

Retail selling

Greece is the word

Greece has traditionally processed its tomatoes in bulk, mainly as paste. Not any more: now, led by the Rasmelo Hellas company, Greece sells to retail too.

BY STATHIS KANAKARIS

Greece is ranked among the top tomato processing countries in the European Union. The sector has been always strongly focused on the production of bulk processed tomatoes, mainly paste, for industrial use.

The country's presence in the foodservice or retail sectors of the European market, was next to zero. In fact, even a great part of the domestic retail market was serviced by imports. For the past five years though, domestic private label growth resulted reallocation both in terms of brands sold as well as of suppliers. Traditional canned paste was

replaced by sophisticated products in all kinds of packaging, now produced within the country's borders; Greece is going retail.

And in 2004, Greece went into European retail; this was the first year that our company, Rasmelo Hellas, first began to operate in the retail sector.

Having thoroughly studied the European retail market's tendencies and nutritional habits, we developed an assortment of high quality products that are currently on sale in several countries. The company's aim has been to offer to European retailers an additional purchasing source.

Greek packers' expertise in matching product specification, which comes about from their long term co-operation with industrial users, allows them not only to conform into retail needs but also to offer specialised products.

The EU's support frameworks contributed to the installation of state of the art, efficient, processing and packing lines for retail packs. Site modernisations guarantee cost-effective production for high quality products; while companies are certified according to recognised retail sector standards.

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RETAIL TOMATO PRODUCTS

rasmelo

trading

|T|+30 210 9601422 |E|rasmelo@otenet.gr

GREEK CANNED TOMATO EXPORTS

200210 (tonnes)	2001	2002	2003	2004	2005	2006
UK	11 622	10 984	12 380	14 068	15 958	14 520
Netherlands	3 242	6 583	3 667	5 568	4 244	4 221
Cyprus	221	230	245	605	843	2 378
Ireland	579	81	849	134	1 109	1 412
Germany	237	567	705	1 034	1 110	1 368
Sweden	151	208	471	1 049	1 054	1 276
Belgium	187	774	446	464	1 040	1 110
France	2 783	145	512	406	686	395
Poland	93	14	75	8	23	366
Others	1 381	2 861	2 717	1 900	2 104	1 791
Total	20 496	22 447	22 067	25 236	28 171	28 837

Source: GTIS

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Currently, the assortment includes chopped tomatoes (plain or with ingredients added), passata, tomato paste, pizza sauces, and red sauces among other products, sold in a variety of packaging including tin cans, tetrapak, combibloc and glass jars. A similar range has been developed for the foodservice sector as well, offered in the traditional tin can packaging or in pouch packs.

Rasmelo identifies three key points in developing the business of retail products packed in Greece. First, the presence of a supplementary supplier, in terms of origin, for the European retail market; retailers are now in a position to spread purchasing.

Secondly, the geographical location of the country in relation to the new EU members, emerging markets where western retail networks already operate and will certainly influence habits and taste preferences.

And last, but not least, a potential retail brand, the first which will serve the whole area of Balkans with a range of products inspired by the traditional ingredients in this area used for cooking.

Expansion reduces costs

It is important to mention that every step of expansion in the retail business benefits the cost of production, helps diversify today's Greek products destinations and consequently reduces the possibility of severe damage to the Greek tomato industry that may arise out of the forthcoming CAP reform.

Rasmelo has already been working closely on the above scheme with major Greek packers; the company's objective is to establish itself as one of the leading European suppliers for the retail private label tomato products.

As far as crop 2007 in Greece is concerned, raw material prices are up while processing will be counting a 10% to 15%

increase in comparison to last year's figures.

Significant business deals, which took place in the first quarter of the year, generate a new dynamic for the sector. In regards to the 2007 crop prices, no specific indications can be given at the moment, since business transactions have been limited up to now. However, current offers actually stand much higher in comparison to last season, while stocks appear to be at their lowest levels in recent years.

"Does Greece process tomatoes?" a European retailer asked when we first approached him. Our goal is that European

Santorini's Tomatoes

It makes you wonder how a seed that came from Suez in 1875, according to the legend, was easily adopted by the island's arid volcanic soil, offering an exceptional sweet flavour and unique aroma.

Santorini is buffeted by strong winds, high temperatures and a lack of rainfall which has shaped a unique, thick skinned, tiny, tomato variety, exclusively grown in this small part of the world.

The first tomato processing factory was built in 1915. By the 1950s Santorini was already famous for its tomatoes, and was home to 14 processing factories in total.

Today, whether in fresh or processed form, Santorini's tomatoes are well known and sought after around the world.

consumers become familiar with Greek quality. If that happens, it not such a leap of the imagination that, in a very short time, European retailers will develop a range of 'Fine Greek Tomatoes'.



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