



COUNTRIES MAIN PLAYERS / THE FRENCH
Despite a drop in fruit and vegetables domestic consumption and very low producer prices recorded in the Country in recent years, French fresh produce players have found their

THE POWER OF BRAND

French fruit and vegetables players are recovering from the crisis, thanks to quality, innovation and good communication skills: these are the keywords that determine the success of France's fresh produce industry. Overall, France produces around 14 millions tonnes of fresh produce per year, especially apples and potatoes, but the exported volumes are much lower.

The companies interviewed by Green Med Journal (three brand managing associations and one logistic platform) are some of the most outstanding in France as for internationalization, mostly through the creation of brand awareness around quality products such as Pink Lady® apples, Prince de Bretagne vegetables and Prim'land's Oscar Kiwifruits.



Communication, internationalisation et innovation sont les trois piliers autour desquels s'articulent les meilleurs opérateurs des fruits et légumes français, qui ont ainsi réussi à surmonter les deux années les plus difficiles de la crise économique internationale et à stimuler les ventes. Que ce soit par l'esprit rigolo de Pink Lady®, ou par l'esprit innovateur de l'Oscar Kiwi de Prim'Land, ou par la tradition des légumes Prince de Bretagne ou par l'appel international de la plate-forme Saint-Charles International, les Français ont montré leur capacité à offrir des produits et des services de qualité en mesure de trouver des opportunités intéressantes dans de nombreux pays. La nécessité de donner plus de relance à la consommation, en baissant les prix dans les supermarchés et en les élevant à la production, a été désigné comme le point le plus critique dans le secteur des fruits et légumes français, ainsi que les désagréments causés par les conditions climatiques. La France est un géant de la production de fruits et légumes euro-méditerranéenne, mais les volumes exportés sont très faibles, et la balance commerciale de l'import/export est en déficit. Les pommes et les pommes de terre sont les produits les plus cultivés. Dans ce contexte, les entreprises interviewées par Green Med Journal ont montré une forte orientation internationale, notamment par la création de marques très reconnues dans le monde entier. Une stratégie, celle de l'investissement dans la

QUESTIONS:

1. When was your company founded and how has its activity evolved over the years?
2. How is the current situation of French fruit and vegetable industry? What have been the consequences of the global economic crisis? What the prospects for the future?
3. To what extent has the economic crisis affected your business during the last two years?
4. Which are the main products your company markets? Which is the most successful market for your company? Are you planning to enter any new one?
5. Who are your main customers (retail chains, wholesale markets, importers) and how are the relations with them?
6. What were the most important and innovative projects recently implemented by your company? And what are the projects that you plan to implement in the near future?
7. What are the main challenges you face in your business? What are your strategies to overcome them?
8. Do you have any specific strategy to increase the importance of your company internationally?

PINK LADY

Jean-Jacques Berton (Marketing & Communication manager)

1. Pink Lady® Europe Association was founded in 1997 in order to promote the apple in Europe. Our activities have gradually expanded up to include today communication in every aspect (media and non-media), trade marketing and operations to boost sales. The success of Pink Lady® of course involves the maintenance of quality. A key pillar in the activity of the association over the first few years has been to develop the main features and the overall quality shared by producers, packing stations and distributors, as well as the estab-

lishment of independent checking systems to ensure its implementation. The association pursues this challenge constantly renewed to ensure a very high quality, source of satisfaction for consumers.

2. The fruit and vegetables industry has been suffering much for several years now. The consequences are very serious for producers and market players, as incomes are no longer guaranteed for many of them. It is therefore essential for our producers to have the opportunity to continue developing their production of Pink Lady® apples as they do now. We are vigilant to the fact that producing a Pink Lady®, despite all the technical skills and the care that must be provided, remains a source of value added!



way out of the crisis, with sales recovering in 2010 after two negative years. The solution is three-sided: good communication, strong internationalization and investment in innovation.

marque, qui est un succès malgré la crise profonde des deux dernières années.



Comunicación, internacionalización e innovación son las tres

palabras claves que inspiran a las mejores empresas hortofrutícolas francesas, que lograron así superar los dos años más difíciles de la crisis económica internacional y mejorar las ventas. Ya sea a través del espíritu divertido de las manzanas Pink Lady®, o a través la innovación de los kiwi Oscar Prim'Land, o de la tradición de las verduras Prince de Bretagne o del atractivo internacional de la plataforma St. Charles International, los franceses han demostrado su capacidad para ofrecer productos y servicios que logran encontrar oportunidades comerciales interesantes en muchos Países. Estimular el consumo de frutas y hortalizas, reducir los precios en los supermercados y aumentar los que se pagan a la producción, son las principales necesidades del sector hortofrutícola francés. Francia es un gigante de la producción hortofrutícola del euro-mediterráneo, pero los volúmenes exportados son bastante bajos, al punto que la balanza comercial en importación-exportación está en déficit. Manzanas y patatas son los productos más cultivados. Las empresas entrevistadas por Green Med Journal mostraron una fuerte vocación internacional, especialmente en la creación de marcas muy conocidos en el mundo. Una estrategia, la inversión en la marca, que está dando buenos resultados a pesar de la profunda crisis de los últimos dos años.

3. Despite the crisis, the volumes of Pink Lady® sold continued to grow during the past 2 years up to reach historic levels. So the brand is continuing its growth. The volumes marketed in 2008/2009 and 2009/2010 have thus increased by 22% and 32% compared to the previous season.

We are confident that even in times of crisis, consumers also need to have some fun. Now we have a fantastic asset: our apple is considered exceptional for its taste. Buying Pink Lady® is not just buying an apple, it is to have fun!

4. Pink Lady® continues its European strategy with ambitions that are both focused on all its destinations, like traditional markets such as Germany, France and Belgium but also other countries with high potential such as Spain and Italy for example. The future is also on the Middle East, Southeast Asia and Russian markets for which we have been deploying specific tools since last season.

5. We work with over 270 partners including European retail distribution, wholesalers, importers. Working relationships are daily and Pink Lady® has a dedicated team of seven trade marketing executives. Men and women on the ground, their mission is to listen to distribution operators, developing with them the best working conditions in a common goal of ensuring sales' boost in stores. Pink Lady® is naturally attentive to the perception of its customers and does not hesitate to question them as part of studies aimed to better understand their expectations. Thus a study conducted by PB Council in May 2010 with French department managers shows that 78% of them consider Pink Lady® essential for their department, 84% see it as an apple different from the others and a source of value added, and 70% wish they have it in their range throughout the year with no disruptions.

6. As a premium brand leader in its market, Pink Lady® must continue to retain and expand its customer base, renew itself, explore new territories, but also seek to ensure the foundations that have made it successful (impeccable product quality, com-

munication field identifying and impacting...). This year will be marked by the large-scale establishment of new development sales tools aimed to ensure a high dynamic promotion (immediate reduction coupons, retention strategies, direct premiums and new merchandising tools). We also continue to develop our communication investments across the countries. The media investment has never been stronger this year with a 100% TV device on 3 strong waves (November for the launch of the campaign, February to mark Valentine's Day, and April). Complementarily, a press relations / public relations campaign will be launched this year on targeted countries to create a favorable media noise based on opinion leaders such as the journalists of the written press, radio or television.

We also organize our calendar according to the introduction of attractive consumer games on our website at key moments (campaign's launch, Valentine's Day...) and develop exchange places with our customers (Facebook Fan Page, kitchen / recipes page on our website ...) to recruit but also retain our customers.

7. The difficulties are of course related to an industry that has not grown significantly in terms of consumption, while competition is becoming more and more present and aggressive.

The key of the continued development of Pink Lady® has three main points: ensuring that our customers today and tomorrow, can still have fun while tasting a Pink Lady® apple; continue our promotion involving a growing number of distribution partners in promoting our product; write new pages more and more original of an apple that is really like no other.

PRIM'LAND **Jean-Baptiste Pinel** **(managing director)**

1. Prim'Land is the sales division, a subsidiary of two cooperatives based in the Landes area of South-West France: the first, Scaap Kiwifruits specialises in fresh fruit



The creation of brand awareness, together with very good quality of products, have determined the success of many companies, especially those that managed to find an outlet in different Countries, including new ones

production. In 1982, producers in the South-West grouped together to create Scaap Kiwifruits de France. Its headquarters are in Labatut in the Landes. They now number 200 in all, producing Oscar kiwi and apples. Maisadour is a cooperative group specialising in vegetables' production, especially fresh asparagus, carrots and sweetcorn. Prim'land markets Oscar Kiwifruit brand, born in 1980. At the end of the 80s the exports of Oscar Kiwifruits started to Spain then Canada. In 1993 were launched exports to Taiwan, Singapore and Hong Kong, then in 1998 to Brazil, USA and Argentina.

4. Our main products include: kiwifruits (13,000 tonnes in 2010), grown in the Southwest of France, in particular in mild and humid Adour Valley, accounting for 61% of Prim'land's turnover; asparagus and carrots (respectively 800 and 15,000 tonnes in 2010), grown on the sandy soils of the atlantic coast; fresh sweet corn (800 tonnes in 2010), variety Supersweet and no-GMO; espelette piper AOC, from Basque Country; apples (2,200 tonnes in 2010), grown in the sunny orchards of Landes.

We export in 44 Countries all over the world. Our main market is France (51%), followed by Europe (30%), Asia and Oceania (17%, Oscar is the first French kiwifruit to be exported to India and China) and America (2%).

6. As consumers are seeking products that meet both their taste evolution and their food consumption habits, since 1996, Prim'land has been focusing on R&D, to develop new product ranges and packaging. Our Cooperative Group's growers share the following goals: to secure their income of producers, to be an active part of their economic environment. This is why we put emphasis on innovation, and High Quality technical advice, and as a result the number of growers joining the Group has been increasing constantly (there were 69 growers in 1995 and 350 in 2009). We also invest in product innovation, especially for kiwifruits. The innovative varieties we offer include: Summerkiwi (early-ripening variety of kiwifruit), Kiwigold (sort of yellow kiwifruit,

since in winter 2006), Kiwi red (Prim'land is the first company in Europe to offer this kiwi range), Kiwai (baby kiwifruits, Prim'land has the exclusivity in Europe for the production and the distribution of 3 sorts, which come from New Zealand) and we are testing also new product ranges for vegetables.

8. As said above, our strengths are innovation and guarantee of traceability. Especially as far as kiwifruits are concerned, SCAAP Kiwifruits de France's expertise has broadened to include several aspects as sales promotion, communication, internet, advertisement, training of department heads and promotional events at points of purchase. Since 1982, the SCAAP Kiwifruits de France cooperative developed a whole chain of services focused on 3 key links: the producers, the packaging station and sales activity. Quality has made the name of the Oscar kiwi known across the world; it is also the cornerstone of the cooperative's development. Concern for quality over the years has become the engine for collective action.

PRINCE DE BRETAGNE Emmanuel Descloux (marketing manager)

1. The brand Prince de Bretagne was created 40 years ago but the cooperative Sica de St Pol de Leon was founded in 1961. Since the 70s Prince de Bretagne has been a brand managed by the association Cerafel, which gathers several cooperatives, and the brand is available to all the growers joining. These companies are spread over three counties in Brittany: Finistère, Côtes d'Armor and Ille et Vilaine. The lands are all located along a 10 km coastal edge from the tip of Brittany to St Malo, that is the northern coast of Brittany.

2. Everything is fairly variable. On the one hand because the market depends on the weather conditions. In a cold winter throughout Europe demand of cauliflower grows while the volumes available are reduced. On the other hand we were affected by the global slump. The main effects in-



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cardini attorno cui ruotano i migliori operatori del settore ortofrutticolo francese, che sono così riusciti a superare i due anni più duri della crisi economica internazionale e a rilanciare le vendite.

Sia attraverso lo spirito divertente delle mele Pink Lady®, quello innovatore degli Oscar Kiwi di Prim'Land, o attraverso la tradizione degli ortaggi Prince de Bretagne o il richiamo internazionale della piattaforma St. Charles International, i francesi hanno dimostrato di saper proporre prodotti e servizi di qualità in grado di trovare sbocchi interessanti in svariati Paesi.

La necessità di dare maggiore stimolo ai consumi, abbassando i prezzi nei supermercati e alzando quelli alla produzione, è stata indicata come la principale criticità del settore ortofrutticolo francese, insieme ai disagi causati dalle condizioni climatiche.

La Francia è un gigante della produzione ortofrutticola euro-mediterranea, ma i volumi esportati sono piuttosto bassi, tanto che la bilancia commerciale di import/export è in passivo. Mele e patate sono i prodotti più coltivati.

In questo contesto, le imprese intervistate da Green Med Journal hanno dimostrato una forte vocazione internazionale, soprattutto attraverso la creazione di marchi fortemente riconoscibili in tutto il mondo.

Una strategia, quella dell'investimento nel marchio, che si sta rivelando vincente nonostante la crisi profonda degli ultimi due anni.



such as Russia, the Middle East and Eastern Asia. Thanks to this value added, the players we interviewed can survive in the fight with bad weather, the most traditional and worst enemy of any farmer

cluded a reduction of product ranges available, and troubled periods at the end of the month (starting from mid-month) at the height of the crisis (especially in 2009, 2010 being better in terms of trade). 2010 passed smoothly as for the most important products of the range and this helped us recover after 2008 and 2009 that were totally catastrophic. The future is never written, and we hope that the next winter season will be good for cauliflowers.

3. The euro, too strong at some times, has damaged our exports in 2008 and 2009 especially to all those countries that are not in the Euro-zone, such as England (2008 especially), Eastern Countries, Russia and Scandinavia. In 2010 we experienced a reboot in all these countries that helped us improve our results.

4. We always watch over all the markets, and our marketing system (based on a network of importers buying and selling on our behalf) allows us to be present on all opportunities. What is important for us is the number of outlets (ie the number of countries) that allows to re-balance our activity. It is always better to sell a product in 33 Countries (like cauliflower) than just in one (such as controlled designation of origin's paimpol coconut). Our main products are (by volume) cauliflower (150 million heads, twice in kilos), tomatoes (84,000 tonnes), small purple globular artichokes (50,000 t) and shallots (35,000 t). But the complete range is much wider as we have nearly 46 different species of vegetables.

5. We work with everyone (it's in our marketing system) and we are the only ones in Europe (with Belgium) to propose to deal equally with all our customers. Indeed, each customer of Prince of Britain can buy the products and the volumes desired every day whatever the final destination is. Our clients are very balanced and representative of the market: 70% large

and medium retailers, 30% wholesalers and 50% exports (on a total amount of about 650,000 tonnes of fresh vegetables).

6-7. We aim at developing a specific communication around the brand Prince of Britain, focusing this communication in a context of fierce and long-term competition. As for the marketing, we aim at increasing our ranges (launching heirloom vegetables, mache and others). In the future we will launch a communication on sustainable development because we are well positioned on the social, economic and environmental aspects. A plus for all our customers in Northern Europe.

8. Yes. It is an adaptation to the culture, needs and organization of each country. We have 20 target countries in which we are focusing on industry professionals, directly on the final consumer or both.

ST. CHARLES INTERNATIONAL David Patte (SNIFL delegate)

1. St. Charles International, the leading European fruit and vegetables distribution center was founded in 1970. At the beginning, St. Charles marketed mostly citrus fruits then over the years it has become a real fruit and vegetable market. Since 1990 we have diversified our supply sources going from 1 million tonnes to 1.5 million tonnes traded.

2. The French fruit and vegetables' industry suffered from a decline in consumption and rising prices at the retail level. It is noted here that the price remains the most important among the criteria moving consumer choices. The crisis has had the direct effect of creating a sluggish market and a decline in exports, mainly to Russia. However, we are seeing a recovery in demand and a price consoli-

dation.

3. The economic crisis has affected the attitude of Insurance Credits that were concerned about the requirements of their reinsurance companies and have thus reduced the amounts of credit for export.

4. The main products sold include citrus, lemons, oranges and clementines, and their different varieties; for fruits, strawberries, peaches, nectarines, apricots, melons, grapes; for vegetables, tomatoes, zucchini, green beans, eggplant, peppers, salads and so on. The most successful markets are France, Germany, Great Britain, Switzerland, Belgium and Eastern Europe. We plan to develop even more internationally, with the Maghreb countries and the Middle East and downstream countries of northern and eastern Europe, all through the establishment of a strategy developed in St. Charles Export.

5. St. Charles' customers are 40% retailers and 60% wholesalers.

6. We have recently set up a collaborative file exchange platform named "@TICFEL" which enables to touch the whole world via the Internet, share page screens, work on documents online and send any file type with no weight limit.

7. Climate is of course the main problem, given that we are dealing with perishable products. Unfortunately no strategy can so far to regulate the weather.

8. We have created the Group of SME for Export, Saint-Charles Export, that has enabled us to bring together 40 producers' organizations, 80 Import / Export companies, 80 transport / logistics companies, 600 agricultural cooperatives, for an offer of fruits and vegetables amounting to more than 3 million tonnes available from 1 January to 31 December.

by Susanna Beltrame
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