

USAID/BRAZIL MICRO AND SMALL ENTERPRISE TRADE-LED GROWTH PROGRAM

TRIP REPORT ON TRADE MISSION TO NEW YORK / NEW JERSEY AND THE MIAMI, FLORIDA AREA

May 2007

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TRADE MISSION TO NEW YORK / NEW JERSEY AND THE MIAMI, FLORIDA AREA

Introduction

The market development project for acai, cashew nuts and honey consisted of four activities, as follows:

- 1. Market studies for cashew nuts and honey
- 2. Identification of buyers for all three projects
- 3. An exhibit at Natural Products Expo West in Anaheim, California
- 4. A trade mission to the New York City and Miami, Florida areas.

Reports have been submitted previously on the first three activities. This is a report on the trade mission.

At the request of DAI/Brazil, the mission was divided into two parts:

- 1. An acai, mission to New York from 27-29 March and to Miami 30th and 31st March
- 2. A cashews and honey mission to New York from 24-26 April and to Miami 28th and 28th April.

Overall Evaluation

At the conclusion of their respective missions, the exporters of all three products were confident that they had met good buyers and would be able to sell everything they had available for the U.S. market. This suggests that the market development program in general, and the trade missions in particular, were successful.

Acai Trade Mission

Acai, Activities and Results in New York

The acai mission to the New York / New Jersey area was from 27to to 29th March, right after the fair in Anaheim. Appointments were made in advance for the President of CAMTA, Ivan Hitoshi. After looking at juices and supplements in selected stores, he completed several meetings with potential buyers, as follows:

Raw Deal

PO Box 412 Allamuchy, NJ 07820

Phone: 908-979-0775, fax: 908-979-0771, Email: info@raw-deal.net

Barry Steinlight – President, email <u>bsteinlight@aol.com</u>

Raw Deal Incorporated was founded as a consortium of manufacturers, importers and distributors, to provide the best available raw materials, at very competitive market pricing. It serves all segments of botanical, nutritional and pharmaceutical markets. The company provides customers with all the support they require, providing samples, specification sheets, a certificate of analysis, material safety data sheets, and lab testing methods.

The company develops proprietary blends for large companies. They ship globally. Raw Deal has 6 offices, including Toronto and works with numerous brokers. It imports spray dried power and extracts of acai, acerola and other products. Acai is listed under its Special Offerings:

ACAI BERRY PE 50% (HIGH IN ANTIOXIDANTS), \$39.75 KG

Mr. Steinlight discussed ACAI possibilities with much promise. He extended an offer to buy supplies from Brazil, if Mr. Hitoshi were to invest in manufacturing powder himself or through a third-party. Also he recommended testing powder to confirm its composition and nutritional claims.

He is willing to do an exclusive distributorship with CAMTA. Initial quantities could be 10,000-20,000 kilos. There are no specifications other than sprayed, freeze dried or granular forms. Payment terms would open with wire transfers.

Other projects (through a separate division) include a deal with Paul Mitchell, manufacturer of salon products, and a female/male sex-enhancing product. Were a relationship established, Mr. Steinlight would be inclined to suggest ACAI as an addition to the Paul Mitchell line, as well as others. Currently, Raw Deal has one supplier in Florida, who charges \$20 a kilo.

His acerola supplier in New Jersey bills \$6 a kilo. Currently, Raw Deal uses 10,000 kilos a month of acerola powder.

"A lot of people don't know acai. If I suggest it, people will buy it....We could do big business with acai," he noted.

White Toque, Inc.

11 Enterprise Avenue North, Secaucus, NJ 07094 Phone: (201) 863-2885, toll Free: 1-800-237-6936, fax: (201) 863-2886 Didier Amiel, National Sales Manager, email d.amiel@whitetoque.com

White Toque, Inc. is the leading importer of European specialty products to the food service trade in the United States. The company sell to 150 distributors and wholesalers nationwide and offers a wide selection of frozen and dry products.

Its frozen food lines represent about 80% of sales and most of them are packaged under the WHITE TOQUE brand. The product Line includes whole fruits and pulp as well as purees, specialty dough, preserves, appetizers and more.

Some important points from this meeting are as follows:

- They are interested in an importer/partner relationship
- White Toque is not interested in entering the juice market, instead it seeks to promote something unique and rather new
- They recommend segmenting opportunities by market: hotels, country clubs, bars, restaurants, etc.
- France is a huge market for sorbets, consequently, White Toque could introduce ACAI to the French market. Brazil could export directly to France (Port of Le Havre) for repackaging.
- White Toque markets an assortment of fruit purees, sauces, and cocktail mixes.
- White Toque has 3,000 pallet positions at its location: charges are \$15 a month for pallet handling plus a \$15 a month storage fee
- They are also interested in other flavors and suggested a mix & match container with different flavors

Wild Fruitz

1 West 85th Street, New York, New York 10024 Phone 888-688-7635 and 718-909-0819, www.wildfruitz.com Trev Warshauer, president, cel. 917-847-5036, email trev@wildfruitz.com Wild Fruitz markets sparkling juices containing between 25 and 38% real fruit juice. They use all Natural Flavors with no preservatives. Their products are Kosher and Pasteurized, and lightly sparkling.

They use cane sugar (not high fructose corn syrup) and do not use white grape juice commonly used inexpensive filler). Their flavors include the following:

Apricot/Peach
Cranberry
Huckleberry/Blueberry
Lemonade
Orange/Mango
Pomegranate / Black Currant
Raspberry
Watermelon

We met Mr. Warshauer at an Argentine restaurant on 166th Street and Broadway in New York, where we tasted an assortment of Wild Fruitz beverages with lunch. The following are some key points from the discussion:

- Mr. Warshauer explained his desire to replicate fruit in a carbonated version, as a healthy alternative to soda. "the goal is to lower sugar to be as close to the fruit."
- His has traveled frequently to Brazil and is familiar with its bounty. He expressed an interest in visiting Para.
- Since CAMTA does not have organic certification on its own, Mr. Warshauer suggested to Mr. Hitoshi to charge an additional fee per unit to offset the cost of certification.
- He would like to pair up with cooperatives to have their support and at the same time "back door" their products
- Wild Fruitz buys watermelon from Mexico, mango from Peru
- A goal: to make blends with ACAI to offer health benefits in a carbonated drink.
- Wild Fruitz drinks retail for \$2 each or \$25 a case.

American Eagle

874 Pompton Avenue, Cedar Grove, NJ 07009 Phone 973-877-6667, website <u>www.aefpg.com</u> Avram Choudhry, President, phone 973-865-7301 AEFPG is a purveyor of dried fruits and nuts and other food items from around the world. The company is a grower, processor and distributor. Products: dried fruits, juice concentrate, seeds, tree nuts (cashews, hazel nuts, pine nuts) Organic products: apricots, cashews, hazel nuts, pepitas, pine nuts, sunflower seeds.

After a tour of American Eagle Food Products, Amer Choudhry and Akram Choudhry invited us to lunch at Lalezar, a Turkish restaurant in Montclair, NJ

The following is an itemized list of issues discussed:

- Interested in building a relationship
- Plans to email documents for CAMTA to review and completion a mutual prescreening process to determine agreement terms
- Payment terms are flexible
- Need to be selective with regard to products and growers
- He would also like to test ACAI seeds for oil (beauty products possibilities)
- American Eagle would like samples of pineapple, passion fruit, acai, and acerola
 to test for nutritional value. Mr. Chaudhry provided instructions to ship by UPS,
 and they will pay shipping costs upon arrival.
- He would like a list of companies in Brazil from which American Eagle can source ACAI and cashews

Acai, Activities and Results in Miami

The acai mission to the Miami area was from 30th to 31st March. Appointments were made in advance for the President of CAMTA, Ivan Hitoshi. He completed several meetings with potential buyers, as follows:

MIC Foods

88701 SW 137th Avenue, Suite 306, Miami, FL Phone 800-788-9335 Juan Lardizabal

MIC Foods Is primarily an importer of frozen plantains and bananas. They mostly distribute to the food service industry. On the side they handle a variety of frozen fruit pulps that, altogether, account for an estimated half container a month.

Mr. Lardiazabal has a client in Chicago with special interest in Acai. This can represent a possible business for CAMTA if the three parties can work it out.

It is completely necessary to have samples, for any further negotiation. They agreed to remain in contact and CAMTA agreed to send by e-mail any other information that was

necessary.

Brex America

3400 NW 114th Avenue, Miami FL 33178 Phone 305-591-5555 Werner Batista

Brex Is an importer and distributor of Brazilian products. They are interested only in final products, like acai juice or other goods ready to retail. Brex and CAMTA exchanged information, and Brex suggested other people who could be contacted.

El Sembrador

2424 NW 46th Street, Miami FL 33142 Phone 305-638-5161 Anthony Aguirre

El Sembrador is one of the three main distributors of frozen fruit pulp in Florida. They sell to all the major supermarket chains. They were interested in almost in all the pulps, but especially in acai, acerola and another highly nutritious product, which they do not have in their line at present. If CAMTA has good prices on the pulps, they may be able to sell to this company.

They would work under el Sembrador's label and packages. This buyer would like to have "informal exclusivity" in Florida.

The buyer is concerned about freight from Brazil being too high compared with the cost from other central and South American countries from which they buy. He requested samples. He would be willing to go to Brazil to see the production.

The two parties agreed to keep in contact and send further information.

Other Companies of Interest:

Julio Rossel of **Internaturales** had to cancel his appointment with us but asked to be contacted by CAMTA in the future.

Vivian of Lakewood juices/Florida Bottling Co. will probably be interested in acai from CAMTA when organic certificate has been obtained.

Lianne Maso de Moya of **Garden of life** will consider buying acai powder to be used in its line of supplements.

Comments and Recommendations

Because of its inherent qualities, and recent exposure in the USA, acai has become a "hot" product and is very much in demand. CAMTA is in the position if being able to choose from among various buyers, each of which would like all its production.

Bossa Nova in California would like all of the production and is a good match for CAMTA in terms of size and age of the company. Its Dun & Bradstreet report looks pretty good but predicts that the company will have liquidity problems in the near future.

American Eagle would also like the product and has the size and financial ability to help with organic certification and other ways. On the other hand, since American Eagle does not specialize in acai this would be just one more product in its line. Also, at least one person reported that this company can be hard to deal with.

Raw Deal is also an interesting company and could be a good compromise between a small specialty house such as Bossa Nova and a conglomerate such as American Eagle.

At this writing, CAMTA should be far along in its decision-making process. Our principal advice to them is to make an early decision regarding sale of this year's crop so as not to keep potential buyers waiting to know whether CAMTA can supply them. Also, the arrangement that is made now should probably for just one year. With more experience in the market, there will be more information on which to base the decision of, to whom to sell in 2007 and beyond.

Also CAMTA should evaluate its potential for increasing income by marketing organic **acai powder.** Many companies want this product for use in nutritional supplements. CAMTA does not necessarily have to set up and equip a plant to make this product; they might be able to have the powder made under contract in an existing plant.

Cashew Nuts Trade Mission

Cashews, Activities and Results in New York

The cashew nut mission to the New York area was from 24th to 26th April. Appointments were made in advance for the person chosen to export the products, Rogerio XXX. He completed XXX meetings with potential buyers, as follows:

American Eagle Products

874 Pompton Avenue Cedar Grove, NJ 07009 Phone 973-857-6667, ext 11, website Aefpg.com Amer Choudhry, Chief Operating Officer, coo@aefpi.com

AEFPG is a purveyor of dried fruits and nuts and other food items from around the world. The company is a grower, processor and distributor. Its product are dried fruits, juice concentrate, seeds, tree nuts (cashews, hazel nuts, pine nuts) and organic products including apricots, cashews, hazel nuts, pepitas, pine nuts and sunflower seeds.

This scheduled meeting was canceled by Amer Choudhry. He suggested during our brief phone conversation the possibility of meeting at a later date with Universal Unica, after Mr. Almeida has had time to "gather his thoughts" at the conclusion of his visits with potential buyers in New York and New Jersey.

Ziba Nut

180 Main Street, Port Washington, NY 11050-3212 Phone 516-944-5112 Mehdi Kazemi, director/buyer

This company is an importer of nuts and similar products. They are interested in buying in the future. Mr. Kazemi would like to see some samples from Brazil of different sizes.

He noted: "You have to know who you are dealing with. Some people play around with standards and quality. You don't need other stresses." Kazemi and Almeida also discussed Nutsco and how that company needs to decide if it's going to be a supplier. Says Kazemi, "if you are going to be involved in the domestic market you cannot be selling to others. "You don't buy from your competitor."

Island Nuts, Inc.

11 Columbia Avenue Hartsdale, NY 10530

Phone 914-725-1220, Fax: 914.725.1246

E-Mail:info@islandnuts.com , Website<u>www.islandnuts.com</u>

Mr. Michael Cochrane

This company markets cashew assortments: Chesapeake style, chili lime, chocolate, sweet cinnamon, spicy Cajun, sea salted, honey, Texas chili, and toasted coconut.

The meeting took lace at Harry's of Hartsdale, a trendy eaterie in the town of Hartsdale, NY. Mr. Cochrane discussed buying cashews for a company to which he brokers products, however, Universal Unica prefers to sell to a company such as Island nuts which manufactures seasoned cashews.

Mr. Cochrane is currently working with one supplier in India and would welcome a new relationship. He says, the premium is high with this specialty product, at least \$0.50 more per pound.

Universal Unica and Island Nuts agreed to exchange samples. They agreed that, to begin with, Universal would focus on emulating and developing one of Island Nuts' flavors.

BEDEMCO

200 Hamilton Avenue, White Plains, NY 10601 Phone 914-683-1119, fax 914-683-1482

Email: <u>info@bedemco.com</u>, Website: <u>www.bedemco.com</u> Eli "Lazar" Demeshulam, president, email <u>eli@bedemco.com</u>

With three generations of experience, BEDEMCO INC. has become a leader and innovator in the import, export, packaging, market planning and development of a wide range of agricultural products.

Its nut products include hazelnuts, Brazil nuts, macadamia nuts, pistachios, pine nuts, apricot kernels, walnuts, pecans, almonds. Its product lines also include dried fruit, specialty products, vegetables and organic products.

Bedemco currently imports from Vietnam, India and Tanzania. The company's main focus is to provide cashews as an ingredient for products that are value-added. It supplies customers with bulk and institutional sizes.

They are interested in <u>certified organic cashews</u>. According to the President, "As long as the cashews are certified by an affiliated certification agency, I don't need to know who the agency is, only that the product is certified by the appropriate agency."

In the future Bedemco may be interested in cashew apples if Universal can provide them.

As a founder of the Hazelnut Council, Mr. Demeshulam suggested that Universal consider joining/forming a marketing group for Brazilian and other cashews, to will give the product global exposure and promotional leverage.

SETTON International Foods, Inc

85 Austin Boulevard, Commack, NY 11725
Phone 631-543-8090 or 800-CASHEWS, fax 631-543-8070
Email: info@settonfarms.com, Website: www.settonfarms.com
Joshua Setton, buyer (Joshua.setton@settonfarms.com)

We met with Joel Gingsberg, Joey Setton (joseph.setton@settonfarms.com) and Maurice Setton

Setton International Foods is a full service provider of pistachios, nuts, dried fruit, edible seed, chocolate and candy to the snack food industry. It carries over 1,000 products, some of which are imported from over twenty countries.

Joe Gingsberg, general manager, ran the meeting with some input from Maurice and Joseph. Mr. Gingsberg presented a sample from a bad lot received, for which Setton planned to file a claim, and asked Mr. Almeida to comment. Mr. Almeida later on shared various cashew samples from his company. They discussed grades and sizes.

Regarding pricing, Setton noted: "For stuff we roast ourselves it's okay to pay high but for the containers we sell to roasters it's too expensive. Setton sells to various segments of the market – retail supermarkets, specialty stores and roasters

Setton expressed an interest and is <u>expecting samples and an offer</u> from Universal Unica. Gingsburg stressed, however, that <u>Setton uses contracts and the company prebooks</u>, so they "like to deal with reliable people.

Star Snacks, LLC

105 Harbor Drive, Jersey City, NJ 07305 Phone 201-200-9820 ext 211/234 Mendel Brachfeld, Managing Partner Star Snacks has a 250,000-square-feet of manufacturing and warehousing, split between Jersey City and Bayonne. It recently acquired a new "pillow packer" (for nut packs). For clubs and restaurants, the company has an "institutional PET line" that makes 45 to 50 institutional-sized plastic containers filled with nuts from Brazil, Columbia, India, Turkey, Bolivia, Vietnam, Africa, Argentina, and the US. Star Snacks are sold internationally through its seven own brands (Imperial Nuts, Star Snacks, Harbor View, Manhattan Nut, Harvest Bounty, Fruit and Nutty) and under scores of independent labels (firms that packag Star Snacks' products).

Mr. Brachfeld inquired about our respective roles to verify our association and why we wanted the meeting. Then he asked Mr. Almeida: how much do you process a year; to whom have you sold; how long you have been in business, etc.

After a few minutes he called in Paul Brachfeld, who would be the direct contact person.Mr. Brachfeld indicated that Star Snacks only pays for shipment after it is received and they ascertain that the quality is good. He added that the company was buying a lot of 3rd and 4th quality cashews.

After discussing grades and prices, Mr. Brachfeld ended the meeting by saying that Universay Unica's prices were too high.

SLD Commodities

2 Manhattanville Road, Purchase, NY Phone 914-696-0071, fax 914-696-0076

Rogerio arranged a meeting with SLD Commodities, with which he had dealt previously. He asked us to not take notes in the meeting.

He went with the specific purpose of selling a container of cashews to SLD, or to American Eagle. Since the meeting with American Eagle was later cancelled, we expect that the meeting with SLD took on increased importance and may have resulted in a sale.

Cashews, Activities and Results in Miami

The cashew nut mission to the Miami area was from 27th to 28th April. Appointments were made in advance for the person chosen to export the products, Rogerio. He completed several meetings with potential buyers, as follows:

Den-Mar Exports LLC

1200 NW 22nd Street, Miami, FL 33142-7744

Phone 305-547-4201 Dennis de la Osa

Den-Mar is a major importer of cashews, mainly inexpensive, raw nuts for the Haitian and Jamaican markets. Their value of imports last year was \$6 million. They buy in trailer loads and need 30 day terms. They have their own trucks and warehouses. They sell to wholesalers and retailers in the eastern half of the U.S.

Mr. Sa felt that Den-Mar was not a good match for farmers assisted by DAI/Brazil because of the of differences in volume capability and price expectations.

Ultra Trading International Ltd.

2875 NE 191st Street, Suite 604, Miami, FL 33180-2801 Phone 305-466-4443 Moshe Schwartz

Ultra Trading buys cashews from five companies in Brazil, not larger than 240s and not smaller than P2s. They buy very large quantities (3-4 containers of each grade) for future delivery. Their volume is more than five million cartons per year.

Since Ultra buys and sells in trailer loads, and doesn't open trailers, it has to provide full containers of each grade. They might buy occasional spot loads, but not often. They are a major supplier to Costco, with 15-20% of cashews for Costo coming from Brazil.

Mr. Schwartz said the cost of processing cashews was \$2,000 per ton in Brazil and just \$600 per ton in Vietnam.

Kingston-Miami Trading Co.

1465 NW 21st Terrace, Miami, FL 33142-7735 Phone 305-324-9497 Patrick Cha-Fung

Patrick is an importer and wholesaler of products for the Caribbean market. He said that black people in Jamaica associated eating cashews with male fertility.

He was interested in a consumer-ready product, canned or packaged. He sees possible markets for flavored cashews.

Alimentos Australes

13049 SW 122nd Avenue, Miami, FL 33186-6241 Phone 305-238-7755 Daniel Pertica and Leandro Korn This company handles mostly frozen products. They distribute in south Florida, have a sub-distributor in Orlando and have clients in some other states. They handle about 300 products and have about 250 clients.

They were interested in the cashews in consumer packages but could not buy a full container load. Mr. Sa may contact them when he is ready to sell in LTL quantities.

Brex America

3400 NW 114th Avenue, Miami, FL 33178-1840 Phone 305-591-5555 Werner Batista and Debora Madeiros

Brex is a major importer of ready-to-eat products from Brazil. They stressed the difficulties of exporting from Brazil and of marketing consumer products in the USA. Still, they expressed interest in test marketing the cashews. Mr. Sa agreed to send them samples and information.

Hialeah Products Company

2207 Hayes St. Hollywood, FI (33020)

Tel: 954-923-3379, fax 954-923-4010, <u>www.hialeahproducts.com</u>

Richard Lesser

Hialeah Products Company is one of the main distributors of nuts, dried fruits, candies and ingredients for snack products. He has more than 3 years experience supplying institutional markets, especially restaurants and hotels.

In the meeting Messrs. Sa and Lesser discussed the different types of cashews as well as grades, sizes and quality. Both felt there was a possibility they could work together. Mr. Sa will evaluate his options, and they will keep in contact.

Ocho Rios and Presidente Supermarkets

Mr. Almeida asked us to cancel visits to the two companies named above because he did felt he had met enough buyers, and he needed time to work out details of importing and warehousing in the U.S.

Cashews, Comments and Recommendations

The meetings were arranged with the assumption that the exporters would be using the services of a major Brazilian logistics company, Cotia, to import the cashews, store

them, break bulk and ship to LTL (less than trailer load) buyers. Later, toward the end of the visit in Miami there was uncertainty about how soon this would happen.

Also, some meetings were set up with the idea that at least some of the cashews could be exported in consumer packages to distribution companies. This would increase value added in Brazil and open a new range of marketing possibilities. Toward the end of the mission, however, the exporter seemed to doubt the feasibility of this marketing approach in the near future

We are hopeful that the sale to SLD Commodities has gone through. That seemed to be the most expeditious way of selling the container load that is ready to ship.

In the longer term, we believe the DAI project should sell high quality cashews to a company such as Sutton Foods or Island Nuts. If the product can be certified organic, a company such as Bedemco could buy them and pay a hither price.

Since the Barreira Cluster has a limited quantity available and little experience in world markets, it needs to sell to a reliable importer that is of an appropriate size. This implies moving from commodities buyers, such as SLD and American Eagle, to customers such as BEDEMCO that are closer to the consumer.

Honey Trade Mission

Honey, Activities and Results in New York

The honey mission to the New York area was from 24th to 26th April. Appointments were made in advance for the person chosen to export the products, Pedro Sa. He completed several meetings with potential buyers, as follows:

Visits to Stores (Stop and Shop in Woodbury NY, King Kullen in Syosset NY, Fairway Market in Plainview NY and Whole Foods in Jericho NY)

As preparation for interviews we visited the stores above to note the various kinds and prices of honey and their packaging, both private label and manufacturer's label. There was some organic and kosher honey but not a great deal. One company (Guntners in Virginia) was providing a standing display box.

There was only a little honey imported in consumer packages and it was from Canada, Italy, Spain and New Zealand. The Italian honey was imported by Rigoni in Oxford Connecticut and was selling for \$9.99 for 400 grams. Organic "Manuka" honey from New Zealand, imported by Wild Bee in Greensboro North Carolina, was selling for \$25.99 for 500 grams. This is \$51.98 per kilo or \$23.58 per pound.

The most expensive honeys were in beautiful packages and carried claims of benefits to human health.

Port Royal Sales, Ltd.

95 Froehlich Farm Boulevard, Woodbury, NY 11797 Phone 516-921-8383 Ertan Kesicier, email ertan@portroyalsales.com

This company imports honey in consumer packages, various sizes, and is experimenting with a five pound industrial pack. Its annual sales are \$65 million.

Mr. Kesicier thought the color of the sample was OK but the aroma could be improved. He liked the cap on the bottle but thought the bottle should be in the shape of a bear.

He was interested in the product and said five containers per season would be no problem. He asked for samples and a quotation C&F/New York. He would like Kosher certification, and organic certification would be helpful. Payment would be 45-60 days after the Bill of Lading date, assuming clearance by FDA.

This did not appear to be a good match because Port Royal would want larger quantities and low prices than AAPI could provide.

Suzanne's Specialties

401 Jersey Avenue, Unit 3, New Brunswick, NJ 08901 Phone 732-828-8500 Suzanne, James Morano and James Morano Jr.

Suzanne's suppliers natural sweeteners to manufacturing companies in the health food industry, and needs honey with a flavor strong enough to withstand the processes of blending and baking to produce consumer goods. It now buys multifloral honey from importers. They are expanding into organic honey and would like to produce their own creamed honey.

They want a light amber or extra light amber color. They usually buy 5-6 containers at a time and prefer to work on a DDP (Delivered, Duty Paid) basis.

This is a very impressive small company and seems to have good potential to buy all the product that AAPI has available for the U.S. market.

Fairway Market

2127 Broadway, New York, NY Phone 212-234-3833 Ralph Gonzalez, Specialty Grocery Buyer

Because of transportation difficulties from Suzanne's, Mr. Sa arrived late at Fairway market and could not meet the buyer. His conclusion, after seeing two of the four Fairway Markets, was that it would be hard to sell to them. Since they have many brands of honey and only four stores, their turnover of honey would not be high enough. Also, they do not have a private brand program so this would not be an option.

Malt Products Corp.

88 Market Street, Saddle Brook NJ 07663-4830 Phone 201-845-4420 Paul Montgomery and herb Schneider

Malt Products is a major supplier of flavors and sweeteners in industrial sizes. Honey is a minor product for them.

Because of staff scheduling, Mr. Sa went to this appointment with Lara Goldmark of DAI rather than with a Plans and Solutions Staff member. He reported that the meeting had gone well but that Malt Products would treat the honey as a commodity, and not as a specialty product for which prices are usually higher.

Honey, Activities and Results in Miami

The honey mission to the Miami area was from 27to to 28th April. Appointments were made in advance for the person chosen to export the products, Pedro Sa. He completed several meetings with potential buyers, as follows:

Soprodi S.A.

2025 NW 102Ave, St 103. Miami, FL 33172

Phone: 305-640-0485, fax 305-640-0487, website www.soporodi.cl

Augusto Zamorano, email augusto@soprodi.com

Soprodi is the lead company in its group, which provides food ingredients to industries such as cattle and pig farms, chicken farms, dairies and food processors.

In the meeting Ms. Zamorano explained that his company is a major importer of honey in Miami, about 50 containers per year. The country of origin is Argentina, but he is very interesting in buying from Brazil

If AAPI wants to deal with him, they should lay out the quantities, prices, and terms of shipment and payment for the product. They can buy AAPI's entire production with no problem.

Kingston-Miami Trading Company

1465 NW 21st Terrace, Miami, FI 33142 Tel: 305-324-9497, Fax: 305-324-6559

Email: kmt@gate.net, Website www.kingstonmiami.com

Patrick A. Cha - Fong

This company is a leading distributor of food products from the Caribbean and the southeastern part of the USA. Their extensive product line includes salsa, condiments, beverages, honey, coconut water, jams and jellies, canned fruits and vegetables, etc.

In the meeting Mr. Cha-Fong expressed interest in bottled honey for sale in stores and supermarkets. He examined the product and said the bottle should be of heavier material, so it wouldn't break if it fell from a shelf. He said his clients liked darker (clover) honey and asked if AAPI could produce that. Looking at the label, he thought the product looked more European than American.

Mr. Sa said he would give the comments to AAPI for consideration and that he would be in contact with Kingston-Miami Trading in the future.

Don Greene Poultry

12345 Don Greene Blvd. (NW 38 Ave), Opa Locka, FL

Phone: 305- 687-0000 ext. 2358

E-mail: rhernand@dgpfoods.com, www.dgpfppds.com

Ray Hernandez

This company is a major distributor of frozen foods, dried foods, beverages and other products.

We meet with Ray Hernandez, Export Manager, Richard Buoni, Export Manager, and Frank Granit, Vice President of Sales. Discussion centered on using the company's distribution network to help move the honey into the U.S. market. DGP could import, warehouse, break bulk and ship to consumers.

Since DGP is a large company, it could work initially on margins of about 20% for its services. Since that might be expensive for AAPI, this might be considered in the future when the volume of shipments can justify it.

Alimentos Australes

Dirección: 13049 SW 122 Ave. Miami, FL 33186

Tel: 305-238 7755, Fax: 305-238 3050

Leandro Korn, E-mail: Leandro@alimentosaustrales.com

This company imports dry foods from Argentina and distributes them, primarily in the southeastern part of the USA. It is adding other ethnic products for Latin American niche markets in the Miami area.

We met with Mr. Korn y Daniel Pertica, Presidente of the company. They liked AAPI's product and said that some of their clients had asked for bottled honey.

They asked for samples and suggested ordering a few pallets for test marketing. They wouldn't be able to handle container loads, at least in the beginning. They usually consolidate products from Argentina so they can bring full containers. They suggested that AAPI could ship full containers to them and other clients in the Miami area.

The result was an agreement for Mr. Sa and Alimentos Australes to keep in contact, to see if they can do business in the future.

Honey, Comments and Recommendations

AAPI and Mr. Sa were consistent in their interest, in moving from selling honey in bulk to exporting it in bottles. Mr. Sa was especially interested in working with Suzanne's Specialties, which appeared to be a good match in all respects. This a dynamic young company, apparently led by competent, honest people, which will help AAPI develop as a packager and exporter of honey. The following information from their website may be of interest:

For over 20 years, Suzanne's Specialties has been producing an evergrowing line of all natural, vegan, & organic sweeteners, desserts, and toppings. Our Rice Nectar brown rice syrup is available in a variety of delicious fruited and naturally-flavored blends, including Just-Like-Honey, a vegan alternative to honey. Suzanne's Ricemellow Creme is the first (and only) all natural, vegan marshmallow creme. We offer a full line of traditional sweeteners including Organic Wildflower Honey and Organic Agave Syrup. Suzanne's offers delicious organic & vegan alternatives to refined sweeteners and sugary desserts. Our unique products are made with only the finest all natural ingredients.

Certified Organic by NOFA-New Jersey and the New Jersey Department of Agriculture

Certified Kosher by KOF-K

The Suzanne's Promise

- No preservatives
- No refined sugars
- No artificial colors
- No artificial flavors
- Non-GMO
- ■Fat-free
- **Gluten-free**

At Suzanne's we believe that there is a real value in keeping the original color, proteins, residual oils, and micro-nutrients of the fruits and grains used in our delicious products. We don't over-refine our ingredients - and therefore, our products truly are "sweetened the way Mother Nature intended"!

Not Just Retail

Many of Suzanne's products are also available in industrial quantities, with packaging to meet your needs - from a pail to a tankwagon.

<u>Contact us</u> for more information about bulk or industrial orders.

If negotiations with Suzanne's are not successful, or if it cannot buy the entire quantity produced by AAPI, some good alternatives in Miami are Alimentos Australes and Brex America. The former is eager to expand its business to Latin American niche markets in the Miami area and to expand its product line, although it is an Argentine company and might prefer an Argentine supplier.

Brex America has a special interest in Brazilian products and the resources necessary to put a new one on the market. This appears to be a good potential business partner.