

Even though U.S. consumption of blueberries has doubled in the last 10 years and blueberries have benefited from a healthy “super fruit” label, blueberry growers cannot rest upon past successes. We must address the issues before us and pave the way for a successful future. The USHBC is here to help.

So, what are the key issues facing our industry?

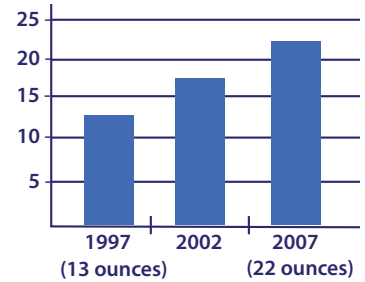
- Increased interest in blueberries among both consumers and growers in North America has led to increased acreage, up 33 percent in the past 3 years.
- Supply is growing faster than demand. North American production has reached record levels, more than doubling in the past 10 years to 407 million pounds. Worldwide supply could exceed 1.5 billion pounds by 2015.
- Competition has become more aggressive – positioning other fruits as healthier alternatives and investing heavily in promoting their products.

Working together, we will address these issues. We must “Build demand to meet future supply.”

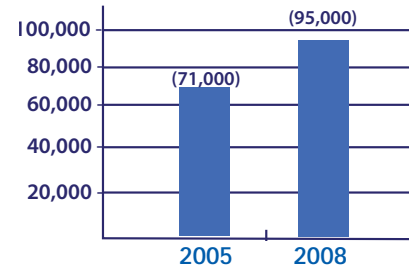
- We must double U.S. consumption and use by 2015.
- We must maintain competitive spending to make our message heard.
- We must strengthen our promotion programs – build upon past successes and add advertising; expand internet content and Web-based media outreach.
- We must explore new markets and find new uses/applications.
- We must further explore promising developments in blueberry health research and eventually conduct human clinical research trials. Health benefits remain a major blueberry purchase motivator and published clinical studies will enable us to more aggressively promote the blueberry message.
- We must support good management and food safety practices.

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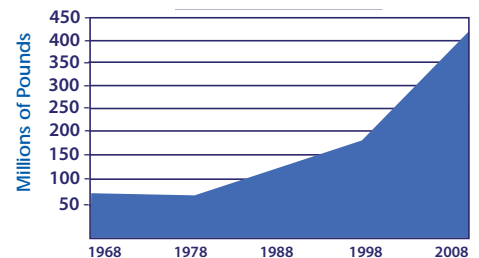
Blueberry U.S. Per Capita Consumption Almost doubled from 1997 to 2007



North American Highbush Blueberry Acreage



North American Highbush Blueberry Production 1968 to 2008



USHBC has a proactive blueprint to address these needs, but these actions will cost more than current assessment collections. So, USHBC has voted to increase the assessment rate for the first time since 2001, when the Council was initially established. The assessment rate will go from 0.6 cents per pound (\$12 per ton) to 1.2 cents per pound (\$24 per ton). Without this new assessment and additional funds, we will not be able to support an expanded program to keep demand in line with supply.

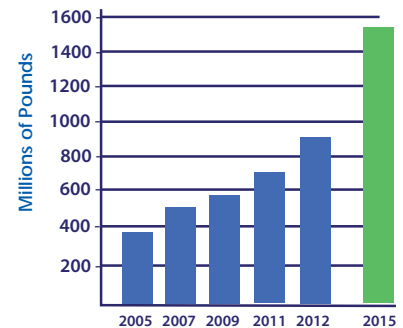
But, new assessments and a more aggressive marketing blitz are not automatic. The assessment increase must go through rulemaking before going into effect. The process includes:

- Spring/Fall 2009 – Grower awareness & communications updates on expanded market promotion plan.
- Summer/Fall 2009 - USDA publishes proposal in Federal Register for a comment period where all growers can express their opinions.
- Winter 2009/2010 - USDA decides future assessment levels.
- 2010 – If approved, the new assessment rate will be collected on 2010 crop production.
- 2011 - Increased funding for USHBC and new promotion and health research programs begin.

Since the additional funds will not be available until 2011, the USHBC will continue to maximize existing programs and budgets to promote blueberries during 2009 and 2010.

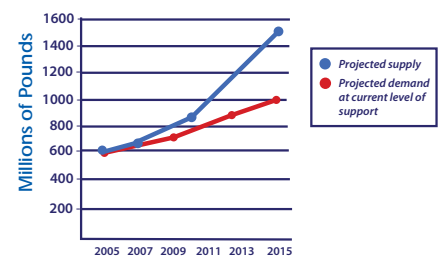
With continued interest in blueberries, the future looks bright for our industry. However, given recent increases in production and competitive concerns, we will all have to make a greater effort. The expanded promotion and research program will enable us to reach out to larger audiences, both here at home and abroad, building demand to meet future supply.

Projected World Blueberry Production

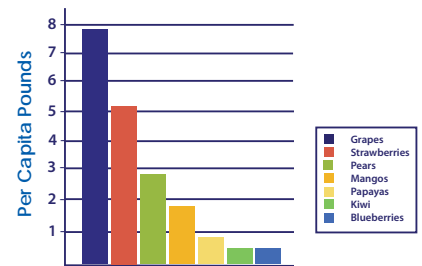


Source: USHBC World Blueberry Acreage and Production Report 2008

Projected Supply and Demand



Blueberry Consumption Has Room to Grow



Source: USDA ERS-2005

For more information, visit www.blueberry.org to review the frequently asked questions about these plans. If you have other questions or comments, contact Mark Villata at the USHBC office, 916-983-0111 or mwillata@ushbc.org