

FUTURE TRENDS FOR THE SALES, MARKETING, PACKAGING AND CONSUMPTION OF AVOCADOS

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Calavo

SINCE 1924

The First Name in Avocados™

Pathmark Starting Prosperous New Chapter

Webvan: Aggressive Strategies, Optimistic Forecast

Kroger Realizing Synergies Ahead of Schedule

7-Eleven Adding New Items to Convenience Mix

Delhaize Prepares for Global Restructuring

Spartan Grows Sales Despite D&W Departure

Safeway Expects Payoff in Two Years From B2B

Nash Finch Planning to Grow Retail

Portson's Looks to Boost Sales

Consolidation isn't the game in town. Food

Wall Street to Sit and Wait for Retail Results: Analyst

Whole Foods Lowers Sales Expectations

Supermarket companies are making it clear that growth involves more than just

presentations at the Credit Suisse First Boston Food Drug Retailing Conferen

Supervalu: Retail Gains to Offset Kmart Loss

Supermarkets Top 10






































	Share	Sales*
Wal-Mart Supercenters	11.1%	\$57.2
Kroger	9.6%	\$49.2
Albertson's	7.1%	\$36.4
Safeway	6.1%	\$33.2
Ahold USA	5.3%	\$27.5
Supervalu	4.5%	\$23.3
Fleming	2.9%	\$14.7
Publix Super Markets	2.7%	\$13.8
Winn-Dixie Stores	2.7%	\$13.8
Loblaw Cos.	2.7%	\$13.8
Delhaize America	2.5%	\$12.7

Sales in billions
of dollars

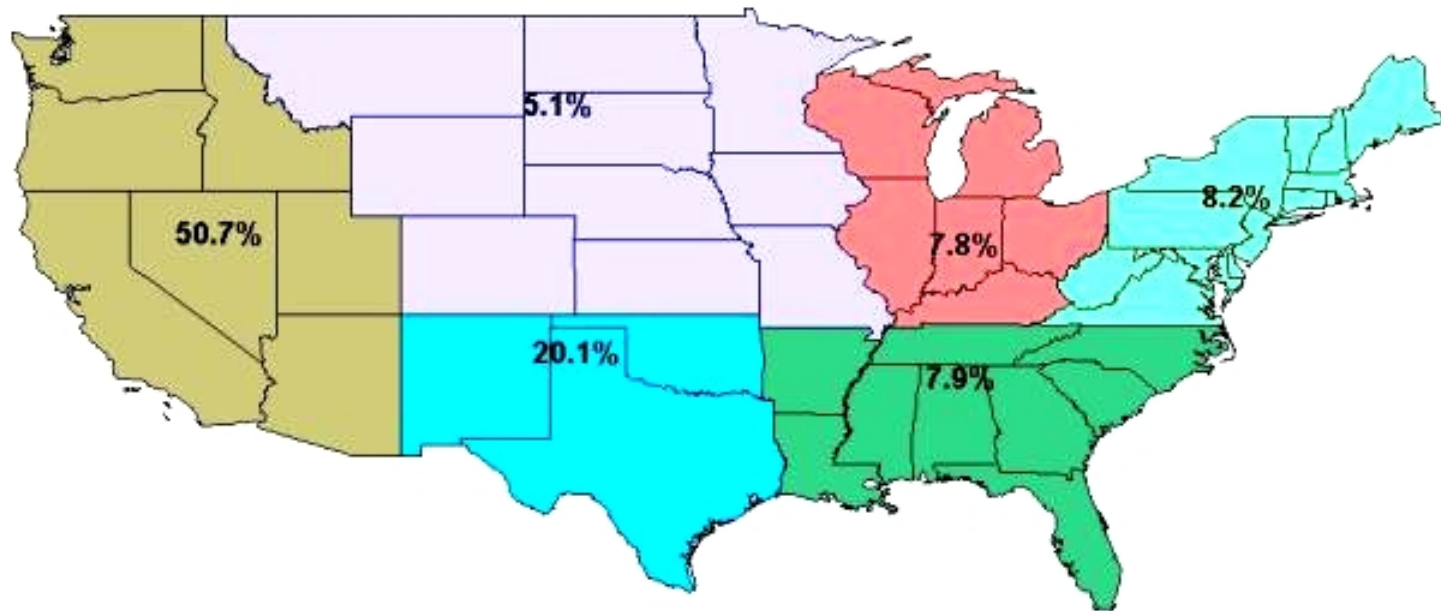
Hass = +90% of USA Avocado Consumption

SOURCE: CAC

GENUINE CALIFORNIA AVOCADOS 2001 AVAILABILITY

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
HASS												
BACON												
FUERTE												
GWEN												
PINKERTON												
REED												
ZUTANO												

Hass Avocado Shipment Percentage by AMRIC Region

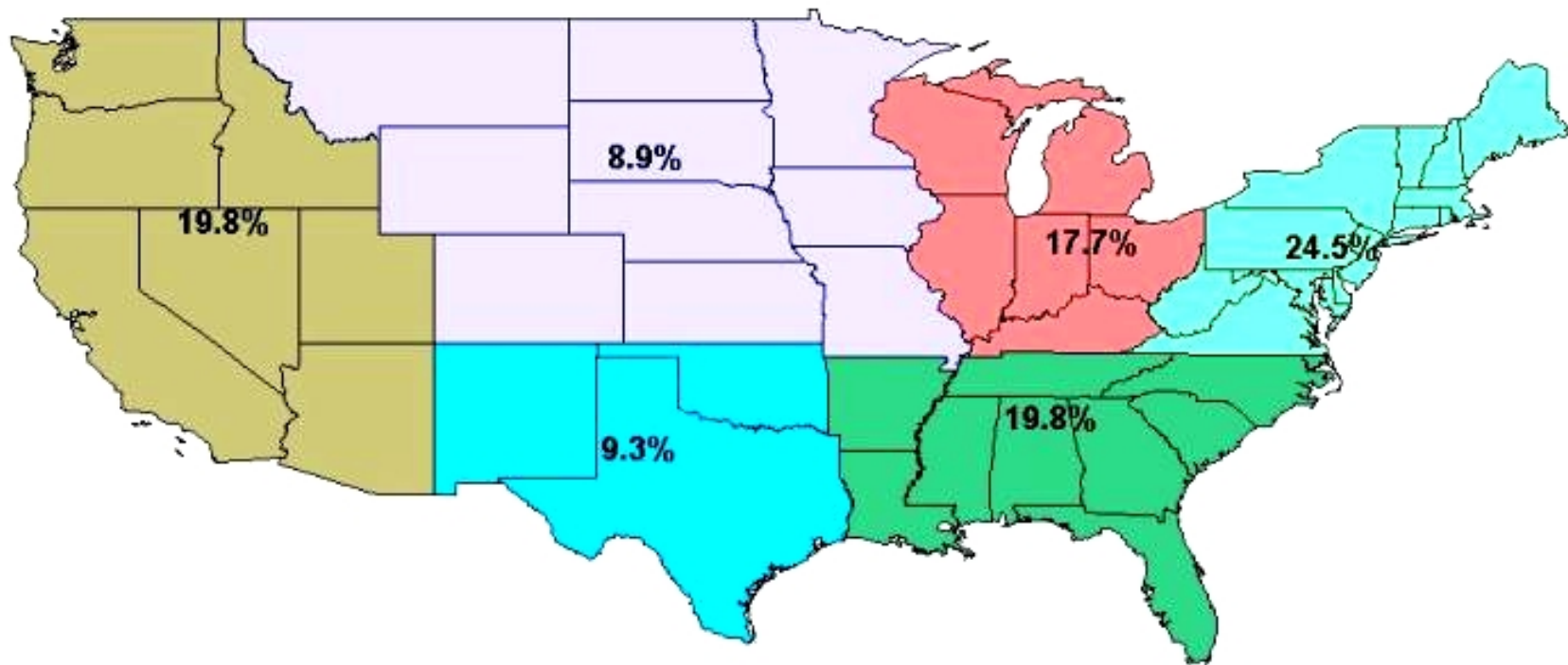


1999/2000 Crop

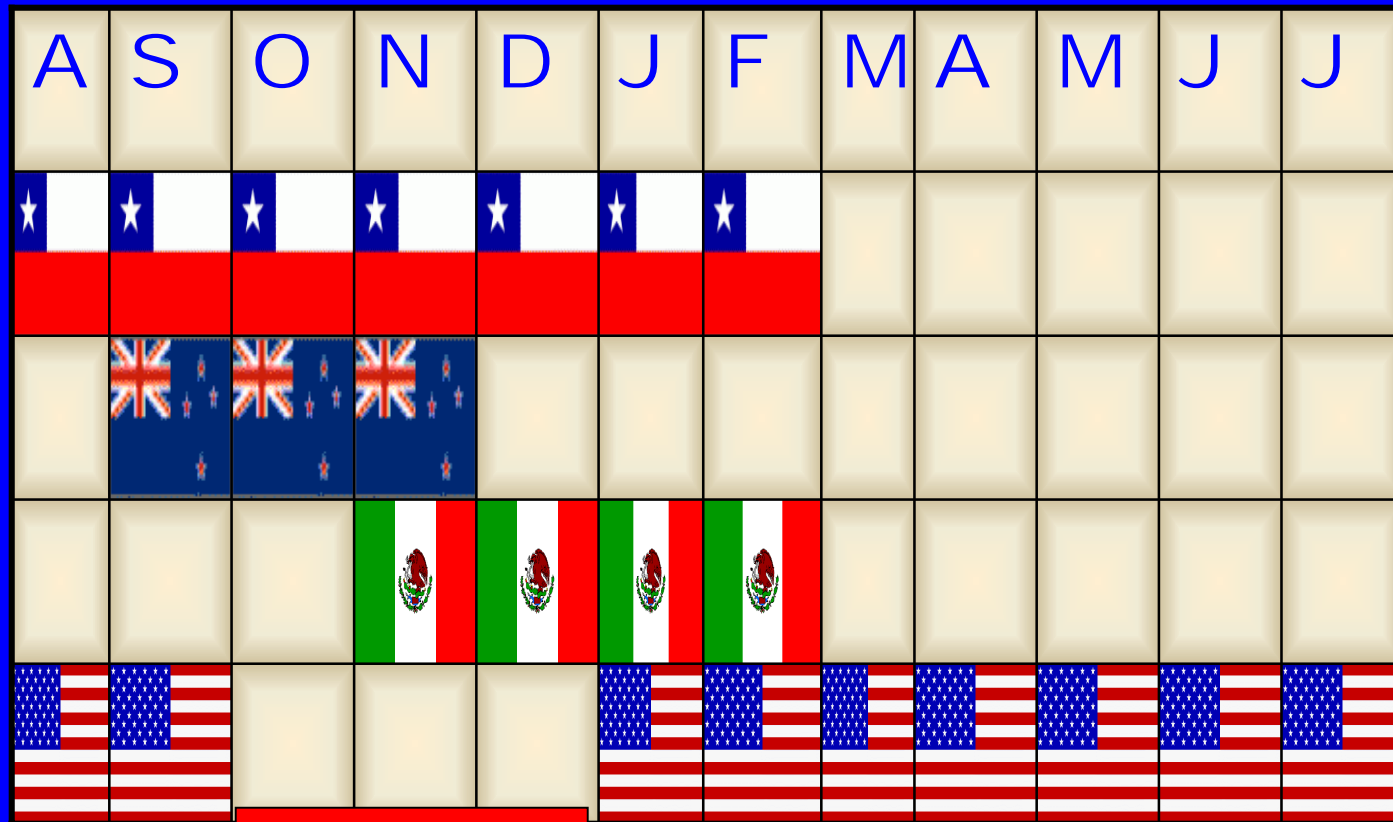
AMRIC Regions

- East Central
- North East
- Pacific
- South East
- South West
- West Central

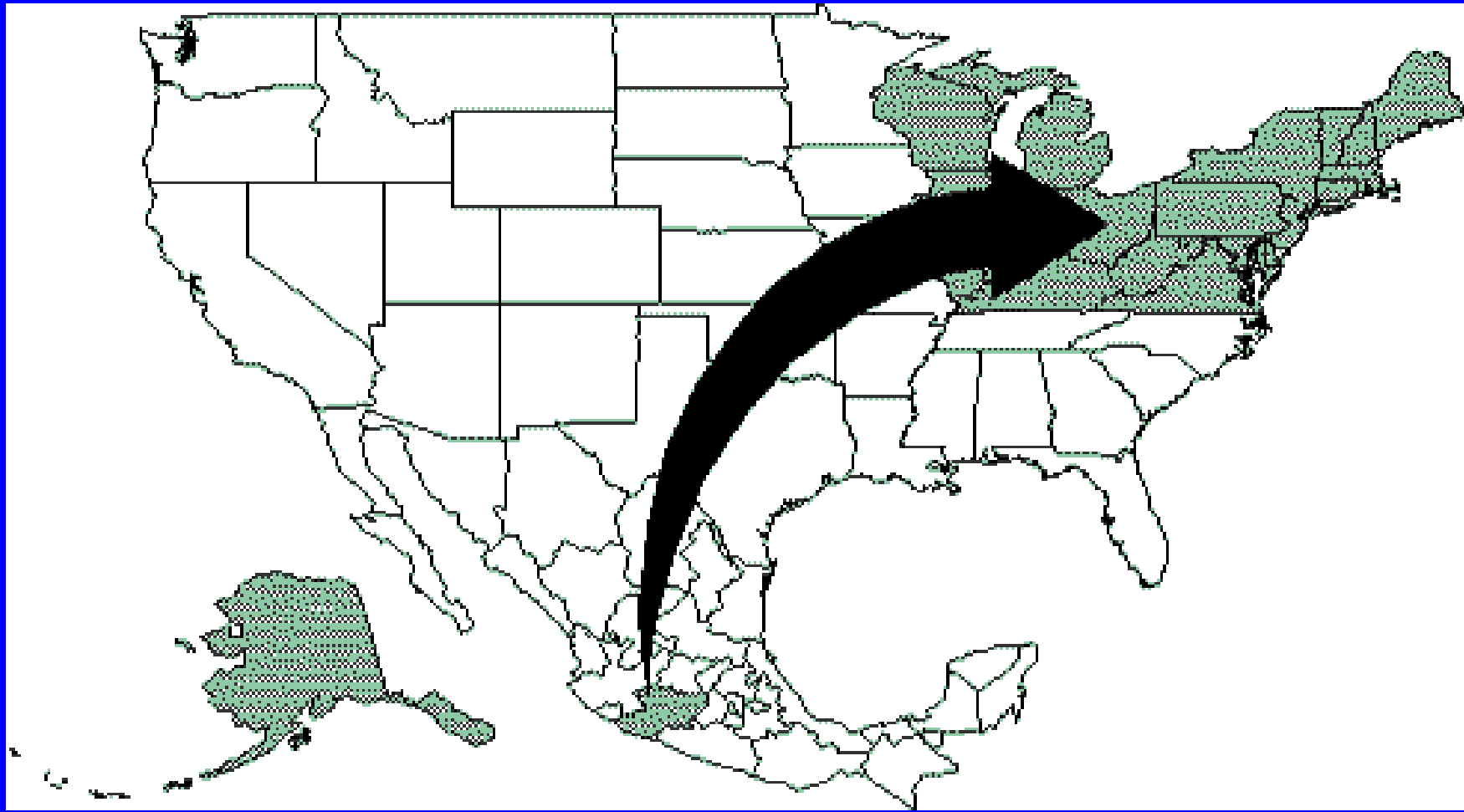
Population Percentage Distributed by AMRIC Region



US market supply timelines



MEXICAN AVOCADOS TO USA



Pre Conditioning Increases Retail Sales by 100%!!!! PRODUCED BY THE CAC



POS and Produce Manager Material

PRODUCED BY THE CAC





USA OFFICE LOCATIONS



GENERIC INDUSTRY
MERCHANDISING BY
the California
Avocado
Commission
(CAC)

Funded 100% by California Avocado
Growers



CAC Activities

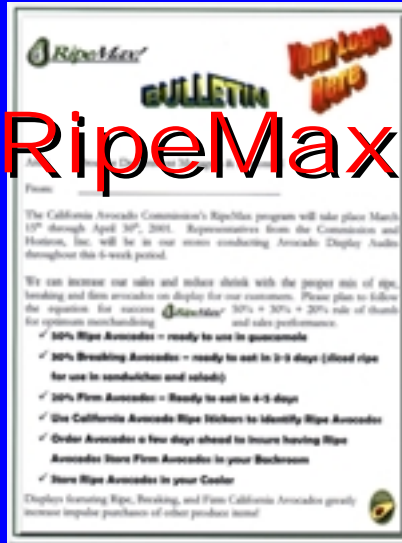
POS
Materials



Business
Reviews



RipeMax!



Trade Ads



Database
Marketing



Promotional
Calendars



Backroom
Poster



CAC Trade Ads



CONSUMER REPORT:
RESEARCH SHOWS HEALTHY APPETITE
FOR GENUINE CALIFORNIA AVOCADOS.



MARKET REPORT:
GENUINE CALIFORNIA AVOCADO
VALUE IS STACKED IN YOUR FAVOR.



GROVE REPORT:
GENUINE CALIFORNIA AVOCADOS
ARE RIPE WITH OPPORTUNITY.

CAC Point of Sale Material



CALIFORNIA HASS AVOCADOS

Nature's Whole Food

- Cholesterol-Free
- Sodium-Free
- Nutrient-Dense in Folate, Potassium, and Vitamins C, E and B6

GENUINE CALIFORNIA AVOCADOS

For recipe ideas go to www.avocado.org

TAKE YOUR PICK!

Ripe For Tonight	Use in 2-3 Days	Use in 3-5 Days
		
Soft Yields to gentle pressure.	Somewhat soft Green with hints of dark.	Firm Rich green color.

Don't forget: you can refrigerate ripe avocados for later use.

CAC Newspaper Coupon



MAKE IT GUACAMOLE. MAKE IT FUN!

Make some fresh guacamole party dip with the irresistible taste of genuine California avocados. It's easy to dish up...and fun to dip in!

Visit us at www.avocado.org

Exclusive VonsClub Value Coupon

Save 50¢
On Two Large California Greenskin Avocados (PLU 42244222)

Visit us at www.vonsclub.org

PROCESOR: NOP, No. 1002 Marketing To The State International, Suite 400, Lancaster, Mass 01906-8443 201225

VONS CLUB VALUE

Your VonsClub Card must be used when redeeming this offer. Not valid in Audubon, Coconino, Grant, Mohave or Yuma.

8 499 668 1000 24 3 4 000 0 2012

California GUACAMOLE

Makes 12 servings

- 2 ripe California avocados
- 3 tbsp. fresh lemon juice
- 1/2 cup diced onion
- 3 tbsp. chopped tomato
- 1/2 tsp. salt
- 3 tbsp. minced cilantro

Visit us at www.avocado.org

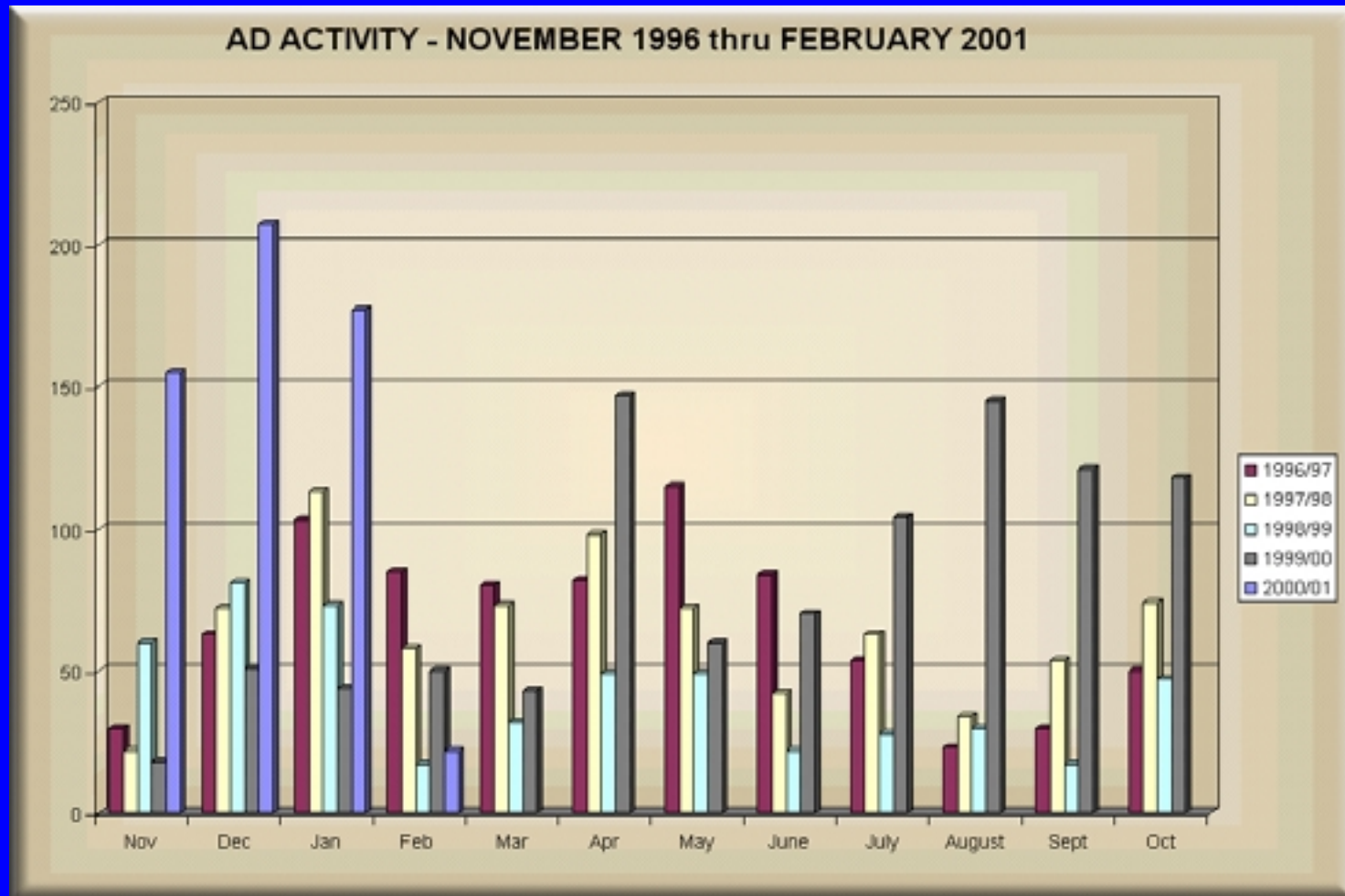
Cut the avocados in half and remove the seeds. Scoop out the pulp and place in bowl. Drizzle the pulp with lemon juice and mash. Combine with remaining ingredients, mix well and serve.

VONS CLUB NEWS

Are you
Up-To-Date On
How To Save?

VONS CLUB
UNITED STATES

CAC Annual Ad Activity



CAC Retail RipeMax! Report



	Price	Square Feet	% Ripe	% Breakers	% Firm	% Ripe Stickers	% PLU Stickers	Number of Store Audits
Atlanta	1.34	5	42	28	30	1	89	136
Dallas	0.99	7	42	26	32	4	79	281
Denver	1.43	7	50	33	17	0	79	173
Houston	0.96	4	45	28	27	0	85	416
Northern California	1.42	6	43	30	27	12	83	485
Phoenix	1.37	6	40	24	37	2	79	
Portland	1.20	9	45	43	12	0	81	
Southern California	1.96	6	50	27	23	7	77	112
San Antonio	0.92	13	63	26	11	1	49	197
Seattle	1.85	5	41	36	23	1	98	
National Average	1.42	6	46	28	26	4	80	3083



New Year's Savings

At Your HOMETOWN Low Price Leader.

VALUE
SAFEGWAY

Produce

Need tips and ideas on how to eat more fruits and vegetables? Looking for new ways to spice up your meals with variety and flavor? If so, be sure to visit www.aboutproduce.com.



EXTRA LARGE
Buttery Rich Flavor!
PINKERTON
Avocados
69¢ EA.

SAVE 80% EA.

SAVE SUPER

Effective Wed., Dec. 20

WED.	THUR.	FRI.
20	21	22

SAFEGWAY

FRESH MARKET

SPENDING PORTLAND

New Crop Hass Avocados
Grown in California.
SAVE up to 98¢ on 2

2 for \$1
SAFEGWAY CLUB PRICE

10-lb. Navel **Hass Avocados**
Creamy And Ripe

MPK Foods Guacamole Mix Original Or Milder Spice, 1 oz. **2 For \$1**

PRODUCE

FRUITS & VEGETABLES EVERYDAY

EAT 5 A DAY for better health



.79 lb.
ValuePlus Price

Fresh Express Salad "Blends" Selected Varieties 5 to 12-Ounce Package save up to 1.00 Ea. **1.99 Ea.**

Or Red Globe Grapes **1.60**

Large Kiwi Fruit **5.99**

ONE STOP SHOPPING!

YOU'LL FIND EVERYTHING YOU NEED AT VONS!



Bacon Avocados
Served sliced on your favorite sandwich.
SAVE up to 50%

BUY ONE, GET ONE FREE

Small Celery
Delicious with bean

99¢ Each
Save up to \$1¢ Each

HOME

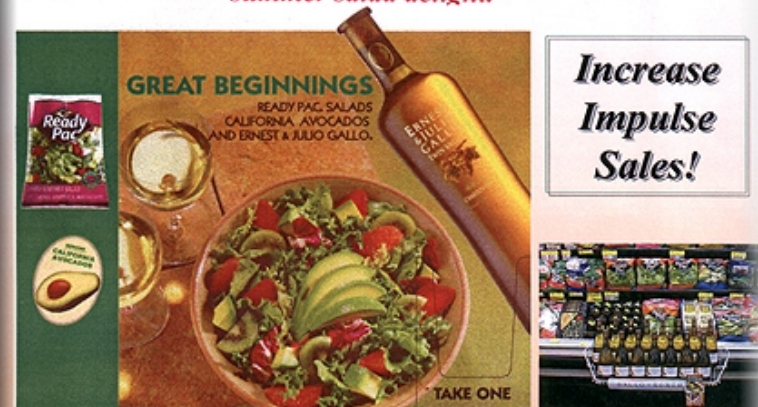
CAC Co-Marketing



Ralphs June 2001

Featuring Ready Pac Salad, Avocados, & E&J Twin Valley wines.

•Local Radio spots will be featured prompting consumers to visit Ralphs for this refreshing summer salad delight.



Program Features:

Coupons:

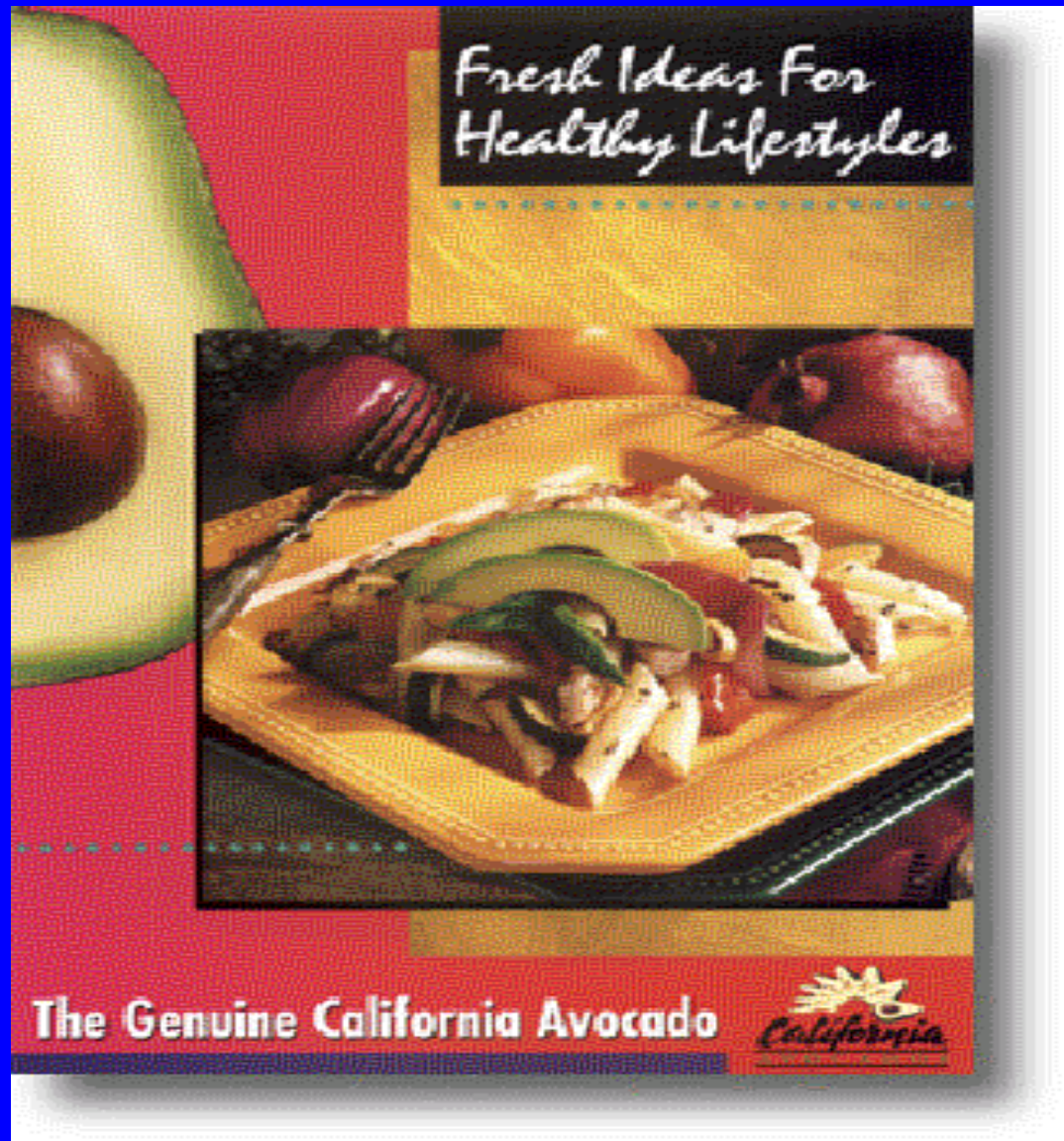
\$1.00 Off any TWO European or Organic Ready Pac Salads

Great Recipe Ideas

\$1.00 Off Avocados

*** The top 5 Store Directors, their District Managers, and Vice President with the highest increase in sales vs. 2000 for Ready Pac, Avocados, and Twin Valley get an all expense paid trip to Sonoma.**

Print Material - CAC



Ad Results

Retailer's Wish List

Consumer, consumption data top retailers' wish list, study reveals

By JIM OFFNER
Senior Writer

CHICAGO — When it comes to suppliers, retailers are shopping for a lot more than high-quality products.

It's a service-oriented business, after all, they say, and service should be at the top of any supplier's inventory list.

That, in essence, is the opinion of retailers who participated in a recent study conducted by the Chicago-based Perishables Group.

"I think the big picture that emerged from the study is that trends moving beyond the traditional buyer-seller relationships are for real, and there are some good reasons for them," said Bruce Axtman, president of the Perishables Group. "Year-round availability and

sourcing all over the world are changing the nature of the way we do business."

That means, he said, the buyer-seller relationship must change.

"There are more opportunities for suppliers to move beyond that as they develop their relationships with key retailers," he said.

The study, conducted in the fourth quarter of 2000, surveyed 39 retail produce directors from chains and independents representing about 60% of total U.S. retail volume. It noted that the retail food industry has undergone significant structural changes in the past five years, particularly in the areas of consolidation, item proliferation and increased financial and performance pressures.

"These changes have altered priorities retailers set in evaluating supplier perfor-

The firm's category management program includes detailed and documented information on costs, merchandising, product performance, line comparisons, productivity, promotions, profitability and other relevant data, Leach said, adding that the company provides a quarterly score card that tracks movement in sales and shrink.

He said the "best practices" plan could result in sales increases of 5% to 15%.

In the Perishables Group study, retailers clearly expressed a desire for better, more detailed consumer information. All of them identified consumer data as a priority while only 19% reported having

said former retailer Kay Klocke, now a retail consultant and president of Klocke Advantage, Alamo, Calif. "Suppliers always say all they want is cheap prices. Retailers want more. I think they've always wanted more."

But consolidation intensifies the need for more services from suppliers, Klocke added.

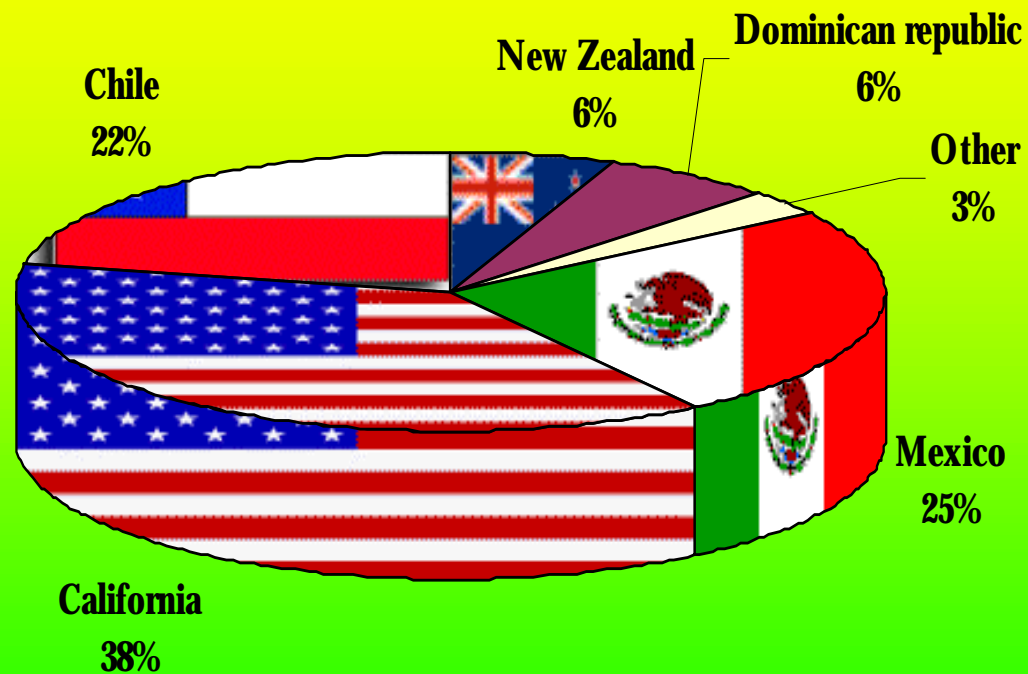
"As they get bigger, they need more help," he said. "So I think there is a change going on with the retailers. As an industry, retailers always said they wanted additional stuff. Now, they're asking for that stuff, information and help from suppliers."

PERISHABLES GROUP FINDINGS

- Fifty-seven percent of retailers report wanting support from suppliers in developing retail advertising plans.
- All retailers report wanting additional consumer and product consumption data from suppliers. Only 19% report suppliers are providing this information.
- Seventy-four percent of retailers report wanting more competitive data and market intelligence from suppliers. Only 3% say suppliers provide this service.
- Seventy-seven percent report wanting some level of category review support from suppliers. Only 10% report suppliers are providing this service.
- About one-quarter of retailers indicated that getting this data from suppliers is not currently a priority.
- Seventy-six percent report wanting some level of support from suppliers in developing overall category plans. Only 14% say suppliers provide this service.
- Half or fewer retailers surveyed said they wanted promotional support or supply chain cost data.

The future in the USA

US market supply sometime in the next 10 years



VANCOUVER



Calavo Shipping Point- Vancouver, B.C.



Calavo Shipping Point- Vancouver, B.C.





Calavo Avocado Bag - Retail
Store Vancouver



Retail Display, Vancouver



Retail Display, Vancouver

Calavo Marketing Action in Japan 2001

Calavo Growers of California
Tokyo Office 504, 2-44-10, Tomigaya, Shibuya-ku,
Tokyo, Japan 151-0063

Japan Marketing Action Plan

Objective

Our goal is the sales increase of Calavo Avocados in Japan Market



Promoting Action

Construct the No. 1 Avocado brand Image & Positive Customer Service



- For the marketing action success, Calavo Tokyo Office has taken the following actions:
 1. Research the Japanese market and consumers for magnify the Calavo Avocado share.
 2. Acknowledge of Calavo Avocado as the best and safe quality world No. 1 brand.
 3. Support sales action and movement for Japanese market.
- For sales increase of Calavo Avocado, key point is in the making a real brand image as World No.1 Avocado. Moreover, importance is the way of customer service for making the brand image.
- By concentrating to find out the Japanese customer needs, wants, and expects, we learn how to best execute this promotion plan.
- For the real service action, classify the customer into wholesalers, Brokers, Retailers and Consumers

Japan Customer Service for Calavo Avocado Sales Support

Service for

Wholesalers and Brokers



- Provide information on production locations and growers.
- Announce the support of customer sales with in-store demonstrations and sales support tools.
- Plan the original order made style sales support plan as sales fair or event.

Service for

Retailers

- Announce the support of customer of sales with in-store demonstrations and sales support tools.
- Plan the original order made style sales support plan as sales fair or event.
- Communicate with retailers and exchange information.

Service for

Consumers

- Communicate by effective visual presentation for confidence of the products. (High quality and good brand image.)
- Announce the information of Calavo Avocado for awareness.
- Media Action

Japan Promoting Action 1

- **Instore Demonstration for Sales Fair**
- **Educate Calavo Avocado Sales Assistants so they can provide support to wholesalers, brokers and retailers.**
- **For keeping the Calavo Avocado brand image, plan the order made fair depends on the store style.**
- **For correct the data of avocado consumption and consumer.**



Instore Demonstration



Sales Fair



Restaurant Fair

Japan Promoting Action 2

- **Seminar/PR Event**
- **Contract with a famous chef or cooking coordinator for cooking specialist awareness.**
- **Open the Cooking Class or Contest by consumers.**
- **Operate by the well educated Calavo Avocado Sales Assistants for consumer awareness.**

Vegetable
Party for
people in the
food industry
and media



Avocado
Seminar for
people in the
food
industry and
media



Japan Promoting Action 3

- **Calavo Avocado Reception with Calavo International Sales Manager, Steve Hayworth**
- **Operate by Calavo Growers of California Tokyo Office for business communications and awareness of Calavo Avocado.**

Calavo Reception for Wholesaler, Middleman, Retailer
and Media



Japan Promoting Action 4

- **Other Promotions**
- **Calavo Tokyo Office act positively for Calavo Avocado acknowledgment.**

Calavo PR Car for Broker

Calavo PR Bicycle

Calavo Train for Christmas Charity at Tokyo Bay

Hilton Hotel



Japan POS Production

- Calavo Avocado Production for Sales Promotion
- The production must enforce the high quality item image.
- Spread the acknowledgment of Calavo Avocado as the best brand.
- Must make the customer support and service system as the reliance company.

Example

- ✓ Original Cooking Guide Leaflet
- ✓ Original POP (Order made Style)
- ✓ Logo Sticker
- ✓ Color Chart Sticker
- ✓ Original Character Goods
- ✓ Original Bag
- ✓ Original Apron



GARAK PRODUCE MARKET – KOREA



CALAVO AVOCADOS - GARAK PRODUCE MARKET

