

SUNSWEEP Link

Published for the Grower-Owners of Sunsweet Growers Inc. and Sunsweet Dryers

SUMMER 2011

MARKETING UPDATE

Packaging gets innovative and modern new look

Sunsweet is greeting shoppers nationwide with a bold new look, the result of a major packaging redesign. Studies show that 45% of consumers make additional unplanned purchases after seeing products in-store—and now there's no doubt they will be unable to resist the new bags and canisters!

The new packaging has strong shelf presence, making it easy to find. Each item boasts an easy-to-read, modern-looking product identification, with key nutritional attributes clearly highlighted. New graphics portray high quality and good taste, and the depiction of fresh fruit on the front provides natural and fresh appeal that is at the same time is modern and contemporary.

When shown the new packaging in

consumer research, both current and potential new consumers overwhelmingly said they would be more likely to purchase Sunsweet products.

The new packaging started shipping in June and will appear on shelves in the June–August timeframe, with national marketing programs rolling out in August.

It's yet another way that Sunsweet remains out in front of consumer needs and wants through innovation, attracting new users to the dried fruit category. As health and wellness become more important for today's consumer, Sunsweet is setting the stage for continued growth.

More Marketing Updates on back



CROP REPORT

2011 state crop forecast

On June 3, the California Agricultural Statistics Service announced the estimate for the 2011 crop at 122,000 dried tons. A number of very unusual weather events have growers and packers wondering how well this crop will fare with respect to sizing, maturity timing and weather damage offgrade.

There was a fair amount of thinning throughout the state in selected blocks that showed the evidence of more fruit at reference date than could be sized to a profitable level. Most growers reported fruit counts slightly below, or slightly above, optimum levels, which made the thinning decision much more difficult.

Much higher numbers of hail events have also had an effect in scattered and isolated areas. The resulting damage has so far been rather slight to this point. The unusual twists have been a

number of tornadoes across the north end of the state in recent weeks. In some cases, catastrophic damage resulted in some almond and walnut orchards but prune orchards escaped any real damage so far, with the exception of some wind-rubbed fruit scarring.

The real telling tale will be how soon and how rapidly the summer weather pattern arrives. Some growers predict a larger-than-normal fruit drop once high temperatures arrive due to the prolonged cool weather experienced so far since bloom. There are some reports of lighter-than-normal crops, mostly in orchards that bloomed early. Crop set from area to area seems to be fairly even with the further northern counties possibly the heaviest cropped of all.

Will you be ready for harvest?

By Bruce Norton, South District Field Manager

As harvest quickly approaches it's time to think about a few items!

☐ Too many (or few) lot numbers/codenames?

Do I have enough or too many lot numbers or codenames? For tonnage recording purposes, an additional codename is usually all that is required. However, if you must have a separate payment for a block of trees, than you will need a separate lot number. Check with your local field representative to ensure that you have what you need. Remember, there are limits to codenames and lot numbers and in some cases a fee will be applied if you exceed those limits.

☐ Keep on the lookout for brown rot

With this year's late rains and high humidity levels, keep on the lookout for early signs of brown rot in your orchard, particularly if it has a history of brown rot. If you see "strikes" in your orchard, check with your PCA on the best available products to use for control.

☐ Submit proper forms and reports

Don't get caught at the dryer delivering your first load only to be told that you have not turned in your acreage verification report and/or your pesticide usage report (see boxed item, right).

☐ Watch potassium levels

With a larger crop on the trees this year, watch your potassium (K) levels, as they will diminish rapidly on heavy years. Foliar potassium sprays can be applied through July and are very helpful on heavy crops with low (K) levels.

☐ Run the appropriate sizer

Make sure that you are running the appropriate sizer at harvest. Smaller fruit continues to be of lower value, and there is no payment for fruit that is smaller than 92 count. Sometimes an "extra" 1/16" of an inch can make a substantial difference in the amount of D screen that ends up going to the dryer.

☐ Cut out dead and dying limbs and suckers

Prior to harvest, take the time to cut out dead and dying limbs along with suckers. This helps to minimize tree damage, allowing for a cleaner and faster harvest as well as limiting any trash charges that may be incurred at the dryer.

FOR SALE—1982 GMC 2½-ton diesel flatbed truck, dual rear wheels. High mileage but runs very good. Great farm or ranch vehicle for hauling supplies, pulling trailers, spray tank, etc. \$3,000.00 OBO. Contact Melvin Ward at 530-682-8910.

Policy reminders

Following are some reminders of current Sunsweet policies that are often unknown or misunderstood by members:

Membership acreage—Membership in Sunsweet is closed and has been for almost 20 years. New member applications for new acreage memberships are generally not being considered by the Board. Current members generally have the ability to increase their acreage under most conditions but only with Board approval. If you are considering increasing your acreage in any way, contact your field representative BEFORE you make a financial commitment.

Minimum acreage for membership—The minimum acreage for a nonmember purchase of existing Sunsweet acreage is 25 acres of land and a minimum of 75 percent of that acreage currently planted to prunes. The membership application is contingent on several factors and subject to Board approval. Once again, if you are contemplating selling a parcel that meets the above criteria, contact your field rep BEFORE you finalize the sale.

Orchard leases—Membership additions from leased orchards are now subject to Board approval. Member Services has a detailed list of criteria to be met for approval of leased acreage that can be made available to you if you are contemplating a lease arrangement. DO NOT agree to an orchard lease until you are fully aware of the requirements for approval as you may be creating liability for your own membership by breaking policy. Contact your field rep for more details.

Lot numbers and codenames—Each membership is entitled to one lot number and one codename per 100 acres, per county for purposes of accounting and record keeping. Additional code names and/or lot numbers are available for more detailed accounting, but each additional lot number/codename carries a fee of \$250.00 payable from the current year's crop proceeds.

Board approval—Please note that EVERY transaction involving acreage requires Board approval. Do not make changes to your membership acreage with an assumption that it will automatically meet the necessary criteria for approval. Check with your field rep for proper procedures.

Required forms

As harvest approaches, make sure you have submitted your acreage verification form and your completed pesticide application report prior to beginning your harvest. Attempting to deliver to the dryer or the plant without these required forms on file will result in the rejection of that delivery. It is your responsibility to make sure these forms are properly completed and submitted PRIOR to delivering any portion of your crop.

Electronic notification

Several months ago you were notified regarding the possibility of receiving notifications from Sunsweet electronically and a form for your election of that service. We have received a fairly small number of these forms to date. If you misplaced that notice and still want to sign up for electronic notification, you may go to the Sunsweet website at www.sunsweet.com and source that form under the Member Services tab. Please complete and return to Member Services for inclusion in this upcoming program.

2011 scholarship winners

The 2011 Charles T. Yerxa Memorial Scholarship winners are **Kyle Filter** from Yuba City High School and **Trenton Pantaleoni** from Gridley High School. Kyle will be attending the University of Washington in the fall majoring in Ag Business and Trenton will be attending UCLA

majoring in Business Administration.

Kyle is the son of Tim and Lori Filter, of Filter Farms from the Feather River Local and Trenton is the grandson of Steve Pantaleoni from the Butte Local.

Congratulations and good luck to both Kyle and Trenton.

Dryers update

The 2011 crop will see some Dryer staff with new responsibilities. Dan Lima, formerly the manager of the Corning Dryer has taken over the manager's position at the Hamilton City Dryer and walnut huller. Dan has been with Sunsweet for nearly 30 years and is well suited for this task. Jim Larrabee, who was the dryer supervisor at Corning has been named the interim manager of the Corning Dryer and Corning plant. Jim has spent time at the Colusa Dryer, Hamilton City Dryer and for the last two years, the Corning Dryer. We all look forward to both their successes and service to the membership.

Fresh Juice Program

The volume necessary for the 2011 crop Fresh Juice Program at this point is approximately 90% committed. If you believe your crop will have a serious sizing problem or you have an extraordinary offgrade issue, please contact your field

representative to have an orchard inspection done. If a problem does exist, we will place members on the waiting list for juice tonnage on a first come, first served basis for space in this year's program, if any becomes available.

Dryer certification

Although harvest is still three months away, it is never too early to begin preparations to make sure your non-Sunsweet drying facility is ready to pass the dryer certification inspection. Each year there are a small number of drying facilities that fail this inspection because they do not follow the steps outlined in the certification manual. Dryer certification is now strictly a pass/fail proposition and the inspectors will not make repeat visits in an attempt to re-inspect deficient items. If you are a dryer operator, get out your certification manual and begin addressing the items that need improvement. If you dry your crop with another private dehydrator, you should contact them as a reminder about fulfilling the requirements to achieve certification. Sunsweet is not obligated to receive or pay for dried fruit that comes from a non-certified drying facility.

2011 Annual Meeting of Members

The annual meeting of Sunsweet Growers Inc. will be held at 1 p.m. on Wednesday, July 13, 2011, in the Conference Center at its principal office, 901 N. Walton Avenue, Yuba City, California. The purpose of the meeting is to ratify the election of directors and to conduct any other business as may properly come before the meeting.

CONTACT SUNSWEET:

Yuba City Office: 1-800-524-4455

Madera Office: 1-800-343-8362

Butte & Feather River Locals

Steve Rasmussen
Yuba City Office: 530-751-5207
Cell: 530-682-2538

Tehama Local

Mark Gilles
Red Bluff Dryer: 530-527-3377
Cell: 530-682-2451

Yuba Local

Michael Johnson
Marysville Dryer: 530-742-5695
Cell: 530-682-2297

Fresno & Visalia Locals

Bruce Norton
Madera Dryer: 559-673-4140
Cell: 559-352-2590

Vacayolo Local

Mark Ramos
Winters Dryer: 530-661-6172
Cell: 530-682-8754

Glenn Local

Dan Lima
Hamilton City Dryer: 530-865-9595
Cell: 530-682-8103

Member Services Administrative Assistant

Tracy Atondo
Toll-free: 800-524-4455, ext. 276
Direct: 530-751-5276

Grower Accountant

Dave Blanton
Toll-free: 800-524-4455, ext. 301
Direct: 530-751-5301

SUNSWEET DRYERS:

Corning Dryer — 530-824-5854
Jim Larrabee, manager / cell: 530-682-8827

Gridley Dryer — 530-846-5578
Jeff Wilson, manager

Hamilton City Dryer — 530-865-9595
Dan Lima, manager

Live Oak Dryer — 530-695-3525
Matt Jones, manager

Madera Dryer — 559-673-4140
Lynn Ingram, manager

Marysville Dryer — 530-742-5695
Mike Johnson, manager

Red Bluff Dryer — 530-527-3377
Mark Gilles, manager

River Bend Dryer — 530-458-4904
Larry Jennings, manager

Winters Dryer — 530-661-6172
Mark Ramos, manager

Yuba City Dryer — 530-671-2325
Javier De La Cerda, manager



Sunsweet challenges consumers: *Dare to D'Noir*™!

D'Lightful...D'Licious...D'Noir!
Sunsweet's latest taste sensation is now available nationwide and receiving extensive marketing support to drive consumer awareness and trial, delivering increased category sales.

Sunsweet uses a patent-pending method for achieving a fresh, plump and preservative-free prune, which is fast becoming the darling of health-conscious consumers—and anyone looking for a delicious bite to eat.

In a first for the co-op, *Sunsweet* launched a "Dare to D'Noir" challenge on Facebook (www.facebook.com/SunsweetGrowers). The contest, which ended June 17, invited visitors to upload videos demonstrating what they think of the product. Five finalists will be chosen, from whom fans will vote on a winner beginning July 5.

Sunsweet also aired *D'Noir Prunes* TV commercials for six weeks in April, May and June, generating 405 million impressions. The spots introduced *D'Noir* as a new style of prunes ("Our New Plum Masterpiece") that is all-natural, great tasting and provides superfruit nutrition. The campaign is also supported by public relations throughout the year, a strong online presence, a shipper program and newspaper insert in spring and fall 2011, cross couponing with other Sunsweet items and mobile marketing.

"We challenged our Sunsweet operations team to develop *D'Noir Prunes*

without preservatives and the outcome was what may be our best tasting prune yet," said Dane Lance, Sunsweet's chief operating officer. "With our high quality standards, we are dedicated to making the best tasting and healthiest products for our consumers, and that's what makes *Sunsweet* prunes number one in the world."

You'll find *D'Noir Prunes* at Walmart and your favorite super-market or at www.sunsweet.com and at the product's own website, www.SunsweetDnoir.com.



2011 Dryers outlook

Early estimates from our field staff show our 2011 Dryers tonnage to be favorable over last year. This year's crop looks like it will fall in the middle between our 2010 2009 crops, with dryers expecting to dry approximately 155,000 green tons. There were wide variations in crop sets as we have orchards that required mechanical thinning to remove fruit, trees that looked to be about right, and still others that experienced a lighter-than-desired set. In many cases these variations in set were seen within the same orchard.

Expect periods of harvest where most growers will all be delivering at the same time. Some restrictions during these peak times should be expected for your daily deliveries at most, if not all, of our dryer locations. Other than some isolated hail damage, off-grade levels are looking good at this time.

Each crop seems to bring a Million Dollar Question and 2011 has continued the tradition, the answer to which only time will tell. This year's weather pattern has been both unpredictable and very abnormal since bloom. What effects, if any, will be seen—either negative or positive—as to fruit size, brix and quality will be this year's Million Dollar Question. If you see any unusual developments in your crop, please contact your field representative and advise him.