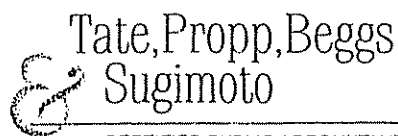


## EXHIBIT #1



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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February 19, 2007

To the Audit Committee, Board of Directors, and Management  
U.S. Highbush Blueberry Council  
Folsom, California

Thank you for the opportunity to provide audit services to U.S. Highbush Blueberry Council for the year ended December 31, 2006. We truly appreciate the assistance provided to us by Mark Villata, Mary Nezbeth, and Terry Bowles.

In planning and performing our audit of the financial statements of U.S. Highbush Blueberry Council for the year ended December 31, 2006, we considered the Council's internal control and operating practices in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance or to report on internal control. During this consideration and during the performance of other audit procedures, we became aware of certain matters where opportunities exist for strengthening internal control and improving operating practices. The purpose of this letter is to report those matters and provide certain recommendations to you, and it does not affect our report dated February 19, 2007 on the financial statements of U.S. Highbush Blueberry Council.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with the Council accountant, and we will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

### Organizational Structure

The size of the Council's accounting and administrative staff precludes certain internal controls that would be preferred if the office staff were large enough to provide optimum segregation of duties. This situation dictates that the Board of Directors and Audit Committee continue, as they have in the past, to be actively involved in the financial affairs of the Council by providing oversight and independent review of accounting and operating functions.


To the Audit Committee, Board of Directors, and Management  
U.S. Highbush Blueberry Council  
February 19, 2007

Cash Receipts

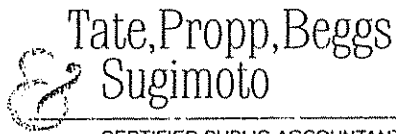
During our audit, we noted the opportunity of the Council to strengthen its internal control over the receipt of crop assessment dues and other receipts. Internal controls help identify, prevent, and deter the risk of fraudulent activities and the risk of unintentional errors. We recommend that cash receipts be opened and counted by two individuals and that the Compliance Coordinator maintain a list of these cash receipts for reconciliation with the bank deposit slips. Additionally, we recommend that the Council lock up the checks received until they are retrieved by the outside accountant for deposit.

This letter is intended solely for the information and use of the Audit Committee, the Board of Directors, management, and others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Very Truly Yours,



Tate, Propp, Beggs & Sugimoto  
An Accountancy Corporation



CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

February 19, 2007

To the Audit Committee  
U.S. Highbush Blueberry Council  
Folsom, California

We have audited the financial statements of the U.S. Highbush Blueberry Council for the year ended December 31, 2006, and have issued our report thereon dated February 19, 2007. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated August 22, 2006, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute, assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of the U.S. Highbush Blueberry Council. Such considerations were solely for the purpose of determining our procedures and not to provide any assurance concerning such internal control.

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the U.S. Highbush Blueberry Council are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2006. We noted no transactions entered into by the Council during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

### Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

### Audit Adjustments

For purposes of this letter, professional standards define an audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. An audit adjustment may or may not indicate matters that could have a significant effect on the Council's financial reporting process (that is, cause future financial statements to be materially misstated). During our audit, there were no proposed audit adjustments.

### Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Council's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### Issues Discussed Prior to Retention of Independent Auditor

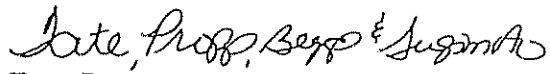
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Council's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

This information is intended solely for the use of the Audit Committee, Board of Directors, and management of the U.S. Highbush Blueberry Council and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



Tate, Propp, Beggs & Sugimoto  
An Accountancy Corporation