

## Citrus inspection



Courtesy La Calera Agrícola

A worker inspects and selects citrus for La Calera Agrícola, Chinchá, Peru, about 125 miles south of Lima, along Peru's Pacific coast.

# High-quality fruit ready for U.S.

By Jose Escobedo  
Staff Writer

Entering their fourth season, Peruvian citrus exporters and U.S. importers expect excellent quality fruit to arrive in a timely manner and with plenty of volume.

As opposed to last year, when the Peruvian deal started two to three weeks late, exporters are optimistic that the weather is cooperating and the fruit should arrive just in time, although in smaller quantities.

"Last year, Peruvian citrus production and exports were late mainly because of the very cold 2007 winter," Estuardo Masias, general manager at Lima-based Prolan, said in an e-mail.

"For 2009, the harvest is on its normal track again but the yields are low in most of the varieties," he said.

For most importers, weather in Peru this year has helped produce high-quality fruit.

"The weather has been good," said Roger Griess, global vice president for business development at Sun World International LLC, Bakersfield, Calif.

"There are better weather patterns this year than in the 2008 production year.

"Peruvian minneolas are very clean and have a very nice color and are very compatible with our California crop," he said.

Griess said the quality of minneolas is similar to the 2007 crop.

"Last year, we had a weak piece of fruit, and this year we have not seen much scarring," he said.

This year, however, satsuma volume should drop significantly.

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Courtesy Prolan

The 2009 citrus harvest is back on track after a cold winter in 2007 delayed production last year, says Estuardo Masias, general manager at Lima, Peru-based Prolan.

As far as quality is concerned, Peruvian growers are getting better at producing higher quality each season.

Jeff Miller, president of Westlake Miller, Los Angeles, said Peru grows a very good minneola, and every year Peruvian growers learn more about what U.S. customer's expectations are.

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"Due to a decrease in export volume this year, that means we will have a larger sizing fruit," Fernando Bustamante, general manager for Coexa SA, Lima, said in an e-mail.

Bustamante said Peruvian citrus is not generally of a lesser size, but sizing does vary from year to year.

"Last year our fruit was bigger than other countries and we expect this year it will be again," he said.

And when it comes to sizing, U.S. consumers generally prefer their citrus on the bigger side.

"North America tends to demand larger sizes and Peruvian shippers are very good at supplying customers with the right calibers and sizing," Greenberg said. "They are very good at segmenting the markets."

Peruvian navels, especially this year, face tough competition from its Southern Hemisphere rivals.

Chilean navels, for the first time, have entered U.S. markets in May, and Australia has increased significantly its export volumes.

"There are just too many navels out on the market," Miller said.

"As far as volume, South Africa will stay the same, but I'm hearing that Australia will increase their navel exports to the U.S. by 200,000 or 300,000 cartons over last year, and Chile plans to export between 500,000 and 600,000 cartons to the U.S. this summer. It's going to be very competitive."

Despite lesser export volume this season, and tougher competition from other Southern Hemisphere countries, Peru is exceeding and making a name for itself.

"Overall, Peru has a very high-quality product and growers are doing an exceptional job of growing, packing and shipping," Griess said.

"They produce an excellent piece of fruit and they deserve a spot in the market," he said.

## Peru uses advantages to carve out citrus niche

By Jose Escobedo  
Staff Writer

Thanks to its location, improvements in infrastructure and knowing what the U.S. market demands, Peru has become a strong competitor ready to supply the market with top-quality citrus.

"According to Peru's Ministry of Agriculture, the country produced close to 824,000 tons of citrus in 2008," said Sergio del Castillo, general manager at Lima, Peru-based Procritus.

Del Castillo said Peru exported 64,000 tons of citrus last year, and 17% of that headed to the U.S.

For the 2009 season, which began in March and is expected to end in September, Procritus forecasts the country will export close to 51,000 tons of citrus, with about 9,000 tons, or 18%, of the total going to U.S. markets.

"Up until now (June 4), we have exported almost 30% of our total exports," del Castillo said.

Peru has about 162,000 acres of citrus production and its major citrus exports are minneolas, satsumas, honey tangerine, clementines, late navels and limes, among other varieties, he said.

The country's ideal geographic location offers all the right elements for a top-of-the-line citrus deal.

"Peru is located above the Tropic of Capricorn and is able to produce good colored citrus due to the cold water currents that form in Antarctica and go up the coast of South America reaching the equator," Estuardo Masias, general manager at Lima-based Prolan, with its U.S. affiliate Andean Sun Produce Inc., Miami, said in an e-mail.

"This creates a large desert where no rains interfere with the citrus production. These climatic conditions allow the central coasts of Peru to be a unique place for citrus production," he said.

In recent years, Peru has made great strides in providing the proper infrastructure to its growers to strongly compete against Chile, South Africa and Australia.

"We are seeing the infrastructure develop. Ports, cranes and roads are being put in place — not at the speed we would like, but there is an improvement," Masias said.

Importers agreed Peru has come a long way in providing the necessary elements to have a successful citrus export program.

"There are no infrastructure issues and communication is excellent, run by a sophisticated team of growers, marketers and technical personnel," said Marc Greenberg, senior vice president and chief operating officer for Fisher Capespan Inc., St. Laurent, Quebec.

Although the Peruvian citrus deal is only in its fourth U.S. exporting year, the country has always had plenty of experience exporting top quality produce to the rest of the world.

"They knew the export business long before they started shipping to the U.S.," Greenberg said.

Not only do Peruvians have much experience exporting citrus, but recently some industry experts believe that Peru is getting better at knowing exactly what the U.S. consumer wants.

"We know that we need to change our quality standards in order to achieve market recognition in the U.S. The main differences are not in higher or lower quality, but in delivering the right quality to the right customer," Masias said.

For many growers, achieving the right sizing, brix and color are the key ingredients.

"The U.S. consumer particularly wants a large size fruit with a good appearance and color," Fernando

Bustamante, general manager for Coexa SA, Lima, said in an e-mail.

"These characteristics are very important to them, as well as the brix levels," he said.

But for some exporters, quality is something that both exporters and importers should pay close attention to.

Arturo Ramirez, general manager for Consorcio de Productores de Fruta, Lima, said in an e-mail it is important that Peruvian growers understand that they must export a high-quality piece of fruit. Likewise, Ramirez said U.S. importers must emphasize the importance of quality to their export partners and clearly define the expectations of U.S. consumers.

Otherwise, "the result is a loss for (U.S.) importing programs and that makes the U.S. consumer think Peruvian citrus is of bad quality," Ramirez said. "It is (also) a loss to the Peruvians."

An increasing number of Peruvian growers are now realizing that, to keep their U.S. customer base, maintaining consistent quality is vital.

"Every time there are more growers in Peru achieving international food safety certifications, such as Global GAP, BRC, SQF-2000 (ISO 9000 and HACCP)," said Bustamante in an e-mail.

"As long as there are more growers obtaining these certifications, there will be more top-quality citrus," he said.



Griess

This is why we are seeing better quality," he said.

Minneolas, Peru's leading citrus export, should hit U.S. markets just in time for Fourth of July celebrations.

"We will start picking minneolas around June 10 and packing and shipping them by the 16," Griess said. "They should be arriving in the U.S. the first three days of July."

## Business updates

### Agricola RMV SA considers export markets in Asia

To expand its market beyond the U.S. and Europe, Ica, Peru-based Agrícola RMV SA has extensive plans to grow its exportation program.

"The company is currently analyzing the opportunity to export its citrus production to Asia," said Manuel Yzaga, owner.

Last year, the company produced about 540 tons of minneolas, and

only 25% of the total production was exported to the U.S., with the remaining 75% going to Europe.

The company also exports w. murcotts to both markets.

### Empacadora y Procesadora Huamani signs agreements

Empacadora y Procesadora Huamani, SAC, Pisco, Peru, has signed technical training agreements with the Israeli government.

"For the past 12 months we have

had technical courses like agronomy management, irrigation, and fertilization for open-field citrus, as well as pest-control management and postharvest management," said Ismael Benavides, director and general manager.

### Procesadora Torre Blanca continues volume increase

For the third year, Procesadora Torre Blanca, Huaral, Peru, a logistics operator, doubled its process-

ing volume and sales in 2008.

"We hope to have very important growth by the year 2010, based on an integral service that includes logistics, processing and marketing of produce," said Marcus de Monzarz, general manager.

The company has met all the USDA food safety requirements as well as the European standards, de Monzarz said.

By staff writer Jose Escobedo

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