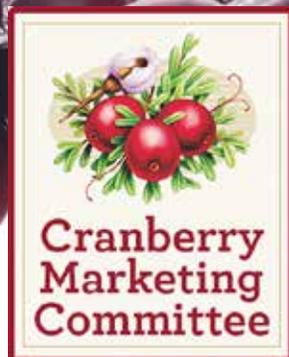




March 2022 Cranberry News



CRANBERRY MARKETING COMMITTEE HOSTS HYBRID 2022 ANNUAL WINTER MEETING

More than 40 industry members gathered in Orlando and another 40 logged on via Zoom for the CMC’s annual winter meeting, February 24 and 25, 2022.

George Rogers presented the CY21 Q1 production and sales numbers (pg. 6). Domestic production was 6,684,528 bbls, a 13.5% decrease from the prior crop year. U.S. yield is at 163 bbls to the acre, which is the lowest it has been since 2005 and a 22.75% decrease from the high of 211 bbls to the acre in 2013. Carry-out inventories are at 39%, the lowest since 2007.

The Committee estimated the CY22 U.S. crop at 8,048,000 bbls, and produced its CY22 marketing policy (pg. 2).

Karen Cahill, CMC’s marketing director, presented an update on domestic marketing activities, which included a successful partnership with Amazon (pg. 4).

Bill Frantz, the Cranberry Institute’s executive director, presented a new timeline for health research proposals. In Q1, the CI will work with its Scientific Advisory Board

to determine relevant areas of study. In Q2, it will go through the process of issuing an RFP for specific projects. Final proposals will be presented to both the CI and CMC at their August meetings.

Louise Pollock of Pollock Communications went over the domestic Scientific Activation Plan (SAP) activities from August through December 2021. The goal of the SAP was to expand media coverage and awareness of the *H. pylori* study results among U.S.-based consumer health, nutrition, food, science and trade media, as well as RD spokespeople, health and wellness digital influencers. The program resulted in 92 placements, and 785,249,419 impressions in publications such as Miami Herald, Eat This, Not That!, VeryWell Health, and Fruit Growers News.

The Committee voted to create a \$150,000 line item in its budget to fund any future health research.

Parker Mauck reported on the progress of the Strategic Plan Working Group (pg.

7) and Dr. Harry Kaiser of Cornell went through his economic analysis of the CMC’s marketing programs (pg. 7).

Sarah Gelpi-Hooker and Shelby Sackett of BCI updated the Committee on international activities including a 16% increase in MAP funding for 2022 (pg. 5).

Alinne Oliviera of BCI noted that, in 2021 alone, BCI monitored 1,100 MRL regulatory changes, 45 of which were cranberry specific (pg. 3). The team from Vulcan Consulting was introduced and gave an update on their monitoring of EU tariff issues and Adam Hollowell addressed several key trade policy updates (pg. 3).

During the annual meeting, the Committee heard from the three finalist candidates interviewing for the executive director position. Each gave a 30-minute presentation on their background as well as their thoughts on leadership and motivation for seeking the position, followed by an hour-long interview with Committee members (pg. 8).

To download 2022 February Meeting materials, including recorded presentations, visit uscranberries.com and scroll down to Web Resources



2022-2024 BOARD ELECTIONS TO TAKE PLACE THIS SPRING

This is an election year for CMC’s six voting and four alternate members representing independent growers. Nomination forms will be mailed to all independent growers in April and voting ballots will follow in May.

The major cooperative will work with its members directly to determine its slate of appointees. All nominees, both independent and major cooperative, will be submitted to the USDA Secretary for approval in June. The new term runs from Aug. 1, 2022 to July 31, 2024.

It is USDA’s policy that membership on industry-governed boards and committees accurately reflects the diversity of individuals served by the programs by including eligible women, minorities, and people with disabilities. Definition of Minority: Black Americans; Hispanic Americans; Native Americans (American Indians or Eskimos); and Asian Pacific Americans. USDA has declared that multiple family members cannot serve as voting members on the same board, however a special circumstance may be submitted to USDA for further consideration if the need arises.

CRANBERRY MARKETING COMMITTEE 2022 CROP YEAR ESTIMATE

2022 Domestic Cranberry Production Estimate Updated 2/24/2022

	<i>1,000 barrels</i>
Massachusetts	1,877
New Jersey	558
Wisconsin	4,943
Oregon	505
Washington	165
2022 Domestic Production Estimate	8,048

2022 Crop Year Marketing Policy (9/01/2022 - 8/31/2023) Updated 2/24/2022

	<i>1,000 Barrels</i>		
1	Estimated Carry-In	3,683	→ From 'Total Available Supply and Sales', may be adjusted based on Committee input
	<i>Production & Acquired</i>		
2	Estimated Domestic Production	8,048	→ From Committee estimates
3	Estimated Foreign Acquired	1,947	→ From Committee estimates
4	Total Production & Acquisitions (2+3)	9,994	→ Sum of Estimated Domestic Production and Estimated Foreign Acquired
5	Available Supply (1+4)	13,677	→ Sum of Total Production & Acquisitions and Estimated Carry-in
	<i>Estimated Shrinkage</i>		
6	2% of Carry-in (1)	74	→ 2% of Estimated Carry-In
7	4% Estimated Production/Acquisitions (4)	400	→ 4% of Total Production & Acquisitions
8	Estimated Shrinkage (6+7)	474	→ Sum of Estimated Carry-in Shrinkage and Estimated Total Production & Acquisitions
9	Adjusted Supply (5-8)	13,203	→ Estimated Shrinkage deducted from Available Supply
	<i>Sales & Usage</i>		
10	Fresh Fruit Sales	299	→ From Committee estimates
11	Processing Fruit Usage	10,331	→ From Committee estimates
12	Total Sales/Usage (10+11)	10,630	→ Sum of Fresh Fruit Sales and Processing Fruit Usage
13	Estimated Adjusted Carry-Over	2,573	→ Total Sales/Usage deducted from Adjusted Supply
14	Inventory as a % of sales	23%	

EU GREEN DEAL AND FARM TO FORK STRATEGY INDICATE FURTHER MRL RESTRICTIONS

The announcements of the EU Green Deal and Farm to Fork Strategy, published by the European Commission, indicate that further MRL restrictions are expected to take place in the coming years. Currently, when the EU withdraws a chemical for a reported human health concern, one can expect the MRLs to be withdrawn as well. To date, if a pesticide is withdrawn for an environmental concern, EU farmers cannot use the substance, but the EU MRL was likely to remain in place as the substance may be used abroad and could still enter the market without impacting the EU environment. ***It now appears the EU is likely to withdraw EU MRLs for environmental concerns in addition to health concerns.***

Among other things, the Farm to Fork Strategy aims to reduce the overall use and risk of chemical pesticides in the EU by 50% and the use of more hazardous pesticides by 50%, by 2030. It also aims to have at least 25% of the EU’s agricultural land grown under organic farming by 2030.

In addition to applying these policies within the EU, the Farm to Fork Strategy specifically states the objective of promoting such policies in international forums and third countries as well as

enforcing such policies through the EU’s trade agreements.

In the Commission’s Standing Committee on pesticide MRLs meeting in November, it was indicated that beginning in 2022, the first draft regulation enacting this new environmental policy will be presented for a vote likely restricting all MRLs for the neonicotinoid substances clothianidin and thiamethoxam. The restrictions will be presented based on the EU’s objective to focus on “substances of global environmental concern.” Officials argue that they are not only concerned about the environmental impact of neonicotinoids in the EU, but in markets that export to the EU as well.

Stretching the interpretation of the EU’s responsibility to “global environmental concern” could further restrict EU MRLs and adversely impact exporters to the market. Besides not being consistent with the EU’s obligations to the World Trade Organization’s Sanitary and Phytosanitary Agreement, this policy is causing great concern around the world. Even within the European Commission certain Directorate Generals, such as the Trade Directorate, are cautious regarding the implementation of this policy.

View full MRL & Trade Policy reports from the 2022 February Meeting at uscranberries.com > Web Resources > Annual Meeting Materials

EU TRADE POLICY UPDATE

As of January 1, 2022, all EU tariffs on U.S. cranberry products that were part of the response to the U.S. Section 232 steel and aluminum tariffs have been removed. Exports of U.S. cranberry concentrate, like SDCs for further processing, and frozen cranberries, are back on a level tariff footing with both Canada and Chile.

The focus of industry efforts is now on renewal of cranberry duty suspensions in the EU, which are all up for renewal over the next three years, beginning with dried cranberries for further processing that must be renewed by December 31, 2022.

EU Member States must raise any objections to the renewal of the dried cranberry duty suspension by March 2022. May 2022 is the meeting of the European Commission tariff committee that makes the final decision on duty suspension renewal. If there are no objections raised at this meeting, it is likely (but not guaranteed) that renewal will proceed.

To date, there have been no objections from EU Member States and there remains “substantial” imports of dried cranberries to the EU. Therefore, signs are pointing to the dried cranberry duty suspension remaining in place. A review of U.S. trade numbers shows dried cranberry exports to the EU remain strong, ranging from \$80 - \$90 million annually.

LATEST U.S. & CHINA TRADE RELATIONS UPDATE

China continues to apply tariffs on U.S. products including those enacted in response to the U.S. Section 232 steel and aluminum tariffs and the U.S. Section 301 tariffs targeting Chinese infringement of intellectual property and technology transfer. The Phase One agreement between the Trump Administration and China ended on February 1, 2022. To date, there have been no efforts to negotiate a Phase Two agreement. The duties applied by both sides are likely to continue into 2022.

The Phase One Chinese purchase commitments of U.S. agriculture products was an important factor in China’s decision in March 2020 to establish a process that allowed importers and customers in China to apply for waivers to lift the Section 301 tariffs imposed on U.S. products. This process has allowed suppliers of cranberry products to China to work with contacts in China to secure waivers reducing China’s total import tariff back down to the most favored nation rate level.

The waiver did not apply to the 15% tariffs China imposed on frozen and fresh cranberries in response to the U.S. Section 232 tariffs, only on Section 301 technology tariffs. These tariff waivers, when granted, were only good for a specified amount of imported product, apportioned monthly.

Talks are ongoing with China on the status of some form of tariff waiver process. However, the outcome of these talks is unclear. The U.S. government welcomes any news of successful or denied tariff waiver applications in China in 2022. The Biden Administration has maintained current tariffs on China and is not expected to lift these in the short-to-medium terms in light of ongoing tensions on a range of trade and non-trade issues.

Table 2: China Tariffs on U.S. Cranberry Exports

HS Code	Description	China MFN Tariff Rate	China Retaliatory Tariff vs. Section 232	China Retaliatory Tariff vs. Section 301	Total Current U.S. Tariff Rate (Inclusive of prior China retaliatory tariffs)
0810.40	Fresh Cranberries	15%	15%	30%	60%
0811.90	Frozen Cranberries	30%	15%	30%	75%
2008.93	Dried Cranberries	15%	N/A	30%	45%
2009.81	Cranberry Concentrate	5%	N/A	12.5%	17.5%
2202.10	Cranberry Juice Drinks	5%	N/A	25%	30%

CMC BOARD OF DIRECTORS

August 1, 2020 - July 31, 2022

DISTRICT 1 (MA, RI, CT)

Major Cooperative

Adrienne Mollor (Member)

George Rogers (Member)

Eric Pontiff (Alternate)

Other Than Major Cooperative

Parker Mauck (Member)

Dawn Gates-Allen (Member)

James Rezendes (Alternate)

DISTRICT 2 (NJ)

Major Cooperative

Stephen Lee IV (Member)

John "Mike" Haines (Alternate)

Other Than Major Cooperative

Thomas Gerber (Member)

William R. Poinsett (Alternate)

DISTRICT 3 (WI, MI, MN)

Major Cooperative

Jill Amundson (Member)

Douglas Rifleman (Member)

David Bartling (Alternate)

Other Than Major Cooperative

Suzanne Arendt (Member)

Wayne "Butch" Gardner (Member)

Vicki Nemitz (Alternate)

DISTRICT 4 (OR, WA)

Major Cooperative

Kevin Hatton (Member)

Jack Stein (Alternate)

Other Than Major Cooperative

Nicholas Puhl (Member)

Martin "Ty" Vincent (Alternate)

AT-LARGE

Celina Li (Member)

Dan Hamilton (Alternate)

PUBLIC

Steven White, Ph.D. (Member)

Thomas O'Guinn, Ph.D. (Alternate)

CMC OFFICE STAFF

Danny Raulerson, *Executive Director*

Karen Cahill, *Marketing Director*

Dotty Pipher, *Senior Executive Assistant*

CMC WELCOMES AT-LARGE MEMBER & ALTERNATE

At its annual winter meeting, the CMC introduced Celina Li and Dan Hamilton as the newest members of the Committee filling the at-large member and alternate openings.

Celina is Chief Commercial Officer and General Manager, International & Ingredients at Ocean Spray. She drives the ongoing growth of Ocean Spray branded products outside of the U.S., as well as leads the cooperative's business-to-business global ingredient division. She comes to Ocean Spray from the Coca-Cola Company, where she served as Vice President & General Manager of Water. Previously she served as the Vice President of Strategy & Insights, Coca-Cola Canada, and Group Director, Vitaminwater. Prior to Coca-Cola, Celina was Global Director Stella Artois & Beyond Beer at Anheuser-Busch Inbev, held Gillette & Venus brand management roles at Procter & Gamble, and advised leading corporations and private equity firms on strategy and acquisitions with Bain & Co. She earned an MBA from Harvard Business School, and she attended college in China with dual degrees in finance and computer science. Celina is based in the Ocean Spray Lakeville office and lives in the greater Boston area.

Dan is the Head of Marketing Center of Excellence for the U.S. business at Ocean Spray. He had 16 years of Brand Management experience at Procter & Gamble and 6 years of Marketing Center of Excellence experience at Danone. He has a passion for using creative storytelling to better connect brands to consumers and culture. Dan lives in Evergreen, Colorado, and travels frequently to Ocean Spray's Boston and Lakeville offices.



2021 AMAZON PARTNERSHIP DRIVES \$67K IN SALES

The CMC's 2021/2022 domestic marketing partnership with Amazon launched on September 13, 2021. The program consisted of two elements: a streaming TV advertisement with the goal of driving brand awareness for US Cranberries through November 15, 2021, and a demand-side platform display ad with the goal of driving sales for US Cranberries through December 15. More than 50 products from six different handlers were featured on the display ad landing page.

In total, the 9-week streaming ad program generated more than 1 million impressions with a video completion rate of 98% (Amazon benchmark = 97%). Though the streaming ad was not meant to specifically generate sales, it did result in nearly \$8,000 in sales, \$3,000 of which were from new-to-brand customers.

The 13-week display ad program resulted in \$59,079 in product sales, resulting in a return on ad spend of \$1.82 (Amazon benchmark = \$1.12). Additionally, 13% of the purchases from the display ad campaign were from new-to-brand shoppers who had not purchased these cranberry products in the previous year.

CMC'S INTERNATIONAL EXPORTS REACH 3.2 MILLION, HIGHEST LEVELS EVER REPORTED

The 2021 year was marked by difficulties emanating from the pandemic and the global shipping crisis. Despite this, exports of U.S. cranberry products reached the highest levels ever reported, totaling more than 3.2 million bbls for the 2020-21 period. This represents an increase of 5% over the 2019-20 year, and reflects 12% growth over a five-year period. USDA's Foreign Agricultural Service recently applauded the industry's long-term, positive export trajectory and allocated 16% more Market Access Program funds for 2022 programming.

In 2021, CMC was able to carry out a range of effective promotions across its target markets—China and India, contributing to an average sales increase of 173% and 229%, respectively.

In China, challenging trade conditions coupled with COVID-19 and global shipping issues ultimately led to a decrease in exports from 2019-20. That said, rising consumer awareness has led to increased purchases of cranberry products, a growing trend which has been encouraged by CMC's programming. Moreover, China was the largest export market for new cranberry product development, especially tea and ready-to-drink beverages. CMC carried out a successful promotion with Hey Tea in 2021, during which six cranberry beverage and dessert products were launched in 601 stores. After one month, promotional sales for one of the featured cranberry beverage products totaled \$1.3 million. Following the promotion, Hey Tea opted to maintain several of the products on its permanent menu—providing lasting opportunities for future cranberry sales.

Looking ahead, CMC aims to carry out similar high-visibility promotions with prominent partners such as additional tea chains, Disney and Starbucks. CMC will also continue to engage with trade at prominent trade shows and conferences, and initiate in-store and retail promotions.

In India, though total exports dipped in 2021, it was nonetheless one of the strongest years on record for U.S. cranberry exports. Five-year exports have grown by 465%, a result of CMC's still relatively new promotional program, alongside handlers' own efforts. During 2021, activity included e-commerce and retail promotions, as

CMC Five Year Export Data Overview							
	2016/17	2017/18	2018/19	2019/20	2020/21	% Change (Past Year)	% Change (5-year)
Target Markets							
China	194,848	184,094	82,117	191,118	121,068	-37%	-38%
India	1,259	4,032	5,907	16,059	7,002	-56%	456%
Top 20 Export Markets (Based on 2020/21)							
Pan Europe	947,869	1,147,292	884,660	1,106,259	1,138,154	3%	20%
Germany	319,421	370,468	265,388	347,805	326,068	-6%	2%
Poland	129,326	158,806	99,253	154,667	179,826	16%	39%
France	182,995	242,724	163,925	140,135	127,912	-9%	-30%
Other Europe	316,128	375,294	356,094	463,652	506,749	9%	60%
Canada	493,121	446,579	201,778	419,267	517,821	24%	5%
UK	413,502	397,926	288,320	364,780	412,545	13%	0%
Mexico	170,273	165,787	291,215	265,443	272,075	2%	60%
Australia	109,872	100,091	105,681	120,663	118,591	-2%	8%
Korea	77,126	53,289	74,043	54,351	85,438	57%	11%
Chile	3,377	24,501	11,719	8,082	72,620	799%	2050%
Taiwan	68,500	50,620	55,338	58,838	59,712	1%	-13%
Israel	60,335	15,708	66,371	43,703	50,994	17%	-15%
Russia	19,446	65,159	41,827	56,002	48,543	-13%	150%
Jamaica	8,316	10,529	13,758	32,270	34,421	7%	314%
Japan	31,881	38,891	26,523	47,338	27,177	-43%	-15%
New Zealand	19,819	19,748	26,754	29,111	25,898	-11%	31%
Colombia	4,872	9,020	18,518	15,355	22,253	45%	357%
Turkey	13,001	29,376	12,536	18,136	17,860	-2%	37%
South Africa	14,003	16,720	12,895	11,384	13,263	17%	-5%
Hong Kong	29,191	10,697	54,541	36,599	9,033	-75%	-69%
Malaysia	3,191	6,208	52,095	62,013	7,663	-88%	140%
Brazil	3,715	5,124	573	6,800	7,511	10%	102%
Dominican Republic	69	396	584	-	7,096	N/A	10184%
All Remaining Countries	181,782	231,820	146,122	98,654	134,427	36%	-26%
Grand Total	2,869,369	3,033,607	2,473,875	3,062,225	3,211,165	5%	12%

well as large-scale online and television advertising. Of note, CMC attended the World Mithai and Namkeen tradeshow geared towards India's snack sector to connect with large manufacturers. Looking ahead to 2022, CMC will continue to foster relationships with food and beverage manufacturers within India's influential and expanding snack sector. Festive periods will be leveraged for strategic media campaigns, timed alongside in-store sampling, point-of-sale, and retail campaigns.

CMC continued to prioritize cranberry health benefits messaging as part of its target market programming. In China, CMC carried out *H. pylori* educational efforts through online consumer education, online promotion with nutritionists, and participation in the Nutrition and Intestinal Health Forum, among other activities. In India, CMC partnered with the Indian Dietetic Association to conduct seven *H. pylori*-focused seminars with doctors and other health specialists.

Finally, recognizing that there is a growing appetite to strategically diversify CMC's programming, CMC partnered with Euromonitor to evaluate opportunities and challenges in nine potential markets. Made possible through 2020 MAP rollover funding, this endeavor allowed CMC to explore market development opportunities while maintaining full funding support for its ongoing programs. *The Committee has decided to proceed with an RFP process for in-market representation in Brazil, Columbia, Singapore and Malaysia, and will discuss further at its meeting in August.*

Download the full winter meeting International Marketing reports at uscranberries.com > Web Resources > Annual Meeting Materials

View the 2022 International Activity Calendar at uscranberries.com > Industry > Global Marketing

FIVE-YEAR COMPARISON REPORT: FIRST QUARTER NUMBERS INCLUDING CY2021

CY2021 first quarter summary reports, as well as several comparison reports, can be found by clicking “Data and Reports” under the “Industry” menu on www.uscranberries.com. The chart below represents data from September 1 to December 31 of each year. A few general observations comparing the 2020 vs. 2021 Crop Years are as follows:

- Domestic production decreased by -13.5%
- Domestic sales were down -1%
- Export sales increased by +17.5%
- Total ending inventory decreased -16%

	2017	2018	2019	2020	2021
Beginning Inventory					
Barrels Unfrozen:	0	0	0	0	0
Barrels in Freezers:	4,175,273	2,281,453	2,484,365	1,726,311	1,797,297
Barrels in Process Form:	1,842,736	2,016,816	1,671,832	1,020,448	957,262
Barrels in Concentrate Form:	3,727,372	2,586,624	1,780,092	2,017,370	1,608,651
Inventory Before Adjustments:	9,745,381	6,884,893	5,936,289	4,764,129	4,363,210
Adjustments:	-5,070	31	1,018	0	13,369
Adjusted Beginning Inventory:	9,740,311	6,884,924	5,937,307	4,764,129	4,376,579
Sources					
Massachusetts, Rhode Island, Connecticut:	1,758,592	2,237,243	2,015,713	1,876,891	1,582,402
New Jersey:	422,830	447,592	447,723	513,801	557,080
Oregon:	474,359	544,464	515,038	546,251	485,695
Washington:	130,684	180,778	141,863	185,686	157,499
Wisconsin, Michigan, Minnesota:	5,335,325	5,271,545	4,485,133	4,609,882	3,901,852
Other states:	196	0	0	0	0
Total Domestic Acquired:	8,121,986	8,681,622	7,605,470	7,732,511	6,684,528
Foreign Acquired - Fresh:	86,617	76,013	75,156	41,704	29,067
Foreign Acquired - Processed:	1,146,160	1,639,325	1,026,431	1,422,735	1,338,159
Foreign Acquired - Concentrate:	44,017	2,403	23,749	2,827	11,551
Total Barrels Acquired:	9,398,780	10,399,363	8,730,806	9,199,777	8,063,305
Barrels in Transit:	69,478	34,121	-1,623	27,344	63,508
Sales					
Domestic Sales - Fresh:	284,632	281,559	282,003	285,814	220,149
Domestic Sales - Processed:	2,514,292	2,113,965	2,275,634	2,234,116	2,177,219
Domestic Sales - Concentrate:	0	357,071	364,215	304,835	391,521
Sold to Government:	54,903	14,552	30,798	11,974	15,291
Total Domestic Sales:	2,853,827	2,767,147	2,952,650	2,836,739	2,804,180
Foreign Sales Fresh:	45,269	46,461	50,134	42,788	28,931
Foreign Sales Processed:	996,609	1,296,038	961,414	600,126	607,329
Foreign Sales Concentrate:	136,386	118,344	225,264	252,474	370,730
Total Sales:	4,032,091	4,227,990	4,189,462	3,732,127	3,811,170
Shrinkage:	205,473	428,769	40,421	-7,354	68,308
Total Sales & Shrinkage:	4,237,564	4,656,759	4,229,883	3,724,773	3,879,478
Ending Inventory					
Barrels Unfrozen:	0	0	0	0	1,197
Barrels in Freezers:	8,711,001	8,318,590	7,009,987	7,362,274	6,653,434
Barrels in Process Form:	2,336,321	1,622,852	858,545	775,374	440,399
Barrels in Concentrate Form:	3,923,683	2,720,207	2,568,075	2,128,829	1,528,884
Total Barrels in Inventory:	14,971,005	12,661,649	10,436,607	10,266,477	8,623,914

CORNELL PROFESSOR PRESENTS CMC ECONOMIC EVALUATION

Under the Federal Agriculture Improvement and Reform (FAIR) Act, the CMC is required to have an independent economic evaluation conducted on the effectiveness and economic impacts of its domestic and international promotional programs every five years.

After completing an RFP process in the fall, CMC selected Dr. Harry Kaiser to perform its FAIR evaluation. Dr. Kaiser is one of the most eminent agricultural economists in the world who has extensively studied the economics of commodity promotion programs, conducting more than 130 studies of domestic and international checkoff programs.

At the CMC's annual winter meeting, Dr. Kaiser presented the following key findings from his independent research:

- In the past 5 years, the grower price would have averaged \$0.37 per bbl. lower than it actually was had there not been any domestic promotion by the CMC.

- Every dollar invested in CMC domestic promotion returned \$7.70 in net grower revenue to the U.S. cranberry industry.
- U.S. cranberry export promotion boosted exports by 9.6 - 14.1% in the past 5 years.
- Every dollar invested in export promotion by the CMC and USDA FAS returned \$3 in net grower revenue.
- Since cranberry growers only pay a small proportion (15.2%) of total export promotion with the government picking up most of the spending, the private ROI to cranberry growers was \$20.70 - \$25 per \$1 invested by the CMC.

An important strategic recommendation based on these findings is for the CMC to consider investing more of its own budget on export promotion. In 2020, the CMC spent 64.1% of its budget on international promotion and 35.9% on domestic promotion. Because FAS grants fund

The findings of this study clearly show that both the domestic and international promotion programs by the CMC have increased the demand for cranberries.

Every dollar invested in CMC domestic promotion returned \$7.70 in net grower revenue to the U.S. cranberry industry.

Every \$1 invested by CMC in export promotion returned between \$20.70 and \$25.00 in incremental net revenue to cranberry growers.

more of the foreign market development of U.S. cranberries than the CMC does, it makes sense for the CMC to try to leverage additional federal dollars by devoting more of the budget on the international side than domestically.

However, Dr. Kaiser's recommendation was not to completely abandon the domestic side to help grow the market. He suggested increasing the overall promotion budget for both domestic and international and strive to increase the international budget incrementally if USDA is going to also increase its contributions.

The 2022 FAIR Evaluation is part of the 2022 February Meeting materials, and can be found by visiting uscranberries.com → Web Resources

STRATEGIC PLANNING PROCESS MOVES AHEAD

During CMC's annual winter meeting, Parker Mauck went through the draft of a strategic plan overview document that had been created by the Strategic Plan Working Group since the August meeting. The Committee agreed on the following concepts and strategic priorities:

Concepts

- VISION (Where do we want to go?): Increased worldwide consumption of U.S. cranberries.
- MISSION (How are we going to get there?): Unite the cranberry industry (growers, handlers and affiliated organizations) to drive and support essential activities to benefit the U.S. cranberry industry.
- PURPOSE (Why are we doing this/Benefits to consumer): U.S. cranberries have unique health benefits, unique flavor profile and year round versatility.
- VALUES: A Rising Tide Lifts All Boats – work cooperatively for the betterment of the U.S. cranberry industry.

Strategic Priorities

- Demand Generation
- Research
- Trade Policy & MRL Monitoring
- Data Collection
- Industry Alignment

The Strategic Plan Working Group will work with the new executive director to flesh out the overview document into a more formal draft plan, which will be presented to the full Committee in August.

FOND FAREWELLS AT WINTER MTG

Committee members for whom February was their last annual meeting were recognized for their years of service.

Vicki Nemitz, who represents independents in Wisconsin, joined the Committee in 2012 and has been active on several subcommittees during the years.

"It's been an honor to serve," Vicki said.

George Rogers, who represents Ocean Spray in Massachusetts, started in 2010 and served as chair from 2018-2020. He was lauded for his active participation.

"Over the years I learned so much about CMC that I didn't know just as a grower," George said. "The best part was that I got to meet a lot of awesome people. It's been a great experience."

Parker Mauck, who represents independents in Massachusetts, has been a valued member of the Committee since 2010, serving as chair since 2020.

"It's been an absolute privilege to work with you and I'll miss you all terribly," Parker said.

Michelle Hogan, who announced her retirement as CMC's executive director last August was honored by Committee members and USDA for her more than three decades of outstanding service to the cranberry industry.



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March 2022

Cranberry News

CMC NAMES DANNY RAULERSON AS NEW EXECUTIVE DIRECTOR

The Cranberry Marketing Committee is pleased to announce the appointment of Danny Raulerson as its executive director effective March 23. His hiring is the culmination of an extensive search process by the Committee to replace Michelle Hogan who retired at the end of February.

Raulerson offers more than 20 years of experience in agriculture and has held positions including the director of the Florida Fruit and Vegetable Association, director of field services for the Florida Farm Bureau Federation and chief of the Bureau of State Farmers' Markets for the Florida Department of Agriculture and Consumer Services.

He is a 1996 graduate of the University of Florida and holds bachelor's degrees in agricultural operations management and animal science. He also has an extensive list of professional affiliations, which represents his dedication and devotion to agriculture.

"Being appointed as CMC's new executive director allows me to be part of a historical agricultural industry," Raulerson said. "I look forward to learning more about America's Original Superfruit®, cranberry farming and am excited to get to know and work with many of our 1,100 cranberry growers across the United States."

A sixth-generation Florida native, Raulerson will be relocating to Massachusetts and will be the primary contact for the organization. He will be responsible for working with USDA, CMC's board of directors and other cranberry industry leaders. He will also provide management and oversight for all of CMC's international, domestic and trade policy programs.

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