

New Nutrition Business, April 2007 Edition, page 13

Profitable strategies in fruit

"Fruit, as we have said many times before in this publication, is the future of functional foods. No one who has watched the phenomenal growth in superfruits in recent years – of which the meteoric rise of the pomegranate is possibly the best example – can possibly doubt this reality."

"The evidence is overwhelming that – with the exception of berries – growth in demand is for fruit in its processed form and not as fresh. Supermarket sales figures bear this out. They show sales of fruit drinks, particularly products with a clear health platform such as smoothies, romping ahead."

"All the great success stories in fruit have come from "new fruits" that offer a health proposition."

New Nutrition Business, April 2007 Edition, page 17

The rise and rise of Açai in the US

"From their humble origins among the treetops of the Amazon rainforest, açai berries are now globally recognised as an antioxidant-rich superfruit. Today they are the featured ingredient in an ever-increasing number of beverages and foods across the United States and regularly appear at the top of "hot flavours" lists."

Whether açai will turn out to be just a fad remains an open question, of course, but American consumers' love affair with the berry is already three years old and there is no sign of the passion cooling. Quite the opposite in fact: sales of açai-based beverages reached about \$13.5 million (€10.4 million) overall in the US natural foods channel last year, about triple the level of \$3.8 million (€2.9 million) in 2005, which followed sales of less than half a million dollars in 2004, according to Spins, the San Francisco-based natural-marketplace research concern."

"New açai products are still proliferating and the startup companies behind the spread of the berry remain in expansionary mode. "Açai is a big winner because it gives both texture and taste benefits as well as a health benefit," says Gus Valen, president of the Valen Group, an Atlanta-based consulting firm in better-for-you foods and beverages. "Plus it's exotic. Who wouldn't want something from Brazil?" "

"Mintel, the market research firm, has identified açai as perhaps "the next big star" among food ingredients. "Açai lends itself well to premium, indulgent positioning, offering all of the health benefits of other superfood ingredients," says Lynn Dornblaser, Mintel's director of consulting. "It has a strong exotic appeal, bolstered by its Amazonian origin. We really see the fruit as the one to watch for ingredient sourcing in the future."

"The acceleration of interest in açai lately has been intense. Freshens, for example, one of the biggest foodservice-smoothie chains, closely watched the progress of açai over the last several years and began selling it as a mix-in. At first, there was little interest among Freshens customers, says Ed Redmond, senior vice president of the Atlanta-based chain of about 800 outlets. But about 18 months ago interest in açai exploded and the fruit is now one of the top-selling ingredients in all the smoothies Freshens sells on the West Coast."

New Nutrition Business, April 2007 Edition, page 21

Açai set to energise UK juice market

"While the UK market for açai products is still in its infancy – the first bottled juice containing the fruit went on sale only last year, five years after the first in the US – there is every sign that companies are determined to make the Amazonian buzz berry as popular in Britain as it is across the Atlantic. PAUL VINCENT reports."

"The Berry Company, "the first berry-based juice company in Europe", was launched last year with a range of berry juices by Khaled Yafi, a man who has no doubt that açai will take off in Britain. "I think that typically the UK follows the US in terms of eating and fashion trends," Yafi told NNB. "Note the pomegranate boom that started in the US with Pom Wonderful. In the UK now there are about six smoothly running pomegranate juice companies." Yafi says that açai and another buzz berry, goji, not only out-antioxidant pomegranate, they also taste better. "This should therefore make a massive impact in a marketplace increasingly won over by innovations and healthy eating trends."

Surge in smoothie sales as Americans aim to live fruitful lives

"Smoothies have become a \$2 billion (€1.5 billion) business in the US partly because young adults are embracing them as snacks and meal replacements and also because these nutritious and convenient beverages have become almost ubiquitous. More than that though, both made-to-order smoothie chains and leading brands in the packaged-goods segment have finally kicked in with effective strategies to attract American consumers. By DALE BUSS reports."

"Recently, fruit-smoothie quick-serve chains have been so effective in figuring out and executing their business models that industry sales increased by about 40% from 2004 to 2006 alone, according to Mintel, the Chicago-based market-research firm. Meantime, packaged-smoothie sales increased at a nearly 25% pace over the same period, according to Information Resources Inc. (a leading tracker of product sales in supermarkets, drug and mass-merchandise stores, excluding Wal-Mart). And a confluence of trends suggest that strong growth will continue, leading to nearly a doubling of the overall smoothies market over the next five years, Mintel projects."

"Quick-serve smoothie chains are also keeping their young customers interested, and reaching out to baby boomers and older consumers, by continually creating new-product "news." Much of their activity centers around introducing drinks based on emerging flavours that offer fresh tastes, supreme nutritional benefits, or both. These include so-called "superfruits" such as açai, blueberry, pomegranate and mangosteen, as well as green tea. It helps the industry that consumers are generally more willing to experiment with new and unfamiliar fruit in the form of beverages rather than whole."