

Beneath the Skin



BY JIM PREVORA

The UglyRipe controversy points out that our industry institutions are not capable of dealing with a new age of proprietary produce.

The saga of the UglyRipe brand tomato, grown and marketed by Procacci Bros., is a simple story with big implications for the structure of the produce industry.

UglyRipe is a brand of tomato bred not for looks but for taste. In developing such a tomato and effectively marketing it, Procacci Bros. has legitimate claim to the appreciation of the produce trade. After all, there is scarcely a study or analyst who has not criticized the industry for breeding for yield, easy and effective transport and cosmetic appeal while neglecting taste.

The significance of this cannot be overstated. The industry has contributed millions of dollars to the *5 a Day* program with the goal of increasing consumption. The National Cancer Institute has anted up even more. Yet we expect too much if we expect promotion programs to boost sales of products that consumers don't find delicious.

Florida gassed-green round tomatoes are a big industry whose success matters to the produce trade. Yet gassed-green tomatoes are consistently identified as lacking flavor. The UglyRipe controversy points out that our industry institutions are not capable of dealing with a new age of proprietary produce.

Pursuant to a Federal Marketing Order, the Florida Tomato Committee — which has conducted many excellent marketing campaigns for its growers — restricts tomato volume shipped out of state by requiring at least 90 percent of tomatoes grown in the regulated areas within Florida and shipped out of state be at least a Number 2 grade. Since tomatoes don't typically yield 90 percent Number 2, the requirement reduces supply to out-of-state buyers. Put another way, it raises prices for trade buyers and consumers outside of Florida.

A less obvious but just as significant consequence is to focus development on varieties that will yield higher percentages of tomatoes capable of out-of-state shipping.

When the UglyRipe was developed, Procacci was granted a three-year exemption. Procacci could ship all the UglyRipes it raised. When the exemption expired, the committee refused to extend it, noting that during the three-year period, about 70 percent of UglyRipe tomatoes met Number 2 or

better. Procacci could continue shipping by simply discarding 20 percent of the tomatoes and thus meet the 90 percent rule.

There are a lot of problems with this. For one thing, Procacci claims it only reached 70 percent by already grading out a lot of tomatoes, and it would be uneconomic to reach the 90 percent standard. Beyond that is the question of why top quality UglyRipe tomatoes should be classified as Number 2s.

A look at the UglyRipe makes it clear that the notion of cosmetic standards — the only criteria for grading tomatoes — is inapplicable to the UglyRipe. A top quality UglyRipe, one that should be classified a Number 1 UglyRipe, is doomed to grade, at best, as a Number 2 round tomato. This is no more sensible than it would be to demand Roma tomatoes meet that standard.

This is obvious to every retailer I've spoken to, so why doesn't the Florida Tomato Committee accept that UglyRipe tomatoes are distinct from gassed-green round tomatoes and give them an exemption such as Roma tomatoes and cherry tomatoes have?

Here is where we see the current system breaking down. It is important to remember that every vote on the Florida Tomato Committee is held by a tomato grower; there are no representatives of consumers, retailers or any other group that may have a stake in the availability of fresh tomatoes from Florida.

The way the denial on an extension of the exemption from the 90 percent rule came down gives credence to the idea that competitive dynamics were not being ignored. By the time the denial was issued, Procacci had planted for the following season. If this were just a technical assessment of the rules made by a disinterested body, surely they would have given an exemption for anything already in the ground.

When the Marketing Order system was developed, the perception was that it would enable a lot of small farmers growing identical product to act collectively for the good of the industry, without having to consolidate. It was a noble attempt to help the small farmer.

Yet, even if one felt that helping growers obtain higher prices was a worthy objective, the UglyRipe situation points out that the status quo of having growers regulate the

industry is increasingly untenable.

The UglyRipe happens to be an heirloom variety that has been crossed a couple of times. But it is sufficiently different from conventional tomatoes to pose a competitive threat to those who don't have access to the seed. That is at the root of this dispute.

But the UglyRipe is closer to the beginning than the end of proprietary produce. Next year someone else will have some other variety and soon we will have all kinds of genetically modified varieties, many proprietary to a particular shipper.

The real lesson here is that the Florida Tomato Committee has accepted a role as a protector of the profits of gassed-green round tomatoes. The UglyRipe story, however it pans out, is the beginning of the end for the political support of such a purpose. If these organizations are to continue, they will have to reorient themselves as agents for the consumer.

Right now the Vidalia onion industry is studying pyruvic acid levels and its use as a taste marker in sweet onions. The Florida Department of Citrus has restricted shipments based on brix levels. This means that the use of cosmetic standards as a convenient means of volume control are nearing an end. It is a sea change in the trade. **pb**