



THE NEW YORK
PRODUCE SHOW
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CELEBRATING
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NYC • DEC. 1-3, 2015

6th Annual
**CELEBRATION OF
FRESH PRODUCE**



TRADESHOWS: PUBLIC, PRIVATE OR BOTH?

By John Pandol

I'm confused! In the United/PMA merger talks of the not too distant past, a benefit considered was the elimination of a redundant tradeshow. Since then, many new tradeshows have been created. What's going on? Are we slimming down or bulking up? Do we need more, less or different?

Produce tradeshows fall into three categories: invitational, association-sponsored and private. Invitational tradeshows are held by intermediary wholesale organizations or retailers, who invite their customers and suppliers into a common venue for a mini tradeshow. Typically expensive pay-to-play for sellers and subsidized for the buy side, there is a lot of pressure on the sellers to participate in these shows.

Association-sponsored tradeshows are both a member service and a fundraiser. The growth in the past few years has been largely in private tradeshows, private enterprises that host tradeshows as a line extension of their other activities.

The big exception is the New York Produce Show and Conference, being a joint endeavor of an association (the Eastern Produce Council) and a private enterprise (PRODUCE BUSINESS magazine).

The classic Marketing-101 reason to consider a tradeshow is the possibility of accomplishing more marketing, sales or sourcing for less cost and in less time than by other means — assuming it is even possible by other means. The goal may be product introduction, brand building or maintenance, lead generation, closing sales or “keeping up with the Jones.” Yes, there is a certain fear factor that if my company doesn't attend and my competitor does, I lose or miss something.

Who participates in a tradeshow and why fascinates and puzzles me. Is it only about buying and selling or are there other benefits to attending? If there are business opportunities to be had, location shouldn't matter, but it does. If I'm chasing buyers, the show should be located close to where the buyers are, or a



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Most regional shows have up to three presentations. The New York Produce Show has three DAYS of presentations. ...

place buyers are willing to go.

Many uber-large retail and wholesale organizations think they have no need to come to a tradeshow. After all, the show comes to them. Category captain suppliers with staffs of marketing, category management and merchandising people frequent their buying offices. Scripted presentations take place in austere little meeting rooms that have all the charm of the principal's office. There is data, data and more data, followed by spreadsheet after spreadsheet of analytics. Sometimes there is new product show-and-tell, but most of the energy goes into data, endless spreadsheets

and conclusions that support the suppliers' latest sales goals.

In New York, I get no data or analytics. At the New York Produce Show and Conference, I get something far more valuable: information and insights, far more than the other events I attend. You know, insight? Having that accurate and deep intuitive understanding? The members of the Eastern Produce Council are out in force for the event, along with “a few thousand” regional, seasonal and national players, college students, chefs and assorted others — all interfacing with parts of the produce world with whom one does not normally deal and this provokes new learning and thinking.

PRODUCE BUSINESS brings the ideas — lots of ideas. This isn't the varsity; it's the all-star team. Most regional shows have up to three presentations. The New York Produce Show has three DAYS of presentations: one day devoted to international trade (the Global Trade Symposium); one day mostly devoted to university research and broader outreach (Educational Micro Sessions, held concurrent with the trade show); and one day devoted to the foodservice industry (Ideation Fresh Foodservice Forum).

Two presentations got my attention as few have. One from an African [Johan Dique of South Africa-based Capespan Group Limited] and the other from a European [Simon Martin of UK-based QV Foods Group], both identifying challenges within the industry but very spot on in their observations of the reality of our industry. Hearing “Premiums are nice, but value products pay the bills” from a Brit was so refreshing.

I am so weary of peppy presentations about “telling your story” to get a premium for your product. What relevance does a talk on the post-marketing-board South African experience have for American produce traders? That is an essay in itself. Too controversial for an association show, too non-transactional for an invitational or private show, these are the kinds of insights you can only get at the New York Produce Show and Conference. **pb**



DAY 1

FOUNDATIONAL EXCELLENCE



Cornell professors presenting: William Drake, Miguel Gomez, Rod Hawkes, Ed McLaughlin, Kristen Park and Bradley Rickard. Panelists were: Bruce Peterson of Peterson Insights; Tim York of Markon; Andreas Schindler of Don Limon; and Reggie Griffin of Reggie Griffin Strategies LLC, as well as next-generation leaders such as Tenley Allen of FreshDirect and Stefanie Katzman of S. Katzman Produce on the Hunts Point Produce Market.

Inaugural Foundational Excellence Program Educates Leaders Of Tomorrow

By Linda Brockman

The attendees of this inaugural workshop may become the trailblazers for tomorrow's produce industry.

To kick off the sixth annual New York Produce Show and Conference (Dec. 1-3), *PRODUCE BUSINESS* magazine and Cornell University presented the Foundational Excellence program. The session, "Future Leaders in Produce," was designed to educate those in the industry with less than five years' experience or executives who transferred from another industry or country.

Although Tom Finkbiner has been

in the refrigeration business 40 years, he is somewhat new to the produce industry. The chief executive of Overland Park, KS-based Tiger Cool Express came to the program to learn about the industry.

"It's always good to check the general academic knowledge in the industry," he said. "I always learn something this way. I also wanted to personally see how valuable the program is to know whether or not to send entry-level people in the future."

Sam Bartley, 24, did not see himself in the produce industry, but then an internship turned into full-time employment as a merchandising analyst at Iselin, NJ-based Allegiance Retail Services. "The program was a great generalization of all aspects of the industry," he said. "It was so informative to see how all the parts

[of the industry] work together and to learn about all the variables, such as weather, that keep the business exciting and ever-changing."

The new program allowed participants — the majority age 40 and younger — to network with industry leaders, soak up the professional wisdom, and gain a full day's worth of an Ivy League education.

This career-building program featured six faculty members from Cornell University's Charles H. Dyson School of Applied Economics and Management. Most teach and research as part of the Food Industry Management team.

The academics who presented were: William Drake, Miguel Gomez, Rod Hawkes, Ed McLaughlin, Kristen Park and Bradley Rickard. They spoke about the structure and operation of the produce industry.

The program was introduced by Jim Prevor, *PRODUCE BUSINESS'* editor-in-chief, as well as the force behind the *PerishablePundit.com*, The New York and London Produce Shows, and many other industry publications and events.

At the working lunch, Prevor led a panel discussion in which the cream of the crop across the industry gave the novices advice on everything from establishing a solid reputation to always looking for innovative ways to do business.

The diverse panel was comprised of veteran industry professionals such as Bruce Peterson of Peterson Insights; Tim York of Markon; Andreas Schindler of Don Limon; and Reggie Griffin of Reggie Griffin Strategies LLC, as well as next-generation leaders such as Tenley Allen of FreshDirect and Stefanie Katzman of S. Katzman Produce on the Hunts Point Produce Market. **pb**



DAY 2

GLOBAL TRADE SYMPOSIUM



Supply Chain Disruption: Takeaways For The International Trader

By Mindy Hermann, RD

The Fifth Annual Global Trade Symposium, “Produce Import & Export: The Disruption of Established Markets,” focused on the rapidly changing produce supply chain. As traditional produce outlets evolve and outside disruptions occur, importers and exporters of produce are forced to conduct business differently. The perspectives of esteemed speakers from the industry offered key takeaways for retailers on ways to give consumers what they want when they want it in today’s changing environment.

“Our speakers looked at disruptions

from three perspectives — changing dynamics that create new paradigms; paths to success amid change; and opportunities created by disruption,” said moderator Jim Prevor, editor-in-chief, *PRODUCE BUSINESS*.

Adapt To Dynamic Changes

“In the U.K., supermarket price wars make sustainable supply less plausible,” explained Simon Martin, sales and marketing director, QV Foods Group, Spalding, England. “With a higher proportion of produce being sold to supermarket chains at or below the cost of production, more suppliers are operating on slender margins. Furthermore, discounters such as ALDI and Lidl and new retailers have powered into the market.”

Martin named convenience markets, low-cost restaurant dining, and online grocery shopping as addi-

tional forces putting pressure on prices.

He also noted “fresh sales are losing share to prepared meals and meal solutions. We are seeing a massive reduction in potato volume, for example, because of cooking times.” Martin added that the entire industry is being hurt by abundance. “Too much product being grown, too much capacity, too many facilities, and too many companies doing the same thing,” he said.

“Work together with others, build long-term relationships with suppliers and engage with what consumers want,” advised Martin. “For example, we now sell less bulk, more smaller packs, and added-value items such as ready-to-roast potatoes and vegetables already seasoned. Customers want easy to cook, shorter cooking times, and cost-effectiveness.”

Less-than-truckloads (LTLs) are becoming a “necessary evil” to better meet the needs of today’s consumer, said Steve Gabrick, manager, Complex Account Group, Sourcing North Region, C.H. Robinson, Minneapolis. “Supply

chains are changing to smaller orders more frequently, delivered to different people in different places. We have to meet the customer where the customer wants to buy — inner city stores, small format stores, online services (such as FreshDirect) and others.”

He said smaller, more frequent LTL deliveries could meet needs throughout the supply chain. “Small and local farmers create a massive LTL marketplace, retailers want freshness and convenience, and Millennials shop for health and convenience. Expanding categories such as ultra premium juice, fresh-cut fruit and vegetables, and single-serve convenience items can be delivered in smaller quantities, more frequently, and with greater visibility.”

Gabrick also noted, “Retailers are demanding more freshness, longer shelf life, and less shrink. We can do this with smaller orders more frequently.”

Seek Paths To Success

It’s important to turn disruptions into paths to success, noted Johan Dique, group managing director,



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DAY 2

GLOBAL TRADE SYMPOSIUM



Capespan Group, South Africa. “During deregulation of the South African market in the mid-1990s, we made assumptions that didn’t work out. We believed that our market share of exported fruit would not drop below 80 percent, our relationships with retail were strong, and high hurdles to entry would discourage competition. We were wrong.

“Market share dropped, competition came from growers, and low barriers to entry led to increased competition. Retailers welcomed this, and they preferred having access to a greater number of focused suppliers rather than fewer general suppliers. Retailers make the rules, and suppliers need to adapt in order to add value for retailers.”

Capespan adapted to retailer needs by: expanding counter-season

and year-round global procurement; installing cold storage and packing facilities at the farm level to reduce costs; and increasing efficiency. Dique advised the audience to “never allow the competition to play your game.”

Look For New Opportunities

“The wholesale sector is not dying, even when facing disruptive forces such as globalization, competition from expanding foreign markets, legislation that leads to increasing costs, recessions, more competition from traditional wholesale products, and market relocations driven by changes in land values,” said Richard Thompson, director, Gilbert Thompson (Leeds) Ltd., Yorkshire, Great Britain.

Thompson’s company continues to look for new opportunities to diversify. “We created GT Prep, our own prepared-

food business, to cater to changing customer needs. We are moving to 24-hour trading. Supermarkets will be able to order online through our website. Supermarkets dictate our business.”

Key Takeaways Benefit The Supply Chain

“Do not be paralyzed by fear of the unknown. Tackle disruptive forces by believing in the pure goodness of fresh produce,” advised Nic Jooste, marketing director, Cool Fresh International, Ridderkerk, The Netherlands. “Be creative, innovative and daring. Search for change. Understand the

customer so well that the product sells itself. Look at how consumers buy and bring your product to them. Don’t ignore clear signs from the marketplace. Finally, build a dedicated brand and have a passionate love affair with your products.”

In concluding the program, Prevor noted, “Whatever the obstacles, the challenge before us is to apply intellect and abilities to transformation. The greatest risk is not doing anything. The path to success is to understand difficulties, challenges, and opportunities, and then go into a world where you can be inspired to find those opportunities.”

pb



DAY 2

GLOBAL TRADE SYMPOSIUM



Global Trade Symposium Addresses Trans-Pacific Partnership

By Linda Brockman

At the Global Trade Symposium, two speakers delivered different advice — one practical, one cultural — to businesses looking to trade with Asia.

If ratified, the Trans-Pacific Partnership (TPP) agreement will set the stage for trade and growth between the U.S. and 11 other Pacific Rim countries. It has the potential to promote higher labor standards and address 21st-century issues in the global economy. With more access to export produce to the area including Japan, what does this mean for the produce industry?

Dr. Roberta Cook, with the Department of Ag and Resource Economics at the University of California, Davis, said it may be some time before the TPP takes effect. "It is unclear when the TPP will be introduced into the United States Congress. It may not

be until after the 2016 presidential election. Approval is not guaranteed, and the other member countries must approve it as well."

Cook said "proactive firms are already positioning to address the labor and environmental requirements and to exploit opportunities."

"While Japan has a lot of trade barriers, nevertheless, it is still our fourth largest goods trading partner," said Cook. "Many of the TPP members — such as Chile, Peru and Mexico — already have Free Trade Agreements with Japan, so we are late in the curve on this factor, which puts the U.S. at a competitive disadvantage. While the U.S. produce production is largely counter-seasonal to Chile and Peru, there are big periods where there is overlap in markets during shoulder seasons."

Chile and Peru are examples of countries rapidly reducing phytosanitary barriers and gaining market access for their fresh produce into more markets, especially Asian, said Cook.

Tariffs Eliminated

There are many tariffs, specifi-

cally with Japan, that are around 17 percent, said Cook. Many tariffs will be eliminated immediately, and the remainder will be removed within 11 years. California exports table grapes, strawberries, oranges, lettuce, raisins, raspberries and lemons to Japan, so Cook believes American produce will see gains over time.

"As the economies improve in the developed world, as well as in developing countries, we should see more fresh produce demand," said Cook. "It's really important to understand different markets around the world. We have to understand how to reach those consumers."

Mind Your P's And Q's

Doing business with Japanese companies is easy, said John Bayles, owner of Komahongo, Japan-based Alishan Organic Center, which functions as a distributor of American imports and a local cafe. But he wants American businesspeople to understand the cultural differences that can make or break any deal. Bayles offered three key elements to successful dealings with Japanese businesses.

The American-born Bayles has been living and conducting business in Japan for 30 years. He stressed safety, reliability and documentation. "The Japanese respond to the triple jewel of retail: pristine, perfect and presentable. They will pay more for that extra level of safety assurance. The primary foundation is reliability and safety over price and size," he said.

"Documentation shows them who you are and whose side you are on. It shows a willingness to help and also allows for better preparation."

Bayles' company is named for the highest peak in Taiwan. As a food importer and distributor, he regularly brings in American products for American expats and Japanese who are looking for American goods and food.

Bayles concluded his talk with a theme that's traditional for produce veterans. "Listen rather than talk," he advised. "Your Japanese customer is trying to determine if you are reliable and trustworthy. They want to know, 'Can I trust this person, and are they as dedicated as I am to the transaction?' It's about building relationships."

pb



DAY 2

GLOBAL TRADE SYMPOSIUM



Gualberto Rodriguez of Caribbean Produce Exchange Makes Compelling Case For Puerto Rico's Ag Industry

By Michele Sotallaro

At this year's Global Trade Symposium hosted at the Midtown Hilton in Manhattan on December 1 during the New York Produce Show and Conference, the path to global opportunities in produce was traced through its international aggregation of speakers. One of which was Gualberto Rodriguez — president of San Juan, Puerto Rico-based distributor, Caribbean Produce Exchange — who enlightened attendees on the untapped sourcing potential from the country.

According to Rodriguez, about 75 percent of Puerto Rico's land is virgin and designated for agricultural purposes — providing tremendous opportunity for international invest-

ors to harvest organic produce and/or traditionally seasonal commodities.

In addition to the plentiful rain, nutrient-rich soil, and tropical climate factors, the benefits of conducting produce business in Puerto Rico reach beyond agricultural purposes. Because the country operates with the same legal and regulatory systems as the United States, American traders and investors can deal with confidence. The country also provides tax benefits, which include manufacturing and renewable energy incentives among other benefits.

Thus far, the island has been a seed playground for companies such as Bayer CropScience and Monsanto. Puerto Rico agriculture ambassadors also built relationships with branches of U.S. retailers such as Wal-Mart and Costco, as well as growers such as Sunkist, Dole, Taylor Farms, and Driscoll's. Business also touches upon the foodservice sector with participation from McDonald's, Burger King

and Subway.

As a third-generation leader in the family business, which began in the 1950s by his grandfather, Rodriguez expressed his faith in the country's agriculture with his partnership in Semillero Ventures, which is an investment fund to assist corporations in generating stable production in Puerto Rico.

Rodriguez also addressed the questions of financial instability from Puerto Rico's economy in the *Perishable Pundit* interview by saying:

"If adverse conditions scare you, you won't be interested in this talk. But if you have the experience or conviction that in adverse conditions, there are unique opportunities that don't repeat themselves when the situation is already stable, then this is a talk for you. If you already understand and know through your business experience and observations when these things happen, you have a unique opportunity to set up companies for decades later, then this talk will resonate with that profile."

Someone who thinks of all the reasons not to go into a market, all you need is a couple of indicators. Someone who thinks like that will find fault in California, Florida, Texas... there's always something to be scared about.

The certainty about Puerto Rico is things will be changing. It won't be the same. When things come undone, assets go down in price, land is available cheaper, talent is obtainable, and it pays off to take some risks, smart risks, but you have to be willing to take them."

As an example of how business can efficiently prosper, Rodriguez also shared with the *Pundit* details about the company's relationship with the tomato grower, Immokalee, FL-based Gargiulo Inc.

"We've partnered with Gargiulo, a tomato grower out of Florida and California, and they also have an operation out here on the Island. So instead of buying tomatoes from so many places over the year, as we used to do, we have focused our buying with Gargiulo."

If my sales are down three percent on tomatoes, instead of splitting that 97 percent among multiple providers, I've focused 100 percent of that 97 percent with one provider. So as a result, three things happen; one, Gargiulo is experiencing growth in sales through me, I'm buying more from them so their sales are up, and by focusing my buying power with them, I have better pricing, better service and can capture more market share and help my customers sell more."

pb



DAY 2

OPENING COCKTAIL RECEPTION



DAY 3

LEADERSHIP RECOGNITION



George Shropshire and Joe McGuire of Love Beets receive the Joe Nucci Award from Mann Packing's Lorri Koster and PRODUCE BUSINESS' Jim Prevor.

Love Beets Wins Joe Nucci Award for Innovation

By Linda Brockman

And the winner is ... Love Beets Smoky-BBQ Shredded Beets! The company's new product, to be launched this month, is ready-to-eat beets flavored with a smoky barbecue marinade, and it won the Joe Nucci Award for Product Innovation in Service of Expanding Consumption of Fresh Fruits & Vegetables at this year's show. The award was presented to George Shropshire (vice president of marketing) and Joe McGuire (general manager) by PRODUCE BUSINESS magazine's editor-in-chief, Jim Prevor, and Joe Nucci's sister, Lorri Koster, chief executive for Salinas, CA-based Mann Packing, at the Jacob Javits Center's River Pavilion in New York City during the Keynote Breakfast held on Wednesday, December 2.

George Shropshire represents the fourth generation of a family that grows salad greens and beets in Cambridgeshire, U.K. While beets were growing in popularity among the more health-conscious consumers, there was a void in the market when it came to value-added beets. In the U.K., the company began cutting and marinating beets to sell to private-label companies.

Five and a half years ago, George's cousins, Guy Shropshire and his wife Katherine, decided to bring the popular product to the United States and called it Love Beets. In 2016, the company will move into its new 100,000-square-foot production

facility in Rochester, NY.

"We've been going from strength to strength," says George of the brand's marinated beets designed for on-the-go snacking. "No mess, no fuss, you can have your snack and feel good about it."

The shredded beets are innovative because of their taste and convenience, says George. "We played with flavors, and the smoky barbecue really resonated with American consumers. It's a complement to lunch as an accompaniment or on top of a salad."

In addition to smoky barbecue shredded beets, Love Beets offers cooked beets, flavored baby beets, snack trays, juices and beet bars (which are mixed with dried cherries, blueberries or apples). "Beets are what we know, so we are taking something convenient and making it even more convenient."

The Joe Nucci Award recognizes a new product that shows innovation in the service of expanding consumption of fresh fruits and vegetables. An analytic team assesses the nominees. The winner is selected by the PRODUCE BUSINESS editorial team and judges criteria based on health, culinary application, versatility, shelf life, taste and flavor. The award is named for Joe Nucci, who died in July 2005. At the time of his passing, Nucci was president of Mann Packing Company.

"Love Beets is making beets better tasting and easier to use with the brand's flavor profiles and technology — this will help increase beet consumption," said Koster. "This type of innovation is exactly what the award is designed to recognize." **pb**



Charlie Gallagher of United Fruit and Produce Co. receives the Chandler Copps Award from PRODUCE BUSINESS' Jim Prevor.

Charlie Gallagher Receives Chandler Copps Award

By Linda Brockman

The day was overcast, but from the Jacob Javits Center's River Pavilion, Charlie Gallagher had a view of New York Harbor and the Statue of Liberty. While enjoying the Keynote Breakfast at the show, Gallagher's thoughts went to his parents who immigrated to the States from Ireland through Ellis Island. He was thinking about St. Louis in the early 1940s, where he first started selling fruit as a kid, and how far he has come today at the age of 78.

That's when Jim Prevor, editor-in-chief of PRODUCE BUSINESS magazine, called Gallagher's name as the recipient of the 2015 Chandler Copps Award.

"It was totally a surprise," says Gallagher, chairman of the board at St. Louis, MO-based United Fruit and Produce Co., who spent his life in the produce industry in St. Louis. "It's hard to be surprised at my age. I'm very grateful. And it came just as I was

thinking how I had come full-circle."

Gallagher was honored for his nearly seven decades in the produce business and for "a life lived in accordance with the values and examples of Chandler Copps," who was a scion of Midwestern retailing family and well-known as founder of a series of industry share groups. The inscription on the award says, "You do not get love, you give love, and it returns the favor," a quotation excerpted from the personal journals of Chandler Copps.

From their leadership roles in several marketing organizations, Gallagher and Copps knew each other for almost 30 years. Gallagher praised Copps (who died in 2011) for his knowledge and leadership in all aspects of the industry.

Copps, who came from a super-market-chain family, had a talent for bringing people together in the industry to share ideas, said Prevor, who once called Copps "among the most influential people in the produce industry in the last half of the 20th century and the first decade of the 21st." **pb**



DAY 3 KEYNOTE BREAKFAST

Expert Panel Responds to Consumer Perceptions Of Local

By Linda Brockman

For consumers of fresh produce, the saying “perception is reality,” often holds true. Whether or not the consumer is correct in the assumption that local is fresher or organic is healthier, it is what he or she believes that will influence the decision to buy produce from a website, grocery store, farmers market or superstore.

Jim Prevor, PRODUCE BUSINESS editor-in-chief and the moderator of the discussion that kicked off the New York Produce Show at the Jacob Javits Convention Center, called the panel a gathering of the produce industry’s great minds. The 12 men on stage at the Keynote Breakfast were: Johan Dique, group managing director, Capespan Group Limited; Marc Goldman, produce director, Morton Williams Supermarkets; Derrick Jenkins, vice president of produce and floral at Wakefern Food Corporation; Paul Kneeland, vice president of fresh merchandising for Fresh Formats; Gualberto Rodriguez, president Caribbean Produce Exchange; Anthony Sattler, vice president of produce procurement for C&S Wholesale Grocers; Vic Savanello, president of the Eastern Produce Council and director of produce and floral for Allegiance Retail Services; Jay Schneider, produce/floral produce lead at Acme Markets; Eric Stone, produce category manager, Fresh Direct; John Vasapoli, director of produce marketing for D’Agostino Supermarkets; Greg Veneziano, vice president of perishables for Bozzutos Inc.; and Tim York, president of Markon.

Prior to the New York Produce Show, PRODUCE BUSINESS magazine sent a video team to Union Square Farmers Market to ask customers about their buying choices. The panel discussed the consumers’ perception of produce safety; the definition of



local; when and why frozen or canned is preferred to fresh; and advice for grocery store executives. Here is a sampling of two comments made from the videotaped consumers and the panelists’ responses.

Q: What concerns you about buying fresh produce in your local grocery store?

The answers from those surveyed

Special Tribute to John McAleavey



The Opening General Session of the New York Produce Show and Conference normally gets right down to business. This year, however, the program began with a bittersweet presentation — a special documentary film celebrating the life and work of John McAleavey, who served as the executive director of the Eastern Produce Council for 25 years before passing on June 5, 2015.

The film was bookended by two presentations. First, Paul Kneeland, vice president of fresh merchandising at Fresh Formats and past president of the Eastern Produce Council, introduced the film; then Vic Savanello, director of produce and floral at Allegiance Retail Services and the current president of the Eastern Produce Council, followed the film with a pledge to carry on the legacy of McAleavey.

The documentary included testimonials of many who worked with McAleavey and spoke to the quality of his leadership, the inspiration of his high standards, and the warmth of his friendship. **pb**

varied: they worried about how local and traceable the product is, along with unnecessary extras such as Styrofoam and chemicals.

“They try too hard to make them all look the same, and I worry about there being too much waste in the end.”

“They use too much packaging rather than selling them loose.”

“Not knowing whether the produce has been sprayed or chemically enhanced to look better, which may render it less nutritious,” was another concern.

Citing the fact that consumer perception is not always correct, Prevor asked Tim York, president of Markon, to comment on such perceptions.

“It’s easy for us to sit on our high horse and say, ‘Oh, the poor, igno-

rant consumer. We’ll have to tell our story better and straighten them out.’ The reality is we can’t tell the story, and we can’t expect the consumer to know the difference [between what is safe and unsafe],” said York, who has been on the forefront of food safety issues both within his company and through his involvement with the Produce Marketing Association and the Center for Produce Safety, both of which he served as the chairman. “Let them believe that. We have to do everything in our power to follow the cold chain and keep the food safe. It is up to us to figure out how to deliver that flavor, texture and experience to the grocery store.”

Q: What does local mean to you?



DAY 3

THOUGHT LEADERS PANEL



Answers varied from: "It's grown in New York, not Peru or somewhere else."

"Within the tri-state region, from New York or New Jersey."

"Within 5 or 10 miles from where I live."

The EPC's Vic Savanello said: "If you ask 100 people that question, they will

give you 95 different answers. They perceive local as being produce that doesn't spend as much time en route — like something coming from the West Coast or Mexico. 'Local' is not clearly defined."

"The consumer is often unaware of the challenges of a retail chain to

buy local," said Jay Schneider of Acme Markets in Philadelphia. "If there is an apple orchard 5 miles from the store the customer wants to know, 'Why can't you get those apples?' It's tough for a large chain to manage that with 15, 25, 30 small growers. The company may not be USDA GAP-Certified, and its exec-

utives may not know how to become GAP-certified. Retailers put themselves at risk when they start dealing with little growers that are not GAP-certified — even if that's what customers want. If something happens to our store, it could be devastating, and I take that very seriously."

pb

Approach the New Year with resolve to find the opportunities hidden in each new day.

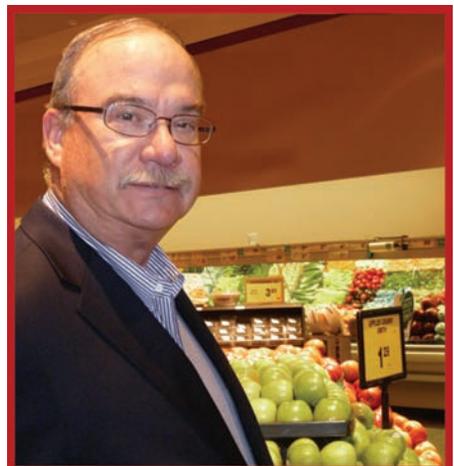


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DAY 3

RIBBON CUTTING AND TRADE SHOW





DAY 3 TRADE SHOW





DAY 3

EDUCATIONAL MICRO SESSIONS



This year's roster of Educational Micro Sessions, held concurrently with the trade show in the Javits Center's North Hall, ran the gamut of professors and industry experts, both domestically and from Europe. In all, 10 micro sessions took place with the subjects ranging from research projects on locally grown produce, to gleaning efficiencies, and on to recruiting industry talent. One of the well attended micro sessions was the presentation on consumer behavior at supermarkets.

Micro Sessions Provide Forum For FMI's 'Power of Produce' Study

by Linda Brockman

The Food Marketing Institute (FMI) joined with 210 Analytics to conduct a research study to determine how consumers shop in the produce departments, and utilized both IRI and Nielsen data to compare real-life and self-reported behavior.

Apples, tomatoes and kale are flexing their muscles. The study, "The Power of Produce," addresses this \$63 billion industry — the only segment of the supermarket with 99 percent household penetration.

According to Nielsen, the average shopper makes 45 trips to the produce department annually, spending \$327 in a year.

Megatrends such as produce grown locally and organics keep expanding. More households are buying organic at 52 percent.

"Organic is here to stay," said Anne-Marie Roerink of San Antonio, TX-based 210 Analytics. "We see growing household penetration, growing baskets among current users, and growing ubiquity of the product and growth rates that exceeded 17 percent for more than five years now."

Locally grown produce is a strong driver for 48 percent of the shoppers, the study found — although the consumer definition of "local" varies. To some, buying local means the produce comes from within their city, state or country. "This allows for retailers to self-define local in a program that works best for them," advised Roerink.

Another finding from the study is that most shoppers make a list before they go into a store, and nine in 10 include produce on that list. Once they get to the store, however, 57 percent end up buying something that is not on the list.

When researching produce promotions, 73 percent of the shoppers say a paper circular is still the attraction

that brings them into a store, but once in-store, they are less price-conscious, said Roerink. Millennials are more likely to use apps, social media, emails and the web to look for specials.

Appearance is the first thing that drives buyers to pick produce, followed by quality and freshness, said Sherry Frey, senior vice president of Chicago-based Nielsen. "You can't compete on price alone if you don't deliver on the first three," she said. "Quality is more important than price."

She advised to "bring the beautiful color of produce into the center of the store. Produce is often the most attractive department in the grocery store, so spread out the color."

Displaying produce in other areas can give stores the "opportunity to drive total store success," said Frey. Some examples: displaying bananas near the cereal aisle and tomatoes near the chips to encourage shoppers to make homemade salsa.

When asked what provides a good experience at the grocery store overall, shoppers said their top priorities are

clearly marked prices (at 76 percent), product availability and extensive variety. The biggest detraction for shoppers is making the trip for a certain item and not finding it in stock, said Roerink.

Another recommendation to produce executives: put out recipes. Roerink said 41 percent of shoppers respond to usage recommendations.

One of the key findings for Rick Stein, vice president of fresh foods at the Arlington, VA-based FMI, is that "time is a commodity, so the value-added segment is growing."

Value-added saw strong growth (10.3 percent) that far outpaced unprepared vegetables, at 5.5 percent. "Convenience is more important than cost to some," said Roerink. Fast growing areas include snack packs, shredded, cubed and diced — many of which focus on convenience in dinner preparation or snacking. About half of shoppers say they purchase value-added with at least some regularity, but 38 percent prefer to save money and cut the produce themselves. **pb**

DAY 3

SPOUSE/COMPANION PROGRAM

While attendees delighted in walking the show floor pursuing new business, the Spouse/Companion Program commenced in the penthouse of the Midtown Hilton. Debbie Prevor, wife of show co-founder Jim Prevor, hosted a group of spouses and significant others to a day of shopping and sightseeing in Manhattan. The itinerary also included manicures, massages, and high tea at the Plaza Hotel.



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DAY 3

'CONNECT WITH FRESH' MEDIA LUNCHEON



Using Flavor And Facts, Not Fear, To Sell Produce

by Jodean Robbins

Selling flavor and facts, instead of fear, was the topic of conversation at the New York Produce Show and Conference's "Connect with Fresh" Consumer Media Lunch on December 2, 2015. More than 55 food journalists and consumer influencers came together to hear presentations aimed at increasing consumption of fruits and vegetables.

Marilyn Dolan, executive director of the Watsonville, CA-based Alliance for Food and Farming (a nonprofit organization comprised of agriculture associations, commodity groups and individual grower/shippers to deliver information to consumers about the safety of fruits and vegetables) kicked off the presentations by claiming that the use of fear in some organic food

marketing scares shoppers away from consuming more fruits and vegetables. Her argument outlined how low availability and cost factors for organic items limit consumer choices in the organic category.

"Fear language in organic marketing drives consumers away from conventional produce, and not everyone can afford organic," she said. "Fear-based marketing will never work to increase consumption. We must create new ways to market both organic and conventional produce with the end result of increasing consumer intake of fruits and vegetables."

Dolan also discussed how scientific research refutes claims of the danger of conventional produce. "Scientific research conducted by the USDA's Pesticide Data Program, which incorporates 20-plus years of data, shows there is no credible risk associated with conventional produce," she stated.

Amy Myrdal Miller, a registered

dietitian and president of Carmichael, CA-based Farmer's Daughter Consulting, LLC, along with Top Chef Master Suvir Saran followed Dolan with an interactive discussion on how to move consumers away from guilt and help them feel good about consuming all fruits and vegetables.

"Only 4 percent of Americans meet the recommended daily intake of fruits and vegetables," said Miller. "Moving this number up 1 percent takes a lot of effort. We see a lack of knowledge and education in our culture about cooking. People are confused."

Miller and Chef Saran promoted reinforcing a positive message to consumers to boost consumer confusion. "We need to promote flavor, not fear," said Saran. "And, we need to promote all forms. Frozen or canned produce can be just as good as fresh in some applications."

Chef Saran pointed to his green bean stir fry recipe, published in

his book, *Indian Home Cooking*, as a great example. "The dish incorporates a variety of Indian spices as well as toasted coconut to boost flavor," he explained. "In this dish, you can easily use frozen or canned French-cut beans. This allows budget-conscious consumers to still eat healthy and with great flavor. We must be both passionate and realistic at the same time — not everyone can afford fresh or organic."

The duo emphasized the importance of stressing flavor and keeping it simple. "The beauty of Chef Saran's cooking is how flavor inspires people to recreate the dish again and again," said Miller. "Flavor is a crucial element in getting people to add produce to their diets."

"Marketing language affects daily consumption," added Chef Saran. "We need to stress easy, healthy and delicious in helping consumers better understand how to eat." **pb**



DAY 3

WOMEN'S LEADERSHIP COMMITTEE RECEPTION



Cece Krumrine Honored As Woman Of Distinction

By Linda Brockman

The Women's Leadership Committee of the Eastern Produce Council and PRODUCE BUSINESS magazine presented Cece Krumrine with its Woman of Distinction award during the Women's Leadership Reception at Jacob Javits' North Hall.

"Since I love the work I do and love the produce industry, it is easy to be passionate and devoted to it," said Krumrine, a produce marketing expert and the mentoring lead for the Women's Leadership Committee. In her capacity with the mentoring committee, she encourages young women to enter the produce industry.

"I have been in produce for more than 30 years and met and worked with many [women] who are now dear friends," said Krumrine, who is a founding member of the New England

Produce Council and a marketing consultant for various commodity boards, such as the California Avocado Commission and the National Mango Board. "One can't aspire to more satisfaction in their professional life. I am blessed."

Krumrine was recognized for her "tireless efforts for any company, commission or council that she represents," said Marianne Santo, co-chair of community outreach for Women's Leadership, who presented the award. "'Kind' and 'nice' tend to be overused, but they are really an apt description of this recipient. Her disposition is always sunny. She has paved the way for women in the produce industry and is a beloved role model to all of us."

Theresa Lowden, Women's Leadership chair (and a past recipient of the Woman of Distinction award), said the committee's mission is to mentor, inspire and empower the current and next generation of women in the industry with core leadership values, attitudes and skills. The committee



was formed three years ago to strengthen the role of women in the industry.

In addition to the award, Women's Leadership also presented the Susan G. Komen Philadelphia affiliate with a \$5,000 check. Komen representative

and administrative outreach education coordinator, Bernadette White, educated the audience about how the organization helps underserved and uninsured women, while survivor Jeanine Donahue, who was diagnosed at age 26, praised the help she received from the Komen Foundation. **pb**



DAY 3

CELEBRITY CHEF DEMOS

Chefs Dazzle At 'Culinary Concert In The Park'

By Keith Loria

The three culinary experts for the special Celebrity Chef Demonstrations utilized some of their favorite produce items to create bite-sized samples for the audience at the show's "Culinary Concert in the Park," which was the designated staging area for these chefs to perform.

Ben Pollinger, executive chef at Oceana in Manhattan, prepared three separate produce-oriented dishes for the event.

"I served a cauliflower with a Meyer lemon, orange and fennel vinaigrette, with pistachios and green olives," he said. "My other dishes were Lady apples served with root vegetable cassata (a sweet and sour take on fruit cassata); and sweet potato pancakes with sautéed shrimp and a mango/ginger sauce."

Pollinger is known for his creative use of seafood with the best ingredients from a global pantry, but is a big believer in using local produce.

"I used a combination of wholesalers, small farmers who sell directly to the restaurant, and a farm co-op or two," he said. "Local is important. Anything I can do to shorten the chain to bring product from the region that will be fresher, and generally grown on the smaller scale, is good for the environment and good for flavor."

His menu at Oceana is often inspired by the produce that is available to him from the area. "I do cook seasonally, so while pretty much anything is available at any time of year, I focus on things that are growing in the region," he said. "I'll feature tomatoes in the summertime and early fall, root vegetables and apples come winter time. You have to be flexible to a degree, but you can do a lot with what's available locally."

Chris Marino, assistant Chef De Cuisine at Waldorf Astoria's Peacock Alley Restaurant, was very impressed with the show and all the companies represented.

"This whole atmosphere is great, and having all these people together in one place is wonderful," he said. "I had the chance to come in and walk around at the beginning, and I met some great people. The quality of the new products — whether it be tofu or vegetable-based meat products — was really interesting as well. There's a lot going on in this industry that people need to stay aware of."

Chef Marino is known for his "Power Breakfast" at the restaurant, as well as an a la carte lunch menu, and a distinctive dinner of small plates and traditional selections. It's this menu that he drew upon for his produce preparations at the show.

"I started with our newest interpretation of the Waldorf Salad, which includes celery, green peppers, chili pepper and is very Mediterranean-inspired with feta cheese, capers and a very fresh-focused flavor," he said. "I also prepared a butternut squash tortellini, taking advantage of the great flavors available to me."

Currently, Waldorf gets most of its produce from Baldor Specialty Foods, thanks to a corporate relationship its parent company, Hilton, shares with the produce distributor, but Chef Marino does supplement his produce from time to time with other regional offerings.

Also on hand at the show was Chef Rich Landau, known for his delicious vegan dishes at the vegetarian-inspired Vedge in Philadelphia. The author of several best-selling cookbooks, Chef Landau, along with his wife and partner, Pastry Chef Kate Jacoby, use the carnivore's palate Chef Landau grew up with to translate vegetarian cuisine to a broader audience.

pb





DAY 3

CULINARY STUDENT COMPETITION



Culinary Students Rise To The Challenge

By Keith Loria

The future chefs of tomorrow aren't going to be great just by reading cookbooks; they need to be educated on the business and shown first-hand how to create culinary masterpieces.

That's why the New York Produce Show and Conference devotes time each year to holding a Culinary Innovation Station, featuring student chefs from some of the top culinary schools who forage produce from exhibitor booths to create fantastic dishes to share with attendees and to impress culinary judges.

The overall competition is student-driven from concepts, to foraging the tradeshow floor, to brainstorming and execution. This year, the students were tasked with making quesadillas, and judging how quickly they were gobbled up at the "Culinary Innovation Stations," there were plenty of A+ scores given.

The Leaders Speak

One of the culinary leaders for the students was John Abels, chef and lead instructor for Le Cordon Bleu, Chicago, who notes that the student competition has become an integral part of the overall experience at the New York Produce Show and Conference, and he's thankful to have been apart of it

since its inception in 2010.

"It's a phenomenal opportunity for students to practice their techniques and critical thinking skills," he said. "The sheer amount of learning that occurs during this show is immeasurable. Students get a larger view of what it takes for those delicious fruits and vegetables to get to our preparation tables. They get experience in talking to vendors, learning from other professional chefs, and practicing what they learned. I, as an instructor, have grown in my cooking and coaching style; I unconsciously teach more veg-centric."

Watching the students this year, Abels was most impressed by the students' ability to have conversations with exhibitors about their product, and build strong connections.

"It was to the point that the exhibiting companies came to our stage and wanted to see how their product was being utilized in recipes," he said. "This is a huge opportunity for exhibiting companies to see how the end user (chefs in many cases) can utilize their products."

Another industry veteran serving as a culinary leader was Douglas Stuchel, associate professor and foodservice management faculty advisor for Providence, RI-based Johnson & Wales University, who also returned for his sixth year in the role.

"The focus for me isn't the competition but the ability for the JWU students to network and experience a part of the industry they are unfamiliar

with," he said. "Now more than ever, we are an industry of relationships: from grower, to shipper, to purveyor, to chef. Events like these expand the students' education into the foodservice industry on many levels. An event like this, although only a couple of days long, is often more valuable than weeks in the classroom."

Stuchel feels that future culinary experts will be more focused on the environment and sourcing food products from companies that are good environmental stewards, and the show gave the students a chance to seek that out. He adds that the show has always been a great opportunity for the students, but this year was truly enriching.

"I am impressed with how quick the show has grown during the past six years and the increased participation in the Ideation Fresh Foodservice Forum of the conference," he said. "Also, [I'm impressed with] the caliber of celebrity judges and well-known industry professionals judging the student competition and participation in Ideation Fresh panel discussions."

Judging The Competition

John B. Coker, executive vice president for corporate strategy and brand development for AVI Fresh, feels the teams were very engaged and worked hard to produce multiple courses on a fast timeline.

"This event focuses on the creative use of fresh produce, which

is becoming more prevalent in the American diet — and should continue to increase with a new generation of chefs focused on produce in creative and inventive ways — as we look to increase consumption for all Americans to understand the significance in our diets and health," he said. "I was impressed by the students' focus and determination to be creative and deliver fantastic dishes."

Shawn LaPeau, executive director of Cal Dining-UC, Berkeley, was impressed with the students' professionalism. He said the experience was a wonderful opportunity for them to plant their feet in the industry.

"Millennials are modeling better eating and nutrition behaviors with every passing year," he said. "Having 17- to 30-year-old students cooking allows those students to become exposed to more plant-forward thinking that may change the path they utilize in their future careers. This event affords them opportunities to learn from others — some of the best in our industry."

Other judges taking part in the event included Gene Harris, director of supplier diversity at Denny's; Susan Renke, president of Food Marketing Resources; Terri Moreman, associate director food & nutrition services at the United States Olympic Committee; Laki Trantos, operations manager for the Cheesecake Factory; and Justin Timineri, a chef and international culinary ambassador representing the state of Florida. **pb**



DAY 4

INDUSTRY BUS TOURS



Attendees on the bus tours had a chance to experience one of five industry tours including a behind-the-scenes look at retailers, wholesalers, suppliers and rooftop produce production across the

tri-state area. Manhattan bus passengers stopped at Chelsea Market, Garden of Eden, Morton Williams, UrbanSpace Vanderbilt and Whole Foods Market. Brooklyn bus passengers stopped

at Brooklyn Fare, Brooklyn Grange, Cherry Hill Gourmet, Urban Market and Whole Foods Market. New Jersey bus passengers stopped at Kings Food Market, Morton Williams, ShopRite and Whole Foods Market.

Hunts Point and Philadelphia Market bus passengers stopped at the multiple vendors on each of the wholesale markets. The Philadelphia passengers also visited a Wegmans in New Jersey. **pb**



DAY 4 IDEATION FRESH FOODSERVICE FORUM



Celebrating Fruits And Veggies: The Process Of Menu Development

By Linda Brockman

Vegetables are not just for vegetarians, said Gerry Ludwig, corporate consulting chef at Wyoming, MI-based Gordon Food Service. At Ideation Fresh Foodservice Forum, a foodservice industry conference on December 3 hosted at the Hilton in Midtown Manhattan during the New York Produce Show and Conference, Ludwig reported his findings to an audience of about 100

people interested in learning how the foodservice sector can make better use of fresh produce.

Gloriously, fruits and vegetables are taking center stage at the nation's finest restaurants. But these dishes are not about appealing to vegetarian diners nor do they encourage rebuffing meat, he said.

"Loving veggies doesn't mean hating meat," said Ludwig. "We need to find a better balance."

He presented details and photos of the innovative dishes that bring vegetables into the spotlight on the menus of top restaurants in New York City and other major metropolitan areas, such as Chicago and Los Angeles. Instead of

depending solely on vegetables, these dishes also incorporate a sprinkle of animal protein — such as anchovies or chopped ham for flavor and protein — without upstaging the vegetables.

The veggie-loving restaurants that received the praise from Ludwig included Chalk Point Kitchen in Manhattan, The Publican in Chicago and Gjelina in Venice Beach, CA. Ludwig calls Gjelina's chef/owner Travis Lett, "the father of vegetable-centric cuisine."

The Ideation Fresh forum was divided into three themes: Identifying and Ideating the Next Big Thing on the Menu; Sorting and Sifting — Getting the All-Important Consumer Buy-In;

and Development and Refinement — Getting into the Kitchen and Working out the Kinks.

The foodservice professionals ranged from restaurant and celebrity chefs to foodservice distributors to managers at public schools and universities.

"Participants at Ideation Fresh found a community of like-minded professionals who believe the way to increase produce consumption in America is through its restaurants and foodservice operations," said Ellen Koteff, vice president of editorial for PRODUCE BUSINESS magazine and moderator for the panel that included a variety of foodservice veterans.



DAY 4

IDEATION FRESH FOODSERVICE FORUM



“Consumers discovering delicious fruits and vegetables for the first time, prepared by chefs and cooks who know what they are doing, is the fastest way to get the same consumers to eat the produce at home.”

This forum’s purpose is to help distributors and suppliers understand what chefs are up against, said Koteff, who helped to organize the event. One topic was the challenge of consistency in restaurant menu items when seasons limit availability.

The diverse panelists and speakers included Shawn LaPeau, executive director, Cal Dining at the University of California, Berkeley; CIA-trained chef Michael Muzyk, who has been with Baldor Specialty Foods in Manhattan for 20 years and now is its president; Terri Moreman, associate director of

food and beverage for the U.S. Olympic Team; and Justin Timineri, chef and culinary ambassador for the Florida Department of Agriculture.

Tim York of Markon, a produce purchasing and marketing cooperative, presented a series of ideation challenges to culinary students from Le Cordon Bleu and Johnson & Wales University. For example, students were asked to find ways to encourage vegetable consumption at a public school with a limited budget and to create flavorful dishes with fewer calories for a university dining program.

“Multiple segments of the restaurant industry were represented, and there was great discussion,” says York. “One of the day’s highlights was watching the culinary students work with attendees on challenges with

fresh produce, and how they would overcome them. I always look forward to the Ideation Fresh session — it’s where the best discussions and insights on foodservice can be found.”

Chef and cookbook author Suvir Saran entertained the audience with his passion for vegetables — and the many inventive ways to use them — while doing a cooking demonstration. His mantra was simplicity. “Chefs make recipes complicated to justify our salaries and a staff of 17. Keep it simple. There’s no need to add any sugars, when cooking and roasting fruits and vegetables can bring out the natural sugars.”

Chef Saran worked alongside nutritionist Amy Myrdal Miller, who is also founder and president of Sacramento, CA-based Farmer’s Daughter

Consulting. The Miller -Saran duo began in December writing a joint monthly column in *PRODUCE BUSINESS* called “Produce Matters.”

Miller led the last panel discussion in which she asked what the audience would like to know about the business? “This elicited engaging responses; every panelist answered with enthusiasm,” says Miller. “The most common sentiment was, ‘Don’t send in a sales person who doesn’t know my business.’”

Participants learned about menu development as the cornerstone of foodservice operations, says Koteff. “Chefs appearing at Ideation Fresh dissected this topic as it relates to produce, sharing their insight and what they learned over the course of their careers.” **pb**



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