SECTOR BRAND: Being the world’s best
ANALYSIS: Chile constantly striving for quality and excellence
STATISTICS: Breaking industry records, year after year
SOFRUCO is a leading Chilean producer of delicious prunes, located in the Cachapoal Valley. Its agricultural practices consistently promote the safe production of excellent estate-grown products, available throughout the year.

- Premium Estate Grown Prunes
- Certified Global Gap, IFS and HACCP
- Tunnel dried for cleanliness
- State-of-the-art processing technology
- Multiple packaging options

Ciruelas deshidratadas para el mundo

Contact us at: prunes@sofruco.cl or visit our website: www.sofruco.com or call us at: (56) 2 6700600
In order to showcase the main attributes of the Chilean prune, the Chile Prunes Association—the industry association representing processors and exporters—and Chilean state agency ProChile formed the sector brand “Prunes from Chile.”

Currently, Chile is the #1 prune exporter globally and its origin is its foremost merit, as it gives the product the highest of quality.

This quality of excellence is due to the unique natural conditions in Chile for prune production.

The Mediterranean climate, the country’s superb terroir and the natural barriers protect from the introduction of external disease and pests, converting Chile into a phytosanitary island:

- To the north, the Atacama, the world’s driest desert
- To the south, Antarctica
- To the west, the Pacific Ocean
- To the east, the might Andes mountains, the longest and tallest mountain range in the Americas.

All these natural conditions, bolstered by the work ethic of Chilean workers and the highest quality standards throughout the productive process, allow us to have the best product.

The prune is a nutritional and tasty food product that has diverse health benefits, such as high levels of antioxidants, fiber, minerals and vitamins.

We invite you to experience Prunes from Chile!
“PRUNES FROM CHILE”: BEING THE WORLD’S BEST

With a renovated image, the Chilean prune is hitting the world scene. Asia stands out among the main markets where the industry looks to position the sector brand.
“Today the Chilean prune is reaching out to the world with a new image,” highlights Andrés Rodríguez, CEO of the Chile Prunes Association.

The development of “Prunes from Chile” forms part of the public-private venture that the Chile Prunes Association is developing in conjunction with Chilean state investment promotion agency ProChile. The brand is developed in coordination with “Fruits from Chile,” in order to create a coherent image of Chile’s fruit industry under the same brand.

Currently Chile is the largest exporter of prunes globally. Chile stands out as well for its growing production volumes, which allow it to strengthen the country’s image as a stable and trustworthy supplier. Additionally the local industry conforms to the highest quality standards globally.

“The most relevant fact is that today Chile is taking a much more active position on the global market and we are taking the role as the leader, first in the world. We are rising to the occasion,” emphasizes the executive of the Chile Prunes Association.

Rodríguez adds that the campaign “has made a very good impression on a global scale.” The executive said that last May the association participated in a congress organized by the International Prune Association (IPA): “There was a very good impression regarding what the association is doing. We have a new image that is not of the tone in which we did it before, and that is the most important. We are showing ourselves as a great exporting force.”

POSITIONING “PRUNES FROM CHILE”

“Our first priority is to start positioning the brand in the Asian world, explains Rodríguez. It’s here where the “chips are placed,” particularly in South Korea, Japan and China.

The agenda of Chile Prunes Association’s meetings and activities to broadcast and position the new sector brand has been intense so far.

In March of this year the association participated in the Foodex trade show in Japan. In South Korea the industry association marked its presence in the event Food & Hotel, where the main activity was the organization of a seminar for importers, trade media and even included the participation of Chile’s Agricultural Minister, Luis Mayol.

In September “Prunes from Chile” participated in the event “Flavors of Chile” organized by ProChile in China and in October, in the food industry trade show Sial, in France.
The First Quality Manual Made in Chile

Orientated towards prune growers in the country, which until now have been using Californian parameters.

Working to continue strengthening the high quality standards that characterize Chilean prunes is one of the established objectives of the Chile Prunes Association. To achieve this, the association, in conjunction with the Federation of Fruit Growers of Chile (Fedefruta), has developed the “Quality Manuel for the Harvest and Drying Processes of Prunes.”

The Chile Prune Association points out that it is the first manual developed by Chileans and adapted to the conditions of the Latin American country, which up until now has worked using fundamentals from California’s parameters and production.

The manual comprises of the diverse steps of production, providing recommendations for a successful harvest - manual and mechanized - processing and drying. It also includes guidance to maintain proper hygiene and the responsibilities of the grower.

It is a tool that allows the industry to standardize product quality - a process that starts in the field. The association trusts it will be a major contribution.

The differentiating attributes for prunes were derived from information provided by the Chile Prunes Association and its associated companies. This manual has been standardized to comply with standards and requirements in the main destination markets.

The manual has two main pillars: harvest processing and drying. For the harvest, the manual offers best practices such as:

- Soluble solids and firmness
- Necessary Brix for optimal ripeness at the moment of harvest
- Harvest duration
- Others

For the drying process and reception, it offers best practices such as:

- Different types of drying
- Hygiene considerations
- Transportation
- Drying design
- Definition of defects
- Others

The manual is available to growers starting in November at www.chileprunes.cl.
BREACKING INDUSTRY RECORDS, YEAR AFTER YEAR

Production in 2008 reached 52,000 metric tons of prunes and in 2011 it hit 65,000 MT. For 2015 projections put production at over 90,000 MT.

With around 15,000 cultivated hectares of plums destined for drying to become prunes, with a projection of 78,000 MT of production in 2012, Chile has positioned itself as the number one exporter globally. It’s also been recognized for its high quality and the competitive price of its product.

The Latin American country exports its prunes to more than 70 countries, with standouts including Russia, Mexico, Poland, Italy, Brazil, Germany, Spain, England and Egypt, among others. Shipments are made using different formats depending on the needs and wishes of its clients: with or without pit; in bulk or in a retail pack.

The numbers show the sustained growth that the sector has experienced. In 2008 production hit 52,000 MT, then on to 56,000 MT in 2010. The following year the industry broke
a new record to reach a production of 65,000 MT. In 2015 estimations place prune production at over 90,000 MT.

“The volumes that our industry is exporting year to year have been breaking new records. Anticipating this situation has allowed us to develop new markets within time, as well as to continue improving our processes to better compete successfully” said Benjamín Herreros, general manager of Pacific Nut.

Europe has kept its spot as the main destination market for Chilean prunes. In the 2011/12 season the old world received a total of 40,279 MT, followed by Latin America (17,933 MT) and the Middle East (1,596 MT).

During the present season, Europe has received 21,077 MT. It is followed by Latin America (7,552 MT) and the Middle East (1,054 MT).

PRUNE EXPORTS BY DESTINATION MARKET (Seasons 2008-09 to 2011-12)

ODEPA-Aduanas de Chile.
CHILE CONSTANTLY STRIVING FOR QUALITY AND EXCELLENCE

Incorporating technology to improve the productive process stands as the predominant change that Chile’s prune industry is grasping with.

Over the last decade Chile has become the leading exporter of prunes globally; an achievement hailed by the industry, fostered through a high quality product and investments in technology to improve the productive processes.

This technology gain is one of the foremost changes Chile’s industry has experienced, say growers and exporters. It is an undertaking focused on incorporating mechanized harvests and the introduction of cutting edge technology.

“Chile has made a considerable effort in different areas to advance towards a leadership position. We have assumed as a basic premise the obligation to transform ourselves into an industry of premium quality,” explains Pedro Pablo Díaz, agroindustry commercial manager of Sofruco.

“The Chilean prune is a product highly valued for its quality. This is principally due to the privileged climate of our geography that helps to boost its attributes and also the seriousness of the national industry, as its constant aspiration towards improvement has been contributing to a product of excellence that has earned its own space around the world,” says Javier Paza, general manager of Frutexsa.

What are the challenges? Exporters and growers see the need to maintain the leadership, quality and recognition of the Chilean prune at the global level, but also to confront the increases of the cost of labor, energy, packaging material and the effect of the currency exchange with better training and productivity of our personnel,” says José Antonio Ochagavía, general manager of Superfruit.

He adds that the industry also must improve productivity in orchards and processing plants. From a commercial standpoint, efforts must focus on a countrywide strategy that positions “our prune as a high quality product, opening new demand routes and gaining the trust of the markets and consumers.”

A constant pursuit for quality and excellence, in order to differentiate and meet client and consumer expectations frames the sector, according to industry players.

“From there the need is to permanently act united as a local
industry and, at the same time, with ample communication with the international industry.

The prune is a standout product, its nutritional and health characteristics are found in very few food items, and today, the world moves towards a healthier life. Therefore we have the opportunity and responsibility to step towards an increase in consumption," highlights Pedro Pablo Díaz.

“Becoming the leading prune exporter in the world comes with it a responsibility to maintain the market,” says Héctor Claro, general manager of Prunesco. He believes that it’s no longer about “only selling, rather you have to strive to increase consumption to support our production.”

To achieve this, and coinciding with the rest of the national exporters, he underscores the creation of the sector brand “Prunes from Chile”, which adds value through the product origin to the active and intense marketing strategies on the international stage.

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CHILE IS CONSIDERED A PHYTOSANITARY ISLAND, WITH NATURAL BARRIERS THAT SHIELD ITS AGRICULTURAL PRODUCTS FROM EXTERNAL PESTS AND DISEASES: THE ATACAMA DESERT, THE ANDES MOUNTAINS, THE PACIFIC OCEAN AND THE ANTARCTIC.

PRUNES ARE PRODUCED IN CHILE’S CENTRAL REGION, HOME TO ONE OF THE FEW MEDITERRANEAN CLIMATES IN THE WORLD, BOASTING A UNIQUE GEOGRAPHY, CLIMATE AND SOIL CONDITIONS THAT ENSURE EXCEPTIONAL FLAVOUR, AROMA AND COLOUR.
OPPORTUNITIES FOR CHILEAN PRUNES

Asia is taking shape as a market with immense opportunities and understanding the region will be a crucial element for the Chilean prune industry.

Standing up to the most demanding requirements, the Chilean prune is present in more than 70 countries, including Mexico, Poland, Italy, Brazil, Germany, Spain and England. However, due to the growing volumes of production and exports, the task of opening new destination markets has become a fundamental and important task looking forward.

This scenario is clear to John Giles, of the research firm Promar, who has been working with the Chile Prunes Association to identify those markets with the greatest potential.

When comparing Chile to the global prune production and exportation leader, California, Giles explains that “California has been the dominant producer and exporter on a global basis. What has been happening over a period of time, however, is that the growth in production has been coming from the Southern Hemisphere at the expense of the Northern Hemisphere – and Chile has been at the forefront of this.”

In this context, Giles says of Chile’s increase in production volume: “it is clear that new markets are required if the industry is still to move ahead.”

Although there are still opportunities to continue growing in established markets such as the European Union, Giles assures that there are bigger opportunities in Asia and the Middle East. For this he points out “understanding Asian markets will be especially important in the future.”

The work that Promar has been developing along with the Chile Prunes Association has focused on understanding the commercial flow of prunes between growers, exporters and importers. The project looks to deliver companies in the association a guide to the business opportunities in the short and long term.

To achieve these ends a concentrated work effort to both establish and prioritize marketing strategies and efforts is called for to reach the cusp of effectiveness.

“Chile has been highly successful in most international fresh produce markets around the world,” Giles said. “We see no basic reason why the dried fruit cannot enjoy similar success. Understanding the dynamics of international markets is critical for this process and allows decisions to be made on the basis of facts and figures, rather than on a sometimes more emotional basis.”

Indeed the country is confronting challenges such as the rising cost of production, labor availability issues and volatile price trends on the international market. But Giles emphasizes that “Chile is in a fundamentally good position to take advantage of the opportunities that exist.”

CASE STUDIES: CHINA AND JAPAN

Opening new markets is a challenge and priority due to the growing production volume, but not the sole focus. Maintaining a strong footing in markets where the Chilean prune is already present is also a priority.

In March of last year the Agricultural Minister at the time, José Antonio Galilea, confirmed the opening of the Chinese market for Chilean prunes. The work behind the milestone was performed by the ministry, Chile’s Agriculture and Livestock agency (SAG) and the Chile Prunes Association. In the opening resulted after three years of negotiations.

China represents a market where the industry maintains high expectations due to the large population and high rate of prune consumption, due it ample nutritional benefits. Here the challenge is to position the Chilean prune and reduce the hold of its principal competitor: the United States.

China’s situation is in contrast to Japan, where Chile’s challenge is to recover lost ground. In 2011 the Latin American country registered as the third supplier to this market behind the US and France, with less than 1% of market share. This represents a drop compared to 2006 stats, when the market share for Chile was 4.62%.

“We have to, at least recover, the position the industry held in 2005,” says Herman Beck, commercial director for Chile’s investment promotion agency ProChile in the Japanese market.

Beck added that “This happens, among various factors, due to a strengthening of the image of the Chilean product, in a way that it can compete with prunes hailing from California. This is key in the process of implementing an action plan to position the brand Prunes from Chile.”
The industry is advancing towards the application of new technologies to reduce the rising costs of production and improve its competitive stance. This stands as one of the main challenges facing the prune industry today and a trend that is already being applied in the sector.

The challenge includes reducing the manual labor needed for the harvest through the incorporation and promotion of mechanized harvest solutions; an advancement even more crucial when taking into account the scarcity of labor that faces Chile’s fruit growing industry.

“Reducing input costs, including labor, is extremely beneficial,” says Donald Mayo, CEO of the U.S.-based Orchard Machinery Corporation. According to the executive it’s a necessary step in order to improve productivity and better compete in international markets.

One of the recommendations Mayo offers as guidance is that “prune trees should have one meter of clearance from the ground to the first limbs. Primary limbs should be at an approximate 60 degree angle from the trunk. This allows for a more uniform distribution of shaker energy. Energy applied from the shaker to the tree always wants to travel in an upward direction”.

In regards to the benefits associated with a mechanized harvest, the executive highlights that currently the tree shaking machines allow the grower to control the “frequency and duration of the shaker patterns. All the trees are shaken exactly the same.”

Another important point he lays out is that the industry must be capable of introducing “total mechanization to reduce the cost of labor. Orchards should be designed for mechanical harvest. This means headlands with enough clearance to turn harvesting equipment quickly”.

A growing trend for the sector with multiple benefits
Best Origin, Best quality, Best Prunes!

www.prunesfromchile.cl