

# September 2018 Cranberry News

## CMC'S BIENNIAL MEETING RECAP: 2018 SUMMER EDITION

On August 15 and 16, Committee members and more than three dozen industry members convened in Mount Laurel, NJ, for the CMC's annual summer meeting.

The first day began with a Marketing Orders 101 presentation from USDA. Following that, Kevin Connolly from APCQ updated attendees on Canadian crop projections and marketing efforts. As Kevin has reported for the past several meetings, organic production in Quebec continues to rise, to nearly one-third of the total production acres in 2018.

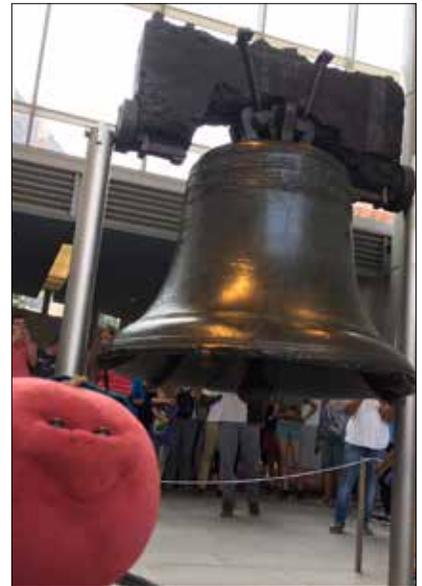
Terry Humfeld from the Cranberry Institute went over recently completed and ongoing health research projects that have been partially funded by the CMC. There is potential for a few cranberry health articles to be published in the coming year.

Matt Lantz from Bryant Christie Inc. (BCI), discussed with the Committee the retaliatory tariff issues that continue to target the cranberry industry. A recap of his presentation can be found on pages 7 (trade policy) and 3 (MRLs).

The Committee is forecasting the 2018 crop to be bigger than 2017 but not quite as large as the record-setting crop that was harvested in 2016. Most regions reported favorable growing conditions and a good blossom. Some regions are waiting to see the effects of a hot summer on sizing. See the estimate breakdown on page 2.

On the second day of the meeting, Sarah Gelpi and David McCaleb of BCI spoke about ongoing marketing promotions in international target markets. Overall exports increased 4% in 2017/2018. The focus for 2018/2019 will be on China and India. A recap of BCI's presentation can be found on page 5.

Finally, Alex Oppenheimer of Pollock Communications reported out on domestic marketing activities including the plan for 2018/2019, which can be found on page 6.



*2018 Summer Meeting materials and presentations can be downloaded at [uscranberries.com](http://uscranberries.com) > Web Resources > Annual Meeting Materials*



**CMC WINTER MEETING  
FEBRUARY 12 & 13, 2019  
ARLINGTON, VIRGINIA**

## NO NEW UPDATE ON 2018 PRODUCER ALLOTMENT

As of the writing of this newsletter, the industry is still without answers from the USDA regarding the publication of the 2018 Producer Allotment final rule. The final rule is "going through USDA channels" and, despite weekly inquiries, there has been no indication as to when a final publication will take place. We will be sure to update the industry when we have more information to share.

This topic was discussed at length during the annual summer meeting and it was decided that the CMC should send a letter directly to Secretary of Agriculture Sonny Perdue to see if there is any way to move the process along. With the 2018 harvest season nearly upon us, the industry has no option but to prepare and proceed as if the proposed rule, published in April, is final.

Industry members are understandably frustrated, and all are encouraged to contact USDA directly with their questions and concerns so that the Department is well aware of the impact this final rule delay is having.

During the summer meeting, Committee members decided to postpone any discussions or decisions on future volume regulation until after the final publication of the pending 2018 Producer Allotment.

# CRANBERRY MARKETING COMMITTEE 2018 CROP YEAR ESTIMATES

## 2018 Domestic Cranberry Production Estimate Updated 8/15/2018

1,000 barrels	
MA Average	2,150
NJ Average	503
WI Average	5,900
OR Average	525
WA Average	160
<b>2018 Crop Year Domestic Total Production Estimate</b>	<b>9,238</b>

## Estimated Carry-In, Supply, Sales/Usage & Carryout Inventory with 2018 Volume Regulation (9/01/2018 - 8/31/2019) Updated 8/15/2018

		1,000 Barrels	<i>Where this number comes from:</i>
1	<b>Estimated Carry-In</b>	<b>7,394</b>	----- Based on Committee estimate for final 2017 crop year numbers
	<i>Production &amp; Acquired</i>		
2	<b>Estimated Domestic Production</b>	<b>7,962</b>	----- Reflects Committee production estimates and the impact of 2018 volume regulation as proposed
3	<b>Estimated Foreign Acquired</b>	<b>1,767</b>	----- From Committee estimates
4	<b>Total Production &amp; Acquisitions (2+3)</b>	<b>9,729</b>	----- Sum of estimated domestic production and estimated foreign acquired
5	<b>Available Supply (1+4)</b>	<b>17,123</b>	----- Sum of total production & acquisitions and estimated Carry-In
	<i>Estimated Shrinkage</i>		
6	<b>2% of Carry-in (1)</b>	<b>148</b>	----- 2% of estimated Carry-In
7	<b>4% Estimated Production/Acquisitions (4)</b>	<b>389</b>	----- 4% of total production & acquisitions
8	<b>Estimated Shrinkage (6+7)</b>	<b>537</b>	----- Sum of estimated Carry-In shrinkage & estimated total production & acquisitions
9	<b>Adjusted Supply (5-8)</b>	<b>16,586</b>	----- Estimated shrinkage deducted from available supply
	<i>Sales &amp; Usage</i>		
10	<b>Fresh Fruit Sales</b>	<b>330</b>	----- From Committee estimates
11	<b>Processing Fruit Usage</b>	<b>9,658</b>	----- From Committee estimates
12	<b>Total Sales/Usage (10+11)</b>	<b>9,988</b>	----- Sum of fresh fruit sales and processing fruit usage
13	<b>Estimated Adjusted Carry-over</b>	<b>6,598</b>	----- Total sales/usage deducted from adjusted supply
14	<b>Inventory as a % of sales</b>	<b>66%</b>	

## INTERNATIONAL MRL STATUS UPDATE FROM MATT LANTZ

### **Quinlorac Developments**

In April, the EU issued a reservation on proposed Codex MRLs for quinlorac for rapeseed and rice. It expressed the same concerns it had two years earlier when it refused to adopt the cranberry quinlorac MRL from Codex. The cranberry industry had hoped with new and better data, the EU would adjust their position and allow for the Codex quinlorac MRLs to be applied in the EU. This did not happen. This leaves the U.S. cranberry industry only one option: to apply for an import tolerance MRL directly with the European Union.

The CMC MRL Subcommittee decided to redo the quinlorac residue study and specifically test for the methyl ester breakdown product of concern. Caroline Harris of Exponent advised the industry had a less than 50/50 chance of being successful without the new data.

The study will be conducted during the 2019 season, and will be written up and submitted in 2020. It typically takes two years for an EU MRL review, so the industry is looking at 2022/2023 for a MRL. USDA/TASC funds are being sought to fund the required studies. A response to a new June TASC application is expected soon.

Waiting another 4 years for the quinlorac MRL in the EU is the only way a MRL will be successfully established in the EU. This example demonstrates how challenging the EU review process is. Using the same data originally gathered, the CMC has been successful in obtaining quinlorac cranberry MRLs in Canada, Australia, Japan, Korea, at Codex, with Taiwan expected soon. The EU is the outlier.

### **Korea MRLs**

The Korean government's plan to implement a new Korean MRL system on January 1 continues. At that time, only national Korean MRLs will be in place. MRLs that had deferral to Codex or another commodity will be removed, and instead, a 0.01ppm MRL will apply. Korean MRLs can be obtained through registrants making submissions to the Korean government. BCI has been approaching registrants for the past two years encouraging the submission of cranberry MRL data packages.

As of August 1, 2018, there are 14 Korean cranberry MRLs established, and

BCI has been able to secure commitments from chemical companies for 12 more chemical applications to be submitted. Some of those are already submitted to Korea, and others are in the process of being prepared. The CMC is also submitting its own applications for priorities. Five have been submitted to date. This means, if everything goes as planned 31 MRLs should be established in Korea.

There remain three high priority MRLs for which submissions have not been made nor have companies agreed to make submissions. There are another eight low or intermediate priorities, and five for which no priorities have been assigned.

Finally, there are another 10 for which chemical companies have informed BCI they do NOT plan to make submissions; therefore, their MRLs will go to 0.01 ppm. Reasons for not making submissions vary from lack of data, to no longer being registered on cranberries, to lack of finances or resources. BCI has approached 27 registrants, many repeatedly, asking for additional submissions.

***Details of all of this information can be found in the Korean MRL ladder chart posted under Annual Meeting Materials on [www.uscranberries.com](http://www.uscranberries.com).***

### **China MRLs**

All U.S. commodities are missing many Chinese MRLs. Traditionally, China has not detained shipments for pesticide residue issues, but in the spring, a shipment of U.S. apples was rejected for a pesticide residue violation. This was likely a political decision in response to the ongoing U.S.-China trade dispute.

China has been announcing around 2,000 new MRLs per year, but all of these are based on domestic uses. Still, within that list are several cranberry MRLs every year. Currently there are 22 cranberry MRLs in place or proposed. Most of these MRLs are set at acceptable Codex MRLs, which is good news, since the cranberry industry has worked to establish Codex MRLs for over a decade. China hosts the annual Codex Committee on Pesticide Residues (CCPR) each year, so their commitment to Codex MRLs is strong. China does not, however, simply defer to Codex MRLs. Chinese MRLs are established at Codex levels. No new cranberry MRLs have been announced

in China since the February CMC meeting.

There are many Chinese MRLs missing for every commodity, including cranberries. This will only change when China establishes a system for seeking import tolerances. Currently, all MRLs in China go through a full registration processing including field trials in China. With an import tolerance process, the MRL can simply be established if needed.

For several years, China has acknowledged the need for an import tolerance system and committed to developing one. In late 2017, a draft of such a system was circulated to a handful of key stakeholders. Although BCI did not see the draft, reports from those who did say the system proposed was problematic. China has therefore delayed a formal release of the draft. A BCI official, meeting with the Chinese government in June, learned a draft import tolerance process for consideration is likely to be released by the end of the year.

### **Canada MRLs**

In 2016, the CMC authorized use of technical data application funds for a submission to Canada to seek a quinlorac MRL using the data gathered for the Codex review. Exponent submitted this data submitted to Canada in 2017. In July 2018, Canada proposed a new quinlorac MRL that will apply to cranberries at 1.5 ppm, which is harmonized with the U.S. level. It is expected that this MRL will be in place before the 2019 season, and possibly by the end of the year.

### **Codex MRLs**

In July, Syngenta submitted the cranberry chlorothalonil (Bravo) data to maintain the existing Codex MRL. This submission is critical to keeping the MRL at Codex. The CMC received a TASC grant in 2016 to conduct the needed trials for the application. The Codex MRL is being temporarily held in place until the review can be completed. The evaluation will occur at the 2019 extra technical Codex meeting to be held in Canada. Hopefully, all Codex concerns have been addressed.

*Read BCI's full MRL report from the summer meeting by downloading the meeting materials at [www.uscranberries.com](http://www.uscranberries.com).*

## CMC BOARD OF DIRECTORS

*Term of office: August 1, 2018 - July 31, 2020*

### DISTRICT 1 (MA, RI, CT)

#### *Major Cooperative Members & Alternate*

Lawrence Harju (Member)

George Rogers (Member)

Adrienne Mollor (Alternate)

#### *Other Than Major Cooperative Members & Alternate*

James Rezendes (Member)

Dawn Gates-Allen (Member)

Parker Mauck (Alternate)

### DISTRICT 2 (NJ)

#### *Major Cooperative Members & Alternate*

Stephen Lee IV (Member)

Joseph Darlington (Alternate)

#### *Other Than Major Cooperative Members & Alternate*

Thomas Gerber (Alternate)

William R. Poinsett (Member)

### DISTRICT 3 (WI, MI, MN)

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Martin Potter (Member)

Jill Amundson (Alternate)

#### *Other Than Major Cooperative Members & Alternate*

Vicki Nemitz (Member)

Wayne Gardner (Member)

James Van Wychen (Alternate)

### DISTRICT 4 (OR, WA)

#### *Major Cooperative Members & Alternate*

Kevin Hatton (Member)

Jack Stein III (Alternate)

#### *Other Than Major Cooperative Members & Alternate*

Ronald Puhl (Member)

Nicholas Puhl (Alternate)

### AT-LARGE MEMBER & ALTERNATE

Douglas Rifleman (Member)

Michael Viano (Alternate)

### PUBLIC MEMBER & ALTERNATE

Thomas O'Guinn, Ph.D. (Member)

Steven White, Ph.D. (Alternate)

### CMC ADMINISTRATIVE OFFICE

Michelle Hogan (Executive Director)

Judy Mears (Executive & Financial Assistant)

Karen Cahill (Communications & Marketing)

Dotty Pipher (Programs & Administrative Assistant)

## 2018/2020 COMMITTEE MEMBERS ANNOUNCED

At its annual summer meeting, the CMC welcomed the newest slate of members for the term that began August 1, 2018 and runs through July 31, 2020.

CMC membership includes 13 members and nine alternate members from the U.S. cranberry industry who represent growers in each of four designated districts from the Northeast, Mid-Atlantic, Central and Western regions of the United States. CMC membership also includes one public member and one alternate public member. All Committee members are nominated to 2-year terms (limited to three consecutive terms as a voting member) by industry members from their respective districts. Nominated members are submitted for selection by the USDA Secretary.

New to the board this year include Wayne "Butch" Gardner (WI), Jack Stein (WA), Nick Puhl (OR), Doug Rifleman (WI), and Mike Viano (MA).

CMC members have an important and direct influence over actions and activities of the Committee. This includes when and what volume control regulations should be implemented, and what generic promotional and marketing activities are initiated utilizing funding from assessments, federal grants and other sources.

CMC would like to recognize and thank the following outgoing members for volunteering their time and talents to serve on behalf of the U.S. cranberry industry: Gary Jensen (WI), Frank Glenn (WA), George Bussmann (OR), Alex Ells (OR), and Jessi Rezin (WI).



## TWO "NEW" CMC SUBCOMMITTEES FORMED

During the annual summer meeting, the Committee decided to reconvene two previously existing subcommittees that had gone dormant. The Domestic Promotion Subcommittee was resurrected to examine the effectiveness of our domestic programs and to ensure that promotional activities are in line with and complementary to what handlers are already doing in the U.S.

The Data Collection Review Subcommittee was renewed to examine what information should be detailed in CMC's quarterly cycle reports.

Additionally, the Officer's Subcommittee was updated to include George Rogers as Chair, Parker Mauck as Vice Chair, Steve Lee as Treasurer/Secretary and Jim Rezendes as Immediate Past Chair. Jill Amundson, who remains on the main Committee as a District 3 Alternate, was thanked for many years of dedicated service on the Officer's Subcommittee.

Finally, the Assessment Review Subcommittee was disbanded, as there is no interest in pursuing an assessment increase at this time.

# INTERNATIONAL MARKETING: OVERALL 2017/2018 EXPORTS INCREASED 4.5 PERCENT

Overall 2017/18 exports of U.S. cranberries reached nearly three million 100-lb barrel equivalents, a 4.5% increase over the previous year. Canada, the United Kingdom, Germany, France, and China ranked (in order) as this year's top five markets.

Aiming to focus on markets with the highest potential for growth, CMC voted in February to consolidate funding into China and India starting in 2018/19. During this year's strategic planning calls with handlers, this decision was backed by all interviewees. As a result, CMC is winding down programs in Pan-Europe, Mexico, and South Korea, where most activities will be completed by the end of August.

China has already been an incredible success for the industry—despite a slight dip in 2017/18, *exports have risen nearly 540% since the program opened in 2013*. Awareness and demand continue to grow, and promising research on cranberries and H. pylori has the potential to add on a major promotional pillar. Of course, trade and consumers may need to accept higher prices as a result of the tariffs that are now in place. The additional registration that the government is requiring CMC to undertake involves a reduced public presence for one to two months. Still, the promise of China—with its large and growing, technologically-savvy middle-class—is undeniable. With China's share of international funding proposed to increase from approximately 50% to 77% in the year ahead, CMC will be able to expand both its critical online/e-commerce/social media efforts and its efforts to engage trade and

CMC Five Year Export Data Overview							
	2013/14	2014/15	2015/16	2016/17	2017/18	% Change (Past Year)	% Change (5-year)
<b>Target Markets</b>							
<b>Pan Europe</b>	<b>852,321</b>	<b>913,201</b>	<b>1,009,212</b>	<b>947,869</b>	<b>1,108,616</b>	<b>17%</b>	<b>30%</b>
Germany	301,619	316,575	375,009	319,421	380,158	19%	26%
France	133,594	144,902	147,754	182,995	242,724	33%	82%
Poland	53,692	79,060	116,073	129,326	148,438	15%	176%
Other Europe	359,143	366,430	363,782	316,128	337,305	7%	-6%
<b>Mexico</b>	<b>99,139</b>	<b>127,238</b>	<b>151,756</b>	<b>170,273</b>	<b>165,787</b>	<b>-3%</b>	<b>67%</b>
China	58,906	82,843	128,319	194,848	184,093	-6%	213%
Korea	56,614	72,677	58,473	77,126	53,289	-31%	-6%
India	1,206	1,295	2,322	1,259	4,032	220%	234%
<b>Other Markets of Interest</b>							
UK	381,051	376,074	399,577	413,502	397,926	-4%	4%
Canada	406,474	417,702	475,361	493,121	446,579	-9%	10%
Israel	43,276	43,247	62,337	60,335	15,708	-74%	-64%
Russia	72,029	82,253	21,288	19,446	9,500	-51%	-87%
Italy	42,153	38,736	47,046	51,527	58,112	13%	38%
Australia	102,527	95,388	113,841	109,872	100,091	-9%	-2%
Taiwan	47,460	56,090	67,384	68,500	50,620	-26%	7%
Hong Kong	16,490	18,001	28,137	29,191	10,697	-63%	-35%
Japan	30,259	37,809	25,799	31,881	38,891	22%	29%
Vietnam	175	185	161	19,452	3,000	-85%	1614%
All Remaining Countries	200,070	224,614	186,896	181,167	350,837	94%	75%
<b>Grand Total</b>	<b>2,410,151</b>	<b>2,587,353</b>	<b>2,777,908</b>	<b>2,869,369</b>	<b>2,997,778</b>	<b>4%</b>	<b>24%</b>

\*Aggregate figures from annual CMC summer export survey

consumers at trade shows, conferences and seminars, retail promotions, community events, and elsewhere.

Meanwhile, India is a much newer market for CMC, with a full-scale program that began in September 2017. India still imports a relatively small volume of U.S. cranberries. However, *impressive 2017/18 export growth (up 220%) demonstrates that the market has potential to grow quickly*. Despite India's well-deserved reputation as a difficult market to penetrate, the country's growing middle class and interest in healthy products gives CMC confidence

that its efforts will be fruitful. Similar to its approach in China, CMC's work aims at increasing awareness of cranberry products and their health benefits. With India being such a new market, the overall size of the program is proposed to be smaller (21% of CMC international funding) and dedicated primarily to social media, public relations, and educational and sampling initiatives for trade and consumers.

CMC is excited to put in place its new strategy, and to generate significant opportunities for the industry in China and India.

## INTERNATIONAL ACTIVITY CALENDAR

September 3	Nutritionist Twitter Chat (India)	October	Retail Promotions (India)
Sept. 18-20	China Fruit Juice Conference (Xi'an)	October	PR, Website, and Social Media Updates (India)
September	Cranberry Masterclass (Xi'an, China)	October	Bakery Demonstrations (India)
September	Bakery Demonstrations (India)	Nov. 8-11	Seoul Café Show 2018 (Korea)
September	Retail Promotions (India)	Nov. 13-15	FHC Trade Show (Shanghai, China)
September	Writer's Fest by ShethePeople.tv (India)	November 14	Concentrate/Juice Seminar (Shanghai, China)
September	PR, Website, and Social Media Updates (India)	November	Facebook Ad Campaign (Mexico)
September	Cranberry Tech. Utilization Seminars (India)	November	Festival Gift Promotion with Baking China
September	Cranberry Health Seminars (India)	November	Bakery Promotion with Bread Talk (China)
September	Mixology and Culinary Competition (India)	November	Bakery Demonstrations (India)
October	Bakery Promotion with Sunflour (China)	November	Event with Chef Vicky Ratnani (India)
October	Berlin Food Week (Germany)	November	Retail Promotions (India)
October	Online Promotion with Dougou.com (China)	November	PR, Website, and Social Media Updates (India)
October	Facebook Ad Campaign (Mexico)		

A full international activity calendar is available at [uscranberries.com](http://uscranberries.com)

## 2018-2019 DOMESTIC MARKETING PROGRAM FEATURES SPRING/SUMMER MEDIA BLITZ

In an effort to showcase cranberries in a season outside of fall/winter holidays, next year's domestic marketing plan features a spring/summer media blitz. CMC will create news and execute a media outreach campaign that expands overall cranberry consumption in the summer BBQ months.

As part of this effort, CMC will coordinate deskside meetings with long-lead print editors in New York City; secure an influential foodie or event planner spokesperson to offer useful tips and tricks to readers; and conduct ongoing media outreach and pitch story angles to keep cranberries top-of-mind among journalists.

The #AllAmeriCRAN summer media blitz will also include securing guaranteed print and online local news coverage with a syndicated feature article highlighting five ways to use cranberries; and assembling and distributing #AllAmeriCRAN BBQ creative mailers to top-tier media outlets that include fun, innovative ways to incorporate cranberries into a summer menu.

Coinciding with the media blitz will be summer retail promotions. CMC will use creative strategies to leverage the media campaign and increase awareness among consumers in shopping mode during the summer BBQ months.

CMC will leverage retail dietitian partnerships to add a third-party credible endorsement for cranberry products; partner with 3-5 supermarkets, including Redner's Warehouse Markets, Jewel-Osco and Big Y to highlight the year-round use of cranberries; and place cranberries directly in front of shoppers with on-shelf signage, ad circular inclusion, recipes and in-store demos.

Another focus of the 2018-2019 domestic marketing program will be school foodservice professionals. As it has done for the past several years, CMC will have a presence at the School Nutrition Association Annual National Conference in July. Attendance at this annual school nutrition meeting allows CMC to reach school foodservice professionals and encourage them to purchase more

cranberries. This initiative dovetails nicely with any potential government cranberry bonus buy purchases that end up in the National School Lunch program. Educating and supporting foodservice professionals with cranberry resources such as scaled-up recipes, nutritional information and ways to meet NSLP fruit requirements helps them to use the cranberry products they receive.



## HELP DRIVE CRANBERRY SALES WITH NEW ONE-STOP SHOPPING RETAIL AREA [WWW.USCRANBERRIES.COM/RETAIL](http://WWW.USCRANBERRIES.COM/RETAIL)



Part of the CMC's website overhaul is a new, dedicated area specifically for retail professionals. This "retail portal" contains information to help CMC members work with retail partners to create in-store promotions that drive sales of cranberry products. At [www.uscranberries.com/retail](http://www.uscranberries.com/retail) you will find:

- Retail promotion case studies
- Floral department resources
- Links to CMC brands and suppliers
- Merchandising ideas
- Key cranberry-specific messaging
- A fresh cranberry sales kit
- An in-store demonstration guide
- Links to health research
- And much more

We encourage industry members to take advantage of this new resource and please contact [kcahill@uscranberries.com](mailto:kcahill@uscranberries.com) if you have any questions or comments.

# BCI - INTERNATIONAL TRADE POLICY UPDATE

## NAFTA Talks

Prior to the implementation of the Section 232 steel and aluminum tariffs, trade negotiations were focused on the North America Free Trade Agreement (NAFTA) renegotiation. Seven rounds of NAFTA renegotiations had occurred before talks cooled in the spring of 2018. Several chapters had been closed as part of the negotiation, but significant differences remained in the discussions, including on automobiles and the inclusion of a “sunset clause,” that required NAFTA to be renewed in five years. Once the steel and aluminum tariffs entered the discussion, NAFTA talks slowed considerably. Then election timing became an issue with Mexico’s presidential election on July 1 and with the upcoming U.S. mid-term elections.

As of August 2018, additional discussions are slowly beginning again with Mexican officials traveling to the U.S. for those discussions. The U.S. has threatened to negotiate separate deals with Mexico and Canada, which is something Canada does not want to see occur.

## Trans-Pacific Partnership (TPP)

Perhaps the greatest long-term challenge for U.S. cranberry growth in Asia is the Trump Administration’s withdrawal from the Trans Pacific Partnership (TPP). The TPP was an Obama Administration effort to negotiate a free trade agreement with 11 other countries in the Pacific Rim including: Japan, Canada, Mexico, Australia, New Zealand, Vietnam, Malaysia, Chile, Peru, Singapore, and Brunei. The goal of the TPP was to establish a rules-based trade agreement that other countries could then join, such as Taiwan, the Philippines, Thailand, Indonesia, and others. Such a coalition would put pressure on China to join and agree to international trade practices.

In his first week of office, the president withdrew the U.S. from TPP saying it was a bad deal. In March this year, the remaining 11 TPP partners agreed to proceed and implement TPP without the U.S.. As a result, the original committed tariff reductions in TPP will fall for TPP members. This means that Canadian and Chilean cranberry products will enter Japan and Vietnam with reduced tariffs. In the TPP, Japan agreed to immediately eliminate its 11% dried cranberry tariffs while the 19.1% concentrate tariff was to fall to zero over six years. In Vietnam, the 30% dried cranberry tariff was to be eliminated in five years and the 25% concentrate tariff was to be eliminated in six. Meanwhile, the U.S. will not enjoy these benefits and face the original tariffs. Other countries in the region, if they join the agreement, will also be expected to eliminate their tariffs.

The only way for the U.S. to rejoin TPP would be to petition the 11 implementing members to allow its entrance. Those countries may seek additional concessions in order to allow U.S. re-entry into the market.

When withdrawing, the Trump Administration said it was more interested in conducting bilateral free trade agreement negotiations with key TPP members like Japan and Vietnam, but neither country has been quick to seek such an arrangement. They are observing the NAFTA negotiations and have decided to defer on new agreements with the U.S.

*Read BCI’s full trade policy report from the summer meeting  
by downloading the meeting materials at  
[www.uscranberries.com](http://www.uscranberries.com)*



## CHINA E-COMMERCE PROMOTION

In May and June, a cranberry promotion was conducted with Xiachufang.com, a recipe sharing community with user-generated content. The promotion was aimed at increasing awareness of U.S. cranberries in China and encouraging more widespread usage among Chinese consumers.

Founded in 2011, Xiachufang.com features over 1 million recipes and 39 million food images. Through its mobile app, which is linked to the direct sale of cooking ingredients and equipment, Xiachufang.com has established itself as a leader in the e-commerce sector. It has 250 million users, 1.2 million WeChat followers, and 4.37 million Weibo followers.

At the start of the promotion, Xiachufang.com invited five famous food bloggers to develop recipes using cranberry juice and dried cranberries. Cranberry Summer Energy Beverage, Cranberry Sparkling Water, Cranberry Smoothie, Cranberry Pork Ribs, and Cranberry Duck Breast recipes were posted on Xiachufang.com, receiving a total of 405,395 clicks and 10,297 likes, and were fifth most popular among all recipes posted by the community for five straight days. The users of this online community were encouraged to upload other kinds of cranberry recipes to win prizes donated by CMC. During the promotion, 1,206 cranberry recipes were developed by users.

A customized CMC landing page created on Xiachufang.com’s app received 238,000 page views. It included a brief introduction to the promotion, cranberry recipes, and a link to cranberry products available on Xiachufang.com.

Images featuring the Cranberry Energy Beverage recipe and the Cranberry Pork Ribs recipe enjoyed particular exposure when users searched using the keyword ‘cranberry,’ receiving over 2.89 million page views and 29,000 clicks in total.

*Total sales of cranberry products saw an increase of 12% compared with the period prior to the promotion.*



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# September 2018 Cranberry News

## POSITIONING U.S. CRANBERRIES IN INDIA VIA MEDIA & RECIPES

CMC's team in India hired PR agency Quik Relations to develop strategy and provide coverage of all activities, conferences, contests and events, which will be organized in both print and online media. Quik has a reach of more than 250 cities across India and experience promoting high-value imported food products and fresh produce in India and the sub-continent region.

The theme for July 2018 was positioning U.S. Cranberries in media via recipes and associated health benefits. Efforts in July resulted in:

- 6 online articles on cranberry as an ingredient in various food recipes and associated health benefits.
- 11 articles in national and regional newspapers focusing on the use of U.S. Cranberries as an ingredient to make delicious snacks, shakes, and other monsoon recipes.



Follow US Cranberries

