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Coast's Nogales Division coming into its own

By

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November 30, 2021

RIO RICO, AZ – Coast Produce, based in Los Angeles, opened its Nogales office over 20 years ago as a logistics point for trucks going back to the company's L.A. facilities. But as its business continued to develop, it added a sales division to the branch.

"One of our bigger customers is DeCA," said Ryan Jacobsen, who is in sales for Coast. "We supply military commissaries in 15 Western states. We also have foodservice contracts as well as a separate retail business, and our focus is on growth of that end."

Jacobsen said Coast's Nogales division began operating out of a 70,000-square-foot warehouse in 2018, which grew to 103,000 square feet in 2019 and 130,000 square feet this season.

"And we're looking to add more for our repacking operation," he said.

Vegetable supplies from Mexico have been steady and high quality, according to Jacobsen. "The weather for West Mexico has been cooperative, and shippers acreage and volumes have been stable for the most part."

Peppers, cucumbers and soft squashes have been ramping up as of early October, but chili peppers, which are a big item for Coast, were a bit later than expected.

"We've seen a bit of a tight market on chilis," Jacobsen said, "but production is coming along. We offer a number of different packs, such as 10-pound, clamshells, bagged and specialty packs. We have the tonnage and infrastructure to build on that and support new customers."

Jacobsen also said Coast has been getting more involved with the tomato deal, including rounds, Romas, TOV and hothouse, and "that should be a good area of growth for us."

Like most companies, Coast had to adjust its operations during COVID, and Jacobsen said the priority was always on worker safety.

"At the beginning of the pandemic, we moved our repack operations off site to spread workers out and we doubled down on health safety protocols, so we were able to keep everything moving despite a reduced number of workers."

He said Covid also brought a surge in its retail business, and it ramped up its packaging program as a result of more demand from its customers.

"We did overwrapped and packaged items in the past, but that value-added product line definitely

increased for us,” said Jacobsen.

He said the foodservice business for Coast took a dive early on during the pandemic, but he is starting to see a comeback of that part of the business.

“We are seeing some renewed life and people are coming out of their dormancy, so that is helping foodservice,” he said.

Logistics remains a specialty for Coast, and Jacobsen said the company has trucks running from Los Angeles to Nogales and back every day.

“We are constantly trying to improve and move things along through the pipeline as quickly and efficiently as possible for our customers,” he said. “In essence, we are trying to solve problems for our customers and add more efficiency to the way they do their business.”

Overseeing Coast’s Nogales division is longtime veteran Jerry Wagner, who Jacobsen said recruited him to join Coast four years ago. Also part of the team are Chris Alvarez, director of quality control, who brings eight years of industry experience and who also helps with procurement, and Luis Parra, who joined the Coast sales team in October and brings with him eight years of industry experience.

Photo: Ryan Jacobsen and Luis Parra of Coast Produce at the company’s office in Rio Rico, AZ.

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