USDBC Trade Mission to Athens, Greece
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Greece was a major market for US Great Northern and blackeye beans in the 1990’s and early 2000’s (see graph below). This market has all but disappeared over the last decade as demand shifted to Alberta-origin Great Northern and Peruvian and now Madagascar blackeyes. During the USDBC trade mission meetings with trade members in Greece in early November, we saw very unique market conditions which presents certain risks but also offers opportunities for US exporters of Great Northern, cranberry, garbanzo and blackeye beans.

Capital Controls
The Greek government of Alexis Tsipras imposed capital controls on Greek banks on June 28, 2015 (http://www.bbc.com/news/world-europe-33305019). These controls require that Greek importers obtain a permit from the government in order to transfer money abroad to pay suppliers. During the first month or so, the authorities were unable or unwilling to issue permits. The situation has slowly become more functional and it now takes 7-10 days to obtain these permits. There were delays in payments to suppliers during the first couple months, but to our knowledge the capital controls are now causing no payment issues and have led to no defaults.

Broker Dominance
The Greek pulse market is dominated by brokers. No buyer we know imports directly from suppliers. Even more unique to Greece, one exclusive agent of one favorite brand of Canadian Great Northern and one favorite brand of Mexican garbanzos has a virtual monopoly on these products.

Increased Local Production
An EU crack-down on large-scale falsification of planted acreage certificates by Greek farmers, and ensuing EU limits on total subsidized acreage, have boosted the local production of beans, chickpeas, lentils and other traditional but unsubsidized crops in Greece in the last few years.
Opportunities for US Beans
The Greek market’s strong preference for large Mexican-type garbanzos and Alberta Great Northerns is an obstacle for sales of US beans. But the current lack of competing sources of Great Northerns and garbanzos in Greece has created a unique and very unbalanced market situation. We believe Greek buyers have serious interest in buying US beans if only to inject greater competitiveness into the market.

The Greek Pulse Market
- Giant white beans
  - Over half now produced locally, though this year’s crop was damaged by rains
  - Rest imported from China (production down 30%), Poland (production down 30%) and Albania.
  - Large lima beans are too flat and cook too differently and so do not work as a substitute for elephant beans.

Giant and Large White Beans, 3 Alpha brand, 500 gm.
• Large white tchali beans
  o About 2000 mt now produced locally
  o Another 1000 mt imported from China and Kyrgyzstan
  o Like large limas, baby limas do not work as a substitute for tchali beans.
• Medium white tchali beans i.e. Great Northern
  o Importing 6,500-6,800 mt/yr from Canada
  o Beginning to be produced locally from Alberta seed
  o Major buyers have all bought Alberta GN pre-season, so there is little current
demand. Purchasing will probably start again in Dec-Jan.

Large (Tchali) and Medium (Great Northern) White Beans, 3 Alpha brand, 500 gm.

• Fava (a split vetch)
  o Imported from Turkey, with some local production
  o Sometimes substituted with yellow split peas though we saw none during our
  store checks
• Garbanzos
  o Strong preference for large Mexican garbanzos – import around 4,000 mt/yr
  o Some local production, increasingly from Mexican seed
  o 8-9 mm chickpeas from US and Canada used only for producing whole,
decorticated chickpeas which is a small niche (for the elderly – easy to digest) in
the chickpea market

Fava, Large and Small Lentils, 3 Alpha brand, 500 gm.
• Small lentils
  o Locally produced approx. 4,000 mt
  o Import 7-8,000 mt/yr Eston lentils
• Large lentils
  o Import 3-4,000 mt/yr Laird or Richlea lentils
• Blackeye beans
  o Now coming from Madagascar – 964 mt last year.
  o Reasonably good quality thanks to new seed.
• Cranberry beans
  o 2-300 mt/yr market which has declined because of high prices and poor quality product from China and Argentina during the last years as well as the departure of many Romanian workers who prefer cranberry beans.
• Navy beans
  o Small niche, imported
• Canned Beans – practically non-existent at retail
  o Heinz baked beans + canned elephant beans in tomato sauce
  o Nothing else – very strange.

General Observations from Supermarket Visits (Kritikos, Market In, Sklavenitis, AB Vassilopoulos, Carrefour)
• All Athens-area stores visited carried 3 Alpha and Agrino brand pulses, plus one or two store brands. We did not see the other major packaged pulses and rice brand, Omega, which may have stronger distribution outside of Athens.

• All stores dedicated about 1/3 of their pulse shelf space to locally-produced beans, chickpeas and lentils clearly marked “Produced in Greece” and sold at a 10-50% premium
to the imported pulses with no country of origin identification. 15 years ago it was rare to find Greek pulses and they were much higher priced.

Sklavenitis large supermarket

- Sklavenitis stores seem to offer the best selection of pulses and the best quality.
- Although people need to eat, Greece’s high unemployment and the reduced purchasing power of a large part of the Greek population has hurt Greek supermarkets. Though all the stores we visited were well-stocked, none were busy and the larger ones were scarily empty of customers. Spending on food is clearly in recession.

Notes on USDBC Trade Mission Meetings

Meeting w/ Panagiotis (Panos) ISSAAKIDIS
ISSAAKIDIS & CO.
21-23 Dim. Gounari Street, 7th floor
18531 Piraeus – Greece
Tel: +30-210-4174182 / 4174196
Fax: +30-210-4110413
Web: http://www.issaakidis.gr
Emails: panos@issaakidis.com;

- Leading Greek broker. Exclusive agent of the leading Mexican chickpea and Canadian Great Northern bean suppliers
- Sells North American chickpeas – requests offers for 9 mm US chickpeas
- Also has current interest for US cranberry beans.

Meeting w/ Mr. Konstantinos (Kostas) Karageorgiou, Director
Mr. Adonis, General Manager
Ms. Olga Korea, Marketing Manager
K. KARAGEORGIU BROS. S.A. (3 ALPHA)
143 ORFEOS PASSAGE
11855 Athens
3alfa@3alfa.gr
Tel: +30 210 340 5600
Fax: +30 210 3451581
• Leading Greek legume packager. Buys 250 fcl/yr pulses, 90% from Canada
• Enjoyed huge July-August sales because of crisis hoarding. Were even able to demand cash payment from their supermarket customers.
• Now consumers buying hand to mouth and food retailers are suffering from weak demand
• Greek origin pulses command a premium price because they are considered better quality and because the crisis has bolstered nationalist sentiments.
• Both Karageorgiou and Andonis made the point that country of origin promotions are ineffective. Greek origin has a value to consumers, but foreign origin pulses are considered lower quality.
• The company has maintained its 90 day payment terms with its Canadian suppliers through the banking crisis because it is a valued and solid customer. Payment terms are especially important when shipping off the west coast when 60-90 day delays between BL and arrival are common.
• Andonis says US exporters make the mistake of selling through all brokers. Various exclusive brokers would create better competition in the market.
• 3 Alpha likes to book a large part of its needs pre-harvest in order to be able to lock in a year-long price with their supermarket customers.

Meeting with Nico & Spiro Georgeoglou
ELAMER S.A.
55, Poseidonos Avenue
17562 Paleo Faliro (Athens)
Tel: +30 210 98 80 200 / 98 80 600
Web: www.elamer.gr
Emails: info@elamer.gr
• Elamer was a major pulse broker into Greece, especially for US beans and lentils, but has shifted its business into milk products, dry fruits and nuts, and other items as Issaakidis gained dominance in the market.
• Spiro said Greek buyers will be in the market for more Great Northerns after Christmas, and that he would be interested to have offers from US suppliers.

Meeting with Mr. Michalis Kondylis, Production Director
I&S SKLAVENITIS S.A.
136 Kifissos str.
Peristeri, Athens.
Tel: +30 210 5799 737
Web: http://www.sklavenitis.gr/
Emails: mkondylis@sklavenitis.com
• Sklavenitis is the third largest Greek supermarket chain, and the only one that packages their own pulses.
• Its owners, the Sklavenitis family, are famous for their fair treatment of their employees and for closing all their stores on Sunday, which is not legally required.
• Kondylis said 50-60% of his pulse sales are of Greek origin
  o Large elephant beans from Kastoria, Prespa and Kavala
  o Medium size tchali beans from Kastoria and Kavala
• Mr. Spiros, who handles pulse purchases, said that the chain buys 130 mt/yr GN beans, 22 mt/yr cranberry beans, 120 mt/yr blackeye beans, 60 mt/yr imported garbanzos and 60 mt/yr locally-produced garbanzos, and 180 mt/yr sunflower seed.
- Mr. Kondylis said he works with all the brokers – whoever has the best price.

Meeting w/ Agis Pistiolas. Managing Director
Agrino, Ev.Ge. Pistiolas S.A.
57 Amaroussiou Av.
14123 Likovrisi, Attiki
Tel: +30 (211) 181 6061
Email: a.pistiolas@agrino.gr
Web: www.agrino.com

- №2 Greek legume packager and leading rice miller and packager.
- The meeting in Athens had to be cancelled, but McClellan had spoken the previous month with Agis and his brother Thassos Pistiolas at the ANUGA show in Germany.
- Agrino has made large investments in the launch of its Bistro line of Greek risotto dishes and is concentrating much of its marketing efforts on developing export sales of these products.