

From what began in the mid-80s as a category to occupy citrus and kiwifruit packing facilities in California during the summer and fall, Sun Pacific has taken its table grape business up a notch in recent years. Having pulled out standard varieties like Thompson Seedless, the group is now focused on proprietary cultivars from the likes of Sun World and Sheehan Genetics, marketed under the brand "Air Chief". At Fresh Fruit Portal, we speak with VP of business development Howard Nager to see how this deal is taking flight.

Nager has only been in southern California for about nine months now, having moved to the company after years at Domex Superfresh Growers in the Pacific Northwest, and with Fresh Del Monte before that.

Throughout decades of experience the executive has seen myriad changes in fruit flavor and consumer preferences, and retailers and growers have responded accordingly.

"Retailers are much more interested today in having a product that tastes good - it doesn't necessarily need to have the best eye appeal. That's still important for them but the taste has to bring the consumer back," he tells *Fresh Fruit Portal*.

"From my days at Domex in the apple deal with all the varieties and the success that Honeycrisp has had in the U.S., it's had that success because of taste.

"Back in the early 90s I used to work for Del Monte Fresh Produce when we introduced the low-acid fresh pineapple; that was a big change for consumers that their lips wouldn't get burned from the acidic nature of the Champaca varieties."

It's a transition that's been seen in many commodities, and Sun Pacific has sought to stay ahead of the curve in that regard.



Sun Pacific VP of business development, Howard Nager.

"In the last couple of years our ownership has done a multi-million dollar investment into our grape program, ripping out the older varieties," he says.

These have been replaced to leave a portfolio predominantly made up of proprietary varieties, with some exceptions.

The company is now growing: In greens, Sugraone, Timpson, Great Green, Autumn Crisp and Autumn King; in reds, Flame, Krissy, Scarlet Royal, Timco, Scarlotta Seedless and Allison; and in black grapes, Summer Royal, Autumn Royal and Adora Seedless.

"Of those varieties eight of them we sell both conventionally and organically, and the other six that we're selling just conventionally are in transition this year," Nager says.

"Next we'll have all of our grapes available to sell conventionally and organically.

"Organics have such a high demand right now that demand greatly exceeds supply and so many retailers are looking for as many organics as they can get their hands on, and we can't grow them fast enough."

He says this ramping up of organics could mean that they make up 20-25% of Sun Pacific's table grape production eventually.

"We're probably looking at growing from approximately four million boxes [conventional and organic] this year to over almost 6.5 million boxes in the next five years," he says, adding if the opportunity presents itself he wouldn't rule out programs in other growing areas and regions.

"In all of the varieties we're now growing, we're looking for specific characteristics of that fruit - do they ripen consistently? Can they be grown in high density with more production off the vines than we have in the past with modern agricultural practices."

Beyond red, green and black - a shift to fixed weight packaging and brands

While taking note that everyone has their different taste preferences, Nager hones in on a few varieties that stand out for him personally.

"As it relates to our green grapes Autumn Crisp has great flavor - it's very sweet, it has subtle hints of a muscat flavor and also Timpson is another variety. You're talking about going from mid-July through mid-October or so with these two varieties that really have a dynamic flavor," he says.

"On the red side you have Krissy, which is harvested around mid-July and it's really crispy, flavorful, crunchy and sweet, and you also have a Timco which is a pretty large grape that's also really crunchy and sweet, and you have a timeframe from mid-July to December.

When it comes to black grapes, he believes this set of varieties have been underachievers.

"So many people I've spoken to really like black grapes, and for whatever reason from a consumer standpoint I think they're so heavily associated with being a seeded grape that people have yet to show the preference that they have for some of the green and red grapes," he says.

"But there are some really good-tasting black grapes. This Sun World variety, the Adora, is one of the best-tasting grapes I've ever had. It's very large, it's fresh, it's sweet, and typically the availability on the Adora is later in the grape season so October through December."

But in a fruit category - not to mention a snack food segment - with such intense competition, how can you lift these varieties out of the mass of options out there on display for consumers.



"I think the industry still is more so looking at it as red, green and black. That is the way that they advertise it, that is the way consumers are buying the product," Nager says.

"There are some customers that do have proprietary brands that are starting to make some inroads, but frankly I think there are a number of things that have to happen in the industry to allow branding to succeed.

"One of those is the ability to sell a fixed-weight package. Once you have a fixed-weight package, you can then put a UPC on that package and then gather that data and be able to provide to a retailer a fact-based message on how your product, your brands outsell

somebody else's brand."

This would be a significant change from the situation right now whereby a retailer could be buying table grapes from from six different shippers.

"They know how much they've bought, but from the sales side they can't really differentiate those brands," he says.

"Frankly, if we're putting in the effort and the cost to grow a better grape, we would want to brand it, we would want to put it in a package, we would want to show a customer that our program is going to generate more sales than somebody else's program.

"There's a move towards branding - it's not there yet but it's moving in that direction."

And would this fixed-weight packaging follow a similar path to that taken by Sun Pacific for its brands Cuties in easy peelers and Mighties in kiwifruit?

"You have to look those top-seal packages that many of the hothouse products are sold in, like the tomatoes and veg, and when you go to Europe all the packages are now top-seal," he says.

"It could be a fix-weight bag, it could be a sealed plastic container...we are testing some top seal packaging this year."

To build the brand promise, Nager adds that in any particular vineyard there could be four to six different picks as the fruit ripens throughout the season.

"You could go through that vineyard once or twice and harvest the fruit at a much lower cost, but then what you're doing is providing an inconsistent tasting product to both the retailer and the consumer," he says.

"So we really look to our harvesting plans with our quality control very much important to us that we will go through and harvest the grape when it meets that brix level, the sweetness level, the maturity level.

"If it means going back three, four or five times, the value proposition we have with our customer is 'sure, you may pay a little bit more at times, but the key thing is getting the repeat sale'."



Harvest and season outlook

With the Mexican and Coachella seasons winding down, the main Californian table grape campaign is just around the corner and looking pretty good, according to Nager.

"We're experiencing some extremely warm temperatures right now which is really helping the fruit to gain some sugar," he says.

"We'll probably start with our harvest sometime in that week after July 4 - all the different varieties right now are looking to be fairly consistent with their characteristics, the timing of the harvests, so knock on wood we're looking to have not only a good quality crop but I think a lot of promotional opportunities in the crop we have at the moment.

He adds there are several competing items now in the produce department including Washington State cherries that are coming on strong with good volumes, as well the watermelon season gearing up for the July 4 holiday and summer tree fruit.

"I think grapes have secured real estate in the produce department through the season they'll be expanding and pushing the limits on that real estate."

When asked about exports, he says around 20-25% of the company's grape crop is sold outside the United States.

"China is a big market, Japan is a big market for the product, and we really have to ensure optimal, high quality," he says.



"Typically that's the product that we're exporting, the better fruit."

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