GRUPO PM

CALIFORNIA Kiwifruit Commission

California Kiwifruit Commission
Mexico Monthly Report
November 19, 2009
Reported by Grupo PM

A. CURRENT MARKET CONDITIONS

Mexico City

California Kiwifruits have a 98% market share in this city. Their sale volume is good considering the tough alternative competition from local products that offer lower prices like apples and grapes. The quality of the fruit is very good, presenting firm pulps and good shelf life. The trade expects to receive more arrivals soon, expecting the prices to drop. Available sizes are 25 and 27 in quality grades CAT 1 and CAT 2.

Direct competition remains from New Zealand, but at this time their availability is really low – only 2% of market share. In general terms their quality is good, and their highest availability is at retail stores. According to the trade, this origin will be out of the market in the next 2 weeks.

In terms of availability this city presents the following (from highest to lowest):

1. Apples (WA)	6. Kiwifruit (CA, NZ)
2. Apples (local)	7. Strawberries (local)
3. Grapes (CA)	8. Plums (CA)
4. Grapes (local)	9. Peaches (CA, local)
5. Pears (USA, CA)	

Guadalajara

The availability of California Kiwifruits has been increasing, reaching 97% of the market. On average, warehouses have been receiving 1 load per week. Sale volume is good, mainly at retail stores who have been transshipping them to nearby cities as a result of their good shelf life. Their prices were stable and available sizes are 20 to 30 with the highest availability from 25 to 30. Quality grades available are CAT 1 and CAT 2, with CAT 1 presenting the highest demand. New Zealand is only available at the retail sector.

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In terms of availability this city presents the following scenario:

1. Washington apples	6. Local strawberries
2. Local apples	7. California plums
3. USA pears	8. California peaches
4. California Kiwifruit	9. California pears
5. California grapes	10. New Zealand Kiwifruit

Monterrey

In this city Tito warehouse has California Kiwifruits available; they received 2 loads and are expecting more in the coming days. Their availability continues being limited as a result of the high competition that New Zealand continues presenting in this city. On the other hand, the sizes that California offers are smaller than New Zealand's, making our fruit less attractive to retailers. According to the importers, New Zealand will still be in the market in the next 20 days. The available size is 30 and their quality grade is CAT 1.

There are no new arrivals from New Zealand but there is still a lot of product in cold storage. Their sales volume is good as a result of their good prices. However, their quality can be considered as fair with an advanced ripe grade.

1. California grapes	6. California Kiwifruit
2. Local apples	7. Local Strawberries
3. USA pears	8. New Zealand Kiwifruit
4. California plums	
5. Washington apples	

RETAIL LEVEL

Mexico City

California Kiwifruit has increased in availability, having presence in all retail chains. Their exhibitions are between 2 to 4 boxes per week/per store and their sales are strong. According to the produce department's staff, CKC's sale volume is good as a result of their good prices and quality.

New Zealand continues being available in most stores with mixed origin exhibitions with California fruit, except in Soriana. At the traditional channels California presented the highest availability.

Guadalajara

California Kiwifruits are available in all the retail stores and traditional channels. Their exhibitions are between 2 to 3 boxes per store and their sales volume is around 4 to 12 boxes per week. Their quality is considered good while the availability of New Zealand fruit continues to drop along with their quality.

Monterrey

California Kiwifruits are only available in Walmart with exhibitions of 3 boxes per store on average with sales of 3 to 4 boxes per week. Their quality is good, presenting firm pulps. California Kiwifruits presented more competitive prices than New Zealand. According to the produce staff, their sales volume is low as a result of their small sizes.

The availability of New Zealand continues to decrease and it being between 2 to 3 boxes with sale volumes of 3 boxes per week. Their quality is fair, presenting an advanced ripe grade.

A.2. PRICES

Exchange rate: $1 = 13.45 pesos

WHOLESALE LEVEL

California Kiwifruit

		Mexico City		Guadalajara		Monterrey	
Size	**Weight**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
20	20lb		---	19.32	---	---	---
22	20lb		---	---	---	---	---
23	20lb		---	18.94	---	---	---
25	20lb	20.45	---	18.94	---	---	---
27	20lb	20.45	---	18.56	---	---	---
30	20lb		---	17.42	---	21.59	---

Competition Zespri

		Mexico City		Guadalajara		Monterrey	
Size	**Weight**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
22	22lb	---	---	---	--	---	--
25	22lb	22.72	--	---	--	18.93	--
27	--	--	--	--	--	--	--
30	--	--	--	--	--	--	--

Other Fruits

PRODUCT	ORIGIN	Mexico City 1st F	Mexico City 2nd F	Guadalajara 1st F	Guadalajara 2nd F	Monterrey 1st F	Monterrey 2nd F
Apples	California	---	---	---	---	--	---
	Chile	---	---	---	---	--	---
	Local	13.63	---	26.52	---	14.01	---
	Washington	26.51	---	28.79	---	30.30	---
Grapes	California	27.27	---	30.30	---	29.92	---
	Chile	---	---	---	---	--	---
	Local	16.66	---	16.66	---	17.04	---
Kiwis	California	20.45	---	18.64	---	21.59	---
	Chile	---	---	---	---	--	---
	New Zealand	22.72	---	---	---	18.93	---
Nectarines	California	---	---	---	---	--	---
	Chile	---	---	---	---	---	---
	Local	---	---	---	---	---	---
Peaches	California	34.09	---	36.36	---	--	---
	Chile	---	---	---	---	--	---
	Local	---	---	---	---	--	---
Pears	Argentina	---	---	---	---	--	---
	California	17.42	---	15.91	---	--	---
	Northwest USA	27.27	---	25.00	---	23.86	---
Plums	California	31.81	---	26.52	---	23.86	---
	Chile	---	---	---	---	--	---
	Local	---	---	---	---	--	---
Strawberries	California	------		---		--	
	Local	15.15		9.09		13.63	

RETAIL LEVEL (US$/lb)

Supermarket Chains

Mexico City

Origin	Variety	Walmart 1st F	Walmart 2nd F	Superama 1st F	Superama 2nd F	Soriana 1st F	Soriana 2nd F	Com. Mex 1st F	Com. Mex 2nd F	Average
California	Hayward	1.54	--	1.72	--	1.30	--	1.13	--	1.42
Chile	Hayward	---	---	---	---	---	---	---	---	---
New Zealand	Hayward	1.54	---	1.66	---	1.19	---	1.13	--	1.38

Guadalajara

		Com. Mex.		Walmart		Soriana		Aurrera		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	1.63	---	1.68	---	1.65	---	1.68	---	1.66
Chile	Hayward	---	---	---	---	---	---	---	---	---
New Zealand	Hayward	---	---	1.68	---	---	---	---	---	1.68

Monterrey

		HEB		Walmart		Soriana		Sam's		Average
Origin	**Variety**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**	
California	Hayward	---	---	1.37	---	---	---	---	---	1.37
Chile	Hayward	---	---	---	---	---	---	---	---	---
New Zealand	Hayward	1.71	---	1.71	---	---	---	---	---	1.71

Other Fruits

		Mexico City		Guadalajara		Monterrey	
PRODUCT	**ORIGIN**	**1st F**	**2nd F**	**1st F**	**2nd F**	**1st F**	**2nd F**
Apples	California	---	---	---	---	--	---
	Chile	---	---	---	---	--	---
	Local	0.61	---	0.86	---	0.61	---
	Washington	0.75	---	1.13	---	1.16	---
Grapes	California	1.34	---	1.48	---	3.09	---
	Chile	---	---	---	---	--	---
	local	1.10	---	1.37	---	2.06	---
Kiwis	California	1.30	---	---	---	1.37	---
	Chile	---	---	---	---	--	---
	New Zealand	1.30	---	1.68	---	1.71	---
Nectarines	California	---	---	---	---	--	---
	Chile	---	---	---	---	--	---
	Local	---	---	---	---	--	---
Peaches	California	1.54	---	1.37	---	1.80	---
	Chile	---	---	---	---	--	---
	Local	0.96	---	---	---	--	---
Pears	Argentina	---	---	---	---	--	---
	California	---	---	0.79	---	1.39	---
	Northwest USA	0.82	---	1.24	---	1.51	---
Plums	California	1.44	---	1.61	---	1.63	---
	Chile	---	---	---	---	--	---
	Local	---	---	---	---	--	---
Strawberries	California	---		---		--	
	Local	0.86		1.54		1.54	

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Public Markets

Mexico City

		Coyoacan		Mixcoac		Average
Origin	Variety	1st F	2nd F	1st F	2nd F	
California	Hayward	1.54	--	2.06	--	1.80
Chile	Hayward	----	--	---	--	------
NZ	Hayward	----	--	-------	--	----

Guadalajara

		Calle 3		San Juan de Dios		Average
Origin	Variety	1st F	2nd F	1st F	2nd F	
California	Hayward	1.55	---	1.62	---	1.58
Chile	Hayward	---	---	---	---	---
NZ	Hayward	---	---	---	---	---

Monterrey

		San Luis		Juárez		Average
Origin	Variety	1st F	2nd F	1st F	2nd F	
California	Hayward	-	-	--	0.85	0.85
Chile	Hayward	--	--	--	--	--
NZ	Hayward	--	--	--	0.85	0.85

Other Fruits

		Mexico City		Guadalajara		Monterrey	
PRODUCT	ORIGIN	1st F	2nd F	1st F	2nd F	1st F	2nd F
Apple	California	---	---	---	---	--	---
	Chile	---	---	---	---	--	---
	Local	0.55	---	0.96	---	0.68	---
	Washington	0.86	---	1.10	---	0.85	---
Grapes	California	----	---	1.38	---	--	---
	Chile	--	---	---	---	--	---
	local	0.96	---	1.03	---	0.68	---
Kiwis	California		---	1.55	---	0.85	---
	Chile	----	---	---	---	--	---
	New Zealand	-----	---	---	---	0.85	---
Nectarines	California	1.80	---	---	---	--	---
	Chile	--	---	---	---	--	---
	Local	--	---	---	---	--	---
Peaches	California	----	---	1.38	---	1.03	---
	Chile	--	---	---	---	--	---
	Local	0.86	---	---	---	--	---
Pears	Argentina	---	---	---	---	--	---
	California	-----	---	0.69	---	--	---
	Northwest USA	0.82	---	1.17	---	1.03	---
Plums	California	1.37	---	1.38	---	--	---
	Chile	--	---	---	---	--	---
	Local	---	---	---	---	1.03	---
Strawberries	California	----	---	---		--	---
	Local	1.20	---	1.86		1.54	---

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C. LIST OF TRADE CONTACTS

Mexico City

Wholesale Level
Martín García, Warehouse K-69
Jesús Mena, Warehouse K
Juan Luis García Sámano, Warehouse L-113
Javier García, Warehouse Q-178
Jaime Jiménez, Warehouse L-84

Retail Level
Germán Guzmán, Mega
Justino Gómez, Aurrera
Porfirio Ramírez, Superama
Tomás García, Walmart
Gerardo Guzmán, Mixcoac Public Market
Aurelia Hernández, Mixcoac Public Market
Gregoria Campos, Coyoacan Public Market
Graciela Vivanco, Coyoacan Public Market

Guadalajara

Wholesale Level
Juan Gallardo, Warehouse #409
Arturo Delgadillo, Warehouse #423
Carlos Camarena, Warehouse #427
Juan Navarro, Warehouse #431

Retail Level
Víctor Rojas, Comex
Faustino López, Soriana
Carlos Corona, Alcalde Market
José Luis Zamudio, Calle 3 Public Market

Monterrey

Wholesale Level
Héctor Rodríguez, Warehouse L351-338
Carlos García, Warehouse L-255

Retail Level
Ernesto Garza, HEB
Federico García, Soriana

Activities

Merchandising

City	Public market	Stalls	Street Market	Stalls	Warehouses	Fruit stores	Stores Supermarket	Comments
Mexico City	48	192	38	152	20	48	49	Good availability and quality
Guadalajara	20	79	15	58	12	18	21	Good sales volume, quality and prices
Monterrey	3	13	3	9	6	19	36	The trade expects that their availability increases by the end of the month

Technical Support

2 seminars were carried out with 7 attendees; additionally, 28 audits and 28 technical visits were also performed.

Road Show:

Up to date, we have reached 93 promotional days in Mexico City, Puebla, Celaya, Irapuato, León, Guadalajara and Monterrey through this activity, reaching 80,195 contacts.

Mr. Carlos Martín
Walmart Valle Oriente – Monterrey
"Very good event, consumers' participation in this event was really good. The nutritional advices were excellent as well as all the different recipes. Our clients were very satisfied with this promotion".

Company Road Show – Up to date, we have reached 27 promotional days in Mexico City and Guadalajara, reaching 7,950 contacts.

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