

Weather issues have led to problems for the Chilean blueberry deal in 2012-13, with a freeze in the spring and unexpected rains from Santiago heading south. While quality could pick up dramatically in February, to date it has been average. The message from many is that as these weather problems won't go away, farmers have the opportunity to harness the tools available to move the category ahead. At www.freshfruitportal.com we speak with representatives from Fall Creek, Dole Berry Company, Carsol Fruit, Naturipe Farms and Berry Fresh to hear more about this complicated year.

Fall Creek's farm and nursery manager Cort Brazelton recognizes how strange Chile's weather has been this year to the detriment of crops like cherries and blueberries, but also points out that industry players were having similar discussions last season. 

"This is a hard year because we had a tough freeze in the south which is bizarre, and even stranger is having rains in places like Chillan in the middle of the season," he says.

"Hearing there were rains in Chillan right before the main harvest was just shocking, because usually the one thing you can rely on is not having rain in the summer in the central and central-southern regions of the country.

"But the reality is, I can't remember a completely normal year in the last five years anywhere in the world, so there isn't a normal anymore."

Carsol Fruit general manager Patricio Tellechea highlights how last season's weather was extreme at the opposite end of the spectrum, with a very hot summer and high temperatures damaging fruit.

"These extreme weather events are becoming more frequent so the ideal production zone does not exist," he says.

"We are always fighting the weather with a product that suffers stress, and we still don't have the best conditions for harvesting, packing or transport that help the product.

"The reality for growers today is complicated for various reasons, because of the weather when the product isn't ready to be harvested or has been damaged - that's been the main problem - and after that, we know harvesting requires labor and that's becoming more scarce and more expensive than in other seasons."

Tellechea adds that the combination of random weather and supply chain inefficiencies means the industry is just sending a 'regular' product, when it could be sending a 'product of excellence'.

"Because of the weather events we've been observing, in the end it means we are always on the limit of the minimum necessary quality."

Dole Berry Company grower representative Todd Mauritz says the 2012-13 blueberry season is one people will want to "quickly forget".

"The freeze was predominantly in the IX (Araucania) and XIV (Los Rios) regions. It damaged early set fruit, which matured with internal damage and needed to be stripped before good fruit could be harvested," he says.

"The rains then exacerbated mold issues in the VII (Maule) and VIII (Biobio) regions. It created splitting and then some serious hail events damaged farms in select parts of this region.

"It created a lot of softness issues, which have been continued now with the high temperatures of late experienced from Region VII and south."

Naturipe Farms president of product management Brian Bocock, says most of the damage happened to the blueberries when they were in their green stages, which meant it took around two weeks after weather events to know the full impacts.

"We had a lot of rain in December and early January and that has affected the quality of what's been arriving in the States and to the world from Chile really in the last two weeks and even this week," he says.

"The rain's created quality issues, and with the freezes and hail that have occurred, we've certainly taken some significant crop loss, to the point where Chile's total production will be at very similar to last year's total, a little bit less or a little bit more.

"It's very unfortunate because coming into this crop we were hoping for a 15-20% increase over last year."

Market impacts

Berry Fresh sales manager Jyoti Bhogal says Chile's blueberry deal kicked off positively in December following an early end to the Argentine campaign across the border to due to adverse weather.

"Then Chilean blueberries, due to lower temperatures and lower degree days, weren't ripening as quickly as once estimated, so what happened in December was because of the

gap from Argentina to Chile, we started flying a lot of fruit via air, because we couldn't get it here in time via vessel.

"This led to a nice demand here because there wasn't a lot of fruit in the system in December, and the plan was that it would take off a bit of pressure in January, taking away from the boats that were loading.

"The next challenge was we had a tremendous amount of rain before Christmas and after Christmas, leading to two problems - we couldn't harvest as much volume as we wanted for boats arriving on Jan. 7 and 10, and from fruit that's been arriving from then until now there have been an exorbitant amount of issues with quality."

Mauritz adds that low IQF (instant quick freeze) pricing has also meant Chilean growers were more willing send fruit to the U.S. that would normally go to frozen.

Bocock says the weather since the first week of January has been very good, leading him to expect a dramatic improvement in quality over the next three to four weeks.

"Certainly there are still opportunities to promote and use blueberries through the month of February. The season's not over, we still have significant volumes coming in, and we look forward to successfully servicing our customers and consumers.

Bhogal expectations are fairly similar, adding that problems with other fruits have helped Chilean blueberries somewhat.

"The other thing that's been good that's helped us is that the other commodities out of Chile, like grapes and cherries, were severely damaged and delayed much more by the rain than blueberries.

"It led to demand for blueberries because there wasn't much else to promote in January, so that's certainly worked in our favor. We've been able to do some very aggressive promotions and keep fruit moving through the system fairly quickly."

But while quality is set to improve, Brazelton says the risks of weather events like this are borne across the supply chain, with secondary difficulties even once quality issues have subsided.

"The second challenge that comes with this is there's a significant amount of fruit in the market today that's arrived in the last month, and if that fruit has quality issues it will move slower.

"We get a ripple effect in these scenarios unfortunately. We don't just suffer when fruit quality is a challenge, but we also suffer when the issue is cleaned up - when consumers don't have a good experience, consumption slows."

He says this could have implications for growers whose blueberries haven't been impacted by tough weather.

"My concern is that some of the good fruit may encounter challenges because it may not move as quickly because there is inventory back-up."

His comments are echoed by Bhogal.

"Now our challenge is to keep retailers going on blueberries after we've sort of left a bad taste in their mouths."

Overcoming rocky weather

Like many in the produce industry, Brazelton travels far and wide as part of his job and notes these concerns about ongoing unusual weather are not unique to Chile. They are global.

He says the challenge for growers is to invest in some kind of infrastructure, field systems or postharvest systems to prevent damages from weather; this could be through tunnels, frost protection, rain protection, misting coolers, evaporative cooling systems, or most importantly new tools available like genetics with fruit that is firmer.

"All around the world people are taking positions in better genetics, in better varieties that are more resistant when the weather problems come. Better varieties don't solve weather problems."

He says the overall take up of these forms of protection is low in Chile, which makes sense for financial reasons but growers' positions on this could change if they accept frost and rain difficulties will persist.

"Chile doesn't have the margins it used to have, there are lower prices and prices won't go back up."

"Chile has to compete with Mexico now to ship to the United States; Mexico can pick this morning and be in the market within two days. That is happening, it will continue to happen, that is fresh fruit."

He says Mexican growers also encounter weather problems sometimes, but they have been investing in tunnels to protect their crops. This means the Chilean industry now has important decisions to be made in how they produce the antioxidant-rich berry.

"Since the weather probably won't become perfect every year, but the market always demands better quality, what can the growers and the marketers and the important players in the industry do to improve their arrivals and improve their quality?"

"The opportunity is because Chilean growers are so innovative and some of the best growers in the world live in Chile, they have to take these positions in the technologies, systems and genetics that increase their ability to handle these weather problems.

"And when there's not weather problems they can put some of the best product in the world in front of consumers."

Mauritz points out that the effects of the freeze in November were not as much as originally thought, and those with frost protection were "more or less okay". The Santiago-based specialist recommends growers invest in these tools as the price is far less than the cost of a lost crop.

"For those that did not have frost protection or did not turn on their frost protection, they lost substantial amounts," says Mauritz.

"For growers that are at risk of these sorts of events it is prudent to invest in protection.

"Systems range cost depending on what you want and what irrigation system you already have. A frost irrigation system is not very expensive to put in when compared to the loss of an entire crop."

He says the take-up of frost protection systems is getting better in Chile.

"You still have to be careful what sort of systems you're buying into. You have a wide range of available frost protection systems that are becoming more available absolutely, but you have to do your research before you invest and buy one."

While Brazelton and Mauritz recommend more frost protection in Chile's blueberry industry, Boccock claims Chile's use of the technology rivals parts of the U.S.

"I would say Chile is as advanced or maybe a little more advanced with crop protection for freezes than areas of the States, believe it or not."

Tellechea on the other hand does not see frost protection as a key issue, viewing this year's frosts and hail as very infrequent events.

"Last year was a situation to the contrary, with a very hot summer with 36°C in the southern zone, provoking great ripening of the fruit and damages, so in this situation the problem is something else - I don't think investments especially for protection should be made following this particular year.

"What growers have to do, clearly, is improve yields per hectare, probably improving agricultural management or changing varieties that are planted in Chile.

"A lot of the varieties planted in Chile are very old, and they have a limited level of production due to their genetics, so the medium to long term business is about changing varieties, raising the productivity per hectare, and in this way absorbing the rise in costs and the higher exchange rate so that the business is more profitable."

Tellechea says unfortunately the costs involved mean many small growers will not be able to make these improvements, with the new varieties more accessible for larger growers.

Brazelton says people in the blueberry industry need to take "personal accountability for their own success".

"This problem is not because of the weather, the supermarket or the marketer. It's not even because of the grower. It's because of the situation that's here today. The power is in the hands of the parties who handle the fruit, both the exporter and the receiver, and the grower.

"I don't have all the answers. What I do know is it's been a tough year so far, and this will happen again and again and again because we farm outside, we don't farm in warehouses."

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