
CIAB News

Information from the Cherry Industry Administrative Board

Volume 12, Issue 3

March 2009

CIAB Meets and Recommends Final Percentages

BOARD ELECTIONS COMPLETED

The elections for participation on the CIAB are done. The following individuals will be recommended to the Secretary for appointment to the board:

<u>Dist</u>	<u>Name</u>	<u>Position</u>	<u>Affiliation</u>
1	Jim Nugent	Grower Member	Graceland Fruit, Inc
1	Calvin Lutz II	Grower Alternate	Graceland Fruit, Inc.
2	Richard DeRuiter	Handler Member	DeRuiter Farms, Inc.
2	Earl Peterson	Handler Alternate	Peterson Farms Coop., Inc.
3	Michael Schrom	Handler Member	Honee Bear Canning Co.
3	Steve Packer	Handler Alternate	Honee Bear Canning Co.
7	Thad Rowley	Handler Member	Payson Fruit Growers, Inc.
7	Chad Rowley	Handler Alternate	Payson Fruit Growers, Inc.

As a result of these there will be vacancies in two seats that will have to be filled. The Grower Alternate position currently held by Mr. DeRuiter in District 2 will become vacant. The Grower Alternate position currently held by Mr. Chad Rowley in District 7 will become vacant. At the June meeting the CIAB will need to nominate replacements for these vacant seats.

PUBLIC MEMBER AND ALTERNATE REPRESENTATION

The Public Member seat currently held by Mr. Earl Seeley and the Public Alternate seat held by Mr. George Lamont are also up for nomination this year. At the June 2009 meeting the CIAB will need to recommend either the continuation of Mr. Seeley and Mr. Lamont in these positions or new candidates to fill these seats.

USDA PURCHASES

The USDA has purchased almost 11 million pounds RPE of various products for distribution to the national feeding programs so far this year. This is a respectable volume of purchases by the USDA.

Representative of the industry have requested that the USDA purchase additional cherry products and to increase its volume of purchases substantially.

In January 2009 Mr. Earl Peterson, Mr. Don Gregory, Mr. Jim Seaquist and Mr. Chad Rowley together with Mr. Phil Korson, CMI, and Mr. Perry Hedin visited the USDA to request additional purchases. A meeting was held with Mr. Dave Tuckwiller, Branch Chief, Commodity Procurement, AMS, USDA, and his staff to discuss such purchases. A second meeting with Mr. David Shipman, Acting Administrator, AMS, USDA and Mr. Bob Keeney, Deputy Administrator, AMS, USDA, was also held.

During these meetings the industry representatives set out the nature of the industry's concerns and the impacts such purchases would have for the industry. It was also emphasized that time was of the essence for the making of these purchases. If the USDA waits too long to buy cherries, the full benefit of the purchases could be lost.

USDA Announce Offers to Buy

We are glad to report that on March 11, 2009 the USDA published two notifications of its intent to purchase cherries. They are offering to buy both dried and IQF cherries.

The Offers to Buy indicated purchases of up to 2.3 million pounds of dried cherries.

It is unclear just how much IQF they are intending to buy. The offers stated 43,200 cases of IQF 40's and 76,560 cases of 2.5 pound units of polybagged IQF. It is thought that this refers to cases of poly bagged cherries with 12 units of 2.5 pounds each. However, we will not know the exact amount of the IQF purchase until the USDA posts its invitations for the offers.

On an RPE basis, these offers represent between 15.9 million pounds and 17.4 million pounds depending upon what the IQF numbers are.

PROMOTIONAL ACTIVITIES

The promotion task force met February 18, 2009 to review the results of the current year's program and to review the upcoming promotional programs.

The year-to-date results for the promotion program are very exciting. The consumer and trade media program has generated 921 placements and 127 million media impressions since October 1, the beginning of the marketing year. The results place the promotion program well on its way to being as successful as last year's campaign.

The cherry industry is only slightly behind the blueberry and grape industries in the "superfruit" share of voice in print and national broadcast outlets. This is great news given the size of our program and industry compared to these other two.

Weber Shandwick, the agency for the promotion program, has also redone the Choosecherries.com website. It has been updated and incorporates the "Choose Cherries America's Super Fruit" theme. You are encouraged to visit the site to see all that is posted there.

Food Trends

Janet Helms from Weber Shandwick reviewed for the promotion task force the food and nutrition trends that are on the horizon for cherries and other foods. These concepts related to the impact of the current economic situation on consumer purchasing habits, food safety, local buying trends, reducing the environmental impacts due to food choices, healthy eating, foods as sources of beneficial nutrition and nutrients and the like. Ms. Helms noted specifically how the concept of buying local and reducing carbon footprints is eclipsing even organic in the consumer's frame of reference.

At the conclusion of her discussion Ms. Helms noted that the US tart cherry industry is very well positioned to take advantage of and benefit from these food trends. The industry can use these trends to position cherries to fit with these consumer trends as we proceed with the promotional efforts.

Availability of Presentations

Weber Shandwick is preparing the presentations made to the task force for viewing by handlers and growers. They will send the presentations to handlers who have requested them who can then share them with their grower bases. Please contact your handler and ask them if they have a copy of the presentations that they can show you. It is planned that these presentations will soon be available on the industry's intranet system. I am certain that you will find this information very interesting and most encouraging.

Orchard Mapping

The opportunity to do orchard diversions relies upon having current orchard maps on file with the CIAB. The

deadline for submitting new or revised orchard maps is April 15. Please make sure that you have your maps on file with the CIAB.

Those of you who are in districts that are subject to restriction should have received a mailing from the CIAB with a summary of the maps that you have on file with the CIAB. Many of you have responded to that mailing with your corrections and adjustments. Thank you for your timely responses.

If you responded to the earlier mailing or have all of your orchards mapped already you do not need to do anything more. Attached to this newsletter is a copy of the orchard map application. If you have new orchards to map or need to revise some of your older maps, you can use the attached map. Just tear it off of the newsletter, copy it if you need more than one copy and send it to the CIAB by April 15.

Calendar of Events: April - June

- | | |
|---------|--|
| Apr 15 | Grower New and Revised Orchard Maps due to the CIAB |
| June 1 | Exports and market expansion activities for January 1 through March 31 supporting paperwork due |
| June 1 | Handler At-Plant Plans due for crop year 2009 |
| June 1 | Progress reports due for new product, new markets and experimental previously granted |
| June 1 | Form 5A and Form 5B Inventory Reserve Reports due to the CIAB |
| June 10 | Form #3 Sales and Inventory Report for the period March 1 through May 31 with June sales estimates |
| June 18 | Amway Grand Plaza - CIAB Board meeting to set the Preliminary "Free" & "Restricted" Percentages |
| June 19 | SW MI Grower Meeting - Time and location to be announced |
| June 22 | WC MI Grower Meeting - Time and location to be announced |
| June 23 | NW MI Grower Meetings - Times and Locations to be announced |