

The signing of a cooperation agreement last week between two major French apple cooperatives reflects the continued pattern of consolidation within the global fresh produce industry, where operators are pooling their resources in an effort to shore up positions and secure their longevity.

In working together, Blue Whale and the Bureau du Val de Loire Cooperative Union (BVL) claim they will be able to strengthen their respective businesses in a number of key areas.

From the outset, the move will establish the duo as the leading player on the French apple market since Blue Whale currently ranks as the largest exporter while BVL is the third-biggest supplier.

The two entities believe that together they can better satisfy the demands of customers, consolidate long-term global supply deals, guarantee a seamless offering, boost their marketing potential and improve their innovation into new varieties, production and packaging.

Ultimately, the partnership agreement which will officially begin on August 1, is aimed at creating new opportunities for their now 300-strong grower network.



Blue Whale president Claude Rehlinger (left) with BVL president Albert Richard (right).

"The main reason for the merger is to respond to market demand," Blue Whale's general director Alain Vialaret tells *www.freshfruitportal.com*.

"Our worldwide clients want to deal with loyal suppliers who have a complete range of fruit and who apply a brand and segmentation policy."

Supply will be significant

When the French apple harvest gets underway later this year Blue Whale, based in south-west France, and the Loire Valley's BVL, will jointly operate over 4,000 hectares with a total production volume of 230,000 metric tons (MT), worth €200 million (US\$276 million) in turnover.

By handling such a significant share of the national crop the duo plan to carefully match up France's apple supply with global demand, and thereby build long-term supply programs that guarantee the best sales opportunities for growers.

Both Blue Whale and BVL already supply the world's major consumer markets, exporting primarily to Europe, Russia, the Middle East, South East Asia, Africa and South America.

Established in 1950, Blue Whale now includes 200 growers with 2,725 hectares of apples, kiwifruit, plums, table grapes and strawberries located across four regions: the Alps, the south-west, the Loire Valley and Provence.

BVL, meanwhile, has been in operation since 1991 and currently comprises 100 apple producers across 1,500 hectares in the Loire Valley.

"Blue Whale is the leading group in France and represents 20% of French apple production," Vialaret points out.

"Our export portfolio of more than 70 countries will protect the market outlets of BVL. The affiliated growers will be able to rely on the reputation of our well-established marketing brands, particularly the Blue Whale brand, which has been present worldwide for nearly 50 years."

With the addition of BVL's production area, Blue Whale will also benefit from a more secure and continuous supply of fruit.

"BVL's base in the Loire Valley will allow us to have a presence in the best tree fruit production area in France, which will also reassure our clients who are concerned about

climate fluctuations," Vialaret notes.

Furthermore, the newly created organization will have sufficient resources at its disposal to continue making innovations in patents, new varieties, new production processes and packaging.

"There will be so many sources of innovation and added value for our fruit growers.

"Through this partnership we will pursue an important strategy of developing the orchards. Our objective is to develop the production of BVL's members in the Loire Valley in particular."

A shared history

Vialaret says the merger was carefully thought out and made sense because Blue Whale and BVL share the same cooperative, human and environmental values.

"Blue Whale and BVL are both cooperatives that are owned by invested producers," he points out.

"When you have the same structure and the same history, it's easier to talk about your strategy and technological approach.

"There has always been important exchange of ideas between us...the leaders of the two groups often meet through the cooperative federations, national unions and technical visits."

Although the two groups will cooperate on many levels they will continue to be managed separately by their current presidents - Claude Rehlinger at Blue Whale and Albert Richard at BVL.

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