



January 26, 2007

Dwight Freeman, CEO **Fresh Facts** Editor: Lyla Davis Volume 2 No. 4

**MONDAY, JANUARY 29**  
**VALI 3 THEATER IN MONTE VISTA**  
**9:00 A.M. – Be There!**

**From the US Potato Board - Industry Joins Forces To Create “Fresh Demand Working Group”** - Clearly, the biggest challenge facing the US potato industry today is the continuing decline of in-home fresh potato consumption as the industry has long known it. While there are a number of confounding factors, both on the supply and demand sides, the basic issue remains: National eating trends demonstrate, without argument, fewer and fewer consumers are eating traditional in-home meals as compared to decades ago, yet the US potato industry continues to supply a product that meets yesterday’s consumer lifestyle, not today’s or tomorrow’s.

This continuing misalignment of fresh production versus domestic consumption has finally resulted in the establishment of the industry wide “Fresh Demand Working Group”. Led by United States Potato Board (USPB) President & CEO, Tim O’Connor, critical stakeholders in the group include United Potato Growers of America (United), National Potato Council (NPC) and all major fresh shipping state organization executives. The group’s launch meeting, held December 18th in Denver, concluded with a concise list of objectives, divided into short-term initiatives critical to moving the current crop through the market in a timely fashion, and long-term ideas to lift demand--from which a prioritized short list was further refined to those the group felt offered the most potential to the industry:

1. United needs to communicate the short-term ideas to its fresh grower members and discuss it extensively on its marketing conference calls. Unless growers and shippers begin to actively pursue featuring activities, they won’t happen. State organizations and the USPB need to add their communications to fresh growers and shippers encouraging the same.
2. The USPB will follow through with all of the short-term objectives listed for USPB to complete. A USPB message development session is scheduled, and USPB is looking at ways to fast track, but still conduct scientifically valid research. USPB will complete the message development and consumer testing of the message(s) as rapidly as possible, but won’t compromise the integrity of the work because identifying the most effective consumer message(s) possible is much more important than doing it 30 days quicker.
3. To move beyond repeating the same problems year after year (too many fresh potatoes, particularly russets, for current demand), growers and shippers need to begin investing in changes to their businesses that will shift some of their dependency on current products and business practices to those that address the changes in the consumer and retail marketplace.
4. United needs to critically address acreage targets for fresh market russets; consumption trends for the current product offering are very clear, acreage needs to match those trends

more precisely until innovation shifts a significant portion of the russet offerings out of the traditional meal barriers that consumers have placed on russets.

These ideas are designed to stimulate further dialog, debate and additional proposals. No future meeting date for the group has been set, but the day's success ensures a continuing meeting for some point in the future. **For more information or the list of proposed ideas, please contact Tim O'Connor at 303-369-7783, [toconnor@uspotatoes.com](mailto:toconnor@uspotatoes.com).**