

Olive Oil Trends in the US Market

BY LIZ TAGAMI

Olive oil continues to drive volume for specialty retailers in the U.S. and Canada. Between 2004-08 the category accounted for 11.3 percent of total fats, oils and spreads sales by value, with an annual average growth rate of nearly 13 percent, versus all fats at an average growth rate of only 3.4 percent, according to a 2010 Datamonitor study. Growth is due to more households converting to this healthy oil or choosing to use more, influenced by the prominence of the Mediterranean Diet. U.S. per capita consumption has grown from less than 500 ml per person to 920 ml annually in the past few years (2010 report, International Olive Council).

U.S. sales are expected to triple to nearly 200 million gallons by the year 2020 (according to 2009 estimates by market research firm Information Research, Inc., or IRI). That's over 1.5 billion half-liter bottles moving across cash wraps and into consumer's kitchens!

Let's break out the top four trends in olive oil today to see where you can leverage this

for your business.

SENSIBILITY & EXPERIMENTATION: *Expanding the Boundaries*

Just as the past generation and a half of Americans have increased their knowledge of wine and how to appreciate it, so too the understanding and appreciation of olive oil is coming into play. There are nearly 1,000 unique varietal olives in commercial cultivation, and unique characteristics among them offer vastly different sensory experiences to the taster. Gone are the days of describing an olive oil's characteristics solely by country.

Appreciation of whether an olive oil is the result of early or late harvest, of artisan milling techniques, or of blending for aroma, flavor and finish have created an entirely new experience for the consumer. Borrowing from the wine industry, pairing the appropriate olive oil with food can and does make a material difference in experience. A strong green and peppery Tuscan varietal blend is wonderful on a Florentine steak, but would be overwhelming dressing a delicate fish like flounder or over lobster; a buttery



late harvest oil from a delicate varietal, such as Arbequina or Taggiasca, would be more suitable.

Understanding how to work with delicate, medium, robust, and other characteristics for pairing olive oil with food and wine can be

further explored in Fran Gage's book "The New American Olive Oil", published by Stewart, Tabori & Chang.

In the 1980s and 90s chocolate bars comprised of 55 percent cocoa were considered "dark", but today an ever-increasing number of consumers enjoy 60-85 percent chocolate. During the same timeframe, Americans have moved from mild to darker roasts of coffee, and from blush wines to stronger more complex wines such as cabernet sauvignon. An emerging trend in the specialty olive oil business is the pursuit of more complex and assertive oils; more interesting flavors and varied uses.

It is a common misconception that olive oil is unsuitable for deep-frying (350°F to 365°F) or sautéing (about 300°F); strange, when the smoke point for fresh EVOO is around 400°F! Europeans in the Mediterranean fry regularly with olive oil, and

American cooks are catching on that olive oil can be used in everyday cooking for health and for flavor.

Check online for baking recipes with olive oil
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oil, and you'll find abundant examples. A robust olive oil over vanilla ice cream or other dessert is heavenly and has become a quick and easy way to do tastings in your store. Citrus olive oils are especially nice when used this way.

Whether made with freshly crushed fruit in the olive mill with the olives, cold infusion with fresh ingredients after milling, or by adding natural essences, flavored olive oils are a fast moving sub-category which contain various citrus fruits, herbs, peppers, chocolate, coffee, and even smoke.

PROVENANCE:*Knowing Where Food Comes From*

Whether consumers are interested in supporting farmers or concerned about food safety, they want to know where their food comes from. Traceability is an attribute that is discussed with increasing frequency across the bargaining table. Do you know the grower and where he tends his trees? Think local, regional and estate oils. Consider that "New World" oils are taking some market share from traditional Mediterranean ones. Just as Californian, Australian, Chilean, and Argentine wines have made an impact in America's cellars, olive oils from these areas are winning international competitions and shaking things up in term of what is grown, how it is milled and how it is blended.

QUALITY:*Beyond Extra Virgin*

All extra virgin olive oils must pass both chemical and sensory (organoleptic) tests to be certified. Beyond those assessments for certification, tasting panels are also able to detect and articulate olive oil's three positive attributes, fruitiness, pungency and bitterness, as well as a list of unpleasant defects, led by the two most common: rancidity and fermented olive aromas or flavors.

Even if not defective, various certified EVOOs can exhibit a wide range of qualities, just as both a Honda and a Rolls Royce are automobiles yet have a vast difference in price and customer experience.



Photo courtesy of Forever Cheese

New categories, such as Super Premium and Ultra Premium, are appearing in the market in an attempt to guide consumers to higher levels of quality. What if an olive oil has interesting fruit, with pungency and bitterness in lovely balance and harmonious complexity? What if it meets a more rigorous standard in the lab than other oils? That is surely worthy to be designated something beyond what we now call extra virgin. The trend in establishing more rigorous or specific quality standards and in articulating authenticity will eventually impact us all in the area of truth in labeling. More on this topic can be found in a new book being released in December called "Extra Virginity," published in the U.S. by W.W. Norton.

RETAIL RESPONSE:*Making Oil Friendly and Accessible*

Grocery stores have expanded shelf presence so that 40-60 oil offerings are not uncommon, but how is a consumer to choose amongst them? One trend is to employ signage and organization similar to that found in the wine industry, by provenance, or – ever increasingly – by olive variety or olive

oil character.

Tasting stations or demo days help acquaint sales associates and consumers with various oils, or some retailers are installing a bulk system with 15 liter stainless tanks (fusti) to dispense oil for tastes or to fill to bottles to order as Whole Foods has done in some locations. Oil & Vinegar, the Dutch franchise business with over 70 stores in 12 countries, has doubled US store count to nine locations, and We Olive has ten stores in California alone. This tells us customers want to taste! As alluring as a bulk program may be, there is an associated maintenance cost and food handling aspect to be considered. If bulk is not in the cards for your store, you can work with growers to offer tasting kits comprised of 50 or 100 ml bottles, which allow customers to try new oils, and keeps the transaction at or higher than that of a regular size bottle. **GN**



Liz Tagami is a 25-year veteran of U.S. specialty retail, including executive positions at Williams-Sonoma, Cost Plus World Market, HomeChef and Harry & David. Today, as President of Tagami International, Liz works directly with olive oil producers from nine countries, is a member of the California Olive Oil Council and a contributing writer for *The Olive Oil Times*.

BUYER QUALITY CHECK LIST**Is the harvest date printed on the bottle?**

Purchase from the most recent harvest. "last fall" for N. hemisphere, "last spring" for S. hemisphere.
The fresher, the better!

Is the oil packaged in dark glass or tin?

Clear glass reduces shelf life.

Does your warehouse and store maintain a cool and even temperature?

55°F-65°F is recommended.

Helpful links to learn more about olive oil quality:

Slick Extra Virgin
The All-Time Top 10 Myths Surrounding Extra Virgin Olive Oil
<http://tinyurl.com/3l5fuxy>

The Olive Oil Times
Good Oils Gone Bad: Recognizing Rancidity and other Defects
<http://tinyurl.com/3mowbwf>

Agbiolab
Olive Oil Analysis: Quality & Grade
<http://tinyurl.com/3pfa8ug>

UC Davis Olive Center
Resources from the University of California
<http://tinyurl.com/3ozcapf>

California Olive Oil Council
Certification Program
<http://tinyurl.com/3wj5nru>

Australian Olive Association
The Facts about EVOO
<http://tinyurl.com/3kdc26j>

Super Premium Olive Oil (3E)
Excellence in Olive Oil & the Culinary Arts
<http://tinyurl.com/3w2wsgq>

International Olive Council
Olive Oil Standards
<http://tinyurl.com/3nxx845>

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