

South African citrus establishes solid presence in the US

Although the northern summer is fast approaching and the US domestic citrus season has peaked, the southern hemisphere regions are gearing up for winter, and subsequently their citrus season. One of these is South Africa, where their citrus program is about to commence for the year. Harvesting began in April with arrivals to the United States set to commence by the end of May.

"Summer Citrus is the group of growers whom collectively ship and promote citrus from South Africa to the US," said Suhanra Conradie of Summer Citrus from South Africa (pictured). "Our mission is to provide the US consumer with fresh, sweet and delicious citrus in the summer, when local production is not available. Initial volumes commenced harvesting in the middle of April, and arrivals will be towards the end of May, with more substantial volume to arrive towards the 3rd week and end of June in Philadelphia, ending in September. Easy Peelers, Navels, Cara Caras and Star Ruby will all be on the first vessel."



Drought a concern this year

The biggest challenge for South African growers was the drought that has impacted the country. However, according to Summer Citrus, the conditions have not impacted on citrus numbers. "Our growing conditions have been favorable this year, despite the droughts in Western Cape," Conradie said. "The growers have really done an excellent job in terms of managing their resources to the maximum and any possible replacement was fast forwarded."

In fact, according to Conradie, predictions are for volumes to be higher this year. "Growers have managed the situation extremely well, to such an extent that increased volumes are planned for the 2018 season," she said.

Growing demand in the United States

Citrus exports from South Africa to the United States are increasing as more consumers look for year-round supply, outside the traditional winter months. "Citrus volume from South Africa to the US has been growing gradually based on demand," Conradie observed. "Together with loyal importer and retailer partners, an overall growth of 8% is estimated for this coming season."

Out of all the citrus varieties, easy peelers are seeing excellent demand, according to Summer Citrus. This falls in line with the trend of easy, on-the-go snacking options. "Easy Peelers continue to trend highly with consumers, since they are great on-the-go snacks for families during the summer months," Conradie noted.

Suppliers also see a trend towards healthier products as driving the increased demand and subsequent growth in the sector, as Conradie explains. "In general, consumers have adapted to much healthier eating habits," she said. "Although citrus in the US is very well known in the winter, and despite increased summer fruit offerings, the Summer Citrus category in the US keeps growing. We are glad to see this trend."



Managing the particulars of the US market

There is more to the US market than simply capturing year-round availability. Conradie noted that the US citrus industry is extremely well established and Summer Citrus does not intend to compete with it. The company has sought a window where it can deliver southern hemisphere citrus, without impacting on the domestic citrus industry.

"We execute a business model of managing supply and demand, and there is only a window of opportunity within the US, which can differ from year-to-year," she said. "Local production is the number one determining factor, as we do not want to compete, but rather complement them. Therefore we connect with as many industry bodies and decision makers, to determine this window, as we like to make informed decisions regarding planned shipped volumes."

"The program to US is often referred to as 'special', based on the requirements for imported products," Conradie added. "With our collaborative approach, we have gained momentum in shipping citrus to the US in a sophisticated manner and we intend to keep going strong."

Rebrand a helping hand to South African growers

Two years ago, Summer Citrus underwent a rebrand. Their intention was to raise the level of the South African brand and utilize it as a mark of quality. Some of the changes during the rebrand included adding a consumer marketing level and merchandising opportunities.

"This is a very well established and successful program, and this group is not only an example for the South African industry, but is very well respected and recognized within the US," Conradie said. "The re-branding took us to another level, as establishing a unique South African brand identity is one of our defined goals. This is much more than adding a logo to a bag of oranges, but is in essence everything we do and how operate."

"To help achieve this and highlight what sets us apart, we only distribute the product to a selected group of importers, we have dedicated vessels to the US, and we maintain the business model of managing supply and demand."

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Publication date: 5/22/2018

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