

MONTHLY REPORT

FOR

JULY 2011

PREPARED FOR CRANBERRY MARKETING COMMITTEE

PREPARED BY SOHN'S MARKET MAKERS

1. GENERAL MARKET SITUATION

- Export-oriented Korean companies are in a serious threat due to the steep increase of the value of the Korean won against U.S. dollar. So far this year, the value of the Korean won has increased 7.1% against the U.S. dollar, while the Euro and Japanese Yen has strengthened 7.0% and 3.4% respectively against the U.S. dollar. This means that Korean products are losing price competitiveness in the world market in comparison to products from Europe and Japan.

- The latest data shows consumer prices in Korea are continuing to rise. According to the Korea Agro-Fisheries Trade Corporation, prices of agriculture products have risen considerably over the last month, mainly due to the impact of monsoon season. As of July 15th, 100 grams of red lettuce were marked at around \$1.4, more than a 120% jump from a month earlier. The price of rice, a staple food for Koreans, also went up by 20% from the same period last year, with 20 kg. costing around \$37. The rise in prices is not just limited to agricultural products, with the price of gold, oil and cars also joining this upward trend. It looks like the situation won't be getting any better in the second half of this year.

- Shinsegae E-Mart, the leading hypermarket store in Korea, reported that food products accounted for 64% of the sales that its on-line store earned in the first half this year, which was much higher than the share of food category in the sales revenue of its conventional stores, (52%) during the same period. Total sales revenue of the internet store increased 162% compared to the same period last year. Leading consumers of the internet store was young people, 26-35 years old.

- Korea will add 14 more items to the list of imports subject to lower tariffs next month in an effort to ease price hikes of raw materials that could drive up overall inflationary pressure. Breeding pigs, silicon, manganese, sheepskin and raw materials are among those goods subject to lower or zero tariffs by the end of this year, according to the Ministry of Strategy and Finance. The move comes along with a six-month extension of duty reductions on 35 out of 46 goods whose temporary tariff reductions will expire at the end of June. They include pork, garlic, mackerel, tires, coffee, wheat and sugar. A total of 111 goods will be subject to the lowered tariff rates by the end of this year. The duty reduction is aimed at easing inflationary pressure fueled by rising costs of importing raw materials that could drive up production and consumer product costs.

- South Korea and China have agreed to make efforts for a bilateral free trade agreement (FTA) to boost trade and further deepen economic ties, Seoul's trade ministry said. The agreement came at high-level talks held on South Korea's southernmost resort island of Jeju, in which both sides shared views that a bilateral free trade pact will solidify their economic and trade relations, according to the ministry.

- The government submitted the South Korea-Peru free trade pact ratification bill to the National Assembly. South Korea and Peru signed the bilateral free trade agreement (FTA) on March 21 this year. The countries struck the deal in August last year. Peru is

the second South American country with which South Korea has inked such a trade pact, following Chile, which signed a similar trade deal in April 2003. The Ministry of Foreign Affairs and Trade of South Korea found and corrected 145 translation errors in the Korean-language text of the country's free trade deal with Peru from March to the end of May. Translation errors found in an FTA between South Korea and the European Union (EU) earlier prompted the Seoul government to reexamine the local language versions of the country's free trade deals with the United States and Peru. "The government hopes that the South Korea-Peru FTA ratification bill will be passed in June's extra session of the National Assembly and take effect as soon as possible," an official at the ministry said.

2. INDUSTRY INFORMATION

- According to farms and producer cooperatives in Junra province, production of local mountain berry (Bok-Boon-Ja) this year has plunged mainly due to the extended rainy season. Total amount of Bok-Boon-Ja berry harvested in the province this year is estimated at 2,500 tons, which is about half of last year's harvest. As a result, price of the berry has remained very strong, about 20-40% higher than last year's price. It is also reported that a significant number of mountain berry farms have switched to other crops, particularly to blueberries, in recent years for higher profits.

- Price of local fresh blueberries has declined steeply this year mainly due to increased acreage. Auction price of local blueberries in the Seoul Wholesale Market this month has been about \$10-\$13 per pound, which was about 40% cheaper than last year's price. Marketers expect that the price will further decline next month when imported blueberries from the U.S. land in Korea. The bilateral agreement closed recently between Korea and the U.S. has opened the market for American blueberries. The Korean Ministry of Agriculture plans to announce the market opening around July or August after completing comments hearing from local farmers. Between 91-227 tons of American blueberries are expected to be imported this year, which should be quite a significant volume considering 1,791 tons of local blueberries are expected to be harvested this year. Once the imported blueberries become available, the price of local blueberries may go down below 20,000 won per kg, marketers think. Acreage of local blueberries in 2010 was 1,082 ha, 10 times larger than 112 ha in 2007.

- Hypermarket chains are reportedly putting efforts to offer imported fresh tropical fruits. E-Mart brought in 30 tons of fresh mangosteen in June from Thailand via air cargo for a special sales event that started on July 1. Lotte Mart also launched a sales promotion of mangosteen since mid-June, which is likely to sell a total of 80 tons of the fruit until mid-August. Fresh apple-mango imported from Taiwan is another item that chains are promoting heavily. Fresh durian from South Asian countries is also scheduled to be offered this summer in leading hypermarket stores. The reason that retailers are focusing on imported fresh tropical fruits is poor harvest of local fruits due to extended monsoon season this year. For example, the price of local watermelon has surged 35% to 16,900 won each, compared to last year.

- Orion Confectionery is a leading confectionery/snack manufacturer with about \$400 million annual sales. In 2008, it announced a well-being project named "Dr. You",

jointly developed by Dr. You from Seoul University Hospital, with the objective of making healthier snacks. They not only picked up 6 steady sellers of all time and launched the same products with some nutrients added and some additives taken out, they also launched healthy theme items with Dr. you brand. Those products included Dr. You 99 Kcal Cereal Bar, Dr. You Hi-Protein Nutrition Bar, and Dr. You Cereal and Nutrition Bar. Orion is re-launching these products with renewed packages and renovated product names; Dr. You Energy Bar contains 8% cranberries and grapes, Dr. You Beauty Bar contains 19% cranberries, prunes, and apricots, and Dr. You 99 Bar contains 7% cranberries. Each bar is 28g and costs W1,000 (\$0.93). Orion introduced Dr. You Energy Bar Quick Charge Pack, new small-sized energy bar. It is 120g and costs W3,000 (\$2.80).

- In Korea, every summer season there are many kinds of bingsoo, Korea's traditional Ice flakes, in many restaurants, cafes, and bakeries. Nescafe Café, the franchised café branded Nescafe, introduced new bingsoo menu, containing dried cranberries, almonds, walnuts, and sticky rice cakes. The price is W7,000 (\$6.50). Marche, the family restaurants with 3 stores nationwide, introduces Granola Milk Bingsoo with granola including dried cranberries and sticky rice cakes. It costs W9,900 (\$9.20). Tom n Toms, a popular local coffee shop brand with 200 stores nationwide, launched a Berry Mix Bingsoo. It is ground ice with cranberry juice, mashed red beans, frozen cranberries and blueberries. It costs W7,000 (\$6.50).
- Bizeun, a bakery chain of Korean rice cake and tea with 160 stores nationwide, introduced new rice cake menus. Flower Steamed White Rice Cake is steamed white rice cake with dried cranberries and pine nuts and costs W32,000 (\$30). Flower Pounded Rice Cake contains dried cranberries and costs W38,000 (\$35.20). Cranberry Rice Cake is a small-sized rice cake with dried cranberries and red beans. It costs W3,000 (\$2.80). Granberry is small-sized sticky rice cake with dried cranberries and red beans and costs W1,500 (\$1.40). Mini Steamed White Rice Cake is containing dried cranberries and costs W2,800 (\$2.60). Haet-Saal-Poom-Eun is rice cake with dried strawberries and cranberries, decorated with cream cheese. It costs W1,500 (\$1.40). Baked Cheese Cake contains dried cranberries and cream cheese and costs W1,200 (\$1.10).
- Home Plus, one of Korea's hyper-market chains with 117 stores nationwide, introduced Mixed Dried Berries containing dried cranberries, blueberries, and cherries. A 200g package costs W10,800 (\$10.00).
- Dalloyau Paris is licensed brand from France by Chosun Hotel Bakery, with 10 stores nationwide at hotels and department stores only, and has luxurious bakery images. Dalloyau introduced new bread menus: Sticky Barley Cranberry is the bread combining sticky barley dough and dried cranberries. It costs W2,000 (\$1.85). Cranberry Scone contains dried cranberries and costs W2,500 (\$2.30). Cranberry English Muffin with dried cranberries costs W2,500 (\$2.30).
- Bread Talk, which is the worldwide bakery chain that is headquartered in Singapore, introduced a new menu item, Cranberry Cream Cheese. It is small-sized bread containing dried cranberries and cost W1,500 (\$1.40).

- A Two Some Place, one of the famous coffee chains operated by CJ Foodville. A Two Some Place is well known for their cake and dessert menu and they launched a new dessert menu item, Dried Cranberries, and costs W2,500 (\$2.30).

- Family Mart, one of Korea's biggest convenience store chains with over 5,000 stores nationwide, launched a new product, Cranberry Rice Cookies, containing rice flour and dried cranberries. It costs W1,400 (\$1.30).

- Lotte Confectionery, one of the biggest confectionery manufacturer companies, launched a new product, Gateau. It is soft and moist brownie cake containing dried cranberries and costs W2,550 (\$2.40).

- Petitzel is a franchised juice brand operated by CJ Foodville. It introduced a new juice menu, Cranberry Juice. It is blended juice with cranberry concentrate and orange juice. It costs W4,500 (\$4.20)

- Patisserie EGUCHI, one of Korea's independent bakery cafés, is very popular among trendy peoples and bread connoisseurs. The Japanese patisserie is very famous for its Japanese style baking and cakes. They introduced new bakery menus: Cranberry Bread with dried cranberries costs W4,000 (\$3.70); Beaury scone containing dried cranberries and costs W3,500 (\$3.80); Dong-Geul-Yee, a small-sized bread containing dried cranberries and costs W4,500 (\$4.20).

- Vecchia & Nuovo is a luxury bakery brand of Chosun Hotel Bakery with 5 stores nationwide. It introduced new bakery menus: Cranberry Walnut Bread with dried cranberries costs W1,500 (\$1.40); Cranberry Pecan Muffin with dried cranberries costs W1,500 (\$1.40).

- One is the bakery shop in Hyundai Department store, which is Korea's 2nd biggest department group. It introduced Cranberry Cupcake containing dried cranberries, decorated with whipping cream. It costs W4,300 (\$4.00).

- Lucycato is the bakery shop in Hyundai Department store, which is Korea's 2nd biggest department group. It introduced Cranberry Fresh Cream Cake containing frozen cranberries, decorated with dried cranberries and whipping cream. It costs W17,000 (\$15.80).

- Nongshim Welch's Grape Cranberry Juice hit the market and became available both through most major online and offline retailers. It contains U.S. cranberry juice concentrate by 5%, packaged in 290ml pet bottles, priced at \$1.20 per piece.

3. MEDIA COVERAGE



This month, we monitored 50 media coverage, 7 articles in daily news sites, 24 articles in internet news sites, 7 articles in consumer lifestyle magazines, 1 article in Trade and industry magazine, and 11 portal site blogs.



Category	# of Articles		Weighted Media Value	
	July 11	Jan ~ July 11	July 11	Jan ~ July 11
Category 1	0	2	\$0	\$42,000
Category 2	0	0	\$0	\$0
Category 3	1	11	\$6,000	\$48,300
Category 4	0	5	\$0	\$28,000
Category 5	49	231	\$213,100	\$1,188,200
Total	50	249	\$219,100	\$1,306,500




No	Publication -- Subject of Article	Media Type	Issue / Date	Circulation / Monthly Visitors	Clipping Category	Weighted Value (USD)
1	Medical Today http://www.mdtoday.co.kr/mdtoday/index.html?no=161573 Resistance versus Effectiveness: Cranberries versus Antibiotics – difficult to choose	Internet News	July 26, 2011	2,000,000	3	6,000
2	Daily Korean Economy http://kmomnews.hankyung.com/news/apps/news.sub_view?popup=0&nid=02&c1=02&c2=02&c3=00&nkey=201107251720201 Introducing Dr. Yoo's 99 Kcal Cereal Bar by Orion	Daily News	July 25, 2011	2,000,000	5	6,000
3	Daily Kookmin http://news.kukinews.com/article/view.asp?page=1&gCode=kmi&arcid=1311590817&cp=nv Introducing Dr. Yoo's 99 Kcal Cereal Bar by Orion	Daily News	July 25, 2011	2,000,000	5	6,000
4	Daily Korean Economy http://kmomnews.hankyung.com/news/apps/news.sub_view?popup=0&nid=02&c1=02&c2=02&c3=00&nkey=201107221721561 Introducing Red Monkey by Bennigans	Daily News	July 22, 2011	2,000,000	5	6,000
5	Daily Seoul Economy http://economy.hankooki.com/lpage/industry/201107/e2011071117172747670.htm Introducing Red Monkey by Bennigans	Daily News	July 11, 2011	2,000,000	5	6,000

6	Daily Korean Economy http://kmomnews.hankyung.com/news/apps/news.sub_view?popup=0&nid=02&c1=02&c2=02&c3=00&nkey=201107071622131 Introducing Rice Cake by Bizeun	Daily News	July 7, 2011	2,000,000	5	6,000
7	Daily Korean Economy http://www.hankyung.com/news/app/newsview.php?aid=2011070776957 Introducing Rice Cake by Bizeun	Daily News	July 7, 2011	2,000,000	5	6,000
8	Daily Maeil Economy http://mbn.mk.co.kr/pages/news/newsView.php?category=mbn00003&news_seq_no=1081214 Introducing Rice Cake by Bizeun	Daily News	July 7, 2011	2,000,000	5	6,000
9	Sports Chosun http://sports.chosun.com/news/ntype.htm?id=201107250100220910018491&servicedate=20110725 Introducing Berry Berry O Darling by Paris Baguette	Internet News	July 25, 2011	2,000,000	5	6,000
10	Biz Place http://www.bizplace.co.kr/biz/content/n_view.php?seq_no=40693&nID=201 Introducing Berry Berry O Darling by Paris Baguette	Internet News	July 25, 2011	2,000,000	5	6,000
11	Yeonhap News http://news.naver.com/main/read.nhn?mode=LSD&mid=sec&sid1=117&oid=098&aid=0002219675 Introducing Berry Berry O Darling by Paris Baguette	Internet News	July 25, 2011	2,000,000	5	6,000
12	Money Today http://mnb.mt.co.kr/mnbview.php?no=2011072321543045090 Introducing Red Monkey by Bennigans	Internet News	July 24, 2011	2,000,000	5	6,000
13	Sports Chosun http://sports.chosun.com/news/ntype.htm?id=201107210100192380015865&servicedate=20110721 Introducing Red Monkey by Bennigans	Internet News	July 21, 2011	2,000,000	5	6,000
14	EBN News http://www.ebn.co.kr/news/n_view.html?id=506423 Introducing Dr. Yoo's Energy Bar Quick Charge Pack by Orion	Internet News	July 21, 2011	2,000,000	5	6,000
15	Acrofan News http://www.acrofan.com/ko-kr/life/news/20110721/00000021 Introducing Red Monkey by Bennigans	Internet News	July 21, 2011	2,000,000	5	6,000
16	Asia Economy http://er.asiae.co.kr/erview.htm?id_xno=2011071320194329304 Introducing Rice Cake by Bizeun	Internet News	July 18, 2011	2,000,000	5	6,000

17	<p>Money Today http://mnb.mt.co.kr/mnbview.php?no=2011071100011532491 Introducing Red Monkey by Bennigans & Granola Milk Bingsoo by Marche</p>	Internet News	July 13, 2011	2,000,000	5	6,000
18	<p>Biz Place http://www.bizplace.co.kr/biz/content/n_view.php?seq_no=40307&nID=201 Introducing Rice Cake by Bizeun</p>	Internet News	July 12, 2011	2,000,000	5	6,000
19	<p>Money Today http://mnb.mt.co.kr/mnbview.php?no=2011071100052637388 Introducing Rice Cake by Bizeun</p>	Internet News	July 11, 2011	2,000,000	5	6,000
20	<p>Asia Economy http://www.asiae.co.kr/news/view.htm?idxno=2011070907493010649 Introducing Dr. Yoo's Energy Bar Quick Charge Pack by Orion</p>	Internet News	July 9, 2011	2,000,000	5	6,000
21	<p>Sports Chosun http://sports.chosun.com/news/ntype.htm?id=201107080100082690006426&servicedate=20110708 Introducing Rice Cake by Bizeun</p>	Internet News	July 8, 2011	2,000,000	5	6,000
22	<p>Daily Focus http://www.fnn.co.kr/content.asp?aid=c730675f09f9482989a70c4506859254 Introducing Rice Cake by Bizeun</p>	Internet News	July 8, 2011	2,000,000	5	6,000
23	<p>Sports Seoul http://news.sportsseoul.com/read/economy/953989.htm Introducing Rice Cake by Bizeun</p>	Internet News	July 8, 2011	2,000,000	5	6,000
24	<p>Prime Economy http://www.newsprime.co.kr/news/articleView.html?idxno=205219 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
25	<p>Asia Economy http://www.asiae.co.kr/news/view.htm?idxno=2011070717580238639 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
26	<p>Medical Today http://www.mdtoday.co.kr/mdtoday/index.html?no=160184 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
27	<p>Newsis http://news.naver.com/main/read.nhn?mode=LSD&mid=sec&sid1=102&oid=003&aid=0003954388 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
28	<p>E Daily http://efn.edaily.co.kr/Brandnews/NewsTotalRead.asp?sub_cd=DJ&newsid=02194326596312224 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000

29	<p>EBN News http://www.ebn.co.kr/news/n_view.html?id=504108 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
30	<p>Financial News http://www.fnnews.com/view?ra=Sent1001m_View&corp=fnnews&arcid=110707101742&cDateYear=2011&cDateMonth=07&cDateDay=07 Introducing Rice Cake by Bizeun</p>	Internet News	July 7, 2011	2,000,000	5	6,000
31	<p>The Kyunghyang Shinmun http://www.khan.co.kr/kh_news/art_view.html?artid=201107021640491&code=920100 Introducing Berry Bingsoo by Tom n Toms</p>	Internet News	July 2, 2011	2,000,000	5	6,000
32	<p>Monthly Allure Recipe Recommendation: Malibu Cranberry Cocktail</p> 	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000
33	<p>Monthly Galleria Introducing Cranberry health benefit and Cycticlean by Vitagreen</p> 	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000
34	<p>Monthly Lady Kyunghyang http://lady.khan.co.kr/khlady.html?mode=view&code=9&artid=201107131430541&pt=nv Recipe recommendation: Soy Pancake with dried cranberries and raisins</p>	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000








						
35	<p>Monthly Maison Recipe recommendation: Pucci Cocktail with cranberry juice</p> 	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000
36	<p>Monthly Maison Recipe recommendation: Green tea punch with cranberry juice</p> 	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000
37	<p>Monthly Yeosung Donga Introducing Cranberry Vodka Cranberry Squash by Café Flat 274</p>	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000



						
38	<p>Monthly Men's Health Introducing Dr. Yoo's Energy Bar by Orion</p> 	Consumer Lifestyle Magazine	July 2011	80,000	5	4,000
39	<p>Monthly Bakery Recipe recommendation: Cranberry Yogurt Cookies with dried cranberries</p> 	Trade/ Industry Magazine	July 2011	60,000	5	4,000

40	<p>Daum Blog http://blog.daum.net/ofme-forme-byme/1028 Recipe recommendation: Banana Cranberry Oatmeal Cookies with dried cranberries</p>	Portal Site Blog	July 28, 2011	6,000	5	100
41	<p>Naver Blog http://blog.naver.com/chaihyoun?Redirect=Log&logNo=110114353858 Recipe recommendation: Cranberry Cookies with dried cranberries</p>	Portal Site Blog	July 27, 2011	,000	5	100
42	<p>Naver Blog http://prensoah.blog.me/80135523520 Recipe recommendation: Cranberry Choco Muffin with dried cranberries</p>	Portal Site Blog	July 25, 2011	60,000	5	100
43	<p>Naver Blog http://blog.naver.com/rnh8322?Redirect=Log&logNo=80135557098 Recipe recommendation: Cranberry Cookies with dried cranberries</p>	Portal Site Blog	July 25, 2011	45,000	5	100
44	<p>Naver Blog http://prensoah.blog.me/80135291968 Recipe recommendation: Cranberry Bread with dried cranberries</p>	Portal Site Blog	July 22, 2011	60,000	5	100
45	<p>Naver Blog http://blog.naver.com/sjs9699?Redirect=Log&logNo=60134199637 Recipe recommendation: Walnut Cranberry Muffin with dried cranberries</p>	Portal Site Blog	July 12, 2011	4,000	5	100
46	<p>Naver Blog http://hgg.hgg.blogner.com/10113250243 Recipe recommendation: Cranberry Choco Muffin with dried cranberries</p>	Portal Site Blog	July 12, 2011	600,000	5	100
47	<p>Naver Blog http://ifeel2104.blog.me/150113234714 Recipe recommendation: Wholegrain Cranberry Cookies with dried cranberries</p>	Portal Site Blog	July 9, 2011	3,000	5	100
48	<p>Naver Blog http://blog.naver.com/pine0722?Redirect=Log&logNo=120134025407 Recipe recommendation: Cranberry Scone with dried cranberries</p>	Portal Site Blog	July 9, 2011	30,000	5	100
49	<p>Recipe recommendation: Cranberry Cookies with dried</p>	Portal Site Blog	July 8, 2011	30,000	5	100

	cranberries					
50	Naver Blog http://theboni.blog.me/120133849641 Recipe recommendation: Cranberry Cupcake with dried cranberries	Portal Site Blog	July 7, 2011	600,000	5	100

4. NEW CRANBERRY PRODUCTS IN THE MARKET

Brand	Product/Menu Name	Description	Price	Photo
Orion	Dr. Yoo's Energy Bar Quick Charge Pack	Small-sized Energy bar, launched in 2009, containing various nuts and dried cranberries	120g / W3,000 (\$2.80)	
A Two Some Place	Dried Cranberries	Dried cranberries	W2,500 (\$2.30)	
Nescafe Café	Bingsoo	Bing-soo, Ice flakes, with dried cranberries, almonds, walnuts, and sticky rice cakes	W7,000 (\$6.50)	
Bizeun	Flower Steamed White Rice Cake	Steamed white rice cake with dried cranberries and pine nuts	W32,000 (\$30.00)	
Bizeun	Flower Pounded Rice Cake	Pounded rice cake containing dried cranberries	W38,000 (\$35.20)	
Bizeun	Cranberry Rice Cake	Small-sized rice cake with dried cranberries and red beans	W3,000 (\$2.80)	
Bizeun	Granberry	Small-sized sticky rice cake with dried cranberries and red beans	W1,500 (\$1.40)	

Bizeun	Mini Steamed White Rice Cake	Mini-sized steamed white rice cake with dried cranberries	W2,800 (\$2.60)	
Bizeun	Haet-Saal-Poom-Eun	Rice cake with dried strawberries and cranberries, decorated with cream cheese	W1,500 (\$1.40)	
Bizeun	Baked Cheese Cake	Baked cheese cake containing dried cranberries and cream cheese	W1,200 (\$1.10)	
Marche	Granola milk Bingsoo	Bing-soo, Ice flakes, with granola including dried cranberries and sticky rice cakes	W9,900 (\$9.20)	
Tom n Toms	Berry Mix Bingsoo	Bing-soo, Ice flakes, with frozen cranberries, blueberries, and mashed red beans	W7,000 (\$6.50)	
Home Plus	Mixed Dried Berries	Mixed dried berries with dried cranberries, blueberries, and cherries	200g / W10,800 (\$10.00)	
Family Mart	Cranberry Rice Cookies	Cookies containing rice flour and dried cranberries	140g / W1,400 (\$1.30)	
Lotte	Gateau	Soft and moist brownie cakes containing dried cranberries	120g / W2,550 (\$2.40)	

Petitzel	Cranberry juice	Blended Juice with cranberry concentrated juice and orange juice	W4,500 (\$4.20)	
patisserie EGUCHI	Cranberry Bread	Bread with dried cranberries	W4,000 (\$3.70)	
patisserie EGUCHI	Beaury	Scone containing dried cranberries	W3,500 (\$3.80)	
patisserie EGUCHI	Dong-Geul-Yee	Small-sized bread containing dried cranberries	W4,500 (\$4.20)	
Bread Talk	Cranberry Cream Cheese	Small-sized bread with dried cranberries and cream cheese	W1,500 (\$1.40)	
Dalloyau	Sticky Barley Cranberry	Bread combining sticky barley dough and dried cranberries	W2,000 (\$1.85)	
Dalloyau	Cranberry Scone	Scone with dried cranberries	W2.500 (\$2.30)	
Dalloyau	Cranberry English Muffin	Muffin with dried cranberries	W2.500 (\$2.30)	

Vecchia & Nuovo	Cranberry Walnut Bread	Wheat bread with dried cranberries and walnuts	W1,500 (\$1.40)	
Vecchia & Nuovo	Cranberry Pecan Muffin	Muffin with dried cranberries and pecans	W1,500 (\$1.40)	
One	Cranberry Cupcake	Cupcake containing dried cranberries, decorated with whipping cream	W4.300 (\$4.00)	
Lucycato	Cranberry Fresh Cream Cake	Cake containing frozen cranberries, decorated with dried cranberries and whipping cream	W17,000 (\$15.80)	
Nongshim Welch's	Grape & Cranberry Juice	Blended Juice made with Cranberry and Grape Juice Concentrate	W1,200 (\$1.10)	

5. WEBSITE VISITORS

Number of Visitors to www.cranberries.co.kr for 2011

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Monthly Average
1,833	2,208	2,968	3,583	4,763	3,971	3,152						3,211

6. MARKETING ACTIVITIES

Program Management/Trade Communications (M09GXKS001)

CMC Korea office (Sohn's Market Makers) made contacts with following trade to update CMC activities:

Mr. Sang-Yong Oh, Marketing Specialist, ATO, US Embassy

Mr. Sun-Young Yoo, Promotion Specialist, ATO, US Embassy

CMC Korea contacted ATO office to confirm that CMC would join the Culinary Camp they recently announced they would conduct in September. Culinary Camp is ATO's annual event, working with Korean alumni group of Culinary Institute of America (CIA), developing recipes using various American food ingredients and presenting them through seminar luncheon and table-top exhibition. ATO confirmed this year's event for September 20, and now they are confirming participants. This year, they will limit the applicants to USDA cooperator groups, excluding private food companies. The confirmed participants include: USMEF, USAPEEC, CWC, CSARF, RAC, USDEC, ABC, and CMC. CMC Korea expects a lot higher attention to the U.S. cranberry item due to the reduced featured items. CMC Korea provided 10kg of dried cranberry samples for recipe development. CMC Korea is working on applying to this event, and is developing trade-targeting brochures to distribute at the event.

Ms. Hee-Kyu Song, Marketing manager, Product planning, Paris Baguette

CMC Korea had a meeting with SPC to discuss the promotion and suggested new cranberry products promotion of Paris Baguette. Paris Baguette launched a new cranberry product, Berry Berry O Darling, a baked donut containing dried cranberries with a wellbeing image. Paris Baguette has over 2,700 stores nationwide, and it was discussed that it would be good to select higher traffic stores in Seoul & Kyunggi region for a one week promotion period in September. Paris Baguette is now reviewing the plan in-house, and CMC Korea will have follow-up meetings to process the details in the coming month.

Ms. Jennifer Chang, Assistant manager, Appletree PR agency

Appletree is the PR agency for Ocean Spray Korea and is planning to have the photo exhibition to promote the products of Ocean Spray Korea. Appletree sought photos of cranberries and CMC provided the photos and references of cranberries. The photo exhibition would be scheduled in late September.

Ms. Soo-Mi Kim, Marketing Manager, G&L

CMC Korea contacted G&L, and updated the activity plans for the rest of the year, including subway advertising, Allure magazine promotion, Paris Baguette promotion, and Culinary Camp.

Consumer Media Relations (M10GXKS003)

Subway Advertising

CMC Korea is executing Subway Screen Door Advertisement at 6 selected stations with more than 100,000 average passengers a day. The selected stations are as follows:

Stations	Sadang, Seoul Station, East Gate Station, Choongmooro, Sungshin University, Sookmyung University
Period	2 months (August - September)

Details will be reported in promotion invoice with back-up photos.



Tie-in with Monthly Allure

CMC Korea arranged with the leading women's magazine, Monthly Allure on inserting a CMC ad in its special promotion magazines in the August 2011 issue. The circulation of this special issue is over 50,000, and is distributed in the business traffic area - 20,000 copies in Myungdong (traditional downtown shopping area) & Garosoo-gil (new trendy shopping and restaurant area), 20,000 in Jisan Rock Festival (popular vacation resort with famous annual rock festival), and 10,000 in Dongsung-ro (downtown shopping area in Daegu-3rd biggest city). While the 50,000 copies of magazines with CMC ad page were distributed in all these areas, CMC had Allure men, demonstrators for Allure promotion, and provided 5,000 pieces of U.S. dried cranberries (40g) with the magazines in 2011 Jisan Valley Rock Festival. (<http://valleyrockfestival.mnet.com/>)



Details will be reported in promotion invoice with back-up photos.

Consumer Recipe Contest with Food TV & Super Recipe Magazine/Internet Café

CMC Korea is coordinating details for the program content development and location shooting for this project. The program will feature general introduction of U.S. cranberries and its health benefits, but more importantly, fun ways to enjoy cranberry products. The program plans to feature a cranberry fan who runs a hip restaurant in busy downtown Seoul offering various cranberry products, as well as a cranberry lovers community gathering to enjoy various

cranberry beverages and cocktails and quoting some popular scenes from "Sex and the City". The content is still in discussion, and it will be confirmed in the 2nd week of August. In addition to this, various cranberry recipe recommendations by culinary professionals as well as the recipe contest by consumers will be added in the TV program. The planned final air date through Food TV will be the last week of August, tentatively.

7. PERFORMANCE MEASURES UPDATES

Performance Measure	2011 Goal	As of July 2011
Number of cranberry products at retail	135	222
Number of bakery outlets offering cranberry products	20	33 (Paris Baguette, Tous Les Jours, A Two Some Place, Crown Bakery, Dunkin Donuts, Starbucks, Paris Croissant, Donut Plant New York City, Holly's Coffee, Bizeun, Beansbins, Vezzly, Bread Talk, Dalloyau, Pascucci, Krispy Cream Doughnut, Casa Meal, Angel-in-us, Waffle King, Joe's Sandwich, Suji's & London Tea, Beans & Berries, Bread & Co, Kim Young Mo Bread, Delica-Hans, Napoleon Bakery, Bonnuvel, Le Alaska, Dilly & Dally, Patisserie EGUCHI, Vecchia & Nuovo, One, Lucycato)
Average # of bakery products offered per store	4.5	3.1
# of manufacturers offering cranberry products	13	49
% who have heard of cranberries	55%	N/A
% that have eaten/drank products containing cranberries	55%	N/A
% of consumers able to identify at least one health benefit of cranberries	30%	N/A
% who would be willing to purchase a product containing cranberry	80%	N/A

** For the consumer PMs, consumer survey will be done with about 500 randomly picked consumers in the end of the 2011 marketing year.