

The Year Ahead



BY ROBERT ZWARTKRUIS

For those shippers and traders with the cash and the patience, better times will come.

We have left a difficult and competitive 2003 behind us. The weaker dollar helped my company and my trading partners to maintain market shares — often more important than profits. For apples, pears, cherries and even grapes from the United States.

But in general the produce industry is distressed with too many players trying to catch some business from the major retailers who are not all doing very great themselves.

Oversupply and tight cash flow. Getting paid within 14 to 21 days is necessary to maintain a good relationship with suppliers whose product is on the water for at least another 21 to 30 days.

So who do you favor? The buyers who pay well within 21 days and who do not file phony claims when the market goes against them? Any numbers? A very few only. But they will be the ultimate survivors.

But the real offenders today are the container carriers. A shame and a weakness that our industry accepts their dictates, failures and delays and the absolute lack of timely and correct information. Having to go “on line” and screening email is slowly killing our business.

When you ship apples and pears from the Northwest you have an option to go “all-water” — taking anywhere between 30 and 35 days to reach European ports — or you go “land bridge” via New York or Montreal and save a week or more. For that faster service, you pay \$500 to \$1000 more. But too often the containers miss connections and the carrier puts them on the next available sailing, which results in the same transit time as going all-water. So one should be entitled to the same rate. No response. A real cheat. Not one carrier seems to care.

For those shippers and traders with the cash and the patience, better times will come. Very soon. With carriers' representatives picking up the phone again to ask, “How are you?”

Then it is time, again, to bash the North-

west for doing what she can to ruin what took so long to establish — to become one of the world's leading suppliers of apples and pears. This season a lot of inferior quality apples have been shipped. No big numbers because the number of traders in Europe who specialize in distributing them is limited to a few only.

Some shippers were pretty straight with me right from the start. They told me they did not have the quality to start with, and they had plenty of domestic business to move the smaller-than-normal crop. Don't touch our Golden. Be careful with our Galas. I received both varieties and made many Finnish and Swedish cows happy. Not mad! I even had some early arrivals of Reddels with the kind of rot you can expect from leftovers from the previous season. Then a few loads with too much bitter pit. Though I did receive many of supreme quality as well.

Then many of the pear arrivals showed 6 to 8 pounds of pressure on average. Putting sales under pressure. Shippers told me their domestic movement is heavy for pre-ripened “ready-to-eat” pears. That may be so. Here in Europe we like to make that decision on arrival. The prepackers in Germany, serving the big retailers, rather pack them at 11 to 12 pounds.

What worries me is the attitude and ignorance. Because we will most probably see bumper crops in Europe this year. Maybe the Northwest will need to move 95 million cartons of apples again. Then I will get those phone calls again, most of them at night, asking how I feel to be followed with “what price is needed to move?” And how do I feel? After 50 years in the business, with new hips and ankles and total arthritis, great. As long as you leave me a small profit.

Now the holidays did not generate the business I expected. Too many days off in the middle of the weeks.

But it seems that produce is still better than cattle. One cow acting like a drunk and you talk about billions of dollars. Only a few

years ago we had a similar situation in Europe. In the UK, they slaughtered and burned millions of cows. Maybe, maybe, 300 to 400 people developed the disease called Jacob Creutzfeld. Half of them would have died anyway.

A look back to the last week in December 2003. A plane crash, 150 people. A gas explosion in China, 300 people. Another 500 in traffic accidents worldwide. Maybe 50,000 in the earthquake in Iran. Numbers do not make sense anymore.

And one cow cannot walk straight and panic all over the globe. I will eat U.S. beef, so will millions of others. Call me stupid. I don't care. As I can say at my age, I would have died anyway. **pb**