

Welcome to our post-event coverage of the inaugural [Global Grape Summit!](#) The event which [took place on June 5](#) in conjunction with the London Produce Show and Conference was a huge success, drawing an international crown of 300 important industry actors delving into the biggest issues facing the sector. This week we will be providing summaries of each of the seven educational sessions in four parts.

This third part will feature two future-focused sessions - one on how to win with new varieties through optimum marketing strategies, and the other on what the industry could look like 10 years from now and what companies need to do to be successful.

MARKETING GRAPES FOR SUCCESS

Don Goodwin, President & Owner, Golden Sun Marketing (U.S.)



Don Goodwin of Golden Sun Marketing gave an engaging presentation on some key strategies that companies could use to increase their chances of success when launching a new table grape variety.

He noted there was a certain level of buyer and customer confusion over nomenclature, adding that grapes tended to be marketed as a commodity and that the eating experience tended to be inconsistent.

The grape market, he said, was becoming increasingly segmented into 'value' and 'quality'.

"In the apple category it's really clear - there are Fujis and there are Honeycrisps," he said. "There are two different apples, and two different prices. They look the same, relatively speaking. They're both red-stripe apples, as we call them, but the consumer knows them differently. We've marketed them that way differently."

"No grower has had the audacity to market the Fuji as a different name or the Honeycrisp as a different name. You might see them in private label, you might not, but no matter what, they're called what they are.

"As a marketer that has spent 40 years in the industry, I think it's a critical difference here. It's really important that we let consumers identify what the variety is, especially when we have something that we know eats very uniquely."

Goodwin provided the audience with what he believes are four factors that are important to win with a new fruit or vegetable variety: a commitment to flavor, limited distribution, strategic marketing investment and a focus on the consumer.

He gave some examples of how he had helped to achieve success with other fruit varietal brands using this method, such as with Opal apples, Amaize sweet corn, Lori Anne peaches and Sunions.

FAST-FORWARD TO 2029

Presentations:

New Production Areas Around The World - Oscar Salgado - San Lucar (Spain)

The "Breeder's Paradox" - Garth Swinburn, Vice President of Licensing, Sun World Innovations (South Africa)

Panelists:

- *Andy Kampa, Global Commodity Manager of Table Grapes, Robinson Fresh (U.S.)*
- *Ricardo Koch, General Manager, Río Blanco (Chile)*
- *Rupert Maude, Commercial Director, El Ciruelo (Spain)*

- *Nitin Agrawal, Managing Director, EuroFruits (India)*
- *Johan Fouche, Commercial Director, The Grape Company (South Africa)*

Moderator: Jim Jefcoate, Director, Hurdletree Associates Ltd, (U.K.)



Oscar Salgado of San Lucar began this future-looking session by enlightening Global Grape Summit attendees on new production regions around the world.

He explained that a table grape "revolution" was underway, driven by new tropical and subtropical production areas, along with new genetics, improvements in production techniques and post-harvest technology, as well as a growing middle class around the world.

New table grape growing areas have been driven by different factors, he said. These include operation in a window or market gaps - such as Morocco, Namibia, Jalisco in Mexico, Petrolina in Brazil, or new areas in Egypt - as well as cheap production costs (El Minya and upper Egypt and the Habez Gulf), and in order to supply their domestic market or region (Ecuador and Colombia, Yemen, Algeria, Moldova, Georgia, Uzbekistan and Russia).

"The table grape supply map will have a dramatic change in the coming years," he said.

These changes include the discovery of new subtropical or tropical production areas towards the equator, with new varieties enhancing the impact of these new areas.

He also predicted that some traditional grape production areas will disappear or be given a reduced role - especially in countries with well-established industries - and suggested that the industry should perhaps be questioning its participation in some markets.

There will also likely be further consolidation and concentration of production, with fewer but bigger producers.



Garth Swinburn of Sun World Innovations then spoke about the 'Breeders' Paradox', explaining to the audience some of the biggest dilemmas faced by table grape breeders nowadays.

These include the erosion of novelty and the increasing challenge of creating a difference with a new variety.

"20 years ago that was pretty easy. Today, however, new varieties are very similar-looking to the point where a lay person or a consumer would not be able to tell the difference," he said. "And this is not confined to table grapes - the stone fruit and the apple space is also overwhelmed with varieties that increasingly have similar characteristics.

He said that breeders over recent years have tried to "develop a variety with redeeming features and create a space in the market that adds value to producers, buyers and consumers and this has been done successfully on numerous occasions".

"But if within a couple of years of creating this competitive advantage another breeder produces an almost identical variety in the same market window, deemed distinctive and new by the PBR (plant breeders' rights) system, but not by the market and nor by the grower, then the system has no longer enhanced innovation. Conversely, it has eroded that competitive advantage."

Other challenges including staying relevant to the market, achieving market penetration and growth and stopping intellectual property theft and infringement.

He added that breeders must also consider the economics of replanting new varieties, continuously weighing up the benefits.



A panel then took to the stage to discuss issues raised by Salgado and Swinburn in their presentations, and to speak about what they believed to be the priorities for the industry moving forward and where they expect the sector to be in 10 years' time.

Common topics that came up included the inevitability of consolidation around the world and its implications, the importance of increasing consumption, and also the importance of running an efficient operation and providing consumers with a product that they are really looking for.

Andy Kampa of Robinson Fresh highlighted that grapes are competing on a daily basis for shelf space with other fruit items, and emphasized that consistency would be one of the biggest factors in ensuring that consumers keep coming back to buy more.

He also said that it was key to show the consumers how eating grapes will benefit them and to educate them regarding new ways that they can consume grapes - for instance, as an ingredient in a meal.

Kampa added: "I'm hopeful that in 10 years' time growers will have a better understanding

of what rootstocks to plant these new varieties on and a better understanding of the capabilities of exporting these varieties through better growing practices. I believe that will channel a lack a convergence on certain markets so that we don't have the convergence that we have now, which leads to depressed markets and poor returns.

"And I'm very hopeful that the children that we talked about today are going to be the decision-makers and purchasers 10 years from now at retail, and that they're going to be the first that have experienced high-flavor profile grapes from the onset of eating grapes...which will lead to more consumption than what we see today."

Regarding Salgado's prediction that some well-established industries would be impacted by the increase in production from newer regions, Ricardo Koch of Río Blanco commented that this is already happening in Chile.

He said small- and medium-sized growers would tend to disappear, and for companies that were not vertically integrated it would be very hard to survive. Chile used to have "a nice window", he said, but in the new international context - especially with the sharp increase in volumes coming from Peru - there would be "hard decisions" to make.

In terms of the future of the global industry, Koch said: "The consumption needs to go up...and as was mentioned already the packaging somehow will have to change." He added that information, such as accurate estimates, is "very critical".

Responding to a question about if the trend of consolidation in the global industry could pose any challenges for India, where there is a very large number of small-holder growers, Nitin Agrawal of Eurofruits said he was optimistic for the future of the country's grape industry.

"Typically growers in India have one to two hectares, but they are young farmers who travel across the globe. Most Indian farmers are families that have better control in terms of what they are producing and they are very careful and cautious. As they have a small area, if something goes wrong it's going to affect them very seriously."

He also said that Indian table grapes tend to be very consistent, and the season is expanding at both ends, giving them ample opportunities to supply a range of world markets.

He added that with the worldwide production of table grapes set to increase in the future, he believed it was important for all production countries to work with each other to provide more education to consumers about the grapes they eat.

Meanwhile, Johan Fouche of The Grape Company said that as long as there are receivers who are willing to pay for quality, there is a future for small-holder growers, of which he said there are many in South Africa, too.

"The Grape Company has been blessed with quite a large number of these growers being the heartbeat of our business for the past 21 years, and I agree with Nitin - they are consistent growers that need to make a living, only specializing in table grapes and therefore they strive to produce an optimum eating experience and preferred varieties.

He added that it was important for growers to have a trader mindset and to be as sustainable as possible.

Commenting on what he believes should be the industry's priority for the future, he said: "Just for us all to improve all aspects of the grape offer, and to ensure that 10 years from now the customer's preferred [fruit] option will be grapes."

Rupert Maude of El Ciruelo said that consolidation is a "fact of life" and estimated there would eventually be fewer growers, fewer breeders, and, hopefully, fewer complications.

"People who are running large efficient businesses today - in places like Chile, South Africa, California - are people that I see as examples. People who have led the way in the last 30 years doing something different," he said.

On how to increase consumption long-term, he said: "It's all well talking about how we're going to increase sales and the rest of it, but I've got a really simple solution - you're not allowed to test many things on children, but you can test fruit. And they are the best judges for what is good and bad.

"We work with fruit for schools, and I would encourage everybody to do it around the world, because if the next generation doesn't eat more fruit, then we are going to have a hard time."

Summing up, he said: "I hope that in 10 years we will look back seeing how far we've come, not how far we have to go."