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CLOSING REPORT: Asia's fresh produce hub enjoys growth surge

Landmark year for ASIA FRUIT LOGISTICA as the trade show registers sharp rise in both visitor and exhibitor numbers.

Hong Kong, 9 September 2014 – More than 8,100 trade visitors from 64 different countries attended ASIA FRUIT LOGISTICA and Asiafruit Congress at Hong Kong's AsiaWorld-Expo Center last week.

The record visitor numbers marked a 24 per cent growth on last year's attendance at Asia's leading fresh fruit and vegetable trade show, but again it was the quality of the visitors that defined the success of the event.

"This is the best show we have attended," said Jeff Scott, CEO of the Australian Table Grape Association, which was exhibiting within the Australia pavilion. "We have had non-stop traffic to our stand and virtually all of the people coming by have been existing or potential buyers. We've had visitors from almost every Asian country approach us, and it's great that there are nearly 80 table grape growers here from Australia."

Senior buyers and executives from leading food retailers were out in force at ASIA FRUIT LOGISTICA. One of them was Sumit Saran, head of international foods for Indian retail giant Future Group. "It's not just the quality of the people you meet at ASIA FRUIT LOGISTICA that makes this show so special, it's the quality of the time you get in those meetings," said Saran. "It enables you to really do business and plan programmes."

Other major retailers represented among the visitors included Aeon (Japan and Malaysia), Carrefour (China), Central Food Retail (Thailand), CR Vanguard (China), Cold Storage (Singapore), Dairy Farm/Wellcome (Hong Kong), GCH Retail (Malaysia), Lotte Mart (South Korea), Metro Group (China), NTUC Fairprice (Singapore), ParknShop (Hong Kong), Ranch Market (Indonesia), RT Mart (China), Spinneys (Dubai), Tesco Group Food (China & Thailand), The Food Hall (Indonesia), Walmart (China and India) and Yonghui Superstores (China).

Exhibitor numbers up by almost 30pc

Visitors to ASIA FRUIT LOGISTICA found an exhibition that had grown by almost a third. Some 478 companies from 38 different countries exhibited at the trade fair on 3-5 September, an increase of 28 per cent on last year's edition, while bookings for stand space grew by 25 per cent.

Asia once again accounted for the largest percentage of exhibitors on a regional basis, with 12 different Asian countries making up 34 per cent of the exhibitor numbers. Europe retained its share of exhibitor numbers at 25 per cent, while Latin America increased its presence to 15 per cent. Oceania (11 per cent), Africa (8 per cent) and North America (7 per cent) completed the global picture.

China remained the single largest country in terms of exhibitor numbers, with 94 companies exhibiting, while Italy held onto second place with 39 companies. Australia surged into third place with 34 exhibitors, marking a 54 per cent increase on last year, and Egypt also ramped up its presence, moving up into fourth place with 31 exhibitors (up 47 per cent). The US retained its position in the top five with 30 exhibitors.

Latin American exporting nations Argentina, Ecuador and Mexico, along with Spain, all registered increases in exhibitor numbers of more than 60 per cent, while other big movers included New Zealand (+100 per cent), Japan (+75 per cent), Turkey (+50 per cent), The Netherlands (+40 per cent) and India (+40 per cent).

In a clear sign of Asia's growing importance as a market for the global fresh fruit and vegetable business, most exhibiting nations invested in upgrading or expanding their stands at this year's show. Some 19 different countries had national pavilions, while Costa Rica, Poland and Saudi Arabia all exhibited for the first time at ASIA FRUIT LOGISTICA.

Brands hold key at Asiafruit Congress

The week of fresh produce activities in Hong Kong kicked off with Asiafruit Congress, the region's premier conference and networking event. Taking place on 2 September, the day before ASIA FRUIT LOGISTICA, the full-day conference attracted more than 400 industry decision makers from 33 different countries.

Headlining the conference this year was a high-powered panel discussion on the role of brands in Asia's fresh produce business. After a keynote presentation from James Sinclair, managing partner of InterChina, a panel featuring CEO and president of Dole Asia David DeLorenzo, Zespri's China corporate relations manager Matt Crawford, Mahindra Shubhlabh Services CEO Vikram Puri, and Liu Zijie, chairman of Chinese fruit trader Goodfarmer, discussed the bright future for producer brands in the Asian markets, with a particular focus on the opportunity to build consumer brands.

In another general session looking at how Latin America can strengthen its role as a supplier to Asia, Juan Carlos of Peru's Intercorp Group and Christian Carvajal of the Chilean Exporters Association (Asoex) underlined the importance of further market penetration in China, and the need to collaborate with regional distributors looking to make the leap into direct importing.

Breakout sessions homed in on specific topics, including: Asia's surging demand for safe food; the trends in the region's vegetable business; the rise of the Indonesian market; and the opportunity for pear marketing in Asia.

"We found it really valuable to hear from expert speakers at Asiafruit Congress about the process they are taking to develop premium value chains into Asia," said delegate Jen Scoular, CEO of New Zealand Avocado. "Their comments confirmed the real need for strong and pro-active consumer engagement, good planning and excellent relationships with in-market partners."

Asia Fruit Awards winners announced

The Asiafruit Congress concluded with the presentation of the Asia Fruit Awards, which were created by Asiafruit Magazine and ASIA FRUIT LOGISTICA to celebrate excellence in Asia's fresh fruit and vegetable business.

Three Asia Fruit Awards were given. The Marketing Campaign of the Year was awarded to a joint promotion to sell cherries online in China between US marketing body Northwest Cherry Growers, fruit e-tailer Fruitday and e-commerce giant TMall. Thai company Vachamon won the Importer of the Year Award, while Singaporean food retailer NTUC Fairprice scooped the Produce Retailer of the Year Award.

In addition to the marketing and networking opportunities at ASIA FRUIT LOGISTICA, visitors were also able to attend the Asiafruit Business Forum, a programme of two information sessions per day on the show floor. Day One focused on Marketing, Day Two on Technology and Day Three on Production.

The next edition of ASIA FRUIT LOGISTICA takes place on 2-4 September 2015 at AsiaWorld-Expo Centre in Hong Kong, with Asiafruit Congress held on 1 September.

COMMENTS

Visitors:

José Gandia Giner, president, SAT Royal (Spain)

"Asiafruit Congress and ASIA FRUIT LOGISTICA have been a real eye opener. I am

very encouraged by the level of optimism and opportunities that exist in the market. I am a first time visitor but plan to exhibit at next year's fair."

Tarun Arora, director, IG International (India)

"The quality of the people here is exceptional. It's only the serious people in the business."

Sarot (Bob) Assavapornchai, Super Fresh Import Export Co (Thailand)

"There are more visitors and exhibitors here every year. This event enables us to meet all our global customers in one place. We can also get information on new products and suppliers, which is very important as the import market and regulations in Thailand are changing all the time. I've been coming to this event since it was first launched and it has definitely helped my business to grow."

Abdirahman Harir, CEO, Harir International (Kenya)

"We're here to diversify our markets and find new buyers."

Victor Maroto, Fruttita SA (Chile)

"ASIA FRUIT LOGISTICA is the only event I can come to and actually close business deals. At other major trade shows, it's more about just meeting and greeting people. This is excellent timing for us as well, because we can prepare for the season ahead and work out our programmes."

Exhibitors:

Akın Söyleyen, international trade coordinator for Asia, Aksun (Turkey)

"We have been coming to ASIA FRUIT LOGISTICA for the last seven years, and we were the first Turkish company to exhibit here. Over the years, we have gained a lot of good contacts and customers at the fair."

Eric Olshove, North Bay Produce (US)

"It's been a very good show for us so far. I'd say that ASIA FRUIT LOGISTICA is easily the best of all the new trade shows we attend annually."

Ly Thanh Thao, Hoang Hau Dragon Fruit Farm Co (Vietnam)

"We come here every year to see new people and it's a good place to meet with our traditional customers to maintain relationships. It's also interesting to what other products there are from across the world."

Federico Milanese, international development manager, CSO (Italy)

"ASIA FRUIT LOGISTICA is an extremely useful fair for the Italian fruit and vegetable business. It is always a great opportunity for our companies to gain contacts to increase their business in Asia. Given the Russian ban, we have to send elsewhere, and there is a good market for our apples, pears and kiwifruit here."

Allan Dall, News South Wales general manager, Barden Produce (Australia)

"ASIA FRUIT LOGISTICA has been a great success, and we feel like having a stand here is generating a lot of interest for our produce. It also gives us a great understanding of the Asian market."

Fabien Dumont, export manager, Fruit Masters Holland (The Netherlands)

"We're very happy with the way our customers and other people in the business keep coming back to this event – and we're very glad we took a bigger stand this year."

Anthony Dobson, export manager, Total Food Network (Australia)

“The quality of visitors we’ve had coming by our stand has been excellent, and we’ll definitely be growing our business as a result. We’re so happy that we’ve already committed to exhibit next year.”

EXHIBITOR PROFILES

Seven Star Fruits (India)

First time exhibitor Seven Star Fruits formed part of a strong Indian presence at this year’s show. Seven Star’s manager of domestic and international business, Girish Sarda, said the event had helped draw attention to his company’s table grape offering, which entered China for the first time last season. “Our major market is Europe, along with some of South East Asia,” Sarda said. “We had a good response from customers in new destinations, including a lot from China.”

Almond Board of Australia (Australia)

ASIA FRUIT LOGISTICA 2014 helped the Almond Board of Australia (ABA) break new ground. “While we have taken stands at a number of fine foods shows around the world, this is the first time we have exhibited at a dedicated fresh fruit and vegetable exhibition,” ABA’s marketing programme manager Joseph Ebbage said. “We see a huge opportunity to position our product and tell the health story of Australian almonds as part of the fresh produce category at events like this.”

Campo y Tierra del Jerte (Spain)

Campo y Tierra del Jerte was one of several Spanish companies exhibiting at ASIA FRUIT LOGISTICA for the first time. The cherry producer carried out its first shipments to Hong Kong three years ago and has been building its volume to the region since then. Commercial director Raúl Heras said switching to varieties that produce larger and firmer cherries with a longer shelf-life has opened up new markets beyond Europe. “ASIA FRUIT LOGISTICA has become a must-attend event for exporters to Asia and by exhibiting we hope to consolidate the work we’ve been doing up to now and expand our client base in the region,” he noted.

Anhui BBCA International (China)

With a Chinese restaurant-styled booth for Anhui BBCA International, import manager Sophie Wang said the China-based fresh fruit import company wanted to stand out. “We want to do something different,” said Wang. “And tie in a bit of the traditional Chinese style.” While Wang said the company is interested in bringing new varieties into China and expanding its business, the focus at ASIA FRUIT LOGISTICA was to develop partnerships with the right people. “We don’t want to work with a lot of companies, just a few good ones that understand Chinese consumers.”

Fairtrasa (Peru)

While the Chinese market for organic fruit is still in its infancy, Patrick Struebi of Fairtrasa believes there is huge potential to develop sales in the coming years. Fairtrasa packs and ships organic and Fairtrade fruit and vegetables from Latin America to markets around the world. “We decided to exhibit at ASIA FRUIT LOGISTICA as we’ve recently been receiving a lot of interest for our organic fruit in China, particularly bananas and avocados,” he said, adding that a small number of Chinese supermarkets are starting to stock organic lines. In terms of Fairtrade, he noted that Asia “lags way behind” other markets.

Grupa Sad Export (Poland)

Grupa Sad Export is the first Polish company to exhibit at ASIA FRUIT LOGISTICA, having spent two years investigating the possibilities for Polish apples in Asia. According to managing director Michał Glijer, the move was designed to reduce the company’s dependence on Russia and Belarus. “We came to see what customers here were looking for,” he said. “From what we have seen, there is a place on this

market for Polish apples, particularly red varieties such as Sampion. We met companies from Malaysia, Taiwan and southern China, and they were very interested.”

New Zealand Avocado (New Zealand)

Peak industry body New Zealand Avocado launched its new export market promotional material at ASIA FRUIT LOGISTICA 2014. New Zealand Avocado Growers Association chairman Ashby Whitehead said the show had been an enormous success. “While it’s hard to quantify what sort of revenue will be generated through our first participation at this show, it has been a very worthwhile experience that has helped us raise our profile considerably,” he said.

Egypt

Egypt’s presence at ASIA FRUIT LOGISTICA has grown rapidly in the last few years, from six companies four years ago to a total of 31 at this year’s fair, including Magrabi Agriculture, Ghabbour Farms, Trade Waves, EGCT and Gouda, whose Hany Gouda spoke of the importance of the Malaysian and Indian markets for Egyptian companies. One Egyptian firm not exhibiting this year, but attending only as a visitor, was Pico Modern Agriculture, whose business development manager, Heike Hagenguth, described the Asian market as “the new Europe”. “Spending power is increasing, supermarkets are eyeing the market, multinationals are setting up,” she said. “If you do it right, then Asia is the future for Egyptian exporters.”

Oporello (Greece)

Greece’s Oporello, located in the central region of Larissa, began its first kiwifruit shipments to China last year, with plans afoot to increase volumes this coming season, according to the company’s Dimitrios Manis. “There is a protocol for Greek kiwifruit,” he said, “but we want this to be extended to other fruits. There is big interest for Greek apples in China, and we believe they can be highly competitive on this market.”

Pink Lady

Pink Lady Development unveiled its new brand development manager for South East Asia at this year’s exhibition. Ryan Au is based in the company’s new office in Kuala Lumpur, Malaysia, and will offer local support to the brand. “Pink Lady has been established in Europe for a long time,” he said, “and we want to bring that excitement to Asia, where we see huge potential. Pink Lady has been exported to Asia so far without much marketing support, so now we need to work on brand recognition.”

APL (Singapore)

Singapore-based logistics company APL is no new face to ASIA FRUIT LOGISTICA, but it launched its newly branded cool chain system at this year’s trade show. Head of APL’s special cargo team, Kar Loke Ng, has brought more than 20 years of experience to APL’s stand this year. “We know a fair few of the customers here, but having said that, we don’t know them all. Walking the floor, we have customers coming to us after hearing about us from their buyers or sellers, and it gives us the chance to meet them face to face,” said Ng. “You have the growers here, the marketing people, and we can talk to all of these people and get a different perspective, which enhances our understanding.”

INI Farms (India)

Having ramped up its banana export programme earlier this year, Mumbai-based INI Farms was happy to service a diverse base of existing and prospective customers from across the world. “We have met with customers from Dubai, Muscat and Oman, where we traded last year,” INI Farms’ chief executive Purnima Khandelwal explained. “We have also had customers from Asia, Europe and North America stop by to ask us about our products.”

BC Blueberry Council (Canada)

A first time exhibitor at ASIA FRUIT LOGISTICA, the BC Blueberry Council feels it needs to promote overseas as blueberry production is steadily on the rise in the Canadian province of British Columbia. "Production jumped by 25 percent from 54,000 tonnes to 68,000 this season," said executive director Debbie Etsell. "We're here at ASIA FRUIT LOGISTICA to lay the groundwork for future sales to the Asian market." Etsell expects both mainland China and South Korea to grant market access for BC blueberries in the near future. "South East Asia markets, including Vietnam, Thailand and Malaysia, are part of our long-term strategy as well."

Rijk Zwaan (Netherlands)

Dutch seed specialist Rijk Zwaan was in Hong Kong to promote a number of new lines for which the company sees potential in the Asian market. These included the Briosso cocktail tomato, which offers a good combination of flavour and productivity, the Caprisia tomato, which is ideal for cultivation in high-tech greenhouse conditions, mini-cucumbers, Palermo Originals peppers, the Doufu small beef tomato, which has been specifically developed for Malaysia's plant-dense conditions, and salad varieties Salanova and Lettuce Crunchita. "Our biggest market in Asia is China," said marketing and business development manager Jan Doldersum, "while the likes of India and Vietnam are developing quickly."

Sichuan Longtime Lemon Development (China)

Growing lemons from October to May and bridging the seasonal gap with South African imports, lemon importer-exporter Sichuan Longtime Lemon Development is looking to expand its lemon business. "It's our first time at ASIA FRUIT LOGISTICA," said deputy general manager Liao Cheng Jun. "We used to just sell within Asia, but now we want to look to increase our customers globally."

Gina Fruit (Ecuador)

First time exhibitor Gina Fruit is one of several Ecuadorean banana shippers enjoying huge demand in China right now, but general manager Hugo Castro is unsure how the market will develop in the long-term. The company started exporting to Japan five years ago and recently became the first Ecuadorean banana exporter to ship to Singapore. It is now trialling shipments to Mongolia, although it remains to be seen how the fruit will withstand the 45-day journey.

Beachside Produce (US)

A major grower and exporter of California vegetables to Asia, Beachside Produce is pleased to see demand growing for other categories beyond the traditional broccoli and lettuce. "South East Asia is showing considerable interest in 'unique' items such as artichokes and brussel sprouts," said export sales manager Derrick Stinnett. "But iceberg (lettuce) remains in high demand in the traditional Asian markets such as South Korea, Japan and Taiwan. If China ever opens its market to iceberg and other vegetable categories, the impact on the US domestic market will be significant."

Royal Co (Japan)

Having been a visitor for the past five years, Japanese company Royal Co made its debut as an exhibitor this year. The booth was supported by the Kyoto government, which is keen to increase its export business, focusing on vegetables that are grown locally, with chefs on hand to slice up the fruit and vegetables. "Our main items on show are vegetables grown in Kyoto, but everyone at this show is more interested in our fruit," said Royal's Takashi Uchida. "This is the first trial for the local Kyoto government and we are working to increase our export markets."

Compac (New Zealand)

Exhibiting as part of the New Zealand pavilion for the first time, leading sorting equipment manufacturer Compac was pleasantly surprised by the volume of traffic to

its stand. “We’ve had a really good position, attracting a lot of visitors who initially came to see other New Zealand exhibitors,” Compac’s Bob Shaw said. “We have had a lot more interest from Chinese companies in particular.”

Summerland Varieties Corp (Canada)

Global demand for sweet cherries has grown exponentially in recent years due in part to the introduction of appealing new varieties developed by the Pacific Agricultural Research Centre (PARC) of British Columbia. These varieties include Sweetheart, Skeena and Staccato and are commercially managed in Canada and abroad by Summerland Varieties Corporation (SVC), which was exhibiting at Hong Kong trade fair for the first time. According to operations manager Nick Ibuki, SVC’s clientele range from small farmers to large, vertically integrated grower operations as well as nurseries, many of whom were in attendance at ASIA FRUIT LOGISTICA.

Aneberries (Mexico)

Mario Andrade of Mexican berry association Aneberries was surprised by the level of interest he has seen from visitors to ASIA FRUIT LOGISTICA for Mexican-grown blackberries. “We haven’t yet carried out any market studies and my feeling is that it could be very difficult to introduce such a little known product,” he said. “Having said that, many Chinese are ‘status buyers’ and could find a product like this very appealing given its high antioxidant properties.”

National Centre for Palms & Dates (Saudi Arabia)

The National Centre for Palms & Dates this year became the first Saudi Arabian company to exhibit at ASIA FRUIT LOGISTICA. Since the Saudi market stands as the biggest consumer of dates in the world, exporting has never been a priority for the country’s producers. However, the creation of the National Centre in 2011 looks set to change all that. Currently less than 5 per cent of total production is exported, but the Centre wants to increase this figure to at least 10 per cent within three years, according to its international marketing specialist, Abdullah F Alyahya. “China is a huge market,” he said. “We know we have the quality and varieties to compete with the likes of Tunisia and Israel, and our production is much larger. It is now about making the right connections and building the right relationships with importers.”

Avoterra by Index Fresh (US)

This was the second consecutive year for avocado grower-exporter Avoterra-Index Fresh exhibiting at ASIA FRUIT LOGISTICA. According to international programme director Brian Gomez, the company plans to be back again in 2015. “We feel Asia is the next boom market for Hass avocados,” said Gomez. “There’s huge potential in China as only one percent of the 1.3bn consumers have any familiarity with avocados.” Gomez said Avoterra has been exporting both Mexican and California-grown Hass to Asia for a couple of years and conducting in-store tastings with a large Hong Kong retailer to help raise the consumer awareness of avocados.

Provid (Peru)

Sandro Farfán of Peruvian table grape producer association Provid believes the industry is entering a new phase of consolidation following years of unhindered expansion. “We need to organise ourselves better, to carry out more market analysis and try and programme our season better,” he noted. With production forecast to rise by 20 per cent this year – a modest estimate in Farfán’s opinion – the industry is looking to consolidate its position in key export markets. China is the leading destination, while elsewhere in Asia Farfán is confident that Peruvian grapes will have secured access to the Japanese market ahead of the 2015/16 season.

Photos of ASIA FRUIT LOGISTICA 2014 can be downloaded [here](#).

For further information: www.asiafruitlogistica.com