

**Produce For Better Health Foundation
2010 Business Plan
2nd Quarter Update
July 2010**

Submitted To: PBH Executive Committee

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The second quarter of 2010, on average, is tracking to meet 2010 business plan goals.

Overall, from a Fruits & Veggies—More Matters messaging and communications perspective, the second quarter of 2010 was strong. The fruitsandveggiesmorematters.org website continues to increase in popularity as demonstrated by the continued strong growth in monthly average visits and number of opt-in participants. Retailers, growers/shippers/processors, state, and public health partners continue to show strong support for the national health initiative by spreading the message through various mediums. In fact, the number of both retail and non-retail industry champions and role models has never been higher and the number of links by industry websites to the Fruits & Veggies—More Matters website has surpassed the 2010 goal. Media impressions are lower than expected, but third quarter efforts in preparation for September’s new America’s More Matters Pledge: *Fruits & Veggies...Today and Every Day!* and other White House Let’s Move efforts should strengthen those numbers. Consumer impressions through education materials are on course to meet, and possibly surpass, annual goals. The main area of concern continues to be the low number of supermarket consumer impressions (in ads) as measured by Leemis. Several retailers are promoting more in-store and less in ads than previously. Outreach to retailers to encourage support of the new pledge campaign for Fruits & Veggies—More Matters and Let’s Move may help lessen some of this problem. The mitigation plan is noted on page 8 in this report.

Activities surrounding the development of the National Action Plan Report Card are well underway. A final report should be completed by September.

From a sustainability perspective, second quarter 2010 catalog sales are tracking to meet or surpass the budgeted \$2,000,000 and industry contributions are close to budgeted target as well. The 2011 sponsorship brochure has been developed and 2011 sponsorship discussions will begin in July.

Below is more detailed information regarding performance against the 2010 Business Plan.

Goal 1: Implement comprehensive Fruits & Veggies—More Matters marketing, communications, and education effort targeted to Moms.

Objective 1: Understand moms in order to help her increase fruit/vegetable consumption among her family members.

Performance Goals:

1.1: Review the fruit and vegetable consumption of moms and her family vs. full population (NPD data) and determine a baseline.

2nd Quarter Results: NPD data will not be reviewed again until 2011. The State of the Plate report has been written and is currently with PBH staff designer. Due to White House Let’s Move activities in preparation for September, the designer was pulled away from completing the design of this report, originally expected in August. The report will be complete prior to the November Food Editor luncheon.

1st Quarter Results: NPD data was collected and baseline was developed. Results are noted in the table below. A comparison of Gen X mom households vs. the rest of the population isn’t the best comparison because Gen X mom households have younger children who eat smaller servings and thus bring down the average amount per capita. A year to year comparison for Gen X mom families and a year to year comparison for the general population is more appropriate. This comparison shows modest increases in consumption across both groups since the 2006 baseline.

	Average annual cups/capita in Gen X mom households (mom aged 30-44)		Average annual cups/capita in general population	
	Fruit	Veg	Fruit	Veg
2006	202	360	234	405
2007	219	367	238	409
2008	222	372	243	414
2009	221	368	247	413

A more accurate comparison might be to compare the consumption of fruit/veggies among children in Gen X mom households vs children not in Gen X mom households. Here again, there are only modest differences.

	Average annual cups/capita of children in Gen X mom households (mom aged 30-44)				Average annual cups/capita of children in general population			
	Fruit		Veg		Fruit		Veg	
	Age 2-5	Age 6-12	Age 2-5	Age 6-12	Age 2-5	Age 6-12	Age 2-5	Age 6-12
2006	241	215	193	272	235	218	190	275
2007	253	227	189	277	247	233	192	275
2008	263	239	192	277	254	244	196	277
2009	276	231	197	273	272	243	198	279

Of note, individuals in households with a ‘new’ Gen X mom (children under the age of 6) consume 30% more fruit per capita than those households with an ‘experienced’ Gen X mom. However, these same ‘new’ Gen X mom households eat 5% fewer vegetables than ‘experienced’ Gen X mom households.

1.2: Increase mom’s intention to serve more fruits and vegetables to her family to 70% (of moms).

2nd Quarter Results: The annual Gen X mom survey will be conducted again in Q1 2011. Preliminary pricing and discussions were held in support of conducting additional work with small Gen X mom focus groups. Discussions will continue, and available financial and human resources will be evaluated to determine the feasibility of conducting additional data gathering with focus groups. In addition, discussions are underway to possibly involve a university graduate student (and their mentor) in the next Gen X mom survey to assist with survey development, analysis, and submission of the research to a peer-reviewed journal.

1st Quarter Results: 66% of moms intend to serve more fruits and vegetables to her family, less than 2009 results where 69% said they would serve their family more fruits and vegetables. However, this is one question out of several psychosocial questions. When all of psychosocial questions are considered together, we see positive trends in mothers who strongly agree with statements like “it is easy for me to include f/v” or “as a mom, it is important that I include f/v’s in my family’s meals” or “I don’t know how to prepare f/v’s in different ways.”

- 2007: baseline determined
- 2008: 7% increase from baseline (indicating positive movement toward getting her family to eat more)
- 2009: 3% decrease from baseline (negatively impacted by the recession, we believe)
- 2010: 4% increase from baseline. A rebound, but not yet what it was “pre-recession”

1.3: Increase the percentage of moms who self-reported they were “likely to purchase” a product when seeing the Fruits & Veggies—More Matters logo on the package to 41%.

2nd Quarter Results: Same as 1.2 above

1st Quarter Results: 45% of moms self-reported that they were “likely to purchase” a product when seeing the logo. In the 2009 survey, 40% reported that they were “likely to purchase” a product.

- 74% of moms believe a product is ‘healthy’ when they see the logo on packaging; 55% believe the product provides a serving of fruit and/or vegetables, and 66% believe the product is nutritious.
- 38% of moms believe the logo motivates them to help their family to eat more fruits and vegetables. In 2009, 31% believed the logo was motivating. This percentage has consistently increased since 2007 (23%).

Objective 2: Reach moms (and her family) specifically through outreach efforts via the internet.

Performance Goals:

2.1: Increase the monthly average visits to the Fruits & Veggies—More Matters website by 5% (64,384).

2nd Quarter Results: 68,339 monthly average visits; a 6.25% increase compared to this time last year.

The following additions and enhancements were made to the website during Q2:

- Updated information and tips on the Gardening page, and incorporated into the gardening opt-in email.
- Made seasonal aesthetic changes throughout the site.
- Loaded and archived, as appropriate, weekly About the Buzz articles.
- Monitored and updated, as needed, the incoming daily news feed.
- Improved the tagging functionality on the home page to maximize optimization efforts.
- Created the home page, pledge section and ‘community’ user interface design in support of America’s More Matters Pledge: *Fruits & Veggies... Today and Every Day!*

- A section is being created to house information related to the pledge: Intro copy, a downloadable pledge card, a link for individuals or companies to pledge online, supporting documents and links to additional information and resources. The section will have a running tally to represent the total # of pledges.
- A ‘community exchange’ page is also being created to highlight fruit and vegetable related events, promotions, contests, etc. by members of the fruit and vegetable industry, public health professionals, educators, and health professionals. The information will be searchable by zip code to allow website visitors to easily see all of the events in their local community. Staff has been collecting information to populate the “community exchange” page in Q2 and in Q3 they will reach out more aggressively to industry to be sure they also populate the site with their own contests and events once the site is live. Additional information and resources on the community exchange page include:
 - Fruit & Veggie Vending
 - Fresh Fruit and Vegetable Program
 - School Wellness Policies
 - Salad Bars

This section will also include running tallies for the following listed on our site:

- # of schools with salad bars
- # of schools participating in the Fresh Fruit & Vegetable Program for the 2010-2011 school year
- # of schools with a fruit & veggie vending machine
- # of events, programs, contests, etc.
- Program profiles added in the past 30 days

- Ongoing:
 - ‘About’ portal changes
 - Additions to fruit and veggie database
 - Insider’s Viewpoint Additions
 - Recipe Additions
 - 30-minute and quick recipe additions

1st Quarter Results: 68,966 monthly average visits; a 10% increase compared to this time last year.

- The following additions and enhancements were made to the website during Q1.
 - Updated navigation on the home page, making it easier to move throughout the site and access popular pages and sections.
 - A new, refreshed look for the home page of the site.
 - A new look and name for the bi-monthly e-newsletter to opt-in participants. The new name is Fruit and Veggie Voice.
 - Added a live news feed pulling in daily articles, information and research on fruits and vegetables.
 - Added a page and corresponding information on PBH’s consumer contest. The contest is focused on email submissions outlining mom’s success with healthy eating, overall weight management with fruits and vegetables, and tips on how she was able to get her family to eat more fruits and vegetables. The contest kicked off in March during National Nutrition Month and will run through July with the Grand prize winner and first place winners being announced in September during National Fruits & Veggies—More Matters month.
 - Added weekly About the Buzz articles focusing on the latest ‘buzz’ about fruits and vegetables.

2.2: Increase the number of opt-in participants by 8% (to 21,978).

2nd Quarter Results: The total number of opt-in participants has grown to 22,691.

- Tweaks to the new e-newsletter design continued throughout Q2.
- Approximately 1,400 new participants were added during Q2.

1st Quarter Results: The total number of opt-in participants has grown to 21,291.

- A new design, look and name were given to the e-newsletter during Q1.
- Approximately 940 new participants were added during Q1.

2.3: Increase the number of site referrals by 5% (327) to determine the breadth of industry support.

2nd Quarter Results: 78 new industry websites are linking to www.FruitsAndVeggiesMoreMatters.org and sent referrals; a total of 137 new industry websites or 137% of goal.

- Examples of new website links are:
 - AF Stores
 - Agro-Peru
 - All Recipes
 - AP Peeling Fruit
 - Avis Bag
 - Back 4 Acres
 - Charlie's Produce
 - Cool Fruits
 - Daves Garden
 - Farm to Markets
 - Greenridge Fruit
 - JFC melons
 - Joe and Dals Grocery
 - McEntire Produce
 - Pick Texas
 - Simonian Fruit

1st Quarter Results: 59 new industry websites are linking to www.FruitsAndVeggiesMoreMatters.org and sent referrals; 113% of goal.

- Examples of new website links are:
 - Auvil Fruit
 - Bahama Food Services
 - Central Illinois Produce
 - Diamond Fruit
 - Edens Juice
 - Golden Greek Produce
 - HMC Farms
 - Kontos Fruit Co.
 - Manzanita Berry Farms
 - Norton Brothers Fruit Farm
 - Policella Farms
 - Royal Food Service
 - Sunnyridge
 - Victory Garden

Objective 3: Reach moms (and her family) through retail support of the Fruits & Veggies—More Matters brand.

Performance Goals

3.1: Measure the percent of Fruits & Veggies—More Matters licensed retail members against all supermarkets (FMI = 35,394), and maintain at 75% licensed.

2nd Quarter Results: The percentage of licensed Fruits & Veggies—More Matters licensed retail members remained the same in Q2; 65% licensed, representing 22,935 total stores.

- Preliminary discussions with Wawa (a chain of c-stores in PA, DE, MD, NJ) and 7-Eleven about becoming a licensed donor occurred during Q2. Discussions are scheduled to continue during Q3, with the end goal being to secure the companies as licensed donors.
- Meredith Auerbach was successful in renewing lapsed donor, Basha's. She continues to reach out to current and lapsed retailers to strengthen relationships and discuss ways they can support the Fruits & Veggies—More Matters brand.

1st Quarter Results: 65% of all supermarkets are Fruits & Veggies—More Matters licensed retail members, representing 22,935 total stores.

- The decrease of 11% and 2,785 stores from 2009 reported data is due to several factors. First, five retailers dropped as donors and licensees late in Q4 2009/early Q1 2010: Bi-Lo, Dierberg's, HEB, Sunset, and Ukrops and Bashas' is currently in a lapse status, likely due to their bankruptcy. Second, A&P stores (445) were double-counted in 2009 as the supermarket chain was listed as a parent company, which is accurate, but also included in the total store count for Pathmark (a banner). This miss-count was discovered in reviewing the data and reports in preparation of this Q1 report, and the system correction has been made. Third, several supermarket chains and parent companies have closed individual store locations or closed small banner stores completely thus impacting the total number of licensed stores. Lastly, FMI adjusted the total store count resulting in an increase from 34,019 total stores to 35,394.
- Mitigation Strategy: During the first quarter, PBH hired Meredith Auerbach as a contractor to focus exclusively on working with our licensed retailers. She will not only focus on strengthening existing relationships with licensed retailers, but also on bringing back lapsed retailers and new prospects. PBH has a lot of opportunity in the 'whole food' segment with stores such as Whole Foods and Trader Joe's, as well as within the c-store segment with large national chains such as 7-Eleven and big regional chains such as Sheetz and Wawa on the East Coast who are offering fruits and vegetables as well as other healthy foods and snacks as main staples in their stores.

3.2: Increase the % of consumer impressions as measured by Leemis by 4% compared to the 2009 total impressions for Fruits & Veggies—More Matters of 2.74 Billion.

2nd Quarter Results: 6.93 million consumer impressions as of June 30, 2010; 2.5% towards goal.

- The following retailers used the logo in weekly circulars during Q2.

○ Coborn's	○ Price Cutter
○ Donelan's	○ Redners
○ Foodland	○ Save Mart
○ Foodtown	○ Shoprite
○ Homeland	○ Sun Fresh
○ Key Foods	○ Times Supermarket
○ King Kullen	○ United Supermarket
○ Meijer	○ Wakefern
○ Piggly Wiggly	
- A marketing toolkit was developed and designed in June and will be posted on-line mid-July to make it easy for retailers and consumer affairs dietitians to support and promote America's More Matters Pledge: *Fruit & Veggies...Today and Every Day!* Mars Advertising donated graphic concepts for the effort.

- Outreach to retailers about upcoming September month activities began in May and will be more extensive in July once the tool kit is “live” on pbhfoundation.org. A webinar is scheduled for late July to discuss the tool kit materials. All tool kit materials will be readily available for anyone to use and can be customized.
- Two in-store promotions agencies (including Mars) have been talking with retailers and their suppliers about complimentary components to the America’s More Matters Pledge program. These efforts are independent of PBH but these firms have kept PBH informed of their general activities.
- In addition to the mitigation strategy outlined below and the new retail toolkit materials noted above, outreach to Leemis will be conducted over the next month to discuss options for capturing the consumer impressions generated by in-store signage as we know some retailers are using the logo in this manner over use in weekly ad circulars.

1st Quarter Results: 3.615 million consumer impressions as of March 31, 2010; 1% towards goal.

- The following retailers used the logo in weekly circulars during Q1.

○ Baker’s	○ Meijer
○ Coborn’s	○ Piggly Wiggly
○ Donelan’s	○ Price Cutter
○ Foodland	○ Redners
○ Foodtown	○ Save Mart
○ Homeland	○ Shoprite
○ Key Foods	○ Sun Fresh
○ King Kullen	○ Times Supermarket
○ Lowes	○ United Supermarket
- Mitigation Strategy – As noted previously, PBH hired Meredith Auerbach as a contractor in the first quarter to focus exclusively on working with our licensed retailers. One key element of Meredith’s role is to work with the retailers to incorporate use of the Fruits & Veggies—More Matters logo in weekly circulars to support the increase in moms recognizing the logo, as well as the reach to consumers. It is expected that Meredith’s narrowed focus will assist with increasing the total number of 2010 consumer impressions through circulars throughout the remainder of the year. Another factor that can not be mitigated in relation to this particular goal and metric is how retailers are using the logo. Throughout 2009, in particular during the 2nd half of the year, several licensed retailers stopped using the logo in their weekly circulars and switched to in-store signage and POS signage. These impressions are not tracked, nor reported by Leemis. It may be that our total impressions for Q1 are tracking with previous years, but the ‘vehicle’ or ‘medium’ has switched.

3.3: Increase the number of retail role models to 7 and those nearing role model status (champion) to 4 as measured by the retail role model criteria.

2nd Quarter Results: The following retailers have met various criterion used to identify retailer role model and champion status throughout Q2:

- Ahold
- Associated Wholesale
- Big Y
- Food Lion
- Kroger
- Lowes
- Meijer
- Price Chopper
- Redners
- SaveMart
- Schnucks
- Shoprite
- SuperValue
- United Supermarkets
- Wal-Mart
- Weis

1st Quarter Results: While it is too early in the year to determine retailer role model or champion status, a few retailers are off to a good start through their support of the Fruits & Veggies—More Matters message during the first quarter:

- Food Lion, Kroger, Meijer, SaveMart, Schnucks, ShopRite, and Weis.

3.4: Update the PBH Foundation website according to the production schedule no later than 12/31/10.

2nd Quarter Results: The updated design and navigation were approved during Q2. Needed edits to existing copy and content, and areas where new content needs to be written were also identified during the second quarter. The editing and writing of content is planned for Q3. Given the extensive enhancements and additions planned for www.FruitsAndVeggiesMoreMatters.org in support of America's More Matters Pledge, the PBH Foundation website will likely not be completely updated until sometime in the first quarter of 2011. See objective 2:1 for details on the enhancements and additions to the website.

1st Quarter Results: Internal meetings have been held to discuss the desired functionality, navigation, and overall look and feel of the updated PBH Foundation website during the first quarter. All of the current sections, pages, and content on the website were also reviewed and discussed to determine the type of information that needed to be kept, removed, and updated. A review of the draft, updated design and navigation plan is scheduled for early Q2.

Objective 4: Reach moms (and her family) through grower/shipper/processor (inclusive of FS operators and cross promotion partners) support of the Fruits & Veggies—More Matters brand.

Performance Goals:

4.1: Increase the percent of licensees compared to the number of 2009 licensees by 4%, excluding retailers, from 314 to 326 licensees.

2nd Quarter Results: 308 Fruits & Veggies—More Matters licensees

- Six new licensees were obtained during the 2nd quarter:
 - Agroeden Cia, LTDA
 - Crown Poly, Inc.
 - Frey Farms Produce, LLC
 - MamaMia Produce, LLC
 - Michigan Celery Promotion Cooperative, Inc.
 - Yucatan Foods

1st Quarter Results: 302 Fruits & Veggies—More Matters licensees

- The total number of current FVMM licensees (excluding retailers) decreased at the end of Q1 due to two factors. First, seven (7) 2009 licensees are no longer licensees as of 3.31.10 due to going out of business or reorganization (Eurofresh, Kagome, Salyer) or merging (Dovex, W.P. Signs, Fresh Express) with an existing licensee. One former licensee has chosen not to work with PBH (Amport Foods). Second, three retailers were mistakenly included in the 2009 list of FVMM licensees totaling 314, as were CDC and Ogilvy Public Relations who are not licensees.
- Two new licensees were obtained during the 1st quarter:
 - Epsen Hillmer Graphics Co.
 - Fundacion Proagroin ZN

4.2: Increase the total number (1,803) of different products (SKU's) with brand on packaging or PLU stickers by 17% (300 new for a total of 2,103).

2nd Quarter Results: 43 new labels were approved during Q2 for a total of 1,899 labels carrying the Fruits & Veggies—More Matters logo; 30% towards goal.

- Examples of newly approved packaged/items are:
 - Chelan Fresh apple packages
 - Frey Farms potato packages
 - Greenery Produce USA – kiwi tray, and produce box display bins
 - Hy-Vee private label frozen sweet cut corn, mini corn on the cob, and sweet cut golden corn packages
 - Libby's no sale, no sugar added cut green beans, French style green beans, whole kernel sweet corn, and sweet peas cans
 - LGS Specialty Sales darling clementines net bags
 - Mariani mixed fruit and pitted dates packages
 - Michigan Celery Promotion Cooperative celery sleeves
 - Schnucks canned mushrooms (various varieties)
 - Stop & Shop private label raisin, prune, plums, nectarines, and peaches packages
 - Tree Top 100% apple juice

1st Quarter Results: 48 new labels were approved during Q1 for a total of 1,851 labels carrying the Fruits & Veggies—More Matters logo; 16% towards goal.

- Examples of newly approved packages/items are:
 - McDonald's apple dippers
 - AgroAmerica pineapple box
 - Gills Onions tri-color peppers and onion packages
 - Kroger shredded carrots, carrot chips, whole carrots, and peeled baby carrots private label packages
 - Mariani dried mixed fruit and pitted plums packages
 - Schnucks frozen mini ears of corn on the cob and frozen whole kernel corn private label packages
 - Topco frozen mixed vegetables and sweet peas packages
 - Weis Markets, various varieties of frozen vegetables private label packages

4.3: Work with 5 cross promotion partners during 2010.

2nd Quarter Results: During Q2 we worked with 3 cross promotional partners: American Osteopathic Association, Schoolmenu.com and USA Water Polo, Inc., bringing the year-to-date total to 5 cross promotional partners or 100% of goal.

- American Osteopathic Association: The AOA is a member association representing more than 67,000 osteopathic physicians (DOs). These physicians have a very holistic approach to medicine and are open to incorporating multiple disciplines in their treatment of patients. In an effort to reach physicians who are interested in prevention, PBH has been talking to this association. AOA has agreed to link to one or more of PBH's websites; use PBH education materials for their own needs (such as consumer columns, recipes, tool kits, catalog), and to let their members know about our consumer research.
- Schoolmenu.com: Schoolmenu.com works with school districts across the country to post elementary, middle and high school menus on their website, including the nutritional content of the items served. The site is provided free and can be customized for each individual school within the district. Work is currently underway on an updated website to be launched this fall featuring a new look, improved "user-friendly" navigation, and lots of fruit and vegetable nutrition information. PBH is collaborating with the creators of schoolmenu.com to provide fruit and vegetable information, content, links, and downloadables. PBH will be listed as a sponsor on the site as part of the collaboration. Going forward, PBH will submit information on our fruit and vegetable of the month and other fruit and vegetable related information.
- USA Water Polo, Inc.: USA Water Polo, Inc. is a not-for-profit corporation that serves as the national governing body for the sport of water polo in the United States under authority of the United States Olympic Committee. This organization has used some of PBH's materials, including recipes (with new water polo sport names) and consumer columns, in e-mail newsletters to their own members. They also linked to the PBH public service announcements in May.

1st Quarter Results: As of March 31, 2010 we've worked with 2 cross promotional partner; Strawberry Shortcake and Swardlick Marketing/Frozen Wild Blueberries.

- Strawberry Shortcake - Developed a downloadable marketing toolkit for May, National Strawberry Month, including consumer columns, recipes, tips on the selection, storage and use of strawberries, ad slicks, and sign templates for use by retailers, growers, shippers, processors, and educators. An 8-page small activity and coloring book was also developed, printed, and 100 each will be sent to all licensed retailers for distribution to consumers in May. PBH also acted as a liaison and distributed an informational email to all retailers about working directly with Strawberry Shortcake, if interested, on a promotion.
- Swardlick Marketing/Frozen Wild Blueberries – Developed a radio PSA focusing on the importance of healthy eating, how all forms of fruits and vegetables can help one eat healthfully, and used frozen wild blueberries as an example of a 'healthful' fruit. The PSA will begin to air in May/June in; :15, :30, and :60 second segments.

4.4: Increase the number of non-retailer role models from the grower/shipper/processor group (measuring depth of brand support) to 7 role models and 4 champions.

2nd Quarter Results: The following non-retailers have met various criterion used to identify non-retailer role model and champion status throughout Q2:

- Alberto-Culver Specialty Brands
- Bayer Crop Science
- Bush Brothers & Company
- C.H. Robinson
- California Avocado Commission
- Canned Food Alliance
- Chelan Fresh Marketing
- ConAgra Foods
- Del Monte Foods
- Del Monte Fresh Produce
- Dole Food Company
- Duda Farm Fresh Foods Inc.
- Gills Onions
- Giumarra
- Giorgio Mushrooms
- Golden Sun Marketing
- Green Giant Frozen and Canned Foods
- Grimmway Farms
- McDonald's
- Monsanto Vegetable Seeds
- Naturipe Farms
- Pear Bureau Northwest
- Phillips Mushroom Farms
- Produce Marketing Association
- Rainier Fruit Company Inc.
- Seneca
- Stemilt
- Sun-Maid Growers of California
- Swardlick Marketing Group
- The Oppenheimer Group
- The Walt Disney Company
- Welch's

1st Quarter Results: While it is too early in the year to determine non-retailer role model status, the following companies are off to a good start through their support of the Fruits & Veggies—More Matters message during the first quarter.

- C.H. Robinson, Chelan Fresh Marketing, Gills Onions, Giorgio Mushrooms, McDonald's, Seneca, Stemilt, and Welch's

4.5: Outline and implement a plan to engage 1-2 foodservice distributors/suppliers to place nutrition education information in the schools they service/supply.

2nd Quarter Results: During Q2, five dominate foodservice companies were identified as target donor companies. Initial outreach to these companies will occur during the PMA Foodservice conference scheduled for the end of July.

1st Quarter Results: This goal and metric was incorporated into the business plan as a result of the strategic planning session held in February 2010. As this session was then followed by final preparations for PBH's annual Board of Trustees meeting and Dinner Auction fundraiser, work did not begin in Q1 but will commence in Q2.

Objective 5: Reach moms (and her family) through increased state and national public health partner support of the new Fruits & Veggies—More Matters brand.

Performance Goals:

5.1: Maintain CDC as Champion status (measuring “depth” of brand support).

2nd Quarter Results: To date, no partner has reached role model status but CDC and the Council of Fruit & Vegetable Nutrition Coordinators show strong support for the brand.

- PBH continues to work with the White House and members of the DNPAO branch of CDC in discussions with Michelle Obama’s *Let’s Move* initiative. CDC co-chairs the National Fruit & Vegetable Alliance that met with the White House in May. An outline of *Let’s Move* activities can be found on page 17 of this report.
- CDC released “The CDC Guide to Fruit & Vegetable Strategies to Increase Access, Availability and Consumption.” This guide offers suggestions to states on how to promote food policy councils as a means to improve the environment at local levels; how to ensure ready access to fruits/veggies in worksite foodservice and in food offered at meetings/events; how to establish policies to incorporate fruit/veggies into school activities and emergency food programs. Throughout the guide, they give states ideas about how they can use Fruits & Veggies—More Matters messaging in each of these venues.
- PBH spoke at the May conference call for state fruit and vegetable nutrition coordinators about the Gen X Mom and NPD research. PBH provided a White House *Let’s Move* update for state coordinators at their June meeting in Baltimore. PBH is slated to speak on the August conference call for state fruit and vegetable nutrition coordinators to provide another update for them about September activities.
- CDC continues to provide training on brand licensing to state coordinators as needed.

1st Quarter Results: To date, no partner has reached role model status but CDC continues to show strong support for the brand.

- Larry Grummer-Strawn, CDC, spoke during PBH’s annual Board of Trustees meeting.
- PBH is working with members of the DNPAO branch of CDC to incorporate the Fruits & Veggies—More Matters message into the *Let’s Move* initiative. Currently fruitsandveggiesmatter.gov is a link on the *Let’s Move* website.
- CDC worked with PBH regarding messaging and state coordinator involvement for March National Nutrition Month.
- CDC continues to provide training on brand licensing to state coordinators as needed.
- PBH is slated to speak at the May meeting of the state coordinators, and will participate in the state coordinator meeting in June following the Association of State & Territorial Public Health Nutrition Director’s (ASTPHND) annual meeting.

5.2: Measure level of engagement by states by establishing a tracking mechanism.

2nd Quarter Results: Due to other priorities, the level of work anticipated for this goal during the 2nd quarter was not completely accomplished, however additional work did occur. A PBH staff member, Sharese Alston, was identified to fill a liaison role between PBH and the State Fruit and Vegetable Nutrition Coordinators. Sharese will act as the ‘go-to person’ for each coordinator to handle inquiries, questions, provide information and updates on marketing and education toolkits, PBH and Fruits & Veggies—More Matters news, etc. The liaison role will help to know what states are doing to support the brand, and in turn help us to track their level of engagement.

1st Quarter Results: Initial discussions occurred during Q1 on how to go about establishing a tracking mechanism to measure level of state engagement. Further discussions are slated for Q2.

5.3: Increase the number of site referrals to the fruitsandveggiesmorematters.org website from states & public health partners (.gov and .org) by 5% to 1,014.

2nd Quarter Results: The number of site referrals to the FruitsAndVeggiesMoreMatters.org website from .gov and .org sites through the second quarter is 991; 52% towards goal of a 5% increase.

- The average time on the site from .gov sources was 3:43 and 3:55 from .org sources. Both averages are increases from Q1.
- The top 10 sources for .gov and .org are as follows:

.Gov

fruitsandveggiesmatter.gov
healthymeals.nal.usda.gov
fnic.nal.usda.gov
doh.wa.gov
kingcounty.gov
snap.nal.usda.gov
mass.gov
Oregon.gov
Dhh.louisiana.gov
Agr.georgia.gov

.Org

helpguide.org
dashdiet.org
avocado.org
healthsmartva.org
wichealth.org
cumbavab.org
cancer.org
ageducate.org
eufic.org
uen.org

1st Quarter Results: The number of site referrals to the FruitsAndVeggiesMoreMatters.org website from .gov and .org sites in the first quarter is 975; 19% towards goal of a 5% increase.

- The average time on the site from .gov sources was 3:37 and 3:26 from .org sources.
- The top 10 sources for .gov and .org are as follows:

.Gov

fruitsandveggiesmatter.gov
healthymeals.nal.usda.gov
fnic.nal.usda.gov
mass.gov
doh.wa.gov
oregon.gov
agr.georgia.gov
kingcounty.gov
cdc.gov
dhh.louisiana.gov

.Org

dashdiet.org
helpguide.org
walkkansas.org
healthsmartva.org
cancer.org
wichealth.org
cumbavab.org
uen.org
eufic.org
unitedfresh.org

- Visitors from .gov and .org sources viewed an average of 6 pages while on the site.

Objective 6: Reach moms (and her family) with educational materials through educators, health professionals and schools.

Performance Goals:

6.1: Increase the number of impressions by 5% (15.38 M) from catalog efforts earned in 2009 (14.65 M).

2nd Quarter Results: Total impressions for Q2 is 5.58 million; a total of 9.145 million or 59% towards goal.

1st Quarter Results: Total impressions for Q1 is 3.65 million; 23% towards goal.

6.2: Increase the number of FVMM educational products sold to educators and health professionals by 3% (\$1,967,610) earned in 2009 (\$1,910,301).

2nd Quarter Results: The amount of FVMM educational products sold to educators and health professionals in Q2 is \$609,584; \$1.042 million or 55% towards goal.

- In April the PBH catalog sales team attended, for the first time, the annual NAPNAP (National Association of Pediatric Nurse Practitioners) conference and tradeshow.
- In September the team will attend NEAFCS (National Extension Association of Family & Consumer Sciences.)

1st Quarter Results: The amount of FVMM educational products sold to educators and health professionals in Q1 is \$432,971; 22% towards goal.

Objective 7: Reach Moms (and her family) through the media.

Performance Goals:

7.1: Increase the number of impressions captured during the annual media analysis by 5% (107.9M).

2nd Quarter Results: Through the end of the second quarter, cumulative impressions totaled 27.1 million; 25% of goal.

- Total impressions for Q2 were equal those of Q1, effectively doubling our total impressions.
- Two consumer columns will be released during Q3; one at the end of July and the other in mid-August. Historically, the consumer columns written by PBH have performed well and generated millions of impressions. Work is underway to secure 1-2 additional consumer column sponsorships by the end of 2010.
- PBH has been moving forward to have the National Action Plan report card completed in time for a September announcement if needed. Whether or not it is released largely depends on what the other Alliance members think of it when they review it in August and whether or not there are other media events with the White House in September.
- The first draft of the “gap analysis” – whether government’s spending priorities are consistent with health priorities – was received end of Q2. Final revisions are expected in August and this report could also be released in September or held until early 2011 (after election and closer to Farm Bill discussion time). Some key points from this report have been included in the National Action Plan report card.
- Media outlets running stories about PBH and/or Fruits & Veggies—More Matters include:
 - ABC 22
 - ABC 27
 - Bristol Bay Times
 - Cosmopolitan.com

- Des Moines Register
- Diets in Review.com
- Forbes.com
- Fox 14
- Fox28.com
- Fox 44 news
- FreshPlaza.com
- Healthcheck
- JournalNow.com
- Killeen Daily Herald
- KLFY
- KWQC-TV 6
- Orangevale Sun
- Produce Industry Insider
- Progressive Grocer
- Salt Lake Tribune
- Supermarket News
- The Packer
- The Sentinel
- Toledo Blade
- WAAY-TV
- WRIC ABC 8

1st Quarter Results: Through the end of the first quarter, cumulative impressions totaled 13.2 million; 12% of goal.

- The PBH team has been working diligently throughout Q1 2010 to issue a constant flow of press releases, as well as concentrate more resources on our blogging and internet social marketing efforts.
- Media outlets running stories about PBH and/or Fruits & Veggies—More Matters include:
 - About.com
 - Diets in Review.com
 - FreshPlaza.com
 - Fox28.com
 - Healthcheck
 - JournalNow.com
 - KWQC-TV 6
 - Produce Industry Insider
 - Progressive Grocer
 - Salt Lake Tribune
 - Supermarket News
 - The Packer
 - The Sentinel
 - Toledo Blade
 - WRIC ABC 8

7.2: Maintain high favorability rating (63-65) in media coverage conducted by CARMA.

1st Quarter Results: This information is provided by CARMA and will be available at the end of 2010.

7.3: Maintain high favorability rating (84% of conversations are positive or neutral) in Fruits & Veggies—More Matters conversations occurring on-line.

1st Quarter Results: This information is provided by CARMA and will be available at the end of 2010.

7.4: Maintain rating (45%) of core messages being captured in the media.

1st Quarter Results: This information is provided by CARMA and will be available at the end of 2010.

7.5: Increase the amount of internet/blog “buzz” about fruits and veggies/FVMM by 10% (688).

2nd Quarter Results: A total of 130 blogs and “buzz” have been written about fruits and veggies/FVMM during Q2; a total of 262 or 38% towards goal. Preparation for expanded social media efforts is underway to support September’s Fruits & Veggies—More Matters month and the print and on-line pledge effort: *America’s More Matters Pledge: Fruits & Veggies . . . Today and Every Day!*

1st Quarter Results: A total of 132 blogs and “buzz” have been written about fruits and veggies/FVMM during Q1; 19% towards goal.

Goal II: National Action Plan Monitoring.

Objective 1: Update National Action Plan

Performance Goals:

1.1: Update and disseminate the National Action Plan by 12.31.10.

2nd Quarter Results: PBH was among several members of the National Fruit & Vegetable Alliance (NFVA) who met with several key advisors and senior staff members of the First Lady's *Let's Move* Initiative at the White House in May. Some activities resulting from discussions included pairing Let's Move with Fruits & Veggies—More Matters in an in-store and online pledge campaign, *America's More Matters Pledge: Fruits & Veggies . . . Today and Every Day!* Also, an activity exchange page added to www.FruitsAndVeggiesMoreMatters.org will provide an opportunity to highlight successful local fruit and vegetable activities and efforts to increase fruit and vegetable consumption. One additional effort surrounding salad bars is currently in discussion with the White House. Multiple conference calls and conversations about this effort have occurred over the summer. All activities are expected to launch in September as part of Fruits & Veggies-More Matters month and then continue for several months.

PBH outreach effort to other organizations for participation with the NFVA have been put “on hold” while this White House effort is underway. PBH has begun to reach out to these organizations with whom we met in Q1 to get them involved with PBH and Fruits & Veggies—More Matters (instead of the NFVA), while waiting for NFVA decisions. The NFVA has also prioritized activities in the National Action Plan. Ultimately, NFVA member invitations may go only to those entities that help support the three priority areas. These priority areas were more fruits/vegetables on menus, more salad bars in schools, and a consistent core communications and policy change campaign.

1st Quarter Results: As of March 31, 2010, all known available metrics to compare changes since the National Action Plan was developed in 2005 have been collected. Priority setting and invitations to other potential partners to join PBH in the National Fruit & Vegetable Alliance are next steps. Six visits occurred with organizations in March; all of whom would be interested in participating in the Alliance. While a dissemination date for the National Action Plan Scorecard is being considered for September 2010, there is concern that fall elections may overshadow any announcement and that it might be best to release the scorecard after the new Congress has been elected. Further discussions will occur in Q2.

1.2: Identify/mobilize an ad hoc and/or research advisory group.

2nd Quarter Results: In order to free up resources to work with the White House Let's Move effort, the contractor that was hired in 1st Quarter to help monitor newsworthy research was released three months later in 2nd Quarter. The contractor was also not finding information that was much different from PBH's communications staff, so this seemed to be the best place to make a shift in resources. Staff continues to monitor issues and post information on PBH and Fruits & Veggies—More Matters websites in a timely manner.

For example, PBH distributed consumer press releases in Q2 to showcase how fruits and veggies are low in sodium (following the release of the IOM Sodium report and recommendations.) We also highlighted the correlation noted in the *F as in Fat* report that states with the heaviest consumers are also states with the lowest fruit/vegetable consumption.

While PBH did not issue consumer press releases, we did write About the Buzz columns for the consumer website about two pesticide issues and distributed them through the mom e-newsletter. One column was about a research paper linking pesticide residue with ADHD in children; the other was about organics and

came on the heels of the Environmental Working Group's Dirty Dozen report. PBH also participated in three webinars sponsored by the Alliance for Food & Farming, which issued a report in response to the Dirty Dozen report. PBH's role was to emphasize health benefits of fruits and vegetables and to share consumer insights.

1st Quarter Results: A contractor has been hired to survey the research environment and keep watch for 'soon to be released' research and newly released research pertaining to fruits and vegetables. A process has been established between the contractor and internal staff of PBH so a press release is issued and posted on the PBH and FVMM websites within a 24-hour period.

Goal III: Secure sustainable funding source for PBH.

Objective 1: Expand funding sources to sustain the annual operating budget.

Performance Goals:

1.1: Secure \$2.0 million (excluding campaign contributions) in annual contributions, special events, sponsorships and in-kind donations from the industry.

2nd Quarter Results: As of June 30, 2010 \$1,058,646 has been secured from the industry (not counting campaign dollars); 53% towards annual goal of \$2,000,000.

Supporting Information

- *Annual Contributions:* A total of \$584,000 in annual contributions was received in Q2; 50% toward annual goal of \$1,168,500.
- *Major Donors:* In Q1, Taylor Farms, Seneca, PMA, and two other companies (who would rather remain anonymous) pledged to increase their contributions to \$50,000/year for each of 5 years. They join Stemilt, Paramount Farms, and Syngenta at this level. Disney pledged and paid \$35,000 in Q2, although an announcement has not yet been made about this.
- *In-kind:* In-kind contributions through Q2 are \$90,789, 88% toward annual goal of \$103,000. Examples of in-kind donations include dinner auction items, comp attendance at meetings and conferences and marketing services.
- *Sponsorships:* Total revenue received to date for 2010 sponsorships, including annual meeting, is \$221,244; 80% toward annual goal of \$276,000.
- *Dinner/Auction:* Total revenue received from ticket sales, sponsorships, and auction purchases in 2010 is \$154,384; exceeding the annual goal of \$140,000 by 10%.
- *Donor Marketing & Outreach Committee (DMO) Peer-to-Peer Outreach:* The DMO committee continues peer-to-peer (P2P) outreach to donors to thank them for their donation and discuss what motivates them to continue supporting PBH. More than 65 companies have been contacted since this outreach was initiated. The committee members are currently choosing the next round of PBH donors to contact starting in July. The feedback received from the Peer-to-Peer Outreach has been valuable and allowed PBH to better respond to donor needs.
- *New Donors.* Eight new donors have joined PBH through Q2.
- *Lapsed and Dropped Donors.* Appeals to lapsed and dropped annual donors have resulted in 16 renewals from lapsed donors and 7 renewals from dropped donors. An additional five companies have requested invoices and PBH is awaiting payment. Outreach continues to both these groups.
- *Streaming Videos.* A sponsorship appeal to more than 175 donors and prospects identified from the Top 100 Growers and various commodity boards was distributed. Follow-up continues and support for Apples and Broccoli has already been received.
- *Role Model and Champion Awards.* An appeal was sent to all active PBH donors with Fruits & Veggies—More Matters licenses along with criteria, examples of how to qualify and each

company's current Role Model or Champion status. In response to the appeal, companies like Duda and Del Monte Fresh have begun to work toward qualification of this award by incorporating the Fruits & Veggies—More Matters brand into their packaging and messaging. Some companies, like McDonald's, were already well on their way; this appeal aided in coordinating our tracking efforts.

- *Executive Committee letters.* The Executive Committee sent out letters and information to more than 40 companies asking them to become board level donors. Responses are still arriving and include companies such as Lakeside Foods.
- *2011 Sponsorships.* The 2011 Sponsorship brochure has been finalized and will be distributed at the upcoming PMA Foodservice Conference. Additional distribution via email is planned to all donors-active, lapsed, dropped-and prospects.

1st Quarter Results: As of March 31, 2010 \$691,000 has been secured from the industry (not counting campaign dollars); 35% toward the \$2 million goal.

- Major Donors: Taylor Farms, Seneca, PMA, and two other companies (who would rather remain anonymous) have increased their contributions to \$50,000/year for each of 5 years. They join Stemilt, Paramount Farms, and Syngenta at this level. This is a net increase of \$125,000 in 2010 and \$143,000 in 2011. A few other donors have increased their pledges and these will be announced in Q2.
- Annual Contributions: A total of \$292,000 in annual contributions was received in Q1; 25% toward annual goal of \$1,168,500.
- In-kind: In-kind contributions for Q1 are \$80,996; 79% toward annual goal of \$103,000. An example of a major in-kind contributor includes: Promodata Leemis - \$43,183.
- Sponsorships: Total revenue received in Q1 is \$198,075; 72% toward annual \$276,000 goal.
- Dinner Auction: Dinner Auction fundraising event was held on April 10, 2010; net event revenue is still being calculated as we await outstanding bills. The live and silent auction bids for 2010 totaled \$30,000, similar to 2009 auction totals. Total revenue received through Q1 is \$114,850; 81% toward the goal of \$140,000.
- Donor Marketing & Outreach Committee Peer-to-Peer Outreach: The DMO committee continues peer-to-peer outreach to donors to thank them for their donation and discuss what motivates them to continue supporting PBH. More than 50 companies have been contacted since this outreach was initiated.
- Cyndy Dennis was hired as a contractor during Q1 to support development outreach to donors giving \$1,000 or less to PBH
- PBH Annual Report: The PBH Annual Report was released and mailed to donors and prospects in Q1. Pledge forms were included that have resulted in lapsed and dropped donors renewing support. An example is Subway renewing their annual contribution (they had been "dropped" since 2006).
- 2010 Development Plan Progress:
 - More than 100 companies have been identified as potential donors within the Healthcare industry. Contact is underway with health plans, pharmaceutical manufacturers and disease management and health and wellness companies. Examples include: CIGNA and AstraZeneca.
 - Brief summaries, elevator speeches, designed to explain PBH quickly to donors and prospects are being developed.
 - Outreach is underway to Sodexo, Sysco, and other organizations within the foodservice industry. In addition, Cyndy Dennis has experience working in the foodservice industry and will help with the formulation of a strategy to identify and connect with these companies to secure support for PBH.

1.2: Secure 90% of the 2010 pledges for the Campaign for children's health.

2nd Quarter Results: Two new one-time gifts were secured during Q2 for the Campaign. 79% of pledges have been paid.

1st Quarter Results: 63% of 2010 pledges have been paid (not all are scheduled to have been paid yet.)

Objective 2: Expand revenue sources through catalog sales.

Performance Goals:

2.1 Secure \$2M in gross catalog sales.

2nd Quarter Results: Sales for Q2 \$597,733; a total of \$1,053,491 or 53% towards goal.

- The sales goal for Q2 was surpassed by \$131,345, and it is anticipated the \$2M end of year goal will be met.
- Targeted monthly email blasts continue to show strong average open rates and click through rates of 22% and 20% respectively.
- In April the catalog sales team attended the National Association of Pediatric Nurse Practitioners (NAPNAP) annual conference and tradeshow. This was the first time exhibiting at this show, as part of a strategy to build and strengthen relationships with health professionals.
- In May the catalog sales team attended the National WIC Association Conference. Due to the efforts of Don Schuler, Catalog Sales Manager, we are receiving more orders from WIC personnel than in past years. He has developed quite a few new relationships with WIC Directors and office personnel, as well as strengthened existing relationships resulting in an increase in sales to this group.
- The catalog sales team began initial work on the development of the 2011 PBH Nutrition Education catalog in June. The goal is to mail the new catalog in early January 2011.

1st Quarter Results: Sales as of March 31, 2010 are \$455,758; 23% towards goal.

- January, February and March sales goal was surpassed by \$35,380, also exceeding Q-1 2009 by \$68,000! The first quarter sales goals are on target for meeting the \$2M end of year goal.
- 2010 catalog was mailed early February to 110,000 educators and health professionals.
- Press releases regarding catalog have been sent to trade, educator and health professional publications.
- Monthly email blasts with catalog promotions and featured items to targeted customer groups in progress
 - Emails sent to approximately 20,000 educators/health professionals and industry contacts
 - Monthly average open rate of 20%. Average open rate of an information email is 19%.
 - Monthly average click through rate (of those that opened the email) of 18%. Average click through rate of a promotional/sale email is 17%.
- Displayed the Adopt-A-School Tabletop and Materials at the 2010 PBH Board of Trustees meeting.
- Participated (due to receiving an invitation from the coordinator of the NY SNAP ED program) in the NY SNAP ED state conference held in March. (SNAP ED is the federal "food stamp" nutrition education program)

- 5 tradeshow exhibits are scheduled for the remainder of 2010; 2 in Q2, 1 in Q3, and 2 in Q4.

2.2: Maintain average monthly inventory at \$460,000 or less

2nd Quarter Results: Average monthly inventory is \$482,986.

- The overage is due to a slight increase in inventory to meet several large quotes that will turn into orders in Q3.

1st Quarter Results: Average monthly inventory is \$500,068.

- The slight overage in average monthly inventory is due to receiving several large catalog orders throughout Q1 and increasing inventory to meet a high volume of sales during March, National Nutrition Month.