

CALIFORNIA AVOCADO COMMISSION MARKETING ADVISORY COMMITTEE MINUTES

February 17, 2011

A meeting of the Marketing Advisory Committee was held on Thursday, February 17, 2011 in the California Avocado Commission (CAC) offices in Irvine, California with the following people present:

MEMBERS PRESENT

Bob Lucy
Chris Henry
Ben Holtz
Doug Meyer
Steve Taft
Dana Thomas
Shane Tucker (via phone)
Rob Wedin
Bob Witt

MEMBERS ABSENT

Phil Henry
Jamie Johnson
Rankin McDaniel
Ross Wileman

OFFICIALLY PRESENT

Doug Koegeboehn
Gwen Peterson
Chris Scuro
Cathy Sosa
Mark Weinfeld

STAFF

April Aymami
Tom Bellamore
Zac Benedict
Dave Cruz
Jan DeLyser
Jonathan Dixon
Angie Hanson

GUESTS

Jennifer Baker-Asiddao
Scott Scarbrough

ROLL CALL/QUORUM

The Marketing Advisory Committee (MAC) meeting was called to order at 12:00 p.m. by Committee Chairman, Bob Lucy, with a quorum present.

DISCUSSIONS

Review November Minutes

The Committee approved the November 18, 2010 minutes as presented (Holtz/Taft) MSC. Unanimous.

Crop Forecast

Tom Bellamore and Gwen Peterson stated the 2010-11 crop estimate started in October at 275 million pounds with a 15 million pound carry-in. Based on the discussion the 2010-11 projected estimate may be closer to 250 million pounds. The volume in the north is down considerably from the 2009-10 crop. In the south, the ground temperatures and water are affecting the sizing of the crop, making it difficult to estimate. CAC plans to work with the industry to update the estimate in April.

Committee members indicated that growers will likely pick into the Cinco de Mayo promotions with California Avocado availability through August.

Distribution of California fruit is likely to remain in the west, with key retailers in other areas receiving California fruit on request at market prices.

AMRIC Reporting Presentation

Ms. Peterson requested Committee feedback on the way AMRIC data is presented. The organic avocado category is growing, and the data needs to be sorted in the reporting. In the past organics and conventional have been reported together; however pricing information is available only on conventional.

The handlers confirmed that organic and conventional fruit should not be combined, and pricing should be broken out separately. The handlers and Ms. Peterson concluded that the accuracy of the "sold" totals is off, and that units sold are also under reported. An upcoming audit is scheduled, where reporting inconsistencies will be addressed.

The committee agreed that AMRIC totals should be listed at the bottom of the charts (Wedin/Witt), in the past the numbers have always appeared at the top. The committee agreed that Fuertes, Bacons and Pinkertons should be rolled into the "other" column, and that Lamb Hass should have its own column (Thomas). The committee agreed that all columns should be presented consistently (no combining unless specified).

Ms. Peterson suggested that in addition to distributing Adobe PDF files, she would like to start distributing Microsoft XLS files so that the data is customizable and scalable to the needs of the recipient. The group was interested in receiving the reports in both formats, and the files should be reported monthly.

Media Timing and Markets for 2010-11 Season

Jan DeLyser updated the Committee on recent feedback from retailers regarding the crop, indicating they are well informed about the crop projection for this season. She announced the upcoming webcast meeting to be held on March 1st at 1:00 p.m. for AMRIC handlers to present the 2011 California Avocado Marketing Program. She stated this allows all of the AMRIC handlers to receive the information at the same time and CAC staff will still have individual meetings with the handlers to discuss specific account plans.

DGWB presented the Category (CDI) and Brand (BDI) Development Index model that CAC uses in ranking markets for advertising. Utilizing the index, CAC developed four tiers of markets for Committee consideration.

Tier 1 is a high volume/project share tier, and includes Los Angeles, San Francisco, San Diego and Sacramento. Tier 2 are growth opportunity markets, and include Seattle, Portland and Phoenix. Tier 3 are potential conquests, and feature San Antonio, Austin and Denver. Tier 4 are targeted opportunities, and include Houston and Dallas.

Following discussion the Committee recommended moving Denver to Tier 2 and adding Salt Lake City. Tier 3 will include the Texas markets with key account merchandising support.

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CAC's online media plans include advertising on FoodNetwork.com, RachelRay.com, AllRecipes.com, ValueClick, FoodBuzz.com and America's Test Kitchen with California-branded content. DGWB confirmed that timing on the back end of the advertising will be adjusted according to crop availability.

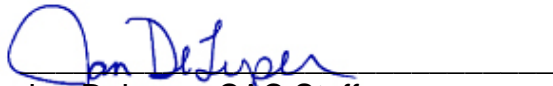
Public Comment

None.

ADJOURN

With no further business to discuss, the meeting was adjourned at 2:10 p.m.

Submitted by:


Jan DeLyser, CAC Staff