

## Fruit Labeling—More than just labels

*Francis Garcia with Sinclair Systems tells us more*

### VIEWPOINT • Q & A



**T**he small labels affixed to fruit and produce seem to be inconsequential but in fact they play a big role in accurately pricing and identifying loose product in this category. Started in 1982, Sinclair Systems International based in Fresno, California is celebrating its 25th year in the produce labeling business. With sales offices around the world and ten different manufacturing locations, Sinclair is within reach to every agriculturally rich region globally.

Many changes have taken place in the produce business over the past couple decades and one significant initiative was the inception of the PLU—Price Look Up. To date, this 4 or 5-digit code is the globally accepted system by which variety, size and price is denoted for each piece of loose fruit.

More changes and innovations are on the way, according to Francis Garcia, Senior Vice President of Global Sales & Marketing at Sinclair Systems. The produce industry is constantly evolving and changing with both consumer and retailer needs driving innovation and new developments.

Progressive Grocer conducted an exclusive interview with Garcia to gain a better understanding of the produce label business and new developments.

**Q.** What do you think retailers should know about Sinclair produce labels?

**A.** Sinclair labels are completely food safe and FDA and BRC (British Retail Consortium) compliant,—meeting all relevant local, national and international standards. They do not leave a residue when removed from the fruit, and we have the exclusive, consumer preferred Tab-Lift™ feature that helps consumers remove the label quickly and easily.

Produce labels really serve as the “packaging” for loose, bulk fruit. They communicate everything that a box or blister card does, but in a smaller, more efficient amount of space. Typically, produce labels communicate PLU, brand/ logo, variety and country of origin. Now, fruit labels even carry a bar code.

**Q.** Sinclair is a global company with a variety of locations. Tell us more about this.

**A.** We operate 10 different label production facilities around the world including locations such as Chile, New Zealand, South Africa and the UK so that we’re never far from a fruit-producing region. We manufacture and maintain the hi-speed labeling equipment which applies the labels, so our extensive sales and technical service network is global, too.

Being global in nature truly provides us with an understanding of the many trends and developments that are happening on an international level; it’s a unique vantage point. We are also able to understand what retailers in a variety of regions or markets are doing and we

share that learning with our customers who may not have ready access to that information.

**Q.** What new developments in fruit labeling should retailers know about?

**A.** A fairly significant initiative began last year with the produce industry beginning to pilot—and now implement—the use of a new bar code symbology that is being used to mark loose produce. GS1 DataBar™ (RSS) codes are being printed on produce labels so that the items may be scanned at check-out rather than the PLU being manually entered. Until recently, EAN and U.P.C.s were too large to print on a small fruit label. This new DataBar code is about half the size of a U.P.C. and it fits nicely on the label.

This is a pretty big change for both retailers and the produce suppliers, but it appears that the industry is ready for capturing more data and using that data to manage the category.

In the way of product innovation, Sinclair has developed a two-sided label called Peel and Reveal™ which allows for printing on both sides. This way, if the supplier or retailer has a promotional message, they can print this information on the back of the label directing them to a contest or their website, or a whole host of ideas. It’s reminiscent of looking on the inside of a soda bottle cap—and it really captures the attention of the consumer.

**Q.** What benefits are there for the retailer who uses this new bar code on loose produce?

**A.** In a recent PMA-sponsored webinar (Produce Marketing Association) the two retailers using DataBar on produce, WalMart Stores and Loblaw Companies, mentioned they see benefits in gaining better category management, being able to help control shrink, better satisfying the needs of the self-checkout consumer, and having an increased measure of traceability. DataBar also complements the use of RFID and other new technologies which all aid data synchronization.

**Q.** You mentioned Tab-Lift™. What is this feature and why is it important?

**A.** Being the pioneer in the fruit label business, Sinclair came to realize years ago that removing the labels from the fruit may not be that easy for some people. About 15 years ago we developed Tab-Lift which is an area of the label that protrudes out so that consumers are able to grab this portion and remove the label even more quickly and easily.

Last year we commissioned statistically significant market research to gauge consumer preference. Consumers were asked to remove unmarked tabbed labels on side-by-side Red Delicious apples and we found that they chose Sinclair Tab-Lift 5 to 1 over any other tabbed label. We also learned that 67% of the consumers with children prefer Tab-Lift because this feature helps enable little fingers to be able to remove the stickers!

We believe the proportion is so high because with other labels the tab sticks to the fruit so really there’s no value. The Sinclair Tab-Lift does not stick to the fruit and allows you to remove the label in one piece.