



June 2021

Cranberry News

H. PYLORI SCIENTIFIC ACTIVATION PLAN: DOMESTIC UPDATE

Domestic promotion of the CMC’s recent H. pylori clinical trial is in full swing. Pollock Communications is spearheading the program and is targeting consumer outlets, traditional media, social media influencers and trade publications.

To-date, the program has generated nine traditional media placements for a total of more than 215 million impressions and 22 social media placements for a total of 3.6 million impressions. The campaign produced a social media graphic, which will be shared by all influencers in the month of June.

The campaign also includes the development of five recipes: Cranberry smoothie bowl with frozen cranberries, Cranberry slush/granita with a lime/orange zest, Peanut butter granola with dried cranberries and dark chocolate featuring dried cranberries, Cocktail with cranberry juice and floating frozen cranberries, Sparkling ginger and lime cranberry drink with cranberry juice.



As part of the domestic scientific activation plan, Instagram influencer Charlotte Martin (80,000+ followers) posted a trail mix energy bite with dried cranberries recipe on May 17.

Apr	May	June	July	Aug	Sept	Oct
<ul style="list-style-type: none"> Media Materials Finalized: • Briefs • Key messages • Media outreach strategy • Pitches • Media list • Coverage trackers 	<ul style="list-style-type: none"> Social Media: • Finalized hashtag • Finalizing social media graphic • Approved content for digital influencers • Instagram posts & stories go live 	<ul style="list-style-type: none"> Draft pitch for cranberry harvest season Instagram posts & stories go live 				<ul style="list-style-type: none"> Results & Recap Report
<p>PCI to conduct targeted media outreach with RD spokespeople & nutrition biochemist</p>			<p>PCI to conduct targeted media outreach with spokesperson timed for cranberry harvest season</p>			
<p>Ongoing Monitoring + Reporting</p>						



SAVE THE DATE - SUMMER MEETING
 AUGUST 9 & 10, 2021
 MINNEAPOLIS, MINNESOTA

CMC TO HOST A HYBRID-STYLE SUMMER MEETING

The CMC’s annual summer meeting will take place Monday, August 9 and Tuesday, August 10, 2021. Due to COVID-19, the CMC will host a hybrid-style meeting, which will entail an in-person option at the Radisson Blue Mall of America hotel in Minneapolis, MN and a virtual participation option via Zoom.

The Cranberry Institute will host its annual meeting the morning of Monday, August 9. The CMC will hold its strategic plan session the afternoon of Monday, August 9. A full-day CMC meeting will take place Tuesday, August 10. The WSCGA’s 2021 Summer Meeting & Field Day hosted by Whittlesey Cranberry in Wisconsin Rapids (~3 hour-drive from Minneapolis) will take place Wednesday, August 11. The CMC will not be coordinating travel to this event, however there are rental car locations in close proximity to the hotel.

Visit www.uscranberries.com for more meeting information.

CMC BOARD OF DIRECTORS

August 1, 2020 - July 31, 2022

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CMC OFFICE STAFF

Michelle Hogan, *Executive Director*

Karen Cahill, *Marketing Director*

Dotty Pipher, *Senior Executive Assistant*

US CRANBERRIES INTERNATIONAL MARKETING UPDATE

India

Planned promotion activities in India have stalled because of the COVID-19 situation. Physical retail promotions are being rescheduled for July/August 2021. It is expected that the virus surge will reverse by then, as a large part of population will be vaccinated.

E-commerce sales are seeing tremendous growth in India as most consumers are ordering from home. Promotions for US Cranberries have been lined up with the largest platforms like Big Basket and Milk Basket for June 2021. These promotions were planned for May but the e-commerce operators need additional time to sort out their supply chains given the COVID restrictions.

US Cranberry importers and distributors have been kept informed about all promotions and the changes. Key importers have reported a sizable increase in demand.

China

In April, CMC continued collaborating with the recipe-sharing app Douguo through banner ads linking to a customized page, which included three cranberry recipe videos, a picture-based recipe with an introduction to cranberries, and further information about the promotion. Links to buy cranberries on JD.com and Taobao were also clearly highlighted to users on the Douguo event page, garnering 946,943 clicks. In total, 297 high quality, innovative cranberry recipes were developed by 131 Douguo users.

On April 6, an event celebrating the U.S. – China Agricultural Friends of Southwest China was organized in Chengdu by the US ATO in Beijing to maintain and strengthen U.S.-China relationships in Southwest China in light of the closure of the U.S. consulate in Chengdu. CMC displayed various cranberry products, offered free tasting, handed out brochures, and cultivated several business contacts. Attendees enjoyed various food and beverages made using U.S. ingredients – cranberry soda, cranberry cookies, and U.S. beef with cranberry sauce were featured as part of this reception.

In April, eight ads were designed and advertised on WeChat, promoting cranberries and cranberry juice and linked to CMC’s official WeChat account. The target demographic for these ads was 23- to 55-year-old women interested in health foods and beverages who were highly educated and living in first and second-tier cities. Running from April 12 to 25, this activity generated 2,532,281 impressions, 16,721 click-throughs and 2,571 new followers to CMC’s WeChat account.

On the afternoon of April 21, Agricultural Trade Office (ATO) Guangzhou organized a U.S. Agricultural Food and Beverage Mini Table-top Show at the ANUFOOD China Trade Show in Shenzhen. CMC displayed cranberry products, provided tastings, distributed brochures, and made several business contacts. On behalf of CMC, Sarah Jia gave a brief introduction about cranberries and received a certificate of appreciation from ATO Guangzhou.

From April 27 to 30, CMC hosted an exhibition at Bakery China in Shanghai - the largest global event serving the entire value chain for the bakery and confectionery market. CMC’s exhibition featured a customized booth showcasing cranberry products, with a particular focus on cranberry beverages. In addition to SDCs, sauce, frozen, and seeds, different types of cranberry beverages made using cranberry puree and concentrate, such as cranberry-lime sparkling water and cranberry peach tea, were demonstrated on-site by the invited beverage master.

Around 2,800 copies of various CMC brochures were distributed, one relevant trade lead was generated, and 144 business cards were collected. Most questions asked by visitors at CMC’s booth were about purchase channels and product prices, and visitors were especially inspired by the displayed cranberry recipe books and on-site demonstrations. Given that dried cranberries are more popular in the baking industry than among consumers, visitors preferred to sample and learn more about cranberry beverages.

FIVE-YEAR COMPARISON REPORT: SECOND QUARTER NUMBERS INCLUDING CY2019

CY2020 second quarter summary reports, as well as several comparison reports, can be found by clicking “Data and Reports” under the “Industry” menu on www.uscranberries.com. The chart below represents data from September 1 to April 30 of each year. A few general observations comparing the 2019 vs. 2020 data are as follows:

- Foreign acquired fruit increased 26.6%
- Domestic sales down 573 bbls
- Foreign sales decreased 18.6%
- Shrinkage increased 33.5%
- Total ending inventory decreased 3.7% (fruit in freezers +5.8%, processed +11.5%, concentrate -27%).

	2016	2017	2018	2019	2020
Beginning Inventory					
Barrels Unfrozen:	0	0	0	0	0
Barrels in Freezers:	2,773,027	4,175,273	2,281,453	2,484,365	1,726,311
Barrels in Process Form:	2,024,414	1,842,736	2,016,816	1,671,832	1,020,448
Barrels in Concentrate Form:	3,508,002	3,727,372	2,586,624	1,780,092	2,017,370
Inventory Before Adjustments:	8,305,443	9,745,381	6,884,893	5,936,289	4,764,129
Adjustments:	-5,975	253,802	-267	5,821	1,203
Adjusted Beginning Inventory:	8,299,468	9,999,183	6,884,626	5,942,110	4,765,332
Sources					
Massachusetts, Rhode Island, Connecticut:	2,102,566	1,758,592	2,237,243	2,015,713	1,876,891
New Jersey:	575,192	422,830	447,592	447,723	513,801
Oregon:	379,458	474,359	544,464	515,038	546,251
Washington:	159,475	130,684	180,778	141,863	185,686
Wisconsin, Michigan, Minnesota:	6,040,837	5,335,325	5,271,545	4,485,133	4,609,882
Other states:	217	196	0	0	0
Total Domestic Acquired:	9,257,745	8,121,986	8,681,622	7,605,470	7,732,511
Foreign Acquired - Fresh:	86,119	86,617	76,013	75,156	41,704
Foreign Acquired - Processed:	1,922,084	1,187,445	1,837,957	1,252,032	1,693,047
Foreign Acquired - Concentrate:	27,052	70,796	11,835	47,742	6,070
Total Barrels Acquired:	11,293,000	9,466,844	10,607,427	8,980,400	9,473,332
Barrels in Transit:	-77,222	14,822	87,959	98,216	104,330
Sales					
Domestic Sales - Fresh:	288,697	284,672	281,317	281,392	285,814
Domestic Sales - Processed:	4,061,229	4,389,241	3,612,966	4,015,257	4,036,313
Domestic Sales - Concentrate:	0	0	712,680	713,585	706,403
Sold to Government:	343,280	71,599	45,847	37,588	18,719
Total Domestic Sales:	4,693,206	4,745,512	4,652,810	5,047,822	5,047,249
Foreign Sales Fresh:	43,821	45,273	47,304	49,572	42,788
Foreign Sales Processed:	1,577,749	1,894,604	2,139,613	1,747,439	1,183,922
Foreign Sales Concentrate:	390,442	354,389	269,413	457,738	608,413
Total Sales:	6,705,218	7,039,778	7,109,140	7,302,571	6,882,372
Shrinkage:	123,821	389,908	924,495	85,587	114,268
Total Sales & Shrinkage:	6,829,039	7,429,686	8,033,635	7,388,158	6,996,640
Ending Inventory					
Barrels Unfrozen:	758	0	0	0	0
Barrels in Freezers:	6,901,820	5,422,649	5,696,057	4,241,704	4,489,212
Barrels in Process Form:	1,959,327	2,460,504	1,434,689	984,605	1,097,793
Barrels in Concentrate Form:	3,824,301	4,168,010	2,415,631	2,406,259	1,759,349
Total Barrels in Inventory:	12,686,206	12,051,163	9,546,377	7,632,568	7,346,354



2527 Cranberry Highway
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Return Service Requested

WHAT'S INSIDE



2 INTERNATIONAL MARKETING

3 Q2 SUMMARY REPORT

June 2021

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U.S. & EU TO ADDRESS STEEL & ALUMINUM EXCESS CAPACITY

In a joint statement on May 17, the U.S. and EU announced the start of discussions to address global steel and aluminum excess capacity. According to the statement: “They agreed to enter into discussions on the mutual resolution of concerns in this area that addresses steel and aluminum excess capacity and the deployment of effective solutions, including appropriate trade measures, to preserve our critical industries. To ensure the most constructive environment for these joint efforts, they agreed to avoid changes on these issues that negatively affect bilateral trade. They committed to engaging in these discussions expeditiously to find solutions before the end of the year...”

In June 2018, the EU imposed a 25% tariff on cranberry concentrate in response to the U.S. Section 232 tariffs on steel and aluminum in June 2018. The tariff has had a negative impact on exports of U.S cranberry concentrate to the EU, which have declined from \$41 million in 2017 to approximately \$5 million in 2020. Also that June, the EU proposed a 25% tariff on dried cranberries that would be implemented on June 1, 2021. The U.S. cranberry industry exported \$73 million in dried cranberries to Europe in 2020. Imposition of this tariff in June would have a significant impact on exports.

Fortunately, due to the commencement of discussions, the U.S. and the EU have agreed to temporary halt further tariffs while negotiations continue. The EU’s existing 25% tariff on cranberry concentrate remains in place, but the EU’s proposed additional 25% EU tariff on U.S. SDCs from June 1 has been avoided at least through November 30, 2021.

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