

MA, a nonprofit organization that encourages consumers to make healthful eating choices and choose sustainable and traditional foods, "I think it's education — all those books, television programs and articles that warn about the dangers of pesticides and herbicides."

Smithfield's O'Brien believes the spread of information on the Internet has a huge influence. "Look at how people get information today, and it's absolutely amazing," he says.

Ed Jenkins, president, Coleman All Natural Deli, Gainesville, GA, believes natural food chains, such as Whole Foods Market Inc., based in Austin, TX, and Wild Oats Markets Inc., based in Boulder, CO, also have had a major influence on consumers.

"As those chains grew rapidly, those customers enjoyed all-natural products. Now major retailers are focusing on offering their consumers lines of all-natural and organic products," says Jenkins, whose company's new line of pre-sliced natural deli meats will become available in September to complement its natural bulk deli meat.

While natural foods have sold well throughout the supermarket for years, deli products are just starting to catch up. "It's been a vegetarian trend. Meat is kind of the last thing to the table," explains Stephen McDonnell, founder and CEO, Bridgewater, NJ-based Applegate Farms, a pioneer in natural meats. "We do a full line of bulk deli products," he says, as well as "pre-sliced turkey, chicken, beef and pork, all of which are antibiotic-free and some of which are organic."

Roy Moore, founder and CEO, Maverick Ranch Natural Meats, Denver, CO, proclaims, "I think the time is now for natural in the deli." The company will soon add hickory-smoked organic buffalo to its more traditional natural deli offerings. "The demand for organic and natural is at a high."

Moore says consumers have been buying natural products in the meat section of the supermarket and are now seeking it in the deli. "It's grown to the point where it's probably 1 to 2 percent of meat sold. In some stores, it's more than that."

"It's certainly not a fad," says McDonnell. "It's a long-term trend. Will it be more than 10 percent of the shelf? That's not clear. It's slightly over-hyped, and I would encourage retailers to not overreact." Still, he says, the market for natural foods continues to grow.

"You can't say this is a trend anymore. It's really a whole new category now," notes Theresa Marquez, chief marketing executive, Organic Valley and Organic Prairie, La Farge, WI, makers of organic dairy products, including organic cheeses for the deli.

## JUST THE FOOD, PLEASE

"People are very, very interested in and

## ADD VALUE WITH NATURAL PLASTIC PACKAGING

Customers are looking for more than just natural foods in the deli. Thanks to corn-based biodegradable plastics, even the containers the food is packed in can appeal to the environmentally conscious consumer.

NatureWorks LLC, Minnetonka, MN, began making plastic pellets from corn in 2003. "We start with sugar from the corn, which turns to dextrose, which feeds our fermentation plant," explains Ann Tucker, director of public affairs. "From that fermentation, we make lactic acid. It's a very naturally occurring substance. From there, we go through a series of steps that make it into plastic pellets. We ship these around the world to be turned into plastic containers, such as clear plastic deli containers.

"We've seen the growth in organics in the last couple of years, and retailers want to package their natural products in natural packaging," she continues. "If you have a product with a natural-product value position, think of the lift you get from natural packaging."

"A lot of this is driven by consumers who are interested in being more 'green,'" explains Mary Rosenthal, global communications leader for NatureWorks. "In the last year and a half, there's been a growing awareness of the nature of oil. People ask, 'Do you want to use a diminishing resource to hold your sandwich for an hour and a half?'"

The idea seems to be catching on. "In 2005, we saw a triple-digit volume growth, and we're seeing this sustained in 2006," says Rosenthal.

Wilkinson Industries in Fort Calhoun, NE, uses NatureWorks PLA plastic to make its line of natural plastic packaging. The company, perhaps best known as the creators of the first TV dinner tray and the first tamper-evident seal, believes plant-based packaging is the next big thing.

"We feel that we're very innovative," says Judeane Tusa, marketing communications manager. "We're always looking for new things, and we think this helps retailers sell. I think that NatureWorks' plastic brings attention to the product. I'm really proud that our company is one of the first in the world to come up with containers like this."

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conscious of not eating chemicals and preservatives," says Simon Johnson of Duchy Originals, an East Twickenham, England, company founded in 1992 by Prince Charles, a strong believer in sustainable, organic farming. "I'm amazed when I see people reading the labels."

"More people are interested in eliminating additives from their diets," agrees Joan Rubschlager, secretary and treasurer of Rubschlager Baking Corporation, Chicago, IL. "For that reason, we created the Natural Preferences line of breads and snack chips in which there are no preservatives. These products contain no calcium propionate, a mold-inhibitor. These breads have a shorter shelf life than the regular line. Many nutritionists feel calcium propionate is a good addition, rather than a problem, but it is an 'artificial' ingredient."

"With a natural product, the lifespan is less," says Smithfield's O'Brien, because natural products do not contain artificial preservatives. However, even without preservatives, natural meats can have a long shelf life.

"We post-pasteurize everything, and that effectively kills anything that would be harmful," explains Coleman's Jenkins. "You get a

longer shelf-life with preservatives, but when you post-pasteurize, you add 15 to 20 days to the shelf life. So our products have over 50 days' shelf-life."

Because nitrites, used to give meat an appetizing pink color, cannot be used in products labeled natural, many companies are finding acceptable natural alternatives. "A lot of people are using celery juice or beet juice to get that color," says O'Brien.

Many consumers are seeking out food grown without chemical pesticides, hormones or antibiotics. All organic foods are grown this way as are many non-organic natural foods.

"Many of the pesticides in our foods are carcinogens," says Moore. Maverick Ranch never uses pesticides. "Most of the health issues today can be traced back to environmental contamination. The main one is cancer.

"There are groups that say there's no harm in pesticides," but he will not be convinced. "Every day we eat a low dosage of chemicals.

"Farm workers have 13 times as many birth defects as non-farm workers," Moore notes. "I think eventually, within 50 years, many countries will ban these chemicals."