

The California Cling Peach Board was created in 1996 and exists today to support California cling peach farmers.



CALIFORNIA
Cling Peaches

Impact Report

From the years 2020 to 2024

HOW IS THE CCPB PERFORMING?

This report was created to inform California's cling peach industry about the activities and accomplishments of the California Cling Peach Board over the past five years.

California Cling Peaches: A Long History of Working Collectively



CALIFORNIA
Cling Peach
BOARD



In the Beginning

Peach trees were first introduced to California in 1700 by Spanish padres. The Gold Rush spurred high demand and high prices which led to overplanting and a bust in the 1860s. By 1895 the peach canning industry became important and acreage of cling peaches tripled between 1890 and 1920. Overplanting and the Great Depression contributed to a steep decline in peach production between 1927 and 1941.

Joining Forces

In 1937 the first marketing order for cling peaches was established as a joint program of processors and growers. This program included research and advertising programs, but also had quality and volume control components. After a tough season in 1995, the joint grower-processor marketing order was cancelled as processors sought to enforce their own quality controls. But cling peach growers still had a strong desire to collaborate and a new grower only marketing order was established in 1996.

Taking Care of Business

Since 2016 Ag Association Management Services Inc. (AAMS) has been the management for the California Cling Peach Board (CCPB). AAMS continues to serve the board and the industry in working to keep the program effective and the cost to operate affordable. AAMS is headquartered in Sacramento and has access to resources in government relations and regulatory programs. In addition they are well versed in marketing and research programs.

“ A MARKETING ORDER IS ONE VERY ESSENTIAL TOOL GROWERS SHOULD TRY TO USE IF THEY ARE TO STAY IN BUSINESS.

—Bud Pinkham, California Canning Peach Association Chairman, 1996

Chairman's Letter



California canned peaches were some of the very first agricultural products grown in this state. We have a long history and as everyone knows, the shelf life of canned peaches is unmatched. For this reason, I predict

California cling peach farmers will continue to innovate and produce some of the best peaches in the world. That said, we will have to continue to work together and take advantage of our strengths.

This is already happening. In recent years, the California Cling Peach Board has become more flexible and is adapting to prioritize the interests of cling peach farmers. The Board is working harder to protect domestic markets for California canned peaches. CCPB is collaborating with the California Canning Peach Association to protect domestic markets for California cling peach farmers by negotiating tariffs and trade policies that discourage imports. They are also continually working to close loopholes that allow U.S. schools to easily purchase imported canned fruit.

Our Domestic Marketing program continues to bring value to the board through fresh innovative

approaches to getting California Cling Peaches in the mouths of consumers. Our program has evolved to concentrate on diverse aspects such as marketing, communications, design of omnichannel advertising, social platform development, and the creation and management of influencer programs.

Adapting and developing new varieties and technology to increase productivity and lower costs are critical. By pooling resources through CCPB and working with other commodity groups, the CCPB is helping to fund research aimed at labor-saving processes and products that will reduce costs and improve efficiencies. If the CCPB were not in existence, who would do this work? This fact alone makes the organization critical to the future of California cling peach farmers.

So, while it is easy to be pessimistic, I encourage each of us to take a more positive view. We are in this together. We've accomplished a lot in the last five years and our goal is to accomplish a lot more in the next five. The old saying holds true – there is strength in numbers. So, let's continue to work together to adapt and succeed.

Sarb Johl, Chairman
California Cling Peach Board
Marysville, CA

BOARD OF DIRECTORS

A board of directors elected by industry to represent the 700 cling peach farmers in California guides the activities of CCPB. Board members serve a three year-term. Below is the list of the current Board of Directors.

District 1

Anthony Laney
Suki Bains
Justin Micheli
Jared Davit
Jag Khara
Sarb Johl, Chair
Rajeev Davit, VC

District 2/3

Rick Zolezzi
Frank Bavaro
Richard Lial
Brian Noeller
Trent Voss
Lou Boer

District 4

Lance Jackson

Alternatives

Harinder Bains
Joe Dickens

Affiliations

CCPB — Rich Hudgins

Processor Advisors

Tami Iverson
Katy McNinch

Domestic Marketing

MJR Creative Group is proud of the ongoing and successful 7-year collaboration with the California Cling Peach Board.

Our relationship commenced in 2017 with a comprehensive redesign encompassing the logo, graphic standards, and website. Since then, our partnership has evolved to concentrate on diverse aspects such as marketing

communications design, omni-channel advertising, social platform development, and the creation and management of influencer programs.

Over the past 7 years, we have remained steadfast in our commitment, staying true to the initial plan that earned the Board's trust. Our ongoing efforts are dedicated to supporting the CCPB messaging platform and initiatives, which include constituent education, website design, and creative

asset development. Our commitment to delivering excellence has transformed the CCPB marketing program, shaping it into a contemporary and relevant content marketing paradigm that emphasizes the creation of valuable, relevant, and consistent content to engage and build relationships with multiple target audiences, ultimately driving awareness and desired actions in response to evolving consumer behaviors and industry dynamics.

A Look Back: Refining and Revitalizing the Message

MJR initiated the process by re-examining the California Cling Peach messaging platform, tailoring it for three key audiences: Consumers (Parents), Health Professionals (RDs and nutritionists), and Food Professionals (institutional and foodservice buyers). Developing a versatile messaging theme of "Always Ready, Always Nutritious, Always Available, Always Delicious," MJR encapsulated the fundamental value propositions of California Cling Peaches.

At Present: Today, we have continued to expand, refine and customize our message platform to resonate strongly with each specific target audience, ensuring impact and resonance. We ensure that our communication strategy is tailored to each specific target audience. This not only maximizes the impact of our messages but also strengthens their resonance. Through this approach, we remain dynamic in our outreach, staying closely connected to the diverse needs and preferences of our audience. Ultimately, this strategic evolution is driven by our commitment to maintaining a meaningful and lasting connection with every segment of our audience, fostering engagement and positive outcomes.

Message vectors

Consumer Messaging: Perfect for your pantry... All year long.: This core brand message combines practicality, appeal, and an assurance of quality, making it appealing to

consumers looking for a versatile and reliable pantry staple that provides a consistent and satisfying experience

in every meal preparation. Whether it's the convenience of a quick weekday dinner or the creation of gourmet dishes for special occasions, our brand message resonates with those seeking a pantry staple that simply elevates their culinary endeavors while reinforcing a standard of excellence in every bite. This consistent narrative helps consumers recognize and remember the brand across different channels and touchpoints.

RD and Health Nutrition Audience Messaging: Checks all the boxes - A clear and well-articulated message that helps this important audience understand what the brand stands for and why it is relevant to them as they help their shoppers choose foods that meet their nutritional, economic, social and emotional needs as it is more important today than ever before.

Foodservice Audience Messaging: You have a choice. Choose California. Value is simply more than cost, and CCPB uses this message to build national Food Service Directors/ Purchasing Directors' awareness of the value story of California Cling Peaches.



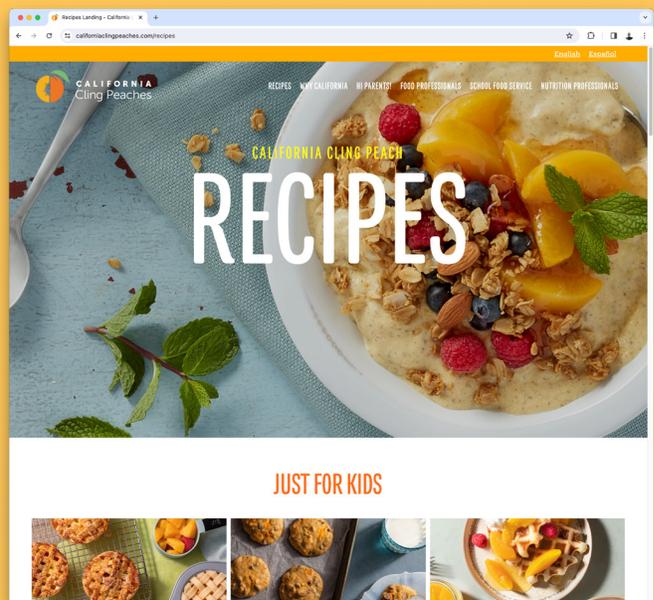
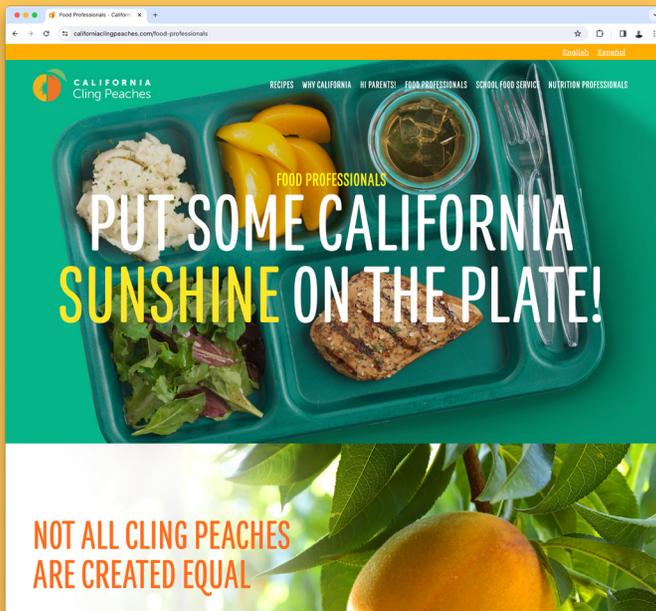


A look back: Implementation on Communication Platforms

In 2017, the message platform was developed into a modern and visually appealing new website designed to feature custom-tailored messaging for each of the CCP's target audiences. The website, www.californiaclingpeaches.com, established a fitting space for the message platform to serve as an integrated hub for all outreach endeavors.

At Present: Today, the website has undergone consistent improvements and updates, encompassing expanded Recipe offerings, the incorporation of a Buy American Provision section,

All New RD Resources, and a Perfect for Your Pantry consumer information and resource section. In 2023, a strategic initiative to reach out to new consumer segments was approved by the Board in undertaking a sustained initiative for consumer communications aimed at authentically connecting with and engaging new audiences. As such, MJR took a significant step by fully translating the website into Spanish. This long-term effort recognizes the importance of reaching diverse populations, including Hispanic communities. This approach also builds trust by showing an understanding of linguistic preferences, enhances accessibility and makes information available to a broader audience. The result is improved engagement, expanded market reach, all contributing to the overall success and sustainability of marketing initiatives.



A Look Back: Transformative Content Strategies

Having established a solid foundation, MJR embarked on an extensive, multi-year transformation of the communication materials utilized by the CCPB. This endeavor included the creation of an educational video series featuring “quick facts and tips,” updated orchard videos, a new recipe collection complete with videos, and a revitalized trade show booth and the relaunch of the CCPB’s social platforms.

A promotional graphic for California Cling Peaches. It features a purple background with a silver colander filled with sliced yellow peaches on the right side. In the top left corner is the California Cling Peaches logo, which consists of a stylized peach with a green leaf and a sunburst pattern. Below the logo, the text "CALIFORNIA Cling Peaches" is written in white. The main text, "ADD SOME EXCITEMENT TO YOUR MENUS YEAR-ROUND!", is in large, bold, white and orange letters. In the bottom right corner, there is an orange button with the text "GET THE RECIPES" in white.

CALIFORNIA
Cling Peaches

**ADD SOME
EXCITEMENT
TO YOUR MENUS YEAR-ROUND!**

GET THE RECIPES

At Present: Beyond Promotion- Reinventing Peaches for your Pantry

Building upon that solid foundation, the Board continues to invest in multi-year efforts to keep the communication materials employed by the CCPB fresh, contemporary and valuable to its consumers. For example, in 2020-2021, the global pandemic caused people to rapidly reorient their food shopping habits and choices, prompting a seismic shift in how individuals and families stocked food supplies. We then moved quickly in our communications to support

overwhelmed consumers with easy, healthy Cling peach recipes and useful tips to reinforce the value of their Cling peach purchases for their pantry and encouraged the Retail Trade to keep their shelves stocked with plenty of California Cling Peach products. Simultaneously, we actively manage the ongoing evolution of CCPB’s social platforms and important consumer influencer programs. These platforms are not just channels but crucial conduits for disseminating information, engaging our audience, and reinforcing our brand messages.



The Domestic Marketing Program communicates with the industry with monthly updates centered on the CCPB marketing and communication activities.

MAKE SAVANNAH HAPPY
STOCK UP. STOCK OFTEN. ALL YEAR LONG.



MEET SAVANNAH



Persistent from Day One: Resiliency, Awareness and Adaptability

Our focus remains steadfast on the continuous effort to design and implement a comprehensive program, extending beyond promotion. This strategic initiative aims at raising awareness of our product, transcending into a thoughtful endeavor to educate diverse audiences. It inspires trial and nurtures repeat purchases. This targeted approach spans various stakeholders — from consumers and retailers to foodservice professionals, registered dietitians, and health nutrition experts. Leveraging innovative mediums, we strive to maximize impact, tailoring our message for each specific audience.

Beyond being a mere assortment of tactics, our programs are anchored in a sound strategy. This strategy works

hard to fulfill the intent and purpose of the marketing order, ensuring the success and sustainability of our initiatives. Through this approach, we integrate our awareness-raising efforts with the strategic management of our digital presence, creating a cohesive and impactful marketing ecosystem.

Finally, recognizing the financial constraints faced by most organizations, including the CCPB, MJR continues to closely monitor trends and keeping strategies flexible, we collaborate closely with the management team and marketing committee to stage each phase of the program across multiple budget periods. This strategic approach ensures the accomplishment of communication objectives while navigating budgetary constraints and challenges and optimizing resources effectively.

Your work matters more than ever. We're here to help.

- ✓ RECIPES
- ✓ HOW-TO VIDEOS
- ✓ NUTRITION GUIDES

CALIFORNIA Cling Peaches

Click for our online toolbox packed with nutrition resources.

WATCH & LEARN
 HOW TO TAKE CALIFORNIA CLING PEACHES TO THE NEXT LEVEL!

CANNED CALIFORNIA CLING PEACHES ARE AS VERSATILE AS THEY ARE DELICIOUS!

These simple "how-to" videos will show you exactly why. In just minutes, you'll learn how to make the most of every purchase of California Cling Peaches in cans, jars or single-serve cups. Then, put your knowledge to work in fun & flavorful ways with our selection of quick, healthy and kid-friendly recipes!

VIDEO
 HOW TO TELL IF YOUR CLING PEACHES ARE USA GROWN

VIDEO
 HOW TO PROPERLY STORE CLING PEACHES

VIDEO
 HOW TO PROPERLY STRAIN CLING PEACHES

OUT WITH THE ORDINARY... IN WITH THE EXTRAORDINARY!

Did you know you can replace the ordinary, high-fat ingredients in many recipes with the extraordinary taste and nutrition of Cling Peach Purée? Watch the video to learn how easy it is to swap ingredients, make better health choices for your family and enjoy giving your favorite recipes a refreshing new twist with California Cling Peaches!

WATCH THE CLING PEACH PURÉE INGREDIENT SWAP VIDEO

SO GOOD IN SO MANY WAYS!

Canned California Cling Peaches belong in every well-stocked pantry, offering all the benefits you love about canned fruits and vegetables. Like delivering long shelf life with no need for refrigeration. Better nutritional value for the cost per serving. And superior value compared to their fresh counterparts. No doubt about it: California Cling Peaches in cans, jars or single-serve cups are perfect for your pantry!

JUST FOR KIDS
 GET THE RECIPES

QUICK AND EASY
 GET THE RECIPES

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International Trade: Board Efforts to Address

THE INDUSTRY'S IMPORT CHALLENGES

Unfair foreign subsidies, labor and environmental practices, and rock-bottom prices have enabled canned peach suppliers in China, Greece, and other countries to capture all of the California industry's export markets and put the industry's one remaining outlet, the US market, at serious risk. Because "normal" US tariff rates on canned peaches, canned fruit mixtures, and frozen peaches (17%, 14.9%, and 14.5%, respectively) are higher than most US tariff rates, they are vital to sustaining the US market for California production and need to be preserved to the maximum extent possible. Moreover, with low-priced foreign canned peaches still gaining ground in the US market even with normal tariff rates in place, additional protections against canned peach imports – whether in the form of supplemental tariffs, labor restrictions on imported canned peaches, stringent Buy America rules, improved labeling rules, and other import safeguards – have also become important to ensuring that the US market remains viable for the California industry.

Board efforts since 2019 to reaffirm the industry's import-sensitivity and fortify import safeguards

- ▶ The Board plays an active role in Washington on all trade policy matters relevant to the California industry in order to widely profile the California industry's import-sensitivity and build support for protecting it against unfair competition wherever possible. Board efforts on behalf of the industry include frequent formal submissions in all trade policy proceedings that impact the industry and regular informal interventions with US trade officials to underscore the industry's policy concerns and requests. The following is an illustrative list of Board efforts over the past five years to help safeguard the California industry from unfair imports.
- ▶ Securing protective USMCA "rules of origin": When USMCA replaced NAFTA in 2019, although tariffs were not at issue in that initiative, the Board worked with US negotiators to ensure that special canned peach rules of origin were included in the revised agreement to prevent peaches from China and other foreign origins from being processed in Mexico and shipped duty-free into the US market.
- ▶ Securing supplemental 25% tariffs on US imports of Chinese canned peaches and fruit mixtures: In the context of the Sec. 301 action against Chinese intellectual property and technology violations, the Board has actively participated in proceedings to achieve and maintain 25% retaliatory tariffs on all processed peach imports from China. These additional canned peach rates, which have been in effect since 2019, have kept imports of Chinese canned peaches at levels lower than they would have been without the additional rates. Although all Sec. 301 China tariffs are currently under review by the US Government, the Board continues to ask that the extra tariffs on canned peaches remain in place.
- ▶ Securing supplemental 25% tariffs on US imports of Greek canned peaches and fruit mixtures: In the context of the Sec. 301 action against EU aircraft subsidies, the Board actively participated in proceedings to achieve 25% retaliatory tariffs on processed peaches from Greece. Those tariffs took effect in 2020 but were "suspended" in 2021 when the aircraft case was "provisionally settled." While the retaliatory rates were in effect, they significantly deterred canned peach shipments from Greece. It is not yet clear whether the tariffs imposed in the aircraft dispute will be reinstated.
- ▶ Sensitizing the US Government to the possible use of forced labor in China's canned fruit industry: In 2023, following the implementation of a new law that bars US access for any Chinese good made "in whole or in part" from forced labor in China's Xinjiang region, the Board has worked with the US Government to determine whether

Address the Growing Threat of Unfair Imports

tinplate from Xinjiang is being used to support China's canned peach industry. The Board has emphasized that if Chinese canned peaches are using tinplate from Xinjiang, they should not be permitted to enter the United States.

- ▶ Sensitizing the US Government to the unfair advantages being conferred to foreign canned peach suppliers by the US "national security" tariffs on tinplate: The Board has worked with the US Government over the past few years to show how the additional 25% duties on tinplate from most countries have raised US canning costs and widened the already-large price disparity between California and foreign canned peaches sold in the US market. It has been asking the US Government to maintain the Sec. 301 retaliatory tariffs on Chinese canned peaches in part to help mitigate the California industry's unfair cost disadvantage created by these tinplate tariffs.

- ▶ Ensuring that the US Government's annual inventory of trade policy priorities captures the California industry's main trade concerns: Every year, the Board submits "National Trade Estimate Report" comments to ensure that its trade concerns continue to be profiled by USTR in its published annual inventory of trade policy priorities. These submissions help bring attention to the industry's high level of import-sensitivity.
- ▶ Ensuring that any renewal of US duty-free treatment for goods from South Africa continue to exclude canned peaches and fruit mixtures: Several years ago, the Board succeeded in excluding processed peach products from "AGOA," a US duty-free import program created for South Africa and other sub-Saharan countries. With AGOA set to lapse in a little more than a year, the Board has been working to ensure that any renewal of this preference program continues to exclude all sub-Saharan processed peach production from duty-free treatment.



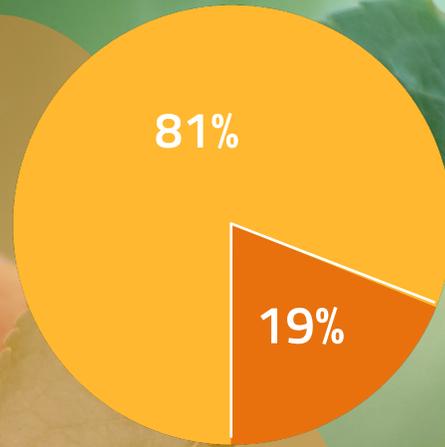
Looking Ahead to 2024 and Beyond

Important new tariff proposals are now being debated by the 2024 presidential candidates and US Congress. Some of these proposals would help further safeguard the California industry; others would impact the industry in unclear ways. The coming year is expected to be a dynamic one for trade. The Board intends to continue working actively in Washington to bring all possible attention to the California industry's growing import-sensitivity, advocate for effective import measures that will help sustain the California industry, and oppose all measures that undermine the industry's competitiveness.

\$539,614

TOTAL DOLLARS SPENT ON RESEARCH

The California Cling Peach Board has invested in research aimed at helping cling peach growers reduce costs and improve overall production. Over the past five years, CCPB has spent nearly \$540,000 on research projects with 81 percent of the funds focused on developing new peach varieties that will lend themselves to mechanical harvesting, produce higher yields and provide more balanced harvest timing. The additional 19 percent of funds have been dedicated to disease control which is an ongoing issue for growers. The California Cling Peach Board hopes to be able to continue to fund essential research that will support the success of the industry for years to come.



- Breeding Program
- Pre and Post-Harvest Disease Control

Overall Spending Adapts to Changes in Volume

As California cling peach growers work to adapt to their changing world, so has the CCPB budget. Although the CCPB's assessment rate has remained unchanged, volume continues to decline as imports increase, canneries close and trees are pulled. With less tonnage, there is less money to spend and priorities have shifted.

Fiscal Year June 1 - May 31	2019- 20 YE	2020- 21 YE	2021- 22 YE	2022- 23 YE	2023- 24 Projected YE
CARRY FORWARD	578,540	561,718	552,672	398,655	513,712
<i>Assessment Rate</i>	\$2.90	\$2.90	\$2.90	\$3.50	\$3.50
<i>Crop Estimate</i>	242,823	247,584	212,498	197,733	210,747
INCOME					
Assessments	716,862	671,958	616,244	692,066	737,613
Miscellaneous	391	385	257	200	8,000
Other	21,371	15,883	14,459	13,371	14,397
Block Grant	96,469	23,577			
TOTAL INCOME	835,093	711,803	630,960	705,637	760,010
TOTAL INCOME & CARRY FORWARD	1,413,633	1,273,521	1,183,632	1,104,292	1,273,722
EXPENSES					
TOTAL ADMINISTRATIVE	112,973	107,546	111,209	109,125	117,350
DOMESTIC PROMOTION	303,452	291,488	301,152	190,000	255,000
TOTAL RESEARCH	143,562	141,380	182,546	113,000	146,185
TOTAL TRADE POLICY/MARKET ACC	187,957	187,994	189,432	179,000	189,000
TOTAL INDUSTRY GROUPS	7,500	7,500	-	-	-
TOTAL TOOLBOX	5,750	483	628	500	500
BLOCK GRANT	90,721	26,538	-	-	-
TOTAL EXPENSES	851,915	762,929	784,967	581,625	708,035
CARRY FORWARD/NET	561,718	510,592	398,665	512,667	565,687

Summary of CCPB Research Funding

Breeding Program

The breeding program has been the focus for the Research Committee and 81% of research funds have been dedicated to the development of cling peach varieties that have desirable qualities of the industry. Desirable qualities identified by the industry include: extra-early and early maturity periods, as well as pre-Loadel maturity; capacity for once-over harvest; fruit tolerant of mechanical harvest and transport; reduced requirements for pruning and thinning; and resistance to fruit brown-rot, mechanical bruising and inconsistent winter-chilling. Dr.Thomas Gradziel at University of California Davis continues to spearhead these efforts with his two projects titled Developing Cling Peach Varieties and Regional Testing of New Processing Peach Selections.

Pre and Post-Harvest Disease Control

Management and control of diseases impacting the California cling peach industry have been an ongoing focus of CCPB's research program. Dr. James Adaskaveg from the Department of Plant Pathology and Micorbiology at the University of California, Riverside has been conducting research on how to better control brown rot, powdery mildew, peach leaf curl, bacterial blast and canker diseases in cling peaches.

Our Partners

In 1981 there were 11 companies canning California peaches. Today only two remain. As has been stated many times in this report, the importance of working cooperatively through CCPB is critical for the survival of peach farmers. Just as important is the need for CCPB work collaboratively with our valuable canning partners, Pacific Coast Producers and Del Monte. Additionally, CCPB's involvement with a number of important industry organizations is extremely helpful and works to extend CCPB's marketing efforts and strengthens our ability to manage issues. CCPB is proud to work closely with the organizations represented on this page.



Our Packers



Other Partners





CALIFORNIA

Cling Peaches

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