

CALIFORNIA AVOCADO COMMISSION MARKETING ADVISORY COMMITTEE MINUTES

September 24, 2010

A planning meeting of the Marketing Advisory Committee was held on Friday, September 24, 2010 at the California Avocado Commission (CAC) offices in Irvine, California with the following people present:

MEMBERS PRESENT

Bob Lucy
Phil Henry
Ben Holtz
Steve Taft
Ross Wileman

OFFICIALLY PRESENT

Mark Weinfeld
Steven Muro

STAFF

Tom Bellamore
Dave Cruz
Jan DeLyser
Jonathan Dixon
Dave Howald
Aria Lukman

GUESTS

Chris Henry
Ohannes Karaoghlanian
Doug Koegeboehn
Ruzanna Khechumyan
Sedrak Epoyan

MEMBERS ABSENT

Rankin McDaniel
Dana Thomas
Rob Wedin
Bob Witt

ROLL CALL/QUORUM

The Marketing Advisory Committee (MAC) meeting was called to order at 12:15 p.m. by Chairman Lucy.

DISCUSSIONS

Review May Minutes

The Committee approved the May 21st meeting minutes, (Holtz/Wileman) MSC Unanimous.

2009-10 Crop Update

This year's crop was discussed with consensus that it would be in the 490 million pound range with some carry-out. Increased volume and positive price performance are resulting in better than projected year-ending CAC reserves. The southern areas are expected to complete harvest within a couple of weeks. There was discussion about avocado acreage in California and agreement that new plantings in the north will offset some of the losses in acreage in the south. There was more optimism than previously expressed regarding next year's crop volume. In the southern districts concerns with water quality continue.

2010 CAC Marketing Program Summary

The Marketing Dashboard featuring key marketing performance indicators through August 31 was distributed with the agenda prior to the meeting; there were no additional questions.

Consumer & Industry Trends Presentation

Mark Weinfeld presented the Consumer and Industry Trends presentation. Discussion followed with questions about Hispanic consumers and the importance of keeping a close eye on the economy to gauge consumer confidence. The importance of integrating avocado nutrition and California Avocado consistency in flavor and taste throughout the marketing program was also mentioned. It was also suggested that CAC continue to monitor fast foods and noted that UHP success in fast food has a positive impact on fresh sales.

CAC Planning 2010-11 Overview

The proposed Business Plan was distributed with the Agenda. Chairman Lucy suggested the Committee provide input to the CAC Board regarding the proposal to increase the 2010-11 CAC Marketing Budget by \$1 million dollars over the proposed draft budget discussed at the September 16, 2010 Board meeting. The committee recommends the additional funds would be used to create demand in season and generate increased grower returns. The committee discussed restoring Consumer Advertising to this year's funding and shoring up the merchandising program to offset HAB's plans to reduce funding in HAB plan. The Committee will meet again in November/December to discuss timing of the advertising in conjunction with crop volume. There was brief discussion about exploring export opportunities for California Avocados; this will be revisited at a future meeting.

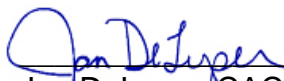
GAP Program Update

President Tom Bellamore updated the Committee on CAC's progress with GAP, stating a GAP Committee had been formed, met twice and reviewed a draft California Avocado GAP Manual. The group will investigate opportunities to work with the California Citrus industry on the GAP Manual as well.

ADJOURN

With no further business to discuss, the meeting was adjourned at 2:15 p.m.

Submitted by:



Jan DeLyser, CAC Staff