

Strong market demand creates tighter supplies

By Abraham Mahshie
Special to The Packer

An active winter melon market has retailers "stepping over themselves" to get product, and producers say they are unsure if imported melon supplies will increase significantly until spring.

"It's a problem everywhere," said Neil Goldwasser, salesman for All American Farms, Boea Raton, Fla. "We're getting some stuff out of Guatemala and Honduras and right now supplies are very short with the demand as high as it is."

Goldwasser and other suppliers said a decrease in Mexican plantings because of credit tightening and hurricanes in parts of Central America may mean a short supply of melons until late March. The exiting of some players from the market may also contribute to a decrease in supply from the region.

"I think we'll continue to see the market moving up and down," said Michael Warren, president of Central American Produce, Pompano Beach, Fla.

Warren said he expects light volumes for the remainder of January and a delay in Central American growing areas because of cooler weather.

"It remains to be seen if supplies will remain light through the rest of the imported season," said Mark Arney, executive director of the National Watermelon Promotion Board, Orlando, Fla. "We expect more watermelons in the next month or two."

Arney said the quality and the market are "pretty hot" right now, and he is expecting an increase in imported watermelons this spring.

Miguel Suarez, president of MAS Melons & Grapes LLC, Nogales, Ariz., who imports from Mexico with growers in the northern, central and southern parts of the country, said growers are suffering on two accounts.

"There were a lot of Mexico

plantings in northern Mexico for the fall deal, so problem No. 1 is the volume we had during the fall was very high, and problem No. 2 was the economy."

Nonetheless, Suarez, who is growing in the southern Mexican state of Colima until the end of May, is happy to be compensating for the Guatemalan shortage and distributing to the east and west coast through Nogales.

"The market is very, very active on honeydews because Central America has been hit pretty badly by weather," he said. "We're getting a lot of action from the east coast that normally we don't get. So far it's been pretty good."

"We grow pretty close to the west coast. Typically there are some hurricanes, but lucky for us they haven't touched us — nothing like what Central America is going through this year."

Chris Ciruli, partner and chief operations officer of Nogales, Ariz.-based Ciruli Bros. LLC, is more optimistic about a strong rebound in supply.

"The fall crop was a very good crop, probably 20% larger than what we saw," he said. "We would expect the spring crop to be the same."

Ciruli, whose growers are based in the northern Mexican state of Sonora, said it remains a challenge to get high brix levels and large sizing on wintertime melons.

Strong demand

Rex Lawrence, director of sales for Timco Worldwide Inc., Woodland, Calif., who specializes in mini watermelons and is also growing seedless melons in southern Mexico, Honduras and Panama this year, said he is banking on strong demand this season.

"Overall, the entire category is growing," Lawrence said, though he said demand for seedless re-

mains flat. "We think there is a market there and our customers think there is a market there."

John McGuigan, vice president of sales and marketing for Dulcinea Farms LLC, Ladera Ranch, Calif., said demand will remain strong with a consistent flow of high quality product beginning in March and April.

"As long as you have quality, does it really matter that it's 15-20 degrees and snowing in Cincinnati?" he said. "Lots of models show we can sell winter melons — an example is the golden pineapple. I don't believe that weather has much to do with moving product."

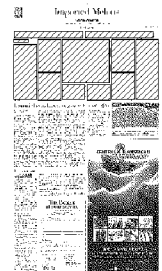
Lou Kertes, vice president of Fresh Quest Produce Inc., Pompano Beach, Fla., said Costa Rica will start producing the first week of February, so that all regions will be in production by March, but some producers have left the Central American deal this year, warding off by high prices.

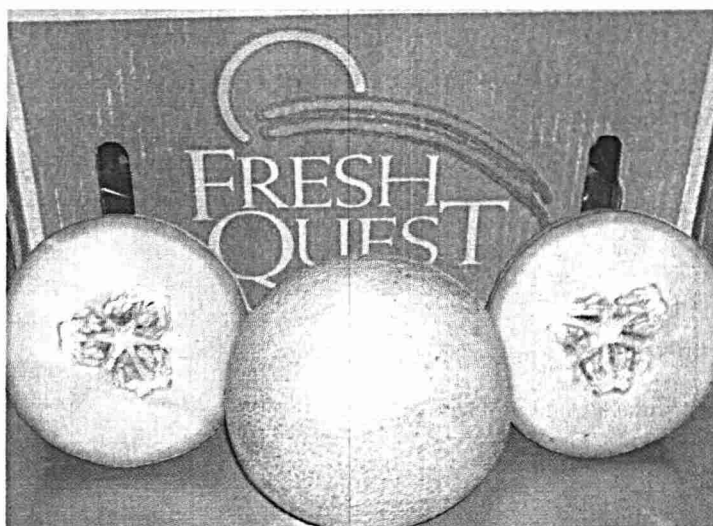
Warren said cost of production is no reason to leave Central America, but tight consumer dollars may be a reason to keep the supply in check.

"The costs are high everywhere for agriculture, so everybody — no matter whether it's growing domestically, in Mexico or Central America — there is nobody that is unaffected by the rising costs," he said. "As long as the melon quality is good and the consumer is satisfied, they'll continue to buy melons."

Warren admitted the economy is a limiting factor on the growth of the market this year, which he said will have "pretty decent supply."

"Where three years ago a consumer would go in and buy one or two melons a week, now they're not buying it as readily."





Courtesy Fresh Quest Produce Inc.

Lou Kertesz, vice president of Pompano Beach, Fla.-based Fresh Quest Produce Inc., says Costa Rica production should start the first week of February and all regions will be in production by March.