

2024/25 Export Markets & Budget Investment Recommendations

MARCH 2024

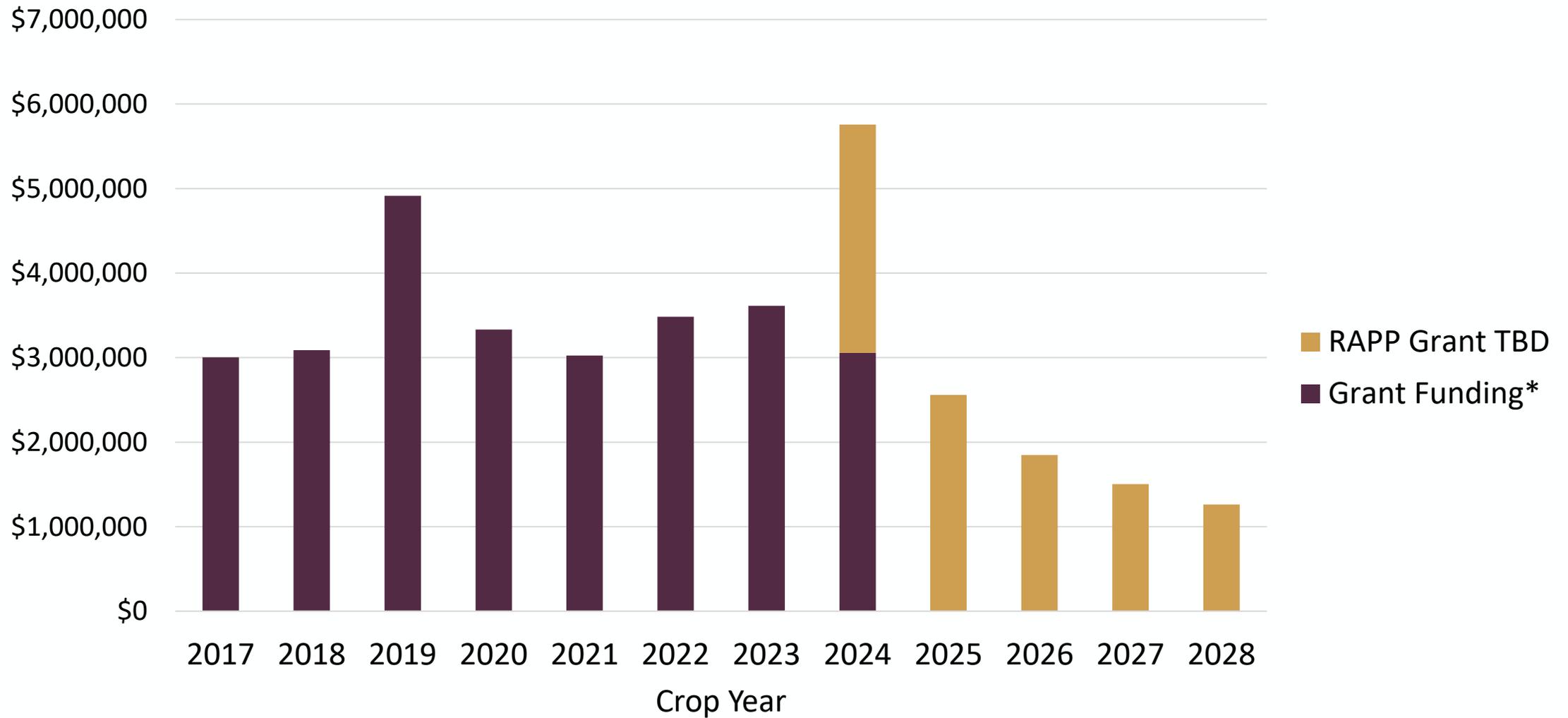




Table of Contents

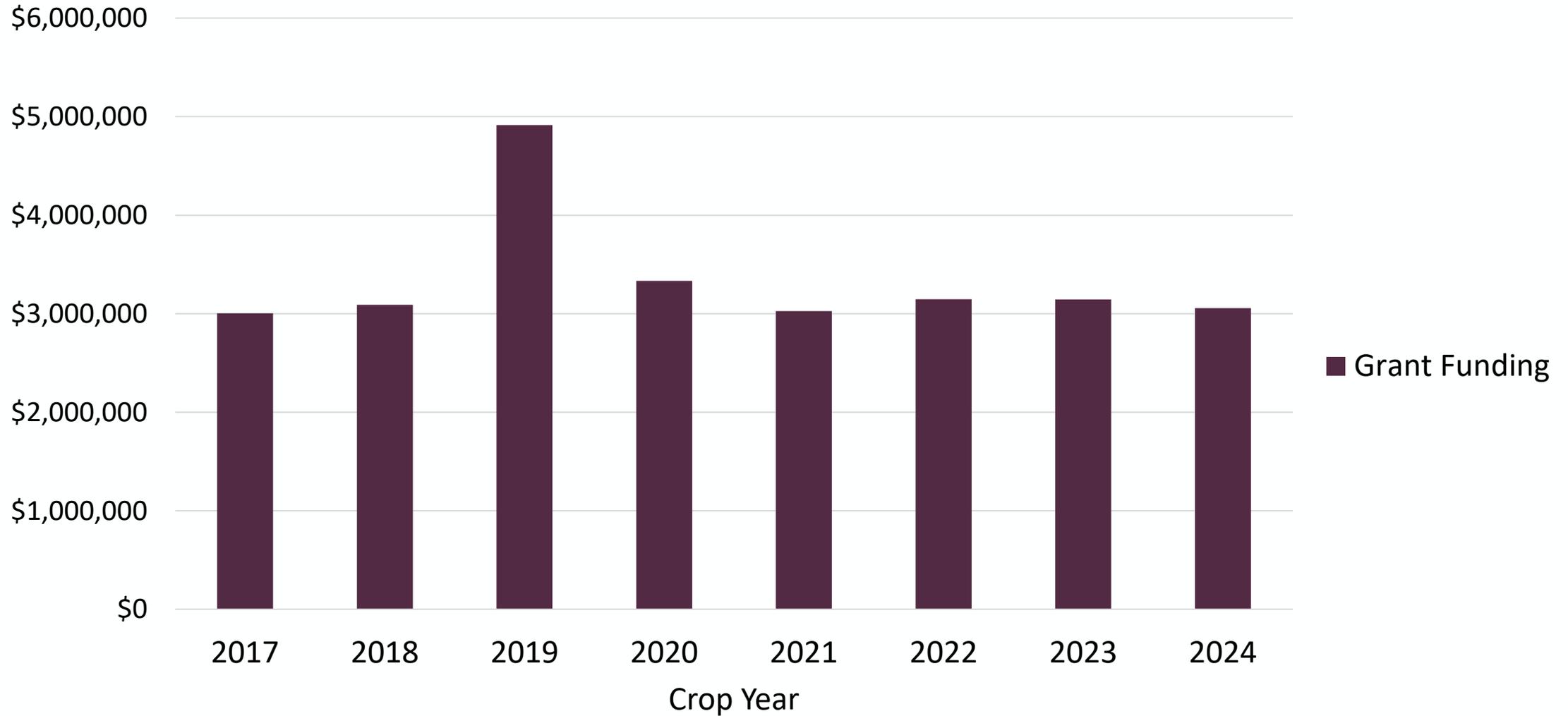
- 2024/25 Export Markets & Budget
Investment Recommendations 3
- How We Got Here 12

USDA Grant Funding - Since 2017

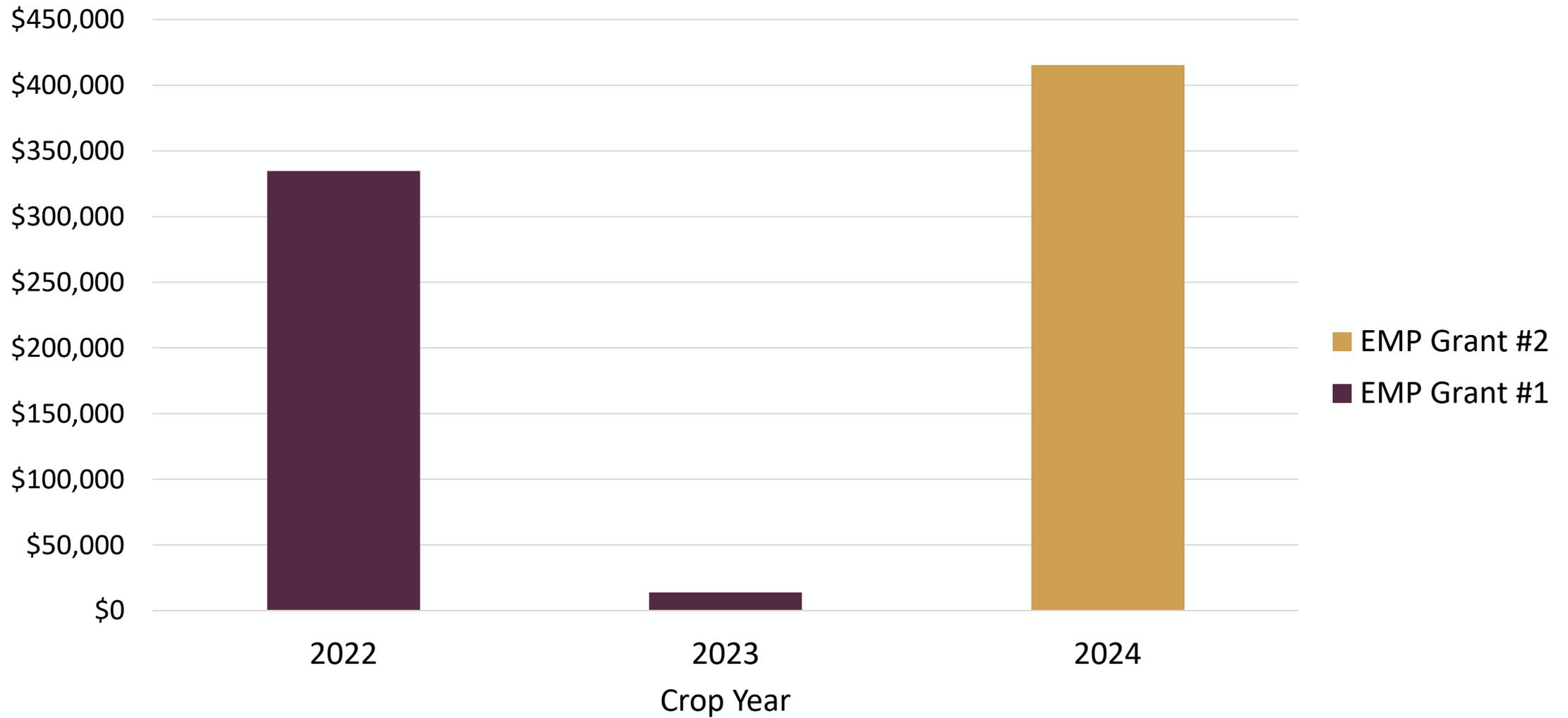


*Includes MAP, ATP & EMP

USDA Grant Funding – MAP(& ATP) 2017-2024



USDA Grant Funding - EMP

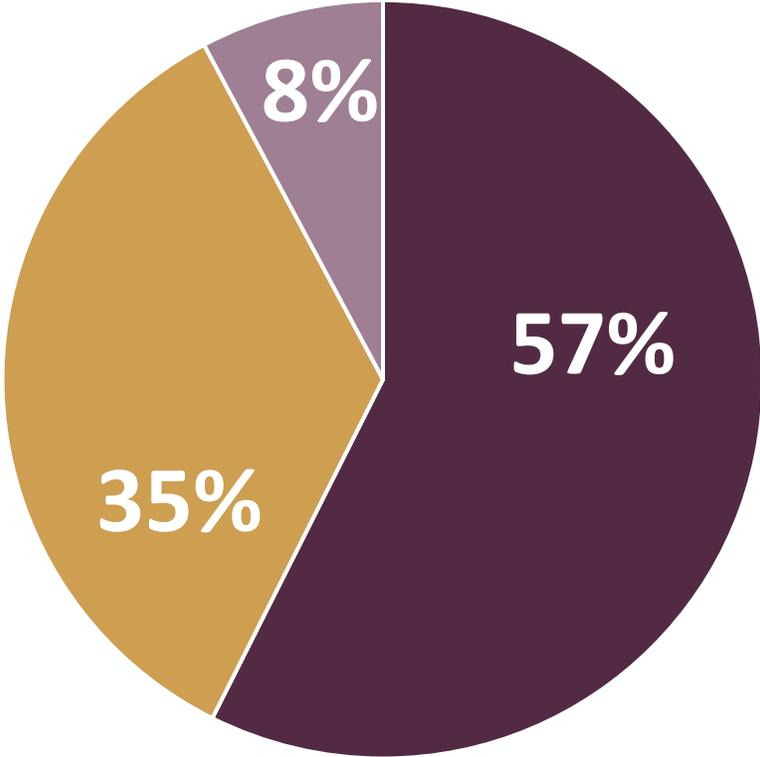


2024/25 EMD Budget Recommendation Overview

- 2024/25 CPB expenditure is currently aligned with 2023/24 levels
- **VOTE** required @ 14th March meeting to approve budget recommendation to Board

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
MAP Generic (75%)	\$2,273k	\$2,215k	\$2,247k	\$2,361k	\$2,359k	\$2,293k
MAP Branded (25%)	\$758k	\$738k	\$749k	\$787k	\$786k	\$764k
MAP Total	\$3,031k	\$2,953k	\$2,996k	\$3,148k	\$3,145k	\$3,057k
EMP	-	-	-	410k	53k	\$415k
CPB	\$2,010k	\$1,357k	\$1,487k	\$1,827k	\$1,867k	\$1,853k
GRAND TOTAL	\$5,041k	\$4,310k	\$4,483k	\$5,385k	\$5,065k	\$5,325k

2024/25 Export Market Development (EMD) Proposed Budget



■ EMD - MAP ■ EMD - CPB ■ EMD - EMP

2024/25 Market Recommendations

**As per Export Committee Strategic Market Planning direction to staff
(March 2022 and further review November 2023):**

Continue successful Market Focus Strategy

4 x Primary (focus) MAP markets	Japan, Canada, Italy & S Korea
1 x Secondary MAP market	UK
1 x Market Intel (Industry Funded)	China/HK
1 x Market Development (EMP)	Mexico



MAP & EMP Markets: Contribution to Volume and Value



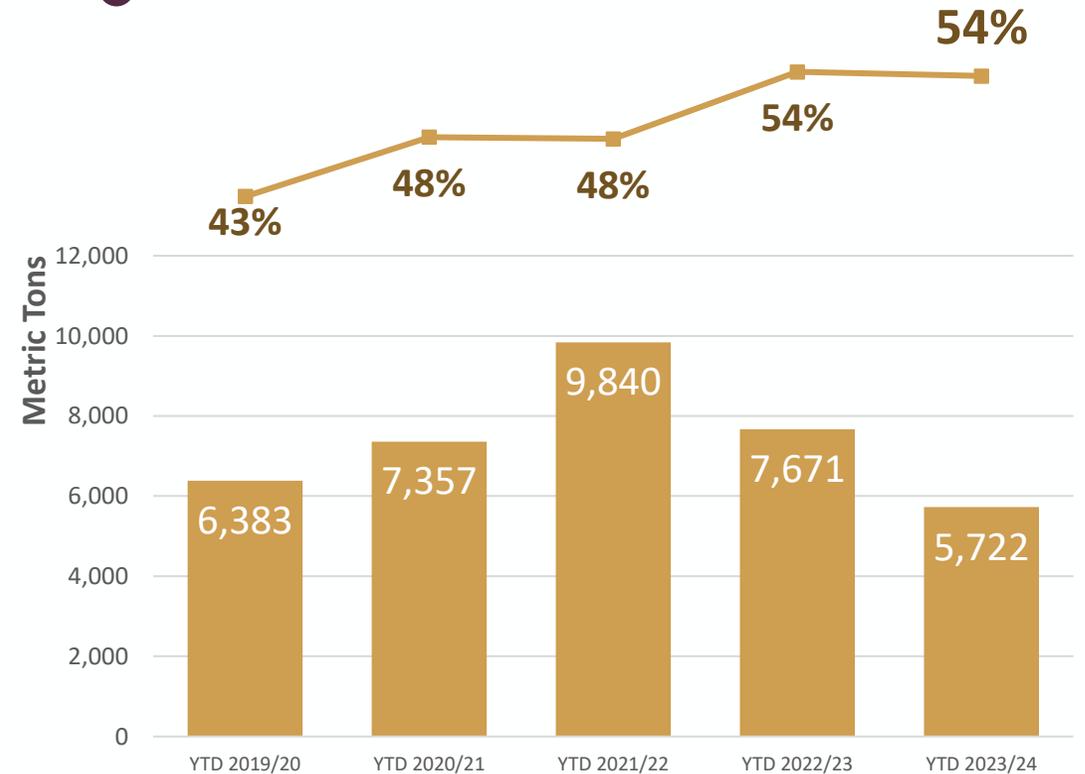
Focus Market contribution to YTD

U.S Export Value



Focus Market contribution to YTD

U.S Export Volume



Japan, Canada, Italy, South Korea, U.K & Mexico

2024/25 MAP/EMP Crop Year Market Recommendations:

Primary : Focus Markets (MAP)

Japan

Canada

Italy

S Korea

Secondary : Minimum Presence (MAP)

UK

Market Intel Role (CPB)

China

Market Development (EMP)

Mexico

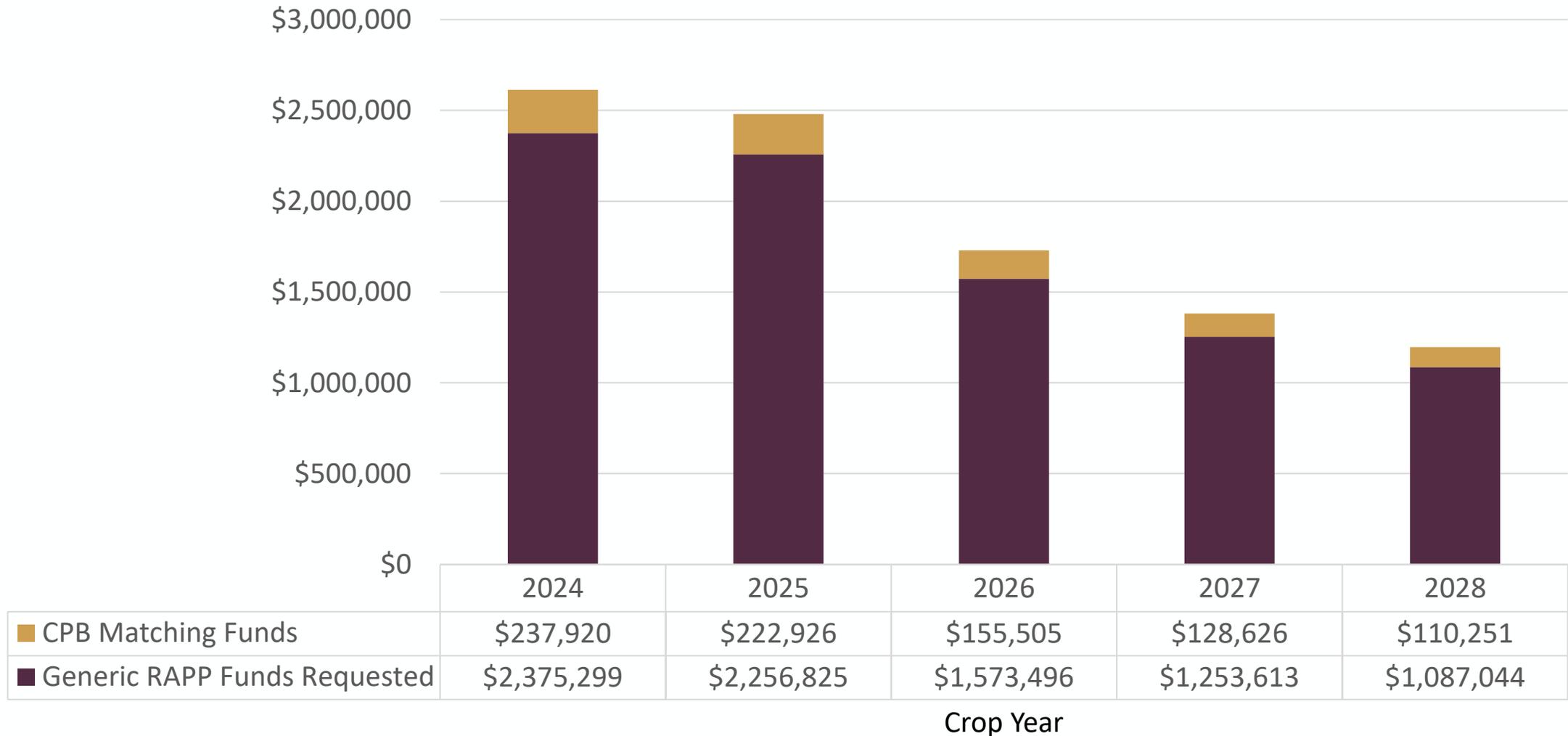
Recommended Budget Split 2023/24 - based on Market Focus Strategy

VOTE required @ 14th March meeting to approve budget/market recommendation to Board

Strategic Role	Market	% of Total Budget
Primary Focus Markets	Japan	33%
	Italy	18%
	Canada	15%
	South Korea	7%
Secondary Market	U.K.	3%
Mkt Intel	China	1%
Mkt Development	Mexico EMP	11%
	Export Support	12%
	Total	100%



USDA Grant Funding – Generic RAPP Funds Requested & CPB Matching Funds 2024-2029



2024-2029 RAPP Generic Markets Requested



How We Got Here



➤ In 2017/18

- Staff developed upweighted in-depth market data analysis in conjunction with a category specialist, informing market trends, and set benchmarks for investment levels.

➤ In 2018/19

- Staff commenced an initial review of market activity measurements, seeking to provide the Export Committee with relevant results to demonstrate return on investment (ROI).
- Staff launched CPB's new branding ready for roll out to export markets for 2019/20 to create a modern, premium positioning for California Prunes.
- Staff worked with Export Committee and identified 3 key markets for EMP application to FAS; successful application achieved additional \$450,000 funds.

➤ In 2019/20

- Staff developed real-time reporting and measurements process aligning all global markets.
- Export and domestic markets aligned on strategic direction and reporting.
- Staff further developed an online asset library of photography, recipes, videos and artwork to ensure cost and time efficiencies in implementing our programs.
- Staff worked with research provider to align all Global U&A consumer studies to better inform staff of consumer attitudes/behaviours to enable adjustments to program platforms/strategy/messages as appropriate.

In January 2020: Executive Committee strategic review set forth key directives for all subcommittees and the board to consider.

It was recommended that we adopt a two-stage plan, with immediate actionable steps, that consider:

- Short term - **narrow and focus over the next 1-3 years.**
- **Move volume** to help balance inventory levels. Identify markets which have growth potential, or 'headroom' in the short term.
- **Consider re-focusing on fewer markets.** Key markets identified by the Executive Committee for consideration are Japan, S Korea and Italy. Staff to consider these but also review data for these and all other markets and work with Export Sub-committee to further evaluate.
- **Markets need to value premium quality** and be willing (and able) to pay a commensurate price. Markets need to be familiar with California Prunes, ideally where we have dominant market or where share would be taken from a competitor.
- **Promote prunes as a snack and culinary opportunity** and step back from longer-term strategies to promote California Prunes ingredients.

In April 2020: Export Committee considered the following and after review and member discussion agreed to focus resources and budgets into fewer markets:

1. In-depth Markets Data Review
2. Markets Situation Review
3. Staff Markets Analysis; headroom, return on investment, volume growth potential
4. Export Committee Members' Survey
5. Discussions with Export Committee Chair and Sub-Chair

A 3-year strategy to focus reduced budget levels into a reduced number of focus markets (2020/21-2022/23)

3 x Primary (focus) markets	Japan, Canada and Italy
2 x Secondary (maintenance) markets	UK, China/HK

In March 2022: Export Committee Strategic Market Planning Discussion
considered the following for mid-term (2023/24-2024/25) Market Focus Strategy (MAP) directive to staff:

1. In-depth Markets Data Review
2. State of the Industry & Geo-political considerations
3. Staff Markets Analysis; headroom, return on investment, volume growth potential
4. Export Committee Members' Survey
5. Discussions with Export Committee Chair and Sub-Chair

Directive: Mid-term (2023/24-2024/25) *continue with successful Market Focus Strategy in:*

3 x Primary (focus) markets	Japan, Canada and Italy
2 x Secondary (maintenance) markets	UK, China/HK
1 x initial re-entry communications project	South Korea

In November 2022: Export Committee additionally directed staff to:

1. Reduce Generic support in China/HK to trade intel role only, from 2023/24
2. Move forward with initial communications activation in South Korea in 2022/23 with a wider scope than research communications project, to prepare for potential re-entry in 2023/24
3. Complete Thailand EMP Market Assessment and make available for any interested Industry party to use. Not to progress further activation in this market
4. Complete Mexico EMP Market Assessment and make available for any interested Industry party to use. Move forward with final market assessment update to utilize remainder of EMP funds and apply for 2nd tranche of EMP funding for 2024

In November 2023: Export Committee reviewed focus strategy and markets and directed staff:

Staff asked Committee for direction as to whether the current Focus Strategy should continue in the current markets. After a healthy discussion and substantial input from members, this group agreed that the current strategy should continue in the current markets, It was noted that the addition of Mexico to those priority markets would be address through EMP funds.

4 x Primary (focus) MAP markets	Japan, Canada, Italy & S Korea
1 x Secondary MAP market	UK
1 x Market Intel (Industry Funded)	China/HK
1 x Market Development (EMP)	Mexico