

THE PRODUCE NEWS

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Dandrea's vertical integration hedges rising costs for NJ blueberries

By JD LaTorre June 14, 2022

As one of the largest shippers of blueberries on the East Coast, [Dandrea Produce](#), based in Vineland, NJ, executes a seamless program throughout the calendar year. "New Jersey blueberries play a huge role in our seamless program," said Peter Dandrea, director of sales. "Having consistent supply is crucial for our customers and we foresee this year the New Jersey crop may be even more important."



Even though costs are rising in many areas, Dandrea explained the company has been able to hedge a lot of the inflation due to its vertical nature. "We're able to control a lot of costs because of our structure," he said. "There are issues everyone is dealing with from shortages in labor to the cost of transportation. But since we have so many in-house resources including our own transportation and cold rooms, we control all aspects from field-to-fork. This really allows us to keep costs down with more consistency. Not too long ago we expanded our

trucking fleet, and over the past eight months or so we've almost doubled our capacity for private label packaging."

Dandrea expressed this year may present a unique marketing opportunity for the New Jersey blueberry deal. "Because of the sluggish nature of the Southeast crop, pricing has been high and there hasn't really been promotable volume," he said. "Our New Jersey bushes are looking very strong right now and we expect fantastic volume. Retailers are already looking forward to significant promotion opportunities for Jersey berries. We anticipate peak by mid-June and the crop should carry through to late July. We're really excited about promoting aggressively for the Fourth of July holiday."

The colder spring weather has not much affected New Jersey berry production according to Dandrea. “New Jersey has done a good job of honing the specific varieties that grow best here,” he explained. “With soil composition and weather, it’s a great region for blueberry production. Though our spring has been a bit cool, all it’s done is delay the set. It won’t affect the quality or the volume. We expect a high-quality crop and good volume.”

New Jersey’s geographic position is another asset mentioned by Dandrea. “We have focused on how we are uniquely positioned along the East Coast,” he said. “We have close access to major population centers. While we sell a successful in-state local program, there are also many opportunities get fresh product, next-day programs into all the states around us. This alone gives us a serious competitive advantage when it comes to freight costs. It also leads to capital conservation for our retail partners. It extends the shelf life for them and the quality that ends up in the hands of their customers.”

Supporting the local Jersey Fresh program remains an important aspect of Dandrea’s blueberry deal. “Everything we do continues to support the local programs and it’s an exciting time to be involved,” said Dandrea. “The Jersey Fresh program has done such a phenomenal job of keeping Jersey top-of-mind for consumers year-round, so they’re looking for the product. This is going to be a great season.”

The company also looks toward the future. One of the initiatives of the fourth generation of Dandrea has been to improve the company’s sustainability efforts. “In line with this goal, we’re in discussions with a packaging partner that is pioneering a unique material that will increase the biodegradability and recycling of our packaging,” said Dandrea. “For this season we’re taking advantage of existing options but we are moving toward this soon.”

Dandrea explained the company has already started down that path in a collaborative approach. “We hope to have some exciting news to release over the next four to six months,” he said. “This is especially important because it’s something consumers are demanding and rightfully so. The responsibility is on the producers in this industry to make those strides. This is really important to us and we’ve allocated a lot of time and energy to it. We see a unique opportunity to inject a lot of biodegradable into the market because of our position. We look forward to achieving our sustainability goals in the coming years.”