



September 2022 Cranberry News

CRANBERRY MARKETING COMMITTEE HOSTS PRODUCTIVE HYBRID SUMMER MEETING

CMC hosted its annual summer meeting August 16 and 17, 2022, with approximately 40 attending in person in Galloway, New Jersey and 22 participating virtually via Zoom webinar.

Tuesday's all-day meeting contained updates on a variety of topics covered in more depth in meeting book materials, all of which can be accessed on the CMC's website: www.uscranberries.com.

Brian Wick updated the Committee on CCCGA initiatives including CranFest 2022, a two-day festive celebration of the cranberry in November. Bill Frantz spoke about CI's research initiatives and noted that it's more important than ever for the industry to have strong data on pesticide use and patterns to submit to the agencies that defend uses of certain chemicals.

Tom Lochner reported on WSCGA initiatives including the use of the new Wisconsin Cranberry Research Station,

which is up and running on 140 acres with 25.29 commercial acres, 2.1 acres in variety trials, and 1.36 acres for replicated trials.

Jill Amundson gave a Nominating Subcommittee update that included the advertisement of the public member position seeking expertise in sales/marketing/economics, health research, or health/wellness/nutrition. CMC received 22 applicants, which staff and the subcommittee will narrow down and present to the full Committee before the end of the year. It is the goal to have new public members seated for the February meeting.

Danny Raulerson presented the CY21 third quarter production and sales numbers. The Committee also went through its process of estimating CY22 U.S. production, which is expected to total 8,319,000 bbls. See page

2 for the full 2022-2023 Marketing Policy.

Karen Cahill presented an update on domestic marketing activities since the February meeting, along with a proposal for 2022-2023, which includes partnerships with Amazon, Kroger, and the National Mango Board (pg. 6).

Sarah Gelpi-Hooker and Shelby Sackett of BCI presented an update on the international marketing program (pg. 5). Matt Lantz and Adam Hollowell of BCI went over trade issues impacting the cranberry industry and Alinne Oliveira discussed MRLs (pg. 3).

Finally, the Committee approved the revised 2021-2026 Strategic Plan Action Item document, with work generated from the action items to be presented in February 2023 (pg. 7).

To download meeting materials visit uscranberries.com and scroll down to Web Resources



**CMC'S ANNUAL
WINTER MEETING**

FEB. 16 & 17, 2023

WASHINGTON, DC



Cranberry Marketing Committee members at the 2022 Annual Summer Meeting in Galloway, NJ (Dawn Gates-Allen, David Bartling, Steve White and Secketa Lewis participated virtually).

CRANBERRY MARKETING COMMITTEE 2022 CROP YEAR ESTIMATE

2022 Domestic Cranberry Production Estimate Updated 8/16/2022

	1,000 barrels
Massachusetts	1,889
New Jersey	558
Wisconsin	5,220
Oregon	490
Washington	163
2022 Domestic Production Estimate	8,319

2022 Crop Year Marketing Policy (9/01/2022 - 8/31/2023) Updated 8/16/2022

		1,000 Barrels	
1	Estimated Carry-In	3,106	→ From 'Total Available Supply and Sales', may be adjusted based on Committee input
	<i>Production & Acquired</i>		
2	Estimated Domestic Production	8,319	→ From Committee estimates
3	Estimated Foreign Acquired	1,725	→ From Committee estimates
4	Total Production & Acquisitions (2+3)	10,044	→ Sum of Estimated Domestic Production and Estimated Foreign Acquired
5	Available Supply (1+4)	13,151	→ Sum of Total Production & Acquisitions and Estimated Carry-in
	<i>Estimated Shrinkage</i>		
6	2% of Carry-in (1)	62	→ 2% of Estimated Carry-In
7	4% Estimated Production/Acquisitions (4)	402	→ 4% of Total Production & Acquisitions
8	Estimated Shrinkage (6+7)	464	→ Sum of Estimated Carry-in Shrinkage and Estimated Total Production & Acquisitions
9	Adjusted Supply (5-8)	12,687	→ Estimated Shrinkage deducted from Available Supply
	<i>Sales & Usage</i>		
10	Fresh Fruit Sales	331	→ From Committee estimates
11	Processing Fruit Usage	8,929	→ From Committee estimates
12	Total Sales/Usage (10+11)	9,260	→ Sum of Fresh Fruit Sales and Processing Fruit Usage
13	Estimated Adjusted Carry-Over	3,427	→ Total Sales/Usage deducted from Adjusted Supply
14	Inventory as a % of sales	35%	

UNITED KINGDOM TO WITHDRAW CHLOROTHALONIL (BRAVO) MRL STARTING MARCH 2023

Earlier this year, Great Britain proposed to withdraw the MRL for Bravo (chlorothalonil) as this substance is no longer authorized for use in the United Kingdom. When the UK left the European Union and established its own MRL review process, it was hoped that they would return to a more moderate risk-based approach and be open to maintaining MRLs for

which there are Codex MRLs established.

Last Spring, the Cranberry Institute and USDA's Foreign Agricultural Service provided comments to Great Britain on their proposed MRL withdrawal and submitted strong evidence for keeping the cranberry MRL. The EU, using a risk-based approach, had established the cranberry MRL at an acceptable level in 2016 using new data generated

by the industry before they withdrew it in 2020 using a hazard-based approach.

Despite these efforts however, on September 5, the UK published its final decision withdrawing the chlorothalonil MRL on cranberries (and all other crops). ***In this case, the default MRL (0.01 ppm) will apply for chlorothalonil on cranberries in Great Britain starting on March 5, 2023.***

CMC representatives

will meet with the head of the pesticide division at Great Britain's HSE to better understand the decision process and to discuss potential ways of establishing this MRL again, perhaps via the new Codex MRL or whether an import application would be viable. Additionally, Alinne Oliviera will be in the UK in November to discuss hazard-based assessments and other issues with HSE.

Market	Source	Commodity	Active Ingredient	U.S. MRL	Codex MRL	Current MRL	Pending MRL
Great Britain	GB MRL 2022/012	Cranberry	Chlorothalonil (Bravo)	5	5 <i>proposed</i> 15	5	0.01 March 5, 2023

Download MRL and Trade Policy reports at uscranberries.com > Web Resources > Annual Meeting Materials

CHINA DECREE 248 REGULATION CREATES CHALLENGES

On January 1, 2022, China enacted Decree 248, imposing sweeping facility registration and new product labeling requirements for most imported processed food products.

China's Decree 248 requires overseas food manufacturers and storage facilities to register with Chinese authorities and to label a new registration number on the inner and outer packaging of foods manufactured and exported to China after January 1, 2022. This includes facilities manufacturing dried cranberries, cranberry concentrate, frozen cranberries, and cranberry juice drinks.

Since China first announced the regulation in April 2021, CMC worked closely with USDA to understand the Chinese proposals and ensure industry members were informed of the regulatory impacts. In advance of the decree implementation, and per guidance circulated and confirmed by the U.S. Embassy in Beijing, it appeared that most cranberry product lines were not within scope of Decree 248. This changed overnight in February 2022 when China released an updated list of products subject to the regulation, which included

sweetened dried cranberries, frozen cranberries, and juice drinks.

This change was enacted without advanced notice or consultation with overseas stakeholders and resulted in customs issues for shipments of U.S. cranberry products arriving in China. With the assistance of the U.S. Embassy in Beijing, CMC was able to secure the entry of the affected shipments into China; however, this situation reflects the confused and disruptive nature of China's rollout of this regulation.

The situation has since eased. CMC has not received reports of further issues with shipments but continues to monitor the situation. The risk of future disruption remains as China can alter the scope of Decree 248 at any time. In recent dialogue between BCI and the U.S. Embassy in Beijing, officials noted that they expect Decree 248 to be a long-running consideration for suppliers to the market.

Suppliers of U.S. cranberry products to China are advised to review the information shared and ensure full compliance with Decree 248. CMC is available to provide guidance on Decree 248 requirements as needed.

AUSTRALIAN MRLS

The CMC has had tremendous success in obtaining cranberry MRLs in Australia. Since 2009, the CMC has successfully pursued over 50 cranberry MRLs through Australia's MRL harmonization request system. Currently, there are 79 established MRLs that apply to cranberries in Australia. During the 2022 MRL harmonization period, the CMC requested harmonization for the cranberry bifenthrin (Fanfare) import tolerance.

Since January 2022, Australia has established one and proposed five new cranberry MRLs, including three that are a result of the industry's harmonization requested in 2021:

- Acequinocyl
- Cyclaniliprole (Harvanta/Verdepryn)
- Etofenprox
- Fenpropathrin (Danitol)
- Mefentrifluconazole (Revysol)
- Rimsulfuron (Matrix)

OUTGOING COMMITTEE MEMBERS RECOGNIZED

In addition to welcoming the new slate of members listed to the left, the CMC formally recognized and thanked outgoing members at its recent annual summer meeting. These individuals have volunteered 49 years collectively in service to the U.S. cranberry industry: George Rogers (MA) and Parker Mauck (MA) who both served on the Committee since 2010; Eric J. Pontiff (MA) and Martin “Ty” Vincent of Bandon, Ore., who both served since 2020; Stephen Lee IV of Chatsworth, N.J., who served since 2015; Doug Rifleman of Wisconsin Rapids, Wis., who served since 2018; Vicki Nemitz of Warrens, Wis, who served since 2012; and Dan Hamilton of Evergreen, Colo., who served since February 2022.

A new slate of officers was also elected: Brad Morse (Chair), Dawn Gates-Allen (Vice Chair), Jill Amundson (Secretary/Treasurer), and James Rezendes (Past Chair).



CONSIDER PARTICIPATION ON A CMC SUBCOMMITTEE

The CMC has a variety of standing subcommittees listed below. Subcommittees typically meet via video or telephone conference a few times a year depending on what projects are being worked on. This is a great opportunity to add your voice and perspective to important issues affecting the cranberry industry and/or Committee. You do not have to be a member of the Committee to be on a subcommittee.

If you are interested in participating, please contact Danny Raulerson at draulerson@uscranberries.com or 508-291-1510, ext. 1.

- Officers
- Audit
- MRL
- Tariff
- Supply/Demand
- RFP Review
- Data Collection Review
- Domestic Marketing
- Health Review
- Nominating
- Assessment
- Increase Review
- Government Purchases

CMC BOARD OF DIRECTORS

August 1, 2022 - July 31, 2024

DISTRICT 1 (MA, RI, CT)

Major Cooperative

Adrienne Mollor (Member)

Brad Morse (Member)

Jill Ward (Alternate)

Other Than Major Cooperative

James Rezendes (Member)

Patrick Rhodes (Member)

Dawn Gates-Allen (Alternate)

DISTRICT 2 (NJ)

Major Cooperative

John “Mike” Haines (Member)

Jeff Whalen (Alternate)

Other Than Major Cooperative

William R. Poinsett (Member)

Thomas Gerber (Alternate)

DISTRICT 3 (WI, MI, MN)

Major Cooperative

Jill Amundson (Member)

David Bartling (Member)

Mike Gnewikow (Alternate)

Other Than Major Cooperative

Suzanne Arendt (Member)

Trevor Gardner (Member)

Wayne “Butch” Gardner (Alternate)

DISTRICT 4 (OR, WA)

Major Cooperative

Jack Stein (Member)

Kevin Hatton (Alternate)

Other Than Major Cooperative

Nicholas Puhl (Member)

AT-LARGE

Celina Li (Member)

Seckeita Lewis (Alternate)

PUBLIC

Steven White, Ph.D. (Member)

Thomas O’Guinn, Ph.D. (Alternate)

CMC OFFICE STAFF

Danny Raulerson, *Executive Director*

Karen Cahill, *Marketing Director*

Dotty Pipher, *Senior Executive Assistant*

2020-2021 U.S. CRANBERRY EXPORTS INCREASED 5% - TOTALING 3.36 MILLION BARRELS

The Cranberry Marketing Committee’s international market development program is coming off a strong year, where exports of U.S. cranberries increased by 5% for the 2020-2021 season totaling 3.36 million 100-lb barrel equivalents. **Projected export results for the 2021-2022 season indicate a 7% overall increase in exports at a record 3.60 million 100-lb barrel equivalents.** In light of global economic and shipping/logistics challenges, as well as continued COVID-19 impacts in some markets, this is a notable accomplishment for the U.S. cranberry industry.

In 2022, CMC is continuing to conduct market development work in its existing target markets of China and India. In China, some programming has been hampered by widespread COVID-19 lockdowns and restrictions on the movement of people. Many trade shows were postponed to the second half of the year or to 2023. Despite these challenges, digital and social media impressions between January and June already totaled 127.8 million—representing 73% of the goal for the entire year. Positively, **export shipments to China are estimated to have grown from 182,728 barrels in 2020-21 to 205,341 barrels in 2021-22, an increase of 7%.** CMC aims to continue supporting this progress in the second half of the calendar year and 2022-23 with robust campaigns that highlight the availability, versatility, and health benefits of U.S. cranberries.

Meanwhile, in India, activities are in full swing. The first half of the year

Five Year Export Data – Target Markets							
	2017-18	2018-19	2019-20	2020-21	2021-22	% Change (Past Year)	% Change (5-year)
China	470,094	358,313	277,459	182,728	205,341	12%	-56%
India	12,132	23,486	17,681	10,116	19,174	90%	58%
Brazil	6,424	1,461	6,800	7,511	16,819	124%	162%
Colombia	23,020	45,236	25,349	28,223	40,252	43%	75%
Malaysia	6,208	60,371	62,013	7,663	7,431	-3%	20%
Singapore	6,000	6,405	9,232	6,435	12,598	96%	110%

*Aggregate figures from annual CMC summer export survey

has included promotions such as in-store and e-commerce campaigns, trade show participation, and print and digital advertising. The conducted retail promotions resulted in a 75% increase in sales of U.S. cranberry products, on average. These and other activities, alongside handlers’ own efforts, are also contributing to increased export shipments. In 2021-22, exports to India are estimated to total 19,174 barrels. While still a small export destination overall, it is important to note that **exports to the market have grown by 58% since CMC initiated a program in India in 2017-18.** Looking to the second half of this program year, CMC has a robust slate of promotions timed with India’s busy holiday and festive season, to drive continued export growth.

Beyond China and India, in 2022, CMC is also expanding its international marketing efforts to include the targeted regions of South America (Brazil/

Colombia) and Southeast Asia (Malaysia/Singapore). By diversifying its target markets, CMC is able to offset some of the risks and difficulties it has faced in both the China and India markets, while making inroads in new regions to drive future export expansion. In-market representatives in each of the new regions have been selected and are currently working with CMC to kick off the new programs. Core activities to take place between August and December include trade seminars, trade show participation, retail promotions, and social media.

Download the full summer meeting International Marketing reports at uscranberries.com > Web Resources > Annual Meeting Materials

UPCOMING INTERNATIONAL ACTIVITY CALENDAR

September

- In-store Promotion with Metro Cash & Carry (India)
- Promotion with the Food Bloggers Association of India
- FHA Food & Beverage Trade Show (Singapore)
- Bakery China (Shanghai, China)
- Food Ingredients India (Bangalore)
- China International Tree Nuts Conference (China)
- Importer Webinars (South America)
- Media Events (South America)
- Independence Day Promotion (Beijing, Wuhan, Guangzhou, China)
- Menu Promotion with Heji Xiaocai Restaurant China (Shanghai, China)
- Online Health and Nutrition Lectures (China)

October

- E-commerce Promotions with Big Basket and Milk Basket (India)
- Indian Ice Cream Congress and Expo (IICE) 2022 (Hyderabad)
- Expo La Barra Trade Show (Colombia)
- SIAL China (Shenzhen, China)
- Advertising Campaign (South America)
- Technical Trade Trainings (South America)
- Importer Seminars (Southeast Asia)
- Nationwide Dried Cranberries Promotion (China)
- Retail Promotions (China)

A full international activity calendar is available at uscranberries.com > Industry > Global Marketing

2022-2023 DOMESTIC MARKETING TO INCLUDE AMAZON, KROGER & MANGO PARTNERSHIPS

Piggybacking on the success of CMC's two previous partnerships, the 2022-2023 domestic marketing program will feature an 18-week Amazon display ad campaign. The CMC executed a 16-week digital display ad campaign in 2020 that generated 14,122,031 impressions, totaled \$182,433.28 in sales (\$2.38 return on ad spend) and resulted in 27,814 units sold. The purchase rate was 0.12%, which is well above Amazon's grocery industry benchmark of 0.021%. Additionally, 26.94% of the purchases were from new-to-brand shoppers who had not purchased these cranberry products in the previous year. In 2021, CMC's 9-week streaming ad program generated more than 1 million impressions with a video completion rate of 98% (Amazon benchmark =

97%). The 13-week display ad program resulted in \$59,079 in product sales, resulting in a return on ad spend of \$1.82 (Amazon benchmark = \$1.12). Additionally, 13% of the purchases from the display ad campaign were from new-to-brand shoppers.

Similar to the Amazon partnership, a Kroger partnership will feature off-site display ads. Upon clicking the ad, shoppers will arrive at a CMC landing page featuring a range of products from participating handlers. This particular partnership will be executed in the fall to coincide with fresh cranberry season. These ads can be targeted to a very specific audience, reducing unwanted impressions. Results can also be directly connected to sales at Kroger.com.

The National Mango Board

approached CMC regarding a potential retail partnership for the end of 2022. This will be an in-store retail campaign in the produce section of a national chain. The goal is to put together an effective retail program that not only moves more mangos and cranberries, but shows the versatility and nutritional benefits of a cran-mango combo.

Scheduled for fall 2023, CMC will host chefs for cranberry harvest and have them create recipes and social media content from that experience. CMC is considering proposals from two organizations that work with chefs: 1) At its core, Chef's Roll is a highly specialized community with unique influence, access and credibility within the professional chef world and F&B marketplace, and 2) The first firm of its kind, EATYALL

uniquely builds authentic chef communities on behalf of producer clients, leading to sustainable access to exclusive buying power & influence.

At the invitation of USDA, staff will travel to Washington, D.C., October 7, 2022 to participate in their VegU program, a popular fruit and vegetable education program launched at the USDA Farmers Market in 2016. Visitors can receive a "VegU-cation" and learn how to grow, pick, prepare and store a different fruit or vegetable by attending short 10-minute classes in the VegU tent. CMC participated in this event in 2019, performing five live demonstrations, distributing more than 400 fresh cranberry salsa samples and several hundred recipe cards, as well as participating in a half-hour USDA radio interview.



NEW FRONT OF PACK LABELING FOR PACKAGED FOOD PRODUCTS IN CANADA

As of July 20, 2022, Health Canada will require new front-of-pack labeling regulations for packaged foods that are high in saturated fat, sugars and/or sodium. Implementation is subject to a 3.5 year transition period that ends December 31, 2025.

The regulation will apply to the following prepackaged foods:

1. That meet or exceed 15% of the daily value (DV) of saturated fat, sugars, or sodium
2. That have a small reference amount (≤ 30 g or mL) and meet or exceed 10% DV of saturated fat, sugars or sodium
3. That are prepackaged main dishes with a reference amount of ≥ 200 g and that meet or exceed 30% DV of saturated fat, sugars or sodium

Summarized information and visuals of the FOP labels can be found on the Health Canada website.

Notable exemptions to the FOP regulation include:

- Raw, single ingredient whole or cut fruits that are fresh, frozen, canned, or dried
- Foods that are not sold directly to consumers
- Packaged individual portions that are only intended to be served by a restaurant or other commercial enterprise to accompany meals or snacks

CMC CONTINUES ITS LONG-RANGE STRATEGIC PLANNING PROCESS AT SUMMER MEETING

At its annual summer meeting, the Committee went through a revised 2021-2026 Strategic Plan Action Item document. While the numbered priorities had been approved at the 2022 February meeting, the action items were approved in August.

1. Demand Generation: Increase consumption and awareness globally by focusing on key markets, consumer insights and third-party influencers with the highest impact.

Action Items:

- Explore and identify the merits of the domestic marketing program using the research and marketing information obtained by the Cranberry Marketing Committee to educate and promote U.S. cranberries and cranberry products.
- Explore and identify international markets, assign financial and contractual resources to create a marketing program to implement for the purpose of increasing international marketing opportunities.
- Identify and seek funding sources required to implement the desired generic promotional programs.
- Use 2022 Kaiser FAIR Evaluation criteria and handler surveys to determine key target markets and resource allocation percentages.
- Preliminary findings should be presented to the Committee in February 2023 and a final decision should be made in August 2023.

2. Research: Fund research that expands the understanding of health benefits associated with cranberries, specifically building upon past body of work toward a health claim.

Action Items:

- Utilize a process to coordinate the Cranberry Marketing Committee health research priorities with handlers and the Cranberry Institute to produce efficient, targeted, research initiatives that benefit the U.S. cranberry industry.
- The Cranberry Marketing Committee should define the portion of the annual budget that will be targeted for health research. The budget and/or the actual amounts spent should be flexible to be able to address proposed research projects that the Cranberry Marketing Committee believes will benefit the industry.
- Research should be conducted with the purpose of achieving the goal of identifying positive benefits to the consumption of U.S. cranberry products.

3. Trade Policy & MRL Monitoring: Engage in monitoring and outreach to educate industry of any barriers that may negatively affect exports.

Action Items:

- Monitor international maximum residue level requirements (MRL) and inform U.S. cranberry producers, handlers and industry associations.
- Monitor international trade tariffs and inform U.S. cranberry producers, handlers and industry associations of any direct and indirect trade barriers that exist with countries importing U.S. cranberries and cranberry products.
- Provide information to producers, handlers and industry organizations so they can address challenges presented by trade policy issues.

4. Data Collection: Obtain and disseminate industry-wide data to provide inventory, crop forecasting and sales trends.

Action Items:

- Collect and provide data to the USDA and the U.S. cranberry industry regarding inventory, crop forecasting and sales trends.
- The Data Collection Review Subcommittee shall review the current methodology catalog of the data collection processes to determine the accuracy and if the current data is relevant to the industry by conducting a formal evaluation process to identify industry needs related to data being collected.
- Preliminary findings should be presented to the Committee in February 2023 and a final decision should be made in August 2023.

5. Industry Alignment: Work with other industry organizations to identify and resolve any areas of unnecessary overlap or gap.

Action Items:

- Identify areas to collaborate with the industry organizations to reduce or eliminate duplication and financial resources expended on marketing, research and education.
- Document current Cranberry Marketing Committee activities that are coordinated with other industry organizations.
- Identify successful models, processes that need improvements, and gaps that need to be addressed within the Cranberry Marketing Committee in order to strengthen the organization and the industry.

The Cranberry Marketing Committee should consider the following for the implementation of this Strategic Plan: a process for SMART, the acronym outlines a strategy for reaching any objective and goals. SMART goals are Specific, Measurable, Achievable, Relevant, and anchored within a Time Frame.





2527 Cranberry Highway
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Wareham, MA 02571

Return Service Requested

<<BPName>>
<<Grower Name>>
<<Address Line1>>
<<Address Line2>>
<<City>>, <<State>> <<Zipcode>>



- 2 **CY22 ESTIMATE & MARKETING POLICY**
- 3 **MRL & TRADE POLICY**
- 4 **NEW COMMITTEE MEMBERS**
- 5 **INTERNATIONAL MARKETING**
- 6 **DOMESTIC MARKETING**
- 7 **STRATEGIC PLAN**

September 2022 Cranberry News

COMMITTEE AGREES TO FUND NEW HEALTH RESEARCH STUDY

At its annual summer meeting, Cranberry Marketing Committee members heard presentations from three principal investigators and discussed the merits of the following health research proposals:

- Professor Louise Dye, School of Food Science & Nutrition & Human Appetite Research Unit (HARU) School of Psychology, University of Leeds, UK - *Effect of cranberries on cognitive function and cardiometabolic indices in overweight/obese – interaction with inflammation and gut microbiome*
- David C. Nieman, DrPH, FACSM, Professor of Biology, Appalachian State University, Director of the Human Performance Lab, North Carolina Research Campus – *Influences of 8-weeks of cranberry juice ingestion on immune health and inflammation in overweight/obese adults: a multi-omics approach*
- Liping Zhao, Department of Biochemistry and Microbiology, School of Environmental and Biological Sciences, Rutgers University - *Protective effect of whole cranberry powder against oxygen-induced dysbiosis of gut microbiota of IBD patients in ex vivo fermentation system*

The Committee voted to allocate up to \$300,000 in support of Zhao's study, which will aim to identify the key gut microbiome members and metabolites which are responsive to cranberry products against oxidative stress, including positive responders and negative responders in IBD patients and healthy controls.

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