



2015-16

BUSINESS PLAN

(Approved by CAC Board on October 15, 2015)

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CAC Priority No. 1

Position California Avocados to be the world's most-valued and desired avocados *

**(for consumers, retailers, foodservice operators, wholesalers, growers)*

CAC Priority No. 2

Advocate for, and engage with, the industry

CAC Priority No. 3

Support industry strategy through research and outreach

CAC Priority No. 4

Cultivate organizational excellence / Demonstrate effective use of resources



INDUSTRY STRATEGIC INTENT 2025

Industry Strategic Intent 2025

Mission: To maximize grower returns by enhancing premium brand positioning for California Avocados and improving grower sustainability

Vision: To be recognized as the most-desired avocado in the world by fostering a vibrant industry

California Avocados will occupy a premium position in the U.S. market

Key Industry Aspirations

California Avocado growers face a staggering array of challenges – sharply rising input costs, particularly water pricing and costs associated with regulatory compliance; the quality and availability of deliveries through the state’s water infrastructure; produce safety and invasive pest issues; and an ever-expanding volume of foreign fruit that constantly exerts downward pressure on farm-gate prices. At the same time, consumer demand for avocados in the U.S. continues to grow at a record pace. Over time, consumers are expected to continue to demand and find value in socially responsible products tailored to meet their lifestyle needs.

Consequently we aspire to the following outcomes:

- An assured place in the market
- A price to growers that is both premium to the competition and fosters grower sustainability
- Consistently high-quality production
- Highly productive growers
- Highly efficient growers
- Consistent production from year-to-year
- Socially responsible practices
- Leaders in innovation
- CAC’s target consumers perceive California Avocados to be an essential part of a California-inspired lifestyle

Preferred Marketplace Position

Competitive Advantages

- California-grown
 - Proximity to market
 - Freshest product, picked at the peak of the season
 - Consistency in taste and premium eating quality
- Small, multi-generational family farmers living on and caring for the land

Brand Positioning/Promise

California Avocados are:

- responsibly grown by family farmers in the USA
- the freshest to market avocados
- only available for a limited time
- the ultimate avocado eating experience

Target Markets

- Regional markets from Washington to California to Texas
- Strategic partnerships with retail and foodservice chains who are willing to pay a premium for California Avocados

CAC Core Values

Core values clarify and make explicit the principles driving CAC decisions

- Value to the grower comes first
- Leadership is forward thinking, consensus-driven
- Our ethics and integrity are uncompromised
- We're accountable and transparent

Critical Factors for Success

- We're advocates for, and are engaged with, our industry
 - *It's not enough to run a good marketing program...moving the industry forward requires a partnership between the Commission and growers...each has a role to play and the Commission must be fully engaged with, and supportive of, the industry*
- We know and cultivate a grower profile that will fulfill Strategic Intent 2025
 - *Farmers must meet certain criteria to be viable in the future. It's critical for the industry to have a shared understanding of what that profile looks like and to promote an exchange of information that fosters continual improvement and sustainability*
- We understand what's driving consumer demand for California Avocados and we utilize that understanding in the development and execution of effective marketing programs
 - *Consumers will ultimately determine our future. It's critical we get into their heads and hearts to understand clearly why they currently value the product enough to pay a premium and what it will take to maintain that position. This will help us enhance our premium positioning through effective marketing and communications*
- We enjoy strategic partnerships in the marketplace
 - *Retailers and foodservice operators are the gatekeepers that give us access to the market. We must establish strategic alliances with key customers to maximize the profitability of California Avocados*
- We invest in research and technology – from grove through supply chain – to advance our industry
 - *A research and technology program is in place that forms the cornerstone for strengthening our position as a premium product, now and in the future*

CAC Strategic Intent

CAC Priority No. 1:

Position California Avocados to be the world's most-valued and desired avocados *

*(for consumers, retailers, foodservice operators, wholesalers, growers)

Rationale

California Avocados already enjoy a coveted market position as the most-recognized and trusted avocado “brand” in the U.S. This distinction is critical since it creates the foundation for being positioned as the world’s most-valued and desired avocados—a “must have” for all California growers, who face higher costs of production than are borne by their competitors. Consumers who have an opinion about the origin of their avocados consistently prefer California-grown avocados over those from other sources. This preference usually corresponds with a willingness to pay premium prices when California Avocados are in season, as compared to prices paid at other times of the year. Other target avocado consumers who are not actively concerned with avocado origin must be provided with additional motivation to prefer California Avocados and a willingness to pay a premium for them when in season. High perception of value by consumers ultimately means increased profitability for retailers, foodservice operators, wholesalers and, most importantly, growers.

Objective 1: Increase the real and perceived value of California Avocados

Strategies:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados
- 1D. Tailor programs to targeted retailers and foodservice operators willing to pay a premium for California Avocados
- 1E. Build high-value distribution and marketing opportunities for smaller-size California Avocados

Performance Measures:

- Using the 2015 CAC summer/fall tracking study as a benchmark, use consumer research to measure improvements in:
 - Consumer preference for California Avocados in target markets versus those from other sources
 - Benchmarks: 63% prefer California, 11% prefer any other, 20% no preference
 - Attribute ratings of California Avocados in target markets
 - Benchmarks: 49% rating for taste, 48% for premium quality, 55% for freshness
 - Aided awareness in target markets
 - Benchmark: 81% awareness in core markets
 - Percent of avocado shoppers in target markets who look for the origin of avocados and care about buying those that are U.S. grown
 - Benchmarks: 42% look for origin, 68% find U.S. grown important

Objective 2: Increase preference and loyalty for California Avocados versus avocados of other origins

Strategies:

- 2A. Promote California Avocados as the perfect choice for the American Summer Holidays
- 2B. Refine and enhance CAC's tiered-account/market approach
- 2C. Activate handler, retailer and foodservice operator commitment to California Avocados
- 2D. Harness the power and passion of California Avocado fans and brand advocates, facilitate emotional engagements and encourage the sharing of key messages
- 2E. Encourage consistent identification of the California Avocado brand and activate consumers to look for it at time of purchase

Performance Measures: (to be updated)

- Using the 2015 CAC fall tracking study as a benchmark, measure improvements in consumer association between avocados and 4th of July
 - Benchmark: 39% served avocados for 4th of July
- Using 2015 as a benchmark, measure improvements in California Avocado merchandising and coverage leading up to and during Memorial Day, 4th of July and Labor Day
 - Percent of target retail customers merchandising California Avocados
 - Number of California Avocado retail ads
 - Number of displays
 - Trade and consumer media impressions linking California Avocados with 4th of July
- Handler, retailer and foodservice activation measured by compliance with retailer and foodservice performance agreements
- Achieve a minimum of 127,000,000 impressions generated by California Avocado fans and brand advocates
- As measured by retail audits, achieve a minimum of 60 percent of California Avocados labeled with California brand on the fruit (in California in season)
- Using 2015 retail audits, and foodservice / retailer merchandising material records as a benchmark, measure improvements in California branding among targeted customers

CAC Priority No.2:

Advocate for, and engage with, the industry

Rationale

A successful marketing program, by itself, is not enough to ensure the sustainability of the California Avocado industry. Farming continues to become more difficult as growers operate in an increasingly complex web of competition, regulation, market preferences and shifting costs. Often, collective action is necessary to affect a positive outcome on a pressing issue that is impacting the industry. The Commission gives growers a mechanism to act in concert and speak with one voice. Through CAC, resources can be brought to bear on common issues like water prices, pesticide registrations, regulatory issues and food safety

concerns, to the benefit of all growers. It's imperative that issues affecting the avocado industry are proactively anticipated, prioritized and managed to shape outcomes that are compatible with the industry's future. CAC must have an issues management program that is ever-vigilant and focused on the future, to ensure that everything possible is being done to safeguard the industry's economic investment. CAC can also serve as a reservoir and conduit for information needed to make growers successful at the business of growing avocados. Informed decision-making is essential to this success, and with a robust outreach program, CAC can deliver relevant information uniquely tailored to California Avocado growers in a way that no other organization can, equipping them to leverage opportunities, redirect threats and adapt to change.

Objectives:

1. Proactively shape avocado industry issue outcomes that are compatible with the industry's key aspirations and CAC's values
2. Build consensus on the strategic direction to be taken to achieve the industry's key aspirations
3. Enhance California Avocado grower productivity and profitability

Strategies:

- A. Anticipate and prioritize issues; use informed decision making and develop and implement plans that shape issue outcomes
- B. Maintain a state of readiness, enabling CAC to respond immediately and strategically to crisis issues
- C. Collect and compile information vital to contending with our competition and other market forces
- D. Engage and communicate with growers/industry members and develop communication vehicles in multiple formats that deliver relevant information to the industry in a way that promotes discussion, consensus, action and feedback
- E. Maintain and develop relationships with other avocado industry and agricultural organizations that leverage strengths on issues of common interest

CAC Priority No. 3:

Support industry strategy through research and outreach

Rationale

The long-term success of the California Avocado industry hinges on grower profitability. To achieve greater profits, the industry needs to invest wisely in research and outreach activities that address the most pressing needs of growers. Over the past four years, substantial progress has been made toward focusing the research effort, aligning it with the Commission's broader marketing strategies, and improving communication with and between growers.

This strategic priority recognizes that continual improvement—in terms of productivity, quality and operating efficiency—is an imperative if the industry is to be sustained. It also acknowledges that advances through research are pointless if they are not communicated to, and adopted by growers. With limited resources, it's critical that research and outreach programs be industry-driven based on needs identified in the CAC strategic planning process. Objectives must be well-defined, scientists must be recruited and matched to specific industry challenges, and all programs must operate with full accountability to justify the investment by California Avocado growers.

Objectives:

1. Enhance California Avocado grower productivity and sustainability
2. Ensure consistently safe, high-quality production that supports CAC's market development efforts

Strategies:

- A. Design and implement a technical investment management system that provides a framework for identifying and implementing solutions to problems in the grove or in the supply chain
- B. Educate California Avocado growers and other stakeholders and providing information and tools that improve their decision-making

Performance Measures:

- Average yield to 10,000 pounds per acre by 2025
- Cost reduction of growing avocados by 5% by 2025 (compared to a 2010, cost-per-pound baseline)
- More than 70% of California Avocado growers utilize CAC-provided decision management tools and systems by 2025

CAC Priority No. 4:***Cultivate organizational excellence / Demonstrate effective use of resources*****Rationale**

CAC can only assist the industry to realize its strategic intent if it has the full support of its constituents. Grower perception of the value of CAC is directly related to leadership the organization provides, its stewardship of assessment funds collected and the efficacy of its efforts. Principles of transparency, accountability and integrity must guide every Commission action. In 2009, CAC was reorganized and its efforts were refocused on strategic priorities that maximize the use of limited resources. Moving forward, CAC must continue to monitor its performance and continuously challenge itself to deliver value for every assessment dollar spent. This is the heart of the board-management partnership. In addition, maintaining a competent team of professionals also requires investment in employee development and creation of an organizational culture where openness, creativity and innovation are encouraged and rewarded.

Objectives:

1. Ensure that the Commission has the proper leadership, organizational structure and resources necessary to provide value to all assessment-paying growers
2. Maximize California Avocado grower return on investment while minimizing risk and maintaining proper stewardship of grower funds
3. Achieve continual improvement in the operation of the Commission and execution of its programs

Strategies:

- A. Conduct outreach efforts that continually identify and recruit new board members, and provide for their proper orientation
- B. Ensure that the assessment rate, revenue and expenditures are appropriate to meet the industry's needs and grower expectations
- C. Allocate financial resources against industry priorities and develop a comprehensive risk management plan
- D. Create staff development programs that enhance competencies, maintain productivity and improve effectiveness and job satisfaction

Performance Measures:

- Successful, timely board elections and orientation
- Successful vote in industry referenda
- Favorable, unqualified Independent Auditor's opinion on California Avocado Commission's basic financial statements
- Favorable United States Department of Agriculture (USDA) and California Department of Food and Agriculture (CDFA) Fiscal and Compliance Audit
- Staff performance and program effectiveness that meet or exceed benchmarking targets



CONSUMER MARKETING

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Creative Development and Production; Media; Digital; Website Analytics and Search Engine Optimization; Social Media and Content Marketing; Online and Social Media Support; Consumer Research; and Program Administration	AGENCY: Mullen Lowe
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PRIORITY 1: Position California Avocados to be the world’s most-valued and desired avocados *

*(for consumers, retailers, foodservice operators, wholesalers, growers)

OBJECTIVES:

1. Increase the real and perceived value of California Avocados
2. Increase preference and loyalty for California Avocados versus avocados of other origins

STRATEGIES:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados
- 1D. Tailor programs to targeted retailers and foodservice operators willing to pay a premium for California Avocados
- 1E. Build high-value distribution and marketing opportunities for smaller-size California Avocados

- 2A. Promote the use of California Avocados as the perfect choice for the American Summer Holidays
- 2B. Refine and enhance CAC’s tiered-account/market approach
- 2C. Activate handler, retailer and foodservice operator commitment to California Avocados
- 2D. Harness the power and passion of California Avocado fans and brand advocates, facilitate emotional engagements and encourage the sharing of key messages
- 2E. Encourage consistent identification of the California Avocado brand and activate consumers to look for it at time of purchase

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Creative Development and Production	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
360-Degree Integrated Campaign <ul style="list-style-type: none"> Develop a campaign concept and creative executions with an emphasis on high-engagement and integration across all consumer-facing touch points Facilitate alignment across agencies on how best to approach and execute the “It’s All Good in California” campaign overall 	11/1/15	10/31/16	\$385,000	<ul style="list-style-type: none"> Campaign brief by 11/1/15 Concept testing learnings shared with CAC staff by 11/19/15 Video of concept testing learnings and highlights shared with CAC Marketing Advisory Committee by 12/31/15 Creative Presentation to CAC Board by 1/26/16 Campaign wrap-up report
Campaign Execution <ul style="list-style-type: none"> Produce and manage production of materials for paid, owned and earned media Ongoing budget management and optimization 	11/1/15	10/31/16		<ul style="list-style-type: none"> Video* Radio* Out Of Home* Print* Digital* Event Sponsorship* <p style="margin-left: 40px;"><i>*Deliverable details to be confirmed upon media plan approval</i></p>
Seasonal Activations Develop creative concepts and content for multiple strategically opportunistic seasonal activations/promotions	2/1/16	9/5/16		<ul style="list-style-type: none"> Minimum 4 creative briefs Minimum of 4 executions against events and holidays
Opportunistic Activations Develop opportunistic content and executions	1/1/16	10/31/16		<ul style="list-style-type: none"> Respond to relevant opportunities to activate engagement with fans of California Avocados
CONSUMER MARKETING – CREATIVE DEVELOPMENT & PRODUCTION (MULLEN LOWE) SUBTOTAL:			\$385,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Media	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Updated Learnings and Insights <ul style="list-style-type: none"> Create updated consumer profiles, including recent research and learning about local media consumption behavior and preferences Present media target insights informing a more integrated digital/mobile/social-focused media mix 	11/1/15	11/19/15	\$4,028,000*	<ul style="list-style-type: none"> Research presented by 11/19/15 Media targets approved by 11/19/15
Market Insights and CAC Marketing Advisory Committee Inputs Develop, implement and optimize regional media strategies for in-season on and offline media plans using BDI/CDI insight and inputs from the MAC	11/1/15	1/22/16		Alignment on Tier 1 and Tier 2 market list and individual media approaches for each, as well as potential outer market opportunities by 1/22/16
Comprehensive Media Plan Development <ul style="list-style-type: none"> Develop a comprehensive on and offline media plan recommendation, including paid digital, paid social and search, for all targets and geographies based on an agreed-upon campaign rollout plan (includes in-season and full-year activities) Negotiate all added-value and content partnerships with media partners. Explore (potentially incremental) event and activation opportunities at culturally relevant touch points 	11/1/15	1/22/16		<ul style="list-style-type: none"> Media plan recommendation by 12/1/15 Deliver ongoing evaluation and optimization of new opportunities
Retail and Foodservice Partnerships Support retail and foodservice account-specific initiatives that encourage partners to commit to carry California Avocados and use the California label throughout the season	11/1/15	10/31/16		<ul style="list-style-type: none"> Retail and foodservice-driven media plan overlay that supports targeted retailers loyal to California Avocados by 1/22/16 Social media toolkit (PDF file) by 2/19/16

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Display Bins Secure retail commitment to utilize California Avocado display bins encouraging consistent brand identification during the California season	11/1/15	10/31/16	\$100,000	<ul style="list-style-type: none"> • Production of 4,000 California Avocado Display Bins • Delivery of bins to key accounts that promote California Avocados at point-of-purchase
CONSUMER MARKETING – MEDIA (MULLEN LOWE) SUBTOTAL:			\$4,128,000*	*Availability of funds (\$314,000) is contingent upon revised revenue projection by management which equals or exceeds the projection presented to the Board on 10/15/15

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Digital	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Website Campaign Support Customize, develop and configure website functionality and creative to support campaigns</p> <ul style="list-style-type: none"> • Content targeting configuration and customization/development • Landing page development • Analytics configuration 	11/1/15	10/31/16	\$248,100	<ul style="list-style-type: none"> • Allow targeted content to display per rules • Landing pages per approved campaign brief • Implementation and verification of website analytics per analytics specification • Artists' section implemented (e.g. blog, navigation item in menu, section/category on the website) • Implementation of user experience (UX) and/or site structure as recommended by UX strategy (referenced in the "Strategy Analytics" section of "Website Analytics and Search Engine Optimization") • Show and share product store exploration and requirements brief
<p>Email Service Provider (ESP) Evaluation Review of current Email service provider and evaluation of competing vendors for potential migration/implementation</p> <ul style="list-style-type: none"> • Review current ESP • Evaluate potential ESPs • Evaluate risks of migrating to new ESP 	11/1/15	11/1/15	\$5,000	<ul style="list-style-type: none"> • Recommendation for or against migration of current email service provider • Present risks and effort of migrating subscribers, segments and preferences, and historical campaign data, as well as any code changes to the website that would be required • Migration of email templates
<p>Email Campaign Support Newsletter creation/development</p> <ul style="list-style-type: none"> • Test deliverability of newsletter templates • Retargeting and segmentation • Configure transactional email on both website and ESP • Configure email automation 	11/1/15	10/31/16	\$102,500	Ongoing support of campaign sends, template updates and subscriber list management

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Website Load Performance Improve website load performance <ul style="list-style-type: none"> • Configure Content Delivery Network (CDN) • Configure website workflow for CDN deployment 	11/1/15	10/31/16	\$15,000	Verification of load performance improvement (compared with previous load speed), ideally both perceivable performance and technical performance by 2/29/16, with ongoing optimizations afterwards as needed
Customer Relationship Management (CRM) Evaluation and Configuration Integration with website and email service provider (ESP)	11/1/15	10/31/16	\$5,000	<ul style="list-style-type: none"> • Presentation of CRM evaluation criteria and requirements • Integration of Kentico/Content Management System and ESP • Additional 3rd-party integration with other marketing programs
Third-Party Annual Hosting Services Ongoing administration of CAC online services	11/1/15	10/31/16	\$11,000	<ul style="list-style-type: none"> • Website hosting • CDN • ESP • Pogobox (integration service) • CRM • Services as needed
CONSUMER MARKETING – DIGITAL (MULLEN LOWE) SUBTOTAL:			\$386,600	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Website Analytics and Search Engine Optimization	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Strategic Analytics</p> <ul style="list-style-type: none"> • Develop digital key performance indicators (KPI) media reporting framework <ul style="list-style-type: none"> ○ <i>Paid</i> digital display (standard/non-standard) ○ <i>Paid</i> digital video (pre/post-roll) ○ <i>Paid</i> social advertising (i.e. in-feed, in-search) ○ <i>Paid</i> native advertising (e.g. Outbrain, Taboola) ○ <i>Paid</i> search/ search engine marketing (SEM) ○ <i>Organic</i> video (e.g. YouTube, Vimeo, etc.) ○ <i>Organic</i> social channel reporting (e.g. Facebook, Twitter, YouTube channels) ○ <i>Organic</i> Search/ search engine optimization (SEO) • Develop site optimization reporting framework driven by SEM KPI strategy • Develop user experience (UX) analytics strategy for site conversion and user engagement optimizations • Develop experimental optimization strategy and framework for: <ul style="list-style-type: none"> ○ Paid bid optimizations ○ Content development and optimizations ○ Social channel management 	11/1/15	10/31/16	\$10,000	<ul style="list-style-type: none"> • Digital media reporting will vary based on campaign length and optimization schedule; however, each will include active campaign reporting and post campaign wrap-ups <ul style="list-style-type: none"> ○ Reporting periods will vary from bi-weekly, monthly and quarterly (i.e. SEO/search engine optimization reporting) ○ Reports will include KPI strategy and benchmarking exercises • Quarterly site optimization & UX analytics reports • Site optimization & UX analytics reports based on live periods and site production release schedules for particular planned optimizations • Experimental optimization strategy including <ul style="list-style-type: none"> ○ Overarching methodology ○ Requirements ○ Rationale

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Search Engine Optimization (SEO)</p> <ul style="list-style-type: none"> • Conduct market research based on brand, non-brand and competitive audience segmentation • Develop key performance indicators (KPI) strategy for site and content development across: <ul style="list-style-type: none"> ○ Search engines (e.g. Google.com, Bing.com) ○ Social engines (e.g. Facebook, Twitter, YouTube) • Use search engine optimization (SEO) and social listening tools <ul style="list-style-type: none"> ○ Moz ○ 1st Party Search (e.g. Google AdWords Paid/Organic reports) ○ Spredfast 	11/1/15	10/31/16	\$10,000	<ul style="list-style-type: none"> • Quarterly reporting for market research analyses and recommendations • KPI strategy and methodology documentation
CONSUMER MARKETING – WEBSITE ANALYTICS & SEO (MULLEN LOWE) SUBTOTAL:			\$20,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Social Media and Content Marketing	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
2015 Social Media Transition <ul style="list-style-type: none"> • Develop an interim strategy for social media until the 2016 strategy is complete • Complete migrations of social responsibilities from CAC to Mullen Lowe 	11/1/15	12/1/15	\$10,000	<ul style="list-style-type: none"> • Document with interim strategy layout by 11/1/15 • Takeover of social media channels by 12/1/15
2016 Social Media Strategy <ul style="list-style-type: none"> • Develop a comprehensive social media strategy based on new brand recommendations. This will include ongoing education on trends and insights related to social posts and platforms as well as category-specific insights • Develop a content and communication strategy, including email, website/blog, search engine optimization, social media, the overall content mix and content rollout plan • Develop a platform-specific 2016 channel strategy for all CAC online communication and social media platforms, including best practices and uses for the brand 	11/1/15	10/31/16	\$167,000	Bundled overarching social media strategy deck by 12/31/15 including: <ul style="list-style-type: none"> • 1 social media strategy section • 1 channel strategy section • Analytics framework and key performance indicator measurements for success and growth
CONSUMER MARKETING – SOCIAL MEDIA (MULLEN LOWE) SUBTOTAL:			\$177,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Online and Social Media Support	AGENCY: Rockwell Morrow
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Online Integration and Review <ul style="list-style-type: none"> • Review and edit online materials including website, social media and monthly emails as requested • Support online recipe program, including recipe editing and testing 	11/1/15	10/31/16	\$14,750	Timely response and delivery for ongoing requests
Fan-friendly Recipe Search <ul style="list-style-type: none"> • Review and update recipe categories for all recipes on the CAC website • Review and add tags to all recipes on the CAC website • Flag recipes for editing, as needed 	11/1/15	8/31/16	\$6,750	1,350 existing recipes with updated categories, tags and (as needed) edit flags
CONSUMER MARKETING – WEBSITE (ROCKWELL MORROW) SUBTOTAL:			\$21,500	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Consumer Research	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Brand Tracking Manage and analyze the third-party conducted CAC consumer tracking study	11/1/15	10/31/16	\$40,000	<ul style="list-style-type: none"> Analysis and recommendations based on current tracking study One updated tracking study (if necessary) Tracking study report through research vendor delivered by 10/15/16
CONSUMER MARKETING – CONSUMER RESEARCH (MULLEN LOWE) SUBTOTAL:			\$40,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Marketing	ACTIVITIES: Program Administration	AGENCY: Mullen Lowe
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Concept and produce creative elements that support the California Avocado consumer marketing campaign	11/1/15	10/31/16	\$1,015,875	Creative campaign elements
Brand Architecture Develop a brand architecture communicating to all stakeholders CAC's new positioning and how to translate it across all touch points	11/1/15	1/31/16		Brand architecture distributed by 1/31/16
Provide strategic direction and consultation as the Commission's lead agency	11/1/15	10/31/16		<ul style="list-style-type: none"> • Consultation • Insights and analysis • Consumer and industry trends presentations • Creative direction
Negotiate, purchase and reconcile media for all consumer advertising components, with media focused on target markets leading up to and during the season	11/1/15	10/31/16		National, target market and area/event specific media plans
Manage media added-value	11/1/15	10/31/16		Additional messaging from media partners at no additional cost to CAC
Extend consumer messaging via trade programs	11/1/15	10/31/16		Mechanicals and materials for vendors to produce display bins, reusable plastic container wraps, giveaways, booth graphics, signage, etc.
Participate in meetings with CAC team, vendors, handlers and retailers on expanding and enhancing the program placing the California Avocado brand identity on fruit and implemented throughout communications	11/1/15	10/31/16		Recommendation and plan implementation materials including presentations, and advertising creative to be used throughout distribution channels to improve identity or origin of California Avocados

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Contribute to CAC grower and handler communications	11/1/15	10/31/16		<ul style="list-style-type: none"> • A minimum of 12 GreenSheet article outlines • From the Grove article contributions as requested by CAC • Dashboard reports and Board/stakeholders presentations as requested by CAC
CONSUMER MARKETING – PROGRAM ADMINISTRATION (MULLEN LOWE) SUBTOTAL:			\$1,015,875	

TOTAL CONSUMER MARKETING BUDGET: \$6,173,975*
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* Availability of funds (\$314,000) is contingent upon revised revenue projection by management which equals or exceeds the projection presented to the Board on 10/15/15



CONSUMER PUBLIC RELATIONS

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Public Relations	ACTIVITIES: Brand Advocates, Public Relations and Program Administration	AGENCY: Golin
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PRIORITY 1: Position California Avocados to be the world's most-valued and desired avocados*

*(for consumers, retailers, foodservice operators, wholesalers, growers)

OBJECTIVES:

1. Increase the real and perceived value of California Avocados
2. Increase preference and loyalty for California Avocados versus avocados of other origins

STRATEGIES:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados

- 2A. Promote California Avocados as the perfect choice for the American Summer Holidays
- 2B. Refine and enhance CAC's tiered-account/market approach
- 2D. Harness the power and passion of California Avocado fans and brand advocates, facilitate emotional engagements and encourage the sharing of key messages
- 2E. Encourage consistent identification of the California Avocado brand and activate consumers to look for it at time of purchase

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Public Relations	ACTIVITIES: Brand Advocates	AGENCY: Golin
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Artisan Chef Program</p> <ul style="list-style-type: none"> • Review current chef partners and expand relationships with those in key CAC markets, following the tiered market approach; maintain Artisan Chef database • Identify chefs in key CAC markets who would serve as California Avocado brand advocates • Utilize artisan chefs as spokespeople • Develop new assets, including chef recipes and images that showcase the superiority of California Avocados • Develop and conduct a national consumer media relations effort announcing “start” of California Avocado season with Artisan Chef Partner as spokesperson. Program will activate consumers to look for the California Avocado brand when purchasing fruit 	11/1/15	10/31/16	\$64,500	<ul style="list-style-type: none"> • Continue relationships with select Artisan Chef partners in key CAC markets • 3 new Artisan Chef partnerships • Provide ongoing review of performance of chefs and solutions for replacements, if necessary • Coordinate ongoing proactive and reactive media and in-restaurant activities • 3 recipes for “start” of season effort • 1 press release around the “start” of season effort • Positive California Avocado coverage through Artisan Chef partner involvement, resulting in a minimum of 29 million consumer media impressions
<p>Media Registered Dietitian (RD) Engagement</p> <ul style="list-style-type: none"> • Review current RD partners and expand relationships with those in key CAC markets, following the tiered market approach • Add additional RD Ambassadors in CAC markets, as warranted • Utilize an RD Ambassador as a spokesperson in a consumer media outreach effort that communicates the superiority of California Avocados • Engage with media-savvy RDs in key markets and identify opportunistic media activities during the season 	11/1/15	10/31/16	\$108,500	<ul style="list-style-type: none"> • Continue relationships with 5 current RD Ambassadors • 2 new RD Ambassadors • 2 recipes for RD Ambassador media effort • 1 press release and 1 mat release around the RD Ambassador media effort • Positive California Avocado coverage, resulting in a minimum of 87 million media impressions • New relationships with at least 15 media RDs • Coordinate up to 5 opportunistic media opportunities including online/print and broadcast media stories about the nutritional benefits of California Avocados

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Blogger Ambassadors</p> <ul style="list-style-type: none"> • Continue formalized food blogger ambassador program; develop engaging California Avocado coverage and assets • Continue health and wellness blogger ambassador program; develop engaging California Avocado coverage and assets 	11/1/15	10/31/16	\$38,500	<ul style="list-style-type: none"> • Formalized blogger ambassador program resulting in 24 blog posts (outside of program specific posts) • Formalized health and wellness blogger program resulting in 8 blog posts (outside of program specific posts) • California Avocado coverage with an estimated minimum of 8 million consumer media impressions

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Blog & Social Media Support</p> <ul style="list-style-type: none"> • Coordinate Registered Dietitian (RD) ambassador content development for the CAC blog • Develop CAC RD content for the CAC blog • Develop nutrition content for CAC’s social media channels • Participation of CAC RD in a CAC Facebook chat or Twitter party • Develop seasonal content for the CAC blog that develops an aura of exclusivity around California Avocados and creates a sense of urgency among consumers and influencers to purchase California Avocados in season • Coordinate food blogger ambassador content development for the CAC blog that highlights the premium attributes of California Avocados • Oversight of 2 bloggers (1 health and wellness, 1 food) to produce rich content for the CAC blog • Identify and present opportunistic social media responses during the season that promote the superiority of California Avocados • Conduct social media advertising for California Avocado Month partner activities, if appropriate 	11/1/15	10/31/16	\$46,500	<ul style="list-style-type: none"> • 4 CAC RD Ambassadors Scoop blog posts • 3 CAC Media RD Scoop blog posts • 12 monthly submissions of nutrition social media post content by CAC RD • CAC RD Facebook/Twitter support/participation (1 chat or party) • 4 seasonal Scoop blog posts • 6 food blogger ambassador Scoop blog posts • 24 Scoop blogger blog posts • Up to 10 opportunistic social media responses • Up to 3 geo-targeted Facebook advertisements for promotion of California Avocado Month partner activities

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>California Avocado Grove Tour</p> <ul style="list-style-type: none"> • Create a California Avocado grove tour that incorporates consumer media and nutrition attendees <ul style="list-style-type: none"> ○ Host a 1-night and 1-day tour where attendees learn about the superiority of California Avocados ○ Include overnight accommodations, meals, tour of grove packing house and nursery ○ Educate attendees on the farm-to-fork journey of California Avocados and position CAC as a “go-to” resource for avocado information • Promote the superiority of California Avocados with the incorporation of an interactive demonstration and meal curated by an Artisan Chef partner • Promote the nutritional benefits of California Avocados with incorporation of a Registered Dietitian (RD) Ambassador 	11/1/15	8/1/16	\$90,000	<ul style="list-style-type: none"> • 7 consumer media/blogger attendees • 5-7 media RDs for the grove tour • Demonstration by CAC RD Ambassador to attendees • Positive California Avocado coverage with a minimum of 3 million consumer media impressions
CONSUMER PUBLIC RELATIONS – BRAND ADVOCATES (GOLIN) SUBTOTAL:			\$348,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Consumer Public Relations	ACTIVITIES: Public Relations	AGENCY: Golin
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>News Bureau</p> <ul style="list-style-type: none"> • Develop targeted, customized pitches/story angles to secure media placements about California Avocados that cultivate an aura of exclusivity around California Avocados and create a sense of urgency among consumers to purchase during the season • Secure media coverage around California Avocados in broadcast, print, social media outlets, qualified blogs and online outlets • Conduct media outreach and respond to media requests • Partner with key bloggers on an individual basis; develop California Avocado coverage and content • Conduct photo shoot and nutritional analysis on 8-10 new recipes • Develop appropriate promotional items for use in programs 	11/1/15	10/31/16	\$149,500	<ul style="list-style-type: none"> • Nutritional information and images for the 8-10 new recipes developed for program usage • Partnership activities with 5 bloggers • Positive California Avocado coverage with an estimated minimum of 782 million consumer media impressions • Promotional items for media event attendees
<p>California Avocado Month</p> <ul style="list-style-type: none"> • Create and coordinate a California Avocado Month national consumer media relations effort • Engage blogger ambassadors to create content around California Avocado Month • Coordinate activations with Artisan Chef Partners around California Avocado Month including in-restaurant, earned media and social media activities 	2/1/16	8/1/16	\$57,000	<ul style="list-style-type: none"> • 2 recipes around California Avocado Month • 1 press release and 1 mat release around California Avocado Month • Positive California Avocado coverage, resulting in a minimum of 30 million consumer media impressions • 15 California Avocado Month focused blog posts from blogger ambassadors and key bloggers • Partnership activities with 8 key Artisan Chef partners during California Avocado Month

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Nutrition Communications</p> <ul style="list-style-type: none"> • Develop nutrition communications that leverage the nutrition benefits and superiority of California Avocados, while also creating an aura of exclusivity around the fruit. Efforts will include the following activities: <ul style="list-style-type: none"> ○ Continue third-party relationships with relevant nutrition-related industry organizations ○ Conduct 2 nutrition-related sponsorships ○ Provide nutrition counsel/point of views (POV), including updates on the progress of the 2015 Dietary Guidelines and how to leverage Hass Avocado Board recommendations ○ Develop new Dietary Guidelines content for 1 page on CaliforniaAvocado.com that highlights how California Avocados can be incorporated into the new Guidelines (and update existing mentions of the previous Guidelines throughout CAC’s website) ○ Provide support for nutrition media requests ○ Review nutrition-related opportunities for potential CAC involvement ○ Registered Dietitian (RD) review of nutrition communications and public relations (PR) materials 	11/1/15	10/31/16	\$64,500	<ul style="list-style-type: none"> • Executed agreements with Produce for Better Health for membership and sponsorship of MyPlate program • 1-2 updates on the 2015 Dietary Guidelines public policy report (pending publication date) • New Dietary Guidelines content for 1 page on CAC’s website • Nutrition content update and cross-promotional linking on CAC’s website • Update of existing mentions of the previous Guidelines on CAC’s website • Deliver nutrition POVs, as requested • Support up to 10 nutrition media requests • RD review of up to 3 sets of materials outside of content created for CAC public relations and nutrition communications programs

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>American Summer Holidays</p> <ul style="list-style-type: none"> • Develop and conduct national consumer media relations program surrounding the American Summer Holidays time frame (Memorial Day - Labor Day) that promotes California Avocados as the perfect choice for the American Summer Holidays • Utilize chef partners in multiple markets as spokespeople to be featured in media materials and opportunities • Develop new assets, including recipes and images • Host 2 summer entertaining-themed dinner events with spokesperson chefs for media and influencers; leverage attendees' power and passion for California Avocado by having these fans act as brand advocates • Work with blogger ambassadors and key bloggers to host summer entertaining/American Summer Holidays-themed events and to develop content/assets that highlight the superiority of California Avocados • Provide content/assets for use in CAC's online channels 	11/1/15	9/30/16	\$122,000	<ul style="list-style-type: none"> • 1 press release and 1 mat release around the American Summer Holidays • 2 recipes for the American Summer Holidays • 2 interactive media events • 15 American Summer Holidays blog posts created by the blogger ambassadors and key bloggers • Positive California Avocado coverage with a minimum of 120 million consumer media impressions
<p>Crisis Readiness Develop media training materials and train 3 new board members</p>	11/1/15	5/1/16	\$10,000	<p>Media training including new media training materials</p> <ul style="list-style-type: none"> • Complete training by 4/1/16

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Media Tracking/Reporting <ul style="list-style-type: none"> • Maintain a news clip reporting system • Monitor information and news affecting California Avocados, including crisis and issues • Purchase clips • Provide wrap-up reports of analysis and results for PR campaigns 	11/1/15	10/31/16	\$69,000	<ul style="list-style-type: none"> • Timely monitoring, as needed, on specific issues, as directed by CAC • 6 Dashboard reports and presentations • Up to 20 clips for use in wrap-up reports and presentations to the board • 4 wrap-up reports and corresponding story coverage
CONSUMER PUBLIC RELATIONS – PUBLIC RELATIONS (GOLIN) SUBTOTAL:			\$472,000	

PROGRAM: Consumer Public Relations	ACTIVITIES: Program Administration	AGENCY: Golin
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Program Administration & Strategy/Planning <ul style="list-style-type: none"> • Provide administrative support surrounding Brand Advocates and Public Relations programs • Contribute to Dashboard • Participate in strategic planning • Attend meetings, as directed by CAC • Develop/present Brand Advocates and Public updates at board and committee meetings 	11/1/15	10/31/16	\$75,000	<ul style="list-style-type: none"> • Coordinate ongoing administrative activities • Create 10 GreenSheet and 2 From the Grove articles • Develop content for board meeting reports/Dashboard, as directed by CAC • Strategic planning participation, as directed by CAC • Attend board and committee meetings and give presentations, as directed by CAC
CONSUMER PUBLIC RELATIONS – PROGRAM ADMINISTRATION (GOLIN) SUBTOTAL:			\$75,000	

TOTAL PUBLIC RELATIONS & NUTRITION COMMUNICATIONS BUDGET: \$895,000
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TRADE MARKETING: MERCHANDISING

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Trade Relations – Advertising and Support; Dues & Sponsorships; Conventions; Key Account Coverage; Retail Communications; Retail/Consumer Promotions; Retail Support, Data; Tiered Account Processes; Research and Analysis; Marketing Administration; and Grower Communications
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PRIORITY 1: Position California Avocados to be the world’s most-valued and desired avocados *

*(for consumers, retailers, foodservice operators, wholesalers, growers)

OBJECTIVES:

1. Increase the real and perceived value of California Avocados
2. Increase preference and loyalty for California Avocados versus avocados of other origins

STRATEGIES:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados
- 1D. Tailor programs to targeted retailers and foodservice operators willing to pay a premium for California Avocados
- 1E. Build high-value distribution and marketing opportunities for smaller-size California Avocados

- 2A. Promote the use of California Avocados as the perfect choice for the American Summer Holidays
- 2B. Refine and enhance CAC’s tiered-account/market approach
- 2C. Activate handler, retailer and foodservice operator commitment to California Avocados
- 2D. Harness the power and passion of California Avocado fans and brand advocates, facilitate emotional engagements and encourage the sharing of key messages
- 2E. Encourage consistent identification of the California Avocado brand and activate consumers to look for it at time of purchase

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Trade Relations – Advertising and Support	AGENCY: Fusion Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Retail Trade Advertising Create advertising campaign; strategy, layout and production of advertisements communicating: <ul style="list-style-type: none"> • Competitive advantages of displaying exclusive California Avocados during the season • California brand identity and the retail sales opportunities of promoting California Avocados during the American Summer Holidays • Benefits of merchandising California Avocados at a premium price 	11/1/15	9/30/16	\$35,000	<ul style="list-style-type: none"> • Campaign brief • Creative design, layout and final production of 2 full-page print ads, online banner ads and magazine belly bands (as needed)
Advertising Media Purchase Produce, manage and execute the California Avocado retail trade advertising media program	11/15/15	10/31/16	\$290,000	<ul style="list-style-type: none"> • Manage media publication relationships, advertising media calendar, project schedule, insertion orders and ad placement in approved print publications/online/email vehicles • All billings/payments handled and complete
TRADE RELATIONS – ADVERTISING & SUPPORT (FUSION) SUBTOTAL:			\$325,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Trade Relations – Dues & Sponsorships, Trade Events, Fresh Summit & Trade Press Events	AGENCY: Merchandising Program Support
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Trade Associations Continue membership in national and regional trade associations that provide access to targeted retailers and reinforce CAC's position as the "go-to" industry resource for avocado information	11/1/15	10/31/16	\$11,039	Payment of dues to Fresh Produce & Floral Council (FPFC), Produce Marketing Association (PMA), Southeast Produce Council (SEPC); Eastern Produce Council (EPC), Houston Fresh Fruit & Vegetable Association (HFFVA); and United Fresh Produce Association (UFPA)
Trade Events Communicate competitive advantages of California Avocados and California brand identity at key national and regional trade events <ul style="list-style-type: none"> • Sponsor events with high-retail attendance • Reinforce communication of key CAC programs, the California Avocado season and the superiority of California Avocados 	11/1/15	10/31/16	\$39,025	Targeted events sponsorship communicating California Avocados as the perfect choice for the American Summer Holidays and representation at: FPFC NorCal & SoCal Luncheons and Expos; FPFC Industry Tournaments; FPFC Dinner Dance; Food Industries Circle Events; HFFVA events; UFPA show; and PMA events
PMA Fresh Summit Exhibit at Fresh Summit and communicate California Avocado key messages to target audiences	2/1/16	10/31/16	\$195,000	Expo participation and sponsorship at PMA's Fresh Summit in October 2016 in Orlando, FL
Trade Press Events <ul style="list-style-type: none"> • Host California Avocado grove tour experience for trade press attendees • Distribute California Avocado mailers with key messages to targeted trade publications 	11/1/15	5/31/16	\$5,970	<ul style="list-style-type: none"> • Trade press attendance at grove tour with resulting positive trade coverage • Minimum 3 articles about California Avocado season start published by targeted press
TRADE RELATIONS – DUES & SPONSORSHIPS, TRADE EVENTS, FRESH SUMMIT & TRADE PRESS EVENTS (MERCHANDISING PROGRAM SUPPORT) SUBTOTAL:			\$251,034	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Key Account Coverage	AGENCY: Merchandising Program Support
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Key Account support in California and Arizona Conduct meetings and set up programs with CAC's tiered-account targeted retailers who are willing to pay a premium for California Avocados in California and Arizona	11/1/15	10/31/16	CAC Staff	<ul style="list-style-type: none"> • Programs that incentivize loyal accounts to carry California Avocados in season • Customized programs that support distribution exclusivity for Fresh California Avocados and/or season urgency • California Avocado branding in retail communications and merchandising • Retail call reports summarizing meetings with loyal targeted retailers in California, Arizona, the Midwest, Southeast, Northeast, Northwest • Build marketing opportunities for smaller-size California Avocados
Contracted Key Account support in the Midwest and Southeast Conduct meetings and set up programs with CAC's tiered-account targeted retailers who are willing to pay a premium for California Avocados in the Midwest and Southeast	11/1/15	10/31/16	\$92,000	
Contracted Key Account support in the Northwest Conduct meetings and set up programs with CAC's tiered-account targeted retailers who are willing to pay a premium for California Avocados in the Pacific Northwest	11/1/15	10/31/16	\$50,000	
Contracted Key Account support in the Northeast Conduct meetings and set up programs with CAC's tiered-account targeted retailers who are willing to pay a premium for California Avocados in the Northeast	11/1/15	10/31/16	\$33,175	
MERCHANDISING – KEY ACCOUNT COVERAGE (MERCHANDISING PROGRAM SUPPORT) SUBTOTAL:			\$175,175	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Retail/Consumer Promotions	AGENCY: Merchandising Program Support
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Retail/Integrated Consumer Promotions Coordinate and secure retail-integrated consumer promotions that create a sense of urgency to purchase Fresh California Avocados in season, including programs in support of the American Summer Holidays	11/1/15	10/31/16	\$7,500 \$12,000 \$20,000	<ul style="list-style-type: none"> • Co-marketing promotion(s) with complementary brands • Nielsen Clearing House (coupon redemption handling) • Themed-promotion recipe booklet
Recipe Development Develop recipes with photos and nutrition data, including but not limited to vegetarian/plant-based	11/1/15	10/31/16	\$10,000 \$20,000	<ul style="list-style-type: none"> • Recipes and photos for themed-promotion booklet or other retail needs • Minimum of 10 recipe photos with recipe step photos
Retail Performance Programs Conduct account-specific, California-branded performance programs with loyal targeted retail accounts and coordinate with handlers	11/1/15	10/31/16	\$193,271	<ul style="list-style-type: none"> • Promotions featuring California Avocados at targeted retailers that support California branding, marketing opportunities for smaller-size fruit and key initiatives • Promotion Agreements fully executed by retailers, handlers and CAC
Retail Audits Conduct third-party retail in-store audits in top-tier CAC markets	12/1/15	8/31/16	\$25,000	Retail Audit Results
Support Materials and Fulfillment <ul style="list-style-type: none"> • Develop point-of-sale (POS) that reinforces consistent identification of the California Avocado brand, emphasizes the American Summer Holidays and highlights the 4th of July • Production and use of premiums for retail promotions and at trade events • Store and fulfill California Avocado marketing materials 	11/1/15	10/31/16	\$30,000 \$25,000 \$35,000	<ul style="list-style-type: none"> • POS materials that clearly brand California Avocados for avocado displays at retail • Items produced and used at targeted produce industry events • Fulfillment of retailer requests for California Avocado marketing materials
MERCHANDISING – RETAIL/CONSUMER PROMOTIONS (MERCHANDISING PROGRAM SUPPORT) SUBTOTAL:			\$377,771	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Retail/Consumer Promotions and Research	AGENCY: Fusion Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Merchandising Support Develop sales and in-store promotional materials with California brand identity for distribution at retail	11/1/15	6/30/16	\$9,800	<ul style="list-style-type: none"> • 1 two-sided sell-sheet • 1 vegetarian/plant-based recipe booklet
Handler Support/Sell Sheets Deliver customized materials in support of CAC and handlers promoting the California brand identity	11/1/15	9/15/16	\$10,200	Graphic design and layout as requested
Retail Trade Marketing Program Book Design and produce the CAC 2016 marketing and merchandising program trade book, encouraging retailers to carry, display and feature California Avocados per the tiered account program	11/1/15	2/15/16	\$25,000	<ul style="list-style-type: none"> • Design, layout of 20 page book and consultation (Printing is TBD) • Ability to customize book for use with all retail tiers
Retail Research: Hispanic Shopper Household Purchase Trends (in tier one markets) Advance CAC's understanding of the variances in avocado purchase habits (Hispanic vs. non-Hispanic) and identify program enhancement opportunities	11/1/15	6/01/16	\$19,800	<ul style="list-style-type: none"> • Presentation-ready report format including marketing-ready analysis • Data specification and purchase
RETAIL/CONSUMER PROMOTIONS & RESEARCH (FUSION) SUBTOTAL:			\$64,800	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Trade Relations – Retail Communications	AGENCY: PJ/PR
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Retailer Communications Assets <ul style="list-style-type: none"> Update/Refresh Supermarket Registered Dietitian (SRD) Toolkit Review and update content Create Millennial Mealtimes Made Easy 	11/1/15	5/31/16	\$14,790	<ul style="list-style-type: none"> Updated USDA-approved content in online SRD Tool Kit Retailer asset: Millennial Mealtimes Made Easy
Influencer Outreach <ul style="list-style-type: none"> Target SRDs, community affairs managers, social media managers, pharmacists and other communications and health & wellness contacts at top tier retailers (retailers willing to pay a premium for California avocados) Develop targeted, customized pitches/story angles Secure in-season placements about California Avocados Conduct retailer outreach, including distribution of materials and responding to requests Work with communications contacts to develop and place content/posts 	11/1/15	10/31/16	\$50,000	<ul style="list-style-type: none"> 25 season opener personal phone meetings 40 individual in-season retail placements, programs and/or events at market level 3-4 SRD blog posts for “The Scoop” 3 customized pitch letters emailed to 250 SRDs/Influencers New content for CAC’s social media channels 100 copies of Millennial content distributed to up to 50 contacts
Customized Retailer Campaigns <ul style="list-style-type: none"> Identify and meet with influencers at top-tier retailers with emphasis on SRDs and social media managers Negotiate and execute programs to communicate California Avocados’ seasonality with customized plan for each retailer that includes strategies, messaging and activation supporting start of season, California Avocado Month, American Summer Holidays and smaller size fruit 	11/1/15	3/30/16	\$20,500	<ul style="list-style-type: none"> 4 meetings with targeted influencers 4 customized programs

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>California Avocado Grove Tour</p> <ul style="list-style-type: none"> • Co-host multi-agency Grove Tour • Promote the 2015-16 brand platform and messaging including exclusivity and competitive advantages of California Avocados • Use nutritional benefits of avocados as gateway for developing California Avocado brand advocates • Encourage customized California Avocado programs at retail level from attendees 	12/1/15	8/30/16	\$21,500	<ul style="list-style-type: none"> • 4 Influencers in attendance • 3-4 California Avocado branded placements or events in retailer consumer communication
<p>PBH SRDs at Fresh Summit (Orlando, FL; October 14-16, 2016)</p> <ul style="list-style-type: none"> • Sponsor PBH SRDs at Fresh Summit • Develop strategic plan/creative brief, spokesperson recommendation, in-booth presentation and messaging • Attend Fresh Summit to execute all events 	3/1/16	10/31/16	\$32,000	<ul style="list-style-type: none"> • Program strategic plan/creative brief • Sponsorship benefit execution • Personal appearance • SRD in-booth messaging and meetings • 5 new SRD relationships
<p>Program Administration</p> <ul style="list-style-type: none"> • Provide administrative support surrounding SRD/Retailer Communications Programs • Contribute to Dashboard • Attend meetings, as directed by CAC 	11/1/15	10/31/16	\$10,000	<ul style="list-style-type: none"> • Coordinate ongoing administrative activities • Develop content for board meeting reports/Dashboard, as directed by CAC • Write 3 GreenSheet outlines • Attend meetings • Write From the Grove article • Contribute to awards submissions, as requested by CAC
<p>Strategy & Planning</p> <ul style="list-style-type: none"> • Participate in strategic planning • Collaborate with retail group on objectives and strategies for next season • Develop tactical plan and budget 	11/1/15	10/31/16	\$9,000	<ul style="list-style-type: none"> • Participate in strategic planning, as directed by CAC • Detailed plan and budget

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Tracking & Reporting</p> <ul style="list-style-type: none"> • Monitor information and news in targeted retailers regarding California Avocados • Develop wrap-up report, including results • Create annual presentation for appropriate Board meeting (i.e., program highlights) 	11/1/15	10/31/16	\$5,500	<ul style="list-style-type: none"> • Provide monthly activity reports • Post event reports • Provide program recap with key learnings and results • Reporting (Dashboards) • Content for Board and grower meeting presentation(s) • Ad hoc input for other opportunities
TRADE RELATIONS – RETAIL COMMUNICATIONS (PJ/PR) SUBTOTAL:			\$163,290	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Marketing, Merchandising & Recipe Program Support, Trade Communications	AGENCY: Rockwell Morrow
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Marketing Material Development and Review Write, review and edit marketing material, ensuring that developed/reviewed materials support California Avocado objectives and strategies</p>	11/1/15	10/31/16	\$32,000	<p>Timely response and delivery for ongoing requests</p>
<p>Merchandising Support Lead development of new retail recipe collateral communicating California Avocado brand positioning</p> <ul style="list-style-type: none"> Vegetarian/plant-based theme Explore packer-delivered small avocado in-pack/on-pack recipe options 				<ul style="list-style-type: none"> Vegetarian recipe booklet printed by 2/28/16 Inclusion of call to action to look for “California” label Small avocado concepts by 12/31/15
<p>Trade Communications</p> <ul style="list-style-type: none"> Provide trade press with content that communicates the benefits of California Avocado Commission marketing support, category expertise and California Avocado brand positioning Write and distribute trade press releases and responses to media requests Organize pre-season California Avocado mailers to key trade publications Solicit trade press attendance for California Avocado grove tour; provide support Support CAC PMA Fresh Summit activities 	11/1/15	10/31/16	\$24,475	<ul style="list-style-type: none"> 8 press releases and interview support resulting in a minimum of 125 positive articles on California Avocados/CAC published in key trade publications, with at least 30 of those articles in print 4 or more Dashboard contributions Board and committee presentation(s) as requested California Avocado mailers delivered by 3/31/16 Trade press attendance at grove tour with resulting positive trade coverage PMA Fresh Summit strategy review, team conferences, notes and booth work

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
<p>Recipe Development and Support</p> <ul style="list-style-type: none"> • Develop, review, edit and evaluate recipe concepts and copy, including but not limited to vegetarian/plant-based diet recipes • Spearhead recipe testing and judging • Ensure that developed recipes support California Avocados' premium positioning 	11/1/15	10/31/16	\$2,000	<ul style="list-style-type: none"> • Recipe review, editing, testing and/or judging of new 2015-16 program recipes as requested • Photo shoot supervision as requested
MARKETING SUPPORT & TRADE COMMUNICATIONS (ROCKWELL MORROW) SUBTOTAL:			\$58,475	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Information Resources	AGENCY: Fusion Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Retail Monitoring <ul style="list-style-type: none"> • Produce monthly retail reports, AvoScore Cards, data for the GreenSheet and Dashboards • Monitor data deliveries, data validation and store count maintenance 	11/1/15	10/31/16	\$25,500	<ul style="list-style-type: none"> • 13 Retail reports, 16 AvoScore Cards, 6 Dashboards (as requested) and Retail Dollar Growth Trends reports • IRI agreements/negotiations
Tiered Account Consultation, Reporting and Support Consultation and services related to the tiered account process <ul style="list-style-type: none"> • Amplify the benefits of the program with monitoring of selected accounts • Uncover retail marketing opportunities 	11/1/15	10/31/16	\$39,800	<ul style="list-style-type: none"> • Information, consultation and reports monitoring the performance drivers of tiered retail accounts • Retailer-specific marketing opportunities • Opportunities/Information/research webinars for RMDs
Retail Tracking and Advertising Support Develop data-driven information highlighting the benefits of carrying California Avocados in accordance with the tiered account program and encourage promotional activity in season	11/1/15	10/31/16	\$40,500	Information, data, reports and analysis as requested by staff and agencies
Avocado Business Reviews Build and analyze retailer-specific Avocado Business Reviews, focusing on each retailer's unique program and needs – as determined by the Retail Marketing Directors (RMD)	11/1/15	10/31/16	\$39,000	<ul style="list-style-type: none"> • Up to 15 Avocado Business Reviews (retailer-specific promotion and advertising analysis, recommendations) • Additional retail analysis for RMDs not included in the presentation file
PMA Reports, Consultation and Services <ul style="list-style-type: none"> • Propose PMA data plan and build reports • Consultation and services related to Fresh Summit 	4/1/16	10/25/16	\$8,900	Retail data plan, reports, consultation, support and services for Fresh Summit
Planning and Program Administration Provide planning, support, consultation and administration of the program	11/1/15	10/31/16	\$18,000	Annual planning, administration of program, budgets, consultation, inter-agency activities and archives of materials and data
INFORMATION RESOURCES (FUSION) SUBTOTAL:			\$ 171,700	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Data, Research & Analysis	AGENCY: Information Resources, Inc. (IRI)
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Data Purchase Provide syndicated retail data and data-related services and consultation	11/1/15	10/31/16	\$82,000	Point-of-sale retail data: sales, volume, average price, and promotional measures for avocados plus total fruit and total produce data for each retail chain (as contracted)
MERCHANDISING – DATA, RESEARCH & ANALYSIS (IRI) SUBTOTAL:			\$82,000	

PROGRAM: Merchandising	ACTIVITIES: Data, Research & Analysis	AGENCY: Avocado Marketing Services, Inc.
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Avocado Marketing Research Information Center (AMRIC) Provide AMRIC data as well as market and industry updates and projections	11/1/15	10/31/16	\$3,180	Delivery of weekly reports: <ul style="list-style-type: none"> • Market Trends Reports • AMRIC Data Report • Market's Analysis Report
MERCHANDISING – DATA, RESEARCH & ANALYSIS (AVOCADO MARKETING SERVICES, INC.) SUBTOTAL:			\$3,180	

PROGRAM: Merchandising	ACTIVITIES: Data, Research & Analysis	AGENCY: James McCormac
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Provide weekly avocado market update	11/1/15	10/31/16	\$5,400	Delivery of weekly market report
MERCHANDISING – DATA, RESEARCH & ANALYSIS (JAMES MCCORMAC) SUBTOTAL:			\$5,400	

DATA, RESEARCH & ANALYSIS (IRI/AVOCADO MARKETING SERVICES/MCCORMAC) SUBTOTAL: \$90,580

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Merchandising	ACTIVITIES: Marketing Administration	AGENCY: Marketing Support
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Communicate California Avocado key messages and California brand identity with staff support at key national and regional and trade events	11/1/15	10/31/16	\$65,000	Travel to and attendance at various trade events
Support merchandising programs	11/1/15	10/31/16	\$50,000	Shipping supplies, shipping costs, office equipment, meeting expenses, etc.
MERCHANDISING – MARKETING ADMINISTRATION (MARKETING SUPPORT) SUBTOTAL:			\$115,000	

PROGRAM: Merchandising	ACTIVITIES: Marketing Administration – Grower Communications	AGENCY: Michelle Rothmeyer
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Communicate California Avocado Marketing programs to the grower community	11/1/15	10/31/16	\$12,000	<ul style="list-style-type: none"> • Marketing copy for 24 GreenSheet editions • Copy and editing of marketing articles for 4 From the Grove editions as requested
MERCHANDISING – MARKETING ADMINISTRATION – GROWER COMMUNICATIONS (MICHELLE ROTHMEYER) SUBTOTAL:			\$12,000	

MARKETING ADMINISTRATION (CAC & MICHELLE ROTHMEYER) SUBTOTAL: \$127,000
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TOTAL MERCHANDISING BUDGET: \$1,804,825
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TRADE MARKETING: FOODSERVICE

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Foodservice	ACTIVITIES: Media, Ad Production, Public Relations, Events, Chain Program, Culinary Education, Research & Administration	AGENCY: MMM Marketing
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PRIORITY 1: Position California Avocados to be the world's most-valued and desired avocados *

*(for consumers, retailers, foodservice operators, wholesalers, growers)

OBJECTIVES:

1. Increase the real and perceived value of California Avocados
2. Increase preference and loyalty for California Avocados versus avocados of other origins

STRATEGIES:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados
- 1D. Tailor programs to targeted retailers and foodservice operators willing to pay a premium for California Avocados
- 1E. Build high-value distribution and marketing opportunities for smaller-size California Avocados

- 2A. Promote California Avocados as the perfect choice for the American Summer Holidays
- 2B. Refine and enhance CAC's tiered-account/market approach
- 2C. Activate handler, retailer and foodservice operator commitment to California Avocados

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Foodservice	ACTIVITIES: Media	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Media Develop and execute a targeted California Avocado-branded advertising media campaign that cultivates an aura of exclusivity about California Avocados and the California Avocado season	1/1/16	7/31/16	\$100,000	Media plan for 16 ads and 1.35 million impressions
FOODSERVICE – MEDIA (MMM MARKETING) SUBTOTAL:			\$100,000	

PROGRAM: Foodservice	ACTIVITIES: Ad Production	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Ad Production Create a new California Avocado-branded advertising media campaign that communicates the superiority of California Avocados	11/1/15	1/31/16	\$20,000	2 – 3 new ads
FOODSERVICE – AD PRODUCTION (MMM MARKETING) SUBTOTAL:			\$20,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Foodservice	ACTIVITIES: Public Relations	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Public Relations & Collateral Materials <ul style="list-style-type: none"> • Write and e-distribute California Avocado-branded product releases that promote California Avocados as the perfect choice for the American Summer Holidays and secure editorial features during the season • Conduct one full day photo shoot • Participate in two International Foodservice Editorial Council Conferences 	12/1/15	8/31/16	\$50,000	<ul style="list-style-type: none"> • 8 product releases and monthly editorial features resulting in 60 placements, 3,000,000 impressions and a comparable ad value of \$100,000 • 6-8 new photos • Product placement/editor meetings/editor event
	1/1/16	4/30/16	\$15,000	
	11/1/15	10/31/16	\$10,000	
FOODSERVICE – PUBLIC RELATIONS (MMM MARKETING) SUBTOTAL:			\$75,000	

PROGRAM: Foodservice	ACTIVITIES: Events	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Events <ul style="list-style-type: none"> • Coordinate participation, sampling of new applications and attend conferences and trade shows • Host and manage Foodservice AvoTour 	11/1/15	8/31/16	\$205,000	<ul style="list-style-type: none"> • 50 new contacts from Global Culinary Innovators Association, Marketing Executive Group, International Corporate Chefs Association, PMA Foodservice Conference and Flavor Experience • Provide hands-on education about California Avocado cultural practices to 20 key foodservice top-tiered accounts demonstrating California Avocado superiority
	1/1/16	8/31/16	\$50,000	
FOODSERVICE – EVENTS (MMM MARKETING) SUBTOTAL:			\$255,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Foodservice	ACTIVITIES: Chain Promotions	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Chain Menu Development and Promotions <ul style="list-style-type: none"> • Create customized menu concepts (including smaller-sized fruit) for existing and new top-tiered foodservice operators • Secure merchandising support for customized chain programs that create a sense of urgency among foodservice operators willing to pay a premium for California Avocados 	11/1/15	10/31/16	\$50,000	<ul style="list-style-type: none"> • Menu concepts for 7-10 top-tiered chain accounts
	2/1/16	9/30/16	\$265,000	<ul style="list-style-type: none"> • Promotions with 20-25 restaurant chains branded with the <i>Hand Grown in California</i> logo on point-of-sale materials
FOODSERVICE – CHAIN PROMOTIONS (MMM MARKETING) SUBTOTAL:			\$315,000	

PROGRAM: Foodservice	ACTIVITIES: Culinary Education, Research & Administration	AGENCY: MMM Marketing
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Culinary Education Program Exhibit and sample at the American Culinary Federation National Conference	7/1/16	7/31/16	\$25,000	10 new contacts from the American Culinary Federation (ACF)
Research Evaluate avocado/guacamole menu trends	1/1/16	5/31/16	\$10,000	Analyze avocado/guacamole menu trends
Program Administration Manage, supervise and evaluate CAC Foodservice Marketing Program	11/1/15	10/31/16	\$54,000	Develop and implement the 2015-16 CAC Foodservice Marketing Program, including all Dashboard reports, a minimum of 10 GreenSheet outlines and contributions to From the Grove articles as requested
CULINARY EDUCATION, RESEARCH & ADMINISTRATION (MMM MARKETING) SUBTOTAL:			\$89,000	

TOTAL FOODSERVICE BUDGET: \$854,000
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MARKETING ACTIVITIES SUPPORT

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Marketing Activities Support

ACTIVITIES: Marketing Planning, Strategic Support & Special Projects, Buy California Marketing Agreement & Festivals

PRIORITY 1: Position California Avocados to be the world's most-valued and desired avocados *

*(for consumers, retailers, foodservice operators, wholesalers, growers)

OBJECTIVES:

1. Increase the real and perceived value of California Avocados
2. Increase preference and loyalty for California Avocados versus avocados of other origins

STRATEGIES:

- 1A. Create a sense of urgency among targeted trade, consumers and influencers to purchase Fresh California Avocados in season
- 1B. Cultivate an aura of exclusivity about Fresh California Avocados and California Avocado season
- 1C. Communicate superiority of California Avocados

- 2B. Refine and enhance CAC's tiered-account/market approach
- 2C. Activate handler, retailer and foodservice operator commitment to California Avocados

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Marketing Activities Support	ACTIVITIES: Marketing Planning	AGENCY: CAC
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Coordinate and execute CAC planning meetings, exploring trends, discuss program opportunities and develop objectives, strategies and tactics for the 2015-16 business plan	11/1/15	10/31/16	\$4,500	<ul style="list-style-type: none"> • CAC Staff/Agency Planning meeting(s) • CAC Marketing Advisory Committee meetings
MARKETING PLANNING (CAC) SUBTOTAL:			\$4,500	

PROGRAM: Marketing Activities Support	ACTIVITIES: Buy California Marketing Agreement	AGENCY: Marketing Program Support
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Participate in Buy California Marketing Agreement (BCMA) program	11/1/15	10/31/16	\$25,000	<ul style="list-style-type: none"> • Participate in BCMA Board meetings and strategic planning • Support BCMA in CAC's marketing outreach as appropriate
BUY CALIFORNIA MARKETING AGREEMENT (MARKETING PROGRAM SUPPORT) SUBTOTAL:			\$25,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Marketing Activities Support	ACTIVITIES: Marketing Planning, Strategic Support & Special Projects	AGENCY: Rockwell Morrow
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Strategic Planning & Research <ul style="list-style-type: none"> • Facilitate strategic planning • Conduct or review research projects as directed by CAC 	11/1/15	10/31/16	\$43,000	<ul style="list-style-type: none"> • Delivery of timelines, content and reviews for 2016-17 business plan • Ongoing review of materials and proactive management of assigned strategic projects • Monitor current year plan deliverables
Marketing Research Support <ul style="list-style-type: none"> • Support annual tracking study project with third-party supplier • Manage third-party retail in-store audit(s) 	12/1/15	9/30/16		<ul style="list-style-type: none"> • Review preliminary 2015 results and assist with developing presentation • Delivery of retail audit data and analysis per approved timelines
Marketing Services Provide marketing services that support CAC consumer, trade and industry marketing initiatives and reinforce the California Avocado brand position	11/1/15	10/31/16		<ul style="list-style-type: none"> • Ongoing review of materials, as requested • Proactive and reactive outreach to potential co-marketing partners including successful exchange of brand contributions • Review of new promotion vehicles, as requested • Representation/attendance at events
Stakeholder Communications <ul style="list-style-type: none"> • Facilitate marketing contributions to The GreenSheet and From the Grove including Retail Marketing Director and agency content acquisition and editing • Update handler community education program and assist with implementation • Attend Marketing Advisory Committee meetings and assist with preparation and minutes • Create handler key message documents and coordinate communication of advertising calendar 	11/1/15	10/31/16		<ul style="list-style-type: none"> • Stakeholder communications editorial calendar by 12/15/15; ongoing maintenance • Liaison with agencies and staff; acquire content for 24 editions of the GreenSheet and 4 editions of From the Grove; review and edit • Handler education curriculum by January 15, 2016 • Attendance at scheduled meetings and same-day delivery of minutes drafts • Minimum 4 key message documents
MARKETING PLANNING, STRATEGIC SUPPORT & SPECIAL PROJECTS (ROCKWELL MORROW) SUBTOTAL:			\$43,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Marketing Activities Support	ACTIVITIES: Marketing Planning	AGENCY: Data Designers
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Provide volume, crop movement and measures for CAC communications, reporting and planning	11/1/15	10/31/16	\$1,700	<ul style="list-style-type: none"> • Volume information for consumer and industry communications • Content for board and grower meeting presentations, planning and ad hoc reports as directed by CAC • Content for monthly Dashboard Report
MARKETING ACTIVITIES SUPPORT – MARKETING PLANNING (DATA DESIGNERS) SUBTOTAL:			\$1,700	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Marketing Activities Support	ACTIVITIES: Festivals	AGENCY: CAC
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ACTION STEPS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	DELIVERABLES
Participate in avocado festivals in California	1/1/16	10/31/16	\$12,000	Exhibit at the Avocado festivals in Fallbrook, Morro Bay, Carpinteria and others as selected; distribute California Avocado materials relating to American Summer Holidays and other initiatives
MARKETING PLANNING SUPPORT – FESTIVALS (CAC) SUBTOTAL:			\$12,000	

TOTAL MARKETING ACTIVITIES SUPPORT BUDGET: \$86,200
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TOTAL MARKETING BUDGET: \$9,814,000*

* Availability of funds (\$314,000) is contingent upon revised revenue projection by management which equals or exceeds the projection presented to the Board on 10/15/15



INDUSTRY AFFAIRS

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Industry Statistics & Information	AGENCY: Data Designers; McCormac Enterprises; Fishhook Development; Geospatial Partners
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PRIORITY 2: Advocate for, and engage with, the industry

OBJECTIVES:

1. Proactively shape avocado industry issue outcomes that are compatible with the industry’s key aspirations and CAC’s values
2. Build a consensus on the strategic direction to be taken to achieve the industry’s key aspirations
3. Enhance California avocado grower productivity and profitability

STRATEGIES:

- A. Anticipate and prioritize issues; use informed decision making and develop and implement plans that shape outcomes
- B. Maintain a state of readiness, enabling CAC to respond immediately and strategically to crisis issues
- C. Collect and compile information vital to contending with our competition and other market forces
- D. Engage and communicate with growers/industry members and develop communication vehicles in multiple formats that deliver relevant information to the industry
- E. Maintain and develop relationships with other avocado industry and agricultural organizations and leverage strengths on issues of common interest

PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
AMRIC Operation - The Avocado Marketing Research and Information Center (AMRIC) system provides the California Avocado Industry with daily inventory and shipment information to guide harvest/market strategies. AMRIC procedures require all avocado handlers operating in California to report their avocado inventory, by variety and size, and shipments by major-market destination, variety and size	\$90,000	<ul style="list-style-type: none"> • Daily collection of bin counts by McCormac Enterprises • Provide industry members and AMRIC participants current and historical statistical information in a usable format within the boundaries of the program <ul style="list-style-type: none"> ○ Review data requests from industry and implement enhancements ○ Audit and track data reporting • Ensure secure and reliable data storage and monitoring <ul style="list-style-type: none"> ○ Maintenance of AMRIC website and data tools, keep current with supported technology and platforms
Crop Forecasting and Analysis - The Avocado Crop-Estimating (ACE) system projects the annual production of California avocados. Crop statistics are compiled by growing region, county and state throughout the year. This valuable information guides CAC marketing programs, as well as allows each grower to develop his/her own harvest strategies; with the big picture in mind	\$61,000	<ul style="list-style-type: none"> • Conduct field meetings and engage with industry; develop initial crop estimate and stay appraised of any crop updates throughout the season • Conduct acreage inventory and analysis and update current avocado acreage for five major counties • Conduct a mid-season crop survey • Perform “ground-truthing” and verify accuracy of current crop/acreage information

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
<p>Grower Database - Maintenance of the California Avocado Production Tracking Acreage Inventory Network (CAPTAIN) grower database. Continually maintain and update current database to ensure integrity and confidentiality of grower information. Grower database is used for various mailings, such as election ballots, referenda, redistricting, crop estimating surveys, annual reports and meeting notices</p>	\$9,000	<ul style="list-style-type: none"> • Annual update of database based on handlers' grower/grove information received from handlers • Update database on as-needed basis, based on information received via returned mail, grower sign ups, etc.
<p>Grove Database System - Using existing CAC grower and Geographic Information System databases, this project intends to develop a new, web-based platform that will integrate all existing databases, as well as incorporate the ability to support grove location and ownership</p>	\$55,000	<ul style="list-style-type: none"> • Maintain web-based grove database platform, performing updates as needed to allow for full functionality of ownership database maintenance, searching and mailings • Perform training sessions with handlers, as needed, to link collection of field data • Purchase data on parcel ownership based on Assessor's Parcel Number, when necessary • Continue geodatabase integration from acreage inventory to assist in automating annual update processing • Integrate crop estimating system
<p>INDUSTRY AFFAIRS – (INDUSTRY STATISTICS & INFORMATION) SUBTOTAL:</p>	\$215,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Grower Communications	AGENCY: GingerRoot; Fishhook Development; Champ Publications; Rockwell Morrow & Fusion Marketing
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PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Field Meetings, Seminars & Workshops - Events purposed to educate and update growers and industry stakeholders on pertinent industry issues	\$10,000	Events may include, but are not limited to: <ul style="list-style-type: none"> • District Grower Meetings • GAP Workshops • PSHB Grower Informational Seminars
Educational Outreach - Provide industry with a reliable source for information on topics of vital importance to the operation of their business	\$25,000	<ul style="list-style-type: none"> • Grower Outreach and Education Field Days at Pine Tree Ranch • Development of promotional materials to encourage grower GAP certification • Researcher visits on topics of importance on an as needed basis
Online Information - Expand the reach of effective industry communications through CAC's grower site, www.californiaavocadogrowers.com	\$35,000	Continual enhancements, maintenance and content development to provide timely updates to CAC's grower site
Publications - Develop practical and relevant information for growers and industry and present it in a format that is easily accessed and assimilated	\$115,000*	Publications may include, but are not limited to: <ul style="list-style-type: none"> • CAC GreenSheet (semi-monthly) • GAP Manuals • California Avocado Industry magazine (quarterly) <ul style="list-style-type: none"> ○ Advertising revenue expected to offset budget line item by \$40,000 • Theft signs • 2 Grower Fact Sheets
Annual Meeting - Conduct annual meetings that generate industry awareness of CAC programs	\$10,000	Conduct three meetings (two North, one South), no later than April 30, 2016
Annual Report - Prepare annual report that generates industry awareness of CAC programs and fulfill CAC's statutory obligation to report to the legislature	\$25,000	Produce and make available (in electronic format) the annual report, no later than April 30, 2016
INDUSTRY AFFAIRS – (GROWER COMMUNICATIONS) SUBTOTAL:	\$220,000	

***Note: Portion of publications expenditures potentially offset by advertising revenue**

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Issues Management	AGENCY: McDermott Will & Emery LLP; Michael Hurley; Cooperative Agricultural Support Services; Ventura County Ag Commissioner; University California Cooperative Extension; University of California Riverside
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PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Water Issues - Engage in anticipatory-issues management to identify, prioritize and address key water issues	\$50,000	<p>CAC management will work with independent contractors as needed) to provide the following:</p> <ul style="list-style-type: none"> Monitor water issues (including rates) that potentially impact agriculture and represent interests of industry stakeholders, before local and regional water agencies and industry associations Work to improve the MWD water efficiency agricultural program Continue to develop programs with MWD and/or other water agencies to support the goal of lower agricultural water costs Analyze and evaluate current water issues and develop recommended programs Explore possible federal actions to improve water supply reliability and/or mitigate water rates; if possible initiate pursuit of said actions
Field/Technical Support —Develop and support technical initiatives that promote industry productivity and profitability	\$200,000	<p>Potential issues in this category may include:</p> <ul style="list-style-type: none"> Polyphagous Shot Hole Borer (PSHB) and Kuroshio Shot Hole Borer (KSHB) detection program Field lab for PSHB/KSHB bioassays Phytopathology security Section 18 emergency exemptions

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Legislative & Regulatory Advocacy - Stay abreast of regulatory, legislative and trade issues that affect the industry; develop position papers and advocate for stakeholders	\$100,000	Potential issues in this category may include: <ul style="list-style-type: none"> • Food safety/regulation (FSMA); FDA sampling assignment • APHIS/ARS funding for Invasive Species (PSHB/KSHB) • Immigration Reform • Conservation/water efficiency programs • Free Trade Agreements – both new and modification of existing (e.g. China, Japan) • Work with handlers to review current CDFA AIP inspection requirements • Foreign Market Development activities (USDA-FAS) • Emerging Markets Program activities (USDA-FAS)
Production Registrations – Explore potential product registrations for use on avocados in California and provide research support where needed	\$110,000	Potential products may include: <ul style="list-style-type: none"> • 6-BA (6-benzyladenine) • ProGibb
INDUSTRY AFFAIRS – (ISSUES MANAGEMENT) SUBTOTAL:	\$460,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Legal	AGENCY: Creative Legal Solutions; Kahn, Soares & Conway, LLP; Data Designers
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PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Elections - Perform routine election activities, per CAC law	\$20,000	<ul style="list-style-type: none"> • Conduct annual election with ballots returned no later than October 31, 2016 • Fill mid-term vacancies as needed
Legal Support - Provide legal support for all CAC departments	\$40,000	<ul style="list-style-type: none"> • CAC retains legal-support services to assist with contracts, trademarks, registrations and other transactional matters
Governance Support - Continue to refine the long-term strategic plan that will guide CAC's activities through 2025	\$10,000	<ul style="list-style-type: none"> • Refine Vision 2025 strategic plan, as needed • Present draft business plan to the Board, no later than October 2016 • Administrative support via outside contractors as needed to fulfill governance requirements
Referendum - By law, CAC is required to hold a producer referendum every five years to determine whether to reapprove the provisions of the Food and Agricultural Code governing its operation.	\$15,000	<ul style="list-style-type: none"> • Conduct referendum prior to October 31, 2016 as follows: <ul style="list-style-type: none"> ○ Update grower list ○ Notify growers of referendum in local newspapers and trade press ○ Prepare/mail ballots, under CDFA oversight ○ Votes counted/results certified by CDFA ○ Announce results in grower press
Redistricting - Every five years, CAC must determine the need for reapportionment of districts consistent with Food and Agricultural Code. The goal of reapportionment is to assure that each of the districts represents approximately the same percentage of the statewide avocado production.	\$5,000	<ul style="list-style-type: none"> • Determine whether redistricting is necessary • If necessary, work with Redistricting Committee to develop options for redrawn district lines which meet the requirements outlined in the Redistricting Procedures <ul style="list-style-type: none"> ○ Must be conducted no later than March, 30, 2016
INDUSTRY AFFAIRS – LEGAL SUBTOTAL:	\$90,000	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Demonstration Grove	AGENCY: Cal Poly Pomona; Somis Pacific
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PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Pine Tree – Rent	\$20,056	Monthly lease per lease agreement dated July 1, 2013
Pine Tree - Grove Management	\$28,800	Annual grove management services based on 11 acres of planted avocado acreage
Pine Tree – Utilities	\$4,800	Split with Cal Poly Foundation based on percentage of leased acreage
Pine Tree - Property Tax & Insurance	\$2,520	Split with Cal Poly Foundation based on percentage of leased acreage
Pine Tree - Improvements and Misc. Expenses	\$5,000	Improvements may include the following: <ul style="list-style-type: none"> • Misc. irrigation tools such as tensiometers, water marks with remote sensing, lysimeters, dendrometers • Additional outbuildings and restroom facilities
INDUSTRY AFFAIRS – DEMONSTRATION GROVE SUBTOTAL:	\$61,176*	

**Note: Portion of expenditures potentially offset by harvest revenue*

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Industry Affairs	ACTIVITIES: Other/Administrative	AGENCY: CAC
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PROGRAMS	BUDGET	ACTION STEPS & DELIVERABLES
Dues, Sponsorships, Registrations & Reports - Form and participate in coalitions with other commodity boards and agricultural organizations to broaden support for industry-wide initiatives	\$18,500	<ul style="list-style-type: none"> • Coalitions dues and sponsorships may include, but are not limited to: <ul style="list-style-type: none"> ○ Agriculture Coalition for Immigration Reform, Alliance for Food & Farming, United Ag and Western Growers • Event registrations may include, but are not limited to: <ul style="list-style-type: none"> ○ PMA Fresh Summit, United Washington Public Policy Conference and Urban Water Institute
Grant Writing - Pursue outside-funding opportunities for industry initiatives	\$5,000	Potential funding opportunities may include: <ul style="list-style-type: none"> • GAP/Food safety • Water quality and efficiency • Phytosanitary/pest management • Sustainability/energy efficiency • Grower decision support tools and education
Travel - Travel required by CAC staff to advocate on issues of importance to the industry, stay informed on industry issues and participate in industry events	\$60,000	Industry Affairs staff travel may include, but is not limited to: <ul style="list-style-type: none"> • Meetings with policy/decision makers • Grower seminars • District meetings • Local and international industry meetings/conferences
Office Expense - Expenses incurred by CAC non-marketing staff, in conducting day-to-day business activities	\$26,500	Examples of office expenses include, but are not limited to: <ul style="list-style-type: none"> • Computers/software/electronics • Paper/binders/supplies • Subscriptions to business publications and resources
Committee Meeting Expense - Expenses incurred for travel, lodging, and meals for committee meetings	\$10,000	Examples of committee meetings include, but are not limited to: <ul style="list-style-type: none"> • Production Research Committee • GAP Committee • Executive Committee • Grievance Committee • Redistricting Committee
INDUSTRY AFFAIRS – OTHER/ADMINISTRATIVE SUBTOTAL:	\$120,000	

TOTAL INDUSTRY AFFAIRS BUDGET: \$1,166,176



PRODUCTION RESEARCH

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAM: Production Research	ACTIVITIES: Research	AGENCY: University of California (UC) Riverside; United States Department of Agriculture (USDA); UC Cooperative Extension; Geospatial Partners
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PRIORITY 3: Support industry strategy through research and outreach

OBJECTIVES:

1. Enhance California Avocado grower productivity and sustainability
2. Ensure consistently safe, high-quality production that supports CAC's market development efforts

STRATEGIES:

- A. Design and implement a technical investment management system that provides a framework for identifying and implementing solutions to problems in the grove or in the supply chain
- B. Educate California Avocado growers and other stakeholders providing information and tools that improve their decision-making

PROGRAMS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	ACTION STEPS & DELIVERABLES
CONTINUING RESEARCH PROJECTS				
Pests and Diseases				
Sustained chemical control of avocado arthropod pests	11/1/12	10/31/17	\$47,316	<ul style="list-style-type: none"> A prioritized list of effective new pesticides to move toward registration A sensitive method to evaluate pesticide resistance development in avocado thrips Trunk spray and injection methods for application of systemic pesticides for use against a variety of pests

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAMS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	ACTION STEPS & DELIVERABLES
Trapping optimization and development of “attract and kill” strategy for the polyphagous shot hole borer in avocado	11/1/14	10/31/16	\$150,000	<ul style="list-style-type: none"> • Optimized trap for detecting PSHB • Method for the use of the lures to attract and kill the PSHB
Systemic pesticide research for the management of polyphagous shot hole borer on avocado	11/1/14	10/31/16	\$98,580	Develop the necessary efficacy data for Section 18 and registration requests for various pesticides against PSHB
Risk assessment and epidemiology of polyphagous shot hole borer and Fusarium dieback throughout commercial avocado groves in California	5/1/15	10/31/18	\$135,947*	<ul style="list-style-type: none"> • Documentation of PSHB/FD incidence and rate of spread throughout commercial avocado groves • Documentation of important factors for insect transmission • Identification of risk areas • Quantified comparisons of crop yield between infested and non-infested trees/groves
Assessment of fungicides and biocontrol agents to control pathogenic fungal species transmitted by PSHB	11/1/13	10/31/16	\$40,000	Effective fungicides and biocontrol agents that may prevent the establishment and/or spread of Fusarium dieback in avocado
Breeding				
Development of new avocado rootstock varieties resistant to <i>Phytophthora cinnamomi</i> and salinity by the implementation of molecular breeding approaches for genomic selection	5/1/14	10/31/16	\$294,533	New rootstocks with improved resistance to <i>P. cinnamomi</i> and salinity for the California avocado industry

***Note: portion of this project (\$101,650) will be offset by USDA Specialty Crop Block Grant funding**

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAMS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	ACTION STEPS & DELIVERABLES
Cultural Management				
Decision support tools for avocado production and fruit quality	2/1/12	12/31/16	\$172,000	<ul style="list-style-type: none"> • Web-based decision support tool that examines the relationships between climate, fertility and irrigation on avocado yields • A model quantifying the effects of leaf nutrient content, irrigation salinity and climate on avocado fruit quality • A dynamic economic model that will allow growers to optimize profit in relation to management decisions
Improvement of yield per acre by close spacing and pruning, combined with new grower education classes	2/1/12	1/31/17	\$13,271	<ul style="list-style-type: none"> • A demonstration grove where new growers can learn cultural management • An annual course on basic avocado farming practices
Meeting the challenge of salinity: Evaluation of selected rootstocks for response to salinity	11/1/12	10/31/16	\$66,190	<ul style="list-style-type: none"> • A ranked list of recommended rootstocks based on salinity tolerance • Recommendations for improving water use efficiency based on real time monitoring of soil water status and salinity
Maximizing yield of commercially valuable size fruit of 'Hass' avocado based on leaf nutrient analyses and climate	11/1/13	10/31/16	\$3,512	<ul style="list-style-type: none"> • Models that prescribe leaf nutrient levels required to achieve maximum yield • Identification of the factors that limit yield in a given geographic region
Continuing Research Projects Subtotal		SUBTOTAL:	\$1,021,349	

2015-16 CALIFORNIA AVOCADO COMMISSION ACTION PLAN

PROGRAMS	START DATE	SCHEDULED COMPLETION DATE	BUDGET	ACTION STEPS & DELIVERABLES
NEW RESEARCH PROJECTS				
Obtain biocontrol agents against polyphagous shot hole borer from Southeast Asia	11/1/15	10/31/17	\$20,500	Shot hole borer parasitoid colony in quarantine at UCR for testing and possible deployment in California
Meet production challenges in the 21 st century: Maintaining important germplasm collections within California	11/1/15	10/31/16	\$40,805	Important germplasm collections – <i>Persea</i> species, advanced scion and rootstock lines – maintained at South Coast Research Extension Center and UC Agricultural Operations
New Research Projects Subtotal		SUBTOTAL:	\$61,305	

TOTAL PRODUCTION RESEARCH BUDGET: \$1,082,654
USDA SPECIALTY CROP BLOCK GRANT FUNDING OFFSET: (\$101,650)
NET SPENDING TO CAC: \$981,004



2015-16 CAC BUDGET

**CALIFORNIA AVOCADO COMMISSION
2015-16 PROJECTION & BUDGET
WITH COMPARISON TO 2014-15**

DRAFT 10-15-15

ACCT CODE	REVENUES:	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
40001	CAC Assessment Revenue	\$7,866,000	51.4%	\$7,360,000	52.9%	\$506,000	6.88%	Assessment rate 2.30%, crop size 360 MM lbs, price \$0.95
40011	HAB 85% Rebate Assessment Revenue	\$7,114,500	46.5%	\$6,324,000	45.5%	\$790,500	12.50%	
	Sub-Total Assessment Revenues	\$14,980,500	98.0%	\$13,684,000	98.4%	\$1,296,500	9.47%	
42001	Administration & Accounting Fee Revenue (AIP)	\$86,000	0.6%	\$86,000	0.6%	\$0	0.00%	
46013	USDA Grant-PSHB Monitoring & Outreach	\$157,030	1.0%	\$67,971	0.5%	\$89,059	131.02%	
48001	Interest Income	\$14,400	0.1%	\$14,400	0.1%	\$0	0.00%	
48009	Other Income	\$55,000	0.4%	\$55,000	0.4%	\$0	0.00%	
	Sub-Total Other Revenues	\$312,430	2.0%	\$223,371	1.6%	\$89,059	39.87%	
	Total Revenues	\$15,292,930	100.0%	\$13,907,371	100.0%	\$1,385,559	9.96%	
ACCT CODE	EXPENDITURES: Marketing Programs	2015-16 PROJECTION	%	2014-15 AMENDMENT #3	%	2015-16 vs. 2014-15 INCREASE (DECREASE)	PERCENT CHANGE	COMMENT
51000 & 55000	Consumer Advertising	\$6,173,975	40.4%	\$6,156,896	40.0%	\$17,079	0.28%	
54000	Consumer Public Relations & Nutrition Communications	\$895,000	5.9%	\$900,000	5.9%	(\$5,000)	-0.56%	
52000	Merchandising Promotions	\$1,804,825	11.8%	\$1,741,604	11.3%	\$63,221	3.63%	
53000	Foodservice	\$854,000	5.6%	\$847,000	5.5%	\$7,000	0.83%	
59000	Marketing Activities Support	\$86,200	0.6%	\$104,500	0.7%	(\$18,300)	-17.51%	
	Sub-Total Marketing Programs	\$9,814,000	64.2%	\$9,750,000	63.4%	\$64,000	0.66%	
	EXPENDITURES: Non-Marketing Programs							
64000	Industry Affairs	\$1,166,176	7.6%	\$1,349,186	8.8%	(\$183,010)	-13.56%	
65000	Production Research	\$981,004	6.4%	\$1,204,587	7.8%	(\$223,583)	-18.56%	
66013	USDA Grant-PSHB Monitoring & Outreach	\$157,030	1.0%	\$67,971	0.4%	\$89,059	131.02%	
70000	Administration	\$3,175,454	20.8%	\$3,011,863	19.6%	\$163,591	5.43%	
	Sub-Total Non-Marketing Programs	\$5,479,664	35.8%	\$5,633,607	36.6%	(\$153,943)	-2.73%	
	Total Expenditures	\$15,293,664	100.0%	\$15,383,607	100.0%	(\$89,943)	-0.58%	
	Excess Of Revenues Over (Under) Expenditures	(\$734)	0.0%	(\$1,476,236)	-10.6%	\$1,475,502	-99.95%	
	Beginning Reserves - Nov. 1	\$5,394,835		\$8,066,371		(\$2,671,536)	-33.12%	
	Estimated revenue shortfall based on 280 MM lb crop			(\$1,195,300)				
	Estimated Ending Reserves - Oct. 31	\$5,394,101		\$5,394,835		(\$734)	-0.01%	

**CALIFORNIA AVOCADO COMMISSION
2015-16 PROJECTION & BUDGET
WITH COMPARISON TO 2014-15**

DRAFT 10-15-15

Department: Marketing

ACCT CODE	DEPT/ ACTIVITY	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
<u>Consumer Advertising:</u>								
	Media	\$4,514,600	46.0%	\$4,243,160	43.5%	\$271,440	6.40%	Availability of funds (\$514,000) is contingent upon revised revenue projection by management which equals or exceeds the projection presented to the Board on 10/15/15
51001								
51002	Production	\$385,000	3.9%	\$365,000	3.7%	\$20,000	5.48%	
55XXX	Online Marketing	\$218,500	2.2%	\$669,100	6.9%	(\$450,600)	-67.34%	
51801 & 57002	Program Administration	\$1,055,875	10.8%	\$879,636	9.0%	\$176,239	20.04%	
	Consumer Advertising Sub-Total	\$6,173,975	62.9%	\$6,156,896	63.1%	\$17,079	0.28%	
<u>Consumer Public Relations & Nutrition Communications:</u>								
5400X & 5420X	Brand Advocates	\$348,000	3.5%	\$359,500	3.7%	(\$11,500)	-3.20%	
5400X & 5410X	Public Relations	\$472,000	4.8%	\$465,500	4.8%	\$6,500	1.40%	
5480X	Program Administration	\$75,000	0.8%	\$75,000	0.8%	\$0	0.00%	
	Public Relations & Nutrition Communications Sub-Total	\$895,000	9.1%	\$900,000	9.2%	(\$5,000)	-0.56%	
<u>Merchandising:</u>								
520XX	Trade Relations	\$938,974	9.6%	\$947,454	9.7%	(\$8,480)	-0.90%	
521XX & 523XX	Retail/Consumer Promotions	\$456,771	4.7%	\$405,445	4.2%	\$51,326	12.66%	
522XX	Data, Research & Analysis	\$282,080	2.9%	\$251,705	2.6%	\$30,375	12.07%	
524XX	Administration & Other	\$127,000	1.3%	\$137,000	1.4%	(\$10,000)	-7.30%	
	Merchandising Sub-Total	\$1,804,825	18.4%	\$1,741,604	17.9%	\$63,221	3.63%	
<u>Foodservice:</u>								
53001	Media	\$120,000	1.2%	\$100,000	1.0%	\$20,000	20.00%	
53101	Public Relations & Collateral Materials	\$75,000	0.8%	\$82,000	0.8%	(\$7,000)	-8.54%	
53103	Foodservice Events	\$255,000	2.6%	\$215,000	2.2%	\$40,000	18.60%	
53104	Chain Promotions	\$315,000	3.2%	\$345,000	3.5%	(\$30,000)	-8.70%	
53105	Education Programs	\$35,000	0.4%	\$45,000	0.5%	(\$10,000)	-22.22%	
5380X	Program Administration	\$54,000	0.6%	\$60,000	0.6%	(\$6,000)	-10.00%	
	Foodservice Sub-Total	\$854,000	8.7%	\$847,000	8.7%	\$7,000	0.83%	
<u>Marketing Activities Support</u>								
51803	Marketing Planning	\$49,200	0.5%	\$67,500	0.7%	(\$18,300)	-27.11%	
51003	Buy California Marketing Agreement	\$25,000	0.3%	\$25,000	0.3%	\$0	0.00%	
580XX	Festivals	\$12,000	0.1%	\$12,000	0.1%	\$0	0.00%	
	Marketing Planning, Research & Other Sub-Total	\$86,200	0.9%	\$104,500	1.1%	(\$18,300)	-17.51%	
	Total Marketing	\$9,814,000	100.0%	\$9,750,000	100.0%	\$64,000	0.66%	

**CALIFORNIA AVOCADO COMMISSION
2015-16 PROJECTION & BUDGET
WITH COMPARISON TO 2014-15**

DRAFT 10-15-15

Department: Industry Affairs

ACCT CODE	DEPT/ ACTIVITY	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
<u>Industry Statistics And Information:</u>								
64001	AMRIC Operation	\$90,000	7.7%	\$86,500	6.4%	\$3,500	4.05%	
64002	Crop Forecasting and Analysis	\$61,000	5.2%	\$57,600	4.3%	\$3,400	5.90%	
64003	Grower Database	\$9,000	0.8%	\$7,500	0.6%	\$1,500	20.00%	
64004	Grove ID GIS Project Development	\$55,000	4.7%	\$50,000	3.7%	\$5,000	10.00%	
	Industry Statistics And Information Sub-Total	\$215,000	18.4%	\$201,600	14.9%	\$13,400	6.65%	
<u>Grower Communications:</u>								
64101	Field Meetings, Seminars & Workshops	\$10,000	0.9%	\$14,000	1.0%	(\$4,000)	-28.57%	
64104	Educational Outreach	\$25,000	2.1%	\$58,500	4.3%	(\$33,500)	-57.26%	
64105	Online Information	\$35,000	3.0%	\$54,500	4.0%	(\$19,500)	-35.78%	
64106	Publications	\$115,000	9.9%	\$125,000	9.3%	(\$10,000)	-8.00%	
64107	Annual Meeting	\$10,000	0.9%	\$9,200	0.7%	\$800	8.70%	
64108	Annual Report	\$25,000	2.1%	\$20,300	1.5%	\$4,700	23.15%	
	Grower Communication Sub-Total	\$220,000	18.9%	\$281,500	20.9%	(\$61,500)	-21.85%	
<u>Issues Management:</u>								
64201	Water Issues	\$50,000	4.3%	\$25,000	1.9%	\$25,000	100.00%	
64202	Field/Technical Support	\$200,000	17.2%	\$270,441	20.0%	(\$70,441)	-26.05%	
64206	Legislative & Regulatory Advocacy	\$100,000	8.6%	\$90,000	6.7%	\$10,000	11.11%	
64208	Product Registrations	\$110,000	9.4%	\$125,000	9.3%	(\$15,000)	-12.00%	
64209	GAP Certification Incentive Program	\$0	0.0%	\$50,000	3.7%	(\$50,000)	-100.00%	
	Issues Management Sub-Total	\$460,000	39.4%	\$560,441	41.5%	(\$100,441)	-17.92%	
<u>Legal / Governance:</u>								
64301	Elections	\$20,000	1.7%	\$10,000	0.7%	\$10,000	100.00%	
64302	Legal Support	\$40,000	3.4%	\$40,000	3.0%	\$0	0.00%	
64303	Governance Support	\$10,000	0.9%	\$60,000	4.4%	(\$50,000)	-83.33%	
64304	Referendum	\$15,000	1.3%	\$0	0.0%	\$15,000	100.00%	
64305	Redistricting	\$5,000	0.4%	\$0	0.0%	\$5,000	100.00%	
	Legal/Governance Sub-Total	\$90,000	7.7%	\$110,000	8.2%	(\$20,000)	-18.18%	
<u>Demonstration Grove:</u>								
64401	Pine Tree - Rent	\$20,056	1.7%	\$19,465	1.4%	\$591	3.04%	
64402	Pine Tree - Grove Management	\$28,800	2.5%	\$22,000	1.6%	\$6,800	30.91%	
64403	Pine Tree - Utilities	\$4,800	0.4%	\$4,800	0.4%	\$0	0.00%	
64404	Pine Tree - Property Tax & Insurance	\$2,520	0.2%	\$1,380	0.1%	\$1,140	82.61%	
64405	Pine Tree - Misc Expenses	\$5,000	0.4%	\$10,000	0.7%	(\$5,000)	-50.00%	
	Issues Management Sub-Total	\$61,176	5.2%	\$57,645	4.3%	\$3,531	6.13%	
<u>Other:</u>								
64801	Dues, Sponsorships, Registrations & Reports	\$18,500	1.6%	\$44,000	3.3%	(\$25,500)	-57.95%	
64802	Grant Writing	\$5,000	0.4%	\$2,500	0.2%	\$2,500	100.00%	
64803	Travel	\$60,000	5.1%	\$60,000	4.4%	\$0	0.00%	
64804	Office Expense	\$26,500	2.3%	\$26,500	2.0%	\$0	0.00%	
64805	Committee Meeting Expense	\$10,000	0.9%	\$5,000	0.4%	\$5,000	100.00%	
	Other Industry Affairs Sub-Total	\$120,000	10.3%	\$138,000	10.2%	(\$18,000)	-13.04%	
	Total Industry Affairs	\$1,166,176	100.0%	\$1,349,186	100.0%	(\$183,010)	-13.56%	

**CALIFORNIA AVOCADO COMMISSION
2015-16 PROJECTION & BUDGET
WITH COMPARISON TO 2014-15**

DRAFT 10-15-15

Department: Production Research

ACCT CODE	DEPT/ ACTIVITY	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
Existing Projects								
Research-Pest & Disease Projects:								
65113	Biology and Control of Shot Hole Borer - Paine	\$0	0.0%	\$39,724	3.3%	(\$39,724)	-100.00%	
65116	Sustained Chemical Control of Arthropod Pests - Morse	\$47,316	4.8%	\$47,316	3.9%	\$0	0.00%	
65117	Rapid Diagnostic Assay for Phytophthora - Martin	\$0	0.0%	\$3,000	0.2%	(\$3,000)	-100.00%	
65119	PSHB and Fusarium Dieback Monitoring	\$0	0.0%	\$69,870	5.8%	(\$69,870)	-100.00%	
65120	Assessment of Fungicides and Biocontrol PSHB - Eskalen	\$40,000	4.1%	\$69,032	5.7%	(\$29,032)	-42.06%	
65121	Biocontrol of Polyphagous Shot Hole Borer	\$0	0.0%	\$50,000	4.2%	(\$50,000)	-100.00%	
65122	Trapping Optim & Attract Kill Strategy for PSHB - Stouthamer	\$150,000	15.3%	\$165,152	13.7%	(\$15,152)	-9.17%	
65123	Systemic Pesticide Research for PSHB Mgmt - Morse	\$98,580	10.0%	\$106,000	8.8%	(\$7,420)	-7.00%	
65124	PSHB Biocontrol Agents from SE Asia - Stouthamer	\$20,500	2.1%	\$0	0.0%	\$20,500	100.00%	
65125	Risk Assessment & Epidemiology of PSHB in Commercial Groves	\$34,297	3.5%	\$0	0.0%	\$34,297	100.00%	
	Pest & Disease Project Sub-Total	\$390,693	39.8%	\$550,094	45.7%	(\$159,401)	-28.98%	
Research-Breeding, Varieties, Genetics Projects:								
65207	Mapping Avocado Variety & Mapping Population	\$0	0.0%	(\$3,305)	-0.3%	\$3,305	-100.00%	
65208	Maintain Avocado Plant Breeding Program Personnel and Field Plots	\$0	0.0%	\$133,293	11.1%	(\$133,293)	-100.00%	
65209	Development of New Avocado Rootstock Varieties - Manosalva	\$294,533	30.0%	\$147,266	12.2%	\$147,267	100.00%	
65210	Maintain Germplasm Collections in California - Arpaia	\$40,805	4.2%	\$28,708	2.4%	\$12,097	42.14%	
	Breeding, Varieties, Genetics Projects Sub-Total	\$335,338	34.2%	\$305,962	25.4%	\$29,376	9.60%	
Research-Cultural Management Projects:								
65308	Decision Support for Avocado Production & Fruit Quality - Crowley	\$172,000	17.5%	\$217,800	18.1%	(\$45,800)	-21.03%	
65310	Improvement of Yield with New Grower Education - Bender	\$13,271	1.4%	\$13,271	1.1%	\$0	0.00%	
65312	Evaluation of Selected Rootstocks for Salinity - Mauk	\$66,190	6.7%	\$54,640	4.5%	\$11,550	21.14%	
65313	Pest & Disease Monitoring Using Remote Sensing -Toule	\$0	0.0%	\$13,680	1.1%	(\$13,680)	-100.00%	
65315	Floral bud viability - Lovatt	\$0	0.0%	\$6,331	0.5%	(\$6,331)	-100.00%	
65316	Maximizing Yield of Commercially Valuable Size Hass fruit	\$3,512	0.4%	\$42,809	3.6%	(\$39,297)	-91.80%	
	Cultural Management Projects Sub-Total	\$254,973	26.0%	\$348,531	28.9%	(\$93,558)	-26.84%	
	Total Production Research	\$981,004	100.0%	\$1,204,587	100.0%	(\$223,583)	-18.56%	

Department: Grants

ACCT CODE	DEPT/ ACTIVITY	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
66013-85	USDA Grant-PSHB Monitoring & Outreach	\$157,030	100.0%	\$67,971	100.0%	\$89,059	131.02%	
	Total Grants	\$157,030	100.0%	\$67,971	100.0%	\$89,059	131.02%	

**CALIFORNIA AVOCADO COMMISSION
2015-16 PROJECTION & BUDGET
WITH COMPARISON TO 2014-15**

DRAFT 10-15-15

Department: Administration

ACCT CODE	DEPT/ ACTIVITY	2015-16		2014-15		2015-16 vs. 2014-15		COMMENT
		PROJECTION	%	AMENDMENT #3	%	INCREASE (DECREASE)	PERCENT CHANGE	
Office Expense:								
71101 & 71102	Office Rent, Cam, Ins, Property Tax	\$99,498	3.1%	\$97,566	3.2%	\$1,932	1.98%	
71104	Offsite Storage	\$5,940	0.2%	\$5,760	0.2%	\$180	3.13%	
71111	Corporate Insurance	\$86,600	2.7%	\$73,600	2.4%	\$13,000	17.66%	
71121 - 71123	Office Expense, Supplies & Janitorial	\$33,090	1.0%	\$34,160	1.1%	(\$1,070)	-3.13%	
71131	Utilities	\$16,200	0.5%	\$16,530	0.5%	(\$330)	-2.00%	
71141	Bank & Payroll Fees	\$11,215	0.4%	\$10,555	0.4%	\$660	6.25%	
71151	Equipment Maintenance & Expense	\$28,394	0.9%	\$28,649	1.0%	(\$255)	-0.89%	
71161 - 71181	Telephone, Cell Phone, Postage & Courier Service	\$31,030	1.0%	\$30,770	1.0%	\$260	0.84%	
	Office Expense Sub-Total	\$311,967	9.8%	\$297,590	9.9%	\$14,377	4.83%	
Professional Fees:								
71201	CPA-Financial Audits	\$25,300	0.8%	\$24,600	0.8%	\$700	2.85%	
71203	CPA-Assessment Audits	\$17,100	0.5%	\$16,700	0.6%	\$400	2.40%	
71207	CDFA Fiscal and Compliance Audit	\$7,000	0.2%	\$7,000	0.2%	\$0	0.00%	
71211	CDFA Charges	\$66,000	2.1%	\$66,000	2.2%	\$0	0.00%	
71221	USDA-AMS Charges	\$60,000	1.9%	\$60,000	2.0%	\$0	0.00%	
71231 - 71235	Legal & Other Professional	\$5,000	0.2%	\$5,000	0.2%	\$0	0.00%	
78301	Pension Admin & Legal	\$44,100	1.4%	\$41,400	1.4%	\$2,700	6.52%	
	Professional Fees Sub-Total	\$224,500	7.1%	\$220,700	7.3%	\$3,800	1.72%	
Personnel Expenses:								
71301	Salaries/Wages	\$1,762,860	55.5%	\$1,654,330	54.9%	\$108,530	6.56%	
71311 - 71331	Pension, Payroll Tax & Benefits	\$642,757	20.2%	\$592,696	19.7%	\$50,061	8.45%	
	Personnel Expenses Sub-Total	\$2,405,617	75.8%	\$2,247,026	74.6%	\$158,591	7.06%	
Commissioner Expenses:								
71401	District Meetings & Expenses	\$3,000	0.1%	\$3,000	0.1%	\$0	0.00%	
71402 & 71403	Travel, Lodging, Mileage, Meals & Entertainment	\$46,000	1.4%	\$53,000	1.8%	(\$7,000)	-13.21%	
71404	Board Meeting Expenses	\$29,750	0.9%	\$29,000	1.0%	\$750	2.59%	
	Commissioner Expenses Sub-Total	\$78,750	2.5%	\$85,000	2.8%	(\$6,250)	-7.35%	
Information Technology:								
73001 & 73002	Network Maint., Hardware, Software & Licenses	\$55,405	1.7%	\$54,196	1.8%	\$1,209	2.23%	
73003 & 73005	IT Support & Consulting & IT Service	\$38,000	1.2%	\$41,320	1.4%	(\$3,320)	-8.03%	
73004	Accounting & Assessment System	\$3,350	0.1%	\$2,900	0.1%	\$450	15.52%	
	Information Technology Sub-Total	\$96,755	3.0%	\$98,416	3.3%	(\$1,661)	-1.69%	
Depreciation, Interest & Other Admin:								
78101	Admin Staff Travel	\$6,000	0.2%	\$11,000	0.4%	(\$5,000)	-45.45%	
78201	Depreciation Expense	\$8,400	0.3%	\$15,336	0.5%	(\$6,936)	-45.23%	
78401 - 78501	Dues & Reg., Education, Training, Recruitment, Other	\$18,465	0.6%	\$22,795	0.8%	(\$4,330)	-19.00%	
78601	Temporary Help	\$25,000	0.8%	\$14,000	0.5%	\$11,000	78.57%	
	Depreciation, Interest & Other Admin Sub-Total	\$57,865	1.8%	\$63,131	2.1%	(\$5,266)	-8.34%	
	Total Administration	\$3,175,454	100.0%	\$3,011,863	100.0%	\$163,591	5.43%	