

**The Time's Ripe for Giving Clients Fruit Baskets;** Jacqueline Rivkin

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By Jacqueline Rivkin. Jacqueline Rivkin is a freelance writer.

Dripping with perfect clusters of Muscat grapes and festooned with ribbon streamers, the fruit baskets at Manhattan Fruitier bespeak a gentler time when most baskets were gifts between friends, sent to celebrate a new baby or console for a loss.

But experts and retailers say that in recent years these baskets have served a more modern function, as corporate gifts and marketing tools. The switch in focus is critical to the future of fruit basket companies.

"It's corporations - that's where the money is," said Ranae Atchison, editor of Gift Basket Entrepreneur Magazine, in Findlay, Ohio. Fruit basket companies say that corporate accounts are always their bread and butter, but this becomes even more pronounced at holidays. "During the year our business runs about 60-40 in favor of corporate clients. During the holiday season it's the vast majority," said Jehv Gold, owner of Manhattan Fruitier on East 29th Street in Gramercy Park.

While there are no separate statistics for the fruit basket businesses, growth in the gift basket industry is relatively flat, with an increase of less than 2 percent annually, according to Shirley Frazier, president of giftbasketbusiness.com, a vendors consulting firm in Paterson, N.J. The exception is the corporate segment. Corporate gift-basket giving is up 17 percent this year at Le Gourmet Gift Basket (www.legift.com), an international franchise with 500 locations, said president and chief executive Cynthia McKay.

Companies say fruit baskets are the "type O" of corporate gifting - a gift that is always right and always appropriate. "The presentation is just so gorgeous and you just can't go wrong with fruits," said Julia Ko, marketing coordinator at Sony Shopping Services in Manhattan, which will send its clients' fruit baskets from the Manhattan Fruitier for the second year. "This is just a great way to say thank you."

Brian Fried, founder and president of Promotions Depot, an online gift company based in Smithtown that encompasses LIBaskets.Com, said corporations want to send safe gifts that won't offend clients. "In good times and in bad, people like good things to eat."

While corporations are sending many fruit baskets, they are spending less - and sending smaller baskets - than in the past. "Corporations are going with lower price points" this year, said Bill Ihle, senior vice president for

corporate relations at Harry and David, the 67-year-old granddaddy of fruit basket companies, located in Medford, Ore. "Whereas another year they might have spent \$100, this year they might be spending \$60."

Fruit baskets, which often contain chocolate and cheese in addition to fruit, can cost as little as \$20 or as much as hundreds. Frazier said that often a company sending many baskets will choose to spend less than \$50 per basket. But basketeers and gift givers say that even an expensive basket can be a great value, as it can go to an office, eliminating the necessity to buy individual gifts. Sharing is part of the fun.

"Part of the appeal is everyone breaking into it," said Ronna Carlin, senior merchandising manager at 1-800-Flowers.com.

Elaborate wrapping and what designers refer to as "keepsake" items are also part of the appeal. The packaging may not be an actual basket - Frazier once made one using a rocking chair. And many corporations deal with the one downside of fruit baskets - their transience - by enclosing a gift that continues the theme of the basket, such as fruit knives or a cheese board, often bearing the company logo.

Corporations have been slow to get their fruit basket orders in this year, said Frazier adding that usually they are in by October or November. "Some designers had to wonder if orders were going to come in," she said. But since mid-December, orders have been coming in at a smarter pace, and gift basket makers say they are prepared to accommodate corporate orders - within reason - until today.

Timely and cost-efficient, appropriate for all people and all occasions, fruit baskets are a canny marketing tool in traditional wrapping. "There's so much about this business that's like 100 years ago," said Gold of Manhattan Fruitier. "The way it's done by hand, the packaging we use, the ribbons we tie, I really think that's what gifts looked like back then."

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