



FruitSmart®

The Smart Choice...Naturally

Fruit Ingredient Supplier and Processor

Quarterly Newsletter

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FruitSmart®, Inc.

P.O. Box 177
205 Hagarty Lane
Prosser, WA 99350
Phone: 509-786-3500
Fax: 509-786-3585
www.fruitSMART.com

Prosser, WA Corporate Office:

Jim Early - President
Cell: 509-832-0724
Email: jearly@fruitSMART.com

James Gauley - Vice President
Cell: 509-840-2457
Email: jegauley@fruitSMART.com

Stephanie DeLorme -
Customer Service Specialist
Email: sdelorme@fruitSMART.com

Juanita Lopez -
Customer Service Specialist
Email: jlopez@fruitSMART.com

East Coast Office:

Keith Gauley - Regional Sales
Cell: 781-690-6897
Email: kegauley@fruitSMART.com

Proud users of

Parity Food Enterprise™ software and services:

Parity Corporation is the Leader in
Information Systems & Services for the Small
to Mid-Sized Food Manufacturing Enterprise
www.paritycorp.com

Featured Inventory:

Blueberry Juice Concentrate
Blueberry Essence
OU Concord Grape
Essence
Strawberry Essence
Cranberry Seeds
FruitBasics® Grape
Seed Flour

Please call us for a quote.

FruitSmart® Just Got Smarter!



Veronica Martin

FruitSmart® is pleased to announce that Veronica Martin has joined the FruitSmart® team as our Business Administration Manager. Veronica has a BA in Business Administration, with a concentration in Human Resource Management from Eastern Washington University. She has several years of juice processing industry experience and has worked with our staff in the past.

The creation of this position will allow us to add Juanita Lopez to the Customer Service team. Juanita has been in the fruit processing industry for 20 years and has a wide range of experience. She has worked in accounting, customer service, logistics, purchasing, and production support. Juanita will

join our very talented Customer Service Specialist, Stephanie DeLorme, in an effort to maintain our high level of service. Stephanie has 10 years of customer service experience in the industry, and has supported our rapid growth the past few years.

Please join us in welcoming Veronica and in congratulating Juanita in her new role.



From left to right:
Stephanie DeLorme
and Juanita Lopez

EVENTS CALENDAR

SupplySide West

October 22-24, 2008
The Venetian & Sands
Las Vegas, Nevada
www.supplysideshow.com

Please contact us to arrange for a meeting.

Market Update: Reminder to Contract Early

The markets are such where another market update is warranted. We strongly encouraged contracting early in our last newsletter, and that seems to have been good advice. Several of the markets are at all time highs with very limited supply.

Red Raspberry: The market continued strong through harvest with almost ideal harvest conditions. There was very little rain and the growers were able to pack the high value forms and not take large volumes to juice and puree stock. We see the market for the next 10 - 12 months at \$180.00/Gallon or higher depending on how tight supply gets this winter, and how the Chilean crop comes in. We are seeing European offerings in the \$150.00/Gallon range, but a pesticide issue on Polish fruit is limiting their ability to export to the U.S. Don't be surprised if the market goes higher.

Blueberry: It is very difficult to ascertain where the concentrate market is right now. A very wet harvest in the Northwest is generating a significant volume of juice stock, but where prices will settle is still in question. There is no doubt prices are less than half of last year's level, but they may go lower depending on demand.

Cranberry: We are beginning to see some softness in the cranberry market, but we are not sure if this is

temporary or a sign leading into harvest. We suspect pricing will be down a bit with new crop, but the overall fundamentals of strong SDC (Sweetened, Dried Cranberries) demand, and increasing export demand for concentrate will continue to support good grower returns.

Lemon: Prices are 3x or 4x typical levels if you can find any. We don't see relief for months, but we hope supply will become available with the US crop this fall.

Dark Sweet Cherry: We had predicted a short juice crop and this certainly came to fruition. Supply of concentrate is extremely tight and pricing is over \$20.00/Gallon if you can find any.

Concord Grape: We are expecting an average crop in the state of Washington this year with rising grower prices. The east coast processors came out at \$215.00 - \$230.00/Ton, and the west coast processors will announce prices in the next 30 days. Concentrate demand has been strong and inventory levels are low going into harvest. We would encourage you to contract your needs during harvest to ensure supply.

In general, agricultural costs are high and the growers need strong markets to cover these rising costs.

"In the field of observation, chance favors only the prepared minds."

~ Louis Pasteur