

*Whether conventional or organic, banana supplies to the U.S. have been cut short by winter conditions over the last month, but importers still have to find product somehow. Organics Unlimited manages the issue through diversification of supply from Mexico and Ecuador, while is considering a move to Peru this year. Company president Mayra Velazquez de Leon tells [www.freshfruitportal.com](http://www.freshfruitportal.com) about the current situation, how to live with disease Black Sigatoka, and a business relationship model driven by price consistency.* 

As a fourth generation farmer whose father kicked off organic banana exports from Mexico to the U.S. in the 70s, Velazquez de Leon has grown up with the crop and knows very well what winter means for supply.

Her company based in San Diego, which she runs with her husband Manuel, is facing challenges like any North American banana importer, but at least can fall back on Ecuador to an extent.

"There's not enough fruit around and the production side has been really tough in many areas, but Ecuador is going through its summer now so there is good production," she says.

"The problem is that the market requires a lot of product and it's not always available, and it's the same in Colombia, Honduras and elsewhere.

"There are not enough bananas for the demand and what happens is that prices go up, and that's a position everyone likes to be in if their production is up; that's the case in Ecuador, it's not the case in Mexico."

But by the same token the business cannot rely on Ecuador and has Mexican supply in case something goes wrong, and is looking to expand its supply base further in Peru this year.

"Logistics is something you have to play with every day, but what we do is diversify our supply so we're not just getting bananas from Ecuador, but from Mexico too. For example, if there's a shipment stuck in Panama we still have the fruit from Mexico.

"We are about to start in Peru very soon - Peru doesn't have Black Sigatoka disease and it's one of the things where everyone's trying to work out why, because the fungus shoots out its spores through the air from one place to another.

"They may not have Sigatoka but they do have other problems like a lack of water; there are certain things that need to be worked out but we will probably start there in the next three to four months."

## The disease question

While organic farmers may produce healthier food, there are always the issues of getting it to handle long journeys and overcoming pest threats without using chemical pesticides.



Manuel and Mayra Velazquez de Leon

"There are ways to control diseases and compared to conventional methods organic is just more expensive, so we are at a disadvantage because of that," says Velazquez de Leon.

"Sometimes you can make up for it in price but not always. We often compete with conventional prices, especially in the summer when there's a lot of product on the market.

"We make sure all of our farms are kept organic and we have to deal with all sorts of things, just as in conventional production. Sometimes diseases are something you have to deal with, but at the moment that's not the case for us, although the weather is."

However, when diseases do come along Organics Unlimited adopts a policy that is not as aggressive as its conventional banana growing counterparts.

"Black Sigatoka is a problem worldwide and it's very hard to control. We don't fight it, we just live with it," she says.

"If you fight it then it will go up because it becomes more resistant to products the more you use them. We try to control it if it's there.

"We prefer bananas with nine or 10 leaves but if it goes down to six then it probably means that Black Sigatoka is getting stronger, but we just have to deal with it."

But avoiding the disease entirely is always better, which is part of the appeal of a Peruvian expansion, however some diseases are appearing in the country, where around 95% of banana production is organic.

"What is interesting is that Peru is starting to get some diseases that Ecuador has. Peru is new in terms of banana growing and has very healthy farms, but now they're getting diseases they weren't aware of before, so many are going to Ecuador to get products."

## Ensuring supply

Organics Unlimited keeps close ties to its supplying farms - one in the Mexican state of Colima with around 300 workers and the other in Ecuador's El Guabo region with around 200 workers.

"In Mexico we don't control the farms but we have an agronomic engineer who works every day on the farm and see that it's all organic inputs.

"We buy all year, and we don't go up and down too much on prices; we give a very good price.

"It's not like the conventional market where it fluctuates. We keep it stable so that people continue growing organically."

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