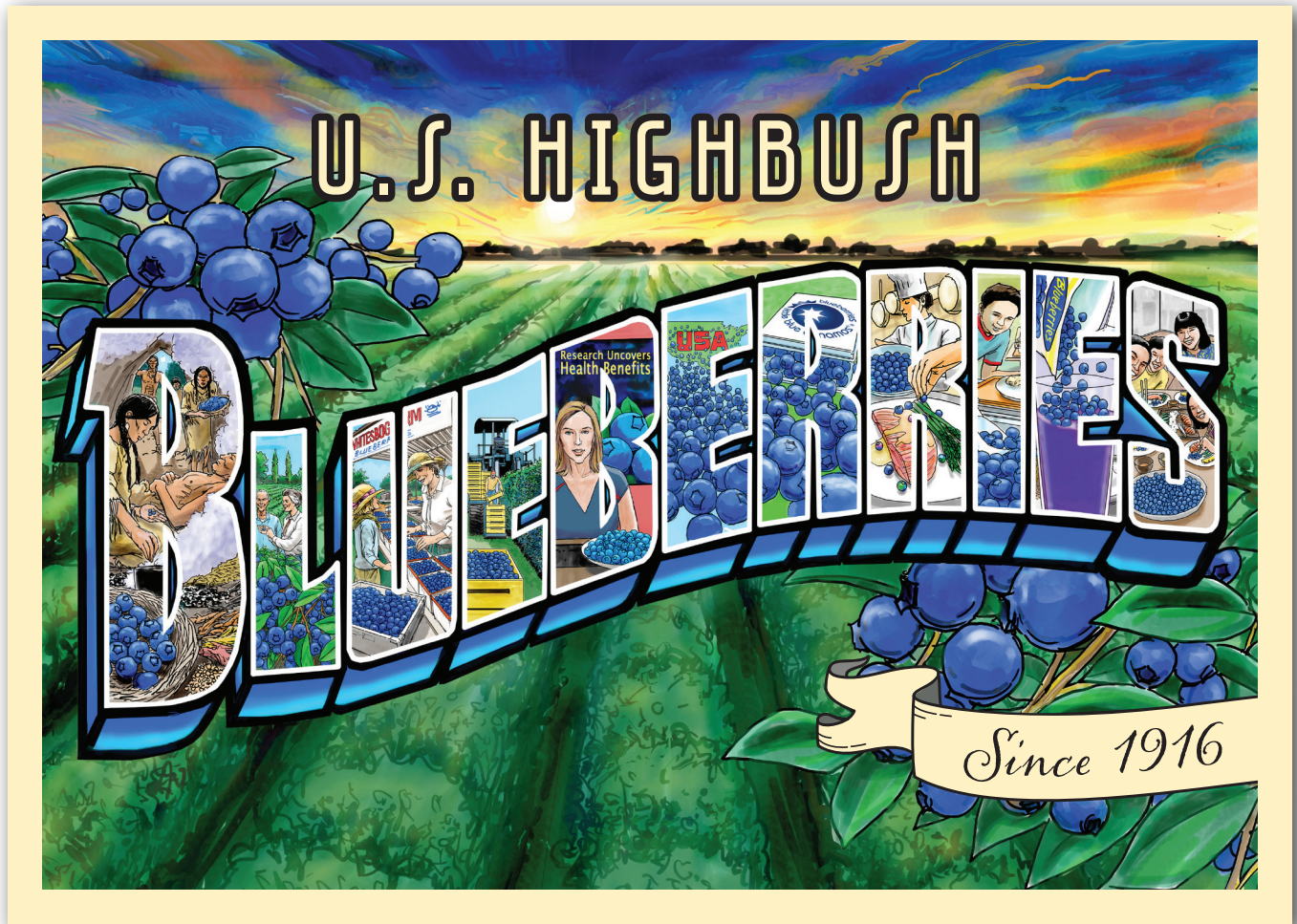


2015 - 2016



U.S. Highbush Blueberry Council Annual Report



Chairman's Message

This being my last year of my term as the Chairman for the USHBC, and with the fall meeting taking place in Philadelphia, it will be ironic but a good way for me to end my term at a place where the blueberry industry began, Whitesbog, New Jersey. I want to take this opportunity and share with you my journey and reflections down memory lane on our wonderful blueberry industry.

I have been very fortunate through your trust and support to have had this opportunity to serve as your Chairman for such a wonderful organization. An organization that over the years has built a reputation domestically and globally of trust and respect and a huge following on the social media. I am proud to be part of an organization that actually practices what it preaches when it comes to its ethics policy and our Corporate Social Responsibility statement. The Council Ethics Policy states, "The purpose for this Ethics Policy is to establish a culture of openness, trust and integrity in all USHBC business practices. Effective ethics is a team effort involving the participation and support of every USHBC member, alternate, committee member and employee." I can truly say with pride that we all adhere to this.

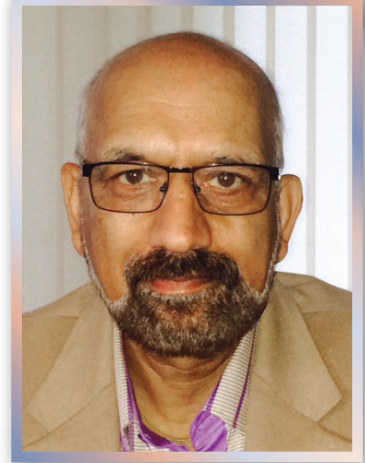
On my way back from the Dallas meetings, I started reflecting on just how much our industry has grown and progressed over the last 100 years, that is a lot of reflection. From 1916, when the first highbush blueberry commercial production was started in Whitesbog, New Jersey by Elizabeth White and Frederick Coville, to the present, with U.S. blueberry production having surpassed 500 million lbs. pounds, it has been an amazing journey. Over the years, with development of new cultivars and technology and more recently the development of the southern highbush varieties, blueberries are now grown on five continents and in 50 countries in varying soils and landscapes.


On a personal note, I have seen a lot of positive changes take place in our industry over the last 24 years since I started attending NABC meetings. I think this brief history will especially benefit our newer grower members and other industry sector associates who have started coming to our meetings more recently. The NABC had been jointly serving the highbush and the lowbush blueberry sectors since its inception in the mid-sixties. Leadership from both sectors started to realize in the late 1980's that with increasing acreage and production, perhaps it was time to go our separate ways to fully exploit new and current markets.

Towards this end in 1993 I was appointed as the Chair of the Search Committee by the then President of the NABC Mrs. Dorothy Anderson to find an Executive Director that could take our organization to the next level. I guess I don't need to tell you who that successful candidate was. Mark Villata took over in 1994 and he had his work cut out. His goals were to unite the industry, find ways to increase budget funding in order to build the programs for more effective marketing. Mark and his team along with our board certainly have done that. Under the NABC the industry assessment was voluntary in those early years and we were working with a budget of around \$500,000. It was not until the year 2000, when the USHBC was mandated and formed and authorized by the Commodity Promotion Research, and Information Act of 1996 under the USDA, that the membership approved a levy of \$12 per ton on domestic production and foreign imports that we started to have some meaningful programs being implemented. By 2012 the industry had more than doubled in production and there was mounting pressure to further expand our promotional and research programs. After 15 years, the USHBC was successful in obtaining approval from its membership, through the oversight of the USDA, to increase our assessment to \$18 per ton. With this assessment increase, the USHBC now has a working budget of around \$9 million dollars. That's coming a long way from a budget of \$500,000.

North American acreage increased between 1995 and 2014 from 50,000 acres to 143,000 acres while the production went from 183 million lbs. to 728 million lbs. Our industry over this 20-year span increased 4 fold. The world acreage between the same years went from 57,000 acres to 275,000 acres while production went from 206 million lbs. to 1.2 billion lbs. You can see how significant the acreage and production changes have been.

As you well know, the first research on the health benefit of blueberries started to come out in the late 1990's, when Dr. Prior found them to be very high in anti-oxidants. After this, research continued to mount on the diversified health benefits of this wonder berry. These health benefits, combined with the power of the social media and other effective promotional activities, helped our domestic consumption to go from 20 oz. to 50 oz. between 2005 and 2015. This year USHBC has a





\$1 million health research budget, that's a far cry from our small beginnings. Over the years, multiple usage and attitude studies for the domestic and international markets have confirmed for example:

- The blueberry, "Health Halo" remains a purchase driver
- Belief that blueberries are healthy = 99.2 % of the general population
- Blueberries continue as key ingredient in new product development
- Health, taste and convenience are top reasons for enjoying blueberries
- Domestic promotion is a success with, "Little Blue Dynamo Lifestyle Campaign"
- Domestic promotion, teaming with Celebrity spokesperson Allison Sweeney, relies on heavy use of social media to reach target audience
- Strong offshore market development in Asia

Besides the domestic market, the international market holds a lot of market potential for us. It is an area where we can realize some substantial market gains in fresh, frozen and dried, especially in the BRIC countries, China, India, Brazil and limited opportunities in Russia under the present circumstances. In other parts of Asia, in countries such as Indonesia, Singapore, Philippines and Vietnam Tom Payne sees a potential for 5 to 10 percent growth in frozen and 20 to 30 percent for dried. Perhaps within the next 10 years or so China could potentially be the world's largest market for blueberries. I had Tom Payne run some numbers and this is what he had to say, China and India are estimated to have a consumer population of around 250 to 260 million each that have a purchasing power to buy berries. If each of these countries were to realize even 6 oz. per capita consumption over the next 10 years that translates to approximately 200 million pounds annually.

So the markets and opportunities are there, it's what we plan to do with them. Blueberry per capita consumption has room to grow. Blueberries continue as a key ingredient in new product development. Market research shows increasing demand and use. I feel we have the structure, the will and the financial and human resource capacity supported by the grower base to cultivate these potential domestic and international markets moving forward. We know the consumer is looking for a healthy safe food product that fits very nicely with our "Little Blue Dynamos."

With additional production coming our way, we have an opportunity with our next 5 year Strategic Plan development to address and find new pathways to focus in on how best to penetrate our domestic and international markets.

On another front, I would encourage active, grower to grower dialogue of USHBC activities and accomplishments in considering the upcoming 2016 USHBC Continuation Referendum.

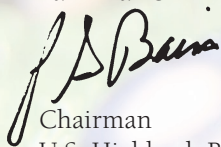
In closing, I want to take this opportunity to thank our grower base, the board, the executive committee, the marketers and the industry at large for your strong support and confidence in me over the past 4 years in allowing me to serve as the Chair of USHBC.

It's been a remarkable journey full of challenges and opportunities but worth it.

As you know there are multiple promotional activities planned throughout the year to celebrate our Blueberry Centennial 2016. Please use the toolkit posted on USHBC website in your print and online promotions which includes the Little Blue Dynamo 100 years' logo, recipes and information.

I offer my congratulations and good wishes to our grower base and the blueberry industry at large on this special centennial year.

Parm Bains



Chairman
U.S. Highbush Blueberry Council

Happy Birthday Blueberries! – Preparing for the Next 100 Years

This year we mark the 100th anniversary of the highbush blueberry industry which had its beginnings in southern New Jersey back in the early 1900's. Our industry began when a cranberry farmer, Elizabeth White, started working with a USDA plant breeder, Dr. Frederick Coville, in selecting wild highbush blueberry bushes found around her bogs and successfully transplanting and raising them on her Whitesbog farm.

By 1916, White and Coville had produced the first substantial amount of blueberries for commercial sale and the highbush blueberry industry was born, and how our industry has grown. An estimated 750 million pounds of highbush blueberries were harvested in North America in 2015.

The 100th anniversary theme is woven into all 2016 USHBC communications. It is a time to celebrate, but it is also a time to consider the future of our industry. As our industry continues to grow, both here at home and abroad, we need to continue efforts to increase blueberry demand. In the next four years alone we will need to move 15% more product as the North American crop increases from a projected 815 million pounds in 2016 to an estimated 940 million pounds by 2019.

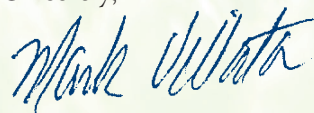
USHBC efforts are helping to increase per capita blueberry consumption and increase demand among our key market segment of women in the 25 to 45 year old age range. We have made great strides with this audience, and with Americans overall, as evidenced in our consumer research showing nearly 75% of this group reporting that they have purchased blueberries within the last month. Research also shows that over the past few years U.S. consumer likelihood to purchase blueberries has doubled. Given projected production in the years to come, we need to maintain this market momentum.

This year we will invest over \$5 million in market promotion activity funding consumer and food service publicity as well as efforts to increase food manufacturer use of blueberries both here at home as well in key export markets such as Japan, South Korea, Taiwan, Hong Kong and India. We will also continue work to open markets such as China, Australia, New Zealand, South Africa and Vietnam which currently deny access to U.S. fresh blueberries. We will also allocate \$1 million dollars to fund exciting new health research studies to continue to help us develop and promote our blueberry "health halo".

As required every five years, the U.S. Highbush Blueberry Council will hold a continuation referendum this year. The referendum will be conducted by the USDA with ballots sent directly to blueberry producers and importers. Voting will start on July 5, 2016 and close on July 28, 2016. Results from the last continuation referendum in 2011 showed that 88 percent of those who voted favored continuation of the USHBC and those who voted in favor represented 98 percent of the volume of cultivated (highbush) blueberries represented in the referendum.

Continued market promotion and health research efforts will be needed to keep in front of the "blue wave" of blueberry production.

Sincerely,



Mark Villata
USHBC Executive Director



USHBC Executive Officers



Parm Bains
Chairman, British Columbia



Francisco Allende
Vice Chairman, New Jersey



Pat Goin
Secretary, Indiana



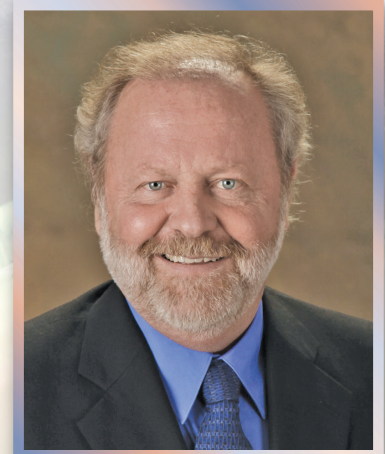
Mark Villata
Executive Director, California



Mark Hurst
Treasurer, Oregon



Art Galletta
Past Chairman, New Jersey



John Bennett
Member at Large, Georgia

U.S. Highbush Blueberry Council

USHBC Members and Alternates - 2016



*CALIFORNIA:	Member - Buck Klein
	Alternate - Open
*FLORIDA:	Member - Open
	Alternate - Open
*GEORGIA:	Member - John Bennett
	Alternate - Adair Chambers-Peterson
*MICHIGAN:	Member - Bob Carini
	Alternate - George Fritz, Jr.
*NEW JERSEY:	Member - Tim Wetherbee
	Alternate - Denny Doyle
*NORTH CAROLINA:	Member - Open
	Alternate - Open
*OREGON:	Member - Steve Erickson
	Alternate - Doug Krahmer
*WASHINGTON:	Member - Bryan Sakuma
	Alternate - Rob Dhaliwal
WESTERN REGION:	Member - Mark Hurst
	Alternate - Verne Gingerich
MIDWEST REGION:	Member - Patricia Goin
	Alternate - Shelly Ann Hartmann
NORTHEAST REGION:	Member - Art Galletta
	Alternate - Dave Arena
SOUTHERN REGION:	Member - Bill Braswell
	Alternate - Jerod Gross
HANDLER:	Member - Guy Cotton
	Alternate - Brian Caster
*IMPORTER #1:	Member - Francisco Allende
	Alternate - John Johnson
IMPORTER #2:	Member - Brian Bocock
	Alternate - Janice Honigberg
IMPORTER #3:	Member - Parm Bains
	Alternate - Ray Biln
*IMPORTER #4:	Member - Open
	Alternate - Open
EXPORTER 1:	Member - Jorge Andres Varela
	Alternate - Felipe Juillerat
*EXPORTER 2:	Member - Open
	Alternate - Open
PUBLIC MEMBER:	Member - Juan Silva
	Alternate - Amy Howell

*currently in the nomination period for seating in January 2017

Health Research Annual Report

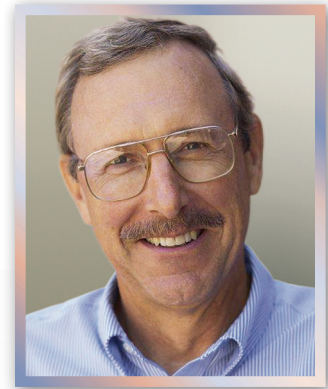
2016

has been another busy year for the USHBC Health Research Committee. In order to better respond to research opportunities that can spread the healthy word for blueberries, we have changed from a biennial funding cycle to an annual cycle. After selecting and funding proposals in 2015 that are ongoing now, we have started the process again and are evaluating a new crop of research proposals. Once again there are several exciting proposals that have been submitted.

Over the years, we have explored the effect of blueberries on several different health areas (Figure 1). Each year we add another study to an existing area of research or we add a new area of exploration. After we select which new studies we will fund this year, this figure may become more crowded.

As more commodity groups get involved in funding research projects, the competition for the consumer's share of stomach extends to competition for share of their mind's attention to health benefits. As it is our goal to be on the forefront of quality science, we decided to focus our second Research Roundtable on the theme of Blueberries and the Gut Microbiome. We have invited a group of experts to discuss how the bacteria in our gut may be an important link between our modern diet and diseases such as obesity and diabetes; and how diets which include blueberries may affect our gut bacteria.

This is an area that is receiving an increasing amount of attention from the research community and we hope to explore the role blueberries may play in this food-gut-health connection.



Dave Brazelton
Chairman, USHBC
Health Research
Committee,
Oregon



USHBC Blueberry Health Research Areas

USHBC Issue Management Plan

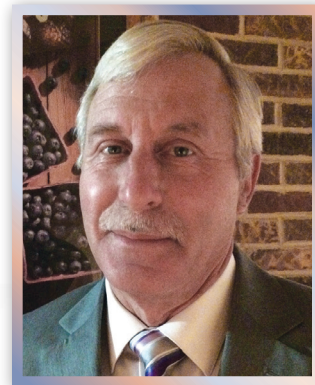
Several years ago the industry recognized that keeping in touch with the public during a time of negative publicity is an essential part of any organization's communication plan. It's not that we want it, or that we think we're going to have it. But if we do, we want to be ready for it. Organizations that wait to begin their planning for an event that generates adverse publicity often find themselves squarely behind the proverbial 8-ball. The event is over and the reputational damage is done long before they are able to formulate a response. By the time they have a statement the media and the public have turned their attention to other matters.

We sought guidance from Norm Hartman, a former journalist who specializes in helping organizations prepare for the day they are facing reporters and cameras. We have identified the situations that have the potential to result in widespread negative publicity. All have to do with possible food safety problems. We've prepared a cadre of people to deal with the situation quickly and effectively. Our plan was developed to guide us through what is likely to be a tense and hectic time, with media, the Internet and the public expecting answers quickly.

More than 50 blueberry growers, processors and others have undergone intensive media training so that we can respond to communications requests whether the problem is in Florida, Washington, Chile, Canada, New Jersey or somewhere in between. That training is updated and refreshed at both of our annual conferences. All members of the office staff are involved in mock training exercises so they are familiar with their specific roles if and when the need comes.

A video camera and teleprompter along with a backdrop with the Blueberry logo—the kind you typically see in television sports coverage—are part of our communication arsenal. Mark Villata has become quite familiar with the teleprompter (he will tell you it is not as easy as it looks) so that if we need to we can quickly distribute the industry's account to worldwide media via the Internet.

In any situation involving public health or product quality, time is the most precious element. To the extent we are ready to respond immediately if and when a problem occurs, the blueberry industry will be well served.



Denny Doyle,
Chairman
USHBC Good
Practices Committee
New Jersey



Mock training at the Folsom office with Mark Villata and Rick Ruckman.

OUTREACH EFFORTS

The Industry Relations Committee continues their outreach effort to generate awareness of, and to educate industry members on the functions and activities of the USHBC. Through the Blueberry Ambassador Program industry members are invited to attend and observe USHBC and North American Blueberry Council (NABC) meetings and gain a better appreciation of these programs, which will hopefully lead to their consideration of future participation.

This educational program is intended to bring new individuals from throughout the industry (both domestic and foreign) into the Council and is funded by both the USHBC and NABC, (Ambassadors are reimbursed for meeting travel expenses and tours of blueberry fields).

USHBC and NABC Members are asked to propose new growers and marketers for a possible invitation to a USHBC Meeting as one of up to four Ambassadors. The Ambassador Program will prioritize the sponsoring of a diverse base including our next generation of blueberry growers and marketers with the goal of promoting their future industry participation.

Once each year up to four Ambassadors will be invited to a USHBC designated “grower location” meeting. Priority will be given to up to three Ambassadors from the region where the “grower location” meeting is being held (Eastern Region, Southern Region, Midwestern Region or Western Region) with one other Ambassador considered from any other region (within or outside of the U.S.). The USHBC Industry Relations Committee will solicit the help of USHBC, NABC and industry members from the specific region to identify possible Ambassador nominees from their regions.

Following the meeting, the USHBC staff will request that the Ambassador complete a questionnaire regarding their experiences and impressions of the program and any interest in becoming more involved in the USHBC. The Ambassador will also be placed on the USHBC mailing list to receive future program updates, meeting announcements and industry information. Industry Relations Committee members will follow up with the Ambassador periodically to keep them aware of Council activities and encourage their continued attendance at future meetings.

2015 Member and Alternate Appointments

Agriculture Secretary Tom Vilsack has appointed seven members and their alternates to serve on the U.S. Highbush Blueberry Council. Each representative will serve a 3-year term of office which began January 1, 2016.

Members appointed include producers for Western Region Mark D. Hurst of Sheridan, OR, Midwest Region Patricia Ann Goin of North Judson, IN, Northeast Region Art Galletta of Hammonton, N.J. and Southern Region Bill Braswell of Auburndale, FL.; Importer Francisco Allende of Moorestown, N.J., and Exporter Jorge A. Varela of Santiago, Chile, along with Juan L. Silva of Starkville, MS, appointed as the Public Member.

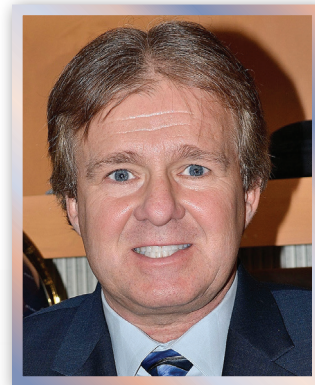
Alternates include producers for Western Region R. Verne Gingerich of Wilsonville, OR; Midwest Region Shelly Hartmann of South Haven, MI, David F. Arena of Hammonton, NJ and Jerod Gross of Arcadia, FL; Importer John E. Johnston of Salinas, CA and Exporter Felipe Juillerate of Santiago, Chile. Amy Howell of Egg Harbor, NJ was appointed as the alternate Public Member.

Member and Alternate Election for Seating January 1, 2017

Election of state council member and alternate positions on the U.S. Highbush Blueberry Council will take place this Spring. The eight USHBC state member and alternate seats will begin their three year term of office beginning January 1, 2017 and will be allowed to serve a maximum of two consecutive terms.

Election of council members and alternates for Oregon, Georgia, New Jersey, Washington, North Carolina and California will be handled by their individual state blueberry councils and commissions.

Growers in the states of Michigan and Florida will vote for their representatives.



Bo Slack
Chairman, USHBC
Industry Relations
Committee
Washington

Fueling the Passion for Blueberries

Chefs, dietitians, reporters, social media mavens ... these are some of the influential groups the USHBC has effectively engaged to help fuel the passion for blueberries and keep their great taste, natural simplicity, delightful versatility and noteworthy nutrition top of mind for customers year-round.

In 2015, the USHBC had tremendous success reaching women aged 25-44, as well as the media outlets, health professionals, chefs, bloggers and others who influence their purchases. Impressive goals in foodservice were met by delivering blueberry recipes, resources and tips to hundreds of decision makers at chain restaurants, college campuses and corporate dining rooms and school foodservice professionals who feed thousands each day.

The USHBC's communications and marketing programs never stop. Even as you read this report, the Council is busy spreading more positive blueberry buzz across an ever-expanding network of communication channels. Below are highlights from 2015.



The Council's promotions have contributed to increased preference for and purchases of blueberries over the past year.

Linking with Hollywood

Consumers today interact with celebrities daily via Facebook, Twitter, Instagram and Pinterest, observing their food and lifestyle choices and modeling their behavior. In 2015, the USHBC continued its partnership with celebrity spokesperson, Alison Sweeney, with a goal to keep blueberries top of mind among women and moms.

Sweeney – an actress, author and former host of NBC’s *The Biggest Loser* – now regularly recommends blueberries to her millions of fans, convincing them that eating more blueberries is one little change they can make in pursuit of a healthier lifestyle.

Over the past three years, the USHBC’s partnership with Sweeney has led to increased exposure and appeal for blueberries to the tune of half a billion sets of eyeballs and 700,000+ social media interactions with customers who hold “the power of the purse.” In 2015, Ali participated in a Top Chef-style Kitchen Challenge and multiple media tours promoting blueberries as a little lifestyle change with big benefits.



Celebrity spokesperson Alison Sweeney participated in a variety of events and “media days” to promote blueberries in 2015.



Riding High on the Health Craze

America's fixation on healthy living shows no sign of letting up, and the USHBC continues to help blueberries ride high on the craze. The Council works with registered dietitians who spread the word about blueberries' nutritional benefits via the news, trade shows, supermarket programs, social media and the web. Throughout 2015, the Council promoted a communication toolkit for the growing number of dietitians who work in supermarkets. This promotion delivered blueberry materials and recipes to dietitians who reached 2 million+ consumers in 5,500 stores in 2015 alone! In 2016, the Council will revamp the retail toolkit with new and exciting resources for dietitians.


Also in 2015, the Council engaged thousands of dietitians and health professionals and placed nearly 60 news articles and TV segments communicating the research-backed health benefits of blueberries to millions of consumers. In October, the Council spoke with hundreds of health professionals at the Food and Nutrition Conference and Expo (FNCE).

Together, these efforts have contributed to an overall lift in awareness of the blueberry's health halo.

Cumulative results of health publicity


- 84%** of consumers state awareness of specific health benefits
- 57%** have seen blueberry health stories in the news

(Hebert 2013)





2015 RESULTS:

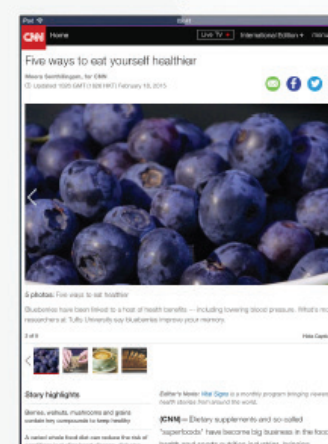
- Health-related media impressions (up 75% over 2014)
- 59 health-related media placements (up 35% over 2014)



Through the USHBC's efforts, the vast majority of Americans are aware of the many health benefits of blueberries.







In 2015, USHBC programs led to nearly 60 health-related media placements, including top-tier placements in Yahoo! News, The Huffington Post and CNN.

Giving Menus a Blueberry Boost

As consumers' interest in healthy, tasty food grows, so does the presence of blueberries on menus. Blueberry mentions on top chain restaurant menus have doubled since 2007, and this exponential growth can be largely attributed to USHBC efforts to inspire chefs via programs with The Culinary Institute of America, interactive training sessions, trade advertising and web communications.

This year, the Council worked directly with national restaurant chains, including Wendy's, Panera Bread, IHOP, McAllister's Deli, LYFE Kitchen, Black Angus Steakhouse, Sizzler and Tropical Smoothie Café to add blueberry items to menus in 8,000+ locations.

In March, 16 chefs from organizations that reach millions of diners spent 2½ days with blueberries at The Culinary Institute of America. Chefs came from Wendy's, Disneyland Resort, Applebee's, Panera Bread, BJ's, Sandals Resorts, Hilton Worldwide, Google, IHOP and other high-volume operations.



100% increase in blueberry mentions on chain menus 2007 – 2013



Blueberries are among the top 15 fruits on menus of chain restaurants

In 2015, blueberries were added to menus in 8,000+ chain restaurant locations.

86%

said that after attending boot camp, they're **very likely** to

Add more blueberries to their menus

Incorporate different forms of blueberries on their menus

Recommend/teach new blueberry applications to colleagues

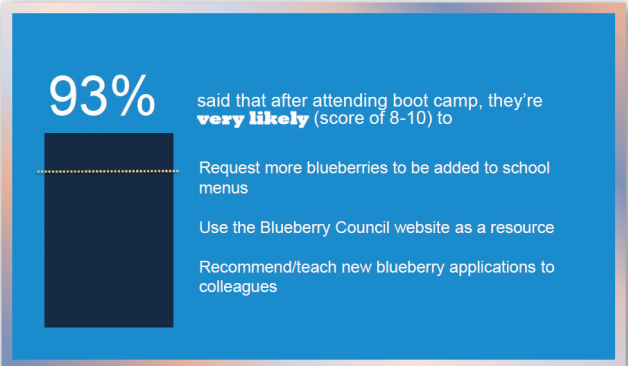
Last March, 16 executive chefs spent 2½ days with blueberries at The Culinary Institute of America; the majority planned to add more blueberries to their menus as a result.



Energizing School Lunch

School lunch programs have been transformed in recent years, with an increased emphasis on tasty, nutritious options. During this period of change, the USHBC has kept blueberries top of mind for decision makers who influence billions of meals each year.

In July, the USHBC brought 16 school foodservice professionals from the largest U.S. school districts to The Culinary Institute of America in Napa for a 2½ day boot camp. These professionals, who collectively serve over 800,000 school meals per day, learned how to utilize blueberries and their various forms in a variety of dishes, and returned to work with plans to serve more blueberries to their students.



Kids taste-test blueberry dishes developed by 16 school foodservice professionals who spent 2½ days with the USHBC at The Culinary Institute of America.

Harnessing Kid Power

If you've ever been through a grocery store with a child, you know who's really in charge of the grocery list. Kids hold tremendous influence over household food purchases and represent the next generation of blueberry consumers in the making.

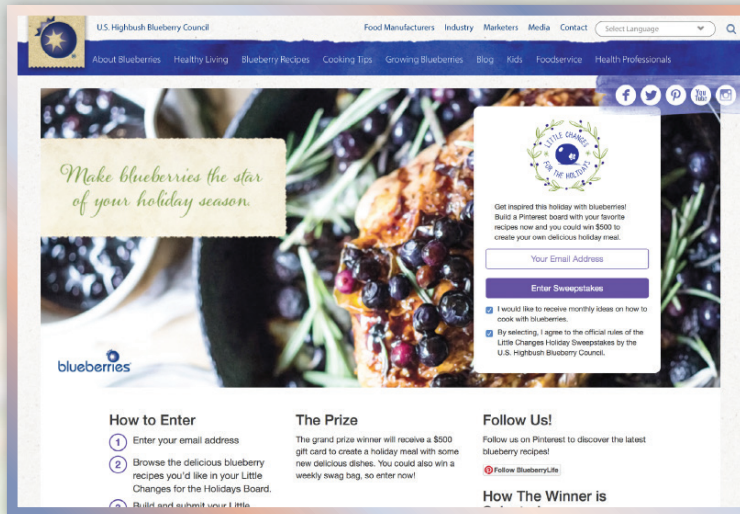
In 2015, the USHBC partnered with Kaleidoscope Youth Marketing to harness kid power by delivering blueberry mini-magazines, recipe cards and activity sheets to 100,000 American households by way of 351 schools. The program was a huge success, with weekly blueberry purchase intent among participating families up 15%, and 64% of participating schools persuaded to consider adding blueberries to their menus as a result. In 2016, the program will be expanded to reach 150,000 new households.



Through the Council's school/family marketing programs in 2015, 351 schools and 100,000 families learned that adding blueberries to meals is a little change with big rewards.

Galvanizing Food Lovers

Today's consumers aren't content to rely on Mom's recipe book – they're constantly gathering new ideas from cooking shows, magazines, websites, blogs and social media. The USHBC fuels the passion for blueberries by continuously developing, photographing and promoting new recipes that reach and inspire hundreds of thousands of consumers.



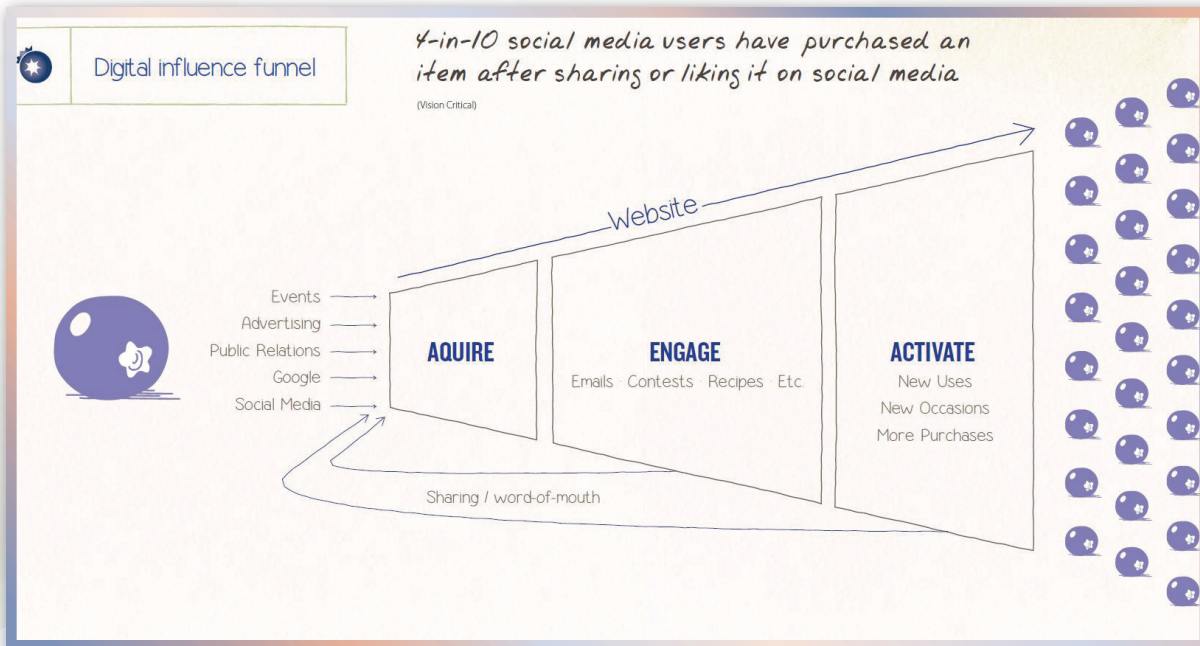
The USHBC inspires consumers with delicious and innovative ways to incorporate blueberries into any dish! Blueberry Lavender Cocktail, Pork Tenderloin with Blueberry Compote and Roast Turkey with Blueberry Balsamic Glaze were among 25 new recipes promoted in 2015.

Communications and Promotions

Activating the Web

Google, Pinterest and Facebook, smartphones ... these are among the tools today's consumers use when gathering information and making purchase decisions. The USHBC employs these powerful tools for driving blueberry demand 365 days a year.

Over the past five years, the USHBC has built a strong presence in social media and on the web, creating a hub for all its marketing programs and attracting millions of consumers to interact with blueberries online. The Council's website, LittleBlueDynamos.com, uses an artful combination of lifestyle-focused content and seamless technology to encourage experimentation with and sharing of new blueberry uses. In 2015 alone, the website attracted 683,000+ visits from potential blueberry purchasers.



The Council's website acts as a hub for all its marketing efforts, attracting new customers; engaging them with recipes and health tips; and spurring them to try blueberries in new ways and spread positive word of mouth about them.

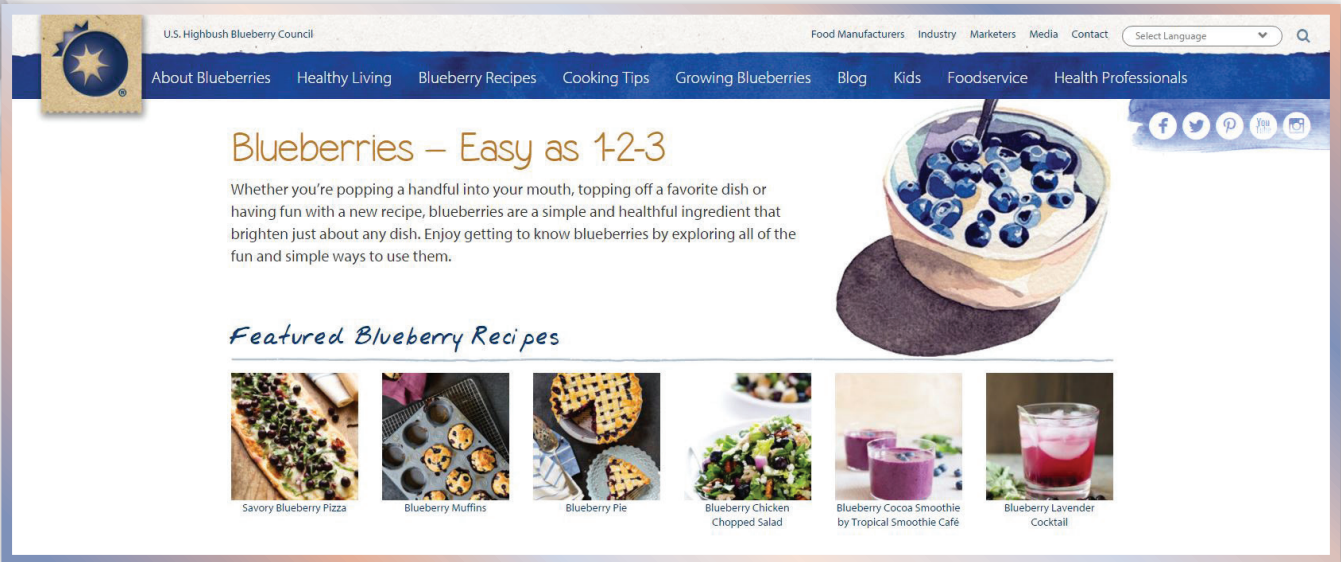
A combination of well-crafted website content and promotions across the web and social media resulted in goal-busting numbers of consumers reached in 2015.

Cumulative results of web/digital programs

- Ranks 3rd when people Google "blueberries"
- Website visits up 216% since 2012

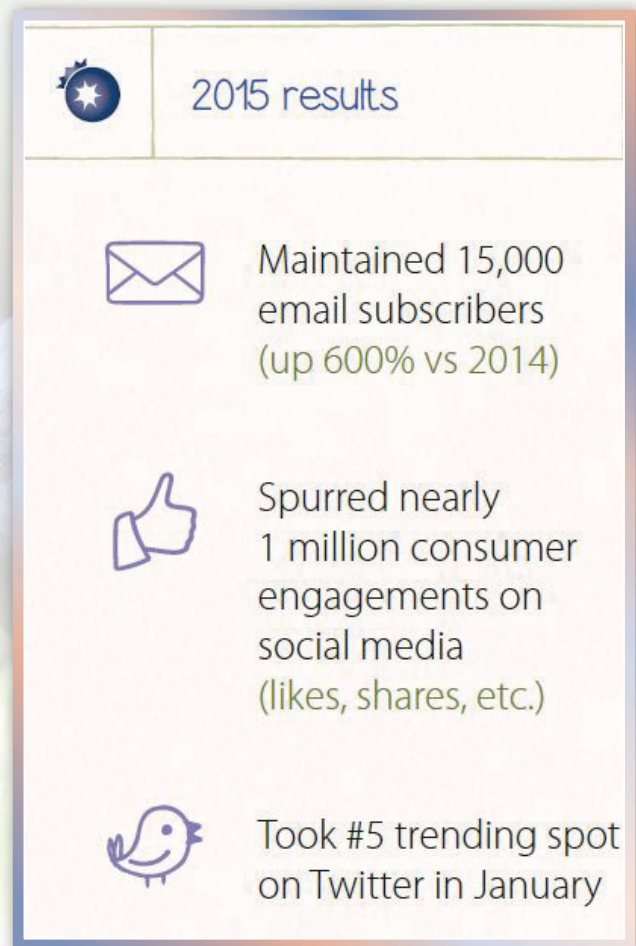
2015 RESULTS:
683,000 website visits
580,000 recipe page views

Communications and Promotions

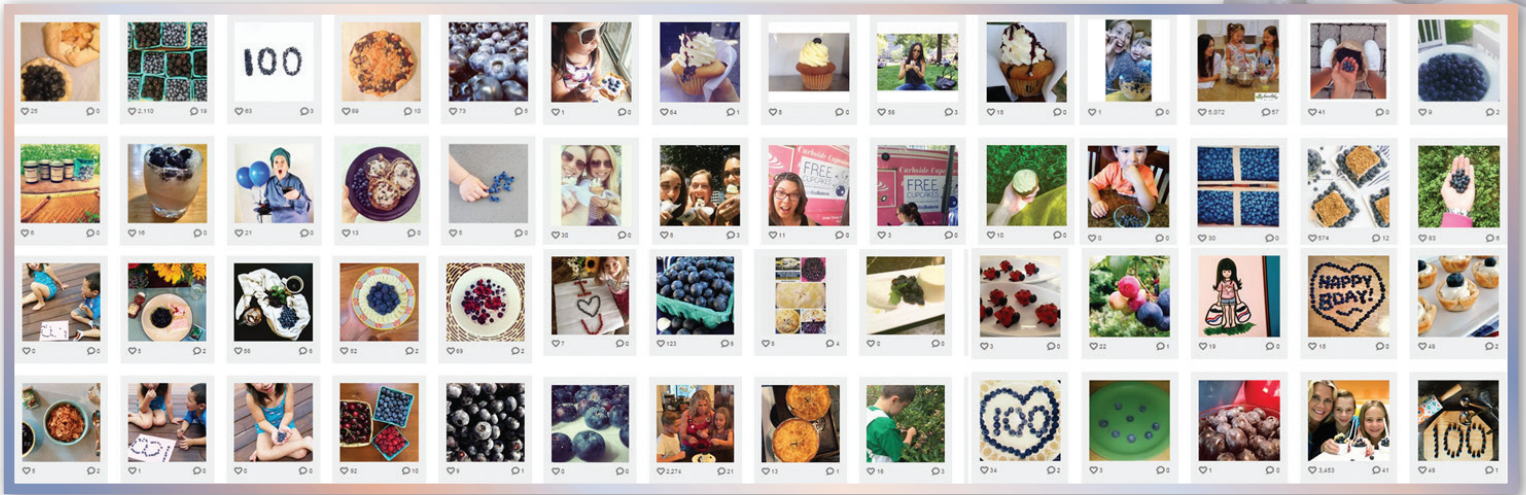


The USHBC's website continues to entice recipe-hungry consumers with on-trend imagery that motivates them to purchase more blueberries. New "infographics" focused on blueberries' year-round availability and on the everyday benefits of using frozen blueberries will offer exciting new content in 2016 that is bound to change perceptions among shoppers.

Social media is a sweet spot for blueberries. In 2015, record numbers of blueberry fans tuned in to USHBC posts and platforms, learning and sharing new ways to enjoy blueberries every day.



Communications and Promotions



Blueberry fans responded in droves when we prompted them to share their photos celebrating the blueberry's 100th birthday. In July 2015 alone, there were 800 photos shared on social media, resulting in 281,000 interactions (likes, shares and comments) related to blueberries.)



Celebrating a Star Fruit

July 2015 marked the kickoff of a year-long celebration of the highbush blueberry's 100th anniversary. Efforts that led to the cultivation of a multi-billion dollar international industry gave us reason to celebrate and a platform to connect with a large percentage of our audience who genuinely care where their food originates.

During the summer, blueberries were featured in the Smithsonian Museum of American History's café and in 125 other corporate and museum cafés (collectively leading to sales of 34,000 lb. of blueberries), as well as on food truck menus and more. Consumers experienced the celebration through a "#HappyBdayBlueberries" social media contest and through national media placements online and in print.

With a successful kickoff under our belts, the USHBC will continue the celebration in 2016. Keep an eye out for ways to celebrate along with us and connect with consumers on a deeper level.



The Council created a centennial-themed postcard that commemorates the history of blueberries as an American-born fruit. This visual has been popular online and in social media, and is available for download in several forms on RidetheBlueWave.com. Get your copies today!



More than 700 blueberry fans lined up for their “happy birthday blueberry” cupcakes on July 16, 2015 in the heart of D.C., connecting the nation’s capital with one of the sole fruits native to America. Many expressed their love of blueberries and were surprised to learn they’re only 100 years young.

The screenshot shows the NPR website interface. At the top, there are navigation links for 'npr', 'WCVE', 'news', 'arts & life', 'music', and 'programs'. A search icon and 'shop' link are in the top right. Below the navigation is the 'the salt' logo with the tagline 'WHAT'S ON YOUR PLATE'. A secondary navigation bar includes 'eating and health', 'foodways', 'producers', 'food for thought', and 'for foodies'. The main content area features the article title 'How New Jersey Tamed The Wild Blueberry For Global Production' under the 'PRODUCERS' category. It includes the author's name 'DAN CHARLES' and a 'Listen to the Story' audio player with a play button, 'Morning Edition' label, and a '7:02' duration. Below the player is a large photograph of workers in a blueberry processing facility, wearing hairnets and gloves, sorting blueberries on a conveyor belt. To the left of the photo is a 'SHARE' section with icons for Facebook, Twitter, and Google+. At the bottom right of the page, there is a large, semi-transparent image of a blueberry.

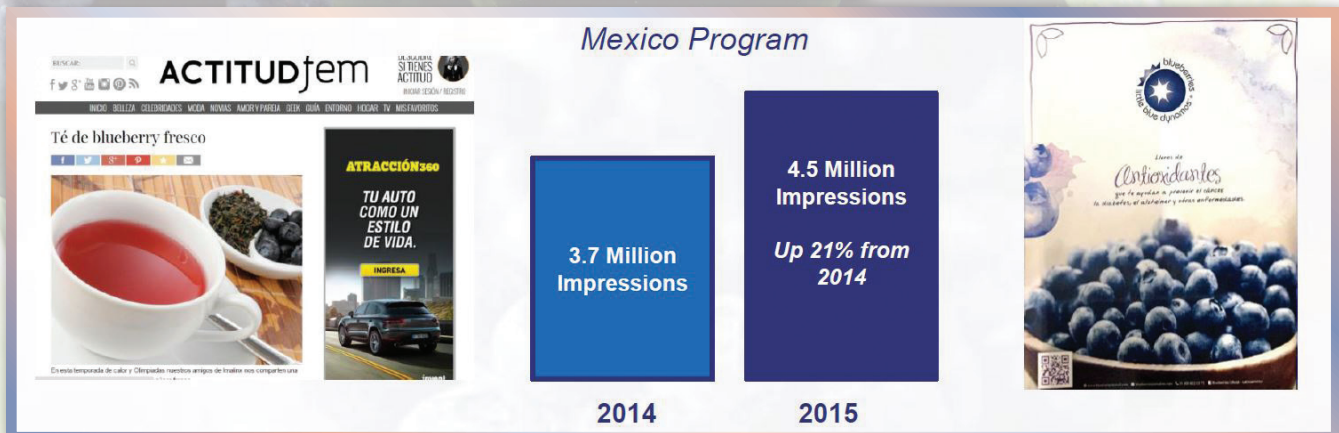
In the summer of 2015, the blueberry's 100th birthday was featured in top-tier media, including NPR and NPR.com, Smithsonian.com, Latina, The Packer and Produce Business, and reached more than 53 million people! In 2016, blueberries will hit the global stage when a four-minute segment about blueberries airs on How It's Made, the Science Channel's popular show that broadcasts in 45 languages and 222 countries.

Marketing Blueberries in Mexico

Since 2009, the USHBC has worked in tandem with Imalinx, a Mexico City-based promotions agency, to introduce blueberries to a growing market of Mexican consumers. In 2015, we continued our consumer- and foodservice-focused activities, exposing those groups to blueberry recipes that lay the groundwork for influencing new and more frequent purchases of our product. While annual per capita consumption of blueberries in Mexico has grown 186% since 2009, it is still only .65 grams, leaving ample room for growth.



Blueberries were a featured ingredient in culinary classes that reached hundreds of students in Mexico. During the sessions, up-and-coming chefs learned about blueberries' health benefits, versatility and how they can fit into traditional Mexican cuisine.



Together, the USHBC and Imalinx reached millions of consumers through print ads and health-focused newsletters.

Fueling Your Promotions

As an industry, we experienced a number of promotional successes over the past year. In addition to implementing programs that benefited the entire blueberry industry, the USHBC continued creating promotional materials to support members in their own customer outreach. Contact the USHBC office to order recipe cards, brochures, posters, magnets, pens, kids' activity sheets and more.

A library of blueberry recipes, nutrition facts and photos, as well as Alison Sweeney's blueberry videos and tips, can be found online at LittleBlueDynamos.com – link to them from your own websites!

Also feel free to repost blueberry inspiration shared via the USHBC social networks:

facebook.com/littlebluedynamos

twitter.com/blueberry411

youtube.com/littlebluedynamos

pinterest.com/blueberrylife

instagram.com/littlebluedynamos

littlebluedynamos.com

The Little Blue Dynamos® seal reminds shoppers of all the benefits blueberries have to offer and nudges them to toss more berries in the basket. To tap into the marketing power of Little Blue Dynamos, visit RidetheBlueWave.com or contact the USHBC office for a copy of the usage guide and participant seal.



Contact the USHBC to discuss marketing materials for your blueberry promotions.



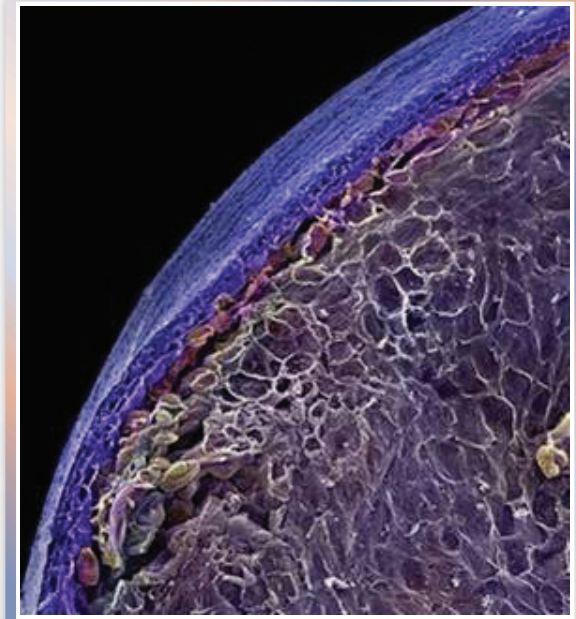
Visit RidetheBlueWave.com and subscribe to receive monthly research and promotion alerts, as well as information on how you can tap into the Council's national campaigns.

USHBC Food Tech

Blueberry Food Tech Program Promotes Ingredient Usage – Tom Payne, TJP Market Development

About half of all blueberries produced in the USA are dedicated to use in the food industry as ingredients. Thanks to increased awareness of blueberry formats and interest by the food industry, blueberry product development continues.

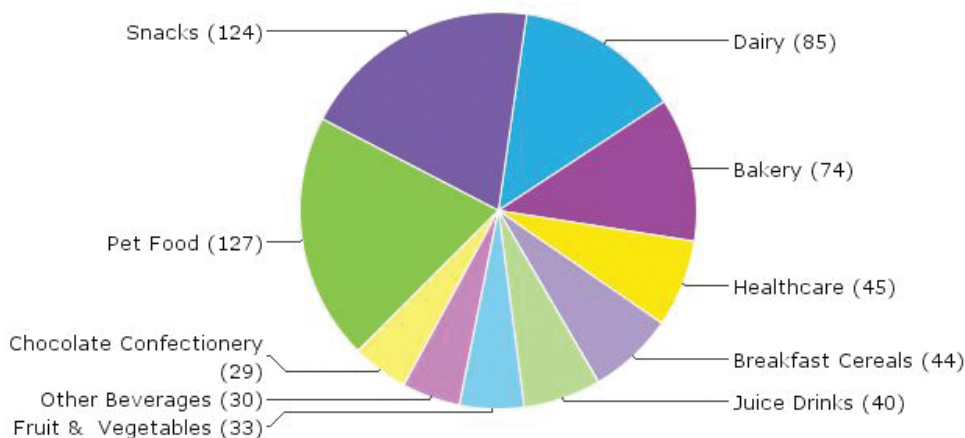
Back in 1988, when I started blueberry work, most product usage was in the fillings and spreads area. Today, blueberries are used in more than 100 categories including beverages, baking, confectionery, snack and new areas such as natural cosmetics and pet foods. We are keeping a steady course to continually spur new product development in the food industry. We work to: discover, document, demonstrate and communicate the latest technical information on blueberries and continually connect with the food industry.



Electron Microscope view of a blueberry.

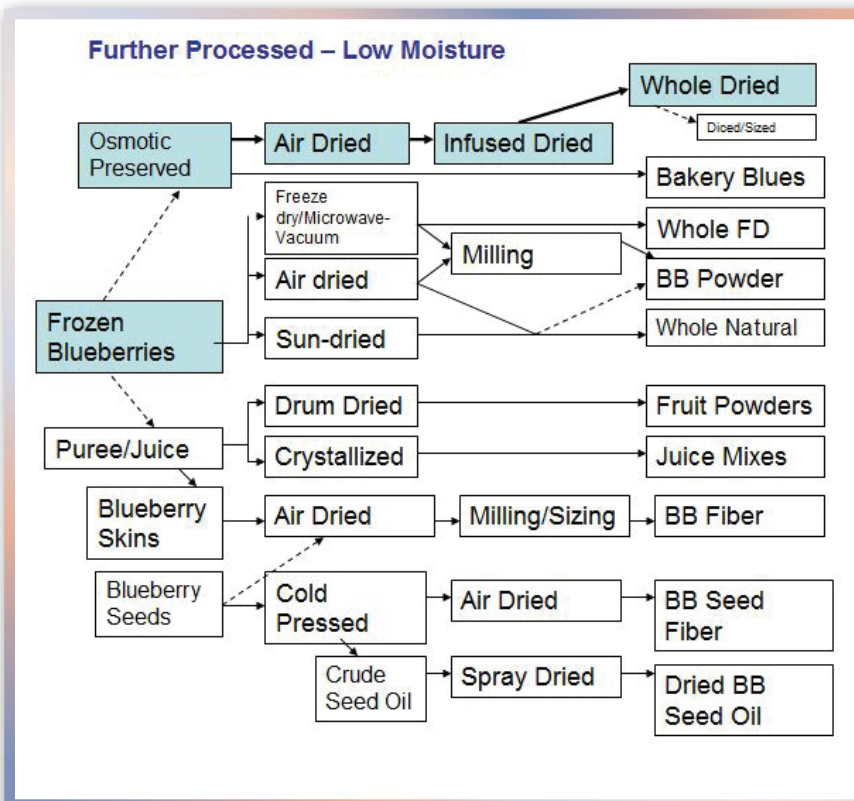
Discovery: The food industry is ever changing. The average grocery store has 30,000 individual product offerings. At the same time, more than 2,500 new products are introduced monthly by companies who seek to hold or gain shelf space with new and improved products. Blueberry Food Tech keeps abreast of change with research into the global food industry. We continually monitor MINTEL, a data service that documents new product introductions. We use this information to identify new products, ingredients, and trends for blueberry use. This data is available to the blueberry industry and helps track and target potential users.

North America New Blueberry Containing Products - 2015



This chart shows North American blueberry use in food industry categories in 2015. For each product identified, USHBC views the ingredient statement, label, and package.

Documentation: Back in 1988 the situation was much more simple. We had fresh, frozen and shelf stable fillings. A new category called “dried” emerged, but saw limited use! Today, fresh and frozen blueberries are still our most important ingredients, but further processed blueberries have risen. Out of the 100 or so food product categories, only a small fraction are in the fresh and frozen area. Many products require intermediate, low moisture, and other dehydrated ingredient formats for integration. Now the blueberry industry features a wide spectrum of ingredients including juices, purees, powders, extracts and essences. Food processors around the world need information and links to these new ingredients and USHBC serves as a central source of technical information and support.



This chart shows some further processed-low moisture blueberry products available to the food industry.

Demonstration: Food processing companies, small and large, have specific criteria and requirements for evaluation and integration of new ingredients. They need specific ingredient characteristics or “specifications” for moisture content, chemistry, physical characteristics, flavor profiles and other detailed information. In short, they want proof that the ingredient will work in a formulation. USHBC works to analyze product categories, catalog information and specifics on each category and provide information on the positive benefits of blueberries and blueberry products. In 2015 USHBC created and tested a number of new product formulas for the food industry and estimated optimal levels of blueberry content. Manufacturers are looking for guidance and we continually encourage optimal levels of blueberries in food products -- especially those with blueberries on the label.

Communications: Blueberry Food Tech continually communicates with the food industry through our interactive website www.blueberrytech.org, food tech blog and through advertising and publicity in trade publications. This stream of positive information and solutions keeps blueberries top-of-mind with food processors and solicits contact and ongoing connections. We also stay active in the field and visit major food manufacturing regions for face-to-face interaction and support. Most importantly, we connect with sellers of blueberries throughout the country. We explain the USHBC food technology activities and provide technical assistance and support.

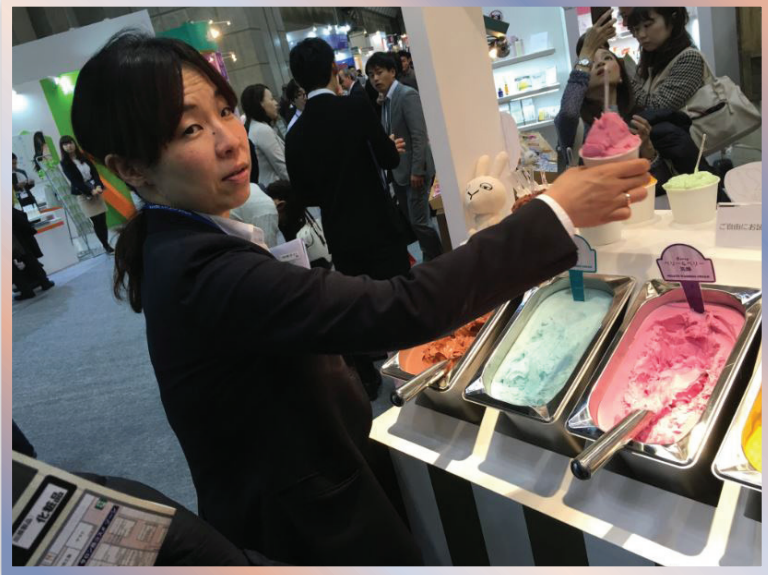


Major food companies include blueberries in the product and on the label.

Food Technology and Export

Innovations: Blueberry Food Tech explores the new markets for the future. Ten years ago, we were looking into pet foods. Now we are exploring the emerging market for blueberry use in natural cosmetics. It all started in Asia, where blueberries are considered a beauty food. In places like Korea and Japan we see blueberries in facial scrubs, masks, skin, hair and nail products. Beyond topical applications, the latest trend is what is called: "Beauty from Within." Ingredients which are traditionally associated with beauty -- such as, turmeric, collagen, aloe vera, and yes, blueberries -- are formulated into consumable products and potions to promote "beauty from within". Although this concept is just emerging in North America, it has flourished in Asia, the Middle East and India. North American companies are following the "beauty from within" path and we expect to see product research and product development in the next ten years.

Blueberry cosmaceutical gelato for face wash is sampled at a Japanese cosmetic manufacturing convention.



Highlights: 2015 was another big year in the food industry and food processors are working on new blueberry containing products. Here are some activities that are helping to keep the blueberry momentum going in the food industry.

Beauty-from-within products in a Japanese pharmacy.



- Trade Publicity:** Food processors read their own trade publications such as Food Technology, Dairy Foods and others. They look for new ideas, concepts, trends and especially to find out what the competition is up to! USHBC is continually publishing positive blueberry messages in these publications. We also publish advertising and advertorials which continue to keep blueberries top of mind. Editors are continually asking for more information, story ideas, and graphics. USHBC is the place for the facts!

Blueberries are on the main page of Nutrasolutions which is an important ingredient reference for the nutraceutical business.



Food Technology and Export

- **Website/Newsletter/Blog.**

This information source is a frequent stop for food processors and is updated regularly to provide the most up-to date information on blueberries. Our Blueberry Food Tech Blog is regularly visited and includes ongoing updates on all things blueberries. One topic that really resonates: cool and unusual products from throughout the world!

Blueberries on Mars...Not Really, but we keep the blog lively and interesting to keep the food techies coming back! Check out: <http://blueberryfoodtech.blogspot.com/>



- **Trade Shows.** Despite the importance of the internet world -- the food industry business is still a person-to-person business. Blueberry Food Tech takes to the field continually to meet our constituents first hand. Our big event each year is the National Institute of Food Technologists (IFT) meeting where research and development staffs from companies attend. We talk blueberries, new products and get a read on new opportunities, and help with established users. For example: We met with a huge Bagel manufacturer who currently uses artificial bits. Marketing department says there is consumer resistance to the artificial blueberry bit. They need help finding the right real blueberry for the product. It takes time, sampling, testing and give and take. But in the end a real blueberry bagel is launched! We also participate in regional IFT events throughout the country to reach more and more companies and product development individuals. In 2016, we will also exhibit at two major baking expositions: the International Bakery Expo and Atlantic Bakery Expo. These are the places to meet major wholesale and retail bakers in the country who have always been loyal blueberry customers and want to do more! Next year we will also reach Mexico!



Katia Miura, food engineer for the USHBC, meets with food manufacturers from Latin America at the 2015 Americas Food Exposition in Miami.

- Little Blue Dynamo Awards.** One thing is for sure: Most blueberry containing products in North America are excellent. We note that around 80 percent tested use real blueberries in adequate or optimal levels! We are working on the other 20 percent! In 2015 Blueberry Food Tech re-launched a program to reward the good! Modeled after our Little Blue Dynamo Awards in Korea, the concept: we identify good products launched in the last year in major categories: baking, confectionery, baby foods, cereals, snacks, pet foods and others. An expert panel evaluates the products for blueberry content, blueberry image, overall quality and innovation. We look for new products that have the “right stuff” to stimulate more and more usage!



Here are the Little Blue Dynamo Awards that are presented to companies who have launched innovative new blueberry-containing products.

- o More than 150 products were analyzed and it was extremely difficult to choose winners:
- o 2015 Little Blue Dynamo Award winners:



Bakery Category - Pamela's Oat Blueberry Lemon Bar. Utilizes real dried blueberries in a delicious cookie! Look at the beautiful blueberry packaging.



Beverages: Nuwi. We evaluated dozens of new blueberry beverages. Some contain a lot of blueberries! We liked this Nuwi quinoa drinkable snack which is a combination cereal-smoothie. The whole concept of combining super fruits and super grains is appealing and you will see more and more.



Baby Food Category - Happy Tot. Baby food is an emerging new product category for blueberries and this year we had dozens of blueberry-containing products identified. Happy Tot uses real blueberry puree along with vegetables. Check out the Stickman scoring a soccer goal with a blueberry headed for the net!



Cereals: Love Grown Super Oats. Besides the love grown super title, the product contains lots of blueberries. This one combines chia and quinoa with lots of blueberries on the pack!

Food Technology and Export



Dairy: Chobani Blueberry Greek Yogurt. “Blueberry Greek Yogurt” has become a category of its own. We salute Chobani for their new look which enlarges the big beautiful blueberry on the package!



Confectionery: Dove Chocolate Covered Whole Blueberries. Chocolate covered blueberries hit the big time in 2015 and some of the leading companies in the world now have blueberries on pack! I love the big whole blueberry!



Pet Foods: Blueberry & Kale Who would ever think that pet foods would be a major user of blueberries? Yes, more than 127 new pet foods included blueberries in 2015 alone and more on the way. In 2015 we saw more and more pet foods with blueberry inside and also on the pack. After all the owners are doing the selection. What’s next? Check out this combination of blueberry and Kale by Treat Simple! The “superfoods” combination trend has now made it to pet foods!



Snacks: Two Moms Bar. “Bring on the Blueberry” is the slogan for this wonderful snack food product by Two Mom’s in the Raw. We like the pack, the taste and especially the blueberry spirit!



Spreads: Smucker’s Fruit & Honey. Jams and spreads are a leading use of blueberries in the USA and abroad. This new product by Smucker’s combines blueberry, lemon and honey and shows how compatible and synergistic blueberries are with other flavors. It uses a lot of blueberries too!



Others: Fresh Express Antioxidant Kit. The “others” category contained all sorts of interesting products from blueberry powders, cosmetic masks and even sorbet for the face! This “Antioxidant Kit” salad from Fresh Express really stood out. First it launches blueberries into the salad category. Second it promotes blueberries along with other antioxidant ingredients such as kale! Note that this includes a packet of dried blueberries in the kit.

Now, a special request to all in the blueberry industry. If you see an interesting new blueberry product that is deserving a Little Blue Dynamo award, please send a snap to: tpayne@blueberrytech.org.

USHBC Export - Blueberry Excitement Worldwide!

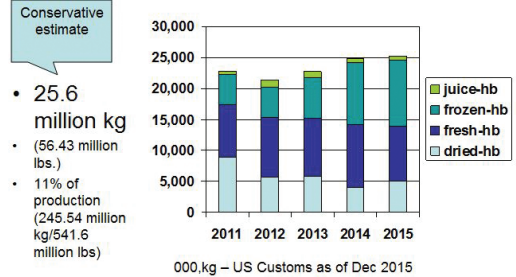
USHBC has made great strides at increasing non-Canadian market exports to our target of 15% of the total US crop. As of year-end 2015, US Customs reported more than 56.4 million lb. shipped abroad. This exceeds more than \$150 million in value, or around 11% of total US production. More than 80% of total exports were destined for Asian markets, the key target of USHBC market development activities. A big surprise: more than 12.3 million lb. of dehydrated blueberries were shipped to export markets. Considering that it takes 3.5 lb. of frozen blueberries to produce 1 lb. of dehydrated-sugar or fruit concentrate infused blueberries -- pushes total exports of US closer to the 81 million lb. mark, or 15% of the total US crop!

What is Driving Exports?

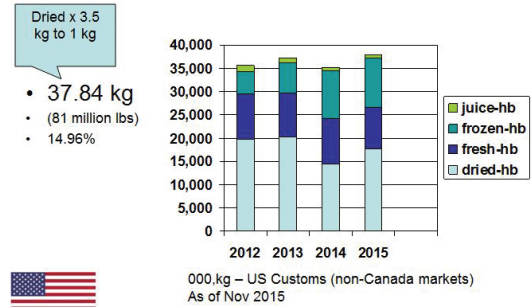
• **Health & Beauty Positioning.** In North America, blueberry consumers react to the overall “health halo” of blueberries. That is, an overall image of health, nutrition, and life enhancement contributions made by consumption of blueberries and blueberry products. Export markets, especially Asia, were early enablers of the blueberry health messages including antioxidants and anthocyanin in the blue pigment of the blueberry. Today, this message has evolved into an attachment by consumers, male and female, to beauty and blueberries. In countries such as China and Korea where there is a food-as-medicine view, consumers believe that blueberries are good

for skincare, hair and nails. Consumers are purchasing fresh and dried blueberries and processed products such as beverages, yogurts and spreads. Now beautiful blueberries are appearing in natural cosmetics for topical applications and what are called, “beauty-from-within” foods.

US Highbush Exports



US Highbush Exports



US Customs Statistics show that USHBC is well along to build export markets to more than 15% of total production, and beyond!



Blueberry cosmetics are on the rise throughout Asia to capitalize on attachment of blueberries with skin care.



Each year USHBC kicks off the fresh season with a “Beautiful Blueberry” event at retail stores.

• **Convenience Food.** In North America, we have easy access to fresh and frozen blueberries, but in much of the world, cold chains are a challenge for getting products to the consumer. More and more dehydrated blueberries are headed to export markets abroad which are the highest value of all blueberry offerings. In Asia, dried blueberries are repacked into small bags and sold in convenience stores. In India and the Middle East, dried blueberries are integrated into traditional snack and confectionery items -- especially those which are considered “healthy.” Shelf stable blueberries are also introduced to new markets, such as, Colombia in South America and Southeast Asian markets. Even in countries with equatorial, steamy climates, blueberries are now a hit! Almost \$1 million in dried blueberries have been shipped to India. China is also on the rise.

• **New Markets.** Diversity = Stability! USHBC is discovering the importance of developing a wide-based portfolio of export markets. While market development campaigns work to ensure stability and growth in mega markets such as Japan and now South Korea, we also are always on the hunt for new opportunities in countries which will someday be important markets. This includes the BRIC countries which include the largest countries on earth: Brazil, Russia, India, China and now South Africa. We recognize that these are long-term markets and not at all easy to succeed. We conduct activities to develop a presence and awareness for highbush blueberries. Initially we need to explain exactly what a blueberry is. We promote the health benefits, interact with the trade and work on fresh and processed blueberries. We continue the quest that will lead to even small action in the mega markets of the future. USHBC has seen rapid growth in Brazil and although China is a tough market to crack, we continually promote-promote-promote in the market that will eventually become our largest market.



Snack items such as this consumer pack from India have become popular in temperate climates. More than six different brands now serve the Indian market sold in the grocery channel. (Most dried fruit in India is sold through the dried fruit markets and bazaars).

• **International Food Industry.** The world is “flat” when it comes to the food processing business. The leading bakery company in the world is Grupo Bimbo of Mexico with major operations in the USA and Canada (Thomas’, Sara Lee, Oroweat, Entemann’s, etc.), as well as, Central and South America, Europe and Asia. Taiwanese food giant Uni-President Enterprises Corporation is the largest food processing company in all of Asia including Mainland China. Uni-President runs Starbucks, 7-11, and Carrefour in Taiwan. The company’s manufacturing operations range from foods -- dairy products, beverages, snack food, frozen food, health food, instant noodles... -- to feed products. Uni-President’s convenience stores, distribution, construction, and recreation operations are found in Taiwan, USA, Canada, China, and other countries in Southeast Asia.

Filipino fast food chains are popping up all over Southeast Asia. Jollibee has more than 70 international stores in six countries. Goldilocks bakeshop, another well-known Filipino operation, has 400 stores in the Philippines, as well as, stores in California and Canada. Like North American firms, these companies follow consumer trends in new product development. They are brand and quality driven.

USHBC extends the reach of the US-based food technology campaign, working with research and development abroad. We provide new blueberry product concepts and ideas, ingredient solutions and help troubleshoot and improve.

Everywhere around the world, “Made in USA” is a very positive statement of quality and food safety! Overseas companies benefit from touting the inclusion of “Real Blueberries from the USA.”



The NABC Real Seal is an important selling tool for Garden Company, the leading food processor in Hong Kong and south China. The company is known for biscuit, cake and bread production facilities. In addition to Garden Company’s retail presence it manufactures wholesale, providing bread, pastry and frozen dough to major fast food chains, restaurants, hotels and airline catering services. The corporate mission encompasses “QIE” which stands for Quality, Innovation, Efficiency.

Food Technology and Export

- **Market Access Update:** The world is not an even playing field when it comes to agricultural imports and exports. A country can restrict agricultural imports for a number of reasons. USHBC works with its partner USDA-APHIS to push the market access process ahead. First we work to make formal market access requests by the North American Blueberry Council (NABC). Experts draft documentation that supports the fact that US fresh blueberries are not a danger to agricultural production in the potential export market. To date: USHBC/NABC has more than nine market access requests in play for: the People’s Republic of China, Republic of Korea in South Korea (for states other than Oregon which already has market access), Australia, New Zealand, Republic of South Africa, Republic of the Philippines, and the Democratic People’s Republic of Vietnam. We do everything possible to push the process along, answering questions preparing comments and briefs, and supporting the grueling hard work of our partners at USDA-APHIS who negotiate on our behalf.

- **Fresh Promotions - South Korea**

USHBC conducted fresh promotions in South Korea for the third consecutive year. This has included retail fresh promotions, mascot activity at stores, and a unique video contest where consumers created videos in tribute to “Blue Me” our mascot. The three-month long promotion helped raise 2015 fresh blueberry sales 51% over 2014.

- **Frozen Polybag Promotion in South Korea**

South Korea is the largest market for frozen blueberries. In the past five years, retail polybags sales have slipped due to import duty disadvantage compared to product from another origin. USHBC initiated frozen polybag promotions to help rejuvenate the category including sampling and mascot action. Sales jumped significantly in stores who participated in the promotion. Store chain management took note and are optimistic about activity for US-origin polybag business in the future.

Here is a new frozen polybag which has seven different sub-packs for serving the goodness of frozen blueberries each day of the week!



Mascots are an important marketing tool in the Far East and here is the mascot team in Korea: Kristie Park and Hyewon Shin who represent USHBC in South Korea.



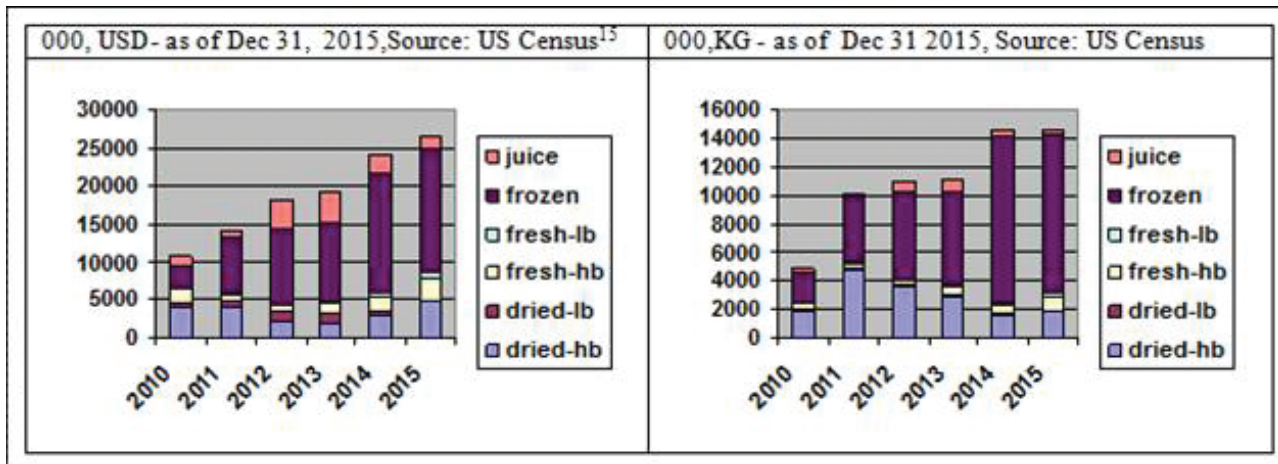
Food Technology and Export

• Korean Food Industry Development.

Each year we marvel at the number of innovative new products containing blueberries in South Korea. USHBC continues efforts to boost this category with our in-country Food Tech “Ambassador” leading the charge! Sunyong Lee, retired food industry executive, utilizes his vast contacts to open doors at some of the leading Asian companies. USHBC has presented concepts such as blueberry soju (Korean liquor), makuli (milky sake), sauces and even kim chee (fermented cabbage) to interested manufacturers and also participates in food industry expositions. The results have been impressive with more than 258 new blueberry-containing products introduced in 2015. Let’s keep it going!



New products with blueberries include the traditional as well as new items like this rice chip which uses a freeze dried blueberry powder. Even a small amount of blueberry powder requires a lot of blueberry to create!

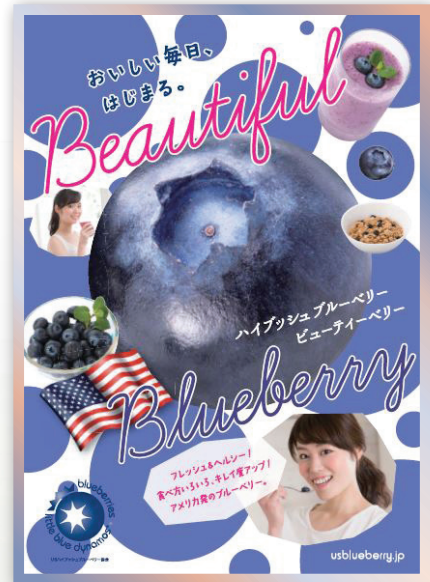
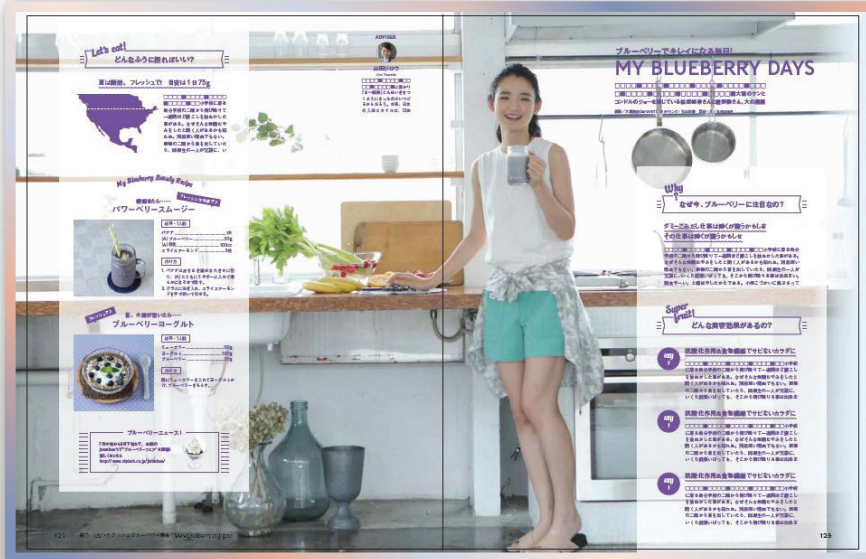


Shipments of frozen, dried and fresh have soared in South Korea since USHBC began promotions.

Food Technology and Export

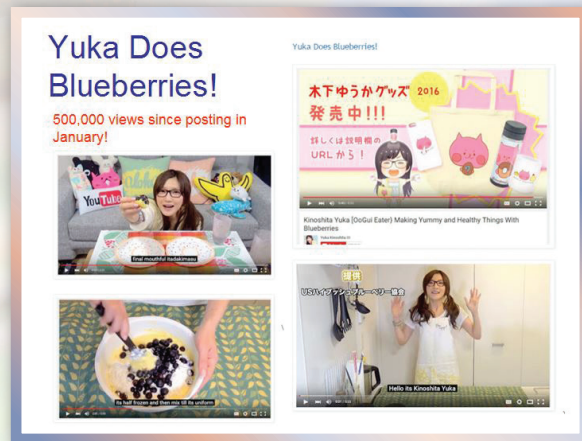
• Beauty Positioning Continues in Japan.

USHBC continued advertising fresh blueberries in Japan promoting blueberries as part of a beauty routine. Advertorials were placed in Frau Magazine a publication read by our target audience (young women). USHBC also conducted activities with super model Izu on Twitter to get close to the target audience. We also created a popular YouTube media campaign by a wacky “foodie” (Yuka) who explained how to make muffins and smoothies. More than a half million Japanese viewers took note!



USHBC promoted Beautiful Blueberries in hundreds of retail stores throughout Japan.

USHBC presented beautiful blueberries in major women’s magazines.



Zany YouTube star Yuka showed Japanese consumers how to make smoothies and muffins. More than a half million viewers enjoyed!



Japan model Izu is popular fashion model, marathon runner and blueberry fan! She held a cooking demonstration that connected her to her Twitter fans during a USHBC online promotion.

Food Technology and Export

• **Japan Food Industry Continues to Churn Out New Blueberry Products!** While most food ingredients have experienced declining shipments into Japan since the March 2011 Tohoku Earthquake, Tsunami and subsequent nuclear disasters, frozen US highbush blueberries have beaten the odds. New blueberry containing products rose in 2015 as well as frozen-highbush shipments. Companies big and small are increasing blueberry content in jams and jellies to increase consumer demand. Product labeling continues to present beautiful images on pack. Blueberries are associated with beauty and the “beauty-from-within” concept of combining beauty-associated ingredients has resonated in the industry. More than 214 new products were launched in 2015 from natural cosmetics, pet foods, snacks, and more! Some of these innovative concepts are spurring growth in new categories back home!

New product innovation in Japan capitalizes on the image of blueberry on pack and in the product.



• **Australia Connection.** USHBC has recognized Australian interest in blueberries for the past decade, with fresh on the horizon and steady processed shipments. This year (2015) was the first in-country activity with participation in the Fine Foods Australia exhibition in Sydney, and it was a delight. Before the exhibition, the country was struck with a terrible food-safety situation with frozen blueberries from another origin. The Australian trade jumped on the opportunity to connect with USA blueberries. Visitors to the USHBC Booth at the Fine Foods Show received “rock star” reception and real progress was made to connect our supply with Australian demand. The most common question: when will fresh North American blueberries arrive? Stay tuned!

Food Technology and Export

- **The Indian Market Rises!** USHBC has pioneered the 1.6 billion person Indian market for the past decade (more than 1/6 of total world population). Market development has been a challenge and we have conducted foundation work to introduce the trade and consumers to the “blue berry!” In 2015, the market has sprung to life for fresh, frozen and especially dried blueberries. USHBC promotions on web, twitter and media have focused on the health benefits of blueberries. Regularly, new articles have appeared in major Indian newspapers, such as, the Times of India (the world’s largest circulation English language newspaper). Returning tech workers, overseas Indians, have returned to “mother India” to help spread the blueberry message.

USHBC has focused on health and glamour utilizing the handsome and tremendously popular Master Chef Ranveer Brar, as celebrity spokesperson. Chef Brar’s television shows include: Breakfast Xpress, Snack Attack, Homemade, The Great Indian Rasoi, Thank God It’s Fryday, Health Bhi Taste Bhi. As a judge on the competitive game show, MasterChef India, he is at the top of his game and USHBC utilized the expertise of this popular and well-known TV personality to conduct demonstrations at high-end grocery stores and culinary schools. He was interviewed on television and his expertise and charm was distilled into a series of online videos. Now fresh and frozen blueberries continue to become trendy in Indian popular food culture.



Sampling of fresh blueberries at Indian grocery store.

Chef Ranveer drew crowds at cooking demonstrations at grocery stores in major cities of India.

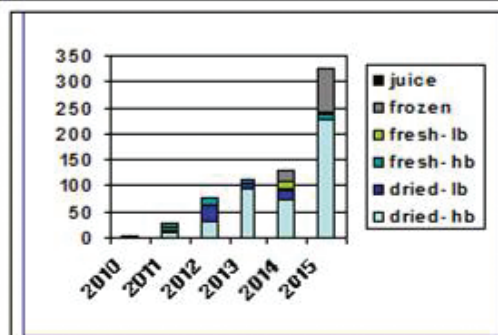


Food Technology and Export

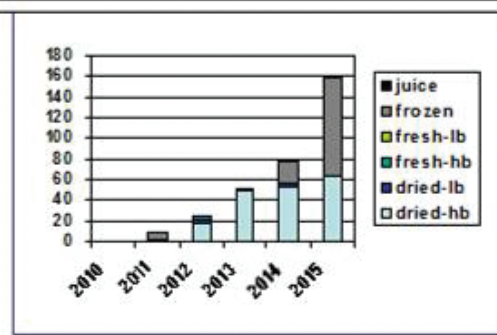
• **Frozen Promotion India.** A century ago, American ice shippers loaded boats full of lake ice from New England and successfully shipped to Calcutta! In 2014 and 2015, ocean containers of frozen blueberries arrived to India for sampling to potential industrial users and distributors throughout the country. With funding from the USDA-FAS Quality Samples Program (QSP), USHBC shipped about 3,000 cases of frozen blueberries and distributed them to companies for evaluation, testing and eventual product development. These samples have resulted in more than 142 new blueberry-containing products developed. This sample run has “primed the pump” for subsequent shipments by the US industry and already more shipments are on the way from multiple suppliers to the major cities of India.



Mississippi Masala! Here is the Dynamic Trio who helped make the Indian sampling program a success: Don Vanderwerken (J & D Farms and Anusaya Fresh-Mississippi), Dinesh Shinde (Anusaya Fresh, Mumbai, India) and Tim Goggans (Miss-Lou Cooperative).



US Blueberry Exports to India - 000, USD, to Dec 31, 2015 US Customs



US Blueberry Exports to India - 000, kg, to Dec 31, 2015 Source: US Customs

We have seen a steady rise in shipments to India since USHBC began promotions.

Food Technology and Export

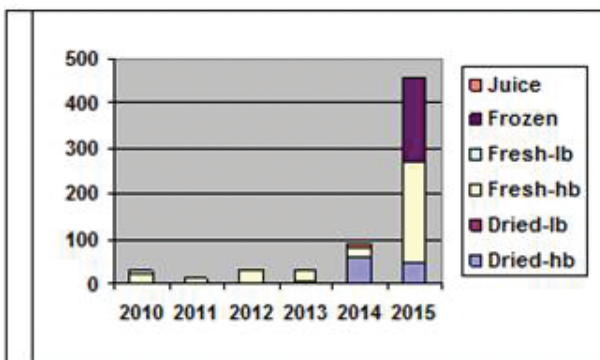
• **Brazil Blossoms.** After five years of grassroots promotion work in Brazil, we are starting to see results for fresh and processed blueberries. With help from USDA-FAS funds, USHBC surveyed the massive Brazilian food processing industry for opportunities. Despite political and economic turmoil in the country of 200 million (and rising), we discovered opportunities in the healthy food sector including: yogurts, cereals, and snacks. Brazilians have a “food as medicine” culture, and concepts such as antioxidants and “beauty-from-within” have resonated. In 2015, more than 45 new blueberry-containing products have been developed and a half million pounds of processed blueberries have been shipped. We see tremendous growth as our in-country representative Katia Miura (food engineer) continues to connect with Brazilian companies



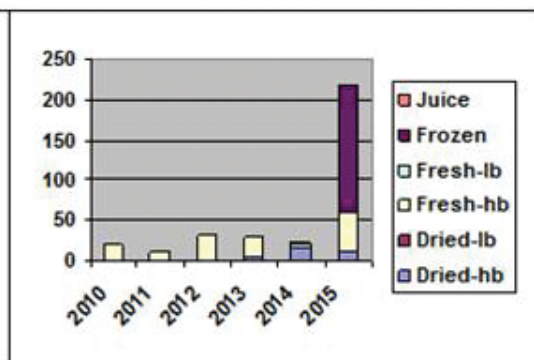
Locally packed dried blueberries.



Brazilian beverage combining ingredients thought to be good for skin care and beauty.



US blueberry exports to Brazil, USD. Source: 000, USD Customs Dec 31, 2015



US blueberry exports to Brazil, 000, KG. Source: US Customs December 31, 2015

Brazil has been a pleasant surprise for USHBC as processed blueberries from the USA have followed fresh to this large South American market.

Food Technology and Export

• **China Polybag Promotion Proves Potential!** We all know that China could likely be the leading market for fresh and frozen blueberries. But, for now it is a tough market to penetrate. The huge country of 1.35 billion currently restricts the importation of fresh blueberries from the USA. Frozen shippers face multiple obstacles including high duties, difficulties at ports and chaos in the trade with private companies coming and going rapidly.



T-Mall, a dedicated business to consumer platform, is the leading online sales platform in China, selling billions of dollars in goods ranging from luxury items to foods (<https://www.tmall.com/>).

USHBC worked with online Giant T-Mall, which is part of the multi-billion dollar Alibaba group, to conduct an activity to “leap” the hurdles and to prove the marketability of frozen blueberries throughout China. The program targeted the smaller cities and outer regions. A “smaller city” could be 5-10 million population in China. These areas have little access to imported goods and T-Mall is the commercial channel of choice. Samples of frozen blueberries were sent to current ice cream customers utilizing a unique frozen pack. For the “last mile delivery” motor scooters did the job! The results were stunning: eighty percent of recipients have never seen frozen blueberries before -- 85 percent said they would buy! Now we have this and other data that shows online and conventional retailers the viability of selling frozen blueberries.

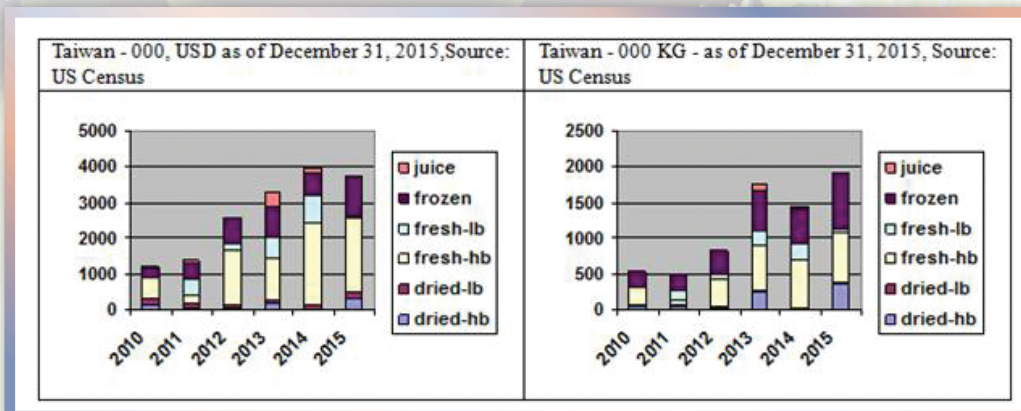
• **Taiwan, Our Tried and True Market.** Since the year 2000, USHBC has promoted fresh and processed blueberries to the market of 23 million. We have always considered Taiwan as a trendsetter in “Greater China” which includes Mainland China and all of the countries of Southeast Asia where overseas Chinese dominate business. We have used Taiwan as a laboratory to test the beautiful blueberry positioning in retail and foodservice, and this has resulted in steady gains in the fresh market. In 2015 USHBC bolstered initiatives in the Taiwan food industry. This includes frozen, dried and juice products for the massive and regionally connected Taiwan companies. The results include product launches of consumer packed dried blueberries, and more than 46 products utilizing frozen blueberries. USHBC will continue this effort including meetings and seminars with food companies and participation at major trade expositions. Thank you Taiwan -- our tried and true market!



Taiwan is a snacking culture and several companies have launched dried blueberry products for the consumer market. Osome is produced by Unipresident, leading Taiwan-based food processing company with operations all over Asia.



The USHBC advertising campaign from 2000 is still pertinent today.



Blueberry shipments have risen steadily since the initiation of USHBC promotions in 2000.

Food Technology and Export

• Middle East Blueberry Mania!

Five years ago, USHBC attended the Gulfoods Exposition in Dubai. We spent most time explaining blueberries to puzzled Emiratis and Saudis. In 2015 blueberries were a “talk of the show” at the same Gulfoods. Fresh blueberries are stocked in supermarkets in the region year round. Frozen blueberries are a smoothie ingredient of choice. Regional food processors are exploring blueberry dairy and confectionery usage. Why the change? Open the daily Khaleej Times (newspaper) and you will see reports on the regional diabetes epidemic. Gulf countries lead the world with adult, teen and juvenile diabetes. Information on blueberries and diabetes and metabolic syndrome has spread to the public. Now we are seeing more and more interest from outside of the United Arab Emirates including Saudi Arabia, Oman, Bahrain and even the Islamic Republic of Iran.

Wall of Berries, Spinny's Market, Dubai, United Arab Emirates
Blueberry Origin: California



Here is a mondo-berry display at a Spinneys market in Dubai! Fresh blueberries occupied the most space and is stocked year round!

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home fashion lifestyle entertainment travel food horoscope editor

HOME > LIFESTYLE > HEALTH AND FITNESS

Apples, Blueberries lower risk of diabetes

(IANS)
Filed on March 19, 2012

VOLE

SHARE



Eating more blueberries, apples and pears may be linked to lower risk of diabetes, according to a new US

Local newspapers such as the Khaleej Times in Dubai have run features on blueberries and relief from diabetes.

Statements of Financial Position

December 31, 2015 and 2014

Assets

	<u>2015</u>	<u>2014</u>
Current Assets:		
Cash	\$7,062,802	\$5,732,441
Accounts receivable	363,309	390,625
Promotional materials	27,724	51,628
Prepaid expenses	18,092	685,895
Total current assets	7,471,927	6,860,589
Equipment, net	<u>257</u>	<u>746</u>
Total assets	\$7,472,184	\$6,861,335

Liabilities and Net Assets

Current Liabilities:		
Accounts payable	\$684,943	\$539,250
Current portion of health research contract obligations	451,230	776,539
Deferred crop assessments	<u>4,341,608</u>	<u>4,567,026</u>
Total current liabilities	5,477,781	5,882,815
Health research contract obligations, net of current portion	<u>582,952</u>	<u>141,266</u>
Total Liabilities	6,060,733	6,024,081
Unrestricted net assets	<u>1,411,451</u>	<u>837,254</u>
Total Liabilities and Net Assets	\$7,472,184	\$6,861,335

Statement of Activities

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Revenue:		
Domestic crop assessments	\$4,598,592	\$2,935,906
Foreign crop assessments	2,923,045	2,565,134
Grant revenue	63,055	127,220
Gains from contract expirations	95,089	-
Other revenue	<u>10,002</u>	<u>16,453</u>
Total revenue	7,689,783	5,644,713
Expenses:		
Market promotion and publicity	4,788,746	3,621,656
Research	1,179,587	361,374
Industry relations	73,156	68,440
Food safety	88,401	52,593
USHBC program fees	202,113	201,314
General and administrative	<u>783,583</u>	<u>732,898</u>
Total expenses	7,115,586	5,038,275
Change in unrestricted net assets	574,197	606,438
Unrestricted net assets, beginning of year	837,254	230,816
Unrestricted net assets, end of year	\$1,411,451	\$837,254

USHBC OFFICE STAFF



USHBC OFFICE STAFF

Left to right

Richard Ruckman, Compliance & Data Coordinator; Julie Fogarty, Assistant Manager;
Mary Nezbeth, Office Manager; Mark Villata, Executive Director

The Corporate Social Responsibility Statement of the U.S. Highbush Blueberry Council

Members of the U.S. Highbush Blueberry Council (USHBC) believe in several core values related to the responsible stewardship of the resources with which we are entrusted. In order to fulfill our responsibilities in accordance with these values we will:

- Promote sustainable practices in agriculture, balancing the needs of consumers with the needs of the land and the industry.
- Contribute to an important agricultural economy that must be self-supporting and profitable.
- Recognize the interdependence of our growing, handling and marketing activities with customers, regulators, neighbors, suppliers, employees and others who support and permit our work.
- Enjoy and foster diversity in all its positive forms, from the crops we grow to the membership in our blueberry community.
- Encourage the sharing of information to provide participants in the industry and our consumers the knowledge they need to make good choices about all aspects of their enjoyment of blueberries.
- Embrace the challenge of promoting the goodness of blueberries to all corners of the earth and to be the impetus that contributes to the health and wellbeing of consumers and creates opportunity for fellow industry members.

The USHBC Code of Ethics

As members of the U.S. Highbush Blueberry Council, we acknowledge our responsibility to our industry, its customers, the Council and our fellow humans to exhibit the highest standards of business conduct. We therefore encourage our industry members to:

- Be committed to adherence to laws, practices and regulations which apply to the areas where we conduct business.
- At a minimum, follow the standards and practices required by law and regulation for growing, harvesting, processing and handling blueberries for the protection and health of our employees and those who eat our great product.
- Encourage that hours worked each day, and days worked each week, shall not exceed legal limitations, that unsafe workplace practices not be tolerated and that employees be trained in safe practices.
- Provide impartial and unprejudiced treatment to employees in all sectors of the industry.
- Conduct all our business practices with honesty, fair dealing and in conformance with high ethical standards and use only legal and ethical means in all business activities following all applicable laws and operating in ways that encourage trust among our members, their customers and other stakeholders.
- Provide the means to help our industry grow in socially appropriate and ecologically responsible ways throughout the entire supply chain.
- Be strongly committed to the strict adherence to all environmental rules, regulations and standards that are imposed by local, state and national government authorities.
- Hold one another to the highest levels of integrity and be a good corporate citizen in every community and locality where we grow. Encourage blueberry growers to become involved in the life of their communities by participating in and sponsoring activities that result in community betterment.
- Collaborate with industry members, researchers and others to benefit the responsible growth of the blueberry industry.
- Be honest and fair in our promotion of blueberries and scrupulously accurate in our representation of the benefits of eating blueberries.
- Support our Council, and the industry at large, by debating, crafting and promoting changes that will create opportunity for involvement in the industry.
- Educate members about good management practices that contribute to further development of the industry's growing, handling, marketing, health, safety, public education and other important disciplines.

USHBC Meeting Schedule and Invitation

USHBC meetings are open to all members of the industry and offer an excellent opportunity to learn more about the Council and the various market promotion and health research activities being conducted by the USHBC. These open meetings also offer the opportunity to contribute by sharing your thoughts with the USHBC.

All members of the blueberry industry are encouraged to attend and participate in USHBC meetings and are asked to also consider future service with the USHBC as an elected member or alternate. Please contact the USHBC office at (916) 983-0111 if you have any questions concerning the USHBC or future meetings, or for more information about USHBC member or alternate positions.

2016 USHBC Fall Meeting

Philadelphia, Pennsylvania

Wednesday, October 5 to Friday, October 7, 2016

Loews Philadelphia Hotel

Loews Reservations Center ~ 888-575-6397

Group Name: NABC – 2016 Fall Meeting

2017 USHBC Spring Meeting

Phoenix, Arizona

Wednesday, March 1 to Friday, March 3, 2017

Crowne Plaza Phoenix Airport

Reservation Line ~ 888-233-9527

Group Name: NABC 2017 Spring Meeting

The USHBC has adopted a diversity outreach plan to attempt to achieve a diverse representation on the Council. USHBC programs and meetings are open to all individuals. The USHBC prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, genetic information, parental status and marital or family status. The USHBC fully complies with any and all applicable Federal, State and local equal employment opportunity statutes, ordinances and regulations, including but not limited to Title VII of the Civil Rights Act of 1964; the Americans with Disabilities Act of 1990, the Age Discrimination in Employment Act of 1967; and the Equal Pay Act of 1963. Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USHBC office at (916) 983-0111. To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington DC. 20250-9410 or call 800-795-3272 (voice) or 202 720-6382 (TDD).




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