



“Quote of the Week”

Complaining is good for you as long as you're not complaining to the person you're complaining about

- Lynn Johnston

For Better or Worse comic strip

UNITED Fresh Potato Growers of Colorado

Fresh Facts

SALT LAKE CITY November 26, 2007—United Potato Growers of America today announced that Lee Frankel will lead the organization as president and chief executive officer of the national federated agricultural cooperative headquartered in Salt Lake City. Frankel will take the helm as of January 2.

Frankel holds a bachelor of arts in economics and a masters of arts in International Trade and Agricultural Policy from Stanford University. He has served the past 11 years as president of the Fresh Produce Association of the Americas, Nogales, Arizona. Frankel worked previously for five years as an international trade analyst with the U.S. International Trade Commission.

“UPGA’s CEO Search Committee has reviewed several candidates over the past several months and has taken great care to select the right individual with proven leadership abilities and a solid track record. Lee will be a great complement to our professional staff at headquarters,” said Albert Wada, UPGA chairman.

From the United States Potato Board

Dollars, Pounds—Down Cost per Pound—Up

Data from A.C. Nielsen Scantrac for the second 13 weeks of 2007 (ending June 30, 2007) for bagged potato sales through supermarkets with sales of \$2 million shows some intriguing outcomes. Overall, dollars spent on total bagged fresh potatoes for Q2 2007 decreased \$390,000 to \$36,580,000—a 1.1 percent decline from Q2 2006. Total bagged fresh pounds were also down 2,080,000 to 78,760,000 pounds—a 2.6 percent decline for the same period. Dollars declined, but at a lower rate compared with pounds—a difference of 1.5 percent. So cost per pound actually increased 1.5 percent—up \$0.01 to roughly \$0.46 per pound for Q2 2007.

The pound decrease is concentrated in the 5, 10, and 20 pound bag sizes, and is primarily the russet variety. That’s probably not surprising to anyone given the size of the russet market, and the dominance of 5 and 10 pound bags. But, four-pound and under bags grew 6.6%. Red, white, organic, yellow/gold, and even purple varieties, saw pound increases. So are consumers looking for new eating experiences, or are they looking for smaller bag sizes? Those along with a number of other consumer demand drivers are all being evaluated in the USPB’s “Best In Class” retail efforts.

Regardless of whether the USPB looks at demand, or growers look at supply, we’ve all got to look at the channels: retail or foodservice; the segments within those channels, such as super centers vs. supermarkets, or QSR’s vs. sit down family dining. Then we have to talk about the products. And finally, the one element that will determine everything, or at least almost everything, the consumer. The industry is doing a better job of objectively looking at demand and supply, but it’s got to continue and it’s got to improve so, collectively, we can address the issues and capitalize on the opportunities.

POTATO INDUSTRY UNVEILS NEW NUTRITION MESSAGE

DENVER—(November 16, 2007) The Fresh Demand Working Group (FDWG), on behalf of the US potato industry, and working cooperatively with the United States Potato Board (USPB) Domestic Marketing Committee, United Potato Growers of America (UPGA), state industry organizations and grower/shipper representatives, is pleased to announce the adoption of a new industry-wide message linking potato goodness with today's consumers. "Potatoes: Goodness Unearthed™" is the culmination of several months of in-depth consumer research by a leading New York City based international branding agency, whose previous work included the recently adopted "Fruits and Veggies, More Matters™" for the Produce for Better Health Foundation. This new message also represents industry input and ideation, all designed to help consumers connect with the core nutrition message "potatoes are good for you"—a message creating a new attitude and giving consumers a new way of looking at potatoes to which they have always related—potatoes are a healthy, nutritious, good tasting, nurturing food.

Though potatoes are consumed by 79 percent of US households 1.8 times per week in-home, per capita consumption has steadily declined during the past 10 years, as have many fresh produce items. The FDWG, a group of grower/shippers, state industry organization leaders, staff and members of the USPB Domestic Marketing Committee and staff and members of UPGA, convened during late 2006 to develop strategies to reverse the decline in fresh potato consumption. In researching consumer perceptions about fresh potatoes, it was learned potato messaging needed to highlight the nutrition facts of potatoes, but also go beyond the facts and connect the goodness of potatoes in a way that is relevant to consumers' lives today.

Plans are underway to launch a far-reaching consumer campaign on January 15, 2008. The FDWG will continue to work closely with the US potato industry to develop campaign materials for fresh grower/shippers to take to their retail marketing partners for a coordinated, industry-wide campaign. "Potatoes: Goodness Unearthed" will also be incorporated into the current USPB Best In Class (BIC) and BIC Fast Track programs to retail partners and consumer communications programs. Details and materials will be forthcoming.

Refrigerated, dehydrated and frozen potato products have been successful in offering time-starved consumers the convenience of real mealtime solutions. The challenge of increasing fresh potato consumption also includes finding exciting and convenient ways to make them quick and easy to prepare. To begin this process, the USPB engaged nationally recognized concept and new product development consultants for the food and beverage industry to create new convenient recipes for microwave ovens. The USPB also recently partnered with SC Johnson in the nationwide roll out of its new Ziploc® Brand Zip 'n Steam™ Microwave Steam Cooking Bags with over 5,000 in-store demonstrations, cooking fresh potatoes.

Research and anecdotal accounts continue to show people love potatoes despite an onslaught of flawed and negative information from sources like low-carbohydrate dieting. This new nutrition campaign seeks to create a consumer message across all potato varieties, products and uses. "Potatoes: Goodness Unearthed" is intended to become a long-term, comprehensive, industry effort to establish a lasting identity for potatoes in the minds of consumers, just as "Pork: The Other White Meat®", "Cotton: The Fabric of Our Lives®" and other commodity promotion programs have sought to create strong bonds with consumers. Individual companies and state organizations can continue to build on this "goodness" message to develop their own unique marketing programs. "Potatoes: Goodness Unearthed" will deliver a base level nutrition message and consumer recognition all organizations can build on in their own programs to increase consumption of US fresh potatoes and potato products.