



GLOBAL MARKET DEVELOPMENT UPDATE: WHAT'S NEXT FOR ALMONDS?

Brian Ezell, *The Wonderful Company*

Emily Fleischmann, *Almond Board of California*

Laurel Muir, *SRG*





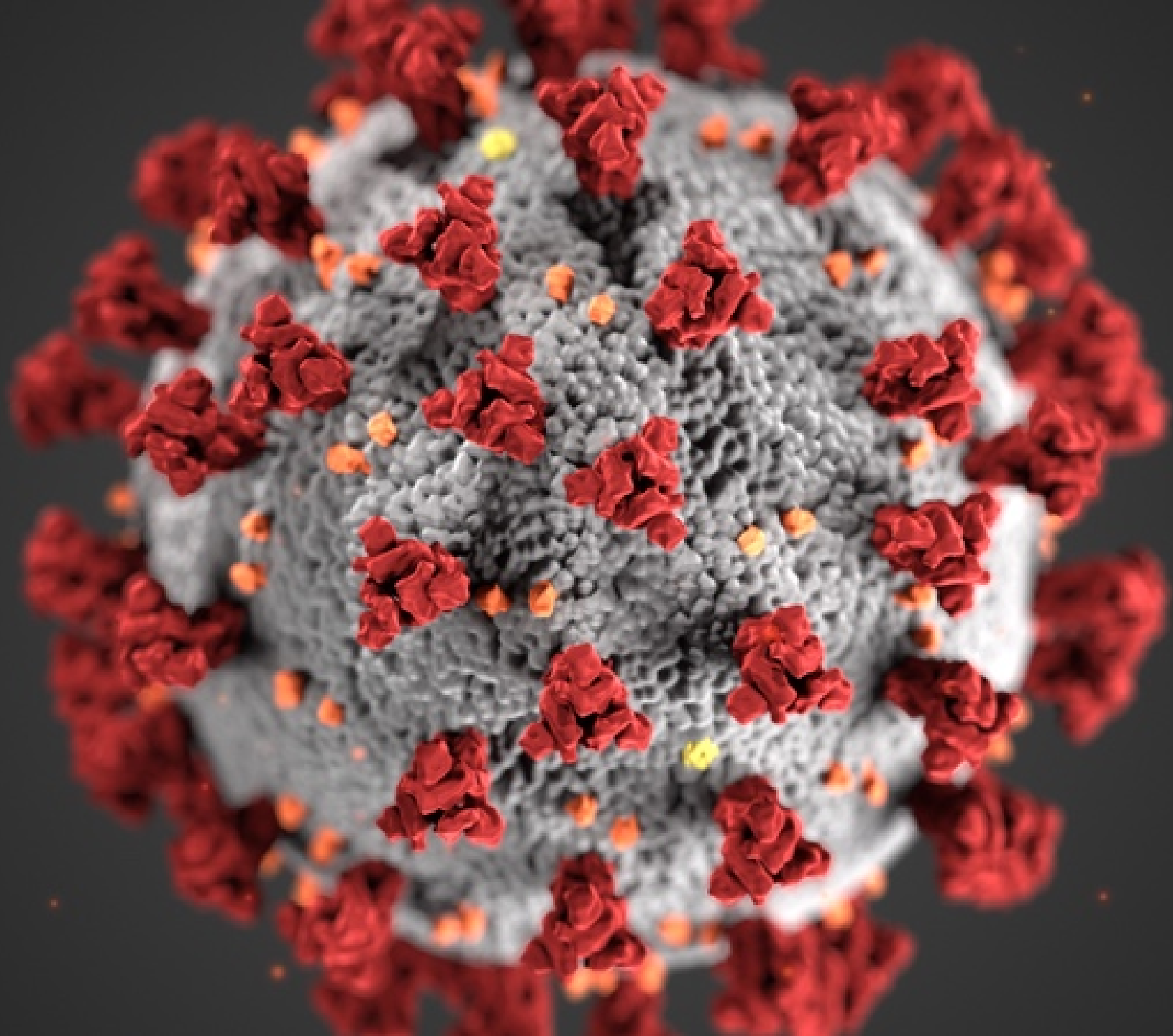
WELCOME





Record 3 Billion Pound Crop







Global Market Development Update: What's Next for Almonds?

Emily Fleischmann, VP Global Market Development, Almond Board of California

Laurel Muir, Managing Partner, SRG

Tuesday, December 8, 2020



Almond Board Marketing Objectives

1

Build long-term world-wide demand for California almonds

2

Create an environment in which almond perceptions and almond brands thrive

3

Address issues and seize opportunities that are best handled at an industry-wide level

4

Contribute to the financial well being of the industry

Almond Board Marketing Objectives

1

Build long-term world-wide demand for California almonds

- Comprehensive, integrated, proven approach to building demand
- Anticipate and respond to long-term changes in the world market
- Strategic, customized approach to growing markets at every stage of their development
- Fact-based, data-driven

Almond Board Marketing Objectives

2

Create an environment in which almond perceptions and almond brands thrive

- Create the "rising lake that lifts all boats"
- Grow the overall "size of the pie"



Almond Board Marketing Objectives

3

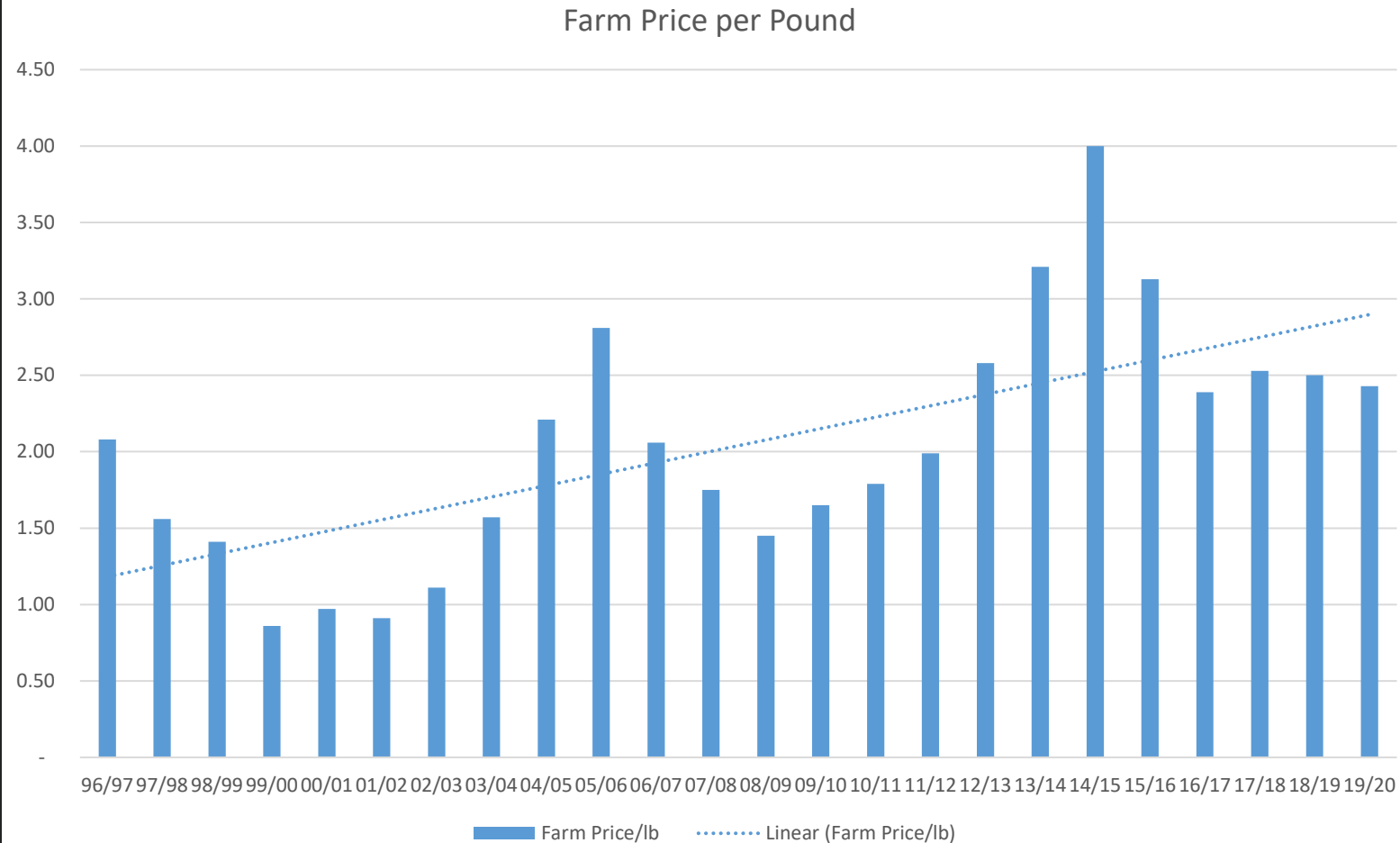
Address issues and seize opportunities that are best handled at an industry-wide level

- Manage issues/crises: create "distance" and provide support for growers and handlers
- Create and develop industry level competitive advantage (i.e nutrition research, sustainability)

Almond Board Marketing Objectives

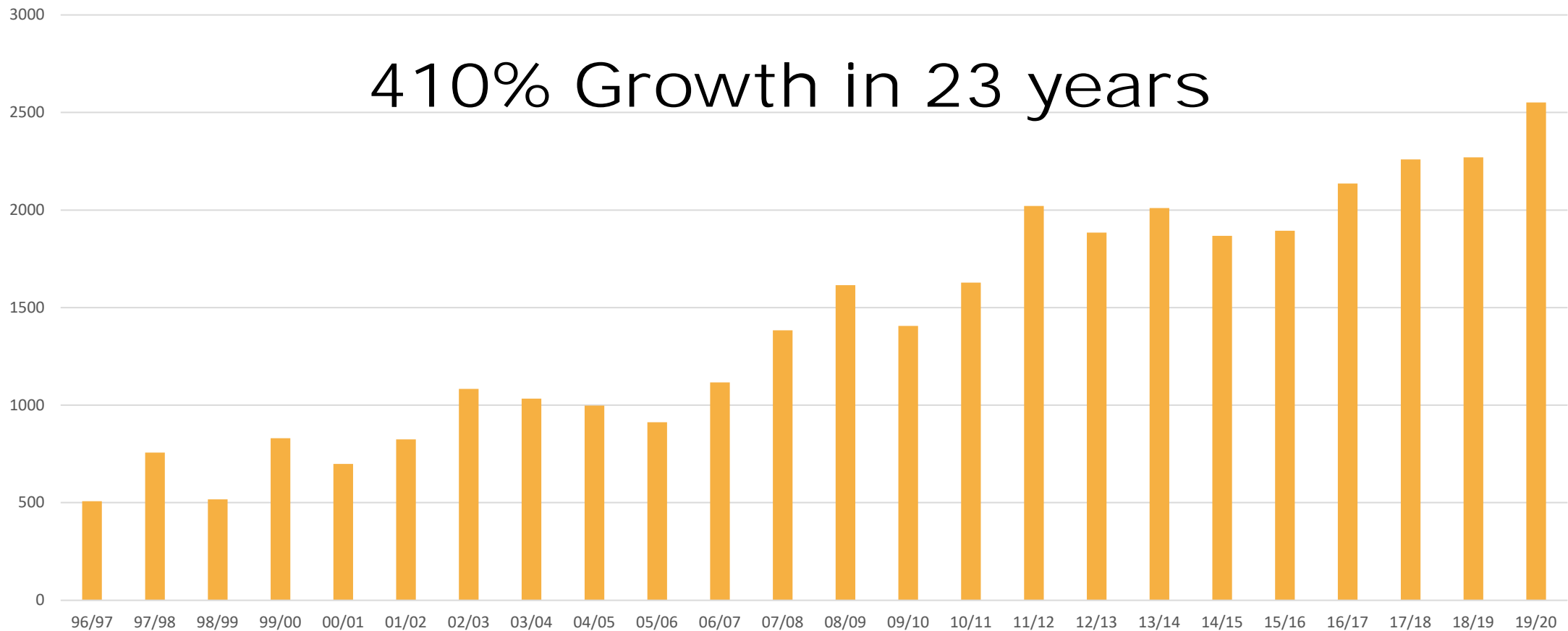
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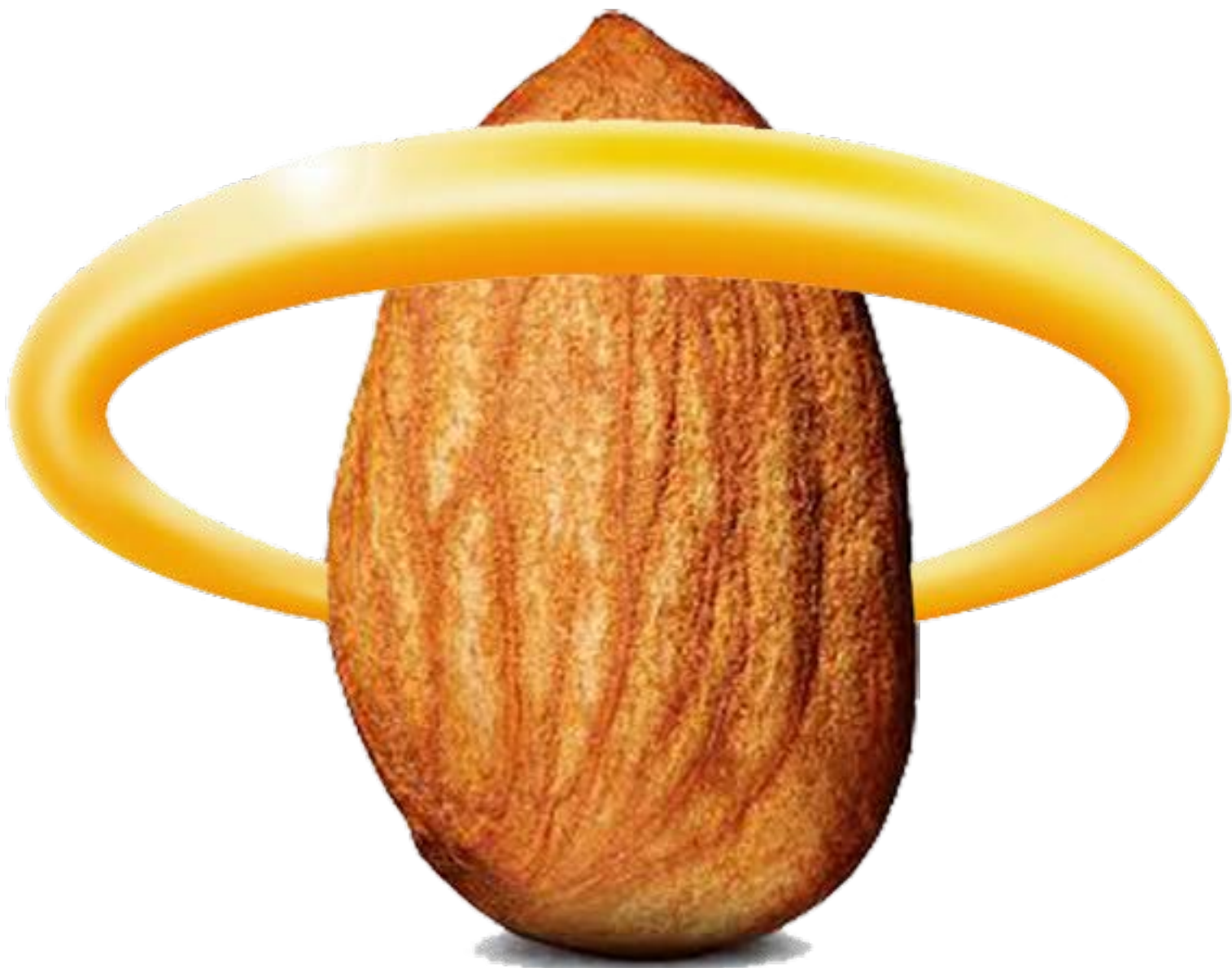
Contribute to the financial well being of the industry



Almond — Amazing Trajectory

CA Almonds Trended Production





**DEMAND MUST
REMAIN STRONG
REGARDLESS
OF CROP SIZE**



A hand is holding a large, black, cutout number '0' that is part of the year '2020'. The hand is positioned on the right side of the frame, with the thumb and index finger gripping the cutout. The background is a solid, muted blue-grey color. The year '2020' is rendered in a large, bold, black font, with the '0' being a physical cutout held by a hand.

2020

A Year like **No Other**



THE NEW NORMAL



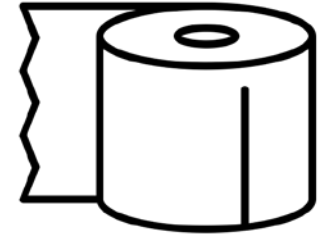
everything is!

Changes in the Home

Homebody
economy



Stock piling
returns



Online shopping
hits new records



New Holiday
Outlook



New Behaviors

New Normal

Rapid acceleration has happened to meet consumer needs.

ONLINE DELIVERY

10-YEARS
IN
8-WEEKS

For increase in e-commerce deliveries

ONLINE ENTERTAINMENT

7-YEARS
IN
5 MONTHS

Disney+ achieved the level of growth it took Netflix 7 years

WORKING FROM HOME

20X
IN
5 MONTHS

Video conferencing has increased 20X since April 2020

SO, WHAT'S
GOING
TO STICK?

"Never on a global level
have we slowed down
like this...It's teaching us
what's important."
- Esther Perel



TRENDS AND OPPORTUNITIES

The Here • The Near • The Far

01

SHOPPING:
ASILES TO APPS



02

FOOD=HEALTH



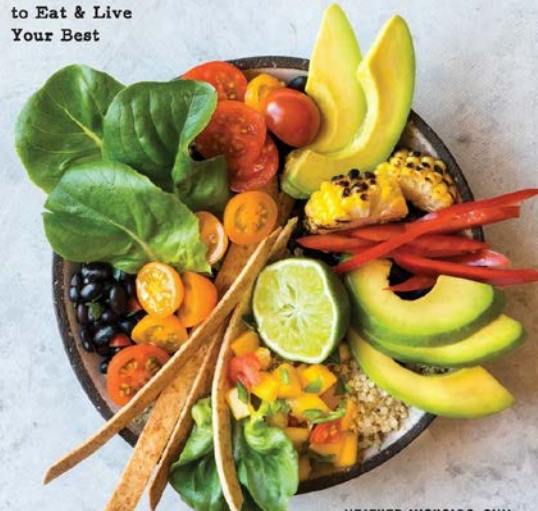
03

MINDFUL
CONSUMERS



THE PLANT-BASED DIET MEAL PLAN

A 3-Week
Kick-Start Guide
to Eat & Live
Your Best



04

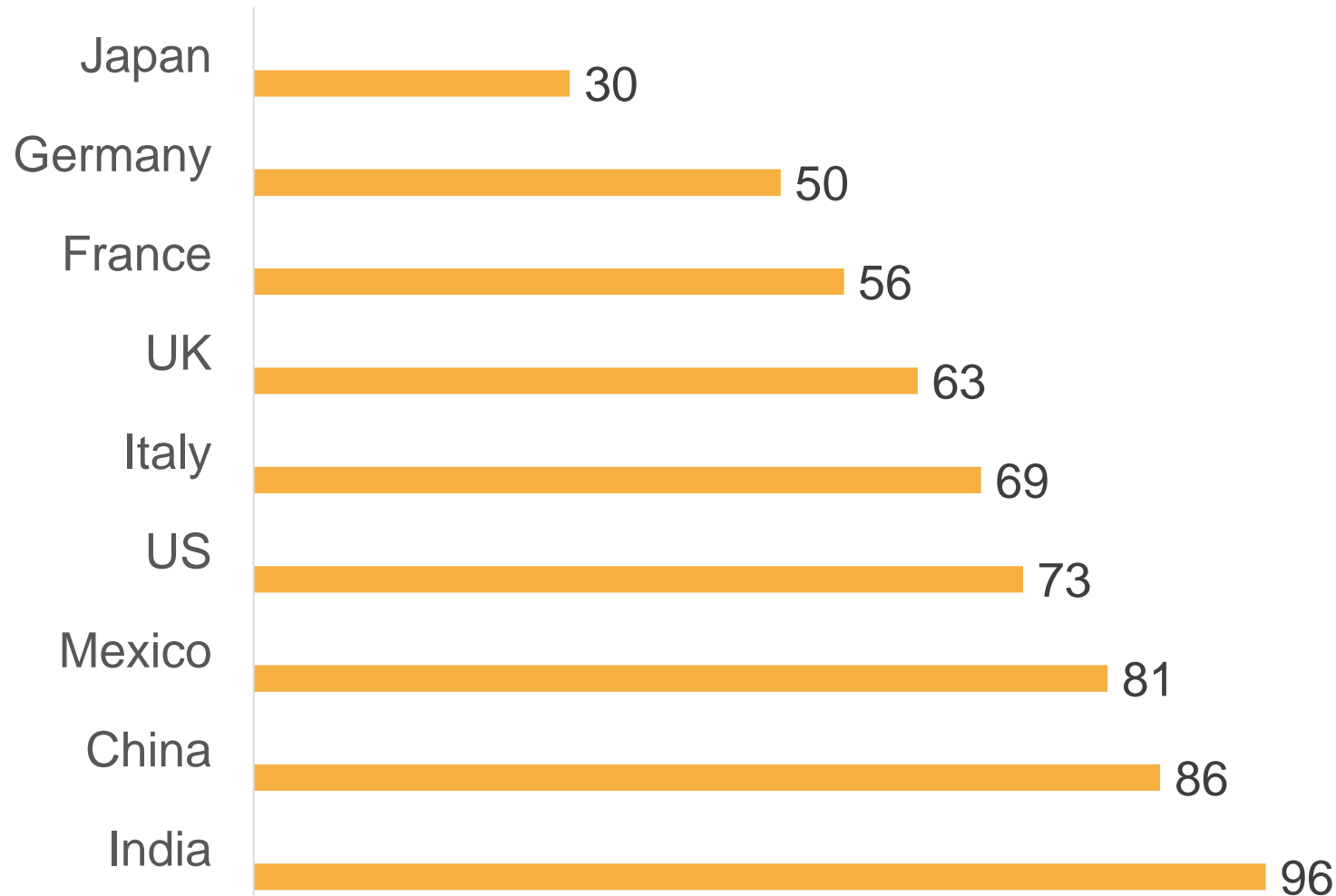
PLANT
POWERED

01

Shopping: From Aisles to Apps

Customers Who Have Tried New Shopping Behaviors Since COVID-19¹

% of Respondents



Intent to Continue²

69-78%

72-81%

79-87%

75-83%

72-83%

81-88%

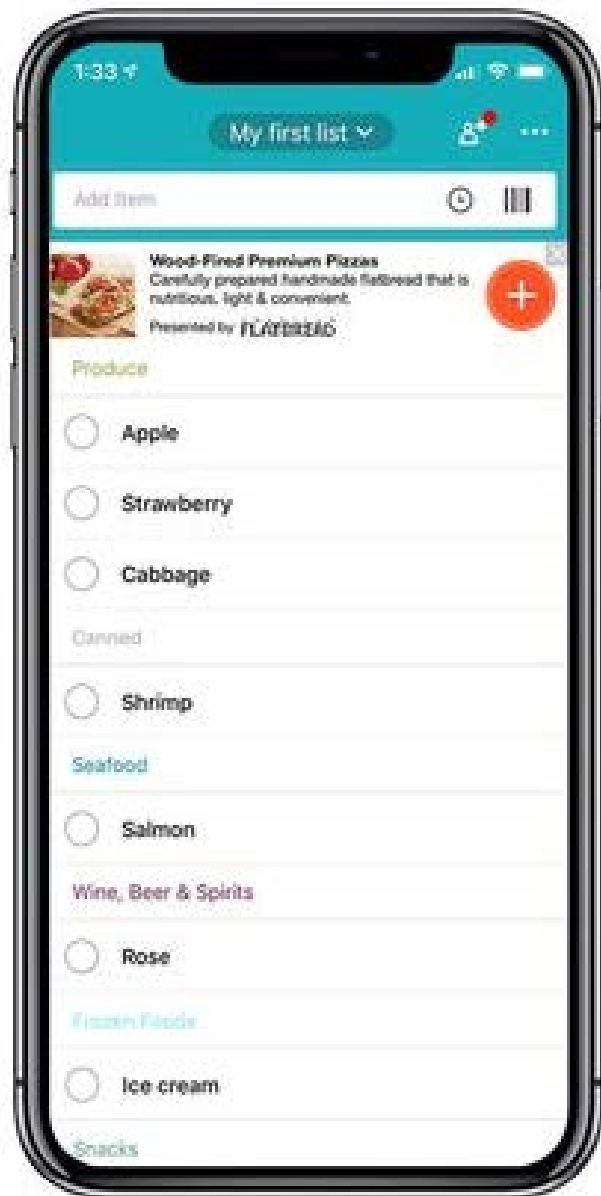
67-78%

65-82%

83-92%

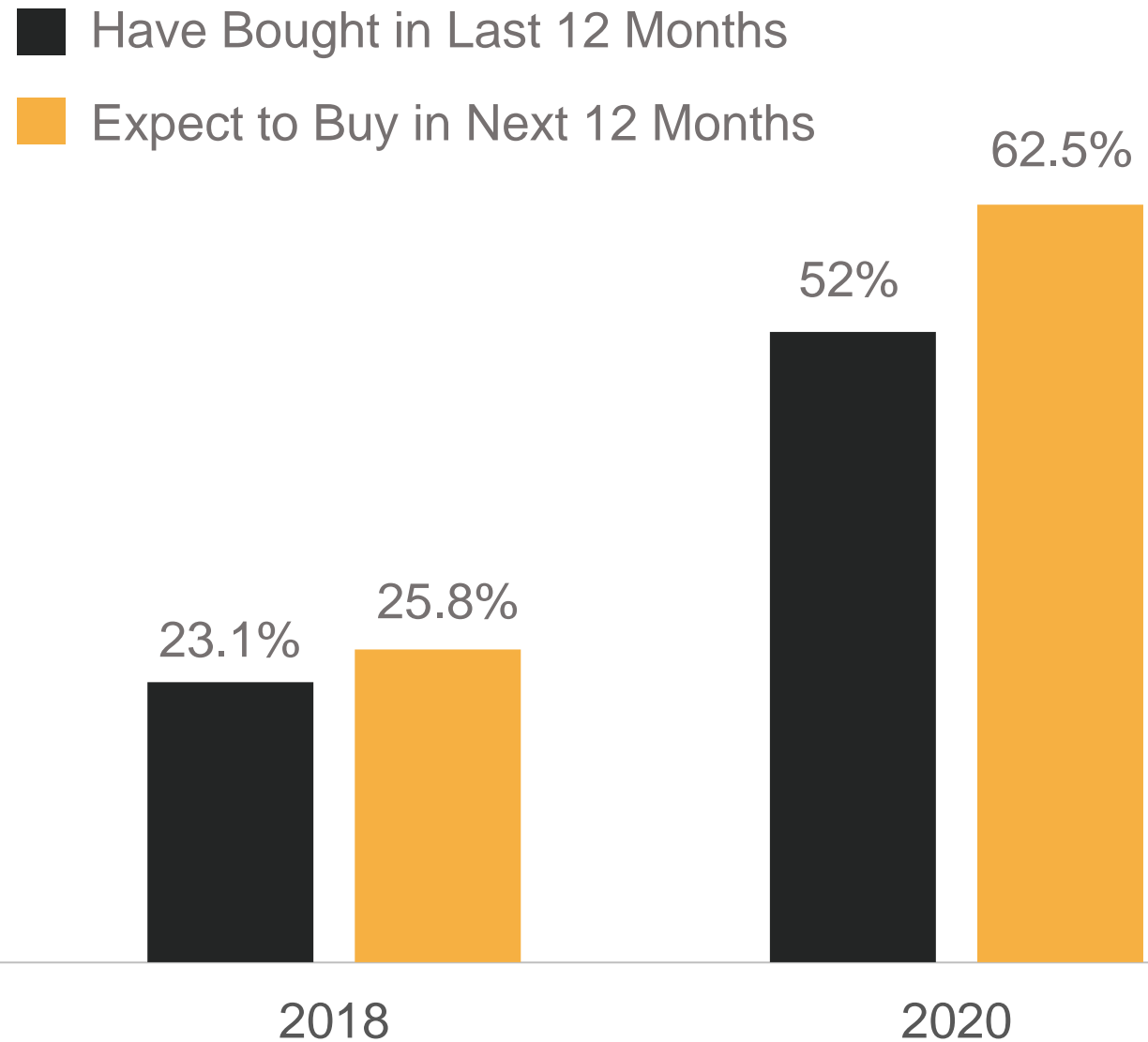
Fewer, Larger Trips





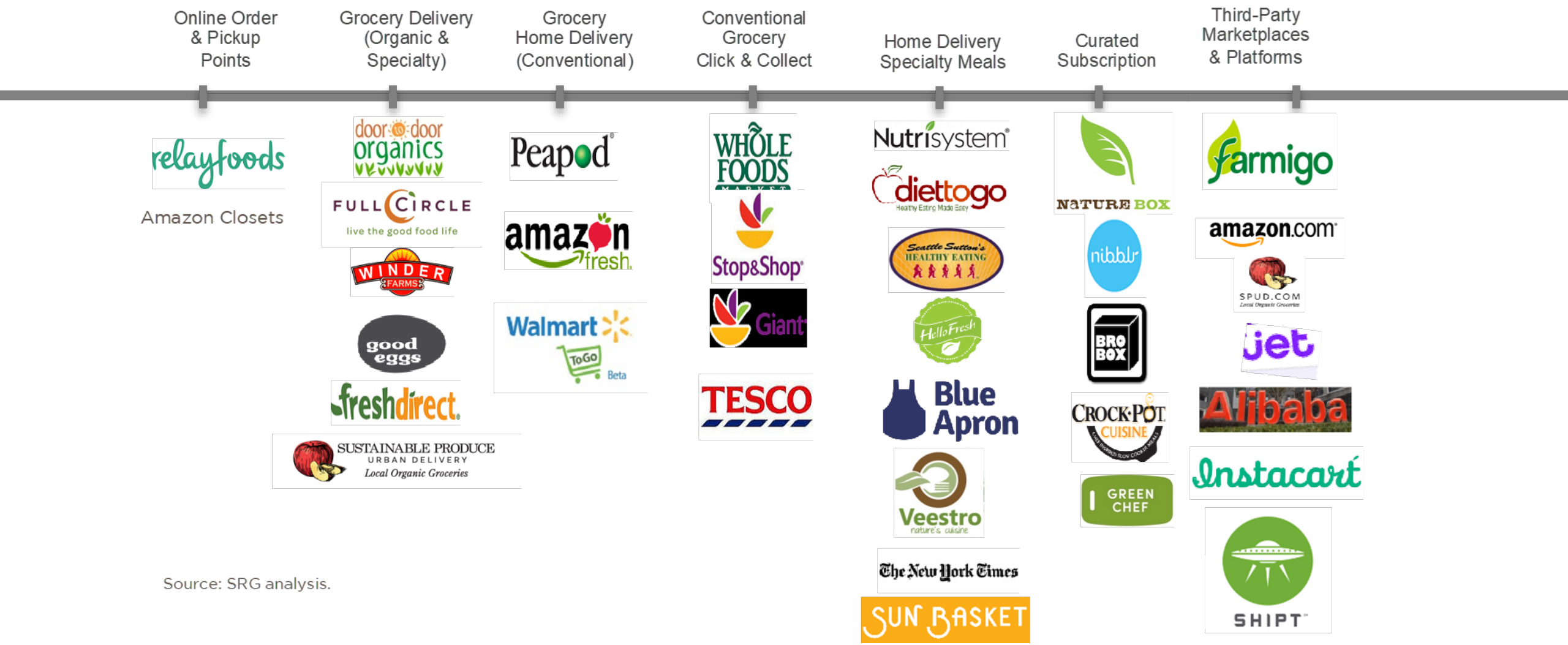


Shopping Rates More Than Doubled in Two Years



Base: US internet users aged 18+
Source: Coresight Research

Direct-to-Consumer Foods



Source: SRG analysis.

02

Food = Health

Health eating aspirations will continue

Proportion of consumers who say they will make greater attempts to eat and drink healthier in the future as a result of COVID-19

Global:
73%

Africa/ME:
74%

Asia-Pacific:
74%

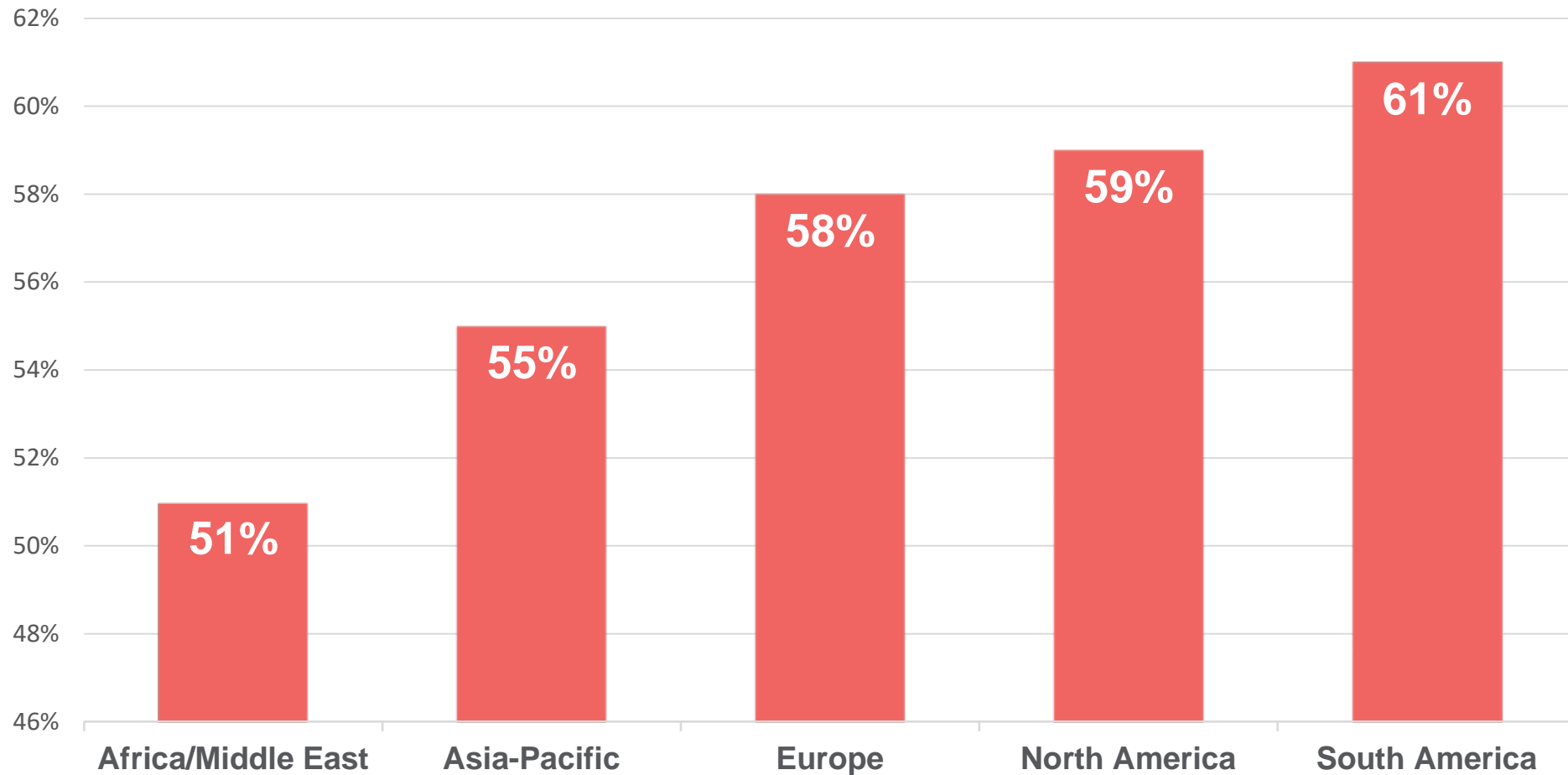
Europe:
72%

North America:
69%

South America:
74%

FMCG GURUS · APRIL 2020 · 23,000 RESPONDENTS

MORE THAN ½ OF US ARE WORRIED ABOUT OUR IMMUNE SYSTEM SINCE COVID-19

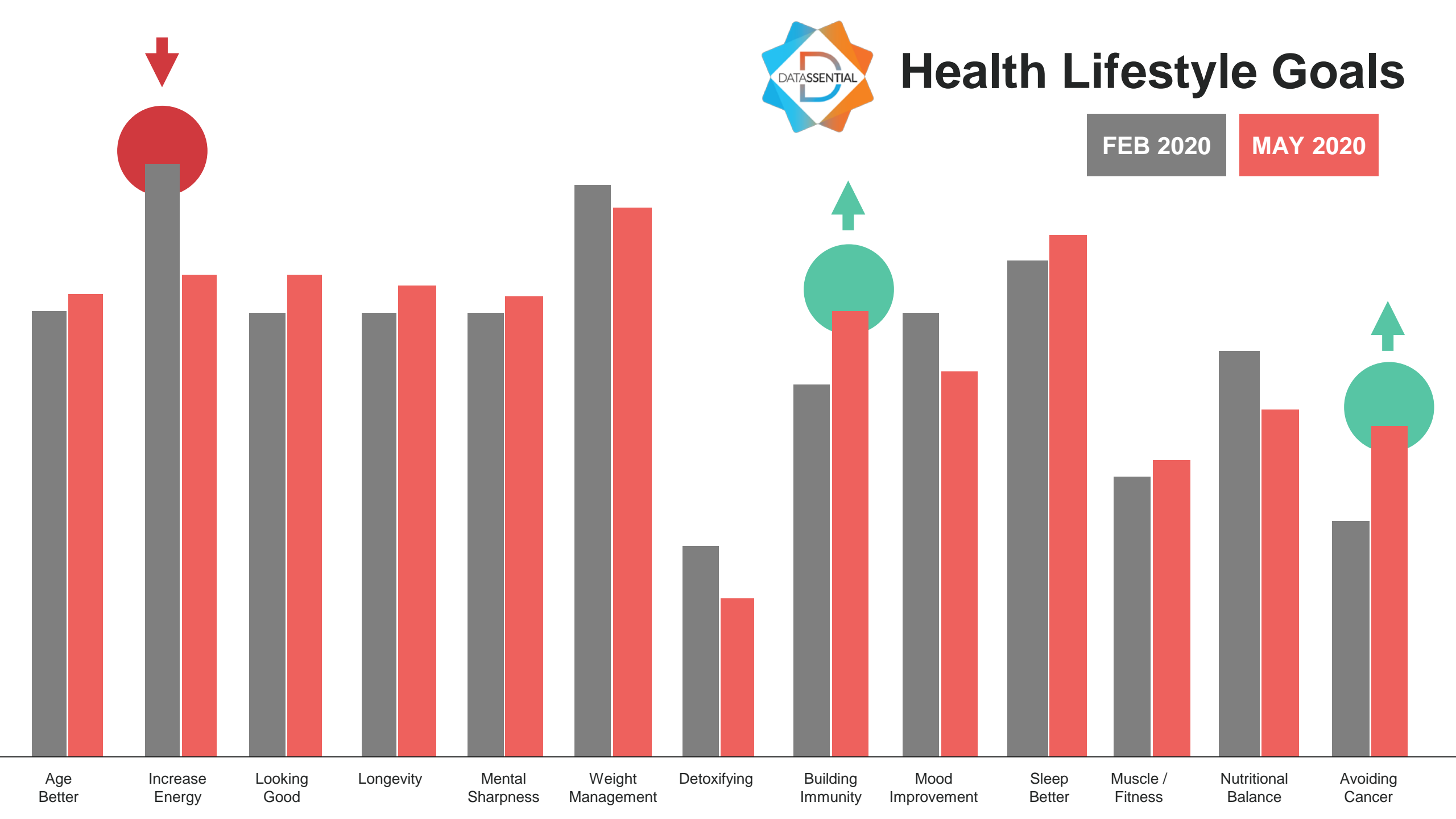




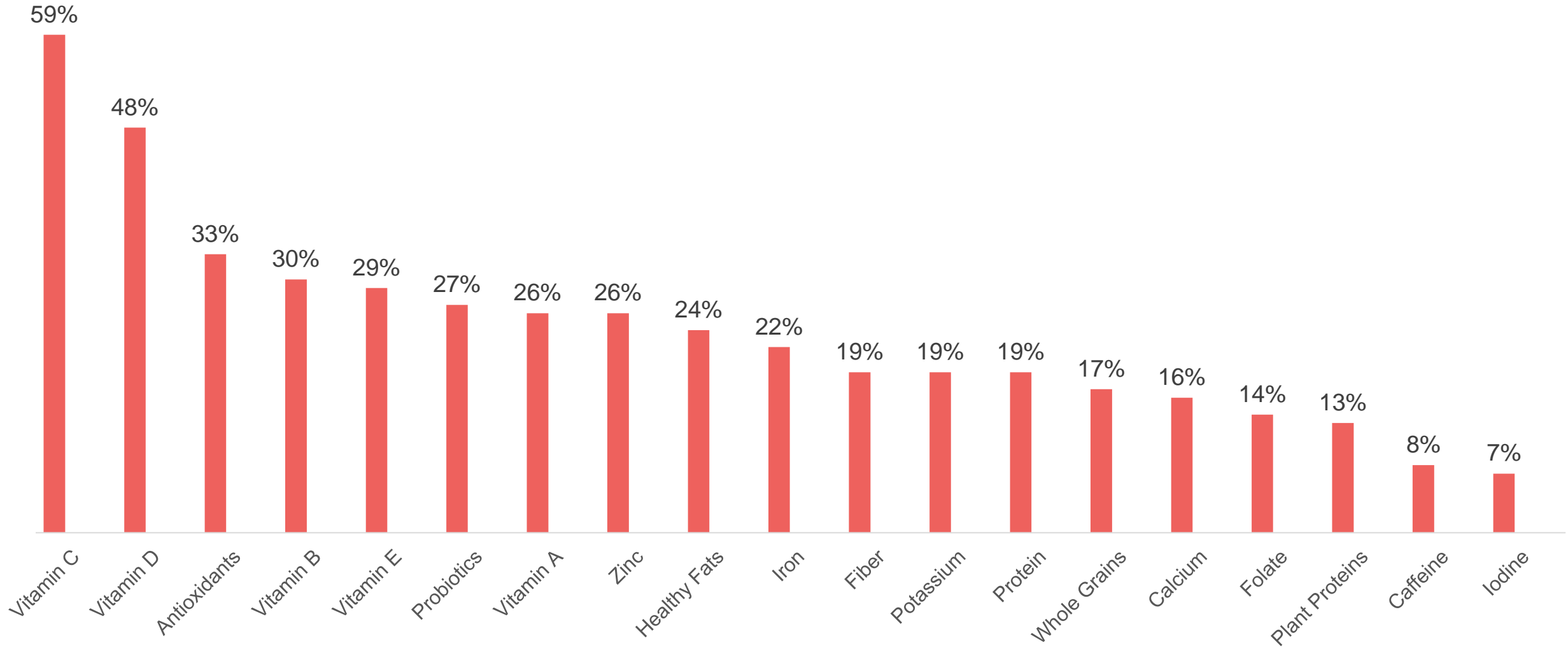
Health Lifestyle Goals

FEB 2020

MAY 2020



Consumers Believe These Nutrients Boost Their Immunity. But How will they Stick?



PERSONALIZED NUTRITION

*The commercial success of
personalized nutrition
depends on two main factors*

- 1** Availability of sound and actionable genetic testing
- 2** The development of special food products that are convenient, affordable, and good-tasting while avoiding the perception of diet "medicalization"

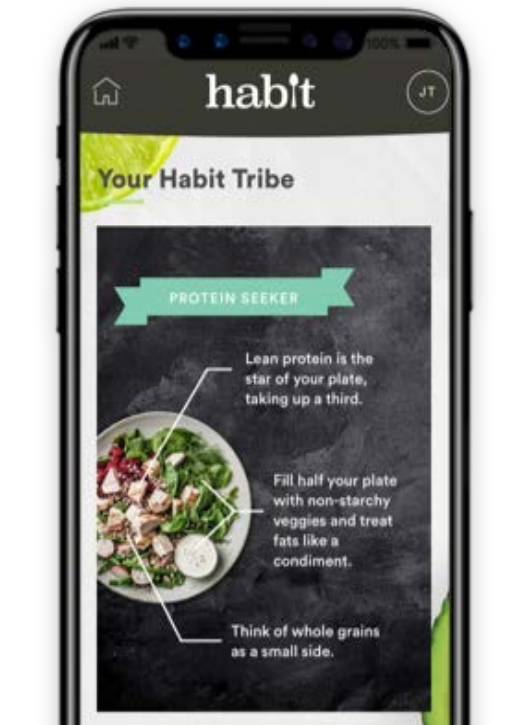
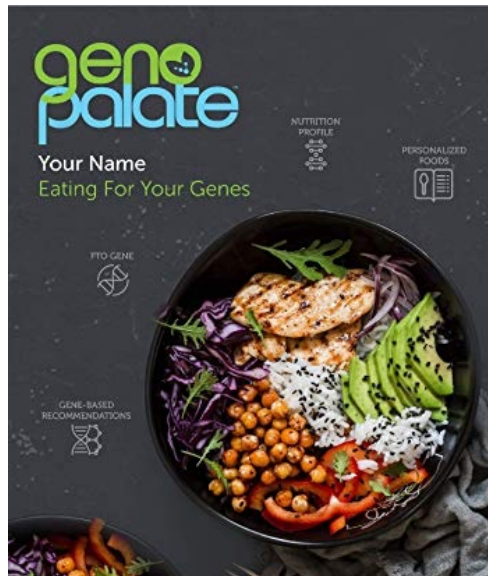


Source: RNutraceuticals World Magazine
http://www.nutraceuticalsworld.com/issues/2016-04/view_features/personalized-nutrition-current-knowledge-implementation-possibilities



PERSONALIZED NUTRITION: GENE CUISINE AND MOOD FOOD

New tests are helping consumers understand their nutritional needs on a cellular, genetic, and DNA level. Coupled with digital platforms, nutrition plans, and direct-to-consumer meal kits, eating for your genes has never been easier.



Functional food customization is now extending beyond physical performance and nutritional needs to include mood support, and tailored solutions for particular mental constitutions and desired mood states.



03

Mindful Consumers

MIND. BODY. VALUES.

Well-being fully embraced.

positivity,

mindfulness,

relaxation,

physical activity,

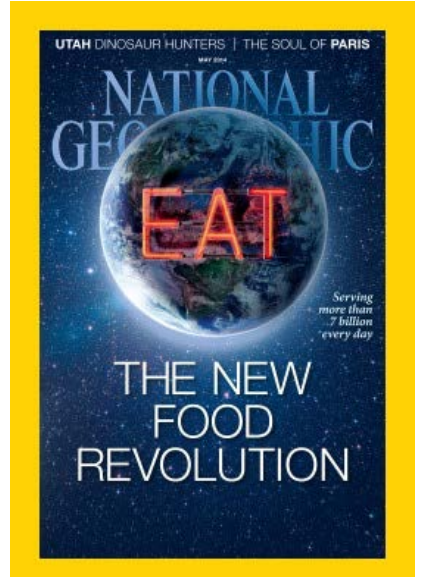
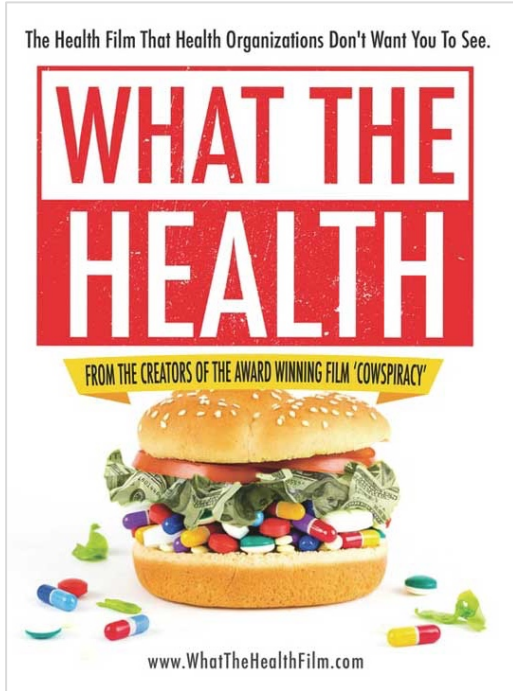
MEANINGFUL

nutrition,

and a deeper

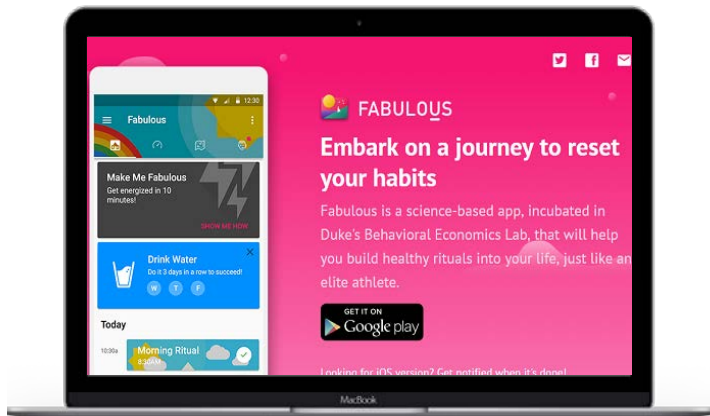
social consciousness





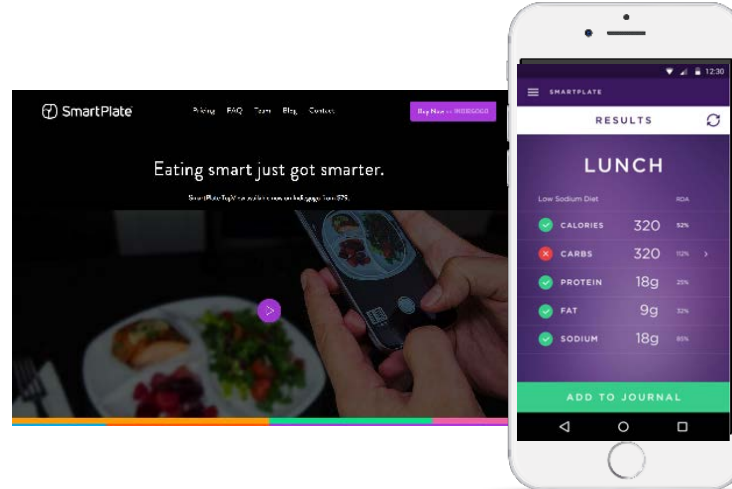
WELL-BEING TOOLS REACH NEW SPACES

Constant tracking, prompts, and feedback to enable well-being choices.



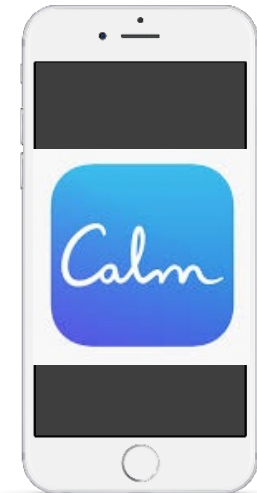
THE FABULOUS APP

Nudges on healthy habits



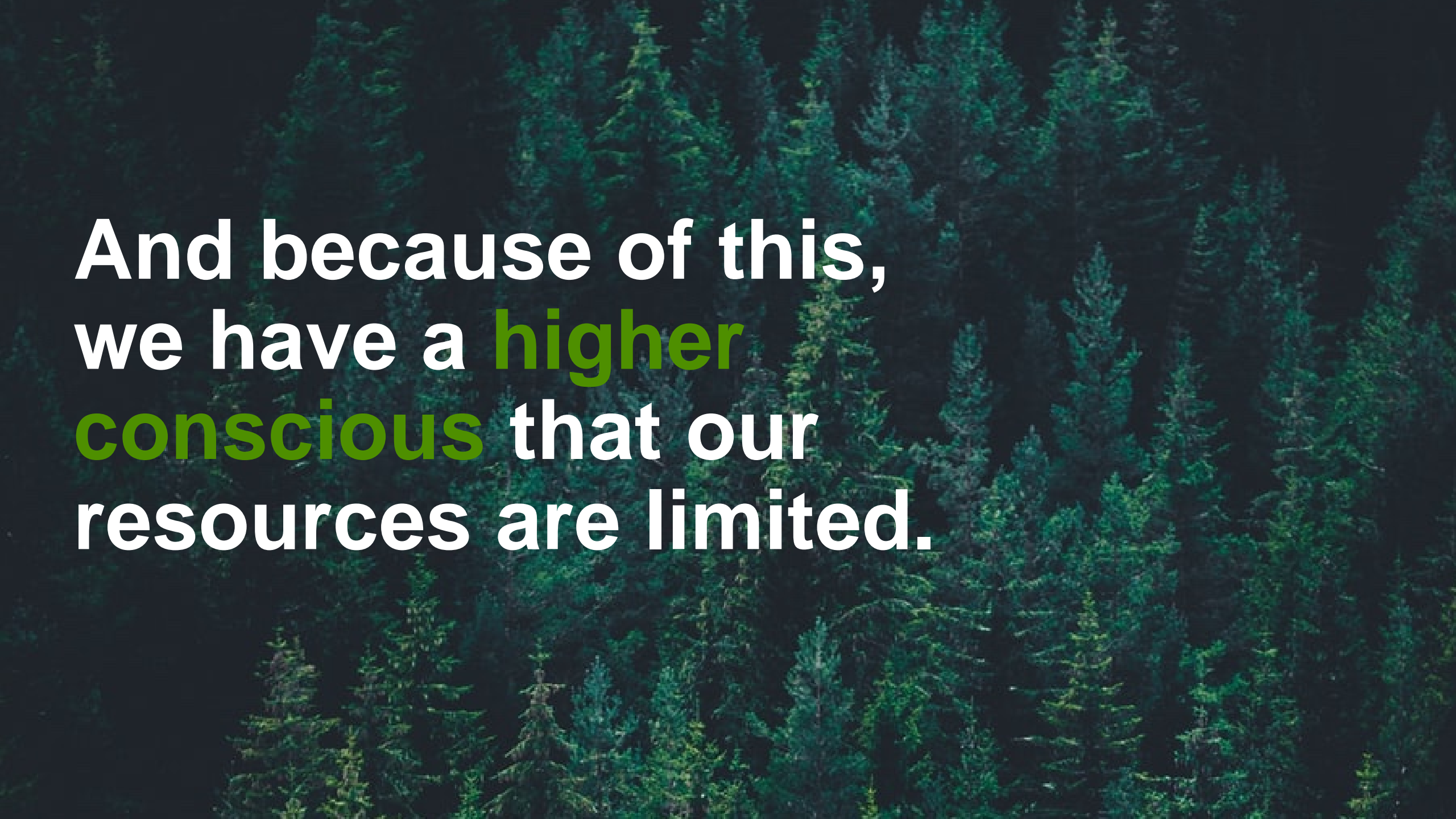
SMART PLATE TOP VIEW

Nutrition app using photo recognition and AI to analyze and track food choices



CALM

Mindfulness and meditation subscription



And because of this,
we have a **higher**
conscious that our
resources are limited.

**Covid living has
made consumers
mindful of
their waste**



Reducing food waste requires consumer, CPG and agriculture action

Last Week In Venture: Tackling Food Waste, Fitting As-A-Service, And Ghosting VCs

"Ugly produce" subscription service helps reduce food waste, expands to Alabama

To Reduce Food Waste, FDA Urges 'Best If Used By' Date Labels

Confusion over whether a food is still safe to eat after its "sell by" or "use before" date accounts for about 20% of food waste in U.S. homes, the FDA says. The new wording aims to clear that up.

11 practical ways you can reduce food waste and save money

VERY RECENT EXAMPLES IN FOOD SERVICE



Panera focuses on “reducing your carbon footprint with Cool Food Meals” where the entire menu has been coded to focus on offerings that are environmentally friendly.



Chipotle new “Real Foodprint” shows the positive impact on the planet by choosing Chipotle’s ingredients.

REGENERATION

*It will be
impossible
to feed
the world,*

*keep global warming below 2 degrees
of Celsius, or halt biodiversity without
protecting and regenerating the soil on our
four billion acres of cultivated farmland,
14 billion acres of pasture and rangeland
and 10 billion acres of forest land.*



THE SAVORY
INSTITUTE



BIO S.I.



NATURAL
VITALITY



ORGANIC INDIA



04

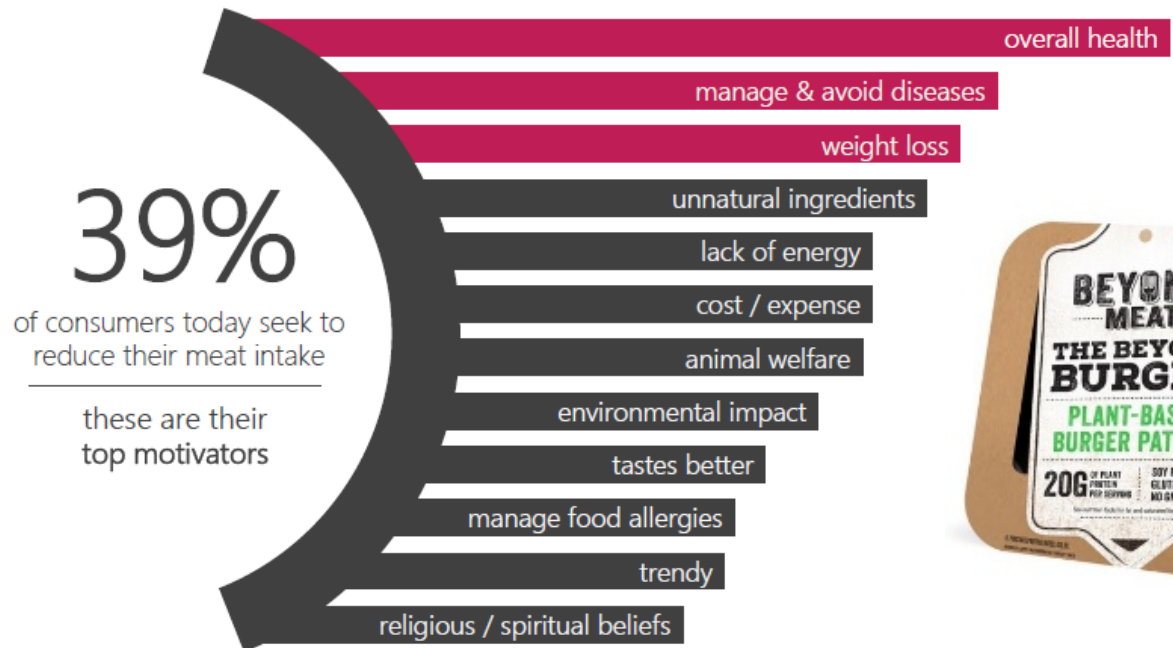
Plant Powered

PLANT-POWERED FUTURE STATISTICS



1/4 of 25-34 year old Americans are vegan or vegetarian- according to the Atlantic

General health is the primary motivator for reducing meat.



TOP REASONS FOR NOT WANTING TO EAT PLANT FOODS

not necessary	35%
don't taste good	34%
expensive	31%
won't keep me full	28%
have less protein	24%
no product info available	20%
lack essential nutrients	19%

BELIEVE PLANT-BASED CAN TASTE JUST AS GOOD AS THE REAL THING

dairy	16%
burgers	14%
hot dogs / sausages	11%
ground meat	10%
jerk	10%
raw fish	9%
shellfish	9%
cold cuts	9%
bacon	8%
fish filets	8%
steak	8%

All age groups are increasing their consumption of fruits and vegetables, and this increases with age.

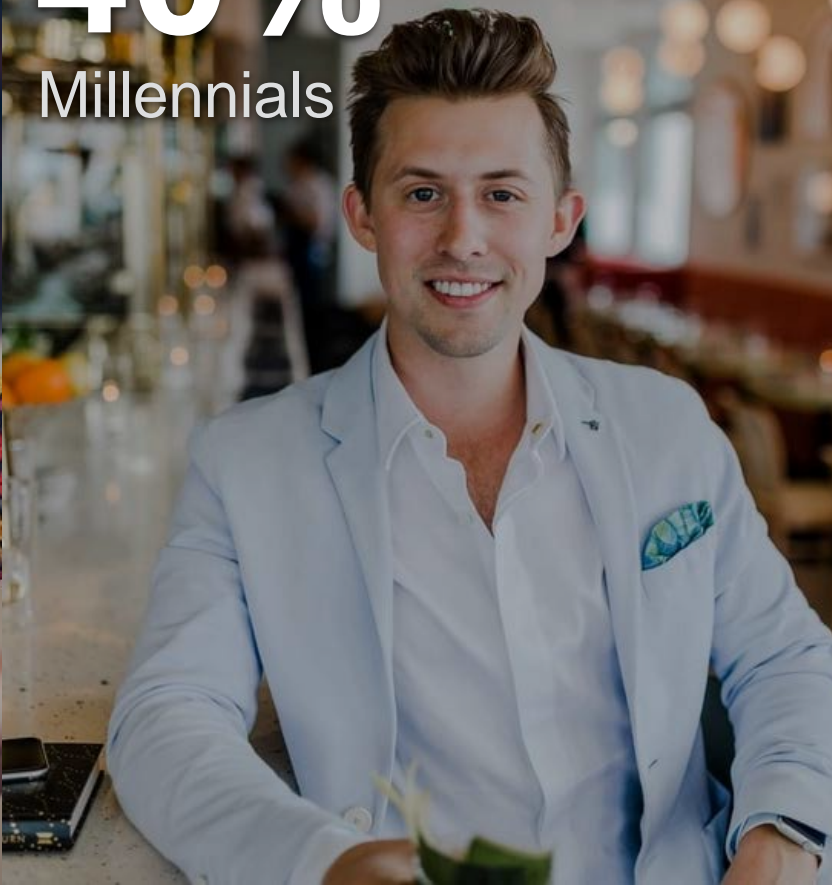
44%

Gen X



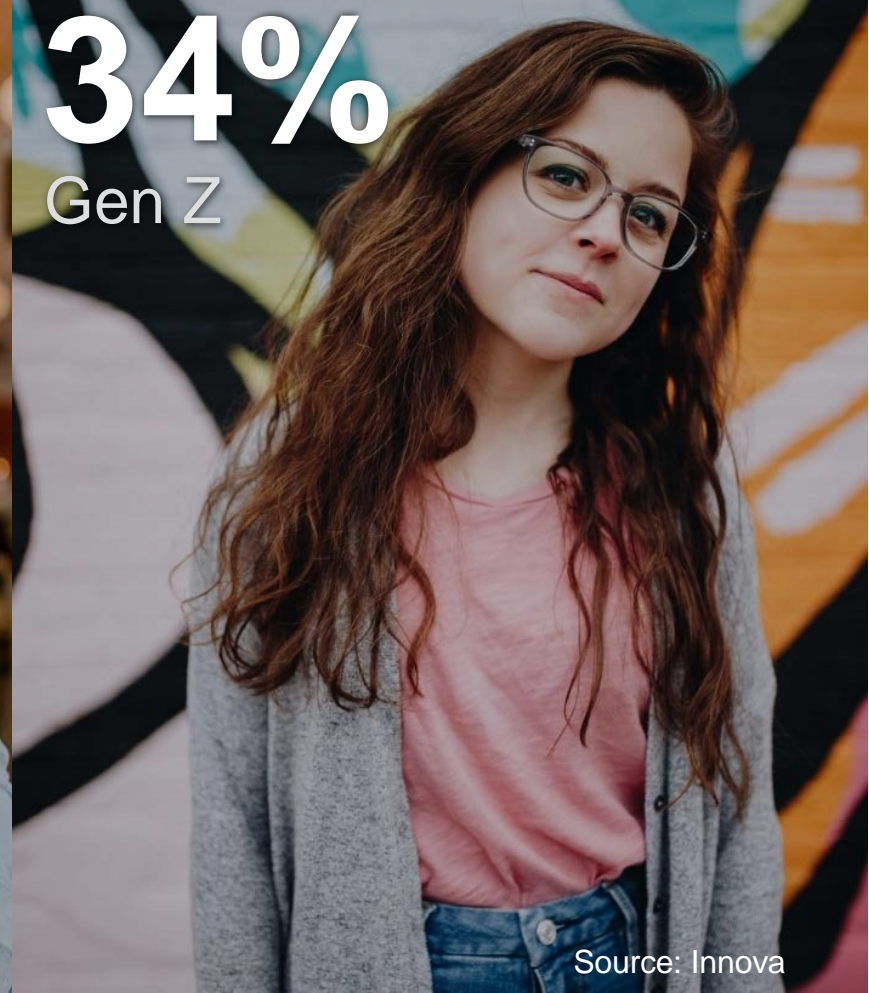
40%

Millennials

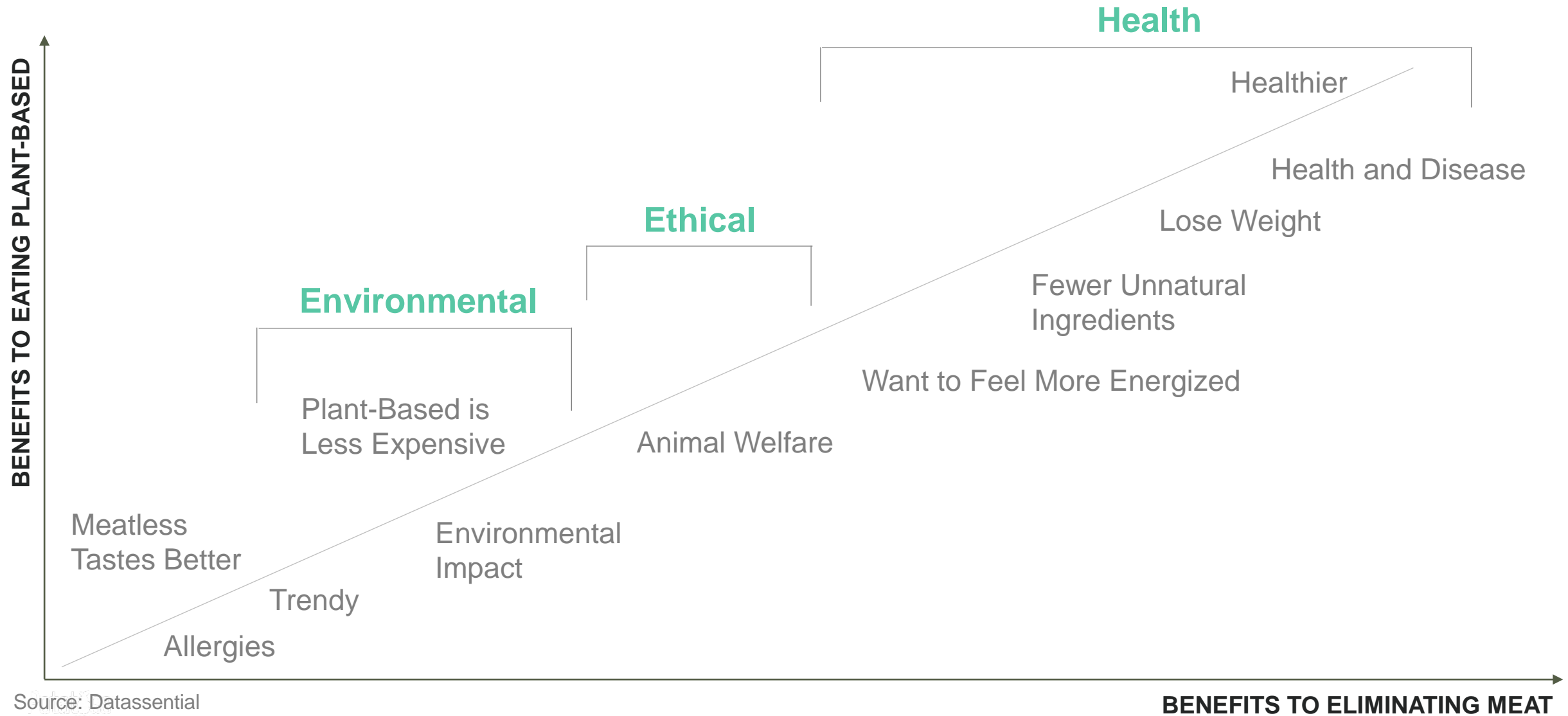


34%

Gen Z



MANY FACTORS DRIVING INCREASE IN PLANT-BASED PREFERENCES



MAINSTREAM OPPORTUNITY FOR PLANT-BASED CLAIMS

AVERAGE ANNUAL GROWTH IN FOOD AND BEVERAGE

launches with selected claims (Global, CAGR 2014-2018)

+68%

PLANT-BASED
CLAIMS



+35%

VEGAN
CLAIMS



+11%

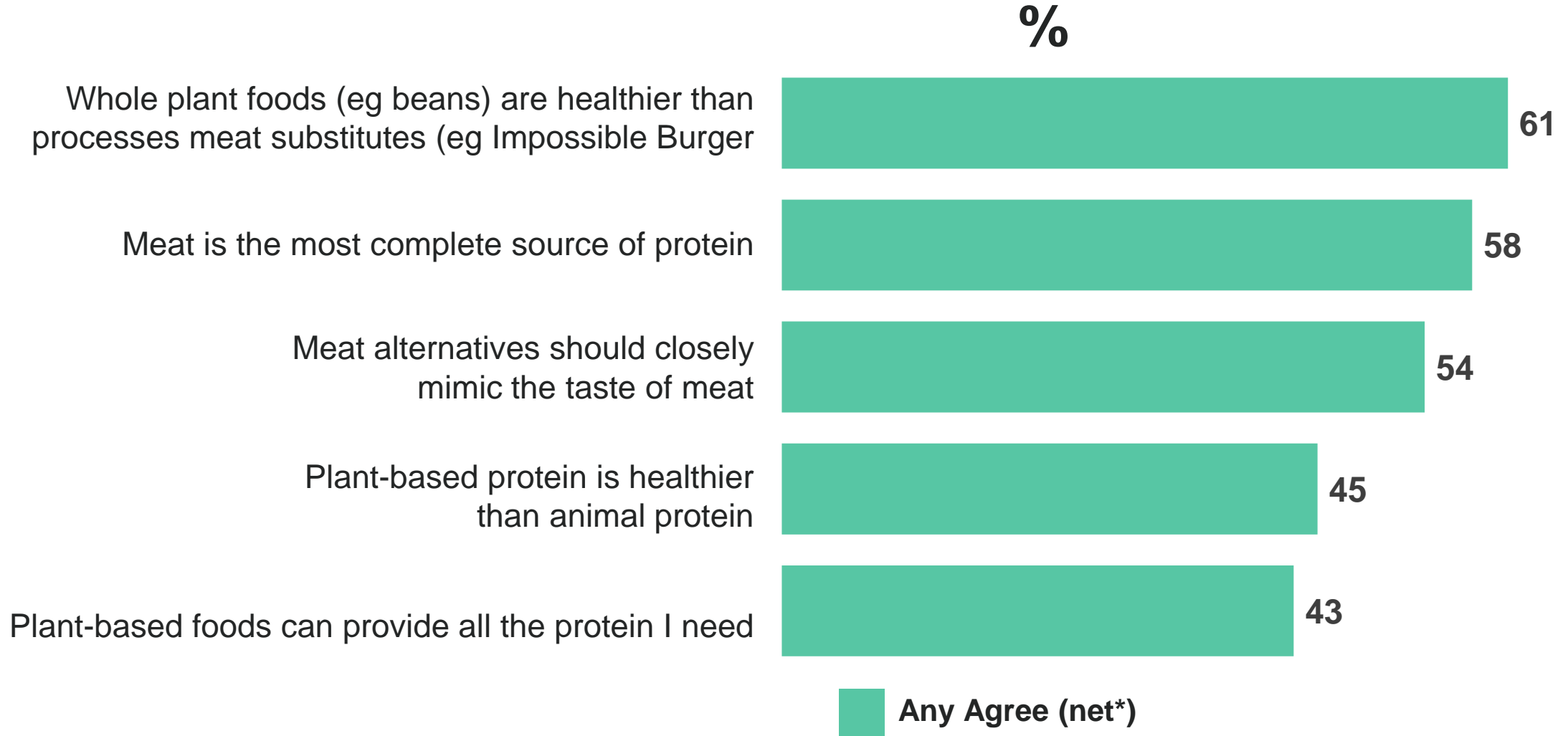
VEGETARIAN
CLAIMS



At participating restaurants. TM & © 2019 Burger King Corporation.
Impossible is a trademark of Impossible Foods, Inc.



WHEN IT COMES TO PROTEIN, OPINIONS ARE COMPLICATED



Planis
BRAND



VEGETARIAN? FLEXITARIAN? CARNIVORE?

**RAISED & ROOTED™
PLANT-BASED
PROTEIN**

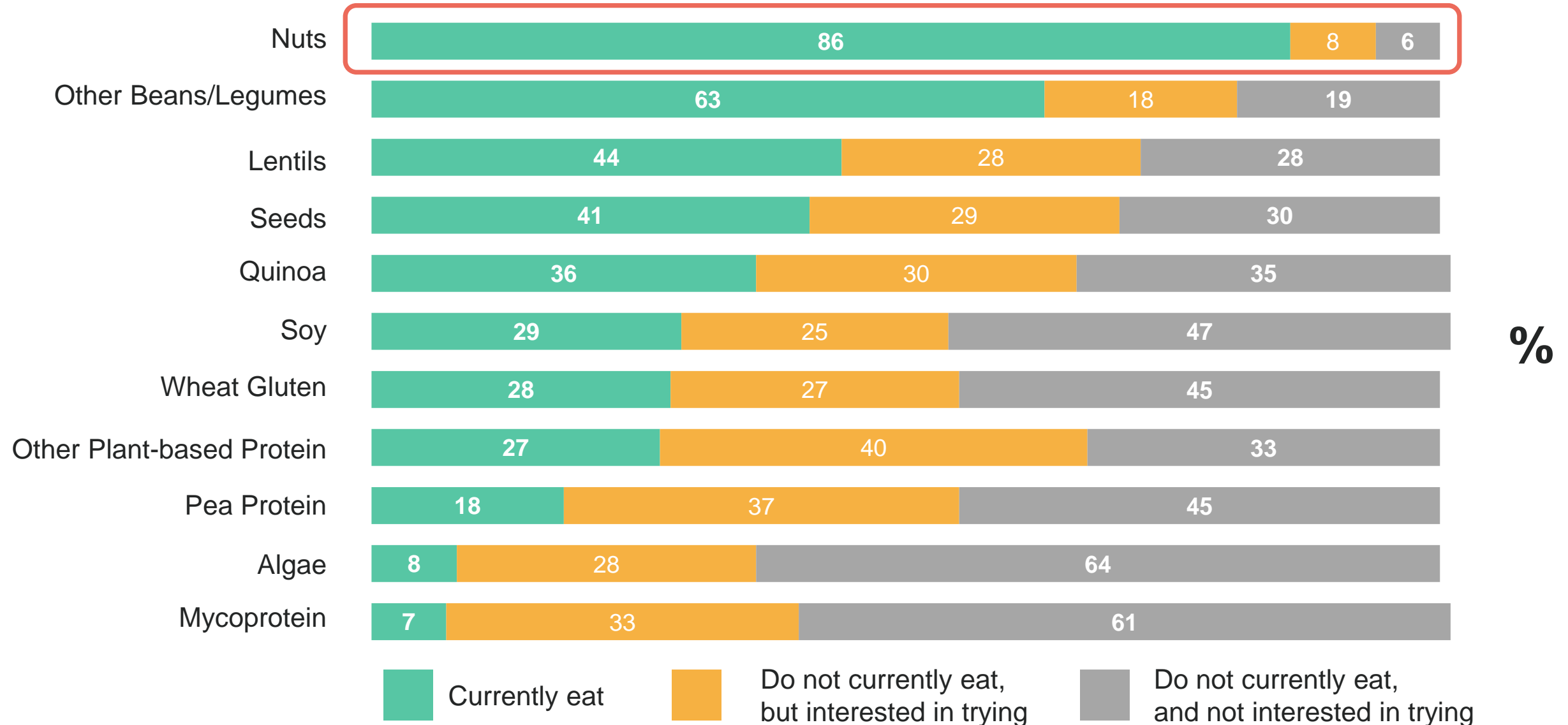
**WE'VE BEEFED UP
YOUR FAVORITE FOODS
WITH PLANTS**



PLANT-BASED PROTEINS AND BLENDS SOAR

POULTRY
BRAND

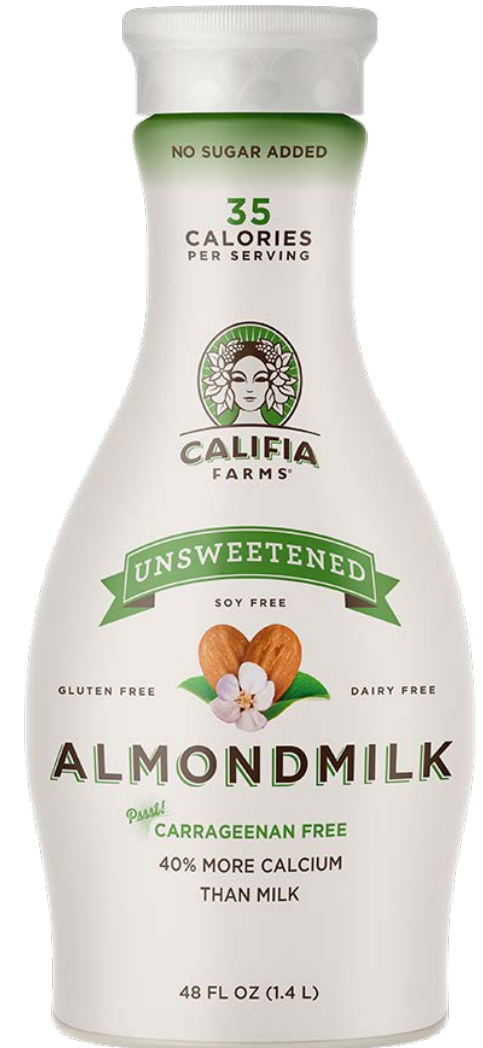
WELL-KNOWN SOURCES OF PROTEIN ARE THE MOST APPROACHABLE



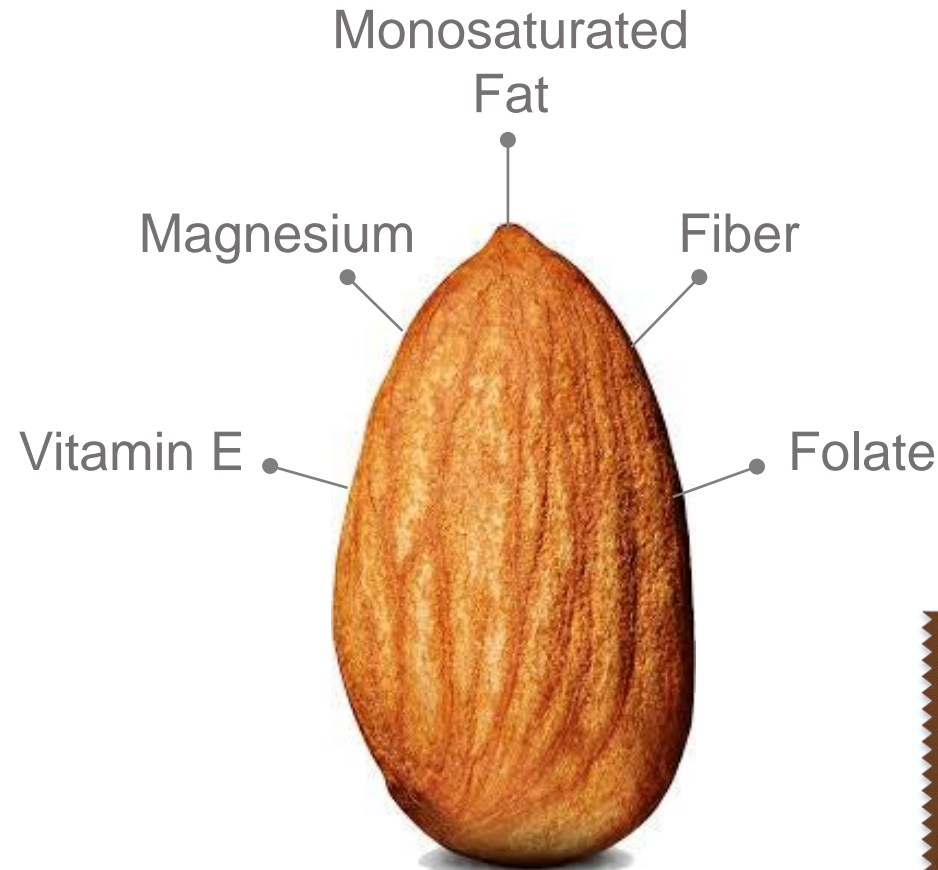


So, What...

CONTINUED GROWTH IN DAIRY ALTERNATIVES



HEALTH: PROTEIN TODAY...EXPANDING BENEFITS FOR TOMORROW



Doing More with Less

California almond farmers are focused on responsible and efficient use of water, a precious and limited resource in California.

NEARLY **80%**
of almond orchards use efficient
MICROIRRIGATION,
far **ABOVE THE 42% AVERAGE** for
California farms overall.

SINCE
1982,
ABC HAS
FUNDED
221
WATER
RESEARCH
PROJECTS.

**WATER-SAVING
TECHNOLOGIES**
like microirrigation have helped farmers
REDUCE
the amount of **WATER** it takes to grow
EACH POUND OF ALMONDS BY
33% OVER THE
PAST 20
YEARS.

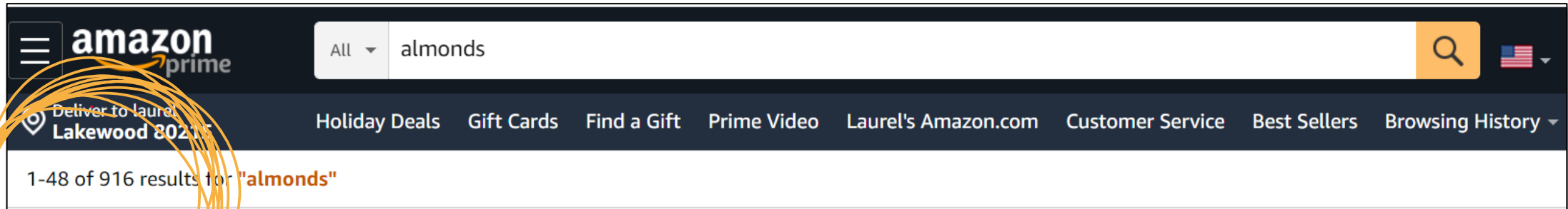
**ALMOND
ORCHARD
2025 GOALS**

BY 2025, the almond
community commits to
reduce the amount of
water used to **GROW A POUND**
OF ALMONDS BY AN
ADDITIONAL 20%



To Protect Its Supply, Kind Speaks for the Bees The snack company announces a commitment to protect a key part of its food supply chain.

ALMONDS STABILITY IS VALUABLE



Nuts.com



THRIVE
- MARKET -

Healthy living
made easy

A top-down view of almonds scattered on a dark wooden surface. A clear glass jar with a silver clasp is tipped over, spilling a large quantity of almonds. The almonds are light brown with a textured, ribbed surface. The wooden surface has a vertical grain pattern.

View of the Future

Building Long-Term Demand

Almond Board Marketing Objectives

1

Build long-term world-wide demand for California almonds

2

Create an environment in which almond perceptions and almond brands thrive

3

Address issues and seize opportunities that are best handled at an industry-wide level

4

Contribute to the financial well being of the industry

NUTRITION RESEARCH BUILDS BENEFIT SET



HEART HEALTH:

22 Research Projects
34 Scientific Publications to Date



DIABETES AND METABOLIC SYNDROME:

20 Research Projects
19 Scientific Publications to Date



WEIGHT MANAGEMENT, SATIETY AND GUT HEALTH:

26 Research Projects
45 Scientific Publications to Date



SKIN HEALTH:

2 Research Projects
1 Scientific Publication to Date



OTHER AREAS OF RESEARCH:

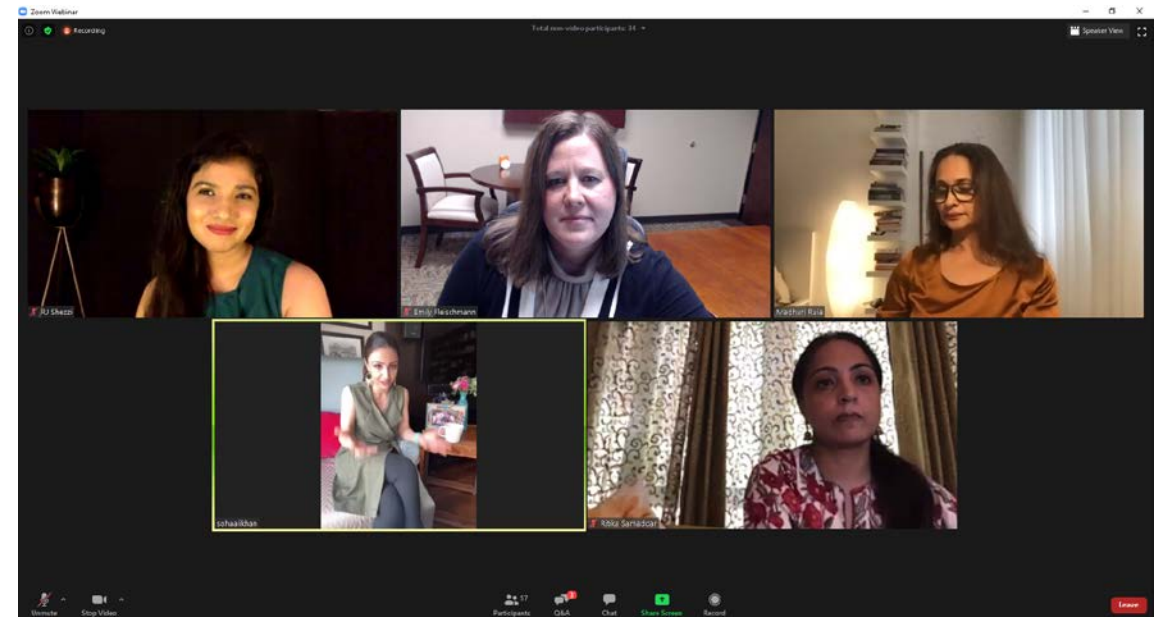
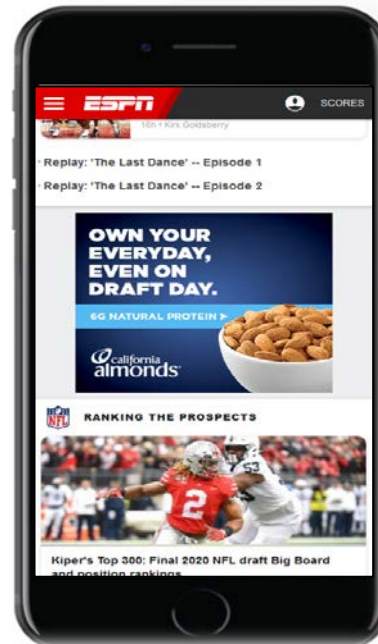
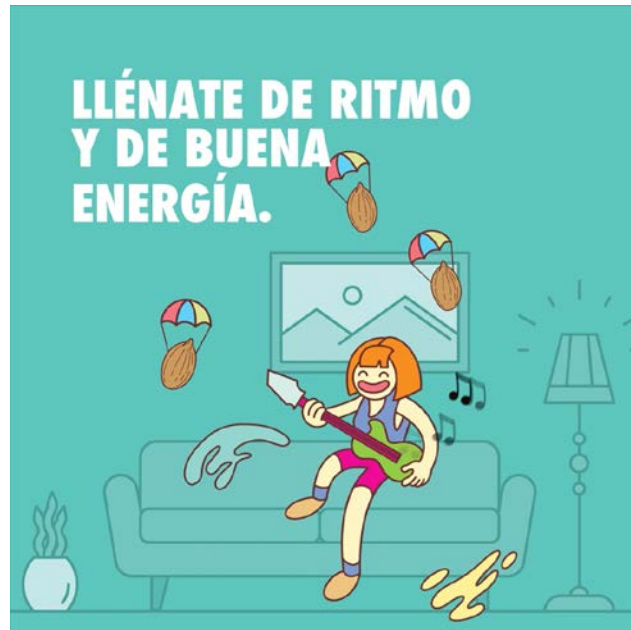
- Cognition
- Gut Microbiome
- Composition and Calorie Count

Measuring Success

MEASUREMENT IS KEY TO DELIVERY

- Shipments:
 - ABC Position Report
 - Net Import Data
- Consumer Attitudes, Awareness and Usage Studies
- Advertising testing and evaluation
- Consumer Qualitative and Ethnographic deep dives
- Retail data: Changes vs. prior year
- Nielsen Media Mix Modeling Analysis - **NEW**

BE BOTH STRATEGIC AND AGILE



2020-2021 GLOBAL MARKET DEVELOPMENT COMMITTEE



Brian Ezell
Chair
Wonderful



Raj Joshi
Vice Chair
Blue Diamond Growers



Brian Wahlbrink
Sperry Farms



Darren Rigg
Minturn Nut Company



Dinesh Bajaj
Select Harvest



Laura Gerhard
Blue Diamond Growers



Craig Duerr
Campos Brothers Farms



Matt Mariani
Mariani Nut Company



Maya Erwin
Blue Diamond Growers



Warren Cohen
Blue Diamond Growers

Members:

Alternates:

Alexi Rodriguez
Campos Brothers Farms

Bill Morecraft
Blue Diamond Growers

Micah Zeff
Montpelier Nut Company

Christine Lott
Blue Diamond Growers

Sean Allen
Blue Diamond Growers

Paul Ewing
RPAC Almonds

Jared Smith
Fisher Nut Company

Keith Kwan
Taylor & Sims, Inc.

Suzanne Hagener
Blue Diamond Growers

Patrick Anderes
Panoche Creek Packing

REGIONAL MARKET SPOTLIGHTS



EUROPE

Dariela Roffe-Rackind

Today at 10:00 am



CHINA

Connie Cheung

**Wednesday at
9:00 am**



US and MEXICO

*Jenn Freeman +
Becky Jeffers*

**Wednesday at
10:00 am**



SOUTH KOREA and JAPAN

Murielle Kim

**Thursday at
9:00 am**



INDIA

Sudarshan Mazumdar

**Thursday at
10:00 am**



Thank You!

