

THE USHBC BLUESPAPER

News and Marketing Program Updates from the
U.S. Highbush Blueberry Council
October 2006

USDA APPROVES ADDITIONAL STATE MEMBER SEAT ON U.S. Highbush BLUEBERRY COUNCIL

The U.S. Department of Agriculture has announced a final rule that expands the number of state representatives on the U.S. Highbush Blueberry Council from five to six in order to provide representation for the top six highbush blueberry production states and to account for nearly 90% of domestic highbush blueberry volume. At this time Washington will hold the sixth state member position.

The Washington Blueberry Commission will recommend to the Secretary of Agriculture their nominees for state member and alternate to be seated in January of 2007. With this appointment, the Council will increase membership from the current 13 members and alternates to a total of 14 members and alternates.

Results from this year's regional member and alternate elections as well as USHBC appointments for importer, exporter and public member will also be submitted to the Secretary this year for final appointments and seating this January as well.

USHBC Completes First Phase of Hungarian Bakery Promotion Program

With the assistance of USDA Emerging Market Program (EMP) funding, the USHBC has been conducting activities to investigate and test the Hungarian baking market for dried blueberries. The project involved working with importers and wholesalers of



U.S. dried blueberries in Hungary and conducting promotions to increase sales. The USHBC worked in close cooperation with the USDA-FAS in Vienna and the USDA representative in Budapest, Hungary in this program. Assistance was also received from *Bako Hungaria*, a leading bakery and ingredient supplier in Hungary, as well as the *Hungarian Confectioners Association* and the *Hungarian Bakers Association*.

At the start of this project, arrangements were made with a Hungarian food expert who interviewed the

Hungarian trade to determine interest in blueberry products and the current use of blueberries. Contacts in the market were then made to conduct test activities in the food industry including a market survey of the Hungarian trade to determine the feasibility of blueberry usage. Activities in the field included meetings with companies and potential customers, investigation of the use of a blueberry "real seal" by the baking industry, and trade publicity.

As part of this introductory program, the USHBC worked with *Bako Hungaria* in promoting blueberries at the *Hungarian Bakery and Confectionary Congress* in Debrecen, Hungary last year. Blueberry baked products were sampled and Hungarian language information sheets were distributed. Though the emphasis was on dried blueberries, many attending the show also expressed an interest in osmotically preserved berries.

Through the program a supply of 2,500 "Made with Real Blueberry" real seal stickers was provided to blueberry users. Interest in the seal was expressed by some of the high-end confectioners and other quality food manufacturing operations. A trade article on

highbush blueberries was also developed and published in Pékmester a leading food industry bakery magazine in Hungary. The article has also served as a brochure on blueberries for use in trade meetings. The article generated considerable interest from buyers, provided an opportunity to distinguish blueberries from other berries, and is helping to define the image and product positioning of blueberries.

Through this project, we met with companies in a good position to import high value dried blueberries and able to conduct activities to develop a customer base. However, there continues to be challenges to be faced in Hungary. Though strong interest was found for blueberries, the trade indicated a hesitancy to pay the price for dried blueberries. This was particularly true



with the hyper store system. Our prices were higher than many of the typical food manufacturers and more price sensitive bakery supply companies were willing to accept. Potential

users and buyers expressed this price resistance even though locally produced dried blueberries are more expensive than U.S. highbush blueberries.

Berry product identification is also a challenge. We found that while companies and customers are somewhat familiar with dried blueberries, there is a tendency to group all berries into a single category called "afonia". This category includes cranberries, lingonberries, bilberries and other berries. This mindset of consolidating berries into one category may also be a reason for some price resistance.

Given these findings, it appears that future activities are best directed to "high-end" food manufacturers. Though at this time it appears to be too early to roll out a blueberry specific campaign to the general trade, based on these results the USHBC has now applied for USDA Global Based Initiative (GBI) funding to work with upscale Hungarian food manufacturers in 2007. This funding will allow us to continue to explore the market for dried blueberries while we work to offset price sensitivity among the general trade. Under the GBI program activities would be conducted in

partnership with other U.S. dried fruit and nut ingredients (dried cherries, figs, raisins and almonds).

If approved, these GBI funds will be used to conduct promotional activities with high value bakery and confectionary outlets. Proposed activities include culinary school seminars; distribution of a USA dried fruits and nuts handbook and buyers guide; on going trade contacts including "mini seminars", samples and product sheets; participation in a major trade show; the placement of dried fruit and nut articles in key trade publications; and a website offering photos, formulas and supplier information. GBI funding announcements from the USDA Foreign Agricultural Service are expected sometime next month.

2006 MAGAZINE ADVERTISING SCHEDULE

Diabetes Educator (September/October)

American Medical News (October)

American Journal of Clinical Nutrition (October)

Osteopathic News (October)

The Chiropractic Journal (October, November)

USHBC MEETING SCHEDULE

2007 USHBC Spring Meeting

Thursday, March 1 to Saturday, March 3, 2007
Hilton Walt Disney World- 1751 Hotel Plaza Blvd.
Lake Buena Vista, Florida Phone (407) 827-4000

2007 USHBC Fall Meeting

Friday, October 5 and Saturday, October 6, 2007
Minneapolis, Minnesota- Hotel to be Determined

2008 USHBC Spring Meeting

Friday, February 29 and Saturday March 1, 2008
Vancouver, British Columbia- Hotel to be Determined

2008 USHBC Fall Meeting

Friday, October 3 and Saturday, October 4, 2008
Washington D.C./Baltimore- Hotel to Be Determined



The **USHBC Bluespaper** is published by the U.S. Highbush Blueberry Council; 2390 East Bidwell Street, Suite #300; Folsom, California 95630. Phone (916) 983-0111; Fax (916) 983-9022; Web Site: www.blueberry.org, or www.ushbc.org

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