as an effective way to move asparagus. “Ads help move product,” agrees Stiles. “We base ours on what the suppliers say regarding availability, quality and volume. You must work with your supplier to be sure you’re running the ads at the right time.”

The communication between supplier and buyer is fundamental to successful ad placement. “You must count on your relationships especially in a volatile market,” says Angelica Zarate, imports and sales with TamboSur in Pompano Beach, FL. “This year particularly retailers have been challenged in promoting asparagus because it’s been so expensive due to supply and demand.”

Any successful program is advised to have roots in availability of product. “A retailer should care most about availability of supply over price or other factors,” suggests Auerbach. “Availability drives everything else. What’s the benefit of having a great price if you can only get 50 percent of what you could sell?”

10: ADD VALUE WITH PACKAGED PRODUCT

Options in value-added create additional sales potential. “Value-added asparagus with high graphic bag designs and informational values is gaining momentum at retail and driving sales,” says Meadows.

Packaged product provides a platform for communication. “This packaging can be used to not only attract consumers but educate them as well with nutritional benefits and easy to prepare recipes,” says Wood.

Crystal Valley suggests merchandising packaged asparagus next to the regular asparagus section as well as in an endcap with mushrooms and creative, upscale recipe ideas. “This will establish the availability of the product,” says Durkin. “Similar to bagged salads years ago, it will move from a novelty to a standard with effective placement.”

Redner’s capitalizes on the ease of packaged product throughout the store. “We use packaged asparagus when we cross-merchandise in the meat department because we put it on top of the meat counter,” says Stiles.
Undetected and unexpected, Sudden Cardiac Arrest (SCA) is claiming our youth. Cardiovascular disease is the second leading medical cause of death in children and adolescents in the United States. Data estimates that 1 in 50 high schools have a SCA in a student on school grounds each year. Affected youth usually appear healthy and normal...until they have an arrest. The good news is that early detection is possible, heart conditions are treatable and young lives can be saved. Knowledge of the observations and actions that can make the difference between life and death are key to a successful outcome.

Early detection is crucial. The Louis J. Acompora Memorial Foundation promotes the early detection of heart conditions in youth through heart screenings. Frequently, the warning signs and symptoms of a heart condition in youth go undetected. Look for screenings in your area www.screenacrossamerica.org

Most occurrences of SCA in youth occur in public places. The increased availability of publicly accessible automated external defibrillators (AEDs) in schools and school-sponsored athletic events will dramatically increase the probability that youth and adults alike will survive a sudden cardiac arrest. Knowing and properly executing the critically time-urgent links of the Cardiac Chain-of-Survival can help save the life of someone in SCA.

Along with increased accessible AEDs, implementing Emergency Action planning protocols, preparedness will be greatly improved. www.anyonecansavealife.org

In June of 2002, Governor George Pataki of New York signed Louis’ Law, which requires AEDs in all New York public schools. To date 88 lives have been saved as a direct result of this law in New York public schools. Each time a vibrant, seemingly healthy child suffers a Sudden Cardiac Arrest (SCA), the Louis J. Acompora Memorial Foundation mission of protecting youth from SCA and preventable Sudden Cardiac Death (SCD) becomes even more critical. We know it happens and we need to collectively assure others realize it by sharing our Mission and Vision.

1. Early Recognition
   - Collapsed and unresponsive
   - Seizure like activity
   - Gasping, gurgling, snoring or labored breathing noises

2. Early Access to 9-1-1
   - Confirm unresponsiveness
   - Call 9-1-1- and follow emergency dispatchers instructions
   - Call any onsite Emergency responders

3. Early CPR
   - Begin cardiopulmonary resuscitation (CPR) immediately

4. Early Defibrillation
   - Immediately retrieve and use an automated external defibrillator (AED)
   - as soon as possible to restore the heart to its normal rhythm

5. Early Advanced care
   - Emergency Medical Services (EMS) Responders begin advanced life support
   - Including additional resuscitative measures and transfer to a hospital.

THESE STEPS WILL SAVE A LIFE PLEASE TAKE THE TIME TO KNOW THEM AND LEARN CPR.
Contact the Louis J. Acompora Memorial Foundation for more information www.LA12.org
Keeping Bananas Front-And-Center

Savvy merchandising prompts positive response from consumers.

BY CHRIS AUMAN

As ubiquitous as bananas are, retail produce executives shouldn’t take them for granted. There are several simple things they can do to make sure this fruit keeps its spot as top banana. Cross marketing and cross merchandising concepts are key. Emphasizing the fruit’s versatility, both ripe and unripe, for cooking, baking and snacking, and targeting demographics with different packaging and promotion concepts will yield best results. Employing these simple, common sense tactics helps ensure bananas stay on the minds and in the hearts and stomachs of consumers.

PROMINENT DISPLAYS

Bananas account for 10 percent of all produce sold in U.S. markets, but that doesn’t mean the fruit should be relegated to the back of the produce section. Banana displays should be well-stocked with good looking bunches featured in single rows to avoid bruising. A brown or bruised banana has lost its appeal and may never get peeled.

“Retailers must implement the highest standards for care and handling procedures at the store-level to ensure proper handling of the product,” advises Fernando García-Salas, direct sales vice president at One Banana in Miami.

“Consumers want bananas, and they want them to be ripe enough to eat today, unblemished, and not overly ripe,” says Mayra Velazquez de Leon, president of Organics Unlimited in San Diego. “Maintaining good displays, having personnel understand proper handling of bananas, and pairing them with things they will eat at the same time, whether as a snack or part of a meal, makes a banana the perfect choice for a hungry consumer.”

Prominent displays of bananas that feature attractive and ready to be eaten fruit within a day or two are important, common sense approaches, but retailers can drill down deeper using other tools to promote this versatile and much loved fruit. Bil Goldfield, director of communications at Dole Food Company/Dole Fresh Fruit, headquartered in Westlake Village, CA, knows this well. Dole helps retailers by providing them with turnkey promotional programs, point-of-sale materials, in-store posters, take-one educational materials and retail-specific web pages. “We’re committed to making it easy for retailers to give their consumers more of what they love, and more of what’s good for them.”

Using a two-color system to promote bananas at different stages of ripeness is one way to help customers decide how to choose the fruit. As Dan Dvor, manager of A & N House of Produce in Philadelphia, can attest, customers tend to be attracted to the riper bananas. “We see a 20 to 30 percent increase when bananas are yellow versus green,” says Dvor. Goldfield sees a way to help retailers market both ripe and unripe bananas and recommends a two-color program to do this. “Offering bananas in multiple stages of ripe...
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merchandising review • bananas

Green bananas may be better for cooking, riper bananas can go into smoothies or pancakes, and overripe bananas are better for baking. While they may have lost their appeal for many, brown bananas do not necessarily mean lost sales. Retailers can still promote overly ripe bananas to budget-savvy shoppers who may buy these discounted items for cooking and baking. “We have a value shelf where we place cosmetically challenged produce which we sell for a cheaper price,” says Dvor. Selling a larger bag of bananas for a lower price gives consumers the opportunity to stretch their dollar, get creative and use the overripe fruit for puddings or banana bread.

CROSS-MERCHANDISING OPPORTUNITIES

Cross merchandising provides retailers with another opportunity to engage shoppers. Dionysios Christou, vice president marketing at Del Monte Fresh Produce in Coral Gables, FL, sees opportunities for produce executives in this area. “There are several merchandising techniques to drive incremental banana sales,” he says. “One technique is cross merchandising, which allows retailers to increase banana sales and sales of related products.” This could include pairing bananas with other tropical fruit or with items that are just fine on their own but are greatly enhanced through the addition of bananas, such as ice cream, cereal and peanut butter. “Placing recipe cards or nutritional information by a banana display can encourage banana purchases as well. We also encourage retailers to develop secondary banana displays at checkout.”

Marion Tabard, director of marketing at Turbana Corporation, which is headquartered in Coral Gables, FL, finds value in incorporating other specialty fruits into the equation. “Retailers can also display bananas with exotic varieties and tropical items — such as baby bananas, manzanos, pineapple, mangos and coconuts — to enhance sales.” Tabard also encourages the use of secondary displays in other store sections along with items such as breakfast cereals and dairy products. Employing cross-merchandising practices gives retailers the opportunity to increase not only banana sales, but sales of related products as well.

Tabard also sees cross-merchandising opportunities with other banana products like plantain chips. “Turbana plantain chips are healthy snacks that are GMO-, gluten- and cholesterol-free with no additives, preservatives or trans fats,” says Tabard. “They are perfect for the health-conscious shopper. Our chips should be strategically placed to optimize sales, and the best place is out of the chip aisle and near other healthy items, like fresh-pressed juices, produce or other healthy snacking options.”

While there are many opportunities in-store, One Banana goes outside the store to engage customers while highlighting the benefits of bananas. “One Banana uses social media to connect with our customers and engage with them about banana usage, banana facts and useful tips,” says García-Salas. “We leverage content, such as recipes, that give our consumers healthy ways to incorporate bananas into their day.

“Retailers can also display bananas with exotic varieties and tropical items — such as baby bananas, manzanos, pineapple, mangos and coconuts — to enhance sales.”

— Marion Tabard, Turbana Corporation

BANANA FACTS

Worldwide, bananas are eaten by the billions. Americans alone consume roughly 27 pounds per person every year. Ninety-six percent of American households buy bananas at least once a month with just more than half of those starting their day off with this healthy, delicious hand fruit. There are 50 different sub groups of bananas that include 1,000 varieties, although most American consumers are familiar with the Cavendish, even if they don’t know it by name. The many health benefits of eating bananas have been well established. The banana’s dietary inclusion has been shown to help lower the risk of strokes, diabetes and kidney cancer. Don’t stop eating an apple a day, but nutritionists advise including a banana as well to keep the doctor away. This versatile fruit, which of course comes in its own biodegradable wrapper, provides a great source of dietary fiber, as well as vitamins B6 and C, which can provide a much needed energy boost for that familiar late afternoon lull.

While many Americans may not know these specific health benefits, they know bananas are good for them. Parents know their kids love them and they know bananas are a low-priced fruit and a good bargain at the supermarket.
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**Know Your Customers**

Promoting bananas to certain demographics makes sense for retailers. García-Salas says retailers benefit greatly by understanding their stores’ demographics and how their customers consume bananas. For example, in North America, he has seen retailers find success by marketing smaller bananas to kids. “Children are responding well to this product offering because they view the smaller fruit as more approachable, easier to consume, and specially grown for them.”

Tabard emphasizes this point as well. “It’s important for retailers to understand what’s relevant to their shopper demographic. Since all ethnic consumers eat different foods, understanding their preferences can help retailers customize their assortment and cater to the specific needs of each community.” To this end, Turbana offers a geo-locating mobile app specifically for use by produce managers, which enables them to learn about ethnic tropics and help them better understand the demographics in their area. “This allows produce managers to customize their tropics according to the needs of their shoppers,” says Tabard. “Additionally, they will be informed of upcoming holidays and how to promote products accordingly.”

**Campaigning for Health**

Healthy eating extends to the whole family, and many banana suppliers find value in campaigns that promote the nutritional value and health benefits of bananas. “For years, Dole has promoted the idea that eating fresh fruits and vegetables can be delicious, nutritious and fun for the whole family,” says Goldfield. “This idea is a big part of our yearlong Get Up and Grow! healthy living initiative, which directly challenges consumers to lead a healthier, happier life, including an emphasis on increased consumption of fresh fruits and vegetables.” The program incorporates a variety of elements including recipes and serving suggestions as a part of the Get Up and Grow! Tour which visited 44 cities across North America at 480 stops this past summer.

Turbana understands the benefits of this approach as well and its Growing Smiles, Sharing Goodness campaign has the same goal of creating and maintaining healthy communities across the country. “The movement reaches individuals through digital, social media, grassroots, influencers and in-store initiatives,” says Tabard. “Since its launch, we have had more than 17 activations in 26 cities, and have reached more than 179 million people with the Growing Smiles, Sharing Goodness message.” Consumers, Millennials in particular, are
Bananas..indd 4
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RETAILERS TAKE ON RIPENING

The ripening services industry has traditionally designed and installed ripening rooms at banana suppliers and third-party distribution centers, but retailers are increasingly taking on the process themselves. It’s not a matter of simple storage of the unripe fruit. A commercial ripening room must be kept airtight with proper insulation and adequate air circulation.

Banana pulp temperatures must be closely monitored to avoid chilling the fruit when temperatures fall below 56 degrees F, or cooking the fruit when the temperature rises above 65 degrees F. Humidity levels need to be kept between 85 and 95 percent. Ripening bananas properly requires attention and a little TLC as well.

“All of our distribution centers throughout the U.S. and Canada have ripening rooms where we are able to provide ripening services for our customers,” says Dionysios Christou, vice president marketing at Del Monte Fresh Produce in Coral Gables, Fl. “There are some instances where our customers prefer to ripen the product on their own. Part of the support Del Monte Fresh provides is our quality assurance group’s technical services team. This group offers training to our banana customers on items like ripening procedures and storage and handling practices, as well as thorough supply chain audits to identify possible areas of improvement where necessary.”

“In our industry, we see a demand for bananas that can be precisely ripened and supplied at all stages,” says Ashley Perryman-May, vice president sales at Dade Service Corporation, headquartered in Daytona Beach, Fl. Dade Service designs and builds ripening rooms for retailers and distributors.

“We are seeing this across the board as consumers become more selective with the produce they purchase. The more appealing the product, the more sales and profits that can be generated,” says Perryman-May, who says Dade’s banana ripening rooms are the most energy efficient on the market, helping clients reduce overhead and increase profits.

Dade has seen overall growth across the ripening industry from distributors to retailers. According to Perryman-May, “when retailers provide their own ripening in-house, they tend to build ripening rooms that will accommodate their current demand and growth outlook. We have a formula and work with our clients to come up with what this configuration may be.”

There are other positives as well. “Retailers may also benefit from shipping logistics depending on how they structure their program, since the bananas would be distributed alongside many of their other products and offerings from their DC,” says Perryman-May.

PB

“Natural food markets often only carry organic bananas, so they would prefer less packaging on their bananas.”

— Mayra Velazquez de Leon, Organics Unlimited

PACKAGING AND PRICE

As with any commercially sold product, packaging plays an important role in merchandising. For one thing, it’s a way to help consumers differentiate between organic and specialty bananas. As Velazquez de Leon notes, “The biggest difference we see in packaging is that mainstream markets often prefer taped bunches so they can easily differentiate between conventional and organic bananas at checkout. Natural food markets often only carry organic bananas, so they would prefer less packaging on their bananas.”

Del Monte sees regional differences in its packaging as well. As Christou notes, “Today we find a number of different retailers and club stores across the country choose to purchase bagged fruit. Bagged bananas originated in the Northeast to protect the fruit due to cold weather, to retain freshness, and to prevent consumers from breaking the banana clusters at the display. Some discount retailers prefer the bagged fruit while some prefer the banded fruit.”

Christou also recognizes that consistent pricing, determined on the retail side, has benefited banana sales over the years. Consumers are getting an incredible value for their money, but as Christou says, “The real challenge for suppliers is how to continue to provide the quality and service the customers have come to expect at such low prices, while production costs continue to escalate.” The industry as a whole maintains consistent production levels and a streamlined supply chain helps keep prices low, even as actual production costs have risen.

With a common sense approach that recognizes the popularity of this sweet, healthy fruit, while keeping it front and center in the produce aisle, retail produce executives can ensure healthy banana sales while contributing to the health and well-being of their customers.

PB

PRODUCE BUSINESS / NOVEMBER 2015 / 155
Category may be mature, but choices keep changing.

BY BOB JOHNSON

Citrus consumption in the United States is at about 75 pounds for each of us, leading all other fruits.

“In the U.S., per person consumption of oranges is higher than that of any other citrus fruit,” says Diane Huntrods, program assistant at Iowa State’s Agricultural Marketing Resource Center, citing statistics from the U.S. Department of Agriculture. “Grapefruits are the second highest citrus fruit consumed per capita, followed by lemons, tangerines and limes.”

But as popular and established as citrus may be, the landscape is ever-shifting. The relative importance of limes, lemons and grapefruit as complements to oranges is worth following. Juicing oranges, already hugely important, may be on the rise. And even choices among the popular easy peelers are changing. There are many fruits in this single grand category.

“In peak citrus season, Giant Eagle customers may find up to 15 citrus varieties available in their local supermarket,” says Dan Donovan, spokesman for the Giant Eagle chain-headquartered in Pittsburgh.

Lemons and limes continue to be important growth items within the citrus category. “If you look at category sales drivers, lemons and limes have shown consistent year-on-year growth that is second only to Mandarins, which account for the largest share of increased citrus sales,” says Bob DiPiazza, president of Sun Pacific Marketing in Pasadena, CA.

Industry insiders offer 10 important tips to help retailers manage this large, changing and complex fruit category.

1. LIME PRICES ARE COMING BACK DOWN TO EARTH (FOR NOW)

Don’t forget to send your lemon and lime supplier a Christmas card this year, because you want to stay at the top of their list.

After a number of factors combined to make supplies tight and prices unsustainably steep for these two important fruits, relief may be in sight when it comes to limes. “I anticipate lime prices to be promotable,” says Raul Millan, executive vice president of Vision Import Group in Hackensack, NJ. “There should be a plentiful supply of 230s and 250s.”

Imports account for virtually all limes in U.S. supermarkets since a combination of storms and pestilence destroyed what was over the past quarter-century, the source for this fruit has been reduced to a single country.

“Per person consumption of fresh limes increased from nearly 1 pound per person in 1989 to 2.6 pounds in 2011,” says Huntrods. Although lime supply will be more abundant this season, as the market continues to normalize, consumers may have to wait just a little longer for the larger citrus.

“There should be a plentiful supply of 230s and 250s,” says Millan. “It hasn’t rained as much, so the fruit is slower to size. The supply of 110s and 150s could be tight until October, or if it rains until late September. It’s a normal cycle.”

Keep an eye on Mexican lime production for the long term, however, because demand continues to increase and virtually all the limes sold in the U.S. are from Mexico.

“In 1990, Americans used 0.75 pounds of limes a year per person,” says Kristy Plattner, USDA economist in Washington, D.C. “By 2000, this estimate doubled to 1.50 pounds per person, and by 2012 per capita use reached 2.96 pounds. This trend is not expected to decline as limes remain popular in both beverage and food choices across the United States.”

Imports account for virtually all limes in U.S. supermarkets since a combination of storms and pestilence destroyed what was
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merchandising review ▶ citrus

Once a robust industry in Florida.

“Florida’s commercial lime production never fully recovered since the 1995 canker finding in Miami,” says Plattner. “It was the perfect storm of canker, leaf miner, hurricanes, tropical storms, and litigation brought about by the removal of trees on residential properties that slowed the eradication effort that truly reduced the viability of lime production in the United States.”

Devastation was so total that limes are no longer even on the radar for commercial agricultural promotion in Florida.

As a result, the availability and price of limes in the U.S. depend almost entirely on conditions in Mexico — with the exception of very small amounts of fruit from Guatemala and El Salvador.

“Our variety is Persian limes out of Mexico, which is 90 percent of what is out there,” says Millan, who believes the variety of limes does not really matter at the retail level.

This leaves the market vulnerable to wild swings should there be poor weather conditions in Mexico, as happened less than two years ago.

“National average retail prices reported by the Agricultural Marketing Service show prices climbed to $1.02 per lime in April 2014, a 3.5 fold increase from April 2013's price of 29 cents per lime,” says Plattner.

Keep your eyes on weather below the border, and don’t forget that Christmas card.

2. LEMONS ARE STILL TIGHT

Prices most likely will not fall significantly for lemons, however, because demand worldwide and the drought in the western U.S. will keep supply and demand out of balance.

“Mexico has good volume in lemons, but because of the drought in California the prices should stay at a high level,” says Millan. “Chile came in with lower prices, but the Chilean season is about to end.”

With lemons, unlike limes, varieties do matter and some have strong consumer loyalties. “While we can’t speak to all citrus, we find our Meyers, seedless, pinks and regular lemons make great displays and offer excellent merchandising possibilities,” says John Chamberlain, director of marketing at Limoneira in Santa Paula, CA.

Limoneira is among the California shippers with more reliable supplies of lemons because much of its acreage is closer to the coast, where rainfall is a little heavier and farmers do not rely on water piped in from outside reservoirs that have run dry during the drought.

A year-round supply of domestic lemons is grown in 65,000 acres of orchards in California and Arizona, but many growers in those states have not had much water for quite some time.

At the same time, U.S. consumption of lemons continues to grow steadily, albeit not as fast as limes, and lemon exports have more than doubled in the past three years.

While economies have led to higher demand in Asia, the birthplace of citrus, the weather affecting the U.S. West Coast led to a global shortage of historic proportions in limes, which in turn led to even higher demand for lemons.

Pray for rain in California and Arizona.

3. JUICE IS BACK

Some shippers report more retailers and consumers are looking for citrus to juice.

“We've seen a big increase in juicing oranges,” says Russ Kiger, sales manager at DLF International in Vero Beach, FL. “With Trader Joe's, Whole Foods and some of the other stores, a lot of places have brought back the juicing programs.”

The Florida orange season is largely defined by the succession of three juicing varieties, each one a little better than the previous.

“The first variety in order is Hamlin from October to December,” says Kiger. “The juice quality is OK, and the color is not as good as the Midsweet and Valencia. Midsweet is from January and February, and the color yield and flavor are all better. Valencia, available in late February and March and then out of storage until July, is the best.”

DLF International is a Florida-based fresh fruit buyer, harvester, packer, shipper and marketer.

“One of the things we do to extend out the season is store fruit in April and pack it in July,” says Kiger. “Florida is still kind of a seasonal deal. We probably have 10 to 12 varieties of oranges and grapefruit out of Florida. People are planting acreage in Florida. We only have a couple months when we're out of season in Florida oranges.”

Juice is the main driver making oranges among the most heavily consumed fruit in the country.

“Fresh orange consumption was 10 pounds per capita in 2011,” says Huntrods. “Much of the per person consumption of oranges is attributable to orange juice, which reached 52.2 pounds that year.”

Most juicing oranges come from Florida, and the state heavily promotes its most important agricultural product.

“The Florida Department of Citrus promotes 100 percent Florida orange juice in stores across the country,” says Tammy Wiard, director of retail marketing from the department. "Retail promotions enable us to reach consumers at the point-of-sale with information on why they should purchase Florida orange juice.”

The obvious selling point is that, in addition to being sweet and refreshing, juice has health benefits.

“There’s nothing better than orange juice and grapefruit juice, other than water, in terms of giving your body what it needs,” says Doug Bournique, executive vice president of the Indian River Citrus League in Vero Beach, FL.

The trendsetting stores bringing back juice may be upscale, but the consumers buying the largest quantities of oranges to take home and juice themselves are middle- and lower-income shoppers, say shippers.

“The largest market for the 4-pound bags of juicing oranges are the Hispanics, whether it be Chicago or New York,” says Kiger.

4. YOU NEED MANY EASY-PEELER VARIETIES

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season of fresh easy peelers, now all the rage in citrus.

“A department should have as many varieties of easy peelers and Navel oranges as are needed to ensure a continuous supply of fruit that meets the rigorous specifications of the U.S. market,” says Mark Greenberg, president and chief executive of Fisher Capespan in St. Laurent, Quebec.

Fisher Capespan maintains a network allowing the firm to source fresh fruit, most importantly from South Africa and Chile, for shipment to markets throughout the world including North America.

“In easy peelers, this means Clemenules [also known as Nules clementine, which is a variety from Spain and now commercially grows in California] for the early and mid-season whether that means the early part of the domestic and Mediterranean deal in November, or the early part of the Southern Hemisphere deal in May and June,” says Greenberg. For the mid and late part of the California deal in March, April and May, and the late part of the imported deal from August through October, Afourers or Murcotts are the preferred variety. There are other varieties available, all with subtle differences in characteristics but with important timing differences in their availability.

There are also varieties within the most popular eating oranges, such as Navels and Valencia, but according to some shippers, these differences are very subtle and generally don’t weigh heavily on purchases.

“Although there are varieties within Navels and Valencia … it is not a pressing issue to the everyday buyer/consumer,” says Tracy Jones, vice president of domestic sales at Booth Ranches in Orange Cove, CA.

Booth Ranches is a nearly 60-year-old family firm growing oranges, in Kern County in the southern area of California’s great Central Valley.

The same is not true with the Clementine and Mandarin varieties, where there are important flavor differences among the varieties.

“There is an increasing focus on varietal differentiation,” says Kim Flores, marketing director at Seald Sweet International, based in Vero Beach, FL. “In the easy-peeler category, Clementines and Mandarins, and the mid-to late-season varieties, for example Murcotts, generally have exceptional flavor and eating qualities. This is where the focus is, on new plantings, along with proprietary breeding programs. We’ve had success with marketing these varieties in our Mandarin’s packaging, which has high-graphic, candy-like appeal and
stands out on the shelf."

Seald Sweet International has expanded over the past century to grow and source citrus, and more recently, grapes, pears and stone fruit from around the world.

5. APPEAL TO GRAPEFRUIT LOVERS

"Navel and juice oranges, Clementines, Mandarins and easy-peeler varieties, lemons and grapefruit are essential varieties,“ says Flores. "A produce department should have as many as possible — especially varieties with great flavor and consumer appeal."

Growers in a narrow 200-mile strip of land near Florida's east coast, however, have managed to maintain strong markets for their grapefruit.

"The markets demand Indian River fruit," says Bournique of the Indian River Citrus League in Vero Beach, FL. "We export 80 percent of what we produce. Indian River fruit has a great trade name."

A combination of wet soils and wetter weather has let these growers produce grapefruit, which is renowned around the world for its juiciness.

"There is more juice in Indian River grapefruit," says Bournique. "We have a real high water table, and a lot of rain. Our trees respond by making the skin thin, so we have more fruit and less skin. The French, the Europeans know it, and the Japanese know it, and the Chinese know it. We're at the top of the ladder in terms of people demanding grapefruit."

The markets for grapefruit, however, remain far weaker than a generation ago.

"Per person consumption of grapefruit has weakened in recent years," says Iowa State's Huntrods. "Per capita consumption of grapefruit peaked at nearly 24 pounds in 1976 and 1977. By 2011, fresh grapefruit consumption was 2.7 pounds per person and grapefruit juice consumption was another 3.5 pounds per person. Part of the decline in grapefruit consumption is attributable to decade-old studies finding grapefruit consumption altered the effects of certain medications," she says.

"Florida grapefruit has declined significantly over the past several years, due to the spread of HLB (also known as 'citrus greening')," says David Steele, director of public relations for the Bartow, FL-based Florida Department of Citrus. "Our growers continue to work hard to ensure consumers around the world have access to the Sunshine State's sweet, juicy and nutritious grapefruit."

"The Florida Department of Citrus focuses only on oranges, grapefruit and other special varieties such as tangerines and tangelos," says Wiard.

"Florida growers produce about 50 percent of the nation's fresh grapefruit and about 75 percent of the grapefruit juice. (Overall, we account for more than 60 percent of domestic grapefruit, with Texas second in production at 20 percent)," says Steele.

6. SAMPLE ... IF YOU'VE GOT THE GOOD STUFF

So many different citrus varieties are coming into favor that it can be worth the effort to give customers a taste.

"Sampling is a great tactic to encourage produce purchasing, particularly for varieties that consumers may not be familiar with," says Joan Wickham, manager, advertising and public relations at Sunkist Growers in Sherman Oaks, CA.

"In the citrus category, we find sampling to be a fantastic promotion vehicle for varieties like Cara Cara Navel oranges — which look like a Navel orange on the outside but have a beautiful pink interior and a distinct, deliciously sweet taste along with more Vitamin C and A than conventional Navel oranges. Sampling provides a vehicle to showcase the attributes of unique varieties, like Cara Cara, and encourage purchase."

"It may be even more important to sample citrus that does not have the characteristic beauty of the fruit from California."

"With Florida we can only promote our flavor because we cannot compete with California on appearance," says Kiger.

With some citrus, it helps to sample how the fruit is used as an ingredient in cooking or salad preparation.

"Sampling definitely helps," says Chamberlain from Limoneira. "We link with great chefs from around the world, and they’re good at creating fun and innovative recipes to use with Limeonera lemons. We also like to cross promote with items that go great with lemons."

The sampling strategy is only advisable, however, assuming you have the best tasting citrus.

"Sampling drives purchases," says Flores, "but only if flavor is optimum."

7. USE SECONDARY DISPLAYS

Citrus provides many opportunities for attractive display because it goes with, and can be merchandised with, many products from throughout the supermarket.

Because citrus is shelf stable and durable by produce standards, it is fairly easy to set up secondary displays in different areas of the store to take advantage of this culinary versatility.

"With citrus, there are many opportunities for cross-merchandising in various departments throughout the store — seafood, beer, wine and spirits, and water, as examples," says Wickham.

"Each of these departments will have different needs, so Sunkist is pleased to offer highly customizable display options to accommodate any retailer's requirements, both in and out of the produce department."

Sunkist is the oldest operating citrus cooperative in the U.S., and is owned by thousands of California and Arizona orange, lemon, lime, grapefruit, tangerine and Mandarin growers.

"We work closely with retailers to ensure the display works well within their layout and department," says Wickham.

The display must be more than just visible.
To be effective it must also be appealing to the eye.

“Big, beautiful displays drive sales,” says Flores from Seald Sweet.

Secondary displays can also be helpful in merchandising orange juice, by far the largest citrus product.

“There are many ways to promote Florida orange juice in the retail space, and we often look for opportunities to reach consumers in new ways,” says Wiard. “For example, we have partnered in the past with other breakfast-related foods, such as yogurt or eggs, which enables us to promote Florida orange juice in an area of the grocery store where we would normally not be visible.”

A strong, eye-catching presentation of the citrus goes a long way toward increasing sales.

“The location of our products at any store will help determine what displays work best to promote our products,” says Monique Bienvenue, director of communications at Bee Sweet Citrus in Fowler, CA. But, she adds, “Consumers and retailers largely look at price when buying produce.”

Bee Sweet grows and ships Navel and Valencia oranges, lemons, grapefruit, Mandarins and exotic specialties like Cara Caras, Minneolas and Pomelos worldwide from its California Central Valley location. The company has partnerships with Chilean, Peruvian and Australian growers to maintain year-round sources of all citrus varieties.

8. PROMOTE

Citrus may be popular, tasty and nutritious enough to sell itself, but it shouldn’t have to.

“Promotions work,” says Flores. “Although the produce department is becoming increasingly more competitive with the number of SKUs, our industry is positioned well to be in the spotlight with consumers.”

Citrus is in a good position to promote because it fits the megatrend of our time — healthy eating.

“Healthy eating and nutrition is a growing focus for consumers, especially with Millennials, who are the emerging buying power in the marketplace and big consumers/purchasers of fresh produce,” says Flores. “Fresh fruits and vegetables are the foundation of nutrition and healthy eating. And it doesn’t hurt to have items in your category that are referred to as ‘Superfoods,’ like oranges and grapefruit. Consumers are also eating a wider variety of fruits and vegetables, more than ever before.”

The promotions can be particularly effective if they let consumers know about new uses for citrus, or invite them to try new varieties.

“Promotions play an important role in our overall strategy, and sampling helps to highlight some of the lesser known citrus varieties. Citrus display sizes vary based on store location and inventory.”

— Dan Donovan, Giant Eagle

“Promotions are a very effective tool to market and sell citrus, particularly when the promotion includes tools to help educate consumers about the variety — usage tips, nutrition benefits, recipe ideas, etc.,” says Sunkist’s Wickham. “Using promotions as opportunities to educate consumers about the variety further develops a relationship between the consumer and the product, encouraging purchase.”

A combination of promotional prices at strategic times and sampling are the cornerstones of a merchandising program.

“Promotions play an important role in our overall strategy, and sampling helps to highlight some of the lesser known citrus varieties,” says Donovan from Giant Eagle. “Citrus display sizes vary based on store location and inventory.”

This retailer has impressed shippers with its efforts to sell citrus.

“Giant Eagle,” says Wickham, “has done a great job merchandising citrus.”

The State of Florida works on promotions with both Kroger and Publix, according to Wiard.

These promotions are not nearly as strong, however, as they were before disease took a bite out of the state’s citrus harvest.

“We don’t have enough money to be effective promoting in the domestic market,” says Bournique from Indian River in Florida. “We used to have more money to promote. Some years they talk about in-store demonstrations where they cut the fruit and let people taste it. But every year it’s different.”

When it is feasible, however, promotions can boost citrus sales.

“Promotions definitely help,” says Chamberlain from Limoneira. “We find that building awareness with in-store merchandising materials as well as a healthy social marketing...
component to support the in-store efforts is effective. We use colorful bins with QR codes that provide shoppers with information on our sustainability efforts.

Sunkist is helping retailers tell the stories of the people who grow their citrus.

“Since consumers are increasingly interested in the stories behind their food, Sunkist is telling the stories of the multigenerational families that comprise the Sunkist cooperative with our Sunkist Family Stories campaign, which shares the rich heritage of our brand with consumers,” says Wickham.

The stories of some of the growers who own the Sunkist cooperative are already available through the firm’s internet site, and the firm will help retailers display them in the store.

“We are also offering customizable point-of-sale materials to retailers interested in showcasing growers in-store to help leverage consumer interest in the family farmers behind the food they purchase,” says Wickham.

9. STOCK A FULL COMPLEMENT OF VARIETIES

An inviting citrus section shows off eating and juicing oranges, lemons and limes, numerous grapefruits, easy peelers and specialty oranges.

“Mandarin and Navel oranges collectively need 10 to 12 feet, assuming four SKUs of these items,” says DiPiazza from Sun Pacific. “For other SKUs of grapefruit, specialty citrus, lemons and limes, typically a 2-foot spread works, with less space for the more unusual specialty citrus items.”

The ascent in recent years of tangerines, in particular, shows no signs of slowing.

“Per person consumption of tangerines has experienced periods of highs and lows over the past few decades,” says Iowa State’s Huntrods. “Consumption peaked in 1979 at 4.9 pounds and reached a low of 2.3 pounds in 1990. Since 1990, however, consumption of fresh tangerines has increased, reaching 4.1 pounds in 2011.”

There are some seasonal differences in how many varieties can be displayed, and the size and prominence of the display.

“The number of varieties a department should have depends on the season,” says Bienvenue from Bee Sweet. “We could have up to 10 varieties at a time depending on the time of year. We take pride in the fact we can provide our consumers with oranges, lemons and Mandarins year round.”

These seasonal differences notwithstanding, there has to be variety all year-round and that means the store must go global.

10. GO GLOBAL

To maintain a variety of fresh, quality fruit, citrus has to be sourced from around the world.

“In order to make available popular citrus varieties like Navel oranges, lemons, limes, grapefruit and Clementines year-round, we draw from numerous geographic sources including the United States, Mexico, Chile, South Africa, Peru, Morocco and Spain,” says Donovan from Giant Eagle.

There are also important different regional sources within the U.S.

“For their soft-citrus needs, in addition to a domestic, California supply, a retailer will need Chilean, South African, Peruvian and, to some extent, Mediterranean, Spanish or Moroccan, to ensure that they are fully supplied all year long,” says Greenberg from Fisher Capespan. “California will supply the market from November through early May.”

It takes a source in the Southern Hemisphere just to maintain the supply for fresh
Navel oranges year-round.

“Domestic Navel oranges will start in November and continue through June and beyond each year,” says Greenberg. “Imported Navel orange supplies can be and are supplied by South Africa, Chile and Australia. These three sources can supply the market from early June, often before domestic supplies are exhausted, through late October.”

Some, maybe many, shippers make it a point to line up citrus from around the world in order to have supply throughout the year.

“The number of geographic sources varies from season to season, but for our programs, we produce in both Northern and Southern Hemispheres, which is key for year-round availability,” says Flores from Seald Sweet. “Our growing regions include Florida, Spain, and Morocco in the winter/spring season and South Africa, Chile, Peru, Uruguay and Mexico in the summer through fall.”

Domestic growers generally have a defined citrus harvest season for the fall and winter.

“We’re September to March,” says Darrell Genthner, marketing executive at Noble Worldwide, Winter Haven, FL. “We start with Pomelos, and a Fall Glo tangerine, and end with a Honey tangerine. We have some new varieties that we’re introducing through five retailers.”

Noble International is a Florida family firm with 4,000 acres of tangerines, Cara Cara Navel oranges, Valencias, Pomelos, and a strong emphasis on research and development of new varieties.

“Domestic products will in most seasons decline in May, and Chile will supply the very earliest weeks of the import season from its production region around Ovalle,” says Greenberg.

“Supply in the market in June, when the market is fully reliant on imported sources, tends to be lighter than needed,” says Greenberg. “The drought that has affected Chile’s IV Region has diminished the volume coming from that area, exacerbating the shortfall and pushing up the price of the product in the earliest weeks of the Southern Hemisphere program.”

There are other important sources of counter-seasonal citrus from the Southern Hemisphere. “Peru and Uruguay will also offer some early June volume and South Africa will come in with good volume from mid-June onward,” says Greenberg. “Between these four sources, the market will have ample supplies through early November as each origin transitions from their early varieties, Clemeulens, mostly, to their later-maturing Mandarins. With these four sources, there is occasionally a shortfall or small gap in supplies toward the end of August, but by early September, the market will see substantial volumes arrive from Chile just as South Africa late Mandarin arrivals begin to decline.”

The two dominant players in eating oranges remain California and Chile, but piecing together fruit from many places is an important part of maintaining a good-looking display of citrus with the full complement of varieties.

“Chilean volumes will dominate through October, and will exit the market as the fresh California crop begins to become available in early November,” says Greenberg.

“November will also see the arrival of Mediterranean, Spanish and Moroccan, easy peelers which are available, principally on the East Coast, from mid-November through March. For a well-rounded supply, access to Mediterranean easy peelers is a good complement to domestic fruit.”
HEALTHY MyPlate Ideas

To promote the message to “fill half your plate with fruit and vegetables,” PBH has developed MyPlate education sheets to demonstrate to consumers what a healthy “plate” could look like for dinner, lunch, and snacks.

Healthy plate ideas are available in the Fruits & Veggies—More Matters® Marketing Toolkits section of PBHFoundation.org. Click on “Private Sector > Retail.” These colorful education sheets are downloadable and free to use.
Rising demand for meatless, health-focused fare sparks a foodservice rediscovery.

BY JOHN LEHNDORFF

Eggplant is one of the most broadly used produce items across the globe. It’s the essential ingredient in comfort classics from smoky Mediterranean baba ghanoush and moussaka casserole to Chinese eggplant in garlic sauce and Indian baingan bharta. Ratatouille, the French eggplant and squash dish, melted a cranky critic’s heart in the famous animated film. It’s not exaggerating to say that eggplant is beloved in many cuisines.

In the U.S., not so much.

“Eggplant is only consumed by about 25 percent of the U.S. population,” says Veronica Kraushaar of Viva International Partners. She is a marketing consultant for Rio Rico, AZ-based Malena Produce, one of the largest distributors of eggplant in the United States. In the past much of that crop involved variations on one dish: Italian-American eggplant Parmesan.

The mysterious berry that is cooked like a vegetable seems to spark anxiety in many American kitchens. Is it because eggplant can be spongy or bitter if prepared improperly, or that it’s the rare ingredient that may have to be salted and drained in order to be cooked?

LEADING EGGPLANT INDICATORS

Malena Produce commissioned Kraushaar to study available data on eggplant uses and users in the U.S. “We took Nielsen data for three years and defined the core consumers and new opportunities for fresh eggplant,” she says.

If you’re looking for the folks who eat the most eggplant, start with families with kids at home, have a higher education level, are 40 to 49 years old and have a household income of about $100,000, according to the study. While consumption of eggplant in the U.S. remained flat for the three years, other regions of the country gained a larger share from the
traditionally dominant Northeast.

The majority of the fresh harvest is the familiar large, dark purple American and Italian eggplant, but chefs and consumers are discovering other varieties, just as they learned that not all mushrooms were white and not all onions were yellow.

“Those specialty eggplant (including Chinese, Japanese and Indian varieties) are the fastest growing part of the category. We think one reason is that they cook so much faster and are easier to use because the skin is eaten. The texture is much creamier and the skin adds some crunch when you fry it,” says Kraushaar.

**FINDING A PLACE ON THE MENU**

Responding to the rising demand for good-for-me fare, foodservice establishments from fast food to fine dining are rediscovering eggplant. Nutritionally, eggplant is low in fat, protein, calories and carbohydrates but one cup of skin and flesh provides 10 percent of daily fiber needs.

Fast food giant Panda Express of Rosemead, CA, features Eggplant Tofu on its regional specialties menu with tofu, eggplant and red bell peppers wok-fried in a sweet and spicy sauce. Colorado-based Garbanzo Fresh Mediterranean has 24 locations that dish salads and wraps with baba ghanoush and many vegetarian, vegan and gluten-free options.

“Eggplant was considered to be a lower class food in the past. They called it ‘poor people’s meat,” says Eugenia Bone, James Beard Award-nominated author of The Kitchen Ecosystem: Integrating Recipes to Create Delicious Meals (Clarkson Potter). The recently published volume encourages cooks to buy and use whole produce items.

“The lowly eggplant is having something of a renaissance. Elegant restaurants are serving more vegetarian dishes and I’ve seen eggplant dishes on more menus than ever in New York,” says Bone, noting some of the hottest restaurants are dishing eggplant-centric southern Italian and Sicilian fare.

“We have absolutely seen more demand for eggplant from customers in the last four or five years,” says chef Fabio Trabocchi, owner of three busy Washington D.C. eateries: Fiola, Casa Luca and Fiola Mare. “For Italians it is second nature to have eggplant on the menu. I grew up with eggplant marinated in olive oil, garlic, basil and salt and cooked on a wood-fired grill,” he says.

Eggplant appears in many guises at Trabocchi’s restaurants. “Of course, there is the classic eggplant Parmigiana, and we also serve simply grilled slices rolled with smoked Mozzarella,” he says. Other favorites include a smooth eggplant gazpacho and confit eggplant that’s diced, cooked and preserved in olive oil with garlic and basil.

**‘TAKE A LOOK AT CHINESE EGGS’**

Looking to the future, experts say opportunities exist to grow the size of the eggplant consuming audience.

- Expect organic eggplant’s 25 percent share of the fresh market to grow versus conventional.
- Eggplant could be branded to help give it national or regional visibility.
- Improving packaging and display practices will extend the shelf life of eggplant and prevent waste.
- Eggplant “flour,” pulverized dehydrated eggplant, may replace flour in some gluten-free baking mixes and as a savory coating option for fried chicken and fried eggplant.
- Don’t be too surprised if eggplant-based dips such as eggplant “caviar,” baba ghanoush and mirza ghassemi become the next hummus.

So whether it is in the form of eggplant eggs Benedict, caponata croutons or eggplant-flavored yogurt, “home cooks and chefs are finding ways to use eggplants more creatively,” says Veronica Kraushaar of Viva International Partners.

"The lowly eggplant is having something of a renaissance. Elegant restaurants are serving more vegetarian dishes and I’ve seen eggplant dishes on more menus than ever in New York.”

— Eugenia Bone, Author of The Kitchen Ecosystem: Integrating Recipes to Create Delicious Meal

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foodservice profile ➤ eggplant

EGGPLANT ON THE MENU

The Bosphorus Burger: Angus beef patty on a bun with eggplant salad, haydari (yogurt) sauce and pickles — Hard Rock Café (Orlando, FL-based chain)

Eggplant fries: Breaded and fried eggplant wedges — Cottage Restaurant (Plainville, CT)

Banh mi salad: Glazed organic tofu with charred eggplant, pickled carrots, white cabbage, jalapenos, basil and marinated kale — Veggie Grill (Santa Monica, CA-based, 26-location fast-casual chain)

Tofu and Eggplant Sandwich: Among Restaurant Hospitality magazine’s Best Sandwiches in America 2015 — Trentina Restaurant, Cleveland, OH.

Cookbook author Bone says the simple secret of working with American and Italian varieties is brining, but it’s not necessarily about

farmers markets in California this year with evocative varietal names such as Brazilian Oval Orange, Italian White, Striped Toga and Rosita. In foodservice, heirlooms are mainly served at white tablecloth places.

Ciruli says fresh eggplant is on the rise in foodservice, especially in Asian eateries. “In the past, a lot of foodservice operations have used frozen, processed entrees or dips,” he says. Among the dishes he found on menus recently was a Caprese-style salad with grilled eggplant replacing the tomato slices plus fresh Mozzarella, olive oil and basil.

“I’ve also seen ratatouille using whole Indian or Japanese eggs with the calyx on which makes a nice presentation,” says Ciruli.

Most of the eggplant that Bay Area Produce in Rio Rico, AZ, ships is the Italian variety, which is favored by cooks who need evenly sized rounds. “I see a whole lot more eggplant getting grilled at restaurants now than 10 years ago,” says John Meek, general manager of Bay Area Produce.

“Over the past few years we’ve seen a definite increase in eggplant demand. The heaviest is still on the East Coast, not so much in the Midwest. In the Western U.S., Japanese eggplant has taken off pretty well,” he says. Meek notes that there is an increasing appeal of the smaller sized varieties. “I’m shipping a lot of 24s (number per box) and more 36s, the baby eggplants,” he says.

HOW TO COOK AN ‘EGG’

Education and awareness are essential in order to introduce the other 75 percent of the dining populace to the pleasures of the eggplant.

“A lot of cooks just don’t know what to do with an eggplant because they didn’t grow up with it,” says Ciruli. A few years ago eggplant growers launched the ILoveEggplant.com website with information and chefs’ recipes, he notes.

Cookbook author Bone says the simple secret of working with American and Italian varieties is brining, but it’s not necessarily about
removing bitterness. “Eggplant can function like a sponge that will absorb oil without actually cooking. Brining or salting beforehand helps prevent that,” says Bone.

D.C. chef Fabio Trabocchi cooks with varieties that range from standard Italian eggplant to heirloom. “Once we get them in the kitchen and see the texture and taste, we can determine what they are best for. Some are soft and made into purees. The meaty ones are better grilled,” he says.

**EGGPLANT GOES BACK TO SCHOOL**

For those who haven’t dined at a college cafeteria recently, university foodservice operations long ago left the realm of “mystery meat” and are on the cutting edge of produce trends. Given a mandate to serve students and staff healthier and more sustainable menu options, eggplant has become one of the go-to ingredients. One example is the Szechuan eggplant dished in the dining halls at Northeastern University in Boston, MA. Asian eggplant is quickly cooked with hoisin sauce, Thai basil, chile paste, garlic and green onions and served with rice noodles.

The 2015 Menus of Change conference co-sponsored by Harvard University’s T.H. Chan School of Public Health took place in June at the Culinary Institute of America in Hyde Park, NY. The conference focused on a “plant-forward diet” and opened with a slider tasting featuring a Moroccan Lamb-Eggplant Burger with mint yogurt and caramelized peppers and onions, Nation’s Restaurant News reported.

While the eggplant Parm grinder will always be on the menu to fill up college students, change is coming fast to a foodservice outlet near you, says Kraushaar of Viva International Partners.

“Millennials are the future eggplant consumers. They have been much more exposed to ethnic cooking at home and restaurants and they’re well-travelled and more open-minded flavor-wise than their parents,” she says.

**KNOW YOUR SOLANUM MELONGENA/EGGPLANT VARIETIES:**

- **Regular/Classic:** Also called “American,” the most common eggplant comes in a range of varieties including Black Magic, Black Beauty and Black Bell. The skin is a very deep purple hue and this large fruit has an elongated oval shape and green calyx.
- **Italian:** Smaller and more oval shapes than the regular/classic varieties, it is a deep shade of mauve-purple with some light streaking on the skin and green calyx.
- **Indian (Baby):** Each round eggplant is a few inches long with smooth, dark purple skin and a green calyx.
- **Japanese:** A small, elongated fruit with smooth, thin, light purple skin and a dark purple calyx.
- **White:** Smooth and white, can be round or slightly thinner and longer. Some popular commercial varieties include albino and white beauty.
- **Chinese:** Longer and more cylindrical in shape, with smooth purple skin and calyx.
- **Heirloom:** A wide range of sizes, colors and textures are available among the eggplant varieties. For instance, Violetta di Firenze is dark purple to white, is smaller and has a creamier texture and sweeter flavor than the standard eggplant.
- **Graffiti:** Unusual in color with its graffiti-like markings, the creamy flesh becomes rich and fruity with a melting quality when cooked.

Sources: Produce Marketing Association; iloveeggplant.com; specialtyproduce.com and melissas.com
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While a diverse base of consumers is fed by traditional wholesalers from the terminal market, concentrated efforts to develop urban agriculture enterprises make Detroit a modern lab of revitalization.

By Keith Loria

Much has been written about the “demise” of Detroit during the past 20 years. What once was a bustling metropolis of 1.8 million people and the highest per capita income in the United States has transformed into a city full of problems with jobs disappearing, residents relocating and things running amok.

However, according to economic experts, there’s an aggregation of dozens of projects varying in size, scope, and aspiration that is giving the “Motor City” a vibrancy it hasn’t seen in decades, and its image is once again changing.

“[Detroit] has made tremendous strides from where it was even just a few years ago,” says Dominic Russo, sales manager for Rocky Produce, Inc., a family-run wholesaler. “It was considered not a great place to visit, and people were moving away, but now we see a lot of people moving back. There’s electricity in the air and people feel good about it. It’s led by a big restaurant push with high-quality chefs, a ton of retail coming in and just a new beginning.”

Matt Cullen, president and chief executive of Rock Ventures — a subsidiary of Quicken Loans, which has invested $1.3 billion in revitalizing Detroit — is head of the Opportunity Detroit campaign to create an urban environment that attracts businesses, residents and visitors. He says the plan to make the area a better place to “live, work and play” is in full gear and now is one of the best times to come live in the city.

Riggio Distribution Company, an anchor tenant at the Detroit Produce Terminal, which services customers in the foodservice and retail industry, offers a full line of fresh and processed fruits and vegetables to both chain-store and independent customers of all sizes.

“The population has really shifted from the city of Detroit itself to the outlying areas; anywhere from 30–40 miles outside of the city, is where the population has gone,” says Vince Riggio, vice president. “In the past 5–6 years, the downtown area is really turning around, and hopefully the surrounding neighborhoods will follow suit. But for now, distributing in Detroit is mainly outside of the city in the suburban areas, which makes it different than other major cities.”

Riggio notes Detroit is very ethnically diverse, leading the country in Middle Easterners, with large populations of Iraqis, Lebanese, Greeks and Hispanics in the area. Being successful, therefore, is related to catering to this diversity.

“You’re starting to see many ethnic grocery stores popping up and many upscale gourmet markets, selling the diverse produce,” he says. “Ethnic diversity is a great thing when it comes to produce. We might ship 95 percent of one item to one area and it makes it challenging and fun at the same time. You have to know as much about the product as your customers do and work hard to know your customer.”

Riggio Distribution also operates a state-of-the-art, fresh-cut and re-packing facility, selling its processed product under the Aunt-Mid’s label as well as private label and institutional packs. The fresh-cut division has focused on bringing in more locally grown product into

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the Detroit area.

“One of the recent things we’ve been doing is incorporating more local into our operation and marketed as such, because people are interested in locally grown items in fresh-cut,” he says. “I think it has outpaced the need for organic in this market. We’re creating product that retailers and customers really want.”

Jeff Abrash, president and owner of Andrews Bros. Inc., located at the Detroit Produce Terminal, believes there’s a great cooperative spirit between retailers and the produce terminal merchants, so his company sources all the products the market needs. That means a broad line of fruits and vegetables from around the world.

“We like to think Detroit is a unique produce terminal because we’ve cultivated a strong following of independent retailers who source most of their produce from the terminal, so this is a good network of aggressive merchants and they are one of the bigger customer bases that we all sell to,” he says. “It’s a very competitive market, and we have a good, effective and reasonable supply for everyone, so these independents can be competitive against these super stores and major national chains.”

Abrash feels the secret to success in Detroit is hard work and paying attention to trends.

Nate Stone, general manager of wholesaler Ben B. Schwartz, notes the general public doesn’t always view Detroit as a vibrant and diverse food town, but he feels the wide array of produce options available to the customers is what makes it tick.

“Because the market is vibrant, and carries some great, interesting product, the customers are able to fulfill what they’re looking for, and their businesses are successful as a result of that,” he says. “Detroit is unique in the fact that we have outlets for mass quantities of produce.”

PRODUCE PLAYS KEY ROLE

Produce is playing an important role in the revitalization of Detroit.

Dan Carmody, president of the 124-year-old Eastern Market, a 4.5-acre one-stop shopping destination offering fruits and vegetables from as many as 250 vendors, hosts a retail market each Saturday that attracts 30,000 to 40,000 people. A smaller market on Tuesday allows for consumers to stock up on produce as well.

The Eastern Market also houses a wholesale market that runs from midnight to 5 a.m. for approximately 30-40 growers and 12 medium-sized produce houses from the area.

“What makes Detroit a special produce town is its rich heritage. Next year we’re celebrating our 125th anniversary here, and most metropolitan areas may have had something like the Eastern Market at one time, but most have gone by the wayside,” he says. “As Detroit is regaining some altitude in terms of its economy, we are working actively to expand the market district and take advantage of new technologies and interest in local foods.”

Carmody also thinks the agriculture department should get more credit than it does.

“It often gets shortchanged because of the focus on auto manufacturing, but in the state there seems to be an increasing acknowledgement that agriculture and, specifically fruits and vegetables, is perhaps the source of future growth and part of the economy that should be invested in,” he says.

“Michigan has great agricultural diversity with almost 150 different crops being grown in the area,” says Carmody. “Of the crops grown in the Detroit area, Carmody says the most notable ones are blueberries, blackberries, peaches, apples, onions, sweet corn, asparagus, broccoli and other greens.”

Sam Leonardo, president of Sam Leon-
ardo’s Produce, LLC, a wholesaler, says as one of the few distributors to cover most of Michigan, the company handles a great deal of the short-item business in the Detroit market.

“There’s a lot of diversity in our market and many different ethnic groups, so that creates a lot of specialty produce,” he says. “It also creates lots of different needs and wants across the region.”

Over the past year, the company has delivered to a variety of Detroit’s wholesalers, restaurants and retailers, with more than $13 million in sales. Leonardo is a big proponent of supporting local business.

Rocky Produce’s Russo says the company serves national chains, regional grocers, single produce markets and restaurants, with a healthy mix in its customer base.

“Detroit has a diverse customer base that consumes a lot of produce, which allows us to move a lot of volume in different sizes or different grades,” he says. “We have a very strong market for high-quality produce in our independents, as well as our chain stores.”

Rocky Produce sources as much local as possible, says Russo. “Many farmers do go directly to our customers, and we are supportive of those relationships. We are here to be a part of that in any way we can. However we can be a part of it, we will. There’s a lot of good produce that grows here.”

While the produce industry in the city is thriving, everyone has an eye on the future.

“We are constantly looking at ways to improve and what the next generation of terminal employees will look like,” says Abrash of Andrews Brothers. “If and when a time comes that change needs to be made, we hope we will be responsive and do so. Now, what we’re doing is working, and we have a very strong and occupied market. We don’t need to reinvent it today.”

While the city is making improvements, Stone would like to see some consideration into bettering the transportation infrastructure, saying improved roads and bridges would make it easier for companies to flourish.

The annual Michigan Restaurant Show allows growers to exhibit, and the show provides an outlet for restaurant owners and operators to meet local farmers.

In the 2015 National Restaurant Association (NRA) “What’s Hot Culinary Forecast,” Locally Grown Produce came in as No. 2 of the top 20 food trends — the same spot it held in 2014 and 2013.

Brian DeBano, president of the Michigan Restaurant Association, notes produce is an important part of any restaurant’s operation, and while trends for locally sourced food continue, so do the trends of healthful kids’ meals, nutrition, and hyper-local sourcing (house-made, farm-branded, artisan items).

“As produce contributes to each of these growing trends, its importance as part of a restaurant also grows,” he says. “The MRA offers allied membership to growers. As an allied member, a grower can then take advantage of many opportunities to connect with Michigan’s restaurant owners and operators.”

In addition, the MRA has positive working relationships with the Michigan Department of Agriculture and Rural Development, Michigan Farmers Market Association, and several different commodity groups, such as the Michigan Potato Industry Commission.

“As an example of those working relationships, the MRA and the Michigan Potato Industry Commission have teamed up for the third year in a row to offer The Great Michigan Potato Recipe Contest at the Michigan Restaurant Show,” says DeBano. “Recipes are submitted prior to the show, each recipe is prepared and judged, and the winning recipe takes home a cash prize. It’s a great opportunity to showcase Michigan products directly to restaurateurs.”

Some restaurants of note that do a great job of sourcing locally in Detroit include Roma Café, known for using produce sourced from their Eastern Market neighbors; Traffic Jam and Snug, which has a rooftop garden where it grows several items for use in the restaurant; and Brooklyn Street Local.

“Michigan’s restaurants sourcing produce/food from other Michigan businesses, growers, distributors, etc. is great for our economy,” says DeBano. “As the restaurant scene in Detroit, and all of Michigan, continues to grow, demand also grows for Michigan products. As an industry, Michigan’s restaurants represent nearly $14 billion in sales this year and account for 10 percent of all employment in the state — 415,500 jobs. In addition, for every $1 spent in Michigan restaurants, an additional 99 cents in sales is generated for the state economy.”
DETROIT RESTAURANT PROFILE

A RESTAURANT IN ACTION

Evan Hansen, a partner with Selden Standard, a popular Detroit restaurant known for its use of local ingredients, says Detroit is seeing the growth of many urban farms of varying sizes, so a lot of produce is being grown in close proximity to the restaurant.

“I think it’s a unique situation to have a significant amount of our summer produce being picked at perfect ripeness and dropped at our door by the farmer who is only a few minutes away,” he says. “Produce really drives our menu. We reprint it every week as the access to produce changes with the season. Sometimes we feature a special dish, and we’ve done a farm dinner with one of our Detroit-based farmers, but really, the produce is featured in most of the dishes every day.”

For the restaurant, local is everything. “There are so many fruits and vegetables that really only achieve the best flavor when ripened naturally and are picked at exactly the right time,” says Hansen. “To get those ingredients at the peak and be able to use them at exactly the right time requires we’re getting regular, local produce.”

Andy Hollyday, executive chef of the restaurant, says there are lots of great new restaurants opening in Detroit and across southeast Michigan, and staying local helps set them apart. “We’re one of several that are trying to let the freshest, best local ingredients drive the menu,” he says.

“One of the things that might set us apart from those other restaurants is how we prepare the vegetables we get in. We have a wood-fired oven and a wood-fired grill, so a lot of our produce is cooked quickly at high heat over wood, which obviously lends a very different flavor than other preparations,” says Hollyday.

Things change depending on what’s in season and available. For example, sweet pea agnolotti on the spring menu is now sweet corn agnolotti with tomatoes and eggplant. Or an entire dish might be featured on the menu to highlight particular produce, like its panzanella to showcase tomatoes, or a crudité platter highlighting all the great initial spring produce from Recovery Park, a local farm in the area.

“In the spring, the mushrooms and veggies on our gnocchi dish were Morels, Ramps, and peas; but as summer has worn on, we’ve moved into Chanterelles and baby carrots,” says Hollyday.

“Throughout the summer, we offer a rotating market vegetable mix we prepare with the same accompaniments, but the vegetables change based on what we get each day. It might be all Shishito peppers or it might be baby carrots with squash and Dragon Tongue beans.”

Selden Standard gets its produce from numerous places, including community gardens where the owners contribute. “We do use lemons and avocados and olives and other things that aren’t produced here, and we work with some great local distributors that treat produce well. But obviously, the majority of what we’re trying to get is coming from Michigan farms, some through wholesalers and some direct from farmers,” says Hollyday. “We work with a lot of farms in those capacities — Buffalo Street Farms, Fisheye Farms, Recovery Park, Salomon Gardens, Tantre Farms and a dozen others.”

Hansen says the restaurant utilizes produce that’s in season because it tastes the best. “We showcase those things in a shared plate, family style format so people can have a fun, sociable meal and try lots of new things,” he says.
outsiders to the city of Detroit might consider it an evolving wasteland with a reputation for not having fresh food available, but those who shop at Mazen Foods know there’s no better place in the city than this friendly, growing, 35,000-square-foot store.

Characterized by one of the largest produce sections in the city, complete with a very inviting array of flowers and fruit baskets, the store is a hit. Mazen Foods also has a strong meat department, bakery and deli, which has made it a staple in Detroit for decades. It even includes a Sav-Max Pharmacy and a pizzeria.

Located on Gratiot Avenue in Detroit, the store opened its doors in 1991, when five brothers from the Bloomfield Hills suburb decided to give the neighborhood what it was lacking. The store is named after another brother who was tragically killed in a car accident.

The store is run by Frank Jaddou, the oldest of the clan, who had led the brothers’ efforts in another, much-smaller grocery store years earlier, originally located across the street from Mazen Foods.

“This space was originally a car dealership, but we saw the need for a larger store — one that offered everything the neighborhood people needed in a grocery store. There are no large chains here,” says Jaddou. “Honestly,
“This is the season of stews and soups, and potatoes are in demand. People see the ad, come to the store and then stock up on our other produce items.”

— Frank Jaddou, Owner of Mazen Foods

no one was building stores in Detroit 20 years ago and no one was sure it would work — except us.”

Jaddou calls his product department “beautiful” and has three people working in the department.

“We have the best in town,” he says. “We source from Spartan Stores and the Eastern Market Terminal and have everything a customer could want.”

The secret to success, says Jaddou, is marketing smartly. Each week he creates a new special and makes sure to have sharp, large photos to attract the customers.

For instance, there’s an item in the September circular for Mazen Foods that offers two bags of 5-pound Idaho potatoes for $5. While there might not be anything special about the offer, Jaddou understands it’s an important part of keeping people flocking to the produce department week after week.

“You need to always give the customers what they want and have deals that they want,” he says. “This is the season of stews and soups, and potatoes are in demand. People see the ad, come to the store and then stock up on our other produce items.”

And it’s not just the ads that bring them in. Jaddou is a big believer in promotions and has instituted a monthly drawing for a $500 flat screen TV, which any customer can enter. He also offers a free pizza for every $100 spent at the store.

“These help in bringing people back in,” he says. “There’s more competition now and we want to make sure our customers stay happy.”

Jaddou is proud of the store’s produce department and insists there is good fresh food available at all times, blaming the media for negative talk about food in Detroit.

“They say Detroit is a desert of the stores, but no, Detroit has good independent people and offers a great way of life,” he says. “The people are great and Detroit is a beautiful town.”
Regularly ranked among the best places to live in America, the Twin Cities of Minneapolis/St. Paul, and a few of its suburbs, have a vibrant and diverse atmosphere. Restaurant variety and year-round outdoor activities provide some of the reasons for pride and optimism, and produce wholesalers and distributors in the Twin Cities are adapting to the evolving trends. While keeping their focus on food safety, produce distributors are continuing to develop products, packaging and services that make them stand apart from the competition. A centralized location in the Upper Midwest provides the added benefit of transportation-cost saving for retailers.

RETAIL PROFILE
The Twin Cities are home base for some key national chains such as SuperValu, Inc. and Target Corporation, which helps maintain the market’s retail strength. The region also has well-established independent retailers, who design each store to fit the demographics and ambiance of the surrounding neighborhoods. This includes family owned Lunds and Byerlys, celebrating more than 75 years in the area, and Des Moines, IA-based Hy-Vee, which is expanding into the Twin Cities. Produce wholesalers agree the combination of large and small retailer operations keep the market vibrant.

DIVERSE SEGMENTS
While the Twin Cities’ strong Scandinavian influence remains, the region’s diverse demographic profile provides a unique blend of cultures and ethnicity. According to a demographic overview of Minnesota in the Minnesota Compass (a social indicators project, led by St. Paul, MN-based Amherst H. Wilder Foundation, that measures progress in the state), Minnesota is still not nearly as racially diverse as the nation, but its profile continues to change. Today, more than 19 percent of the state’s residents are African-American, compared to only about 1 percent in 1960. Age trends are also transforming the state.

According to a report from the University of Minnesota College of Education & Human Development, immigrants from 160 countries came to Minnesota during the past decade. Immigrants born in Somalia outnumbered all others, followed by those born in India, Ethiopia and Mexico.

The U.S. Census Bureau reports more than half of Minnesota’s residents live in the seven-county Twin Cities region, with an estimated total population of 2.92 million. It is one of the fastest growing regions in the Midwest and is predicted to continue its rapid growth; adding a half million more residents by 2030.

Savvy Twin Cities wholesalers are aware of the importance of answering to the needs in these various demographic segments.

“Overall, the Minnesota economy is healthier than that of the average city and state,” stresses Phillip Brooks, chief executive of H. Brooks and Company in New Brighton, MN.

“Since things bottomed out in 2007, business seems to have been rebounding in recent years,” says Art Quiggle, vice president and head of tomato buying at Minneapolis-based Wholesale Produce Supply Company. The unemployment rate appears to be very low, which is reflected through Wholesale’s efforts to find help. “If you want to be working, you can be,” says Brian Hauge, president of Wholesale Produce.

As the economy continues to improve, several produce distributors report increasing demand for fresh-cut produce, organics, and locally-grown produce selections.

FRESH-CUT
“The latest food industry research shows fresh-cut is the fastest growing produce category in the U.S.,” says Nina Brooks Haag,
TWIN CITIES MARKET PROFILE

WHAT’S NEW IN THE TWIN CITIES
Wholesale Produce Supply Company, MN—

The company’s fresh-cut produce operation has moved into its new 23,000-square-foot facility built on its existing campus. This division had formerly been housed a few blocks from the company headquarters. Renovations at the new location in the Kasota Fruit Terminal, which formerly housed Twin Cities Produce, were completed in June.

“We completely gutted the building and added new refrigeration and equipment,” says company president Brian Hauge.

The upgraded equipment includes a “DiversaCut, which is the optimal cutting and dicing machine,” says Steve Beckham, director of operations for Wholesale’s value-added departments. There is also a combination bagger-and-scale machine from Matrix and eight Heinzen dryers.

This full-scale, fresh-cut produce processing operation produces a wide variety of fresh-cut fruits, vegetables, salads and dips. “It has been a great fit for us,” says Hauge. “It has allowed us to further integrate our buying practices and options with our vendor partners. It provides one more avenue by which our customers can do one-stop shopping from us. Our products are packaged to order, with next-day delivery.”

Packed under the company’s “Harvest Cuts” label, Wholesale Produce also offers private-labeling services. “And with our extensive transportation and delivery network already in place, we can make it that much fresher and more cost-efficient for them,” says Hauge. Another value-added WPS division, its potato packing operation, which had formerly been in Big Lake, MN, is now housed in a 19,000-square-foot facility at the Wholesale Produce headquarters. Onions are also packed in that building. WPS offers the “Harvest Crisp” label but also provides private labeling services.

Overall, the company’s various divisions will now encompass more than 150,000 square feet.

Also offering expanded services is the Wholesale Produce facility in Winnipeg, (Manitoba) Canada.

“It gives us the ability to order for same-day pick-up and to gain one day of extended product life, which is key in that area where we are delivering to long distances,” says Art Quiggle, Wholesale Produce’s vice president.

While WPS offers its international reach, it is also focusing on the locally-grown aspect for its customers. “Although locally-grown tomatoes are very challenging, we are handling them again and have added some more local growers this year,” says Hauge. “All of our local growers have USDA harmonized audits and are committed to food safety.”

Another addition to Wholesale Produce’s tomato products last year was an exclusive Midwestern distribution contract with Bejo seed for “Tasti-Lee” brand tomatoes. The company is the distributor for the brand into Iowa, Wisconsin, Illinois, South Dakota, North Dakota, Minnesota and Canada. “‘Tasti-Lee’ offers a great flavor, extended shelf life, and is the tomato of choice, without a doubt, for many of our customers,” says Quiggle, who is also head of tomato procurement for WPS. “We are not only supporting the locally grown initiative, but the ‘icing on the cake’ is the ‘Tasti-Lee’ brand.”

While sales numbers for several other commodities have enjoyed gains in recent years, tomatoes are still the largest volume item for Wholesale Produce. “We offer a full line of custom packs in conventional and specialty tomatoes,” says Quiggle. “But the increases of volume and offerings from many other items have been a big complement to our tomato program and have contributed to increased tomato sales.”

Packing under the company’s “Harvest Cuts” label, Wholesale Produce also offers private-labeling services. “And with our extensive transportation and delivery network already in place, we can make it that much fresher and more cost-efficient for them,” says Hauge.

Moebius H. Brooks and Company. “Already a $12 billion market, fast, fresh, and convenient platters, packaged salads, and more continue to generate record-breaking sales.”

To capitalize on this trend, and with a messaging strategy that focuses on produce that is fresh, healthful, tasty, convenient and locally prepared, H. Brooks launched the TasteBuds brand last summer. “Since the launch of TasteBuds, we’re getting rave reviews from our customers,” says Phillip Brooks. “They love the product line, packaging and brand — and their customers are responding even more enthusiastically than we had anticipated.”

More Twin Cities wholesalers have made upgrades to their facilities and expanded their offerings.

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WHAT’S NEW IN THE TWIN CITIES
H. Brooks & Co., New Brighton, MN—

This company, which celebrates 110 years of continual operation, launched a new label. “TasteBuds” is the new brand, which featured among its initial products a line of salsa and pico de gallo. Designed for distribution in produce departments and delis, “Our salsas are very unique and authentic,” explains Phillip Brooks, president. “We brought in a renowned chef from Mexico City to help us develop the recipes.”

The company has also introduced a line of deli salads in the “TasteBuds” label and has test-marketed the product in select stores. In addition, “We’re using locally grown food products (with the ‘TasteBuds’ label) to reach into school lunch programs,” according to Nina Brooks Haag, director of marketing and strategy at H. Brooks. “It’s been fun, and the kids like the products.”

Brooks says the “TasteBuds” products “are another of the steps we are taking to help make healthy eating easier.” These new products complement the full line of fresh cut fruits and vegetables. “It is one of our several value-added divisions which is doing very well,” says Brooks.

In another venture to help further the education of fresh produce industry enthusiasts, Brooks started Fresh Institute, which conducted its first class last fall. “This has been a dream of mine for years,” says Brooks. The curriculum includes a 2-year program with a variety of relevant topics designed to train and educate Brooks’ employees and others to develop career skills.

“We’re utilizing the ‘greatest hits’ of the experience we’ve gained through the years, and we are combining that with the latest business tools and techniques,” he says.

The focus will be on the operating practices of business. Various topics will include learning the best ways of selling and merchandising produce, critical food safety practices, learning the best ways of problem solving with co-workers and customers, and on innovation and teamwork,” says Brooks. There will also be a “train the trainer” program. “The class sessions will be taught by experts from around the world. We want to develop highly-trained and qualified people for the future of our company and for the produce industry overall,” says Nina Brooks Haag.

Approaching the busy fall season, Brooks emphasizes the company’s caramel apple division, which is commemorating its 57th year of making its own caramel apples. The company last year updated its caramel recipe, which earned favorable reviews. “We brought back some of the basic things that we put in originally to give it its classic flavor,” he explains. “At the same time, they have removed some of the ingredients that have become common allergens.”

Brooks features both the traditional line and the “Celebration” selections. Brooks Haag says the “Celebration” line includes upscale, gourmet selections such as the ‘Decadent,’ which is dark chocolate rolled in caramel and coated with pecans, more dark chocolate, and white chocolate.”

WHAT’S NEW IN THE TWIN CITIES
G.O. Fresh, Minneapolis, MN—

Scott Johnson joins the company’s team as vice president of sales and marketing, announces Marylou Owen, chief operating officer of G.O. Fresh. Johnson brings more than 35 years of industry experience to the company, most recently serving as regional sales manager at Fresh Connect. “His customer relations, industry knowledge, and unique experience in fresh cuts to the foodservice industry make him the perfect choice to head the G.O. Fresh sales team,” notes Owen.

G.O. Fresh also recently added an onion-peeling operation, which Owen says was a good complement to its long-offered pre-cut potato line.

Owen says the increase in sales of many of the company selections is reflecting the ongoing trend in people choosing more healthy food options. Kale has emerged as a surprising, healthy alternative. “Our shredded kale salad is very popular,” she says. “Kale can also be sautéed, or it can be used as an ingredient in a smoothie. That can add more antioxidant benefits to your delicious and healthy blended drinks.”

“Some of the regions that are more remote geographically now get daily delivery of value-added, processed produce and popular convenience items.”

— Brian Hauge,
Wholesale Produce Supply Company

Wholesale Produce Supply has seen an explosion of new orders from customers since it completely rebuilt its fresh-cut operations at its headquarters during the past year. With more than 570 different SKUs among its offerings, the higher-volume items include processed tomatoes and “grab-and-go” kits like cut-up pineapple.

“Transportation is more of an issue in the growth of our value-added items,” explains Wholesale’s Hauge. “Our distribution system gives customers the fresh product every day to areas throughout the Midwest. Some of the regions that are more remote geograph-
For us, turning 110 is a Piece of Cake.

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FRESH PRODUCE • ORGANIC • LOCAL • FRESH CUT • PACKING • PROCESSING • FOOD SERVICE • DISTRIBUTION
The development and expansion of the company’s organic greenhouse has owner Jim Hannigan enthusiastic. Hannigan has hired a master grower from Florida who will help transform the greenhouse. “It may possibly soon be the nicest greenhouse in North America,” he predicts.

Included in the innovative operation will be a process which “will actually reclaim the gray water from our processing facility and be used at the greenhouse, which will eliminate wasting that water,” he says. The initial project is in tomato-growing, “and we should have good production by Christmas with varieties including Heirlooms.”

Hannigan reports organics now encompass about 40 percent of J&J’s business.

Minneapolis-based G.O. Fresh, a processor of fresh pre-cut fruits and vegetables, creates proprietary and customized blends of specialty salads, salsas, vegetable medleys, and fruit combinations. Chief operating officer Marylou Owen says demand for these value-added produce options is on the upswing in foodservice as patrons appear to be returning to restaurants. “The restaurants I go to always seem to be full,” she says.

A growing target market for G.O. Fresh is school foodservice operations. The firm is developing smaller packaging — such as a two-ounce individual serving pack — to help schools provide fresh produce for its students. G.O. Fresh individual serving packs are also sold at universities and in convenience stores.

**LOCALLY GROWN**

Although their in-season availability in the Upper Midwest is short (six to nine weeks), locally grown fruits and vegetables remain among the hottest categories on the shelves of produce departments in the Minneapolis-St. Paul region. Products from Minnesota and nearby Wisconsin and Michigan have consistently surged in popularity when they peak during the summer and fall.

“We are huge in the home-grown category,” says Hauge.

“We only buy from growers that pass the third party audits from Primus, USDA, and Silliker.” Including its local potato-packing operation, Wholesale Produce Supply “will pack and ship more than 5 million pounds of local produce,” says Wholesale’s Quiggle.

“Amercians are buying locally grown like never before,” stresses Brooks. “Consumers want to know where their food was grown, who grew it, and how.” He notes that his company has “a long history of close relationships with farmers who harvest the most delicious and best produce.”

Jerry’s Foods, an independent retail outlet headquartered in Edina, MN, takes advantage of the steady demand for locally grown produce by offering free samples to consumers. During a special promotion in August, Jerry’s offered free ears of roasted corn to shoppers. “People love it,” says store manager Randy Drescher.

Festival Foods, headquartered in Vadnais Heights, MN, which operates nine outlets dispersed throughout the Twin Cities region, understands the appeal of locally grown. Rod Borden, director of produce for Festival Foods, emphasizes the consumers’ embrace of locally grown produce has made it a priority for the retail operation.

**ORGANICS HERE TO STAY**

Remaining a hot trend in today’s food industry, organics are here to stay, and Twin Cities wholesalers continue to offer a variety of products for the ever-expanding produce departments.

Maintaining a certified organic facility, H. Brooks and Company has remained focused on that segment of its customer base for years. “Organics continue to be a growth area for us,” says Brooks. “Whatever the niche might be for our retail customers, we want to help them simplify their supply chain and help them focus on how they can use their produce department to differentiate themselves from the competition.”

Wholesale Produce Supply Company also offers a full line for its customers and is organic-certified, with an area within its massive facilities dedicated to organic packing and distribution. Tomato varieties are among the highest-volume items, including round, cherry and grape tomatoes in the organic line. In recent years, “We have grown from shipping about 50 cases of organics per week, to over 1,000 cases a week,” says Quiggle.

Jim Hannigan, president of J&J Distributing, St. Paul, MN, notes that “We have some of the best organic buyers, hands down. We are highly respected in that arena.”

**FOODSERVICE SECTOR**

Although the “white tablecloth” restaurants seem to be holding steady, the mid-priced family-oriented restaurants are also gaining their market share. And a wide array of ethnicities is reflected through the diverse restaurants seen at numerous neighborhoods in the Twin Cities.

One example is the popular Seven Corners area near downtown Minneapolis, adjacent to the University of Minnesota. Within one square block, one can choose among Indian, Asian, Italian, Southwestern, Thai, Mexican and American restaurants.

“It seems that on-the-go consumers are still eating away from home as much as ever,” says Brooks.

H. Brooks has become “a great logistics expert for foodservice, and we provide assistance as expeditors in packing and distribution for our foodservice customers,” says Brooks. Ultimately, whether they are foodservice or retail customers, “people that sell through us get better bottomline results.”

“The Twin Cities consumers are becoming more educated and are looking for different varieties of produce. The first place they may see something new is at a restaurant, which features unique types and cuts of produce through an artistic presentation on the plate,” says Wholesale Produce’s Quiggle.

**STANDING APART**

Whatever the customer base, providing services that make the companies stand apart from the competition is critical.

“We partner with our vendors and with our customers to make us all better,” says Brooks. “People who buy from us sell more produce. Why? We teach them how to merchandise better. We deliver the freshest products to our customers in the fastest time. Those factors, combined with our family-style approach to business, keep us ahead of the competition.”

“Quality control is so imperative,” emphasizes G.O. Fresh’s Owen. “When it comes in the door, it is inspected by our receivers. If it doesn’t meet our quality, we refuse it.”

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**What’s New in the Twin Cities**

**J&J Distributing Company, St. Paul, MN**

The development and expansion of the company’s organic greenhouse has owner Jim Hannigan enthusiastic. Hannigan has hired a master grower from Florida who will help transform the greenhouse. “It may possibly soon be the nicest greenhouse in North America,” he predicts. Included in the innovative operation will be a process which “will actually reclaim the gray water from our processing facility and will be used at the greenhouse, which will eliminate wasting that water,” he says. The initial project is in tomato-growing, “and we should have good production by Christmas with varieties including Heirlooms.”

Hannigan reports organics now encompass about 40 percent of J&J’s business.
Jerry’s Foods
By Sandy Lindblad Lee

Strong independent retailers in the Minneapolis/St. Paul region provide healthy competition for the larger chains based here, and Jerry’s Foods provides an outstanding example.

Jerry’s frequently offers customers a wider selection of products than larger chains while maintaining its personalized service to customers that creates more of the small neighborhood atmosphere. And the produce department is a primary reason this independent chain maintains its loyal following, according to Dave Blenkush, produce manager at the Edina, MN location.

Owned by Jerry’s Enterprises, the corporation operates four Jerry’s Foods stores, with the most recent opening in Woodbury, MN. Each store is designed to fit the demographics and ambiance of the surrounding neighborhood. Jerry’s Enterprises also has ownership in several Cubs stores and Country Markets (a smaller format of a Cubs store) and last year acquired interest in several Rainbow stores that were sold by Roundy’s Inc.

The Jerry’s in Edina provides an attractive example of how effectively the company showcases its produce department. This was the original Jerry’s outlet, and last summer it celebrated its grand reopening after an extensive remodeling and expansion. Its produce department remains on top of the list of favorite areas for shoppers.

Attractive displays of conventional and organic produce from around the globe create impulse purchases, and the staff is available to answer any questions and help with making selections. Consumers in this region have been buying organic produce for years before its popularity surge across the nation. “We’ve always had a good organic section,” says Blenkush, “but we have been adding more display tables” in recent years.

Whether conventional or organic, produce is sourced from local, regional and international producers. Jerry’s also buys from several Twin Cities produce wholesalers including H. Brooks and Company, J&J Distributing and SuperValu.

A locally grown section is especially popular in late summer and early fall when fruits and vegetables grown close-by are at their peak. Nearby states of Wisconsin and Michigan provide more local supplies in addition to Minnesota’s produce.

On one Friday in late summer, Jerry’s offered a special price on corn-on-the-cob and served free ears of roasted Mexican-style corn to enthusiastic shoppers. Jose Payan of Tortilleria La Perla was onsite preparing the on-the-cob corn, which he slathered with mayonnaise and sprinkled with a thick covering of a parmesan cheese-dried chili pepper blend. The aroma generated from the roasting, along with the flurry of activity during preparation, drew a large crowd of observers.

Other popular sections of the Edina store are “the kitchen” and deli areas, which provide a colorful feast for the eyes. With “Hot off the Grill” and “Fresh from the Oven” options, diners may choose from chef-inspired entrees, salads and sides. There is also a soup and salad bar, a selection of imported and domestic meats, handmade sushi and a cheese market. Patrons can dine onsite in the restaurant or take it home, and catering services are also available. Custom orders can range from simple fare like sandwich trays to more elaborate entree choices.

In addition to the retail outlet in Edina, Jerry’s Foods has two other Minnesota stores in Eden Prairie and Woodbury, and a fourth in Sanibel Island, FL.

Dan Carrigan, produce director for the chain, makes sure his produce staff is experienced — Blenkush, for example, has logged more than 20 years in produce departments and is well-versed on the ever changing dynamics of the produce world.

Jerry’s began in 1947 when Jerry Paulsen was the neighborhood butcher at the Grandview Market in Edina. Paulsen seized the opportunity to buy the store when it came up for sale, and he opened Jerry’s Lucky Dollar.

Jerry’s Lucky Dollar continued to grow and expand into a full-service grocery store known for its quality meat and seafood departments. In time, the stores became known simply as Jerry’s Foods. Jerry Paulsen continued to work at the Edina store well into his 80s, until he passed away in 2013.
'Tis The Season — Baking Season — To Sell More Nuts And Dried Fruits

People's thoughts turn to family and tradition during the November and December holidays. Thanksgiving may be synonymous with Dad's wild rice-pistachio stuffing or Aunt Sharon's Jell-O salad with walnuts. Christmas might bring cravings for Grandma’s date rolls, rugelach or fruitcake.

Historically, "when fresh fruit wasn’t available, everyone went to what they’d stored and put away for the winter," says Linda Cain, vice president of marketing and retail sales at Valley Fig Growers, a grower-owned cooperative in Fresno, CA. That meant people found ways to incorporate dried fruits and nuts into their holiday dishes.

When this nostalgia bubbles to the surface, shoppers who don’t typically look for nuts will start seeking them. Produce managers should be ready.

"So often in produce, nuts are a snacking thing," says Mike Orf, assistant vice president of produce operations for Hy-Vee. The employee-owned grocery store chain is headquartered in West Des Moines, IA, and operates 237 stores in eight Midwestern states. "When you get into the holidays, people are using them for baking and in their special family recipes. We do think there's a place for the nuts that are more geared toward baking and lend them-
selves well to uses beyond snacking.

**THE BEST-SELLERS**

“The best-selling nuts during this time of year are baking items – mixed nuts, pistachios, walnuts, pecans and sliced and slivered almonds,” says Linda Johnson, vice president of retail sales at International Foodsource LLC in Dover, NJ, which is the company that manages the Valued Naturals supermarket snack program. “The most popular fruits are dried apricots, Thompson raisins, cranberries, figs and dates.”

“We typically see a spike in fig sales at the holidays,” says Cain. “There’s the ubiquitous figgy pudding but hardly anyone makes that anymore.”

Instead, people are putting dried figs in fruitcakes, gingerbread, rum balls, even pecan pie. They’re delicious dipped in chocolate or on flatbread pizza and other savory items.

“Pecans have traditionally been known as a nut that’s very favored during the holiday season,” says Helen Watts, executive vice president of King Ranch, a 150-year-old agricultural company, based in Houston. Besides pie, they’re great in quick breads, cookies, cakes and sticky buns.

“Pecan flour has become a sought-after item because it’s gluten-free,” she says. “That’s created a high demand for them as well.”

“The majority of domestic hazelnut sales happen during the holidays,” says Polly Owen, director of the Hazelnut Marketing Board in Aurora, OR. “Traditionally we think of including them in desserts and confectionaries, but it’s fun to jump out of that box.”

One of her favorite ways to use hazelnuts is to add a handful to stuffing. Bakers can also toss chopped hazelnuts into salads, muffins, brownies and candies. “It’s very simple,” she says. “You don’t need another recipe. You just take your recipe and add them.”

**WHOLE OR NOT?**

When it comes to nuts, packaged nuts are the most common form in produce departments. But around the holidays, many stores add whole nuts as well. “That November to December time frame is where we do 99 percent of our business on those items whole,” says Orf.

“We sell bulk in-shell nuts as well,” says Rick Rutte, produce director at North State Grocery, which is based in Cottonwood, CA and operates several stores under the Holiday Market brand. “They’re a steady seller all year but they definitely pick up mid-September through Christmas.”

Orf likes to put in-shell nuts in large display-ready bins because they have a smaller footprint. He also recommends cross-merchandising them with items such as bowls, nut picks and nut crackers. “It helps customers properly utilize them,” he says.

**HIGH VISIBILITY KEY**

The most important part of selling more dried fruits and nuts at the holidays is placing them in highly visible areas.

“Display bins are a nice way to merchandising them with items such as bowls, nut picks and nut crackers. “It helps customers properly utilize them,” he says.

**WHOLE OR NOT?**

The best-selling nuts during this time of year are baking items – mixed nuts, pistachios, walnuts, pecans and sliced and slivered almonds.”

— Linda Johnson, International Foodsource

**TOUT NUTRITIONAL BENEFITS**

During the holidays, many shoppers typically seek dried fruits and nuts for family recipes, so demonstrations and sampling is one route retailers use to increase sales. However, there are plenty of other ways

“People don’t always think about using hazelnuts,” says Owen. “They’re unique, so if they can be positioned as unique they’ll move. If they’re just sitting among the rest of the nuts, they might not get chosen because people are used to using other items.”

Nuts can be merchandised with dried fruit with great results. International Foodsource supplies farmers-market style bins that hold nuts, fruits and confections. “We entice the consumer because it’s like a one stop shop,” says Johnson. “It’s quicker to get them to make a decision.”

This year the company is providing drop-and-go pallet displays that hold the most popular holiday baking products. “We recognize that produce managers are busy,” says Johnson. “All they have to do is put these out. They don’t have to build displays.”

Placing dried fruit with fresh fruit can also be a great way to increase sales. “Figs do really well with things like oranges and other citrus,” says Cain.

“If you’re doing a promotion on bananas, do an apple cart display and put banana chips with them,” says Johnson. “Put dried strawberries with the fresh strawberries.”

On the other hand, nuts don’t tend to do as well when displayed with fresh fruit. “Pecans should be a standalone product and not mixed in with apples and oranges,” says Watts with King Ranch.
“We devote more space to advertising dried fruits and nuts at the holidays. More than anything it’s to remind customers we have those items and we’re a place you can come find them.”

— Mike Orf, Hy-Vee

to promote these items around the holidays. Playing up the health benefits of nuts can only boost sales. Hazelnuts are high in folate, vitamin E and healthy oils like monounsaturated and polyunsaturated fat. Pecans have more antioxidants than any other tree nut, as well as plenty of fiber, magnesium and phosphorus. Walnuts are rich in omega-3 fatty acids, and Brazil nuts have lots of selenium, which may help prevent breast cancer.

Dried fruit is also packed with nutrients. “Figs have more fiber than prunes, more calcium than an ounce of milk and more potassium than bananas,” says Cain. Dried cranberries are full of antioxidants. Raisins and dried apricots have lots of fiber, iron and beta-carotene.

Watts suggests marketing pecan pieces as “recipe ready.” “Most consumers are taking the pecan halves for their holiday baking and breaking them up,” she points out. “Traditionally, pecan halves have been the item everyone wanted to carry. From a produce perspective, there is a wonderful opportunity to promote pecan pieces — those that are naturally broken during shelling.” Besides being easier to use, customers can generally expect to pay less for them.

Another trick for offering consumers better value is larger packaging. “We do a promotion with a local walnut grower to sell 16-ounce bags of walnut halves,” says Rutte with North State Grocery. “They do really well during the holidays.”

International Foodsource offers a value bag during the winter months. “We change to a 12-ounce bag of mixed nuts to give better value to consumers,” says Johnson. “The per-ounce retail cost is lower than our everyday program.”

Rutte often recommends stores cross-merchandise dried fruits and nuts with baking staples such as flour and sugar. Strategically increasing advertising can also be helpful for increasing sales. “We don’t do a lot with them for print advertising, but we’ll put out an in-store ad,” he says.

“We devote more space to advertising dried fruits and nuts at the holidays,” says Orf with Hy-Vee. “More than anything it’s to remind customers we have those items and we’re a place you can come find them.”

Some of the promotions just come down to old-fashioned marketing and selling. “If you ask people what they like about hazelnuts, it will generally be flavor,” says Owen with the Hazelnut Marketing Board. “All the nuts provide wonderful texture when added to things, but they don’t all provide the unique flavor. Sell hazelnuts using flavor.”

“As with any retail program, you have to see what your customers are interested in,” says Rutte. “Years ago we used to do a lot of glazed fruits and fruitcake mixes and those don’t sell so well anymore.”
How to Merchandise for Maximum Sales
Your store’s floral area is so much more than a department filled with perishable products. Floral is your store’s opportunity to communicate the concept of Fresh and Healthy – the same message you want consumers to recognize as they purchase goods throughout the store. Floral is where you help your customers celebrate achievements whether grand or small. And in floral, amongst the potted orchids, seed packets, vases and bouquets, floral is the go-to department where shoppers turn when there is a significant event they want to commemorate. That’s quite a bundle of responsibility for one area but recognizing floral’s place in the grand image is valid because your customers notice when the floral department presentation does not align with the rest of the store. Merchandising matters in floral the same as it does in other perishable departments. Your fresh seafood has fresh ice, right? Well, your fresh floral bouquets should have fresh water. Merchandising for more rings is vital, not just at holiday time but every day. That’s why we are providing Produce Business readers with this sixth edition of Floral Masters of Merchandising. Through this photo-filled “advertorial” approach, the sponsors of this supplement have combined promotion and education to help retailers sell more floral items. Master of Table Top Gardens is Penang Nursery, a grower known for its Lucky Bamboo, creative foliage décor gifts and innovative containers. Master of Contemporary Floral Merchandising is Sunshine Bouquet Company. Its message is for retailers to encourage customers to enjoy creating floral designs with provided recipe cards and to follow up the experience by posting photos on social media. Master of Fresh Cut Flower Bouquets and Arrangements is The USA Bouquet Company. Ready to assist retailers with market-driven promotion programs, the bouquet distributor has an abundant line of themed bouquets ready for cross-merchandising throughout the store. BARO’s back cover message is to prompt supermarket retailers to use fresh light for fresh products. Retailers, take advantage of our offer to send you a PDF of this supplement or printed copies of this guide (while supplies last) to share with store managers. If you are a floral vendor and would like to see your category in the next Floral Business Masters of Merchandising supplement, please contact me, E. Shaunn Alderman, Floral Department Marketing Strategist, Floral Business, 561-703-4010, SAlderman@phoenixmedianet.com.

E. Shaunn Alderman
Floral Business

Floral Business Masters of Merchandising is an advertising supplement in Produce Business. In addition, Floral Business — a magazine providing important how-to information on topics such as pricing, labor, space-to-sales, seasonal promotions, care and handling, value-added services, etc. — is published and inserted into Produce Business in the March, June, September and December issues.
Beyond selling Lucky Bamboo, hanging baskets, exotic bonsai and potted money tree plants, Penang Nursery, Inc., helps retailers create repeat customers. This has been happening for more than 30 years! Located in Apopka, Florida, the Indoor Foliage Capital of the World, grower and distributor Penang Nursery, Inc., is known for its Panda Garden® table garden designs and innovative containers for plants enjoyed at home and in the office.

With POP material and signage, Penang makes it convenient for retailers to turn the floral department into a gift center for customers seeking unique plant and foliage designs. Consumers are wild about posting plant and indoor gardening photos on Pinterest and Instagram. Your store will have them coming back for more when they see our glass terrariums, collectible succulents, air plants and Lucky Bamboo!

Create Year-Round Gift Centers

Plants in containers offer lasting value to consumers. Create foliage and tropical plant displays during non-holiday periods and use signage to remind shoppers of all the “just because” gifts they can purchase for themselves or someone else special. Display a new sign every month showing a calendar page indicating wacky celebrations or exceptional events such as Houseplant Appreciation Day (January 10), National Yo-Yo Day (June 6), and Left-Hander’s Day (August 13). Penang Nursery regularly attaches To/From gift tags for customer convenience.

Have Fun!

Seasonal displays should visually capture the attention of your customers’ eyes. For example, in your Spring Has Sprung merchandising effort, include a mass display of Penang’s bright Easter Chicks with Foliage. Colors and cuteness matter when presenting holiday gifts often purchased for children or for home holiday decorations.

Give Enough Shelf Time

Customers may not necessarily buy plants the first time they see the display so leave displays up to allow for return shopping trips and last-minute purchases. Take advantage of the day after a holiday with reminder signage saying: “Forgot Someone? It’s Not Too Late.”

Provide Care Information

Repeat sales result when customers feel successful with their plants. Penang Nursery offers care and handling information for your floral teams and as pass-along material for your customers.
CONTEMPORARY FLORAL MERCHANDISING

Sustainability Is Key

Consumers these days are more drawn to retailers that invest in Corporate Social Responsibility (CSR). A survey by Cone Communications and Echo Research found that 87 percent of global consumers factor CSR into their purchasing decisions. Customers want to feel the money they are spending isn't going into one person's pocket, but is truly making a difference. Sunshine Bouquet invests a lot of time in making sure our employees in Colombia are taken care of. By providing them with dental and health care, as well as education, we were able to raise the standard of employees in the industry — it's a value that's intrinsic to our company. Sunshine Bouquet is extremely proud to have recently been the only floral company nominated by AXA Colpatria (an entity recognizing companies in Colombia committed to safety and health at work through innovation and development). When retailing your floral department, the mood should reflect sustainability through your product, displays, packaging and cause marketing campaigns.

Look For One Thing To Make A Group

Arrange products by use or similarities. For example, put together all items related to creating and designing your own bouquet. Don't dilute the theme or display with unlike items or “frill.”

Social Networks Will Serve As Shopping Platforms

Make sure your social media is regularly managed! It can be difficult for supermarket floral departments to obtain marketing assistance from the chain’s marketing department because of the comparative sales to other departments. However, if you consolidate promos, everyday items or roses from one vendor, you should be able to request links for your store’s website, or an agreed upon number of uploads to your brand’s social media accounts to support your offerings.

Personalization

Customers crave customization. When they walk into your store, they want to feel the connection between the store and the community. Creating “regional-specific” bouquets or those grown with local product help create the sense that a floral program is catered to the community.
Sophisticated and contemporary, the Quartets collection is perfect as a vase-ready bouquet, tablescape or smaller arrangements.
Look to The USA Bouquet Company to help drive bouquet sales in the floral and produce departments and throughout the store. USA Bouquet is a leading national distributor of fresh-cut flower bouquets and arrangements. We partner with the best growers worldwide to assure delivery of variety, quality and competitive pricing. The USA Bouquet Company is the only major floral distributor with full-service locations in six of the country’s main ports of entry — Miami, FL, Atlanta, GA, Cresskill, NJ, Chicago, IL, Dallas, TX, and San Diego, CA.

Simply Significant
Masterful merchandising is magical when all of the elements click. Our Ready-to-Display flower shippers are known to increase sales and reduce shrink, based on the ease of implementation at store level and the presence of the relevant signage and POP material. These labor-saving displayers allow for a consistent presentation. The shippers can be configured with bouquets and plants, or a multitude of floral gift combinations.
- Less labor is needed to achieve inviting presentation when display shippers are used.
- Spur potential impulse sales by placing convenient shippers at check-out, grab-and-go areas or by greeting cards.

Cross-Merchandise For Maximum Exposure
Reach floral customers beyond the floral department with USA Bouquet’s many market-driven promotion programs. Our Essential Living Program joins seasonal fruit and produce with floral bouquets that promote recipe ideas. USA Bouquet’s options for cross-merchandising include Cool Quenchers, Sweet Treats and The Bake Shoppe Collection. Cool Quenchers tie in fruit and other supermarket items to make a refreshing drink. Sweet Treats and The Bake Shoppe Collection are a creative way to sell baked goods from the bakery department or encourage home baking. Some of the bouquet lines include recipe cards — a hit with consumers! Try cross-merchandising in the wine department and inspire your customers with our Vintage Collection featuring bouquets named Beaujolais, Merlot, Chardonnay and Blush. For additional cross-merchandising ideas please visit: www.usabq.com.

Provide Give-Back Opportunities
Connect with customers and generate sales by offering bouquets promoting or supporting cause marketing campaigns. National, regional or local causes give customers the opportunity to “give back.” A shopper who doesn’t normally buy flowers may do so for a greater cause such as the American Cancer Society, Autism Speaks, American Forestry and American Heart Association. The USA Bouquet Company is involved in several cause marketing programs and has found them to drive sales. Ask about our customization program for creating bouquets supporting local causes significant to your region.

Promote Social And Ecological Responsibility
Customers are increasingly aware of and concerned about the wider implications of their purchases. Assure your customers the flowers you offer are grown in an environmentally friendly and socially responsible manner. The USA Bouquet Company has certifications in place to ensure all flowers grown and harvested meet specific social and environmental standards. We promote participation in the Rainforest Alliance Certification Program and we partner with Fair Trade Certified farms. Farm workers are given the opportunity to invest in the development of their communities, have better schooling for their children and work in an environment using sustainable farming methods.

Local And Global Sourcing
The USA Bouquet Company sources more than 200 million stems annually. Product is procured from several source countries and a large percentage is purchased from U.S. domestic growers. Our market-driven model allows us to offer a global variety of products and offer our customers the security of consistent supply. Our national manufacturing and distribution footprint enables our team of more than 500 employees to expertly serve our customers.
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Is celebrated in many countries around the world in the month of March
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PROUD
The Fallacy Of Produce Time/Labor Studies

BY DON HARRIS

O
ten during discussions on strategic planning, management brings out case studies from industrial engineers to illustrate the amount of time that should be allocated for each department to accomplish individual tasks. Much of the allocation of labor is determined by the studies of how long it takes to perform a particular job. To some in management, this is the ultimate measure of how much labor is needed to accomplish the basic tasks of the department. In produce, and I’m sure in other departments as well, this is not the case. This proves once again management “just doesn’t get it!”

Industrial engineers are notorious for being very precise and unyielding in the time measurement it takes to perform any task within the produce department. These measurements in “nano” seconds are examined and re-examined to ensure measurements are accurate and efficiently account for every part of the task. This scientific approach utilized by engineers is designed primarily for manufacturing-type functions and other more robotic tasks. It is certainly not designed for the workings of the produce department.

Since produce is comprised of human “machines” there is a large variance in terms of speed and capability between the various members of the department. For example, one may be able to perform a task far more efficiently than another and yet be extremely inefficient (in terms of scientific measurement) at another task.

The other fallacy of a time study is it cannot accurately measure or project how long it takes to “merchandise and sell” the produce department to customers. This customer-relations aspect has always been one that was not taken into account and sometimes overlooked when planning a labor budget. Sometimes an “average” amount is used to account for this particular task in a labor budget, but because of its non-precise nature, this is the first area that is cut or “trimmed” when eliminating or reducing costs.

Utilizing time study measurements and the planning that is subsequently developed is a standard tool for management in the larger retail companies to “efficiently use labor.” Over the years, produce management always questioned the validity of these measurements and the lack of functionally correct allocations of labor for the intrinsic aspects of the department’s operation.

Industrial engineers with their scientific mentality have a very difficult time grasping the concept of customer service, selling on the sales floor, and interaction with the customer. As we stated earlier, often this lack of understanding is passed off with an “average” figure of time for these “nonproductive” activities (in terms of task completion) in order to pacify the demands of the produce personnel. When push comes to shove, management will always look to cut this allocation of labor first when looking to reduce costs. In all, this entire process is extremely shortsighted in terms of growing the sales and perception of the produce department and ultimately the reputation and perception of the store.

In an era where technology and scientific advances along with data management dominate our working lives, it is difficult to fight these trends. However there are many retailers, mostly medium and smaller ones, who are bucking this trend and using actual observation and practical experience to determine the amount of time and emphasis that should be placed on these “non-productive” activities. It is not by accident these retailers are generally far more successful at driving sales as well as improving their reputation in the eyes of customers. This may be a case where technology, data, and science are overrated and might even be considered unnecessary. In retail management’s all-consuming drive for efficiency and focus on utilization of assets, it may be doing more harm than good by adhering to the scientific concepts without considering the “softer” concepts of successful merchandising.

While progress, and the march of technology that goes with it, is a good thing in most retail activities, it is not a conclusive and successful method of developing, advancing, and improving the operation and success of the produce department.

While progress, and the march of technology that goes with it, is a good thing in most retail activities, it is not a conclusive and successful method of developing, advancing, and improving the operation and success of the produce department. Management would be well advised to use less of a scientific approach and more subjective measures to be sure the customer is satisfied. This approach would go a long way to solving the myriad challenges faced by produce retailers when trying to meet goals and provide customers the type of produce department they deserve.

Don Harris is a 40-year veteran of the produce industry, with most of that time spent in retail. He worked in every aspect of the industry, from “field-to-fork” in both the conventional and organic arenas. Harris is presently consulting and is director of produce for the Chicago-based food charity organization, Feeding America. Comments can be directed to editor@producebusiness.com.
wholesale market

Speak Up When You Get The Chance

BY ALAN SIGER

In my 40-plus years in the wholesale produce business, I’ve done scores of interviews with television, radio and newspaper reporters. Any event that might have the potential to disrupt the fresh produce market — a freeze in a growing region, a spike in fuel prices, or a food safety recall, usually resulted in a call or visit from the local media. Oftentimes, reporters were looking for a story that was not there; they almost seemed disappointed when I told them the latest freeze in citrus country would not result in empty shelves in the produce department at local supermarkets. I like to think I developed a reputation among the local media for being honest and straightforward on issues — even when what I had to say may not have been what the media wanted to hear.

My first experience with the media occurred while I was working on the Pittsburgh Terminal Market in the mid-1970s. A local radio reporter was looking for someone to comment on a spike in lettuce prices, and I was the only person willing to speak with him. I don’t remember much of what I said, but I do remember him asking if he could call me the next time a question about our industry came up. A local newspaper reporter heard the radio interview and called me to ask about the same issues for an article he was writing. From there, a couple of television interviews followed. Soon my name wound up on a bunch of folks’ rolodexes as someone to call anytime they had a produce question. In early 1983, I even did a live interview with Bryant Gumbel on The Today Show about the effects on produce pricing posed by a pending independent truckers’ strike.

Years ago, our local network affiliates had 30-minute newscasts around 6 p.m. Now, the afternoon local news is as long as three hours. That’s a lot of air to fill and puts more pressure on the news staff to find material. Earlier this year, I received a call from a local television business and political reporter to follow up on a voicemail he received from an over-the-road trucker. The trucker told him that the California drought was causing vast shortages of produce, which was resulting in some trucks being shipped East half empty, and others waiting several days to load.

I told the reporter that although there were some higher prices on certain vegetables, such as lettuce and broccoli, these were caused by short-term weather problems rather than the drought. These conditions may cause a truck to lay over a day to finish loading, but that was not particularly unusual, as our industry is accustomed to short-term market fluctuations caused by abnormal weather. I told him gaps in planting may result in further price spikes during the next couple of months, but that again was something our industry has seen before. I concluded my phone call by telling him I didn’t think there was a story there. He told me he was going to follow up with the trucker and get back to me.

I never heard back from him, but two nights later, as I was watching the evening news, the anchor teased the upcoming segment with the words, “Produce Shortage” flashing on the screen. The reporter used a local produce retailer as his source, and the first words out of his mouth were: “Since there is such a lack of water, there is wilting on the ground, and you have to realize that if the product is wilting, the quality is going out of it; the moisture is going out of it.”

This was followed by comments from others in the store including: “The produce is not of its normal color or texture; the quality is less; yeah, dryer — kind of like rotting.”

The segment then shifted focus from the weather to the lack of labor in the fields; one source was quoted saying: “There are truckers that are driving past fields that are full of product, and there’s nobody to pick it; the workforce for the produce industry is predominantly the illegal immigrants.”

Yes, the weather caused some issues in the supply chain. Yes, there is a major problem finding workers. However, there is a right way and a wrong way to deal with the media on tough issues, and this interview would be a classic example of the wrong way. The retailer stood in front of the camera and told the viewing public that the product he was selling was no good, and that his suppliers were breaking the law to produce that product.

A more effective way to phrase this message could have been: although the hot dry weather in California may be causing some bumps in the supply situation, there is access to plenty of product from other producing areas — including locally grown produce — and there will be plenty of fresh tasty product on the produce stands.

When asked about the labor shortage, it was a wonderful opportunity to emphasize the need for comprehensive immigration reform in the United States, and the produce industry is committed to working toward achieving that goal.

I had a chance to speak from an informed perspective and send a positive message about a tough situation. Instead, I let others speak for me, and the result was incorrect information to the consumer. I won’t make the same mistake the next time the opportunity presents itself, and you shouldn’t either.

Alan Siger is chairman of Siger Group LLC, offering consulting services in business strategy, logistics, and operations to the produce industry. Prior to selling Consumers Produce in 2014, Siger spent more than four decades growing Consumers into a major regional distributor. Active in issues affecting the produce industry throughout his career, Siger is a former president of the United Fresh Produce Association.
Organics Filters Into Mainstream

BY MICHAËL WILDE

We all know that organic food is increasingly popular but recent European growth figures caught industry professionals (on this side of the Atlantic) by surprise.

THE PULSE OF ORGANICS

When it comes to global retail sales for organic products, the U.S. and Europe have an equal 43 percent share. If you then look at how this share is built up amongst the different European countries, it will come as no surprise that Germany and France are jointly responsible for around 50 percent of organic sales, and these markets are continuing to grow significantly. What is surprising everyone are the figures coming out of Sweden. Following a growth last year of 40 percent, Swedish retailers (ICA Gruppen, Axfood and Coop) are once again reporting impressive first half figures for 2015, and expectations are that this year will be even better than last year. ICA, for example, is reporting 58 percent growth; Axfood is following suit with a 48 percent growth rate. So what exactly is going on in the land of Abba, Volvo and breathtaking countryside?

A couple of years ago — following some recent, well publicized pesticide scandals (e.g. grapes, bananas and wine), and a strong “Go Organic” campaign from environmental NGO “Naturskyddsföreningen” — the Swedish Supermarket chains, instead of “battening down the hatches” and “bracing for the storm,” embraced the opportunity. First and foremost, despite the rising demand, these stores did not raise prices. In some instances, prices were lowered.

Furthermore, on the communication front, these stores started collaborating closely with Swedish Organic Certifier KRAV while simultaneously choosing to lose the packaging for organic fruits and vegetables. All these measures ensured that a potential short-term reaction to the pesticide scandal led to an impressive sustainable growth that is expected to continue for the coming years.

Sweden is no exception. Other European countries such as Austria, Switzerland, Denmark, The Netherlands as well as the aforementioned organic giants Germany and France are all showing the organic market is becoming mainstream for consumers.

ON THE FLIP SIDE

Although demand is rising fast, organic production is lagging behind, and this is concerning professionals in the organic sector. Despite an interesting financial proposition, farmers in Europe are hesitant to switch to organic agriculture. Generally speaking, European farmers are older and not so keen to change their ways. Unfortunately, their sons and daughters prefer a job in the city than on the land. Furthermore, subsidies for bio fuel crops and good prices for non-organic fruits and vegetables (in Germany, for example), are leading to an ever-growing gap between demand and supply. Although this gap offers opportunities for traders from other countries, it is also seen as the biggest brake on growth.

The challenge, therefore, is no longer to inform and motivate consumers to choose organic products but to find growers that are willing to farm more in harmony with nature.

Michaël Wilde is the communications and sustainability manager at Eosta B.V., a Netherlands based international distributor of fresh organic fruits and vegetables. Eosta is not only known for its innovative Nature & More trace-and-tell system but also for its effective campaigns. Currently, with 200 partners (including the FAO), the company is raising awareness about soil through the Save Our Soils campaign.
BY BRIAN GANNON

I’ve seen the supermarket industry go from having no “loyalty” cards, back in the day, to many retailers now offering them. More recently, some retailers advertise having “no” loyalty card as an attraction for competitive advantage.

I even remember the “simple” loyalty card: children received a card and they could gain hole punches for a certain hand-held fruit they wanted to enjoy while shopping with their mom or dad. This attempt was a play off the free cookie program in the bakery. It was also an early way of rewarding and promoting fresh produce consumption.

Back then, and still to this day, the best “loyalty” program was, and still is, a fresh, clean, high-quality produce department. Over all my years in produce, study after study continuously confirms produce is the leading fresh department for keeping current customers “loyal,” and is the best “tool” for attracting new customers. Additionally, the icing on the cake for all this notoriety is frequent produce customers, on average, have the highest basket totals.

With that being said, it always puzzles me as a consumer that during the evolution of “loyalty cards,” I still don’t see retailers “talk to me” and reward me for my heavy produce purchases (at least not where I shop, and I have three loyalty cards). Many of the retailers I shop appear to use the loyalty cards not to make me more “loyal,” but more as a gateway to getting the savings on the weekly circular ad or the season-long discount program.

Additionally, many retailers will use the collected data, which extrapolates that I’m buying a branded SKU, to offer me a discount on a similar private label SKU. And much of what does get offered at discount is really being funded and driven by large CPG companies, with the goal of funding a discounted enticement to get me to switch from items I show a habit (or enjoyment) of buying.

There’s something very intriguing about the current work being done with the SNAP Program (Supplemental Nutrition Assistance Program; formerly known as Food Stamps) and the Fair Food Network in cooperation with specific Spartan stores in the Detroit area. Essentially, customers’ “fresh” produce dollars (up to $10) are matched for a future purchase of local fresh produce. Word is that this has been very successful at getting the repeat purchase from customers receiving the incentive. Being a heavy produce purchaser myself, and thus a very profitable overall store customer, I would love a loyalty program that not only talked to me but also showed it understood my purchase history and gave me a reward on future purchases of produce.

Retailers that do not offer loyalty programs as a competitive tool basically practice a marketing philosophy that says: the store will not complicate life, just come in, and save. If a retail competitor is using this angle with a card program, you need to ask yourself, and your customers, if your card program is more than just a hassle to get advertised prices.

Think beyond whether or not a retailer has an effective loyalty card program that promotes more fresh produce consumption. If your company packages UPC’d SKUs for consumers, think about what you can do to create your “own” loyalty program. This can be accomplished through QR codes or website links on packages that allow customers to engage. By doing so, you start a relationship and offer rewards for purchases. Find ways to continue and build on the relationship as well.

For years, Driscoll’s invested in point of purchase work, developing relationships with consumers. Of late, the company’s most recent program very effectively reaches out asking customers to sign up for a “Consumer Panel” and complete surveys off the SKU-specific code on the bottom of the package. The more surveys the customers complete, the more Driscoll’s rewards them with offers. By engaging with the end consumer, Driscoll’s gets valuable feedback on the at-home experience, rewards the customers for taking the time, and builds long lasting, and loyal consumers. This is a way to reward loyalty directly, rather than relying solely on promoting more produce consumption through the retailer to the consumer.
“Never trust anyone over 30.”
Jack Weinberg coined the phrase. At Berkeley.
The Free Speech Movement back in ’64.
But Jack Weinberg is 75 now.
Wonder if, now, he thinks differently?

There is something in America that loves youth — the purity and the hope.
Each generation is a portal to the future, and we pray for better times.
But time well lived is a blessing too.
If you were paying attention.

There once was a show on Broadway, and each night the curtain call was long.
Yet the applause was not loudest for stars Ben Vereen or for John Rubinstein.
The applause went longest for a woman who sang:
Here is a secret I never have told
Maybe you’ll understand why
I believe if I refuse to grow old
I can stay young till I die
That is how we will go forward.

The challenge is acute. Joplin sang the words Kristofferson wrote:
Freedom is just another word for nothing left to lose
So to be brave is easy when you start,
But many shy away when they have something to lose.

But we have our way. And we will remember the applause
And hear Irene Ryan sing more:
I’ve never wondered if I was afraid
When there was a challenge to take
I’ve never thought about how much I weighed
When there was still one piece of cake

We are lucky.
Thirty years later, and we have more ideas now than we had then.
And more ways to make a dream come true.

In the old days, “-30-” was how copy editors said “the end”
But they didn’t have desktop publishing
Or the Internet
They didn’t have the Perishable Pundit
Or shows in New York and London.

Jesus began to preach at 30 …
Joseph stood before Pharaoh at 30 …
King David commenced his reign at 30 …

Weinberg misunderstood trust.
Thirty is when you finally have enough credibility to begin.
The first 30 is foundational.
We start now.
Trust us.

By Jim Prevor
Receive supplier information fast by using the Produce Business Information Showcase. Here’s how:

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<td>800-995-7753</td>
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OLEEN SMETHURST
General Merchandise Manager
Costco Wholesale | Retailer | CANADA

See her PMA story at pma.com/stories/OleenS
A n entrepreneur who saw opportunities and had the courage to go after them, the late Walter Holm is best known for fostering the notion of year-round tomatoes and helping to build a foundation for the Nogales, AZ produce industry. Walter Holm & Company was among a handful of early produce businesses that led by example through exceptional quality control, innovation, marketing, service and fair employment practices.

After the denationalization of the Mexican produce industry in 1934, Holm organized the Mexican Produce Company and began to import produce via Nogales. His drive led him to form Walter Holm & Company in 1946 to initiate a new concept: to repack tomatoes in Nogales year-round in cellophane-wrapped cartons for retail markets nationwide. This drastic change from car-lot tomato distribution to consumer retail markets required an unprecedented investment in a state-of-the-art plant.

"My Dad loved business, the art of negotiating, closing a deal, and most of all, finding a new venture — something yet undetected but needed in the marketplace," says Walter’s son, Axel Holm. Walter’s idea of marketing branded tomatoes and his ability to bring the concept to fruition was decades ahead of his time. "To maintain a consistent supply of uniform Holm tomatoes, my Dad sourced product from Mexico, Texas, and California," says Axel. "It was a unique and brilliant idea in the fresh produce business. Year-round tomatoes in Nogales not only broke new ground in the national markets, but provided Nogalians assurance their produce jobs were not seasonal, but year-round."

Walter was also one of the first in the industry to utilize refrigerated trucks. In the early 1950s, he established a truck business in Mexico to haul produce from the fields to the border over the recently completed Federal Highway 15, which runs between Nogales and Mexico City.

In 1944, Holm played an instrumental role in forming the West Mexico Vegetable Distributors Association (now the Fresh Produce Association of the Americas), along with other industry pioneers. The association’s objectives aimed to allow the industry a stronger say and representation in matters affecting the growing industry and to facilitate transactions between growers, distributors and buyers. In 2011, the Fresh Produce Association of the Americas (FPAA) honored Walter as a pillar of the produce industry.

Most recently, the FPAA in conjunction with Southwest Folklife Alliance (SFA, a nonprofit folk arts organization and the University of Arizona), began working together on an oral history project, The Crossroads of Confianza: A Study of The Fresh Produce Industry in Nogales, Arizona. The project tracks the development of Nogales produce pioneers, such as Holm, and the industry’s expansion. The project will eventually become part of the United States’ rich history in the Library of Congress.
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