

Annual Report



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This report is produced by the staff of the California Raisin Marketing Board (CRMB). Staff members contributing to this report are: Debbie Powell, President and General Manager; Tim Kenny, Vice President of Marketing; Melinda McAllister, Marketing Specialist; and Dori Williams, Director of Operations.

This annual report is distributed by mail to the 2,000 California raisin growers. It is also online at www.CalRaisins.org.

Additional copies may be requested by contacting the CRMB, 2445 Capitol Street, Suite 200, Fresno, CA 93721. Contact us by phone (559) 248-0287 or info@raisins.org.



For nutrition information about raisins and raisin recipes, visit CalRaisins.org

STATEMENT FROM THE CHAIRPERSON

Dear Growers of California Raisins,

For more than 100 years, the San Joaquin Valley in Central California has successfully been growing one of the most naturally sweet, nutritious and delicious fruit products available to consumers – California Raisins. As the premier national dried fruit, California Raisins are an appealing anytime snack and a superb ingredient in a wide assortment of baked goods, main dishes, trail mixes, sauces, appetizers and cereals. This past year we assessed another \$4 dollars to hire a new head of marketing along with funds to put together a plan for the 2020 crop year to launch the revitalization of the CRMB.

The idea of the small assessment was to put enough funds together to get a preliminary plan together for the following year while also bringing in a new employee to bolster our already existing measures. This year we welcome our new head of marketing, Tim Kenny. We are excited to see what his expertise can bring to our California Raisin brand. So far, we have started the process by setting forth a timeline and already doing the due diligence on getting RFP's from firms to partner with in our efforts.

Regarding the Sunpreme Research Program, unfortunately, we have not had any new information to this date. Small quantities have been released to growers and we will follow progress with these growers as findings become known.

As you know, with many health trends in the US leaning towards all-natural products that can be labeled as non-GMO and no sugar added we are poised to make headway as the leader in the dried fruit space.

Thank you for your support and best wishes for a successful 2020.

1 Miller

Jeff Milinovich CRMB Chairperson

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BACKGROUND OF ANNUAL REPORT

State of California – Department of Food and Agriculture Marketing Order for California Raisins, Mission Statement:

To create a positive marketing environment within which the industry can collectively expand the worldwide demand for California Raisins. This is facilitated by:

- Identifying new markets, product and program opportunities through market research
- Conducting market development activities to improve the demand for all categories of raisin usage, including ingredient usage and for retail package, both branded and private label
- Coordinating an international marketing program with the Raisin Administrative Committee that may consist of both generic and branded activities including advertising, sales promotion and public relations
- Conducting production and processing research to improve the quality and functionality of the industry's products
- Representing the interest of all segments of the California Raisin industry by building positive relationships with the food trade, consumers and government agencies
- Evaluating the effectiveness of Board programs through advertising tracking studies, econometric modeling or other types of research

MARKETING ORDER REQUIREMENTS

Pursuant to Article IV, section F of the Marketing Order, this report contains:

- An overview of all marketing activities from 8/1/2018 to 7/31/2019
- Research projects
- Tradeshows and events
- Activities for 2019/2020



SUMMARY OF ALL MARKETING OBJECTIVES

Pursuant to Article IV, section F of the Marketing Order for California Raisins, below is a summary of all efforts implemented to measure the degree to which the stated objectives have been achieved:

Objective 1: Stimulate marketplace demand for raisins.

Response: The platforms below were used to stimulate demand for California Raisins:

- Local events and social media
- Health & nutrition Today's Dietitian Symposium dietitian influencers and social media
- School foodservice segment Annual Nutrition Conference
- CRMB's website CalRaisins.org, Instagram, Facebook, and Twitter

All aspects of promoting demand for California Raisins were incorporated into each of the platforms listed above for the marketing year 2018/2019.

Objective 2: Develop reportable data regarding health and nutrition properties of raisins that can be used to promote raisin demand.

Response: The research study titled "The Effect of Bioactives in Dried Plums, Figs, Dates, and Raisins Compared with a High Carbohydrate Snack on Risk Factors for Cardiometabolic Disease" by Dr. Penny M. Kris-Etherton, Penn State University.

Objective 3: Undertake crop research projects that improve efficiencies, boost quality and/or deliver other attributes that enhance raisin appeal.

Response: Crop research for Sunpreme continued through the efforts of two growers, Jon Marthedal and Ron Kazarian. No funds from CRMB were utilized.

Objective 4: Assure producer and industry stakeholders understand the value of CRMB activities.

Response: Staff encourages industry members to become familiar with CalRaisins.org, social media platforms and to provide raisin farming content for social media platforms.

Objective 5: Safeguard the stakeholder's assets and intellectual property of the CRMB.

Response: CDFA reviewed the registration of CRMB's intellectual property, the raisin character and circle logo, CRMB's most valuable assets. Trademark protection is established.

Objective 6: Assure CRMB is properly staffed, structured and supported.

Response: The CRMB staff remains downsized to continue those activities deemed necessary by the Board.

2018/2019 ACTIVITIES

Health and Nutrition

Staff attended the Today's Dietitian Spring Symposium in Scottsdale, AZ where over 800 dietitians gathered to discuss nutrition issues. Staff attended sessions and attended all networking opportunities discussing the nutrition benefits of California raisins along with some of our past raisin research such as:

- Raisins and Cardiovascular Health
- Raisins and Diabetic Health
- Satiety

This symposium continues to grow each year and has planted roots in the annual schedule of events for nutrition professionals.

Local Events

Staff participated in the Caruthers Fair parade with the help of RAC staff and raisin grower Monte Schutz (RAC Chairman) in September 2018. Similar to the prior year, the crowd cheered for the California Dancing Raisin dancing in the back of the Chairman's truck and for the snack packs that were handed out along the parade route.

The celebration of National Raisin Day in April 2019 was a success partnering with the Gibson Farm Market next to CSUF. A raisin gift bag was raffled off and the California Dancing Raisin made the kids and parents alike smile for a photo opportunity. Raisin samples and raisin recipe cards were handed out to all guests. The Gibson Farm Market assisted in promoting the event and sold additional raisin varietals grown and managed on the CSUF campus by Dr. Sonet Van Zyl, Associate Professor of Viticulture, Department of Viticulture & Enology, CSUF and public board member for CRMB.

National Events

The CRMB Marketing Specialist attended the School Nutrition Association's Annual National Conference in St. Louis, MO to showcase California Raisins as a naturally sweet, no-added sugar fruit option for breakfast or lunch for the K-12 school segment.

Staff shared the message that ¼ cup of naturally sweet, sun-dried California Raisins is equal to 1 fruit serving. Raisin snack packs and recipes were handed out to over 3,000 school foodservice professionals including the USDA representatives for the commodity programs. The tradeshow was also attended by industry members.

CalRaisins.org

The website continues to attract customers looking for raisin recipes and raisin nutrition information. Additionally, the social media feed on the home page keeps the site looking updated with Instagram raisin content posts.

TRADESHOWS

Today's Dietitian Symposium, Scottsdale, AZ

Annual Nutrition Conference, St. Louis, MO

RESEARCH

Health and Nutrition Research

Disease Prevention

Dr. Penny M. Kris-Etherton, The Effect of Bioactives in Dried Plums, Figs, Dates, and Raisins Compared with a High Carbohydrate Snack on Risk Factors for Cardiometabolic Disease

Crop Production

CRMB funds in this category were rolled over to the 2019/2020 fiscal year.

AGENCY BACKGROUND

<u>Digital Attic</u> of Clovis, continues to host and provide monthly maintenance of CRMB's website, CalRaisins.org. The team is responsive to staff's requests and also developed four raisin recipe videos during the fiscal year. The raisin recipe videos can be found on the site and on our YouTube channel.



EXECUTIVE COMMITTEE

Term: 2017/2019

Chairperson Mr. Jeff Milinovich

Vice Chairperson Mr. Jon Marthedal

Secretary Mr. Dwayne Cardoza

Treasurer Dr. Nindy Sandhu

EXECUTIVE COMMITTEE

Term: 2019/2021

Chairperson Mr. Jeff Milinovich

Vice Chairperson Mr. Jon Marthedal

Secretary Mr. Dwayne Cardoza

Treasurer Ms. Kim Schutz



Hot Cross Buns with California Raisins

MEMBERS & ALTERNATES

Term: June 1, 2017 to May 31, 2019

The CRMB staff thanks the CRMB Board members and alternates for their service:

MEMBERS	<u>ALTERNATES</u>
Jane Asmar	Dennis Housepian
Michael Bedrosian	Courtney Sarabian
Dwayne Cardoza	Jerry Rai
Chad Chooljian	Ryan Bedrosian
Edward Fanucchi	E.G. Huter III
Ron Kazarian	Steve Spate
Harry Overly	Jackie Grazier
Jon Marthedal	Rick Stark
Jeff Milinovich	Mark Delano
Victor Sahatdjian	Manuel Medeiros
Richard Sahatjian	Richard Crowe
Nindy Sandhu	Tomo Naito
Kim Schutz	Monte Schutz
David Shamp	Kuldip Chatha
Sonet Van Zyl, Public Member	

MEMBERS & ALTERNATES

Term: June 1, 2019 to May 31, 2021

Steve Spate

Sonet Van Zyl, Public Member

The CRMB staff thanks the CRMB Board members and alternates for their service:

<u>MEMBERS</u>	<u>ALTERNATES</u>
Braden Bender	Vaughn Koligian
Dwayne Cardoza	Jerry Rai
Chad Chooljian	Ryan Bedrosian
Ron Kazarian	Dennis Housepian
Steve Kister	Darren Hoff
Jon Marthedal	Rick Stark
Manuel Medeiros	Jane Asmar
Jeff Milinovich	Michael Bedrosian
Harry Overly	Jackie Grazier
Victor Sahatdjian	Courtney Sarabian
Richard Sahatjian	Connor Chooljian
Kim Schutz	Rosemary Repar
David Shamp	Kuldip Chatha

LindaKay Abdulian

Stephan Sommer, Public Member

FINANCIALS

Statement of Activities and Governmental Fund Revenue, Expenditures and Changes in Fund Balances, Year Ended July 31, 2019

REVENUE	
Assessments	\$ 1,104,830
Interest	18,870
Total Revenue	1,123,700
<u>EXPENSES</u>	
General and Administrative:	
Insurance	23,160
Rent	78,198
Utilities	9,454
Telephone	2,666
Postage	5,085
Office Supplies	1,955
Repairs & Maintenance	2,013
Memberships & Surveys	71
Consulting - HR	497
Consulting - DC Liaison	1,995
Consulting - Trademark Registration	9,740
Auditing Fees	7,200
Equipment Lease	5,311
Travel - Office	204
Travel - Committee	753
Miscellaneous Activities	1,908
Bank Charges	3,310
Software/Programming	2,445
Legal Fees/Litigation	47,737
Product Samples	1,591
Marketing Branch	18,580
Support Services	172,857
Total General and Administrative Expenses	396,730

FINANCIALS

Statement of Activities and Governmental Fund Revenue, Expenditures and Changes in Fund Balances, Year Ended July 31, 2019, continued

Advertising, Public Relations and Publicity	
Website Development & Maintenance	7,361
Public Relations	15,000
Trade Show/Event Marketing	
Local Events	792
Health Trade Shows	33,745
Total Marketing Activities	56,898
Total Expenditures	453,628
Excess Revenue over (under) Expenditures	670,072
Fund Balance / Net Assets:	
Beginning of Year	825,523
End of Year	\$1,495,595



July 9, 2019

MARKETING ORDER FOR CALIFORNIA RAISINS ASSESSMENT RATE FOR THE 2019-2020 MARKETING SEASON ESTABLISHED AT \$4.00/TON

TO THE CALIFORNIA RAISIN PACKER OR PRODUCER ADDRESSED:

Upon the recommendation of the California Raisin Marketing Board, the California Department of Food and Agriculture (Department) has established an assessment rate of four dollars (\$4.00) per ton or the equivalent thereof, on all California raisins delivered by producers. This assessment applies to all free tonnage, all reserve tonnage sold for free use and all reserve tonnage sold to packers as replacement tonnage for export programs during the 2019-2020 marketing season, which begins on August 1, 2019, and runs through July 31, 2020. The rate of assessment during the prior marketing season was also four dollars per ton.

Packers are directed to remit assessments on behalf of producers. All assessments due under the Marketing Order for California Raisins should be remitted directly to the California Raisin Marketing Board (Board) at P.O. Box 5195, Fresno, CA 93755. The Board will be sending assessment forms out to packers in the near future. While the Board will be receiving the assessments directly, the Marketing Branch will handle the collection of any delinquent assessments.

A copy of the Order of the Department establishing the assessment rate is available upon request from the Marketing Branch. If you have any questions concerning the assessment rate or the Marketing Order for California Raisins, please contact Debbie Powell, the CEO of the Board, at (559) 225-0520, or Justin Ellerby or myself at the Marketing Branch.

Sincerely,

Robert Maxie, Chief Marketing Branch

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State of California Gavin Newsom, Governor

2019/2020 ACTIVITIES

Please welcome the new Vice President of Marketing for the California Raisin Marketing

Board and the Raisin Administrative Committee, Mr. Tim Kenny. Tim joined the CRMB/RAC in November 2019 and has been immersed in marketing activities for California Raisins.

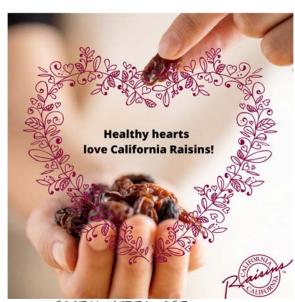
Tim brings more than twenty years' experience in building food brands and has worked with leading international companies including Danone and Kellogg as well as early stage brands. With a BS in Engineering from the University of Notre Dame and an MBA from the University of Michigan, Tim has a



specialized area of expertise working with healthy food brands such as Nasoya Tofu, Stonyfield Farm and Barbara's Cereal & Snacks. Please welcome Tim to the Central Valley.

Key area of focus for the CRMB in 2019/2020 will be:

- Update research on how consumers view California raisins
- Select agency partners to execute potential 2020/2021campaign
- Develop 2020/2021 brand strategy and topline campaign ideas
- Continue driving consumer interest in raisin usage through social media posts
- Continue driving awareness of raisin health benefits with nutritionists/dietititans through industry events
- Highlight raisin heritage in the Central Valley by participation in select events



SOCIAL MEDIA POST

Debbie Powell President and General Manager debbie@raisins.org

Tim Kenny Vice President of Marketing tim@raisins.org

Dori Williams Director of Operations dori@raisins.org

Melinda McAllister Marketing Specialist melinda@raisins.org

California Raisin Marketing Board 2445 Capitol Street, Suite 200, Fresno, CA 93721 (559)248-0287 info@raisins.org. For delicious recipes and more, visit CalRaisins.org

Follow us on...









