



**September Meeting: CIAB Continues with Board from June**

On September 14, 2023, the Cherry Industry Administrative Board met via Zoom/in-person. The selection order for the newly elected board had not been signed by the Secretary of Agriculture. Therefore, the board seated at the June 22, 2023 board meeting was seated for the September meeting. Until the CIAB receives a signed selection order the board seated in September 2022 along with the executive committee elected at that time will remain.

**Estimated vs. Actual Production**

Many of the producing areas were dry and in need of rainfall when the estimates were projected. The much-needed rain arrived before and/or during harvest causing the cherries to size up. Actual production was higher than the estimate by approximately 27.4 million pounds.

**Table 1. Estimated and Actual Production by District (mm lbs)**

<b>District</b>	<b>Estimated</b>	<b>Processed*</b>	<b>In-Orchard Diversion</b>	<b>Total Crop</b>	<b>% of Estimate</b>	<b>% of US Production</b>
NW Michigan	55	65.07	2.10	67.18	122%	33%
WC Michigan	30	40.24	1.41	41.65	139%	21%
SW Michigan	23	24.75	0.05	24.8	108%	12%
New York	5.0	5.49	0.03	5.52	110%	3%
Oregon	0.3	0.20	0.00	0.20	66%	0%
Pennsylvania	1.4	2.24	0.00	2.24	160%	1%
Utah	30	29.24	0.65	29.89	100%	15%
Washington	23	19.09	1.56	20.65	90%	10%
Wisconsin	7.5	9.48	1.05	10.54	140%	5%
<b>TOTAL</b>	<b>175.2</b>	<b>195.81</b>	<b>6.86</b>	<b>202.66</b>		

**CIAB Recommends a 6% Regulation**

At the June meeting the board set a preliminary restriction of 8%, the board estimated the crop at 175.2 million with a Target Carry-Out at 85 million pounds and no Economic Adjustment. With the actual crop in September of 202.66 million pounds, the reconfirmation of the Target Carry-Out of 85 million pounds and an Economic Adjustment of 30 million pounds for USDA purchases. The final restriction was 6%, subject to approval by the Secretary of Agriculture. See Table 2 on the next page for the Final OSF calculation.

Table 2. Final OSF Calculation

U.S. Crop - 2023	<b>202.7</b>
+ Carry-In at 6/1/23	137.2
<b>+TOTAL SUPPLY</b>	<b>339.9</b>
3-year sales average	194.2
+Target Carry-Out (voted by board)	85.0
<b>+OPTIMUM SUPPLY</b>	<b>279.2</b>
<b>SURPLUS (Total – Optimum)</b>	<b>60.7</b>
-Market Growth Factor (10% of 3-year sales average)	-19.4
-Economic Adjustment (voted by board)	-30.0
<b>= Adjusted Surplus</b>	<b>11.25 million</b>
<b>Regulation Rounded</b>	<b>5.8% 6.0%</b>

Note: When calculating the OSF, the ratio of surplus cherries to the crop in regulated districts determines the surplus percentage. In-orchard diversions are subtracted out of the total crop number. For 2023/24, the regulated crop size is 193.4 mm lbs, which is equal to the total supply minus the crop in OR and PA and minus in-orchard diversion.

The OSF calculation is:  $\text{Surplus (11.25 mm lbs) / Regulated crop (193.4 mm lbs)} = 5.8 \%$

### Promotion Update

The Weber Shandwick team focused efforts on promoting U.S.-grown tart cherries as an on-trend and in-demand ingredient for product developers, foodservice operators, and consumers throughout the 2022-2023 fiscal year. Below is an end-of-year recap:

#### B2B Efforts to Inspire Product Innovation

Our B2B campaign was created to inspire new tart cherry products and menu innovations by educating product developers and menu decision makers via the outlets they turn to online for food and ingredient trends. The campaign resulted in 6.63M impressions\* and 148 sales leads for the industry across our Prepared Foods, Food Processing, AdDaptive and LinkedIn partnerships. The partnerships included online banner advertising and social content for wide-scale awareness and custom articles and e-newsletters for deeper education on the benefits of including tart cherries in new product innovations. The campaign content drove to the newly created product developers and foodservice operator [reports](#) created earlier this year, which summarized the benefits of innovating with tart cherries and inspirational concepts.

As part of our B2B effort, we tracked 40 new tart cherry products that hit the marketplace and 35 new tart cherry menu items this past fiscal. Innovations such as tart cherry wellness sodas, indulgent snacks, breakfast bars and granolas have hit store shelves. Tart cherries have been appearing on more and more menus as well, spanning everywhere from salad recipes and main entrées to desserts.

#### Consumer Efforts Encouraged Tart Cherry Usage

Knowing our consumer target audience frequents media outlets and social newsfeeds for food and nutrition information, the team conducted editorial media outreach and developed social content that leveraged current trends to encourage consumers to choose tart cherries for a variety of eating occasions.

This fiscal year, we tracked 145MM+ total earned impressions\* across national media publications to reach our consumer target. Tart cherry flavor profiles and recipes were trending in articles featured in top tier outlets like [Bon Appétit](#), [EatingWell](#) (recipe #5) and [Good Housekeeping](#) (recipe #4). These articles highlight tart cherries as a nutritious and delicious ingredient for consumers to keep top of mind.

Beyond flavor profile, sleep continued to be the most covered health message across consumer media. During our Sleep-Easy media event, we played into the rising pandemic trend of mocktails and non-alcoholic beverages and created a tart

cherry ‘sleep-easy.’ At the earned media event, we were joined onsite by top-tier media contacts representing 26 national publications and Jackie Newgent, our contracted Registered Dietitian, who could credibly speak to the tart cherry health benefit research. While this was a relationship-building event to inspire tart cherry coverage long-term, we’ve already generated five pieces of coverage, 100% of which included at least one key message reinforcing that research has been conducted on tart cherries and sleep.

We continued to place consumer social media at the forefront of our efforts in order to reach our target audiences and share tart cherry recipes and nutrition information. We organically posted [Thanksgiving recipes](#) to the Choose Cherries social pages and went out with a [holiday campaign](#) highlighting tart cherry entertaining recipes to recreate. Thoughtfully sharing existing on-trend recipes on social media inspired consumers to include U.S. tart cherries in their holiday menus by leveraging seasonal and trending ingredients.

We also took advantage of posting [tart cherry bedtime recipes](#) on Choose Cherries platforms during National Sleep Awareness Month as we knew sleep would be a trending topic of online conversation that we should intersect. In total, these timely trend-focused consumer social media campaigns garnered 9.6M engagements\* this fiscal year.

## Looking Ahead

The promotion program is exploring a different path starting October 1 given the industry’s desire to focus on the most-profitable forms. While the campaigns will feature all product forms, special emphasis will be placed on promoting tart cherry baked goods to drive short and long-term demand for the industry. More details on the program will be available in October. In the meantime, please reach out to Nate Cheshier, CMI Marketing Director with any questions.

*\*Impressions are the estimated number of times a print, broadcast or online placement is potentially viewed. Engagements are the number of interactions with a social media placement including clicking to the recipe, liking, sharing or commenting on the post as well as watching the video.*

## USDA Purchases

In crop year 2022 the USDA purchased 46.8 million pounds RPE of dried cherries and 6 million pounds of IQF bags 12/2.5 for the National School Lunch Program and other Federal Food and Nutrition Assistance Programs. Both 2022 and 2023 products are acceptable for all purchases. Deliveries began July 16, 2023, and will continue through April 30, 2024.

## School Lunch Program

The CIAB is working towards increasing demand and adding new products to the National School Lunch Program. For school year 2024 dried tart cherries in 4/4lb bag and dried cherries 250/1.36 oz bag are the only tart cherries product available to schools. We are in the process of securing a few contracted professionals in this area with the funds the board approved in the budget for fiscal year 2023 to assist us with this project. The board also approved a steering committee for this project. The members of the committee are Cheryl Kroupa, CIAB, NW MI Grower Member; Lynn McPhee-Ward, CIAB Public Alternate; Melanie LaPerriere, Cherry Central, Inc. and Sarah Schluker, Peterson Farms, Inc.

## Imports

At the June CIAB meeting Chris Bardenhagen, CMI Crop Management Specialist, presented the research he has conducted over the past year on imports. The import data uncovered that there is far less volume of tart cherry juice concentrate (TCJC) imports than previously thought. The major factor in this discrepancy is that import brokers are required to report and charge duties based on the reconstituted amounts of TCJC. It is these reconstituted volumes that are stated in the official US trade reports. This means that the official U.S. import numbers need to be divided by the reconstitution factor (about 7) to calculate the actual volume of concentrate that is being imported into the United States. At the CIAB meeting in September Don Hinman, Senior Economist, USDA, presented information that confirmed the information Chris presented in June was accurate.

## Board Elections

The CIAB will begin board elections in January 2024 for the board seats that expire on June 30, 2024. The following sets will be up for election.

### District 1, Northern MI, Grower Seat

Cheryl Kroupa, Member  
Jared Lutz, Alternate

### District 3, Southern MI, Handler Seat

Danielle Brien\*, Conagra Brands, Inc., Member  
Vacant

\*Term Limited

In crop year 2023 Central Michigan's three-year average production is greater than 40 million pounds. Therefore, per the Code of Federal Regulations (CFR) §930.20 board membership in Central Michigan will increase by one seat. This will change the Central Michigan District from one grower and one handler seat to one grower and two handler seats. This board seat will flip between a handler and grower seat every election cycle.

## Board Public Seats

The public member and alternate seats expire on June 30, 2024. These seats are currently held by Ben Smith, Member and Lynn McPhee-Ward, Alternate. The public member and public alternate are nominated by the board and are prohibited from having any financial interest in the cherry industry. If you would like a candidate considered for a public seat on the board, please forward their resume to [hweber@cherryboard.org](mailto:hweber@cherryboard.org).

*USDA-AMS policy is that the diversity of the board should reflect the diversity of their industries in experience of members, methods of production and distribution, marketing strategies, and other distinguishing factors that will bring different perspectives and ideas to the table. When submitting nominations, the industry must consider the diversity of the population served and the knowledge, skills, and abilities of the members to serve a diverse population.*

## Calendar September 2023 – June 2024

### October 2023

- Oct. 2:** Assessments Due
- Oct. 2:** Form 4 Handler Reserve Plan and Final Pack Report due
- Oct. 2:** Form 5A and 5B Inventory Reserve Summary and Inventory Location Report due

### December 2023

- Dec. 1:** Export and Marketing Expansion documentation due for the period July 1- Sept. 30
- Dec. 5-7:** Great Lakes Expo, Grand Rapids, MI
- Dec. 11:** Form 3 Sales/Inventory Report due for the period ending Nov. 30

### January 2024

- Jan. 1:** Penalties assessed for late payment of assessments.
- Jan. 16-17:** NW MI Orchard and Vineyard Show, Traverse City, MI
- Jan. 23-24:** Empire State Producers Expo 2023, Oncenter Syracuse, NY
- Jan. 30-Feb. 1:** Mid-Atlantic Fruit and Vegetable Convention, Hershey, PA

### March 2024

- Mar. 1:** Export and Marketing Expansion documentation due for the period Oct. 1- Dec. 31
- Mar. 11:** Form 3 Sales/Inventory Report due for the period ending Feb. 28

**April 2024**

**Apr. 15:** Orchard revised orchard maps and application due

**June 2024**

**Jun. 3:** Export and Marketing Expansion documentation due for the period Jan. 1- Mar. 31

**Jun. 10:** Form 3 Sales/Inventory Report due for the period ending May 31

**Jun. 14:** Export and Marketing Expansion documentation due for the period Apr. 1- May. 31

**Jun. 20:** CIAB Board Meeting, Grand Rapids, MI