



# Maximizing Return on Grower Investment

## “What’s News?”

*Fall/Winter 2011/2012*

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# CONSUMER NUTRITION

## Consumer Nutrition Advertising

### “Many Sides of Potatoes” Campaign Continues to Build Momentum in the New Year

This year, the “Many Sides of Potatoes” campaign reaches “Linda” when she is seeking healthy family dinner ideas in nine cooking, parenting and women’s lifestyle magazines. In addition to the Family Favorite Baked Fries and Mediterranean Sun-Kissed Savory Salad advertisements, the Fiesta Potato Smashers advertisement was introduced, inspiring Linda with another potato usage idea. As part of the paid media investment, added-value opportunities were negotiated to extend the industry’s dollars even further. Over \$1 million in added value has been negotiated, which is 79% of the actual paid print investment. Working closely with the USPB Consumer Public Relations Team, the added-value programs deliver integrated messages to “Linda”. Below are a few key programs:

- **Better Homes & Gardens Prize Tested Recipe Contest:** USPB garnered consumer engagement by encouraging readers to enter the contest, announced in the October 2011 issue, for potato side dish recipes. The winning recipe will be featured in-book (July 2012) and on [potatogoodness.com](http://potatogoodness.com) to ultimately provide Linda with new usage ideas for potatoes.
- **Cooking Light’s Tested & Recommended Potato Recipes:** *Cooking Light’s* acclaimed Chef Billy created two potato recipes that are shared with 150,000 *Cooking Light* readers via email and hosted on their website, Facebook page and blogging community.



### Online Advertising

The online advertising campaign is back for the new fiscal year with a strong presence on familiar sites such as AllRecipes.com, MyRecipes.com, BHG.com (Meredith Networks), and on a new site, FoodNetwork.com. In July-September 2011, the campaign generated nearly 9.4 million impressions, delivering 30% of the total online advertising plan. The campaign performance continues to exceed industry standards with an average click through rate of 0.26% (0.16% higher than industry standards), generating over 63,000 interactions with the Quick and Healthy potato recipes.

The advertising plan will reach 78% of “Lindas” with the potato recipe message at least eight times during the year and generate a total of 359.5 million impressions (including impressions generated from added-value opportunities).

## Consumer Nutrition Public Relations– Influencer and Media Relations Keep Potato Nutrition Front and Center in the News

The USPB’s foundational nutrition science program continues to protect and promote the positive nutrition profile of the potato. Scientific research provides a timely and credible resource for media and influencers. To date in FY12, the USPB has reached more than 160 million consumers with potato nutrition information and recipes.

### Newly Updated Potato Nutrition Handbook and Nutrition Library Handout Series

The USPB updated its valuable nutrition assets in time for the busy first quarter of FY12 and a season of outreach to nutrition and media influencers. The Potato Nutrition Handbook was updated to include new research and information that has been presented since it was originally drafted in 2009, and the USPB also added a new series of Nutrition Library Handouts which highlight how potatoes fit in the common discussions of heart health, weight management, diabetes childhood obesity, Glycemic Index, and the newly revised Dietary Guidelines. Download your copy at [www.potatogoodness.com](http://www.potatogoodness.com).



### A Summer of Potato Salads

The USPB kick-started FY12 with a summer of potato salads, including syndicated placements of two potato salad recipes: [“Purple Potato Salad with Beets and Arugula”](#) and [“Quick & Healthy Potato Salad”](#) for nearly 4 million impressions. A summer mat release featuring the [“Grilled Pesto Potato Salad”](#) recipe resulted in another 24 million impressions and potato salad also received high marks from the editors of *Eating Well* magazine, who collaborated on an article for Yahoo’s *“Shine!”*, one of the most popular women’s lifestyle websites. Potatoes *outshined* pasta salad in the article titled: “All-American food faceoff: Which is healthier, potato salad or pasta salad?” “...potato salad has one advantage over pasta salad—it’s almost all vegetable,” the writer’s explained. “Potatoes actually have many redeeming health qualities: they’re a good source of potassium and vitamin C and naturally deliver some fiber (especially when you keep the skin on) and protein.”



### New! Weekly Recipe Email

In August, the USPB launched a new tactic, a weekly recipe email, with the goal of encouraging “Linda” to cook with potatoes one

additional time per week by delivering an easy and healthy recipe right to her email inbox. Each week, the email features a new recipe and corresponding photo, along with a potato “fun fact” and always includes links to [PotatoGoodness.com](http://PotatoGoodness.com), the [Potatoes, Taters & Spuds Facebook Page](#) and [Potato Goodness YouTube Channel](#). The first recipe email was distributed to a database of nearly 2,000 consumers. Through Facebook promotions, advertising integrations, media and influencer relations, the email database has grown by more than **150 new sign-ups each week** to a total of 3,673 subscribers. In addition, the email has routinely **out-performed against industry standards** in both open rate (averaging 32 percent) and click-thru rate analytics (averaging 16 percent). Sign up to receive your weekly recipe e-mail at [PotatoGoodness.com](http://PotatoGoodness.com).

### Facebook

The first Facebook promotion of FY12 was a timely Labor Day Potato Salad Sweepstakes on the [Potatoes, Taters & Spuds Facebook Page](#). “America’s Favorite Potato Salad Sweeps” drove users to vote for their favorite potato salad, choosing from four healthy and delicious-looking recipes for the opportunity to win a Kitchen-Aid Mixer, an item every “Linda” wants to have in her kitchen – and that makes mashed potatoes a breeze! During the month of September alone, the fan base grew by more than 2,000 and more than 1,500 consumers entered the sweepstakes. The [Potatoes, Taters & Spuds](#) page now has a total of 8,790 fans and saw a 25 percent increase in active users from September to October, meaning “Linda” is engaging with our content (liking and commenting on the page and posts) more than ever.



### PotatoGoodness.com Homepage Makeover and New “Find a Potato Recipe” Database

Just in time for the holidays, [PotatoGoodness.com](http://PotatoGoodness.com) went live with a refreshed homepage, dedicating its most valuable page “real estate” to what “Linda” wants most—new recipes! At the same time, a new potato recipe database was unveiled, which lists 150 new recipes to the already sizable collection of potato dishes. Along with those recipes are downloadable, high-resolution images, making it easier for industry and media to attain images for their use in promoting the goodness of “America’s Favorite Vegetable”.

### NHANES Research Launch at FNCE

On September 27, the USPB-funded research that demonstrated potatoes are **the largest and most affordable source of potassium of any vegetable or fruit** was unveiled. The USPB kicked-off the announcement with a media blitz at the American Dietetic Association’s (ADA) annual Food & Nutrition Conference & Expo (FNCE) in San Diego, CA. The USPB hosted a private lunch event featuring Dr. Adam Drewnowski, lead researcher on the study, for 13 highly influential media RDs at Searsucker, a very trendy new restaurant in San Diego headed by “Top Chef’s” Brian Malarkey. The RDs in attendance represented dozens of national publications and media outlets including *Health*, *Eating Well*, WebMD.com, *SELF*, *Parents*, *Family Circle*, *Relish*, *Cooking Light*, *Fitness*, *Shape*, *SheKnows.com*, Food Network, FitTV, HealthCastle.com and a host of others. In total, as a direct result of the USPB’s FNCE activities and subsequent outreach efforts, coverage has already been secured in more than half a dozen media outlets including a features on [EatingWell.com](http://EatingWell.com), [Self.com](http://Self.com), and broadcast segments in [Denver](#), [Chicago](#), and in [Arizona](#) for more than 20 million impressions.

### “Seven Days, Seven Ways” Potato Types Program Launch in NYC

The USPB chose the Editor’s Showcase “Cooking and Entertaining” event, held at the Marriott Marquis in Times Square, to kick off the “Seven Days, Seven Ways” program launch. This even attracted an impressive list of 79 high-caliber members of the New York-area media for a private networking event. The evening soiree provided the perfect environment to talk potatoes, one-on-one, with influential mainstream media members, ranging from producers for the “Today Show” to editors from *Martha Stewart Living*, *Family Circle*, *Good Housekeeping* and *Rachael Ray* magazine. Katie Cavuto Boyle, RD, (star of the Potato Types videos housed on [PotatoGoodness.com](http://PotatoGoodness.com)) was on-hand as our “celebrity” spokesperson, so while the Potato Types videos played at the booth and guests sampled Crab-Filled Potato Bites, she helped promote the program.



The following evening, the USPB hosted a private dinner event for key media and influencers at Empellón, a trendy, upscale Mexican restaurant in New York City’s West Village. Katie Cavuto Boyle and the USPB team discussed the “Seven Days, Seven Ways” Potato Types program and overall potato nutrition. The event brought together 13 high-caliber members of the media representing outlets including *USA Today*, *Everyday with Rachael Ray*, *Everyday Food*, *Weight Watchers*, *O, the Oprah Magazine*, *Self*, *Whole Living*, *Woman’s Day*, *Glamour*, *Fitness* and *FIRST* to enjoy a seven potato types-themed menu for featuring each of the seven types in a unique dish. To-date, the USPB has seen results of the potato types program on [Self.com](http://Self.com), [FoodNetwork.com](http://FoodNetwork.com), [The Martha Stewart Living](http://TheMarthaStewartLiving.com) “Test Kitchen” [blog](#), [Detroit News](http://DetroitNews.com) and in *Everyday with Rachael Ray* magazine, which included verbatim USPB potassium and vitamin C messages, alongside a potato types featured in the December issue. Pending coverage includes *Cooking Light* magazine and *Cooking with Paula Deen* magazine.

Also on the NY agenda was an interview on **Martha Stewart Living Radio's** "Morning Living" program on SiriusXM radio. Interview-savvy Katie Cavuto Boyle was eloquent and convincing, delivering all her message points while naturally interacting with the hosts for almost a half hour. She also was interviewed with [Mom Talk Radio](#), the most downloaded parenting podcast on iTunes with approximately 500,000 listeners on 50 stations in the US.



Finally, a new potato types press kit, featuring new recipes, photography and videos, was packaged and distributed to the USPB's database of 700-plus newspaper, magazine and online contacts across the country. A mat release was also distributed to support the potato types program and *Better Homes & Gardens* potato recipe contest value add, resulting in 24,462,860 impressions to date.

**Spuds in the National Media**

"Linda" loves her magazines, and the magazines love potatoes! Potato nutrition information has been front and center in magazines, in top online media outlets and national broadcast since our last update, including:

- **Parents:** The July issue suggested fingerling potatoes as a great food for kids for their bright colors and their high antioxidant and vitamin C content.
- **Glamour:** Included potatoes in a feature about "How to Skinny Cook Your Food", recommending potatoes as "a great source of iron and potassium."
- **Food Network:** Ellie Krieger, Chef, RD and media personality, included six different potato types in a feature titled "One Potato, Blue Potato."
- **CNN.com and Health.com:** Touted potatoes as, "Your food Rx: While bananas are the most famous source of potassium, you actually get twice as much of the mineral from a medium-size baked potato."
- **The Today Show:** Ariane Duarte, Contributing Editor for *Prevention* magazine, promoted potatoes as having more potassium than a banana during a healthy mashed potato cooking segment.



**Changing Attitudes One Doctor at a Time**

For the first time ever, the USPB participated in the American Academy of Family Physicians' (AAFP) annual conference, a gathering of 2,500 doctors who are the gatekeepers to patients in need of nutrition information. USPB's presence at AAFP was aimed at raising awareness of the potato's proper place in the American diet, including those who suffer from high blood pressure, heart disease, obesity, diabetes, and to increase understanding of potatoes' nutritional profile. Over the course of two days, the USPB served 2,000 baked potato halves, while USPB nutrition consultant, Dr. Katherine Beals, had significant conversations with this influential group of MDs, immediately changing attitudes and opinions. A follow-up mailing featuring the new Nutrition Library Handouts is currently underway to the 2,500+ attendees.

**ISSUES MANAGEMENT**

**Issues Management**

**Acrylamide:** Regulatory agencies around the world, including the US FDA, continue to move forward with risk management plans on acrylamide, while news organizations continue to cover acrylamide developments in varying depth. The USPB continues to stay abreast of the issue's developments in the US and abroad, and has an aggressive action plan in place ready to execute a series of tactics when and if the need arises.

The FDA has announced they will move forward with a monitoring program and industry guidance in 2012. This is expected to be formally announced via the Federal Register, and there will be opportunity for comments from industry. Media attention is likely. Health Canada releases their branded monitoring data and exposure assessment in December 2011, at the same time as asparaginase is approved. Substantial media coverage is expected, particularly around potato products and could easily cross borders. Overall media coverage has increased, especially in the US.

**Cantaloupe Listeria Outbreak Connected to Used Potato Packing Equipment**

The FDA released its report on the cantaloupe listeria outbreak on October 19, which was followed by an AP story on the report. One of the factors listed as potentially contributing to the introduction of *listeria monocytogenes* in the FDA report was the cantaloupe "firm purchased and installed used equipment for its packing facility that had been previously used at a firm producing a different raw agricultural commodity." Subsequently, at its press conference, FDA identified that the used equipment was potato washing and drying equipment.

USPB took initial steps to be prepared in the event the media began to focus on potatoes and packaging equipment, including the development of a small taskforce of industry leaders to work with NPC's John Keeling and USPB's Tim O'Connor; a standby statement and identification of third-party experts to speak with media if needed; and an assessment of the science regarding the potential for listeria to have been introduced through the used potato equipment, which was idle for more than a year prior to being refurbished and put into the cantaloupe packing facility.

During this time, Fleishman Hillard, the USPB public relations agency, closely monitored the media. The majority of the coverage did mention used potato equipment had been added to the packing line at the cantaloupe farm this shipping season; however, the USPB was not contacted by any media on this matter. The USPB also conducted a consumer pulse survey to determine if, as a byproduct to the cantaloupe listeria outbreak, consumers had concerns about the safety of potatoes resulting from the used potato equipment's addition to the cantaloupe farm's packing facility and ensuing media coverage, fortunately they had not. Consumers viewed it clearly as a cantaloupe issue.

## FOODSERVICE

### Foodservice—Innovation Foodservice Marketing Sparks New Ideas and Menu Items

#### The Potato Idea Blast: New “Get Creative” E-Newsletter Launched

They're popular, great-tasting, and infinitely versatile. No wonder potatoes are the #1-selling side dish in foodservice. Whether chefs take them Mediterranean, all-American, Latin, or anywhere else in the flavor world, they'll find they take to seasonings and signature touches like no other vegetable. And that's the idea behind this newsletter. It's a feast of inspiration for chefs—ideas and recipes that showcase potatoes in innovative, trend-forward ways. The fall issue of “Get Creative” was linked to our foodservice media buy and reached 3,700 chefs and foodservice professionals.



#### Lucky 7: “Menu Innovations with Potatoes” Seminar Get Top Scores

Chefs from The Cheesecake Factory, Hard Rock International Café, Sonic Industries, HMS Host, Olive Garden and Hyatt Hotels participated in this year's “Menu Innovations with Potatoes” seminar, along with R&D chefs from ConAgra Foods, Schwan's Foodservice and a chef-in-training from the US Air Force. The restaurants chefs who attended represented more than \$9.8 billion in sales and 7,789 units. **All seminar participants rated the seminar and its content as “excellent!” Just three weeks following the seminar, two of the attending chefs contacted USPB to announce they had both begun testing new potato items!**

#### USPB Meets the Press at Annual IFEC Conference

Meredith Myers and marketing partner agency Ketchum just returned from the International Foodservice Editorial Council's annual meeting where they had individual meetings with 18 foodservice editors and placed recipe features and nutritional stories for 2012. The editors were highly interested in the good news about potato nutrition and in innovative dishes from the CIA seminar program.

## INTERNATIONAL MARKETING OVERVIEW

### International Marketing Overview

The USPB International Marketing program works to create new market opportunities for all US potato growers. This is accomplished by a set of strategies designed to open new markets to US potatoes and products, increase access to current markets, introduce new US products to foreign markets, develop new channels for US products in the foreign markets, increase consumer demand for US potatoes, deliver positive potato messaging and counteract regulatory and food safety issues.

- For fiscal year 2011 (July 2010 – June 2011), US potato exports were a record \$1.35 billion, an increase of 15%.
- Volume of total exports increased 11% to 1,366,649 metric tons, or 59,161,031 hundredweight at the fresh weight equivalent.
- Frozen potato exports were up 9% by volume and 11% by value to \$808 million.
- Fresh exports (table-stock & chip-stock) were up 14% by volume and 34% by value to \$186 million.
- Exports of dehydrated potatoes were up 13% in volume and 11% in value to \$173 million.
- Potato chip exports increased 19% by volume and 25% in value to \$171 million
- Seed potato exports increased 24% by volume and 11% in value to \$12 million.

## Frozen – Largest US Potato Export Category

The USPB is working to expand export of frozen potato products through the introduction of new products, new uses and new channels. Demand is also being built through inclusion of frozen potatoes into local cuisines and the delivery of a positive nutrition message for potatoes in all markets. In emerging and developing markets, the superior quality and value of US frozen potato products is driven home.

**The 11% growth in frozen exports for FY2010/11 was led by a 42% increase in sales to China, which at \$62 million, is now the 2<sup>nd</sup> largest export destination; a 40% increase to Mexico and a 14% increase to South Korea. The following successes from FY11, contributed significantly to the increase in export sales:**

- 74 restaurant chains in the target markets added, upgraded or switched to US products from competitors. These switches represent net new sales of US frozen potato products.
- 24 retail chains began carrying US frozen potato products, while 64 new products were added to the selection in chains already carrying US products.
- US frozen potato products entered 19 alternative channels, including on-line shopping, Chinese takeout, mini-marts, gas stations, home meal replacement at retail, bulk sales at retail, pizza chains, and the inclusion into numerous local cuisines.
- 88 new frozen potato items or menu items, made with US frozen potatoes, were introduced at restaurants.
- Over 120 positive potato messages, based on the nutrition, quality and convenience of frozen US potato products, were conveyed in all markets through seminars, trade shows, press releases and websites.
- Employees at more than 900 restaurants, from 50 chains in 11 countries, were trained in proper storage, handling and preparation of US frozen potato products, with close to 100% of the outlets adopting the better practices taught.
- The retaliatory tariff being levied by Mexico on US frozen potato products as part of the NAFTA trucking dispute was lowered from 20% to 5%. This reduction was achieved in cooperation with the National Potato Council (NPC) and American Potato Trade Alliance (APTA).
- In October 2010, 30 employees of importers and distributors handling US frozen potato products in Central America, China, Indonesia, Malaysia, Mexico, the Philippines, Thailand and Vietnam brought to Washington for training. Training consisted of a field-to-fork look at frozen potato products, including proper cold chain, a look at new products and ideas about alternative uses.

## Process Potatoes: National Fry Processing Trials – Breaking News!! NFPT Trials Successfully Identify Numerous Lower Acrylamide Clones

The first acrylamide test results have become available from the Washington and Idaho National Fry Processor Trials (NFPT). The trials are being processed in the order in which they were harvested, with Washington first, followed by Idaho, then North Dakota.

Acrylamide information is being collected from finished fries processed at the USDA lab in East Grand Forks, MN and then sent to the laboratory of Mike Pariza and Jayne Stockton at the University of Wisconsin/Madison.

All 81 clones in the two trials were analyzed for their respective acrylamide levels. Ranger and Burbank represented the check varieties for all trials and analysis.

The Washington clones had an average acrylamide level of 262 ug/kg. Idaho had an average level of 385 ug/kg. (NOTE: ug/kg = ppb)

In Washington, Ranger Russet had an acrylamide level of 480 ug/kg, while Russet Burbank had an acrylamide level of 475 ug/kg. In Idaho, Ranger Russet had an acrylamide level of 568 ug/kg, while Russet Burbank has an acrylamide level of 1,388 ug/kg.

Washington Trial Key Observations:

- Five (5) clones had acrylamide levels under 100 ug/kg
- 32 clones had acrylamide levels under 200 ug/kg
- All but five (5) clones had lower levels of acrylamide than Ranger and Burbank
- Premier Russet's acrylamide level was 238 ug/kg

Idaho Trial Key Observations:

- No clones had acrylamide levels under 100 ug/kg
- 10 clones had acrylamide levels under 200 ug/kg
- All but nine (9) clones had lower levels of acrylamide than Ranger's
- Burbank had higher levels of acrylamide than any other clone

**NOTE: The NFPT is different than the Chip Program, in that it is an industry program the USPB helps fund and plays a key role in managing through USPB staff and AIS Consulting. It is also different than the Chip Program which is a USPB program that was expanded to include the NCPT by adding industry funding.**

# DEHYDRATED

## Dehydrated Exports – International: Supporting All Growers

The USPB is promoting the use of US dehy in a wide variety of products and dishes to be made in international markets. This requires extensive technical research and expertise into use and benefits of dehy in a wide array of applications. New usage information and ideas are distributed through trade shows, seminars and one-on-one technical meetings. Potential customers are given samples to use in their product development and promotional support to assist with new product launches. The USPB also works to increase the use of dehy in US government-funded international food assistance and development programs.

**US exports of dehydrated potato products during FY 2010/11 increased by 11%, despite slight reductions in the top two markets of Mexico and Japan due to significant increases in exports to the Philippines, China and South Korea, as well as increased purchases by the US government for international food assistance programs. These increased exports were promulgated by the following successes achieved in the target markets:**

- 133 new products made with US dehy were under development across all markets.
- 40 new products were launched, including noodles, soup mixes, breads, pastries and snacks.
- 74 one-on-one technical meetings were held with potential customers to help them with product and menu development.
- Participated in 29 trade shows and technical seminars to more broadly disseminate information about US dehy and its many uses.
- Five new Importers in Malaysia, Mexico, Korea and the Philippines began importing new dehy products from the US.
- 550 metric tons of dehy flakes were purchased by the US government for use in food assistance programs in Guinea-Bissau and Guatemala.
- Two applications to USDA under the Food for Education program were approved with purchases of 500 MT and 480 MT of flakes to be purchased in FY12.
- 18 employees of PVOs were brought to Idaho for training on the properties and benefits of dehydrated potatoes and their use in international food aid programs and settings. The employees were also guests of the USPB at the USDA/USAID International Food Assistance and Development Conference in Kansas City.
- A container of dehy was donated to the Earthquake and Tsunami relief efforts in Japan.

## TABLE-STOCK

### Table-Stock – International: Increasing International Demand for US Potatoes

The USPB works to increase the export of fresh table-stock potatoes through efforts to open foreign markets. Phytosanitary barriers still restrict access to US potatoes in many markets such as Mexico, Japan, the Philippines and China. In markets where the US can ship, such as Hong Kong, Malaysia and Singapore, consumers are being taught about the excellent nutrition from US potatoes and how they can incorporate them into their diet through uses in Western, as well as, local cuisines.

**The 34% increase in fresh exports during FY2010/11 was led by substantial increases in exports to Canada, Mexico, Korea, Malaysia and Taiwan. The successes and activities described below contributed to the increased sales in target markets:**

- In-store retail promotions were conducted 28 times at retail chains in Singapore, Malaysia and Mexico, sales increases of at least 75%.
- A retail chain in both Singapore and Malaysia implemented USPB Best Practices with resulting sales increases of 130% and 28%, respectively.
- 23 new menu items featuring US potatoes were launched at restaurant chains in Singapore and Malaysia.
- 14 trade leads were generated, resulting in net new sales of US table-stock potatoes.
- 24 stores in Mexico and Malaysia reported significant reductions in potato shrink after staff training by the USPB.
- The positive potato nutrition message was delivered to millions of consumers in all markets through press releases utilized by the print, web based and television media, cooking classes and demonstrations, school programs and in-store materials.
- The third USPB international chef training program for table-stock potatoes was held in Singapore in November 2010. The event attracted 23 chefs from Malaysia and Singapore. Over a two-day period, chefs learned about US potatoes, new potato culinary trends in the US and how to incorporate US potatoes into local cuisines. Most of these chefs went on to launch new menu items with US potatoes at their restaurants.
- A trade mission to Indonesia and Malaysia in December 2010 created much better understanding of US potatoes in the markets and, conversely, improved appreciation for the markets by US growers.
- Extensive work, coordinated with NPC, State Potato Organizations and USDA continues on market access for US fresh potatoes to Mexico, China, the Philippines and Indonesia.

## Retail Marketing—Increasing Potato Demand through Retail Partnerships

Increasing demand for fresh potatoes by working with retailers and suppliers is the goal of the Domestic Table-Stock program. This is accomplished through the Retail Outreach, Best In Class (BIC), Best Practice Partner (BPP) and Test & Learn programs, and sharing insights, implications and proven best practices to generate positive results with all retail partners. The USPB's Retail Marketing program also offers industry training programs that help grower/shippers become more valuable partners with their retail customers.

**The Best In Class** program is a three-year partnership with a retailer, where all core best practices are implemented and suppliers are included. Delivery of quarterly reviews and recommendations, including Rest of Market (ROM) data, to retail partners and their suppliers helps refine specific programs and more fully develop the potato category.

- **Safeway-Seattle** program continues to progress. USPB continues to provide regular promotional recommendations to the Safeway team. The December 2011 quarterly category review included promotional analyses and discussion on pricing trends and recommendations.
- **Meijer** continues to outperform its' ROM as the BIC program enters its final year. The USPB worked with Meijer to understand the impact of new potato packaging on merchandising recommendations. This program will conclude in June 2012.
- **Schnucks** conducted a mid-program category review of the BIC program that included a calendar with recommendations for holiday promotions.

**The Best Practice Partner** program allows retailers to partner with the USPB and focus on optimizing one area of their marketing mix over a nine-month period.

- **Save-A-Lot (1200 stores)**—In August 2011, the USPB provided SAL with Q4 promotional recommendations and recipe tear pads to support the broadened potato types featured in the promotional calendar, as well as a proprietary tool to generate order recommendations by store for upcoming promotions. Analysis of results is forthcoming in early 2012.
- **Walmart**—Newly designed potato packaging implemented nationwide in October 2011. Preliminary data analysis is underway; expect to have first set of results by end of 2011.
- **Safeway-Phoenix**—Initial assortment and merchandising recommendations implemented across District 96 in September 2011. Re-focusing efforts on program after Safeway internal management transitions. Quarterly update in December 2011.

**Retail Outreach** presentations engage retailers in a face-to-face meeting where the USPB shares category trends, shopper insights and proven best practices to grow their fresh potato category. In addition, a business review analyzes their sales versus the competitive market and points out opportunities for additional volume. **10 of the 20** meetings planned for FY12 have been conducted by December 31, 2011. Retailers who we've met with are: **A&P, Winn-Dixie, Roundy's, Target, Harris Teeter, H.E.B., Whole Foods, SUPERVALU Corporate, Brookshire's and Marsh.**

**Three retail tests** are planned for this fiscal year; while finalizing one FY11 retail test. Testing focuses on exploring and validating potential new best practices, including web-delivered vs. in-store coupons, product demos and in-store educational messaging in FY12.

- **Giant Eagle** completed a secondary potato display in the meat department test in July 2011. Preliminary results show positive performance of featured potato items. Final results to be completed prior to year-end 2011 and will include loyalty card information.
- **Vons** is in the midst of an in-store signage test to educate consumers on potato types and uses. Test runs through December 2011, with preliminary results available starting in early December.
- **Stop & Shop** approved an in-store demo to be conducted during January-March 2012 in 15 stores. Test planning underway, including development of recipe cookbook and demo procedures.
- In discussions with **Farm Fresh (SUPERVALU banner)** to implement a coupon test measuring the impact of in-store vs. geo-targeted email delivery methods. Expect to be in market in early 2012.

Three of the six **web-based industry training sessions** scheduled for FY12 have been conducted. All sessions are recorded for later viewing and are available for download from the **USPB Resource Center** (go to [www.uspotatoes.com](http://www.uspotatoes.com) and click on the USPB Resource Center link in the Industry Resources block)

- *Category Management Tools Training*
- *More Effective Fresh Potato Promotions*
- *How "Linda" Shops for Potatoes*

The **USPB Retailer Portal** and **Resource Center** continue to be updated to ensure relevance to the industry and retailers. Both sites provide users with access to USPB research, tools and information to help build and manage fresh potato category sales.

- The USPB introduced two new interactive tools to the industry to assist with better category understanding and more productive retailer meetings. Contact either Domestic Marketing Vice President Kathleen Triou ([ktirou@uspotatoes.com](mailto:ktirou@uspotatoes.com)) or USPB Retail Consultant Don Ladhoff ([don.ladhoff@uspotatoes.com](mailto:don.ladhoff@uspotatoes.com)) to learn more.

## Retail Research

- The United States Potato Board recently completed a **Potato Shopper Insights** study designed to better understand the motivations and influences of the potato shopper. It identified opportunities for retailers to increase revenue by driving potato sales. Results will be presented at the 2012 Potato Expo and available on the [USPB Resource Center](#).
- The **Pantry Inventory** study was conducted in November 2011 to track in-home potato inventory levels of fresh, frozen, refrigerated, dehydrated and chips. The percentage of households with fresh potatoes on hand grew 1% point from April 2011 to November 2011 and was the first increase seen since February 2010. Additionally, chips, frozen and instant potatoes were in more households in November 2011 with growth of 3% points, 6% points and 5% points, respectively. Among those with fresh potatoes on hand, russets continue to be the dominant type, increasing to 61% (vs. 54% one year ago).

## CHIP-STOCK

### Domestic Chip-Stock – Industry Collaborates in Variety Trials

Through a 20-member [Grower Chip Committee](#), USPB is supporting industry efforts to improve grower returns through education, networking and new variety trials and development for consumer product improvement. The [USPB Grower Chip Committee](#) continues its invitation to the Snack Food Association (SFA) and Chip Processors to attend the open session of the committee meetings. The intent of this invitation is to gain an industry-wide collaborative effort on those items being addressed or that need to be addressed through the [USPB Chip Committee](#).

- Fast Track seed plan was approved by the chip committee and executed as planned. Inventory of seed consists of approximately 160,000 mini-tubers, 2,800 cwt. of year 1 and 4,300 cwt. of year 2 seed. Value is estimated at \$181,000.
- The Zebra Complex was granted funding approval by the chip committee during the summer meeting in Grand Forks, ND. The committee allocated \$35,000 to Dr. Charlie Rush. These funds will be part of the matching funds for the SCRI Zebra Chip grant.
- AJ Bussan and Paul Bethke have been selected to conduct an analysis of sugars, asparagine and acrylamide levels in advanced chipping clones. This information will provide the industry with additional information on high potential clones being considered for commercialization. Funding was approved by the chip committee during their summer meeting.
- The stem-end research projected continues to search for a potential management strategy to this all too common problem. Trials were planted in Texas, Michigan and Wisconsin. Varieties being evaluated include MegaChip, Snowden, Pike, NY139, CO95051, W2133, NY139 and MSL292-A. The project will compare area differences, variety differences and storage impact.
- The USPB/SFA trial site locations expanded in crop year 2011 to 11 sites with the addition of Oregon.
- The storage gas study conducted by Paul Bethke was modified and is now being called the Effects of Pathogens in Storage. The study will attempt to provide early warning and storage management practices in the presence of storage pathogens.

### National Chip Processor Trials (NCPT):

- Processor financial commitments are confirmed for 2012. All ten of the original processors also contributed in 2012. In addition, a new processor was added for 2012, bringing total number of contributors up to 11.
- Processors have committed to \$282,000 for FY 2012, up from \$197,000 in FY2011. Invoices have been sent to the process contributors for FY2012.
- Fifteen pre-commercial trials of W2324 (1), MSJ147-1 (1), NY139 (7) and W2133 (6) were planted and harvested as planned. Process and storage information will be collected over the storage window.
- The NCC84 meeting took place in Chicago December 12-13, 2011. NCPT researchers and breeders met December 13 to review variety performance and make recommendations for the chip research committee to consider for crop year 2012.

### Chip-Stock – International: Creating International Markets for US Chipping Potatoes

Internationally, the USPB is working to create new markets for US chipping potatoes, by bringing buyer and seller together with trade missions and reverse trade missions, supplying foreign processors with samples of US chipping potatoes and providing technical assistance with variety selection, shipping, and storage and handling at the plant.

### As both chip-stock and table-stock exports are reported as fresh, the 34% increase in US exports was also driven by the following chip-stock successes and efforts:

- One new buyer in Central America and one in Vietnam began importing US chipping potatoes in FY11.
- Chip-stock exports to Japan reached a record 7,141 metric tons, valued at \$2.9 million due to increased access efforts.
- 17 employees of chip manufacturers in Japan, Central America, Vietnam, Thailand, and Malaysia were brought to Washington and Oregon on a reverse trade mission in September 2010. These potential customers attended a chip-stock symposium with US growers and shippers in Washington as part of the mission.
- Nine sample shipments of multiple US varieties were sent to processors in Thailand, Malaysia, Vietnam and Central America.

- Work with the Idaho Potato Commission (IPC) and APHIS resulted in Idaho once again being able to ship fresh potatoes to Korea.
- Japan extended the window for US potato imports to include July and approved a second processing plant to receive them.

## SEED

### Seed – Introducing the World to US Seed Quality

The USPB seed export program is working to increase demand for US seed potatoes in targeted international markets through variety trials, variety registration, trade missions, reverse trade missions and market access work.

**The 11% increase in US seed potato exports was the result of the following successes and activities:**

- Four US seed potato varieties were imported and planted in foreign markets for the first time.
- Three new US growers began exporting US seed potatoes to the foreign markets in FY11.
- Six trade leads were generated in target markets and elsewhere.
- Variety trials for 21 US seed potato varieties were conducted in Sri Lanka, Brazil, Egypt, Mauritius and Burkina Faso.
- For the first time, trials with cut seed from the US were also conducted in Sri Lanka, Nicaragua and the Dominican Republic.
- Market visits to Brazil, Burkina Faso, Nicaragua, Egypt and Uruguay brought US growers, shippers and USPB staff in direct contact with government officials, importers and growers in these markets.
- Thailand approved market access for US seed potatoes, while Egypt allowed the first ever US seed potatoes to enter for trial purposes.