Tastyfrutti expects excellent Chilean deal

By

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With the beginning-of-the-season Chilean cherries prices going through the roof, industry veteran Andreas Economou, chief operating officer of Tastyfrutti International Inc., is anticipating an excellent fruit deal from that South American country with good volumes of stone fruit and grapes over the next several months.

Economou said that while the U.S. market for Chilean cherries is strong by U.S. standards, it can't compete with China for the first cherry cartons of the year. "The first cherry boxes are selling for $180 in China," he told The Produce News on Friday, Nov. 6. "We won't pay that in the U.S."

Andreas Economou

Of course, that through-the-stratosphere price will not last very long. However, cherries are a very hot item in China, which is Chile's top market for the fruit. Cherries are used as gifts in China and especially popular for the Chinese New Year, which falls in early February in 2021. Economou said the market will open in the United States in the $55-$60 range carton and is expected to drop from there into the $30s. The Philadelphia-based Chilean fruit expert said Chile's cherry production is on the rise and is finding Northern Hemisphere devotees for this contra-seasonal product. He said sales in the United States will not be brisk, but Tastyfrutti will have fruit well into the New Year.

Economou has been importing Chilean grapes into the United States for three decades and he said the 2020/21 season appears to be a good one. Travel difficulties caused by the worldwide coronavirus pandemic have changed his typical first-hand look at the South American grape vineyards, but he said on-the-ground reports have been detailed.

"There are plenty of bunches on the vines," he said. "We have been blessed this year. We will have green grapes by early December followed by the red varieties by the second week of January."

He indicated that it is California's storage crop that causes the red varieties to be shipped to the United States a little bit later in the season. Once the grapes are flowing into this country, Economou does expect there to be promotable volume as he said Chilean imports should be greater than last

year.

Giving a rundown on stone fruit production, Economou expected to have a lot more plums to sell, a small increase in peach shipments and about the same volume of nectarines as the 2019/20 season. "We hear there are plenty of plums on the trees and the growers have been able to do a lot of thinning to assure top quality," Economou noted, adding that there should be promotable supplies, especially in the plums.

Peaches and nectarines are expected to hit the U.S. market in early December, followed by plums about the third week of the month. Economou said there are still discussions going on about getting the fruit to the United States. These various crops arrive by both ship and air depending upon the market price and timing. With airlines cutting back on flights because of fewer travelers, there is less cargo space so freight rates could be higher. Dedicated cargo planes are an option but Economou said the per kilo rate is typically too expensive for fruit shipments. He said the supply and demand relationship will come into focus as the beginning of the season arrives.

This year, Tastyfrutti is exploring the use of new technologies to extend shelf life. Economou said there are promising products and processes that have been performing well. He said Chilean growers are looking closely at the product being offered by Hazel Technologies Inc., a company that has proven its shelf-life-extending product with other items, such as mangos and avocados, and Economou said the industry is anxious to test it with grapes and stone fruit.

He added that Tastyfrutti is also working with growers on forward-looking projects to eliminate plastic packaging.

Economou said these efforts follow the company's philosophy of sticking with the products it knows well and expending its energies on making them better.

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