

# WASHINGTON STATE GRAPE SOCIETY 2008 Annual Meeting

**“The FUTURE is so BRIGHT,  
I Gotta Wear Sunglasses!”**

## A Sales & Marketing Insight:

**A VIEW from the JUICE GRAPE SECTOR**



*"Concentrated Excellence"®*

by  
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*"Concentrated Excellence"®*

# Questions to Answer Today

- **Where has the Concord Industry come from?**
- **Where are we now?**
- **Where might we be going?**
- **What features make the Concord Industry poised for continued success in the future?**
- **How might prices be affected by this uncertain financial market and domestic & world economies?**

# The Juice & Concord Market

- The World Market Commodity Juices:
  - **World Markets affect all juices.**
    - **Apple** (filler juice)
    - **Pear** (filler juice)
    - **White Grape** (filler and blending juice)
    - **Red Grape** (filler and blending juice)
    - **Concord** (not a filler juice, is used for blending too.)
      - Only one with Flavor and consistent **Color** source

# Perspective of the Juice Market

- The Concentrate Business:
  - Is a cruel and shallow Money Trench, A Long Stemmed Hallway where Thieves and Pimps run FREE and WEAK MEN DIE like DOGS!
- Needless to say:
  - Buyers are not loyal, the price and cost are **King**
  - Sellers need to be strong and knowledgeable
  - COST levels do matter:
    - Numerous formula adjustments can and do take place annually, especially in % Juices & Drinks
    - Blending does occur as juice markets change.
- Need to differentiate oneself as a seller, through:
  - Quality
  - Variety of Products offered
  - Services offered
  - Development of New Applications

# Concord Ingredient Products

- Conventional & Organic (15% & growing)
  - 68 brix Juice Concentrate
  - 45 brix Puree Concentrate
  - S/S puree, pasteurized
  - S/S juice (about 16 brix), pasteurized
  - Extracts from pomace for Nutraceutical industry and Functional Foods
    - Liquid, 40 brix and dry powder
      - Resveratrol content is high.
  - Packaging:
    - Bulk tankers (4200 gallons of 68 brix; 5,300 gals for s/s)
    - Drums (45 gal. for s/s & 52 gallon fill for 68 brix)
    - Pails (5 gallon fill)
    - Totes ( 305 gallons)



# Concord Grapes:

## Applications as an Ingredient

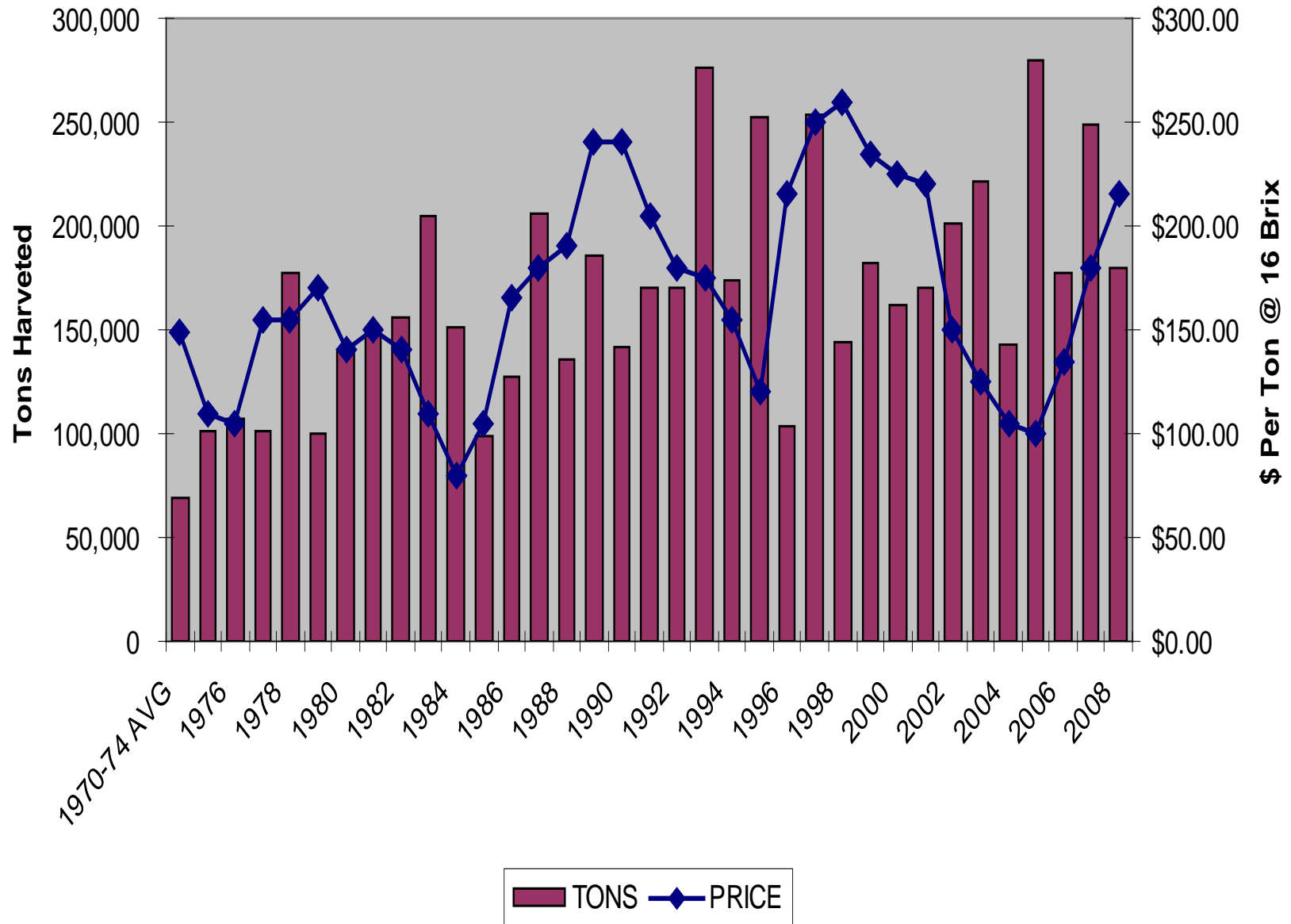
- Juices / Drinks (65% plus of usage of Concord)
- Wine (big in Japanese market, they want color and acid)
- Foods:
  - Jelly & Jams, 2<sup>nd</sup> largest application
  - Sauces, very little
  - Dressings, very little; why not a Concord Vinaigrette?
- Desserts: very little
  - Frozen: Sorbets, novelties, yogurt products
  - Gelatins
- Baking: very little
  - Fillings, very little
- Confections: very little
- Functional Drinks and Foods (Fortified Products)
  - Make Concord one of the super fruits.
  - Differentiate Concord from other juices and purees.
  - Needs to be an industry effort.



"Concentrated Excellence"®

YEAR	WASHINGTON			NEW YORK TONS	MICHIGAN TONS	PENN. TONS	OHIO TONS	TOTAL TONS	
	PRICE	TONS							
1970-74 AVG	\$149.00	69,000		152,000	51,000	56,500	14,100	356,500	
1975	\$110.00	100,600		108,000	51,000	43,400		312,700	
1976	\$105.00	107,200		130,000	12,500	52,710		307,580	
1977	\$155.00	100,800		71,000	30,000	26,880	5,800	245,260	
1978	\$155.00	177,600		129,500	61,000	52,200	10,200	439,910	#10
1979	\$170.00	100,200		124,500	53,000	48,600	10,800	346,940	
1980	\$140.00	140,200		123,500	44,000	52,000	10,400	380,280	
1981	\$150.00	150,500		108,500	47,000	57,000	8,600	378,300	
1982	\$140.00	155,900		110,000	52,300	43,000	7,400	378,000	
1983	\$110.00	204,400	#8	132,000	54,000	57,500	8,600	465,170	#6
1984	\$80.00	150,700		139,000	44,500	53,000	9,700	407,900	
1985	\$105.00	99,000		109,000	45,700	49,000	5,600	316,230	
1986	\$165.00	127,500		111,000	28,000	55,000	6,400	333,730	
1987	\$180.00	205,500	#7	126,000	52,000	61,000	8,600	458,470	#7
1988	\$190.00	106,000		114,000	45,500	54,500	7,300	300,020	
1989	\$240.00	186,000	#10	105,000	36,000	51,200	6,500	390,270	
1990	\$240.00	142,000		99,000	38,000	48,000	6,500	336,840	
1991	\$205.00	170,000		136,000	37,000	71,000	7,600	431,440	
1992	\$180.00	170,071		134,000	38,500	72,000	8,900	426,581	
1993	\$175.00	276,561	#2	84,000	45,500	50,000	4,700	466,481	#5
1994	\$155.00	173,242		136,000	54,100	71,000	5,900	440,907	#9
1995	\$120.00	252,384	#4	111,000	50,300	56,000	6,600	476,934	#4
1996	\$215.00	103,520		139,000	47,500	71,000	0,500	372,115	
1997	\$250.00	253,201	#3	96,600	45,200	54,000	5,600	455,141	#8
1998	\$260.00	144,488		89,400	53,800	48,000	4,700	342,123	
1999	\$235.00	182,645		154,500	57,300	75,600	6,900	479,310	#3
2000	\$225.00	162,126		113,300	64,500	45,500	5,900	393,801	
2001	\$220.00	169,884		107,200	19,000	52,000	4,300	353,494	
2002	\$150.00	200,799	#9	108,000	25,300	44,800	4,000	384,199	
2003	\$125.00	221,664	#6	104,000	51,000	55,800	5,100	438,464	
2004	\$105.00	142,799		99,300	34,900	78,000	3,000	358,879	
2005	\$100.00	279,384	#1	137,000	66,500	77,500	6,800	567,644	#1
2006	\$135.00	177,621		108,600	15,350	71,400	1,600	375,491	
2007	\$180.00	249,000	#5	131,000	61,000	71,500	5,800	518,472	#2
2008	\$215.00	180,000	#1	141,000	40,700	77,300	6,300	445,500	#9

# Washington Concord Grape Data on Price



# USA Concord Crop Data

