

2018/2019

ANNUAL REPORT

California Prunes



Table of contents



03	A message from the Executive Director
04	Budget allocation
05	Strategic priorities
06	Chairman's note
07	The new brand: we are California Prunes!
11	Nutrition research
14	Government relations
16	Global marketing
23	Production research
24	Facts & figures
26	Connect with us

A MESSAGE FROM THE EXECUTIVE DIRECTOR

A DOSE OF CAUTIOUS OPTIMISM

So much these days seems unsettled. Information is everywhere and it moves at breakneck speed. We're left to figure out what's true and make sense of it all. Without disciplined focus, it's far too easy to chase the latest theory, veer off course, and miss our goals.

In Jim Collins' business and leadership book *Good to Great*, he uses the "[Stockdale Paradox](#)" to remind readers facing extreme challenges to keep an unwavering faith. In other words, stay focused and keep believing.

Global market dynamics in the prune business have been very challenging in the past year. Excess inventory exacerbated by lackluster demand, cheap South American competition, tariff wars and stalled trade negotiations have created major impediments to profitability and growth. Further, stagnant economies in major export markets – such as the EU, China, Japan, South Korea and Canada – have hurt trade and consumer optimism for premium category leaders like California Prunes.

But there are some good reasons to be optimistic. According to Global Trade Atlas data, the average price per metric ton of prune exports from the U.S. remained stable, up 2% in 2018/19 vs. the previous year. U.S. prune exports fared much better than Chile (down 4%), Argentina (off 10%) and the staggering 30% decline for France during the same period. Considering the significant price disparity between California Prunes and much of the competition, our commitment to premium quality is paramount and the cornerstone of our promotional efforts.

While trade negotiations have a significant impact on our shipments, particularly to China, Hong Kong and indirectly Vietnam, we have persevered. Although prices have taken a hit, volumes in those markets were 8% higher than the low point two years ago. And efforts to gain support from the Trump administration as a result of the China tariffs have succeeded, securing nearly \$2.5 million in additional Ag Trade Promotion (ATP) funding. Those dollars pay for promotions in many countries, including Japan, Canada, and South Korea while looking at new markets in the Gulf region and Mexico.

Export Market Support

MARKET YEAR 2017/2018	MARKET YEAR 2018/2019
\$3,002,795 (MAP)	\$2,910,225 (MAP)
	+ \$2,472,195 (ATP)
\$3,002,795	\$5,382,420
	(▲79.2% increase)

Our work to grow the partnership with USDA/Agricultural Marketing Service has led to timely purchases of California Prunes, helping shoulder the impact of current challenges while building a foundation for a more robust, long-term means of providing schools with California Prunes, which helps introduce a new generation to prunes. USDA purchases in 2018/19 totaled 2,592 tons /\$8.65 million, with an additional purchase of 3,240 tons /\$9.27 million coming just after the close of the fiscal year.

Staying optimistic while confronting our challenges, the new California Prunes brand is available for members. The brand is a declaration of our leadership role in producing the highest-quality prunes in the world while providing a basis for telling our story to all stakeholders. Please join us and an increasing number of trading partners by incorporating the brand into your activities. Please see the new brand section of the annual report on [page 07](#) for more details and ways you can start putting this investment to work.

On behalf of the entire team at the California Prune Board, I would like to thank everyone who contributes to making our programs the best they can be by investing their valuable time and resources. We hope you'll review all sections of the annual report and, as always, please [reach out](#) for more information.

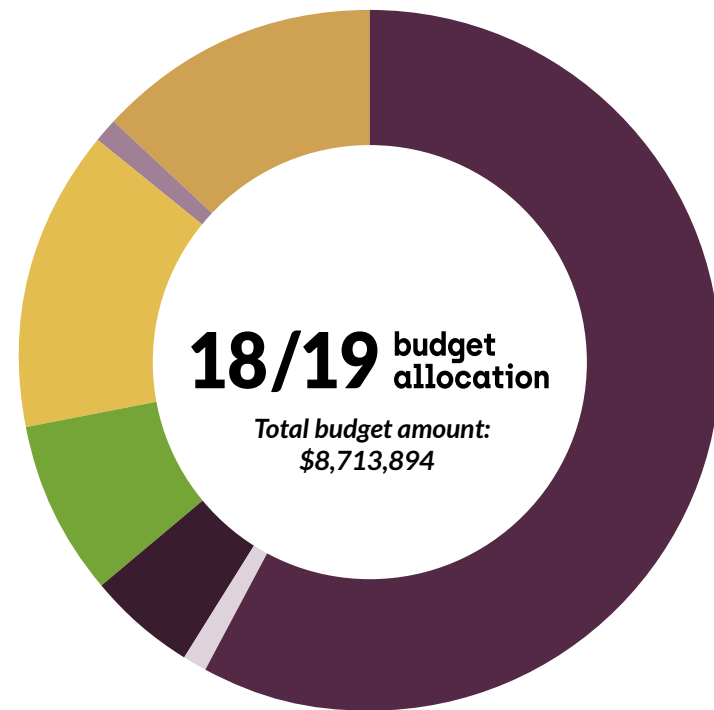
Together, let's stay focused and keep believing in California Prunes.



DONN ZEA
EXECUTIVE DIRECTOR



BUDGET ALLOCATION



- 58%**
Export Market Development
(\$5,085,364)
- 1%**
Government & Issues Management
(\$130,000)
- 5%**
Production Research
(\$425,930)
- 8%**
Nutrition Research
(\$715,000)
- 14%**
Domestic Marketing
(\$1,193,000)
- 1%**
Consulting Services
(\$60,000)
- 13%**
Administration
(\$1,104,600)



FULL INCOME STATEMENT JULY 31, 2019	
Generic Market Access Program (MAP)	2,185,202
Gross Assessments	5,834,035
Less: Credit-Back	(611,068)
Other Revenue	23,760
TOTAL REVENUE	7,431,929
Generic MAP	2,185,202
Foreign Market Development	2,040,311
Administration	1,069,030
Nutrition Research*	(134,894)
Domestic Marketing	1,227,619
Production Research & Coordination	428,188
Government & Issues Management	129,434
Consulting Services	68,143
TOTAL EXPENSES	7,013,033
Beginning Balance of Funds	1,240,817
ENDING BALANCE OF FUNDS	1,659,713

*Nutrition research expense is net of any grant terminations. During 2018/19 a \$415,000 research project was terminated.

STRATEGIC PRIORITIES

The California Prune Board is committed to improving people's health through the enjoyment and wonders of California Prunes by uniting growers and handlers in supporting the vitality of the California Prune industry. Our vision is for a world passionate about California Prunes.

The organization remains focused on opportunities that will support the health and integrity of the California Prune industry through four priority areas ...



Driving Awareness

Expand the visibility and build awareness for the premium positioning of California Prunes with key influencers in priority markets.

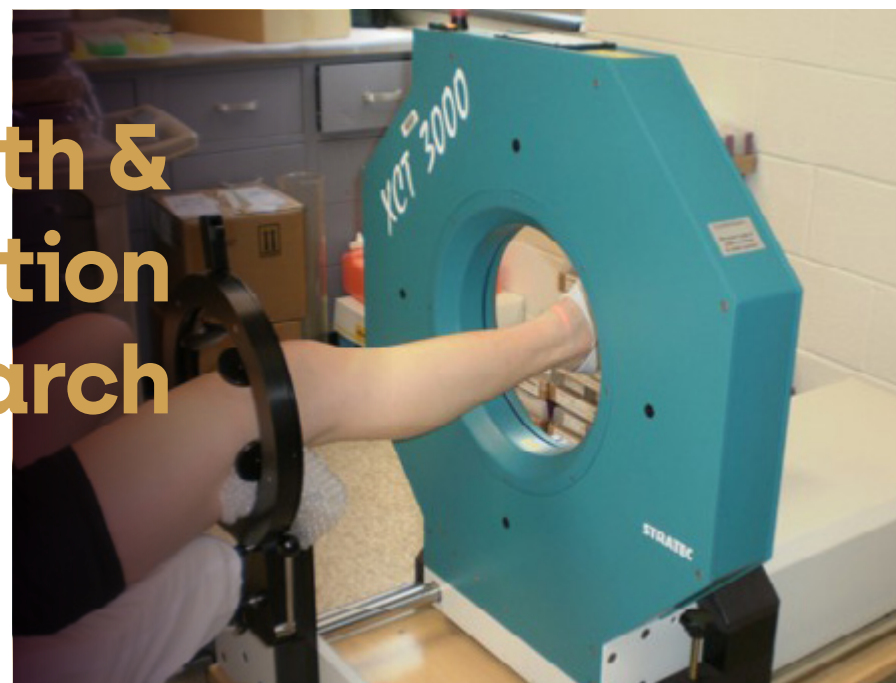


Fostering a Unified Industry

Increase industry awareness and understanding of key industry issues and support for the Board by increasing engagement and enhancing communications.

Health & Nutrition Research

Increase our understanding of the health benefits of California Prunes by creating a pipeline of nutrition research to expand the wonders of prunes.



Production Research

Keep California's prune industry competitive by creating a pipeline of production research to add value and/or improve cost efficiencies for growers.

CHAIRMAN'S NOTE

BUILDING LONG-TERM SUCCESS

Another brick has been laid in our long-term efforts to build success – the change from “Dried Plums” to California Prunes. The product of intensive research and development, the new brand was unveiled to the trade this year accompanied by a well-developed messaging plan. I’m quite pleased with the result and I hope you are, too. But the real value comes when the entire industry embraces and adopts the message it conveys: “Why the world comes to California for prunes.” Please see the accompanying story on our new brand for ways you can utilize it. And count yourselves as personal ambassadors, always ready to discuss the health benefits of prunes and great new ways to include prunes in daily meal planning.

Success is measured in the professionalism and attentiveness of our CPB staff, agencies, consultants and advisory panels. Our success also demands improved grower outreach and communication, engaged and contributing committee and board members, and a cohesive and thoughtful implementation of strategies at every level. When all of these come together, the Executive Committee and the Board can make informed decisions based on the improved performance metrics.



The feedback I hear from those engaged in the process tells me we're moving in the right direction.



JOE TURKOVICH
CHAIRMAN OF THE CALIFORNIA PRUNE BOARD

I can't emphasize enough the importance of our developing relationships with the USDA/Agricultural Marketing Service. Over the past two years, government purchases of California Prunes sales have amounted to \$41 million. This has greatly aided efforts to balance our supply of various fruit sizes and place California in better shape than our struggling competitors abroad. The USDA has become an important partner for us bringing California Prunes into the kitchens of the National School Lunch Program and other Federal Food and Nutrition Assistance Programs as a nutritious staple. Our work continues as we establish regular and recurring buys from our government agencies. The success is a direct result of the dedicated and professional CPB team.

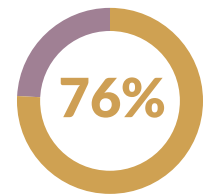
It's true, our business is impacted by forces outside our direct control, both in California (for example, minimum wage increases and endless regulatory changes) and abroad (tariffs, trade wars, arbitrary standards for residue levels, etc.). That said, board members, packers and growers must maintain focus on what we can directly impact.

THE NEW BRAND

WE ARE CALIFORNIA PRUNES!

Perhaps the biggest investment with the widest reach of the 2018/19 program year was the launch of our new brand. Nearly two years of extensive research and creative development went into the new brand and, California Prunes made its debut in May. With a new name (no longer dried plums), fresh logo, website and brand identity, the new brand strongly reflects the California point of origin and halo.

California counts



76%
The majority of consumers prefer to buy goods produced or grown in the United States.¹



6 in 10 often check to see if the prunes they purchase are from California.¹



8 in 10 agree that it is important to know where the prunes they are purchasing are grown.¹

¹ Online survey conducted February 21-28, 2018 of 1,009 U.S. adults who had eaten prunes over the last 12 months.



Meet the "Prunesumer"

53% Female

6% Gen Z/Millennial | 16% Gen X | 23% Baby Boomer | 56% Silent Generation

78%
Eat prunes as part of a healthy routine and daily diet

38%
Would emphasize digestive health, of all California Prunes benefits

73%
Think California Prunes are a premium product

31%
Say the best place to learn more about prunes is at grocery stores

62%
Primary grocery shoppers

38%
Say the best place to learn more about prunes is from their doctor

60%
Find prunes very appealing

33%
Often check if the prunes they're purchasing are from California

The brand exists to help “prime” the marketplace to embrace California Prunes and to set the stage for commercial marketers to take the message “the last mile” as they see fit.



After 15 logo designs with 50 variations, 15 brand positioning statements and months of vetting, we landed on a brand that offers a clear, desirable value proposition while ensuring a “line of sight” to the consumer.

In a dynamic world, it has become more important than ever to be transparent and authentically embrace who we are and what we stand for. The new logo is the face of our industry and positively transforms a statement of origin into a reflection of market leadership and a dual message emerges through the tagline: Prunes. For life. The tagline signifies that California Prunes are good for your life, at every stage of your life.



With great enthusiasm, the new California Prunes brand is being incorporated into everything we do, including:



NEW WEBSITE

Built for ADA compliance and mobile-friendly viewing, the new website is responsive and uses the brand color palette and aesthetics to optimize the user experience.

SOCIAL MEDIA

Designed with the consumer in mind, all of our social media channels carry the brand mark and include additional messages about flavor, versatility and health benefits of California Prunes helping drive traffic to the website.



NEWSLETTERS

Orchard Notes received a new masthead to match the brand and regularly offers orchard management practices to growers with brief updates on the latest marketing activities. Our industry newsletter came under a new name — Positively Prunes — providing news bytes and information on a quarterly basis and carries the brand story by echoing the positive nature of the prunesumer.

MESSAGING

We are also telling our brand story through a variety of formats and messaging, but the total story can't be told without you, as we all represent California Prunes.



TRADE RESOURCES

The brand debuted at INC 2019 in Boca Raton and carried with it messages developed specifically for the trade in a new brochure and advertising series.

SAMPLING

As the most powerful tool in getting people to try and love California Prunes, our sample packs underwent a new brand design as well. Provided in a portable and single serving size, the newly branded packs carry the logo, nutrition facts, and key messages.



**Our brand story
can't be told
without you.
We all represent
California Prunes.**



HOW CAN YOU PUT THE BRAND TO WORK?

The research is solid, the investment is made, and the resources are ready. The California Prunes brand was designed with you in mind and is meant to complement your own marketing and promotions. Be sure to visit the [Brand Assets Library](#) to download the brand book, style guide, logo and fonts so you can make the most of California Prunes branding.

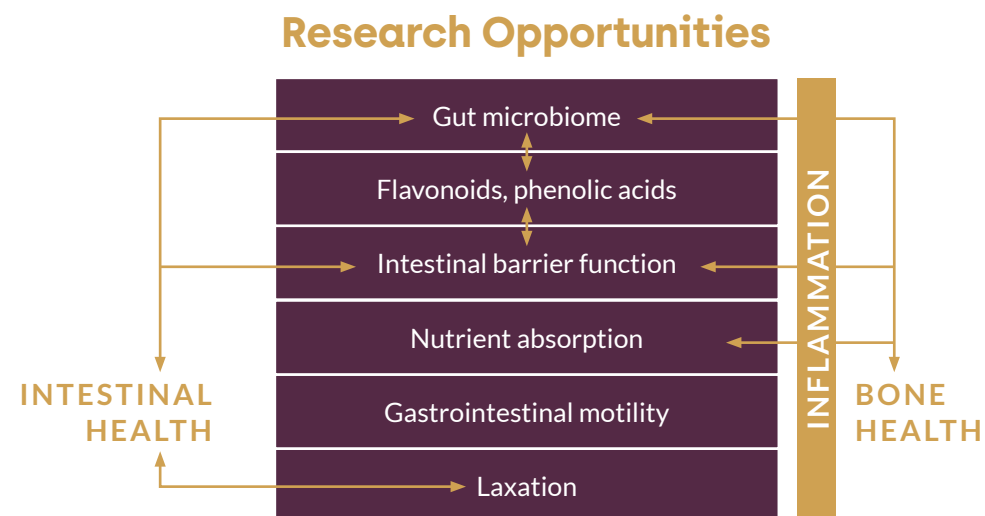
NUTRITION RESEARCH

Nutrition Advisor Mary Jo Feeney, MS, RD, FADA coordinates our Nutrition Research

Discovering The Wonders of Prunes Through Scientific Research

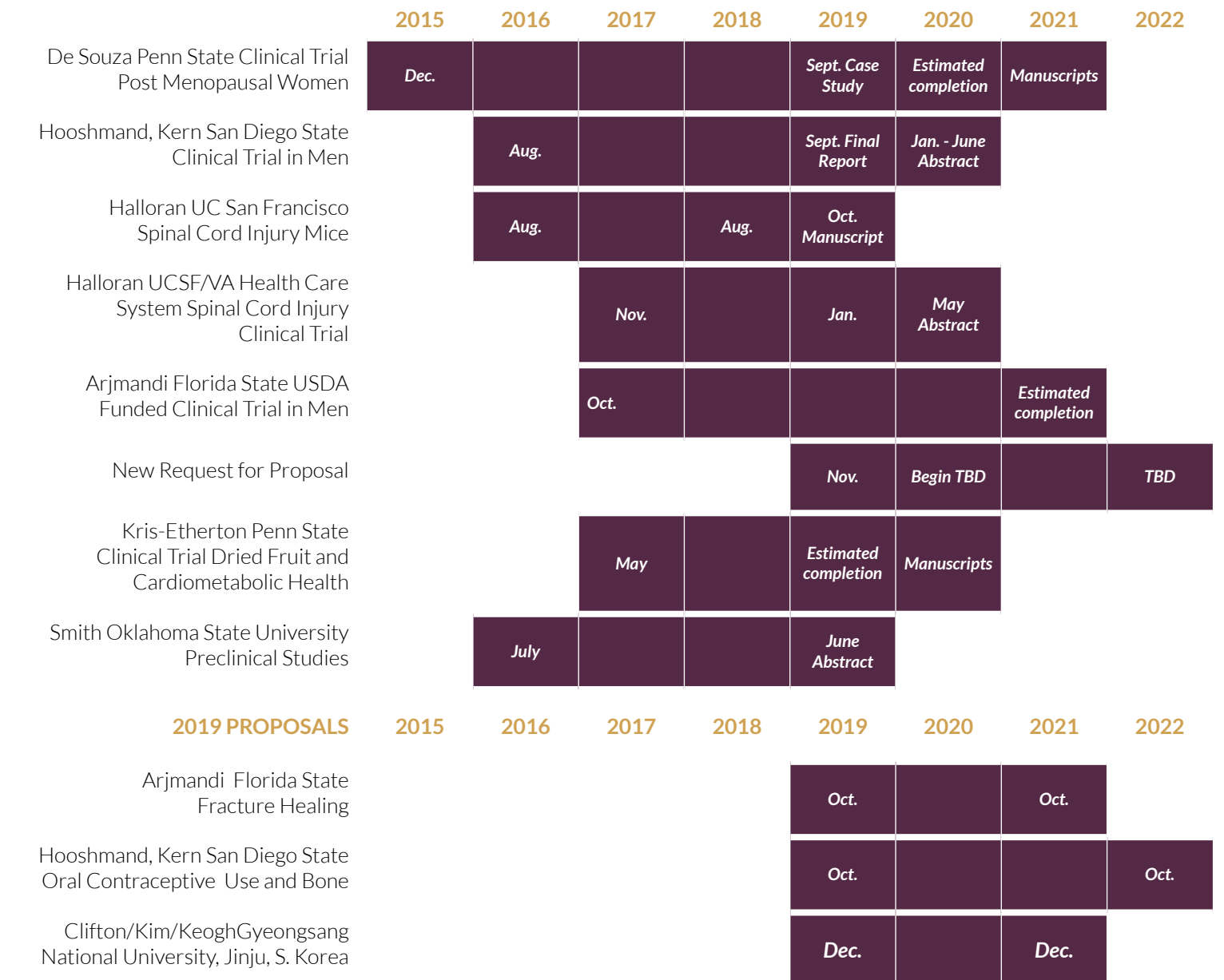
The California Prune Board continues to create a pipeline of nutrition research that expands on the health benefits of prunes. Guided by the strategic directives of the Board, our research opportunities are shepherded by the scientific expertise of the Nutrition Advisory Panel in concert with oversight from the Nutrition Research Subcommittee.

In 2018/19 we continued to focus on bone health while expanding our understanding of the axis between bone and intestinal health.



KEEPING PRUNE RESEARCH ON THE SCIENTIFIC RADAR

The research pipeline is always flowing. During 2018/19, preliminary results from previously funded projects were presented at a [nutrition scientific meeting](#). Proposals were approved for studies on fracture healing, the [effect on bone in women using oral contraceptive agents](#), and the effect on bone in postmenopausal women in South Korea, extending the pipeline through 2022. See chart below for a complete list of studies.



RESEARCH HIGHLIGHTS

How Prunes Play A Role In Bone Health

A short-term (two-week) study [Hackman (UC Davis) published in [Journal of Medicinal Foods](#) (June 2019)] found that eating six prunes for two weeks resulted in a decrease in bone breakdown. This suggests that a reasonable intake of prunes might be beneficial for postmenopausal women.

Results from a study that looks at the effect of prunes on bone density, geometry and strength in postmenopausal women [M. De Souza (Penn State), C. Weaver (Purdue) and C. Rogers (Penn State)], anticipated in early 2021, would support benefits to bone health in postmenopausal women with low bone mass and represent an alternative, non-pharmaceutical strategy to combat bone loss in at-risk postmenopausal women.

Due to its prevalence worldwide, osteoporosis is considered a serious public health concern. It is estimated that over 200 million people worldwide suffer from this condition, according to the [International Osteoporosis Foundation](#).

Did you know?

1 in 4 men will break a bone in their lifetime due to osteoporosis.³

As the first study funded by the Board to evaluate the bone protective properties of prunes in men, an interim report from June 2019 [S. Hooshmand and M. Kern, San Diego State University] states that daily consumption of prunes demonstrates modest bone protective effects with biomarkers for bone breakdown lower in men who ate prunes compared to the control group.

Did you know?

1 in 10 women over age 60 is affected by osteoporosis; that's 6 million by 2050!^{1,2}

Did you know?

A man is more likely to break a bone due to osteoporosis than he is to get prostate cancer.³

The Effect of Prunes on Bone Formation in Spinal Cord Injuries

A recently completed study on the positive effect of prunes on spinal cord injury-induced bone loss in mice shows much promise. The completed study [Halloran (UC San Francisco)] is under review for publication. Now, the animal study has prompted research on humans through a new pilot clinical trial on Palo Alto Veterans Affairs Health Care System patients with spinal cord injuries. The study results could provide much-needed health benefits — and hope — for the 17,700 people who suffer a spinal cord injury every year, according to the National Spinal Cord Injury Statistical Center.

Did you know?

Almost 300,000 people have spinal cord injuries in the U.S.⁴

Did you know?

Vehicle accidents and falls are the leading cause of spinal cord injuries.⁴

Did you know?

Almost four of every five spinal cord injuries affect men, with the average age of 43 years old.⁴

1. Cooper C., Cole Z.A., Holroyd C.R. Secular trends in the incidence of hip and other osteoporotic fractures. *Osteoporos Int.* 2011;22:1277-1288.
 2. Cauley J.A. Public health impact of osteoporosis. *J Gerontol Series A: Biol Sci Med Sci.* 2013;68:1243-1251.
 3. [National Osteoporosis Foundation: Osteoporosis Fast Facts.](#)

4. Tan CO, Battaglino RA, Morse LR. Spinal Cord Injury and Osteoporosis: Causes, Mechanisms, and Rehabilitation Strategies. *Int J Phys Med Rehabil.* 2013;1:127.



**Kristine Clark,
Ph.D., RD,
FACSM**



**Connie Rogers,
Ph.D., MPH**



**Daniel Gallaher,
Ph.D.**



**Jeff Blumberg,
Ph.D., FASN,
FACN, CNS-S**



**Gail Cresci,
Ph.D., RD**



**Connie Weaver,
Ph.D.**

NUTRITION ADVISORY PANEL

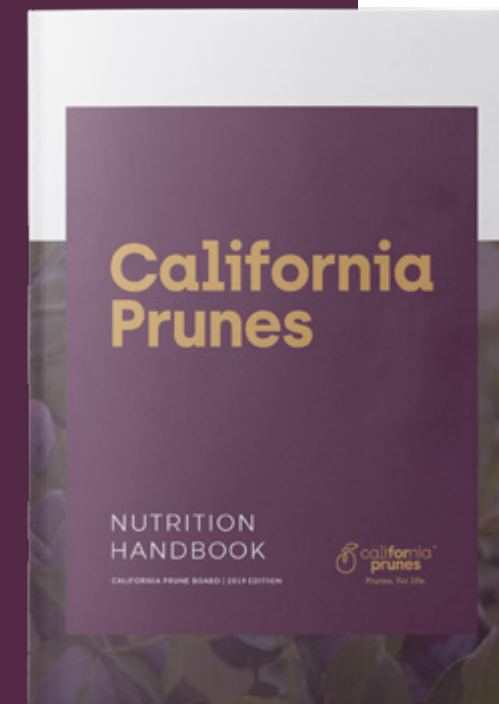
The distinguished members of the Nutrition Advisory Panel remain a vital facet in how we maintain the scientific integrity of our studies, providing expertise and wisdom. In 2018/2019, we welcomed three new members to the Panel: Jeffrey Blumberg, Ph.D., Research Professor, Friedman School of Nutrition Science and Policy, Tufts University; Gail Cresci, Ph.D., RD, Assistant Professor, Department of Medicine, Cleveland Clinic Lerner College of Medicine; and Connie Weaver Ph.D., Professor Emerita, Purdue University. You can learn more about the [Nutrition Advisory Panel](#) and our approach to research on the California Prune Board website.

What our new members had to say ...

"I feel it is critically important not only to promote more plant-based diets, but also to specifically characterize those attributes of each food which provide nutrient density and nutrient diversity that are associated with health promotion and disease prevention."

"The nutritional profile of prunes is outstanding, and I am thrilled that the California Prune Board supports rigorous research into investigating the nutritional and health benefits of adding prunes into the diet."

"I admire the investment that the group gives to the research community, including conferences as well as directly supporting their own research."



COMMUNICATING THE NUTRITIONAL BENEFITS OF PRUNES

Our nutrition research team makes research recommendations to the California Prune Board and charts the course of our nutrition portfolio to ultimately support our ongoing marketing and communication efforts around the world, educating health care professionals and leveraging RD Ambassadors as key influencers to share the story of California Prunes. This fiscal year, California Prunes went on the road to engage nutrition professionals by participating in two state-level Academy of Nutrition and Dietetics conferences — the first in Syracuse, NY, and the second in Riverside, CA. As part of the conference activations, we compiled a [Nutrition Handbook](#) that encapsulates California Prune nutritionals, research, recipes and more. The Handbook continues to serve as a go-to resource for health care professionals.



GOVERNMENT RELATIONS

CPB partners with Dan Haley for Government Relations and Issues Management

The California Prune Board was actively engaged on a variety of legislative and regulatory issues in Washington, D.C., maintaining regular contact with key members of Congress, staff and appointed officials in the most relevant agencies, communicating our concerns and support on key issues to the industry.



FARM BILL

It was unclear whether Congress would successfully complete a Farm Bill that had been in the works for the previous two years. Vitaly important programs to specialty crop agriculture and prunes specifically hung in the balance. These included the Market Access Program (MAP), Technical Assistance for Specialty Crops (TASC), Emerging Markets Program (EMP), block grants and specialty crop research to mention a few. Fortunately, in December 2018, various political factions came together to craft a comprehensive Farm Bill that was signed by President Trump. The CPB received \$2.91 million in Market Access Funds in 2018/19 to support our export market strategies.

TRADE

The biggest trade challenges of the past year undoubtedly had to do with tariffs and the uncertainty of trade negotiations, especially with China. While California Prunes fared better than some, two increases in the trade dispute with China caused tariffs on our prunes to skyrocket to 65%, crippling a market that was undergoing recovery from the previous years. Those tariffs have reverberating trade effects in Hong Kong and Vietnam as well, exacerbating a global oversupply of smaller-sized prunes.

In response to the impacts to agriculture created by the trade disputes, the Trump administration announced the Trade Mitigation Program (TMP) to help temper the adverse effects of lost markets. The CPB worked to make a comprehensive case for support, ultimately receiving two separate rounds of Agricultural Trade Promotion funding to offset the impacts to China, totaling \$2.47 million. Additionally, as a result of the impact on sales and subsequent building inventory, 1,062 tons of California Prunes were purchased by the Agricultural Marketing Service for distribution to food banks, schools and other recipients as part of the TMP, with an additional purchase announced and pending at the time of this report. Also, a separate deal with Japan was secured, bringing zero tariffs on prunes and juice exports to our largest single market, great news for California Prune growers.

USDA PURCHASES

While purchases under the Trade Mitigation Program (TMP) were welcome relief, our efforts to elevate USDA's consideration of purchases within the quarterly purchase program and Section 32 gained ground during the past year. We continue to seek feedback from USDA and Food & Nutrition Service to help ensure that California Prunes become top-of-mind when purchases are considered.

PURCHASE PROGRAM	TOTAL PURCHASES	TONS PURCHASED
Section 32	\$13,837,310	4,662
Trade Mitigation	\$3,721,219	1,062
National School Lunch	\$366,735	108
TOTAL	\$17,925,264	5,832



AG WORKFORCE

Congress continued to work on the Farm Workforce Modernization Act (FWMA), a bipartisan effort that has both supporters and detractors in Congress and the ag sector. While the bill attempts to address components of agriculture labor reform, it improves the current system in some respects and falls short in many others. On the positive side, it adequately addresses the existing workforce by proposing a path to earned legal status and also streamlines the current H2A program. Unfortunately, the proposed legislation has many provisions that raise significant concerns, including the preservation of the Adverse Effect Wages Rate (AEWR), expanded housing requirements, an enhanced private right of action, caps on new visas when the program should be based on need and the imposition of E-Verify before the new program is proven workable. The CPB is working alongside many others to make the necessary improvements as the legislation moves through the process.



STRONGER TOGETHER

With myriad issues to address and opportunities to seize, the CPB partners with organizations that are strategically equipped to track and make an impact on matters of vital importance. In some cases, CPB serves in leadership positions as board members or officers. The organizations add political, technical, creative and financial horsepower to our efforts at the state, federal and international levels and offer access to high-level influencers across government, academia and industry. The organizations include ▶▶▶

CPB Partnerships

- The California Specialty Crops Council
CPB leadership position: board
www.specialtycrops.org
- U.S. Agricultural Export Development Council
CPB leadership position: board
www.usaedc.org
- Agricultural Research Institute
CPB leadership positions: chair
www2.calstate.edu/impact-of-the-csu/research/ari
- California Dried Fruit Coalition
CPB leadership position: co-chair
- CDFA Marketing Executives Committee
CPB leadership position: executive committee
- Buy California Marketing Agreement – CA Grown
CPB leadership position: chair
www.californiagrown.org
- Cal Poly, SLO, College of Ag, Food & Environmental Sciences
CPB leadership position: Dean's Council
www.cafes.calpoly.edu
- Agricultural Export Coalition
- Minor Crop Farmer Alliance
- European Federation of the Trade
www.frucom.eu/contact.html
- International Prune Association
www.ipaprunes.org
- The International Nut & Dried Fruit Council
www.nutfruit.org



GLOBAL MARKETING

GLOBAL MARKETING OVERVIEW

The California Prune Board focuses on driving global demand for California Prunes by building top-of-mind awareness among consumers, the trade, and health care professionals. While we continuously do this work here at home in the domestic marketplace, we also identify markets worldwide to grow the demand for California Prunes and strive for premium pricing. The communication and marketing teams across the globe develop and execute marketing campaigns that target these key audiences and provide the greatest return on investment.

In 2018/19, California Prunes was granted \$2.91 million in Market Access Program (MAP) funding as supported by the USDA's Foreign Agricultural Service (FAS). The program included funding for branded marketing strategies of processors contributing at least 50% of the total cost of the advertising and promotion of their brands. MAP funds also support prunes (NC and pitted), juice and derivative promotion (concentrate, purée, paste, extract, diced, powder).

The CPB continues to earn a "highly effective" rating from FAS in its role as a MAP participant.

	VOLUME (METRIC TONS)			VALUE (\$000)		
	2017/18	2018/19	% CHANGE	2017/18	2018/19	% CHANGE
JAPAN	6,263	5,587	-11%	30,392	26,717	-12%
CANADA	2,818	2,452	-13%	13,351	11,729	-12%
SOUTH KOREA	1,143	1,590	39%	5,185	5,936	14%
CHINA/H.K.	5,523	3,871	-30%	11,214	8,970	-20%
EU-28	9,791	10,069	3%	43,201	40,469	-6%



MEASURING SUCCESS

The California Prune Board launched a comprehensive initiative to bring enhanced measurement alignment in both domestic and international markets. The goal of the effort was to create greater consistency via a strategic, holistic approach that:

- Highlighted the performance of communications and marketing based on inputs from the various markets and regions
- Measured the outputs and outcomes of marketing and communications activities on business goals, including increased consumption of California Prunes
- Leveraged data-driven analysis to inform ongoing strategy and activities

Highlights from the year-end measurement report are included [here](#).

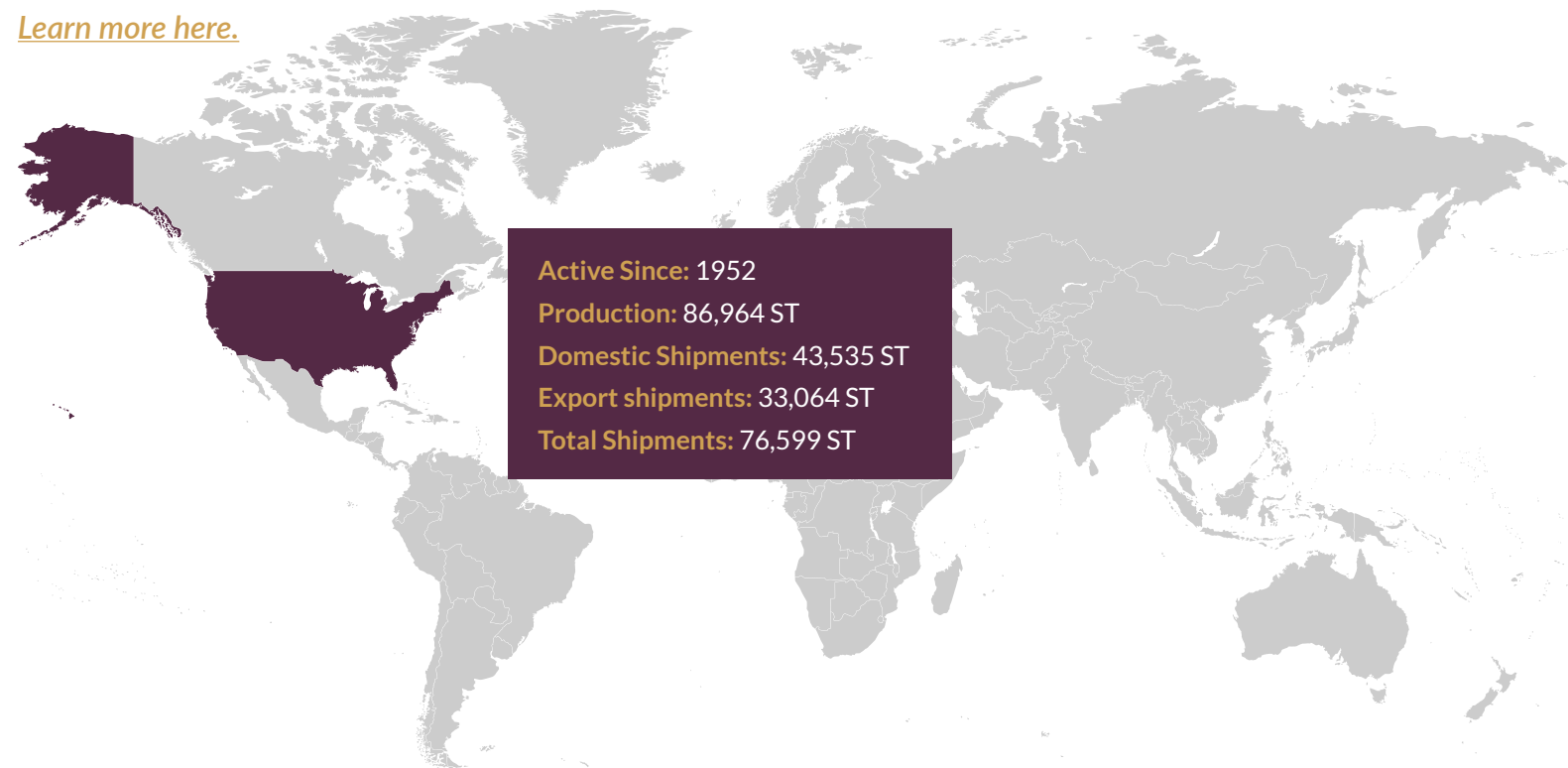
EMERGING MARKETS

The CPB looked toward several emerging markets for future exports including the Gulf Cooperation Council (GCC). Research found that 2018/19 was a strong year for prune sales in the United Arab Emirates, with 1.451 MT, the highest volume over the last five years. In FY 2018/19, CPB started consumer focus groups to gather additional knowledge of the market potential and plans to build further brand awareness through trade shows including Gulfood 2020, INC 2020, and dedicated trade advertising efforts.

United States

Armed with market research indicating the lack of top-of-mind awareness is a significant barrier for California Prunes in the United States. The 2018-2019 domestic program delivered steady “reminders” and enhanced visibility about the amazing taste, versatility, and nutrition of this one-of-a-kind fruit. Via an integrated approach, the program equipped highly credible, well-connected third parties – such as social media influencers, registered dietitians (RDs) and chefs – to help ignite the conversation about the many wonders of California Prunes.

[Learn more here.](#)



MARKET SUMMARY

Reaching:

Consumers, Health Care Professionals, Foodservice/Culinary and Trade

Public Relations | Advertising | Social Media



ACTIVITY OVERVIEW

The California Prunes Experience:

Harnessing the substantial reach, power and popularity of social media influencers, CPB partnered with the Culinary Institute of America (CIA) and California Prune growers themselves to create an immersive event – literally from tree-to-table – that inspired top-quality photos, recipes, usage tips, videos and more in praise of California Prunes.



Pairing Potential:

Focused on building media relationships and paving the way for future coverage, the CPB met with editors at Meredith Corporation in its famed Des Moines test kitchens to showcase the remarkable flavor pairing potential of California Prunes along with the expert craftsmanship that goes into each and every piece of fruit.



Inspiration for Preparation:

Engaged with foodservice editors at the International Foodservice Editorial Conference (IFEC) to inspire use of California Prunes in foodservice applications, while partnering with Chef’s Roll – a global social media network for chefs – the CPB created dynamic new videos illustrating the vast culinary potential of California Prunes.



Nutrition in the News:

The CPB assembled a best-in-class team of RDs to shine the nutrition spotlight on the digestive and bone health benefits of California Prunes, translating into coverage in high-profile outlets such as *Prevention*, *Reader’s Digest.com*, *Livestrong.com*, as well as numerous major-market broadcast segments.



European Union

The EU is our largest export market and remains essential to defend our market share in this region.

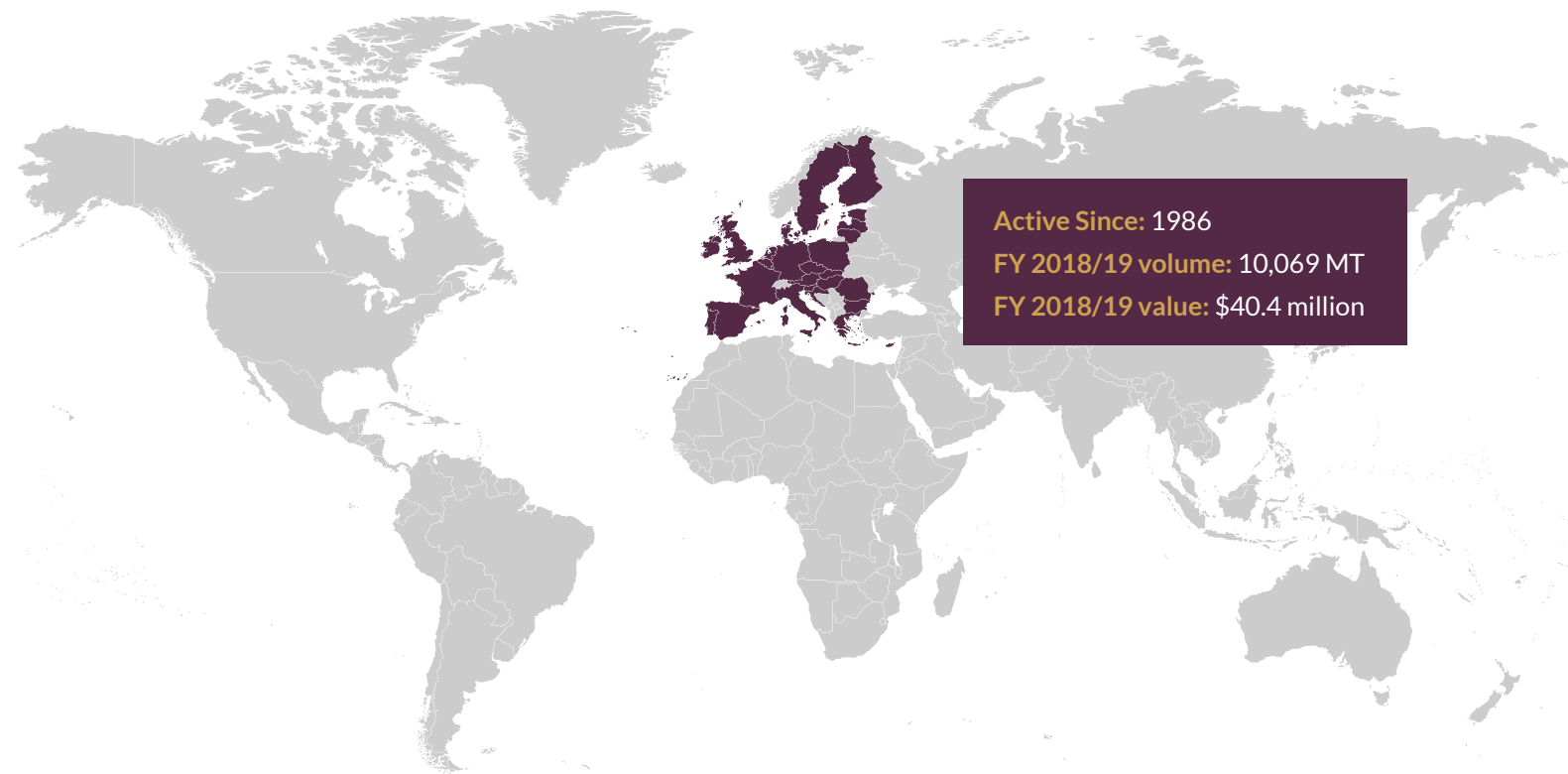
Prunes have been an established part of European diet for generations. In fact, California Prunes derive from the French d'Agen variety. Our challenge is to communicate the premium quality of California Prunes against lower-priced imports from other origins.

[Learn more here.](#)

MARKET SUMMARY

Reaching: Trade, Consumers, Health Care Professionals

Public Relations | Advertising | Social Media



ACTIVITY OVERVIEW

Partnering with the Best Italian Chefs:

The CPB teamed up with the Association of Italian Chefs, each member being renowned for their cuisine in high-end restaurants. We combined California Prunes with other premium quality ingredients, to produce dishes that showcase the fruit's versatility and taste.



Reaching Health-conscious Consumers:

We brought California Prunes to health-conscious consumers at the Italian "Rimini Wellness" event. Through advertising, sampling and cooking demonstrations with our chocolatier, chefs, health and fitness influencers, we highlighted the health benefits and delicious taste of California Prunes.



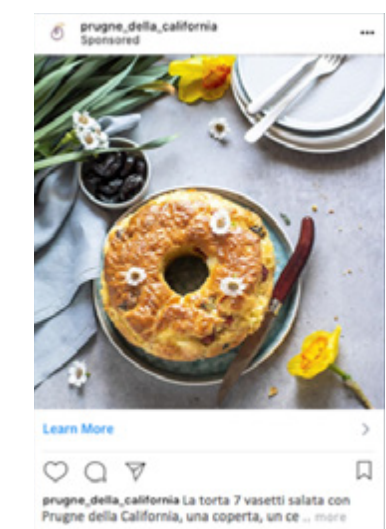
Enthusiating the Trade with Delicious Food Pairings:

CPB teamed up with a celebrity chef to inspire trade contacts with innovative pairings of California Prunes with a range of delicious sweet and savory complementary ingredients.



Year-round Influence:

Over 50 million consumers were reached this year through high-profile sampling activity at health events, year-round media coverage on radio, in traditional press, and through social media platforms. Opinion-leading influencers were carefully selected to add weight to our message.



Canada

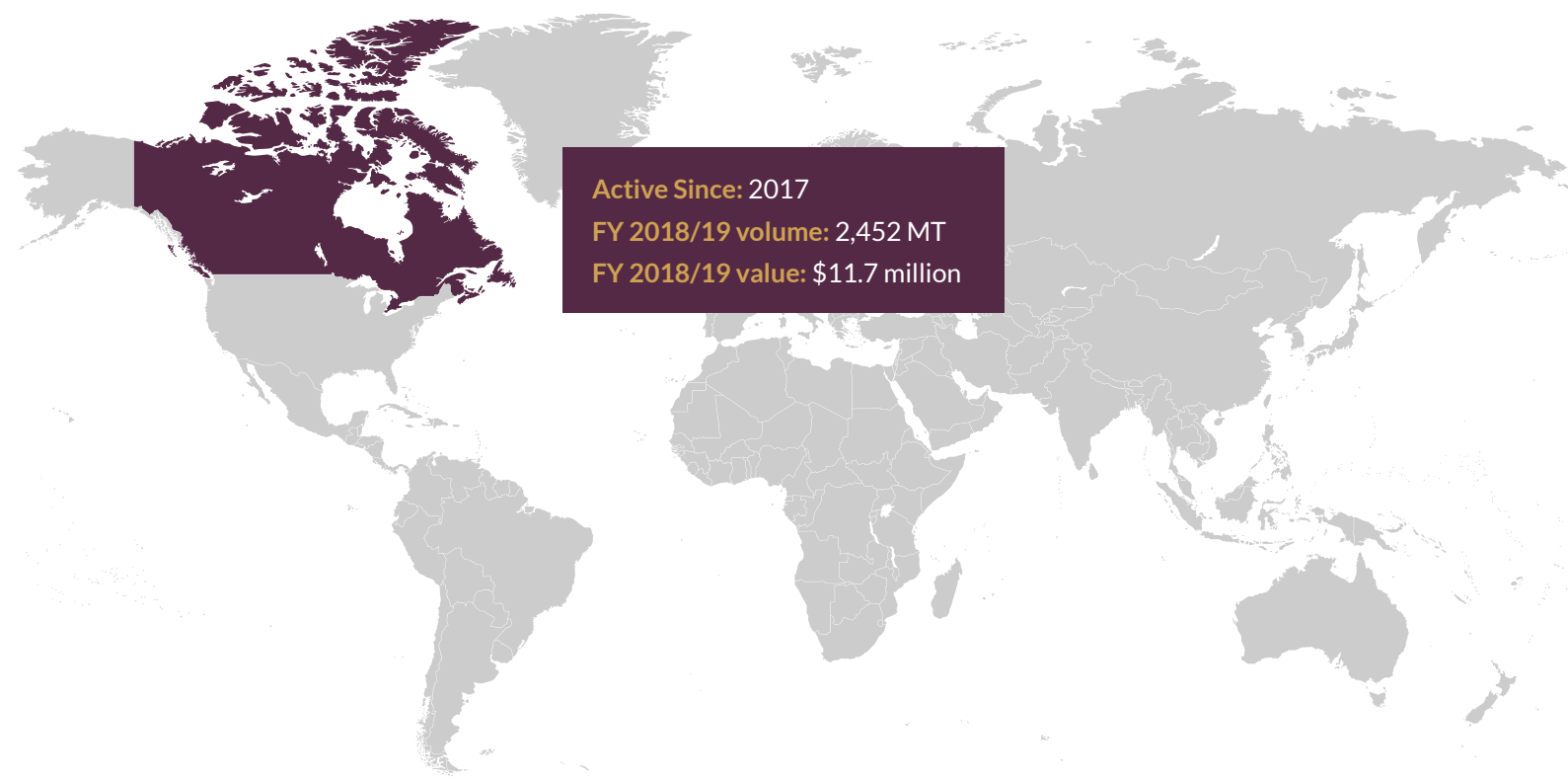
Canada is the third-largest market, in terms of both volume and value, for California Prunes; however, exports of Chilean prunes are increasing. To protect and grow its Canadian market position, efforts were focused on building preference for California Prunes by differentiating their superiority.

[Learn more here.](#)

MARKET SUMMARY

Reaching: Trade, Consumers, Health Care Professionals

Public Relations | Advertising | Social Media



ACTIVITY OVERVIEW

Premium Pairings:

To convey the premium status and versatility of California Prunes, an advertorial was secured in *Food & Drink*, one of Canada’s leading magazines. A collaboration with notable Canadian Sommelier Allison Vidug paired a delicious California Prune recipe with a California Zinfandel. The branded advertorial achieved more than 2 million impressions.



Television Coverage:

Part of the media relations strategy included 10 television segments showcasing California Prunes. During the segments, nutrition or food-focused spokespeople shared the health benefits and versatility attributes of California Prunes. The broadcast opportunities contributed to the Canadian media program, achieving more than 55 million impressions with more than 55% of content referencing California Prunes.



Reaching Canadian Women:

To reach its target audience, the CPB exhibited at the Toronto National Women’s Show where more than 35,000 millennial women gathered. Canada’s California Prune dietitian ambassador, Cara Rosenbloom, led an educational culinary demonstration, creating a *Balsamic Roasted Beet and Prune Salad*. During the three-day show, 5,000 samples of California Prunes and 2,500 informational tip cards were disseminated.



Japan

Japan has long been California Prunes' largest single export market, where consumers prefer the larger size premium fruit. To boost consumption, the CPB put into action new promotional activities to drive top-of-mind awareness, putting California Prunes in the context of a healthy lifestyle.

MARKET SUMMARY

Reaching: Consumers, Trade, Food Professionals

Public Relations | Advertising | POS | Social Media



ACTIVITY OVERVIEW

Experiencing the Culture of California Prunes:

In August 2018, three Japanese brand ambassadors visited California Prune orchards to meet the growers and experience the California Prune lifestyle, resulting in [media coverage](#) about their journey. The Japanese Brand Ambassadors' visit to California was made into [digital signage advertizing](#) and placed in commuter trains in Tokyo in November 2018 and March 2019, and station concourses in Osaka in March 2019.



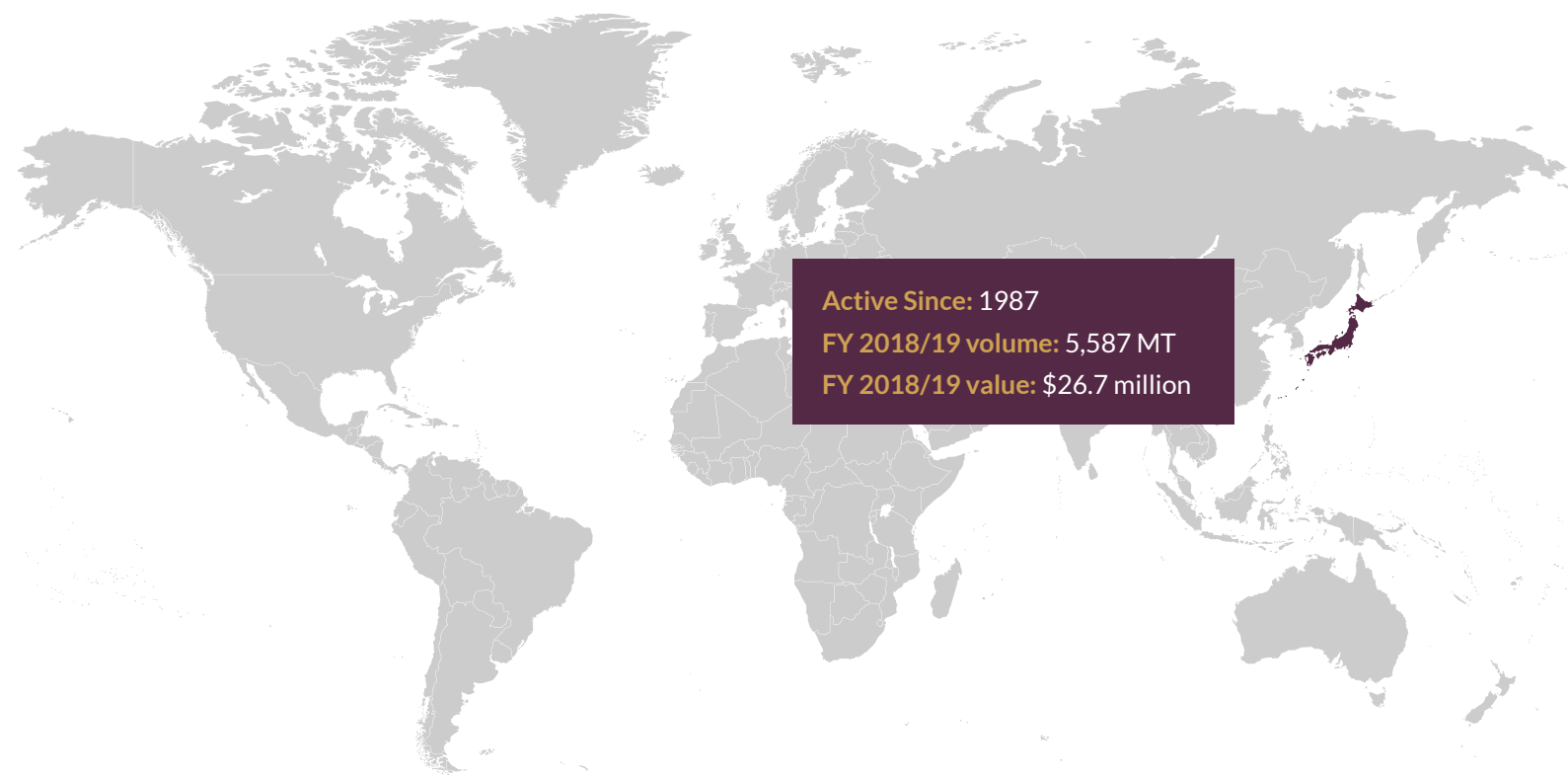
Gastronomy & Fitness Ambassadors:

UK Brand Ambassador Paul A. Young visited Japan and showcased California Prunes' versatility towards 73 trade members, food professionals, and avid baking and cooking fans at the second California [Prune Premium Sweet Seminar](#). Brand Ambassador and yoga expert Aya shared her experience with California Prunes on [Instagram](#), earning 935 likes.



Reaching Japanese Yoga Fans :

Brand Ambassador Aya introduced her California Prune lifestyle throughout the year. She was frequently interviewed by the media and in her piece with the *Yogini*, a bimonthly health and fitness magazine targeting yoga fans with a circulation of 40,000, Aya noted that eating 3 to 5 California Prunes in place of sweets had become part of her daily life to stay healthy and keep her shape.



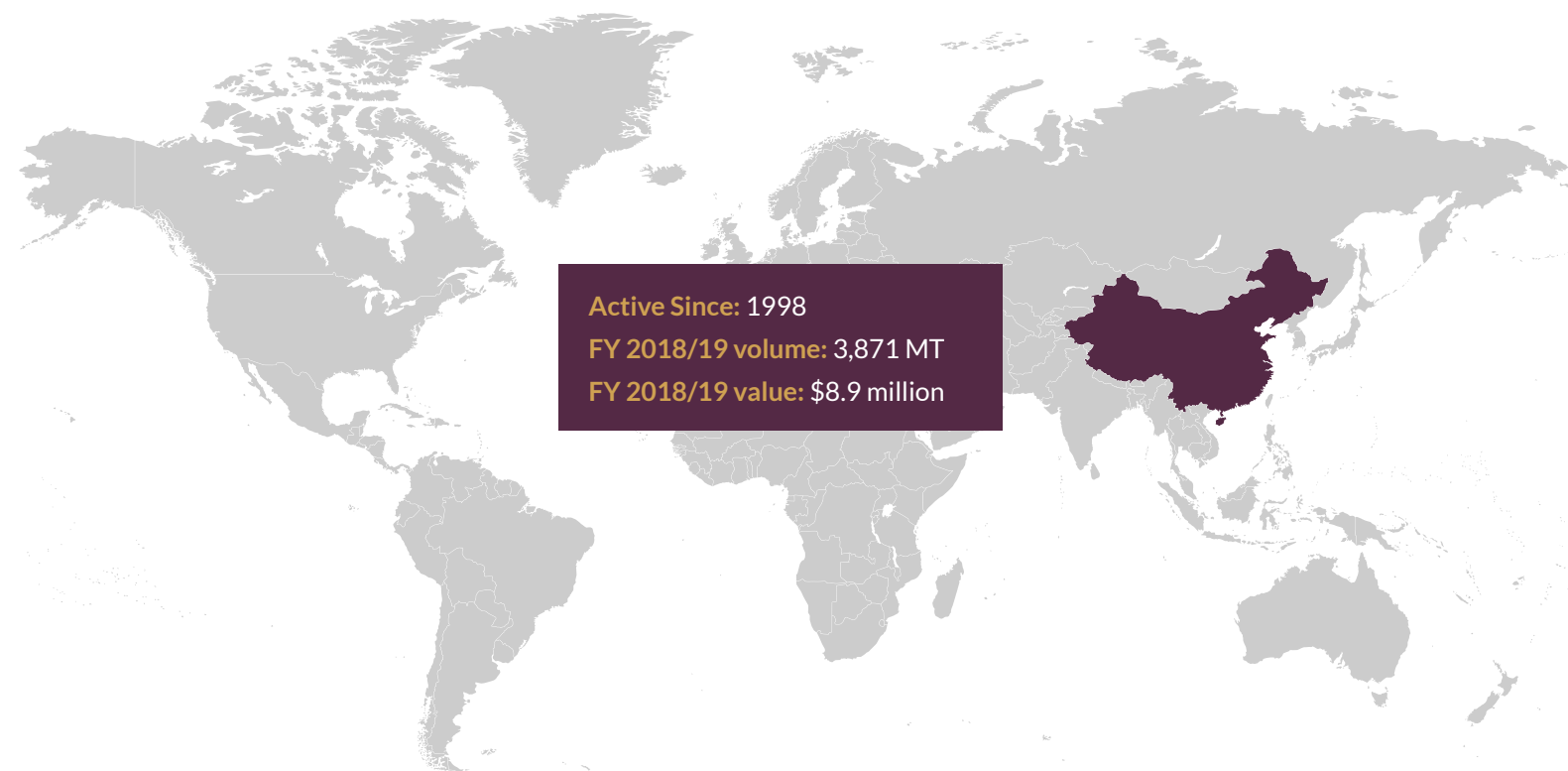
China/Hong Kong

CPB saw the escalating tariff war impacting our exports to China/Hong Kong in 2018/19. It is important to see these declines in context. 2017/18 was a significant export year for California Prunes and so the decrease shown in 2018/19, albeit dramatic due to the tariffs, are still comparable to the 2016/17 total exports (prior to the tariff year), illustrating there is still headroom for more exports in this previously growing market. China's overall market size and demand – fueled by the growth of Tier II and III cities, rising income levels, and lifestyle changes for citizens that embrace exercise and healthier foods – provide future opportunity for our product.

MARKET SUMMARY

Reaching: Consumers, Trade, Health Care Professionals

Public Relations | Advertising | POS | Social Media



ACTIVITY OVERVIEW

Reinforcing the California Difference:

CPB continued to strengthen relationships with the trade to build confidence and sustain loyalty towards California Prunes in the market. The message to the trade was focused on reinforcing the high quality of California Prunes and differentiation from other competitors.



In-Store Promotions:

With the rise of upper-middle-class consumers and a new generation of affluent Chinese consumers, there is more interest in “all natural” and more nutritious foods. Consumers were introduced to the premium quality, versatility and nutritional benefits of California Prunes through sampling and collateral, delivering our key messages at major retailers for a two-week promotion. While boosting sales, the promotion has also kept California Prunes visible on shelves, demonstrating CPB’s eagerness to provide critical support in this otherwise challenging trade environment.



South Korea

Since the launch five years ago, California Prune exports have grown incrementally in South Korea and there is evidence that this market has an appetite for the premium pricing and consistently high quality of California Prunes. Our focus is on educating consumers about the health benefits and promoting culinary usage and product applications to trade customers.

MARKET SUMMARY

Reaching: Trade, Consumers, Health Care Professionals

Public Relations | Advertising | Social Media



ACTIVITY OVERVIEW

Reaching Younger Consumers in the Digital Space:

As the top-tier target audience, consumers ages 20-49 with an active and healthy lifestyle, the CPB used social media platforms such as Facebook to increase new fans and leveraged a tie-in with three leading e-commerce players — Kakao, T-Mon and WeMakePrice — to increase sales of California Prune products by 240%.



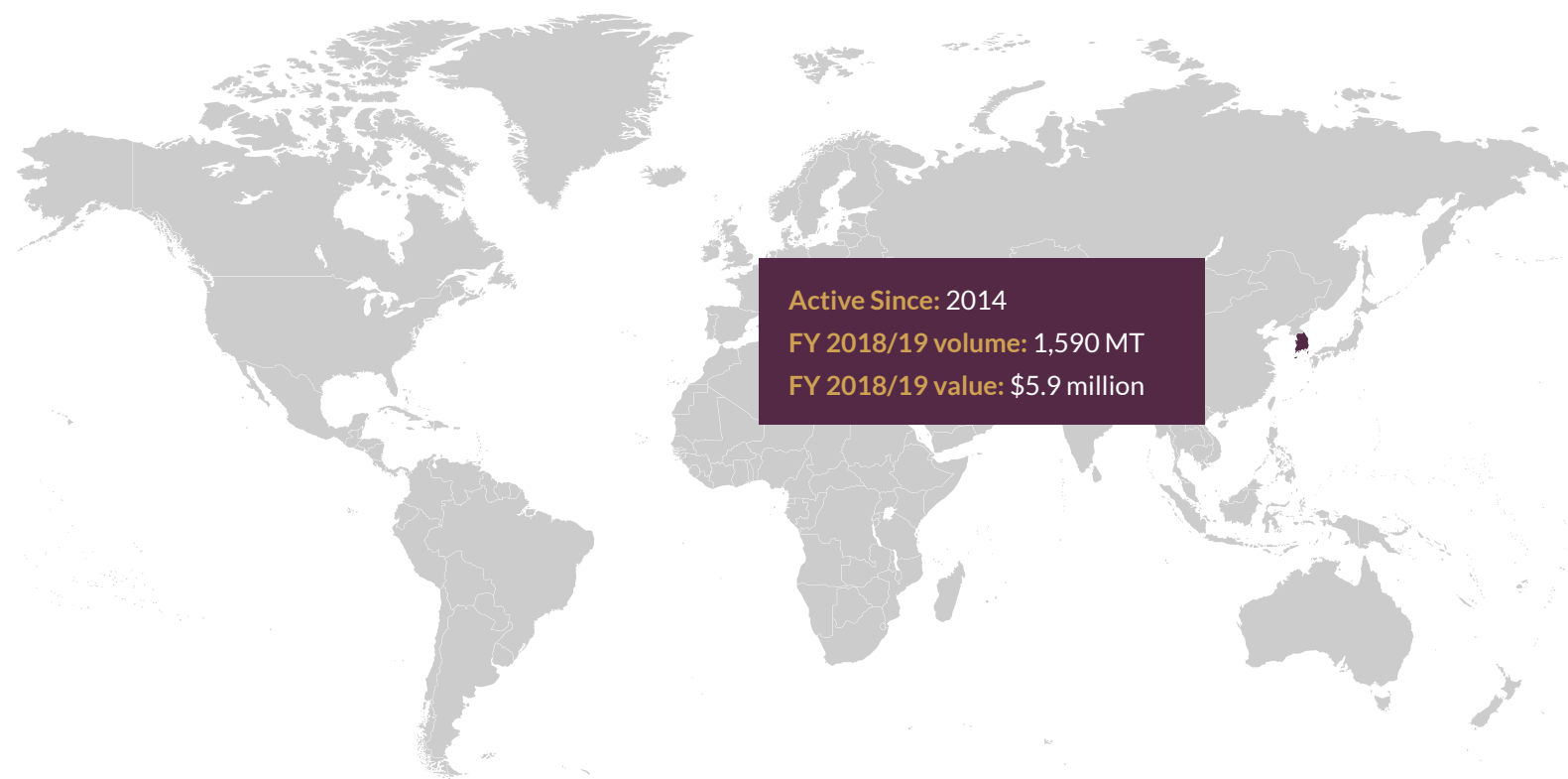
An Aging Population:

Targeting consumers over 50, CPB delivered health messages of California Prunes through two highly influential health talk show programs on TV, reaching more than 2.5 million people. As a result, the term “prune” appeared on the biggest portal site, Naver, being ranked among the top 10 keywords searches on the airing date. In addition, a sampling event was done at a golf resort, delivering the bone health message and the golf clubhouse then added California Prunes to its snack offerings.



California Prunes on the Menu:

Working with food manufacturers and foodservice players to encourage additional use of California Prune products and menus. CPB Korea collaborated with premium pâtisserie dessert shop chain, The Ménagérie, to include California Prunes in several products. The products were incorporated into a tie-in promotion with Hanhwa Hotel & Resort, a major hospitality business group, which introduced the menu items at its annual Wine Market Place event.



PRODUCTION RESEARCH

Agricultural Research Coordinator Gary Obenauf oversees Production Research for the CPB

Growers continue to face numerous challenges, from growing conditions to a lack of labor. The California Prune Board is committed to helping members today – and for many future harvests – through production research.



From mechanical pruning, which could help offset increasing labor costs and the severe shortage of workers, to rootstock anchorage that will hopefully extend the life of orchards, the Prune Board had 13 production research efforts underway in 2019.



Production research includes looking at new varieties of plums that could become prunes. There is some early promise with a handful of University of California Cooperative Extension-bred cultivars, though their potential release is at least a few years

away. One is a larger, yellow fruit (known as G2S-8) typically ready for harvest a week after Improved French, and has consistently high quality and taste. Another cultivar, H13S-58, has been a top-five performer in taste trials with growers.

Research projects we supported in 2019:

PROJECT	RESEARCHER	LOCATION
Prune Cultivar Evaluation and Development	Ted De Jong	UC Davis
Development of molecular markers associated with Self-compatibility in dried plum (<i>Prunus domestica</i>)	Richard Dodd	UC Berkeley
Field Evaluation of Prune Rootstocks	Luke Milliron	Butte County
Field Evaluation of Prune Rootstocks	Katherine Jarvis-Shean	Wolfskill
Managing Heat at Bloom	Franz Niederholzer	UC Sutter County
Mechanical Pruning Trial in French Prune	Rich Rosecrance	CSU Chico
Establishing a year-round system to test Plant Growth Regulators (PGRs) on fruit set using 'FasTrack' plums (<i>Prunus domestica</i>)	Franz Niederholzer	UC Sutter/Yuba County
Epidemiology and management of brown rot and rust of prune – Development of an integrated program with new fungicides and optimal timing	Jim Adaskaveg	UC Riverside
Diagnosis, Epidemiology and Management of Canker Diseases in Dried Plums	Themis Michailides	UC Parlier
Investigating Incidence and Type of Wood Decay Fungi in Stone Fruit	Bob Johnson	UC Davis
Characterizing current rootstocks of the dried plum industry for host status to plant-parasitic nematodes	Andreas Westphal	Kearney/Parlier
California Dried Plum Research Reports Database	Julia Stover	UC Davis
Spatial Variability Assessment for Precise Orchard Management	Andre Daccache	UC Davis
Life Cycle Assessment (LCA) of Prune Production	Elias Marvinney	UC Davis

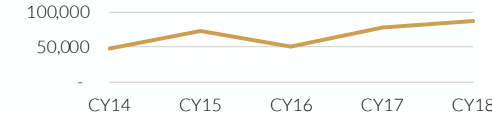
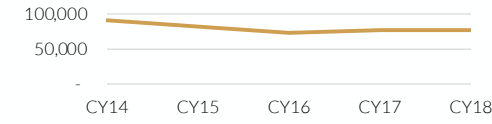
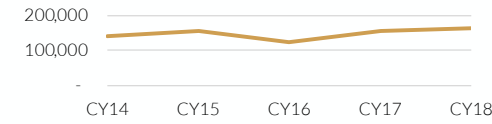
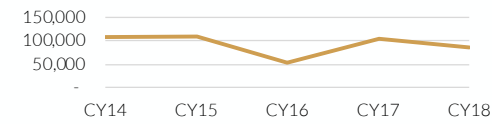
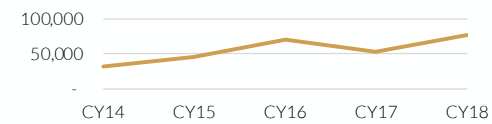
To view the 2018 Prune Research Report, click [here](#). The 2019 report will be available in January 2020 and available on the California Prunes website under "Reports & Resources."

FACTS & FIGURES

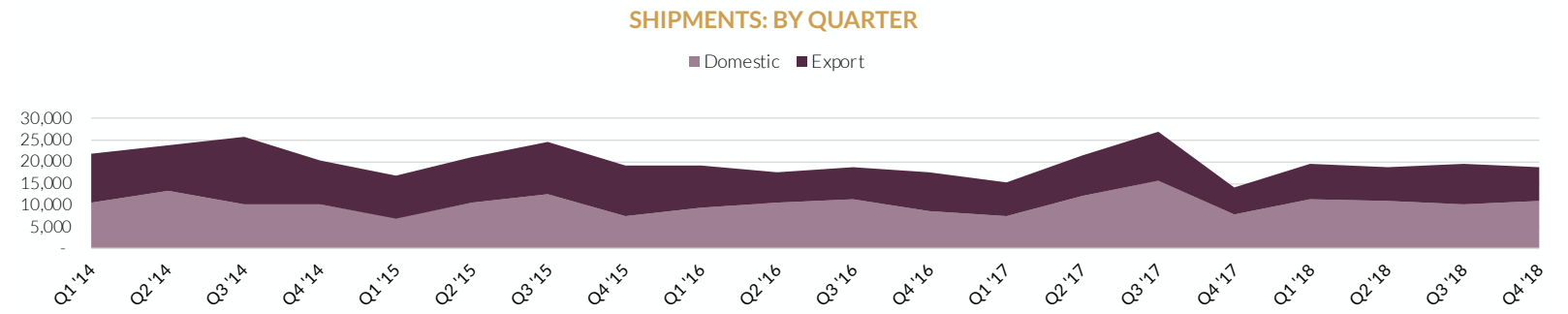
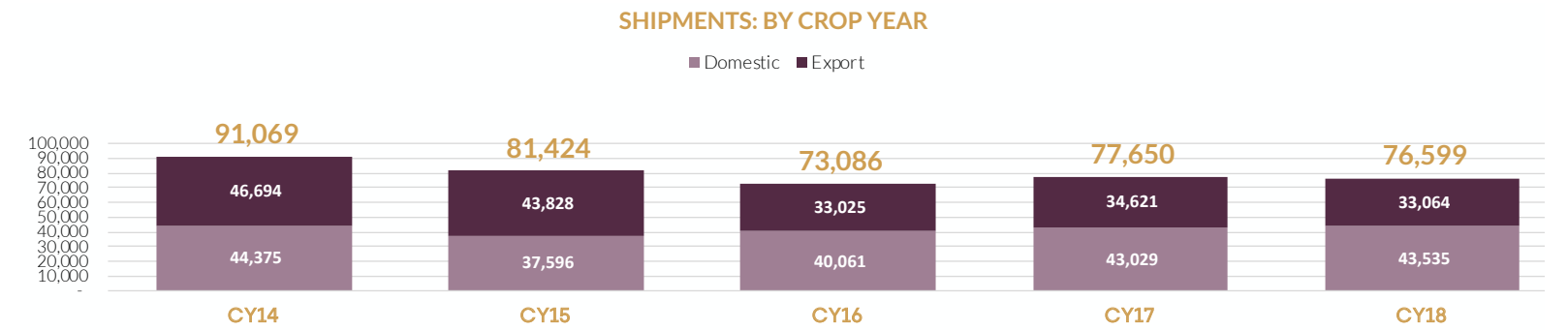
Inventory For Full Year Ending July 31 in NC Tons

CROP YEAR THRU JUL 31	2014	2015	2016	2017	2018
Beginning Inventory	32,173	45,830	71,463	52,240	77,207
Marketable Production Rec'd by Handlers	107,106	108,954	52,851	104,083	86,964
Total Inventory Available	139,279	154,784	124,314	156,323	164,171
Total Shipped	91,069	81,424	73,086	77,650	76,599
Ending Inventory	48,210	73,360	51,228	78,673	87,572

Source: Processors' Reports



Shipments, Natural Condition Ton Equivalency



Source: Processors' Reports

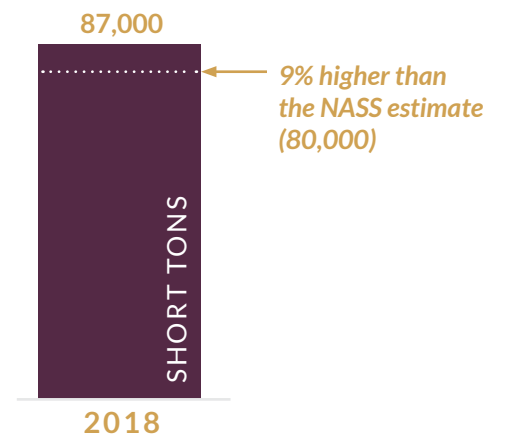




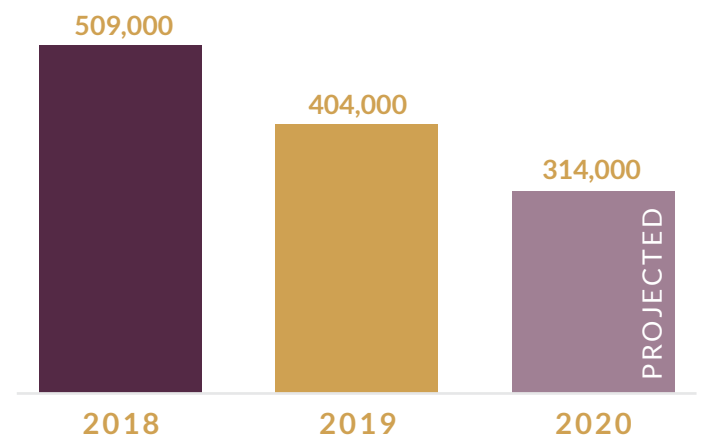
AVERAGE GROWER RETURNS/TON	
2014/15	\$2,470
2015/16	\$2,050
2016/17	\$2,180
2017/18	\$1,980
2018/19	\$1,912

CROP YEAR	BEARING	NON-BEARING	TOTAL PRUNE ACREAGE
2014	45,969	4,516	50,485
2015	44,381	3,973	48,354
2016	42,666	4,004	46,670
2017	45,427	5,815	51,242
2018	43,463	5,108	48,571

Total production



Prune tree sales



2019 Carry-in inventory

increased to 83,000 short tons, which is 118% of the three-year average.

2019 Natural Condition Supply

is projected to be 178,000 short tons (CPB estimate of 95,000 plus the carry-in inventory of 83,000).

CONNECT WITH US



Sign up for our newsletters to stay up-to-date on the latest news and info about California Prunes! To sign up, click [here](#)

Positively Prunes – quarterly topline industry news on nutrition, global marketing, and more from the California Prune Board

Orchard Notes – News about the latest crop management considerations and brief updates on programming and events from the CPB

REGISTER NOW

The California Prune Board will host the second-ever California Prune Summit happening Wednesday, February 26, 2020 at the Orchard Creek Lodge in Lincoln, CA. This event will bring together growers, handlers, and all those in the California Prune industry to address the challenges and opportunities for the future of our industry. The 2020 California Prune Summit is a unique opportunity to learn, engage with others in the industry, and share perspectives about the future of California Prunes as a premium category leader in the global marketplace. The event is free and open to anyone in the California Prune industry. Register [here](#).



Subcommittees

- Audit Subcommittee
- Crop Management & Sustainability Research Subcommittee
- Export Subcommittee
- Government & Issues Management Subcommittee
- Marketing Subcommittee
- Nutrition Research Subcommittee

Executive Committee

- Brendon Flynn
- Dane Lance
- Neill Mitchell
- Ranvir Singh
- George Sousa, Jr.
- John Taylor
- Joe Turkovich

CPB Staff

- Donn Zea, Executive Director
- Kiaran Locy, Director of Brand & Industry Communications
- Esther Ritson-Elliott, Director of International Marketing & Communications
- Becky Poland, Executive Coordinator
- Alexis Consulo, Marketing Communications Specialist
- Jared Ruggles, Controller
- Ginger Holznecht, Bookkeeper

The California Prune Board is composed of 22 members and alternates including processors, growers, and a non-industry public member. For a full list of board members and alternates, [click here](#).

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