



UNITED STATES
Potato
BOARD



Maximizing Return on Grower Investment

POTATOES
GOODNESS
UNEARTHED

“What’s News?”

Third Quarter 2009, Year-to-Date

New Industry Nutrition Campaign: “Potatoes...Goodness Unearthed®”

- Highly tested USPB print ads ran in the September and October 2008 and January through March 2009 issues of *Cooking Light*, *Redbook*, *Southern Living*, *Taste of Home*, *Weight Watchers*, *Parents*, *Family Circle* and *Woman’s Day* magazines delivering the campaign and core nutrition message to our target audience: Women, 25-54, With Children at Home.
- The White Potato Ad made a powerful debut in the September 2008 issue of *Southern Living*, proven by a reader survey measuring advertising effectiveness. **21% of readers reported a more favorable opinion of potatoes after seeing the ad, and a record 66% reported purchasing, or planning to purchase, potatoes.**
- Additionally, Sterling Rice Group, the USPB agency that created the ads and placed the media, negotiated value-added activities for the campaign valued at \$333,380!! The value-added activities include bonus magazine insertions, sponsorships, cooking school exposure, incremental web exposure and numerous mentions during relevant events such as health walks, BBQ Tours, and sponsored Supper Clubs.

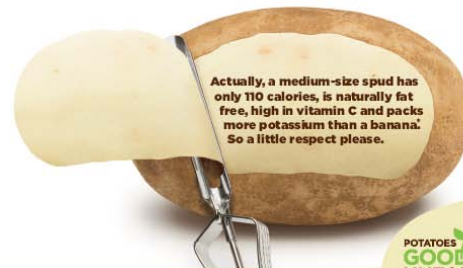
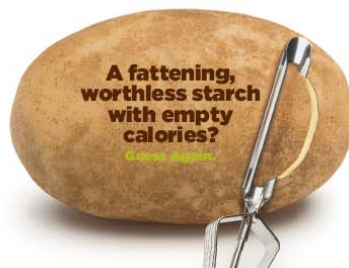
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45% Daily Supply
of Vitamin C

Naturally
Fat Free

Full of Vitamins
and Minerals

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It's time to peel back the truth.

Need more reasons to love potatoes?
Peel back the truth about your favorite veggie and dig up more recipes at potatogoodness.com

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*Medium-size potato with skin.

- The new “Peel Back the Truth” ad campaign includes three ads – one for Russet (shown here), one for Red and one for White potatoes, all featuring ad copy debunking negative nutrition myths about potatoes.
- The Red Potato Ad ran in the February 2009 issue of *Women’s Day* magazine in the “Health” section and in the March 2009 issue of *Redbook* magazine in the “Your Home Life” section below the article entitled “What’s for Dinner?” which details several dinner recipes with the ultimate goal of saving money.

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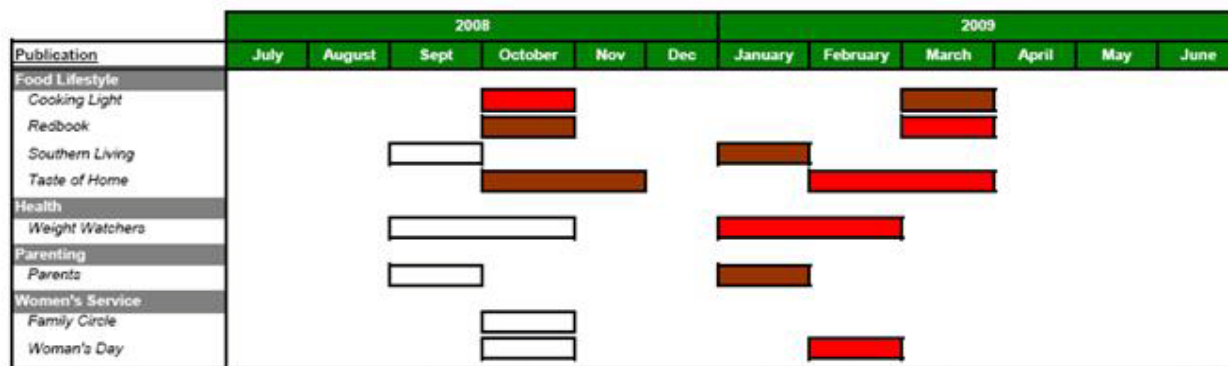
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- In summary, the Peel Back the Truth ad campaign was very effective in 1) motivating consumers to buy potatoes while at the same time, 2) improving their opinions about potatoes. These are the top two measures in determining ad effectiveness based on their indication to measure an active response to our messaging.
- VISTA Print Effectiveness Rating survey, a reader survey measuring reader involvement and advertising effectiveness, was used to gauge the effectiveness of our ads in three publications this year. VISTA scores reveal an average of **19% of readers reported a more favorable opinion of potatoes after seeing our ads, 56% reported purchasing, or planning to purchase potatoes after seeing our ads and 72% reported taking any action after seeing our ads.** “Any action taken” may have included the following:
 - Had a more favorable opinion
 - Gathered more information
 - Visit advertiser’s website
 - Visit store, dealer, other location
 - Save ad for future reference
 - Recommend product
 - Consider purchasing product
 - Purchased the product
- To add a comparative dimension to the measure “**purchasing the product as a direct result of viewing the ad**”, the USPB’s ad ranked #11 out of the 56 advertisements in September 2008, #11 out of the 53 advertisements in February 2009, and **#3** (out of 73 total ads) in the March 2009 issue on this measure.
- The following table summarizes the results of all three VISTA Surveys run:

Publication	Month	Potato Variety	More Favorable Opinion	Consider Purchasing Product	Purchase Product	Any action taken
<i>Southern Living</i>	January	white	21%	27%	39%	76%
<i>Women's Day</i>	February	red	14%	19%	29%	70%
<i>Redbook</i>	March	red	21%	14%	39%	70%
Average			19%	20%	36%	72%

- Both the ads and the magazines selected speak directly to the “Linda” target audience: women 25-54 with children at home. The media plan includes insertions in Food, Lifestyle, Women’s Service, Health and Parenting type publications and is focused on key periods around cold weather, a healthy New Year, and National Nutrition Month.



- Results of this media plan generated 90.3 million impressions and reached 45% of the target audience, or approximately 35.6 million “Linda” adults.

For more information, or to receive the Campaign Signature art files and design guidelines, or to request review of proposed marketing materials, contact David Fairbourn at david.fairbourn@uspotatoes.com or 303-873-2331.

Nutrition

The USPB Nutrition Program’s goal is to keep the good nutrition of potatoes in front of consumers. Research continues to say this is the most effective message for motivating consumers to enjoy more potatoes.

- A publicity blitz, launched in conjunction with the “Peel Back the Truth” ads’ September 2008 appearance in national magazines, included:



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- Comprehensive press kits to national and local media
 - A “Peel Back the Truth” recipe and nutrition brochure
 - Press information to business and food media
 - momsdinnerhelper.com web site and blog
 - Follow-up communication with key media outlets
- The USPB provides a constant flow of potato nutrition information and recipes to the food media. As a result, a syndicated feature story with headlines like “Mashed potatoes: Good for your wallet and your waistline” and “Potatoes: Economical, filling and nutrient-rich”, that includes all the industry’s key message points – nutrition, convenience and affordability - appeared in newspapers across the country including the [Sacramento Bee](#) and [Hartford Courant](#).
 - When the economy took a turn for the worst, public relations worked to keep potatoes in the spotlight. At approximately \$.25 per serving, potatoes are the best nutrition value in the produce aisle, and consumers are being reminded of that virtually everywhere they look.
 - More than 30 million “nutrition on a budget” consumer impressions to date.
 - Nutrition expert Julie Upton featured potatoes in her tips for “Recession-Proofing Your Diet” in national media tour. Potatoes mentioned as an affordable and nutritious option in 168 airings reaching approximately 3,976,590 consumers.
 - Press kit filled with nutrition information and re-printable assets mailed to nutritionists employed by the nation’s top 150 supermarkets.
 - Nutrition expert Robyn Flipse featured potatoes in a “Good Food for Busy Families” national media tour in mid-February. The microwave mashed and baked techniques aired 155 times, reaching approximately 4,170,903 consumers.
 - “Nutrition on a Budget” continues to be a primary charge of the USPB’s consumer nutrition communications efforts. In total, the USPB has reached more than 48.9 million consumers with information specific to “Nutrition on a Budget”.
 - In January, the USPB created a Supermarket RD Toolkit to send to the database of 200-plus registered dietitians (RDs) on staff at supermarkets across the country. The board has since been in contact with RDs on staff at Meijer, Weiss Markets and Jewel/Osco, as well as other supermarket chains, to explore potential collaboration opportunities to spread the potato value and nutrition message through retail RD communications.
 - As a direct result of the mailing, a one-page feature in Save Mart’s free in-store magazine included the “Potatoes... Goodness Unearthed®” campaign signature, nutrition messaging, nutrition on a budget messaging and the USPB’s microwave recipe for Southwestern Chicken and Potato Casserole.
 - In March, USPB teamed up with the National Chicken Council to host a broadcast media tour starring nutrition-on-a-budget spokesperson Tracey Seaman, cookbook author and test kitchen director for *Every Day with Rachael Ray*. The tour, “Eat Well for Less,” was broadcast on 29 radio and television stations, reaching an estimated 8,562,887 consumers.
 - The USPB also participated in a co-op Satellite Media Tour, titled “Good Food Fast” with Robyn Flipse, RD, reaching an additional 8 million-plus consumers via television, radio and online placements.
 - The USPB co-sponsored a full-page feature, with three new recipes, titled, “Nutrition on a Budget.” Results will appear online and in newspapers across the country in Q4 2009.
 - “Celebrate American Heart Month with a Potato a Day” is the headline of the USPB’s newest press release touting the scientific research conducted by Deakin University that links an increase in potassium in the diet to helping reduce the risk of high blood pressure and promote heart health. Potatoes rank highest for potassium content among the top 20 most frequently consumed raw vegetables and the top 20 most frequently consumed raw fruits. In fact, one medium potato (5.3 ounces), with the skin, contains 620 mg of potassium. That’s 18% of your daily requirement and more than a banana!
 - Over the past three months, the USPB has promoted the results of USPB-funded research conducted by Deakin University that links an increase in potassium, like that in potatoes, to reduced risk of high blood pressure and promotion of heart health. This was accomplished through multiple channels, including online and traditional media outreach.
 - About.com, <http://nutrition.about.com/b/2009/03/31/potatoes-and-your-health.htm>, featured potatoes in a March 31st article titled, “Potatoes and Your Health,” which included potassium information and the Deakin University research results. This web site is estimated to reach approximately 250,700 online visitors per month.
 - To further spread the word online and in print publications, the USPB drafted a nutrition and lifestyle feature piece titled, “Potatoes Pack a Hearty Punch,” which was made available to editors nationwide. The feature has run on more than 312 news web sites and publications, including www.clickondetroit.com (401,630 visitors per month), www.thebostonchannel.com (317,471 visitors per month), www.wsbtv.com (260,000 visitors per month), the *San Francisco Examiner* and many others. Estimated ad equivalency is \$23,041.
 - In a recent study conducted by Fleishman-Hillard, Inc., 60 percent of “Lindas” (women, 25-54, with kids at home) listen to the radio daily. With that knowledge in mind, the USPB enlisted the help of Allison Beadle, RD, and booked potato nutrition interviews on 20 radio stations to further spread the word about the recent potassium research.



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- In total, the Deakin University research and subsequent potassium nutrition message has reached more than 46 million consumers across the country.
- Public relations and the dissemination of nutrition messaging are generally most effective when leveraged through third party credibility, such as media personnel and nutrition experts. In order to bring potatoes top of mind for those influencers, the USPB is building relationships with top tier contacts through “Influencer Dinners” in the nation’s largest media markets – New York City, Chicago and Los Angeles. In February and April, the USPB met with an elite group of RDs and nutrition influencers representing the Food Network, *Family Circle*, *SELF*, *Fitness*, *Glamour* and more.
- Potatoes continue to be featured in consumer magazines. In Q3 2008, highlights include a stunning Yukon Gold spread in the March issue of *Bon Appetit*, an ode to meat and potatoes in *Martha Stewart Living*, and a round-up of 52 Superfoods in *Woman’s Day* that includes potatoes and potassium.
- USPB nutrition consultant, Dr. Katherine Beals, attended the public meeting of the 2010 Dietary Guidelines Committee in late January. She drafted written testimony on the industry’s behalf emphasizing the nutritional benefits of the potato, including the important role potatoes play in providing potassium in the diet. USPB will reach out to industry allies to garner support in their own written testimony. Dr. Beals’ oral and written testimony had significant impact on the 2005 Dietary Guidelines.

Foodservice

The goal of the Foodservice Program is to get *more potatoes*—and especially healthy potato salads and sides—on menus nationwide.

- The second potato innovation brochure, using the best ideas and techniques of the seminars, is complete. Visit www.potatogoodness.com and click on foodservice to view.
- 50% of chefs who attended the fourth “Menu Innovations with Potatoes” seminar at the Culinary Institute of America (October 2008) have added new potato items to their menu or requested menu assistance. **Highlight:** Lone Star Steakhouse rolled out twice-baked and fresh mashed potatoes. Lone Star estimates they’ll sell 1.3 million orders of twice-baked potatoes in 2009, or 685,714 lbs. in 288 restaurants. The introduction of *fresh* mashed potatoes increased Lone Star’s mashed potato sales 20%.
- Sodexo, one of the nation’s largest foodservice management firms, featured potatoes in its March 2009 “Produce of the Month” promotion in 3,700 K-12 schools. This USPB-sponsored promotion included themed “Top It Off!” potato merchandising materials, featuring fun facts about potatoes and their nutritional benefits. Top line results: Sodexo purchased 20% more processed potatoes in March 2009 (\$630,673) versus March 2008 (\$524,855). Fresh potatoes were also used, but data is not available.
- The USPB launched a “Hot Potato Ideas” recipe contest with students at the Culinary Institute of America in Hyde Park, NY. 21 entries were received; CIA will announce the winner in May and a press release will be issued.
- At the end of Q3, the USPB’s on-line campaign had generated 1.2M impressions, and the PR campaign achieved 1.7M impressions in a marketplace consisting of approximately 1M foodservice operations.

Domestic Marketing Overview

The US Potato Industry is huge, competitive and diverse – but regardless of the segment – it’s consumer driven!! Information is power and should support decisions you make in your business.

The USPB Domestic Marketing Program is a long-term, strategically-based program designed to help the industry gain a deeper understanding of the target potato consumer. The USPB Domestic Marketing Program supports the industry’s ability to respond to the changes taking place to reconnect potatoes with today’s time-starved, convenience-seeking, value-minded consumer.

- Microwaveable “Steamable” Vegetable category analysis was recently completed and distributed.
- 2008 Retail Promotion Analysis is complete and has been distributed.
 - This analysis is an update of the original analysis done in 2006. The 16 retailers from the 2006 analysis were used in the 2008 refresh to maintain consistency and for accurate comparisons.
 - An additional case study was conducted with a subset of the 16 retailers to understand the impact of promotions on retailer gross profit using cost data as well as retail price data.
 - A total of 1,114 promotions, including Circular Promotions and Temporary Price Reductions (TPR’s), were used in this analysis.
 - Recommendations include an understanding of both the retailer case study, as well as the best practice findings across all 16 retailers.



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- 1st Quarter 2009 (January-March) Nielsen Scantrack sales data for Fresh, Frozen, Refrigerated, Dehy and Chip is now available. Pound and dollar data is by the nine Nielsen regions. Here's a look at the supermarket fresh bagged potato data:
 - Pounds were off -3.3%, dollars were up +12.4% and price/pound increased by \$0.07 from \$0.45 to \$0.53.
 - The 5-pound size lost the most volume (4-6.5 lb, -5.8%), with 10-pound bags holding their own (8-15 lb, +0.3%).
 - All types were off, with whites losing the most volume (-16.3%), while the market dominant type, russets, were down only 0.2%. Specialty products (selling at \$3/pound or more) were again up, but on a very small base.
 - All regions were off in pounds except the Pacific (+8.4%) and South Atlantic (+0.9%).
- 1st Quarter 2009 (January-March) frozen sales to Foodservice are now available. Compared to a year ago, domestic dollar sales were up 6.5%, but pounds were off 3.5%.
- Consumer Segmentation Analysis is complete and training has been developed to assist in sharing this information with the industry in Q4 (April-June).
 - Key takeaways indicate consumer group members found the new potato hierarchy not only logical and consumer friendly, but an innovation that is extremely necessary for the potato category. However, many of the product examples given are not products available from the category today; indicating innovation work is necessary to meet the needs of several consumer groups or to maintain and/or gain their interest.
 - This analysis is an update of the Consumer-Based Segmentation work completed in 2000 when USPB first began their strongest work at retail by creating a consumer-driven category.
 - Two focus groups and 1,000 internet surveys were conducted to create a set of learning's that would gain a better understanding of consumers:
 - Comprehension of new potato concepts and how they differ from each other;
 - Acceptance and likelihood to purchase new types of potato products;
 - Expectations regarding merchandising, price, serving size, shelf life, etc.

Contact Alexandra Grimm at the USPB, 303-369-7783 or agrimm@uspotatoes.com, if you'd like to receive a copy of these reports

International Marketing Overview

- US exports reached a record \$1.1 billion for fiscal year 2008 (FY08), up 12% by value and 11% by volume over FY07.
- Frozen potato exports were the largest contributor to the FY08 record, 20% by value and 12% by volume, fresh potato exports grew 12% by value and 16% in volume.
- Exports of US frozen potato products through the first nine months of the 2008/2009 marketing year are up 7% by volume and 13% by value. Strong growth was recorded in exports to Japan, Hong Kong and Central America, while Mexico was up slightly, and China and Korea were off slightly.
- Exports of US dehy for the three quarters of the 2008/2009 marketing year were down 8% by volume, but only 4% by value. Dehy exports have been hampered by very high prices and supply shortages in the US.
- Fresh potato exports for the 2008/2009 marketing year were down 9% by volume, but up 23% by value compared to the previous year for the July 2008 – March 2009 period. The unit value of fresh potato exports from the US is now \$573 per metric ton compared with \$426 last marketing year. Fresh exports are up to Central America, Hong Kong, Japan and Singapore, but with steep declines to Mexico and Korea.

Table-Stock - Domestic

Increasing demand for fresh potatoes, by responding to the consumer, is the goal of the Domestic Table-Stock program through Best In Class (BIC). The implementation of the "Best Practices" (BP) programs has produced positive results with all USPB retail partners. The program is supported with research and two training programs available through the USPB to help grower/shippers take their accounts to the next level.

- Making fresh potatoes more convenient for today's time-starved consumer will support getting potatoes back on the table. This year, the Innovation Program's emphasis has been on refining and moving new products into the marketplace. The new Masher Bowl Concept test launched in five Jewel stores in the Chicago market in February 2009. The Masher Bowl Concept includes all the ingredients needed for consumers to prepare fresh, sour cream and chive mashed potatoes in 10 minutes.
 - In-store signage touting the convenience of the item as well as three weeks of in-store demonstrations helped communicate the value-added features and nutrition of this new, fresh potato offering.
 - Full results and analysis are due to the industry in Q4.
- The discoveries of the Innovation Program are part of an integrated marketing effort being used in the USPB's public relations and foodservice programs to continually bring new news and excitement to US Potatoes.



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- *Fresh Grower-Shipper Updates* were distributed to deliver the latest information to the fresh industry. **Contact Alexandra Grimm at the USPB, 303-369-7783 or agrimm@uspotatoes.com, to be added to this list and receive valuable information for your business.**

Table-Stock – Retail

- All “Convenientized” Potato Recipes are shared with retailers and offered for use with each Retail Outreach presentation.
- Two “Potatoes...Goodness Unearthed®” campaign signature tests were launched at retail in March 2009. Stores utilized point of sale signage that capitalized on the ad campaign success by utilizing those same images. Test stores agreed to do nothing else out of the ordinary except utilize the signage for the test period, allowing us to measure impact on category volume and dollars. Results will be communicated to the industry in Q4 2009.
 - An 11” wide x 7” high point-of-sale sign, capitalizing on the success of the “Peel Back the Truth” ad image, is being tested with a tri-fold, take-away recipe brochure at the potato table in twelve Hannaford Brothers stores in Maine.
 - A 22” wide x 28” high stanchion sign with the “stacked “ potato image on one side and variety information on the other, along with a tri-fold, recipe brochure attached to the sign, is being tested at 15 Stater Brothers stores in the Los Angeles market.
- One additional Retail Outreach presentation was completed in Q3, bringing the YTD total to 7 of 10. Three of the six retailers were nominated by two different suppliers (*Denotes retailer was nominated by their supplier). Five of the six retail presentations resulted in FY09 Program Partnerships.
 - *Meijer, Inc., Grand Rapids, MI – 190 Stores – NEW Best In Class Partner
 - *Martin’s Super Markets, South Bend, IN – 20 stores – presentation only
 - *Price Chopper, Schenectady, NY – 116 stores – NEW Best In Class Fast Track Partner
 - Hannaford Brothers, Scarborough, ME - 166 stores – NEW Best In Class Fast Track Partner
 - Lund’s/Byerly’s, Minneapolis, MN - 21 stores – NEW Best In Class Fast Track Partner
 - SuperValu, Minneapolis, MN – 1,233 stores – presentation only, discussions for future work
 - Q3: Stater Brothers, Los Angeles, CA – 160 stores - NEW Best In Class Fast Track Partner
- January and March 2009 issues of the State of the Potato Category Newsletter were released in Q3. The March issue focused on the newly received 2008 potato sales data, including analysis and insight for each region. **If you are interested in receiving the State of the Potato Category Newsletter please contact Carroll Graham, 303-369-7783 or carrollg@uspotatoes.com to be included on this email list.**
- Three Best in Class Fast Track programs launched in Q3 2009 with three retail partners and their suppliers. First to launch was Price Chopper of Schenectady, NY; then Hannaford Brothers of Scarborough, ME, and the third Fast Track partner was Stater Brothers of Los Angeles, CA. The Fast Track program works closely with retailers and their suppliers to implement and maintain the core best practices in a sample of the retailers’ stores for a period of 12 weeks while measuring the effectiveness of the program on dollars and volume. Results for the tests will be communicated to the industry as they become available; Price Chopper and Hannaford Brothers will be available in Q4 2009 and Stater Brothers results will be available in Q1 of FY10.

Table-Stock – International

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

- In-store retail promotions were conducted for US table-stock potatoes at 8 Jusco outlets in Hong Kong from July 25th to August 7th, featuring 5 US potato varieties including russet, yellow flesh, white, red and purple potatoes. The promotion increased the chains’ variety assortment from 1 to 5 for the 14 days.
- The first ever USPB international chef training program for table-stock potatoes was held in Singapore. The event attracted 32 chefs from Malaysia, Hong Kong and Singapore. Over a 2 day period, the chefs learned about US potatoes, new potato culinary trends in the US and how to incorporate US potatoes into local cuisines. The chefs also got a chance to prepare some dishes on their own using a number of different US table-stock varieties.
- USPB funded in-store retail promotions were conducted for US table-stock potatoes at City Super outlets in Hong Kong featuring 5 to 6 different US potato varieties. Jusco supermarkets in Hong Kong also promoted 6 different US potato varieties with sales increasing 47% during the promotions.



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- In Singapore the Mei-di-Ya supermarket chain promoted 4 US potato varieties while the Cold Storage chain saw a sales increase of 92% for the US varieties promoted. The NTUC Fairprice hypermarkets held two different promotions for 4 US potato varieties with a sales increase of 75%.
- The positive potato nutrition message and cooking demonstrations were delivered at 5 different elementary and secondary schools in Hong Kong. Over 1000 students and their parents received instruction on how US potatoes can be part of a healthy and economical diet.
- In Singapore the USPB participated in the “Food Safari” a 3 day consumer food event. The Board’s display featured 6 different potato varieties, plus baked potato sampling and numerous brochures and cookbooks for the attendees to take home. The event attracted over 200,000 consumers.
- The USPB, in conjunction with the National Potato Council (NPC), requested that USDA pursue market access for US fresh potatoes in the Philippines and Vietnam.
- USPB funded in-store retail promotions were conducted for US table-stock potatoes at 4 different supermarket chains in Hong Kong and 6 different chains in Malaysia. The promotions ran from 6 to 12 weeks and featured 5 to 6 different US potato varieties.
- Two different restaurant chains in Singapore introduced new menu items featuring US table-stock potatoes. In Hong Kong one restaurant chain introduced 10 new dishes made with a variety of US table-stock potatoes.
- A trade lead from Taiwan for table-stock potatoes was circulated to the US industry.
- USPB engineers and merchandisers in Malaysia and Mexico conducted extensive training programs in proper potato handling, storage and marketing for 21 different supermarkets.
- A parent-student potato cooking competition was launched in Hong Kong through the BuBu-G children’s magazine. Potato Cooking demonstrations and nutrition lectures were given at three different schools.
- Seven different consumer magazines in Mexico published articles based on USPB information highlighting the positive potato nutritional aspects of US fresh potatoes.
- Potato cooking classes are being offered through the Cultural Center of the Hyundai Department store chain in Korea. The classes will run for 3 months and will feature information on the US potato industry, nutrition and preparation.
- The USPB, in conjunction with the Pacific Northwest state potato organizations, NPC and USDA, hosted a delegation of Russian plant protection officials. The visit culminated in the signing of a phytosanitary agreement for US fresh potatoes to enter Russia, the first such agreement between the US and Russia signed for a fresh vegetable.

Frozen – International

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

- Six restaurant chains in China, Central America, Indonesia and Malaysia switched to US fries from other sources
- Two new retailers in Korea and one in Indonesia started to carry US frozen potato products.
- Four new channels were developed for US frozen products: a company with 1,200 push carts throughout Indonesia, a movie chain in Malaysia, a food manufacturer in Korea producing a quail egg and potato salad and another movie theater in Mexico
- One new importer and distributor began importing US frozen potato products in Central America
- Thirty-seven importers and distributors and staff from various frozen target markets came to Washington State to attend an educational Reverse Trade Mission (RTM). The program began with tours of harvest and storage, followed by tours of the frozen processing facilities and presentations on new frozen products. The group then learned about proper cold chain management and new applications and trends for frozen potato products in US cuisine.
- Sixteen new frozen potato items or menu items, made with US frozen potatoes, were introduced at restaurants in Japan, China, Korea, Mexico and Malaysia.
- Four new retailers began carrying US frozen potato products in Korea, Mexico and Malaysia.
- Two new channels for US frozen potatoes were exploited. In Korea “Bennigan’s Brand Potato Soup”, made with US frozen mashed potatoes, was released through convenience stores in microwavable bowls.



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- Seventeen restaurant chains in China, Mexico, Malaysia, Indonesia and Thailand either switched to US frozen potatoes from a competitor source or upgraded their specification to a higher grade of US product.
- Three new importers/distributors began importing US frozen potato products in Central America, Mexico and Malaysia
- Sixteen new menu items using US frozen potatoes were launched in Japan (4), China (5), Korea (5) and Malaysia (2).
- Four new retailers began carrying US frozen potato products in Japan (2), Mexico (1) and Malaysia (1).
- Nine new channels for US frozen potatoes were exploited. In Japan a food manufacturer launched a non-fried potato chip made from US dehydro-frozen potatoes. A bakery in Korea began selling a new breakfast sandwich made from a US frozen baked potato. In Mexico US frozen potato products are now being sold at off track betting locations. A hypermarket in Malaysia is now carrying 3 US frozen potato products in their ready-to-eat deli section. Two cinema chains in Indonesia are now selling US fries. A small scale neighborhood grocery store in Thailand has introduced US frozen potatoes in a store brand pack. Ready-to-eat fries expanded to another supermarket chain in the Philippines.
- Eleven restaurant chains in China (2), Mexico (1), Malaysia (1), Indonesia (5), Philippines (1) and Thailand (1) either switched to US frozen potatoes from a competitor source or upgrade their specification to a higher grade of US product.
- Positive potato messages, based on the nutrition and convenience of frozen US potato products, were conveyed in all markets through, seminars, trade shows, press releases and websites.
- Employees at more than 1,000 restaurants in the target markets were trained in proper storage, handling and preparation of US frozen potato products.
- Based on extensive input from the US potato industry, Japan returned its sampling rate for MRLs to normal levels.
- Two new importers/distributors began importing US frozen potato products in Central America and China.

Chip-Stock – Domestic

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 Chip Committee continued its chipping potato variety testing, stem end research and “fast tracking” chipping varieties with good potential to maintain competitiveness and add consumer benefits. The committee also continued its investment in “Zebra Complex” studies. All these activities are designed to help chippers provide the consumer with a great end product.
- The USPB Administrative Committee approved additional funding to the fiscal year FY09 (July 1, 2008 – June 30, 2009) budget to immediately hire a manager for the Chip Program. AIS Consulting LLC’s principal, David Parish, and Charlie Higgins have been hired to manage the USPB Chip Programs.
- The USPB Domestic Marketing Committee granted the Chip Committee’s requests for increased budget in FY10 (July 1, 2009 – June 30, 2010).
- Innovation program is progressing forward. For Chipping Potatoes, the Innovation Program’s emphasis has been on refining and moving new products into the marketplace. There are a total of three new chipping potato products: a Frozen Chip (a.k.a “Export Chip”), a Microwave Fry and a Microwave Wedge.
 - Discussions are underway with Frito-Lay on the frozen chip offering, and a meeting to discuss applications is scheduled for June.
 - Meeting dates with Lamb-Weston, Simplot and McCain’s to demonstrate these new products are scheduled for early to mid summer.
- Zebra Chip research efforts on a control appear to be having an impact. Initial results for South Texas crop appear to be positive, with defect running below prior year’s performance.
- The current fast track program is delivering positive results. C095051 and MSJ147-1 were stored through the first week in May, representing a potential advantage over Snowden which is the current industry standard.
- Health and wellness has been added to the FY2010 budget. Industry wide issues are currently being discussed with key regional chippers.



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Chip-Stock – International

Internationally, the USPB is working to educate chip manufacturers and build a greater understanding of US chipping potato varieties, characteristics and technical requirements.

- Chip manufacturers from the target markets in Asia were brought to Oregon and California to learn about US chipping potatoes. The 15 participants from 6 countries got to see harvest and storage in Oregon, while also learning about different US varieties, including some reds and purples. The tour then moved to California where potatoes were still growing in the fields.
- The week concluded with the Chipping Symposium where they got to meet more US growers and shippers, and both sides learned about supply and demand, as well as the impact of proper storage, handling and shipping on final chip quality.
- A chip processor in Thailand began purchasing US chipping potatoes for the first time following the reverse trade mission.
- After the distribution of a trade lead to US growers, a chip manufacturer in Costa Rica began importing US chipping potatoes for the first time.
- A sample container containing 2 US chipping varieties was sent to a chip manufacturer in Malaysia. The shipment arrived in good condition and the potatoes chipped well.
- The USPB, in conjunction with the Pacific Northwest state potato organizations, NPC and USDA, hosted a delegation of Russian plant protection officials. The visit culminated in the signing of a phytosanitary agreement for US fresh potatoes to enter Russia, the first such agreement between the US and Russia signed for a fresh vegetable.
- Based on extensive input from the US potato industry, Japan returned its sampling rate for MRLs to normal levels.
- Shipments of chip-stock potatoes from storage were shipped to Japan for the first time.

Dehydrated – Domestic

- The American Institute of Baking (AIB) was retained to help identify opportunities in high volume bakery applications. The study is complete and available. Results of the study show the use of dehy in muffin production resulted in a 25% reduction in fat content, as well as other positive benefits such as increased shelf life. Summary reports are ready to be used by dehyers and the USPB to present /sell concept to manufacturers.

Dehydrated – International

The USPB is increasing demand of US dehy in international markets through new product development and technical training. Additionally, considerable time is devoted to increasing the use of dehy in US government funded international food aid programs.

- Four new products made with US dehy were launched in Japan. The bakery chain, Bigot, launched a potato bagel and roll. The snack company, Ginbis, launched a new extruded potato snack. Another snack maker, Meiji, launched a very delicious chocolate cookie snack and Taisei Foods launched a new noodle product made with US dehy.
- Four new products made with US dehy were also launched in Mexico. Knorr launched a new instant soup using US dehydrated potato dices, an enhancer made with flakes used to prepare hamburger patties and a new product called “Picadillo Primavera” that is used as an enhancer for recipes using meat. The snack company, Sabritas, launched the Nutritas brand of sheeted chips in 3 different flavors: original, lemon and red chili, made with US standard potato flakes and standard potato granules.
- In Korea, Samjo Celltech introduced dried mashed potatoes in cans for sale at Costco
- Au Bon Pain in Thailand introduced a bagel made with US dehy to follow on the success of their sandwich wrap made with dehy which was introduced in the spring
- Fifteen new products, made with US dehy, were launched in Japan, Mexico and Thailand, an astounding number for a 3 month period. The USPB provided assistance with the development of the products, and in some cases, helped launch the new products with promotional support.
- Two technical seminars focused on using dehy in baking were held in Japan. The USPB had large booths and conducted technical seminars at trade shows for the baking, snack food and food service sectors in Mexico.
- Two new importer/distributors began importing US dehy into Mexico.
- A two day training workshop was held in Idaho Falls for headquarters based employees of Private Voluntary Organizations (PVOs) involved in international food aid programs.



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- Fifty companies in China (6), Mexico (14), Indonesia (2), Malaysia (1), Philippines (16), Thailand (1), Japan (6) and Korea (4) are developing new food products made with US dehy. These companies are receiving technical assistance and product samples from the USPB.
- Six new products made with US dehy were launched in Japan (5), and the Philippines (1), in Q3 FY09 alone. The USPB provided assistance with the development of the products, and in some cases, helped launch the new products with promotional support.
- The USPB held one-on-one technical meetings with 25 companies to help explain to them the numerous ways dehy can be used, the benefits of doing so and the basics of how it can be done.
- The Board had large booths and conducted technical seminars at trade shows for the baking, snack food, food service sectors in Japan, Mexico and the Philippines.
- The USPB provided technical training to a large importer and its bakery customers in China. The Board also provided technical training to the employees of an importer in Mexico.
- A new importer/distributor began importing US dehy into Indonesia.
- A pilot project with the government of Senegal was initiated using US dehy flake in pre-schools and kindergartens in the impoverished north of the country.
- Based on extensive input from the US potato industry, Japan returned its sampling rate for MRLs to normal levels.

Seed – International

The USPB seed export program is working to increase demand for US seed potatoes in targeted international markets through research, market development and market access work.

- Obtained import permits for a US exporters for shipments to Nicaragua, after initial blockage by the Ministry of Agriculture
- Six varieties of seed from 4 states were sent to Sri Lanka to be planted in the first ever US variety trials there.
- Eight varieties of seed from 5 states were sent to Nicaragua to be planted in variety trials in two different locations.
- Five varieties of seed from 4 states were sent to Uruguay to be planted in the final set of USPB variety trials there.
- Seven varieties of seed from 4 states were sent to the Dominican Republic to be planted in variety trials of both table-stock and chip-stock seed.
- The first ever commercial seed shipment of the Pike variety was made to Brazil.
- A market visit was made to the Dominican Republic by Team Seed and a US seed exporter. The group met with government officials to discuss market access, toured the Board's variety trials and met with importers and growers to discuss future purchases.
- The USPB assisted USDA in finalizing an import agreement for seed potatoes from Montana to go to Taiwan.
- The USPB worked with USDA to gain the release of 40 containers of US seed held at the border by plant health officials in Uruguay. Most of the seed was finally released and planted.



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