CEU Instructions

Who needs CEUs?
Growers (Private Applicator Certificate), Pest Control Advisors (PCA), Qualified Applicator License (QAL), Qualified Applicator Certificate (QAC), Certified Crop Advisor (CCA)

What types of CEUs are offered at The Almond Conference?
Tuesday: CCA • Wednesday: CCA and DPR • Thursday: CCA

Sign-in sheets
Sign-in sheets are in the back of each session room.

CCA CEUs
You are responsible for signing in and out of the session you are attending. No verification forms will be provided.

DPR CEUs
Pick up DPR scantrons at the CEU kiosk. Sign in at the beginning and sign out at the end of each session you attend. It is your responsibility to complete and turn in your scantron at the end of the day to the CEU kiosk. If you need to leave a session early, you must sign out at the back of the room to adjust your hours. If you do not sign in or out at each of the sessions you attend, you will not get credit. Once you turn in your scantron at the CEU kiosk, you will receive a verification form.

Special instructions for Wednesday
Those obtaining DPR credits will need to pick up their scantrons in the morning at the CEU kiosk before the first session of the day. There will be three different scantrons, one for each session offering DPR credits. You will need to return your scantrons at the end of the day to the booth or back of the classroom if you are done attending sessions. This is in addition to signing in and out of each session you attend.

CEU Kiosk Hours

TUESDAY:
7:30–10:00 a.m.
3:30–5:00 p.m.

WEDNESDAY:
7:30–10:00 a.m.
3:30–5:00 p.m.

THURSDAY:
9:00 a.m.–12:30 p.m.

Special thanks to the 2019 Silver Sponsor, TOMRA Sorting Solutions, for supporting the registration and CEU kiosks.
India

Where We’ve Been and Where We’re Going
Agenda

The Changing Regulatory Landscape
Julie Adams, Vice President Global Technical, Regulatory & Government Affairs, ABC

Leveraging the Strong Almond Opportunity
Sudarshan Mazumdar, Regional Director India/ South Korea/ Japan, ABC

Segmentation Study FY 18-19
Laurel Muir, Managing Partner, SRG

Building a Stronger Tomorrow
Sudarshan Mazumdar, Regional Director India/ South Korea/ Japan, ABC
Agenda

The Changing Regulatory Landscape
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Building a Stronger Tomorrow
Sudarshan Mazumdar, Regional Director, India, ABC
India: Are we Succeeding in this Challenging Trade Environment?
China:
- 60% tariff on kernel/inshell U.S. almonds
- 20% tariff on preserved nuts (in cans)
- 40% tariff on processed or preserved

Japan:
- "Partial" FTA
- Import testing

India:
- 35 → 41 rupees/kg on inshell
- 100 → 120 rupees/kg on kernels
- Labeling "bulk" consignments
- Grades/standards
- GST

Turkey:
- 25% tariff on U.S. Almonds

E.U.:
- Brexit
- Import testing
- Pesticide MRLs
India Must be Viewed in a GLOBAL Context….

- U.S. → direct to India
- U.S. → via UAE, Hong Kong
- U.S. → “indirect” via Pakistan
- Australia similar tariffs
But China was Impacting More than China Last Year!!

- U.S. → China mainland/Hong Kong down 25%
- U.S. → Vietnam “constrained”
- U.S. → Australia up 50%
- U.S. → India up 16%

- Australia 0% tariff
- Shift from India to China
Trade is More than Tariffs……

• Now our #1 export market!
• Specific duty on U.S. almonds increased to **41 rps/kg** (inshell) and **120 rps/kg** (kernels) easier to address
• Efforts to expand food processing constrained by kernel tariff
• Still a better position for Australia – at lower tariff rates

It’s the **Non-Tariff** Issues that Get You……

• 12% GST on almonds higher than cashew, walnuts, peanuts (5%)
• 0% tariff for “fresh” almonds – but no one knows what that means!
• Labelling non-retail containers back on the agenda
• Grades – when is a quality parameter *not* a food safety issue?
Proving a Negative is the Big Challenge

- Proposed kernel standards do not reflect commercial needs (should be published soon)
- Chip/scratched viewed as a food safety defect – which encourages efforts to “cover up” any mechanical defects
- Mold = aflatoxin, even when it doesn’t

- Global standards being leveraged for labeling non-retail packaging
- Almonds a primary food – but confusion since bulk bags do make their way to the market
- FSSAI logo, importer details not required on bulk bags (but stay tuned….)

- No, this has not gone away, it’s just dormant!
- Indian authorities agree that consignee “to order of shipper” is negotiable (should not require NOC). But….
- Customs wants to see “regulations” confirming that other countries do not require NOCs…..
WHAT COMES NEXT...

• India – largest export market so need solutions!
• Need to engage government authorities and monitor emerging issues
• Drive with science, but respect culture
• Build coalitions – new importers, associations
• Expand education among processors for quality parameters, food safety standards
• Watch what comes next on US-India trade agreement – *but don’t expect miracles!*
Agenda

1. **The Changing Regulatory Landscape**
   - Julie Adams, Vice President Global Technical, Regulatory & Government Affairs, ABC

2. **Leveraging the Strong Almond Opportunity**
   - Sudarshan Mazumdar, Regional Director India/South Korea/Japan, ABC

3. **Segmentation Study FY 18-19**
   - Laurel Muir, Managing Partner, SRG

4. **Building a Stronger Tomorrow**
   - Sudarshan Mazumdar, Regional Director India/South Korea/Japan, ABC
India: A Strong Market With Great Promise?
India: A Large & Growing Market

World’s 7th Largest Economy, with a GDP of $2.7 Trillion*

- Over five decades, India’s GDP has ballooned, from $37 billion in 1960, to $2.7 trillion in 2018*
- Economy projected to become 3rd largest by 2028**
- Purchasing Power Parity – 3rd largest in the world***
- Despite growth forecasts being cut by almost 1% for current year, India retains it’s rank as the world’s fastest growing major economy.****

Strength of Indian Economy

According to World Bank, India’s ranking in Ease of Doing Business has gone up to 63 from 142 in 2014*****

Government Initiatives

- Make in India
- Digital India
- Jan Dhan Yojana
- Single Window e-Clearance Portal
- Goods & Service Tax
- FDI Growth -www.timesnownews.com, Govt. of India

***** International Monetary Fund. ****** World Bank Ease of Doing Business 2020 *******FDI Growth -www.timesnownews.com, Govt. of India
Global Confidence

“I look forward to the government’s goal of $5 trillion and I think they (India) will hit the goal (of $5 trillion economy) faster than they expect”

- Steven Mnuchin, US Treasury Secretary, October, 2019

“Growth will be supported by the lagged effects of monetary policy easing, a reduction in corporate income tax rates, recent measures to address corporate and environmental regulatory uncertainty, and government programmes to support rural consumption”

- IMF, October, 2019
Almonds in India?
Almonds: Availability & Formats

Available across the length & breadth of the country

Primarily sold loose

Wholesale Market

Semi Wholesale

In Shell Almonds: Cracked in India

Organized Retail

Loose by Weight

Private Labels

Packaged in India

Imported Packs

Mom n Pop Stores/ Specialized Dry Fruit Stores
The Almond
Opportunity
Almond Consumption in India is Driven by Tradition

Consumed raw, soaked and peeled or raw first thing in the morning.

Given by mothers to children.

Good for the brain and provides energy through the day.

Gifted during festivals.

Accompaniment with wedding invites.

Integral part of prayer offerings.

Usually eat 4-5 almonds per consumption occasion.
The Almond Opportunity in India

- As India’s middle class households expand from 61 mn (2015) to 128 mn (2025), so does the opportunity for almonds.\(^1\)
- India’s per capita consumption (addressable population*) at 0.29 is very low compared to other regions like USA (2.28), Canada (2.05) and Germany (2.04), showing an opportunity for market expansion. \(^2\)

*Addressable population: The percentage of a total population that is conceivably a potential consumer of almonds based on the development and urbanization of a region.

Source: \(^1\) The ‘Bird of Gold: The Rise of India’s Consumer Market (McKinsey Report), \(^2\) Market Attractiveness Dashboard, GMDA Refresh
Opportunities to Increase Consumption Exist

Opportunity to increase frequency of consumption.

Frequency of Consumption

- 49% Once a day or more
- 19% Several times a week
- 13% Once a week
- 6% Several times a month
- 14% Once a month or less often/ Never

Opportunity to increase frequency of consumption as a snack.

When Almonds Are Consumed

- 58% Early in the morning before breakfast
- 19% Breakfast
- 13% Mid-morning snack
- 8% Lunch
- 8% Between lunch and tea time
- 9% During tea time
- 6% Between tea time and dinner
- 2% Dinner
- 2% An after dinner or late-night snack

Compared to other nuts, Almonds are well positioned to take on the opportunity of 'year long' consumption.

Best Dry Fruit Described by Positioning and Personality Trait (Total Sample n=2,810)

<table>
<thead>
<tr>
<th></th>
<th>Almonds</th>
<th>Cashews</th>
<th>Peanuts</th>
<th>Pistachios</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is eaten throughout the year</td>
<td>46%</td>
<td>33%</td>
<td>11%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Opportunity to increase portion size

How many almonds eaten per occasion

- Self: 4.9
- Spouse: 5.0
- Boy Child: 4.5
- Girl Child: 4.7

Source: AAU 2018, Segmentation Study
Indians are Driven by Success. Being Healthy is Seen to be Key to Being Successful.

Lifestyle Upgradation drives people today
Acquisition and ownership of symbols is now essential. Consumers are willing to extend themselves or stretch their resources because they don’t want to be left behind.

Bettering the self is a universal desire
• Honing skills and upskilling
• Developing talents
• Exploring the “new and different” to enrich oneself

The reward of bettering self and performing consistently is to have a sustained advantage
• Building excellence
• Honing and playing to one’s strengths

Moms also encourage this need for betterment and performance in their kids
Extracurricular activities are seen as opportunities to improve or learn new skills or perform in front of an audience and receive accolades.

“Performance”
• Give everything you take up your 100%, with concentration
• Do a better and faster job
• Stand out for it; get a promotion
• Get noticed by others
• Be successful
Almonds Strongly Positioned to Meet Health and Wellness Goals for Both Children and Adults

<table>
<thead>
<tr>
<th>Top 12 Wellness Goals</th>
<th>Women</th>
<th>Men</th>
</tr>
</thead>
<tbody>
<tr>
<td>To become physically fit</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Set a good example for my children/family</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>Having good relationships with family and friends</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>To have more energy and stamina</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Sickness or disease prevention</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Avoid or manage diseases</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Improving my digestive health</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>Keeping my mind stimulated</td>
<td>16%</td>
<td>15%</td>
</tr>
<tr>
<td>To have a sharp memory/concentration</td>
<td>16%</td>
<td>14%</td>
</tr>
<tr>
<td>To increase my mental alertness</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>Feeling good about myself</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Maintaining a quality of life</td>
<td>15%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Almond Benefit Delivery

<table>
<thead>
<tr>
<th>Top 12 Wellness Goals</th>
<th>For Kids</th>
</tr>
</thead>
<tbody>
<tr>
<td>Become physically fit</td>
<td>22%</td>
</tr>
<tr>
<td>Have more energy and stamina</td>
<td>22%</td>
</tr>
<tr>
<td>Have a sharp memory/concentration</td>
<td>18%</td>
</tr>
<tr>
<td>Avoid or manage diseases</td>
<td>18%</td>
</tr>
<tr>
<td>Prevent sickness or diseases</td>
<td>18%</td>
</tr>
<tr>
<td>Have better digestive health</td>
<td>17%</td>
</tr>
<tr>
<td>Keep their mind stimulated</td>
<td>16%</td>
</tr>
<tr>
<td>To increase their mental alertness</td>
<td>16%</td>
</tr>
<tr>
<td>Be a good example for others</td>
<td>16%</td>
</tr>
<tr>
<td>Feel good about themselves</td>
<td>15%</td>
</tr>
<tr>
<td>To be able to think quickly</td>
<td>15%</td>
</tr>
<tr>
<td>Live a long life</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Agree Strongly</th>
<th>Eat Almonds Before Breakfast (n=2251)</th>
<th>Don’t Eat Almonds Before Breakfast (n=1634)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good to eat in the morning</td>
<td>58%</td>
<td>51%</td>
</tr>
<tr>
<td>Good for my brain</td>
<td>58%</td>
<td>52%</td>
</tr>
<tr>
<td>The king of dry fruits</td>
<td>58%</td>
<td>50%</td>
</tr>
<tr>
<td>Good for my heart</td>
<td>58%</td>
<td>48%</td>
</tr>
<tr>
<td>Is energizing</td>
<td>58%</td>
<td>51%</td>
</tr>
<tr>
<td>My favorite dry fruit</td>
<td>58%</td>
<td>49%</td>
</tr>
<tr>
<td>Good for my mental acuity</td>
<td>57%</td>
<td>50%</td>
</tr>
<tr>
<td>Is fresh</td>
<td>57%</td>
<td>46%</td>
</tr>
<tr>
<td>Good for my hair</td>
<td>57%</td>
<td>48%</td>
</tr>
<tr>
<td>Recommended by my nutritionist/dietician</td>
<td>57%</td>
<td>49%</td>
</tr>
<tr>
<td>Provides energy</td>
<td>57%</td>
<td>51%</td>
</tr>
<tr>
<td>Is high quality</td>
<td>57%</td>
<td>52%</td>
</tr>
</tbody>
</table>
Harnessing the Opportunity
MARKETING PROGRAM

Family Consumption Campaign

Trade Outreach Program

Festive Campaign

Media Events

Encouraging Gifting

Programme

Reinforcing Confidence - Trade

Consumer

Media Outreach

Enhancing Frequency

Nutrition PR

Print Advertisials

Nutrition PR

Eating almonds daily may just be the solution you were seeking to keep wrinkles at bay.

Print Advertorial

Media Outreach

Why it is important to watch your mouth.
Agenda

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   Julie Adams, Vice President Global Technical, Regulatory & Government Affairs, ABC

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   Sudarshan Mazumdar, Regional Director India/ South Korea/ Japan, ABC

3. Segmentation Study FY 18-19
   Laurel Muir, Managing Partner, SRG

4. Building a Stronger Tomorrow
   Sudarshan Mazumdar, Regional Director India/ South Korea/ Japan, ABC
It’s only the beginning: New Target Opportunities
Consumers segment naturally fall onto a health and wellness continuum and show huge growth opportunities for almonds.
Morning Occasion has Tremendous Upside
Even though the Morning Occasion is the largest usage of almonds, there remains penetration and frequent opportunities to drive growth.

- **Household penetration upside**: Based on the Segmentation Study, 40% of households with children are not currently engaged in the Morning Occasion.

- **Additional days**: Among households that do participate, average number of days is 2.8, essentially half the school week.

- **Portion size**: The daily serving per child is three or four almonds per occasion.
Unlocking the East
Kolkata and the East show tremendous growth potential.

1. Increased health and wellness desires
2. Disproportionately high representation in the more health-conscious segments
3. Lower linkage between almonds and benefits
4. Lower usage of the morning occasion ritual
5. Almonds are soaked but not peeled
6. Dry fruit snacking behavior exists

“We’ve never thought about health like this before. Now we are more health conscious, and trainers are telling people to eat almonds.”
Emergence of beauty as the next opportunity
And align with the values and imagery of almonds

- Glowing skin
- Beautiful hair
- Attractive
- Good figure
- Slim
- Physically fit
- Strong
- Energetic
- Good nature
- Liked by all
- Sharp
- Good memory
- Alert
- Updated
- Rich
- Royal
- Like a mother

“Everybody in my house loves almonds.”

“I imagine seeing a woman who looks 40 years old, but when you speak to her, you realize she is 50 years old, and then you come to know it’s because she eats almonds, she looks young.”
Almonds are good for brain development

<table>
<thead>
<tr>
<th>Rate claim as “very motivating”</th>
<th>Heavy, 20+ almonds per week</th>
<th>Medium, 7–19 almonds per week</th>
<th>Light, 1–6 almonds per week</th>
<th>Non-participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Almonds are good for brain development</td>
<td>63%</td>
<td>59%</td>
<td>62%</td>
<td>65%</td>
</tr>
<tr>
<td>Almonds are the most nutritious nut</td>
<td>62%</td>
<td>60%</td>
<td>59%</td>
<td>63%</td>
</tr>
<tr>
<td>Almonds are good for memory development</td>
<td>62%</td>
<td>61%</td>
<td>62%</td>
<td>63%</td>
</tr>
<tr>
<td>The vitamin E in almonds enhances my skin/beauty</td>
<td>60%</td>
<td>57%</td>
<td>61%</td>
<td>60%</td>
</tr>
<tr>
<td>Almonds are good for digestive health</td>
<td>60%</td>
<td>60%</td>
<td>60%</td>
<td>58%</td>
</tr>
<tr>
<td>Almonds give me the energy to take on my day</td>
<td>60%</td>
<td>62%</td>
<td>60%</td>
<td>57%</td>
</tr>
</tbody>
</table>
5 Rise of Healthy Snacking
Health in India is evolving and impacting the food choices people make

Protection
- Absence of illness

Prevention
- Building immunity
- Antiaging

Performance
- Feeling energetic, active, and sharp
In addition, consumers include a slew of health strategies for maximum health.

**MORNING RITUALS**
Drinking warm lemon/honey water, amla juice, dry fruits, ginger, garlic

Is about cleansing one’s body internally

**NEW ROUTINES**
Walks, running, going to the gym, yoga, meditation

To become physically and mentally well

**FOOD INCLUSION**
Oats, ragi, millets, flax seeds, pumpkin seed, amla, dried turmeric, vitamin tablets, omega-3 supplements, BHAA supplements, protein-rich foods, chavanprash, green tea

Increase fiber and roughage for good digestive health and keep in check the various vitamin levels

**FOOD SUBSTITUTION**
Sugar to jaggery, refined oil to olive oil, white bread/rice to brown bread/rice,

Healthier choices

**SEEKING EXPERTISE**
Dietitians, gym instructors, nutritionists
Following Rujuta Diwekers’ blogs, Instagram, Facebook pages

Peers/colleagues who have evidently been successful in this journey

**HEALTHY SNACKS**
Dhokla, corn, diet mixture, fruit, peanut butter, energy bars, sprouts, milk, protein shakes, boiled chicken, salad, soup

To reduce fat and move toward healthier habits
6 Building on Tradition
We must drive the morning ritual to continue growth

<table>
<thead>
<tr>
<th>MORNING RITUAL</th>
<th>OTHER MOMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEEDS</td>
<td>ENERGY &amp; GOOD HEALTH &amp; BRAIN</td>
</tr>
<tr>
<td></td>
<td>DEVELOPMENT</td>
</tr>
<tr>
<td>MOTHERS</td>
<td>SNACK/FILLER</td>
</tr>
<tr>
<td>Children do not eat anything early in the morning before going to school. In order to get by until breaktime, mothers give their children almonds with milk.</td>
<td>Made available to children (and everyone in the house) as a snack, as part of a larger dry fruit mix</td>
</tr>
<tr>
<td>Something nutritious to start the day with and give them energy until their breaktime and helps mental sharpness.</td>
<td></td>
</tr>
<tr>
<td>YOUNG WOMEN</td>
<td>Consume it as part of their morning routine, as a dose of goodness before they begin their day.</td>
</tr>
<tr>
<td></td>
<td>When travelling long distance, as a filler between meals</td>
</tr>
<tr>
<td>YOUNG MEN</td>
<td>Most men eat almonds as a source of energy and protein supplement, pre- or post-workout raw, un-soaked.</td>
</tr>
<tr>
<td></td>
<td>As a filler when working late</td>
</tr>
</tbody>
</table>
And always build on the core driver of “success” and “confidence”
Approach to Drive Growth has Multiple Strategies

1. New consumers
2. Frequency of the Morning Consumption
3. New Regions in the East
4. Emergence of beauty as the next opportunity
5. Growth of snacking (building new day parts)
6. Reinforcement of traditional benefits
Agenda

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Sudarshan Mazumdar, Regional Director India/ South Korea/ Japan, ABC
Creative Refresh FY 19-20

Phase 1: Segmentation Research

Identifying target consumers & possible benefits to increased almond consumption

Phase 2: Target consumer insights

Qualitative Research:
Gaining insights in selected target consumers for leverage to motivate consumers to increase almond consumption

Phase 3: Message testing

Message Testing:
Develop & identify the message to drive increased almond consumption

Phase 4: Creative concept testing

Creative Testing:
Developing & shortlisting a creative concept to leverage the message identified in Phase 3 & take into execution
The Winning Proposition

“The Positioning

“Small investments today build into the big successes of tomorrow. Almonds are a small investment into my and my family’s future.”
The Winning Creative Route

The Idea:

*The Best Dreams are Shared*

Nothing drives you harder than dreams that you share with your family
New Campaign FY 19-20

Mother Child

Working Woman

Working Man
Expansion to East

- Currently the marketing program is in North, West and South India as these are traditionally heavy almond consumption markets.
- Research showed that 49% of people in the east fall into most health oriented segments. Several almonds messages very motivating to people living in East.

<table>
<thead>
<tr>
<th></th>
<th>Kolkata</th>
<th>All Other Regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regularly Buy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Almonds</td>
<td>31%</td>
<td>89%</td>
</tr>
<tr>
<td>Cashews</td>
<td>91%</td>
<td>72%</td>
</tr>
<tr>
<td>Raisins</td>
<td>89%</td>
<td>57%</td>
</tr>
<tr>
<td>Dates</td>
<td>82%</td>
<td>38%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Kolkata</th>
<th>All Other Regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heavy AM occasion</td>
<td>1.9%</td>
<td>15.0%</td>
</tr>
<tr>
<td>Medium AM occasion</td>
<td>3.1%</td>
<td>14.6%</td>
</tr>
<tr>
<td>Light AM occasion</td>
<td>9.1%</td>
<td>10.8%</td>
</tr>
<tr>
<td>Non Participant</td>
<td>24.1%</td>
<td>21.2%</td>
</tr>
<tr>
<td>All others</td>
<td>61.8%</td>
<td>38.3%</td>
</tr>
</tbody>
</table>

- Familiar: Consumers are eating almonds and enjoyed the almond experience
- Multiple occasions at home and away from home
- Rise of health: Consumers reported increased searching for new health information
- Needs link with almond benefits: Consumer share the desires for both success of their children and themselves. On a daily basis they are looking for energy, skin and hair and mental acuity
- Consumed by the handful: Because portion size isn’t currently established, there is an opportunity to drive larger portion sizes (e.g. handful messaging).
Diwali Gifting Campaign

**Positioning:**
Gifting of Almonds honors close relationships

**Campaign Idea:**
The most special relationships are those that are multi faceted

Diwali Massi/ Aunt TVC
Diwali BFF TVC
Strong Program Performance
Gaining Strength on Various Parameters

### Growing Strength of Almonds

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top of Mind*</td>
<td>52%</td>
<td>57%</td>
</tr>
<tr>
<td>Eaten Everyday*</td>
<td>40%</td>
<td>49%</td>
</tr>
<tr>
<td>I Already Eat Enough Almonds*</td>
<td>6%</td>
<td>38%</td>
</tr>
</tbody>
</table>

### Growth in Snacking

<table>
<thead>
<tr>
<th>Category</th>
<th>2014</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top of Mind Snack*</td>
<td>35%</td>
<td>48%</td>
</tr>
<tr>
<td>Snack several times a week or more*</td>
<td>39%</td>
<td>62%</td>
</tr>
<tr>
<td>Consumed most often as a snack*</td>
<td>42%</td>
<td>55%</td>
</tr>
<tr>
<td>Tides me over to next meal**</td>
<td>77%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Source: *AAU 2018, **GPS 2018
Gaining Strength on Various Parameters

### Increasing Knowledge of Almond Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heart Healthy</td>
<td>86%</td>
<td>88%</td>
</tr>
<tr>
<td>Source of Fibre</td>
<td>82%</td>
<td>86%</td>
</tr>
<tr>
<td>Rich in Antioxidants</td>
<td>85%</td>
<td>86%</td>
</tr>
<tr>
<td>Low on Saturated Fat</td>
<td>81%</td>
<td>87%</td>
</tr>
<tr>
<td>Good for People with Diabetes</td>
<td>85%</td>
<td>86%</td>
</tr>
</tbody>
</table>

### Willingness to Pay More for Products with Almonds

<table>
<thead>
<tr>
<th>Willingness Level</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>I prefer the product that does not have almonds</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>I will buy the product with almonds, but only if it does not cost more</td>
<td>24%</td>
<td>26%</td>
</tr>
<tr>
<td>I will buy the product with almonds, even if I have to pay a little more for it</td>
<td>62%</td>
<td>65%</td>
</tr>
<tr>
<td>I will buy the product with almonds, regardless of price</td>
<td>86%</td>
<td>91%</td>
</tr>
</tbody>
</table>

Source: GPS 2017 & 2016
India Grew to Become the #1 Export Market in FY 18-19

- Shipments to India surged again to record highs in FY 2018-19 as India overtook Spain to become the largest export market for ABC.

**Source:** Position Report, Almond Board of California July 2018
Key Highlights of the Year Gone By…
Challenges or Opportunities?

- **Food Safety**
  - Food Adulteration
    - Adding Color to Hide Chip and Scratch
    - Adding Moisture to Increase Sellable Weight
  - High Cultural Consumer Trust in Almonds at Risk

- **Market Evolution**
  - Governmental Policies (Demonetization, GST)
    - Increase Transaction Transparency (Leveling the Playing Field, But Increasing Costs)
    - Market Disruption, Moving From Grey to White
  - Growth Demands Capital (107M lbs. Growth Over 5-years Requires Approx. $300M)

- **Almond Consumption Evolution**
  - Almonds 2nd Largest Nut Import Into India (Cashews #1 at 550M Lbs.)
  - 80-85% of Imported Almonds are Consumed as is, While 40% of Cashews are Consumed as is
    - Large Opportunity for Consumption Growth in Almonds as an Ingredient for Further Processing

- **Biggest Bang for the ABC Buck**
  - Promotion and Advertising is Cheap as Compared to Other Countries
  - Our Program is Working!
India Tomorrow

- Fastest Growing Market in the World With the Greatest Future Potential
- World’s Largest Youth Population
  - They Have Embraced the Cultural Trust of Almonds

The Best is Yet to Come For India
India: Strong Today, Stronger Tomorrow
Upcoming Sessions at 3:30 p.m.

- Incentive Assistance: Help Applying for Grants that Fund On-Farm Practices (Room 1)
- South Korea and Japan: Almonds Make Life Beautiful (Room 2)
- Pest Management Considerations in an Ever-Changing Regulatory Environment (Room 3)
Visit the Exhibit Halls and Participate in the Passport Game

- 3P Partners #2206
- ABC Booth #526
- AC Horn #421
- Ag Spray Equipment #2203
- Bayer CropScience #127
- Best Drayage #2112
- Bird Gard, LLC #1812
- Borrell USA #327
- Cablevey Conveyors #217
- Central Life Sciences #917
- JAX, Inc. #413
- JKB Energy #635
- K·Coe Isom #707
- Lincoln Agribusiness Services #733
- Napasol #2205
- NETZSCH Premier Technologies #218
- Satake #521
- Suterra, LLC #1638
- TOMRA Sorting Solutions #335
- Trécé, Inc #516
- Valent U.S.A. #621
- Westbridge Agricultural Products #1534
- Wilkey Industries #320
- Yara North America #627

The first 500 attendees to turn in a completed passport card to the ABC booth (#526) will receive a hat and will be entered to win one of seven amazing prizes!
Research Poster Session
Wednesday, 4:30 – 6:00 p.m.
Pavilion & Building D

Featured topics:
• Soil Quality (e.g., Cover Crops, Composts, Whole Orchard Recycling)
• Pest Management
• Irrigation Management
• Biomass/Co-Products
• Almond Leadership Special Projects (Building D)
Shuttle Schedule

Shuttle service will be provided by The Almond Conference from the downtown hotels to Cal Expo daily.

• Downtown Pickup Location: Hyatt Sacramento Front Drive
• Cal Expo Pickup and Drop-Off Location: Blue Gate

Shuttle Schedule:
• Tuesday, Dec. 10
  • 6:45 a.m. – 6:30 p.m.
• Wednesday, Dec. 11
  • 6:45 a.m. – 6:30 p.m.
• Thursday, Dec. 12
  • 6:45 a.m. – 1:30 p.m.
2019 Research Update

Pick up a copy at the ABC booth #526
Join the Conversation!

Use #AlmondConf to share highlights from The Almond Conference
Dedicated Trade Show Time
4:30 p.m. – 6:00 p.m.

Social Reception Sponsored by:
10 YEARS OF PROGRESS
JOIN THE JOURNEY

It's all there at SustainableAlmondGrowing.org
Join Tonight’s Social Reception

Come and Sample:
ALMOND BROWN ALE

Stop by:
The Almond Board Lounge in Building D.

Sample:
Almond brown ale during the Tuesday and Wednesday receptions.

This almond beverage is the result of a special project from Dominique Camou and Lucas Schmidt in collaboration with Temblor Brewing Company.

Industry members and attendees are welcome to stop by and have a taste.

When:
Tuesday and Wednesday evening reception from 4:30-6:00 p.m.

4:30 p.m. – 6:00 p.m. - Pavilion + Building D
Thank you!
Almond Introductions in India


2013: 139
2014: 179
2015: 216
2016: 233
2017: 230

Snack Bars
- Unibic Choconutty Nuts Snack Bar with Almonds, Cashews and Pistachios
- Yoga Bar Almond fudge
- Kelloggs Almonds and Nuts Snack Bar
- Kelloggs Crunchy Granola With Almonds And Cranberries
- Kelloggs Real Thandai Badam Cornflakes
- Kelloggs Real Rose Badam Cornflakes

Cornflakes

Cookies
- Unibic Fruit and Nut Cookies
- Britannia Nutrichoice Oats, Chocolate and Almond

Chocolate
- Hershey Kisses Milk Chocolate with Almond
- Snickers Almond

Almond Milk
- Second Nature Almond, cocoa, dates milk
- Raw Pressery Almond milk

Misc
- Alpino Almond Butter
- Grow Fit Almond Flour
Opportunity for Increased Almond Introductions with Growing Health Consciousness

Almond Introductions (2008-2017)

Willingness to Pay More for Products with Almonds

Sources: GNPD, GPS
Reinforcing Tradition of Gifting Almonds During the Festival of Diwali

Why Almonds Are a Good Gift to Be Given

- A healthy food
- Not adulterated
- Says I care
- A premium offering showing my status
- True to tradition
- Easily customizable

Why Almonds Are a Good Gift to Receive

- Feels cared for
- Long shelf life, regular household consumption
- Premium offering showing my status
- Not adulterated
- High acceptance because of tradition

Gifting of Almonds Honors Close Relationships

Among all people in our target who give gifts during festivals, 11.9% gift dry fruits.

Movement away from gifting sweets as they are unhealthy, prone to adulteration, too common to show status

Source: Gifting Study 2016-17
India Versus The World
Major Markets For California Almonds

Shipments (In Million lbs.)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>5-Year Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>123,685</td>
<td>126,451</td>
<td>167,075</td>
<td>199,517</td>
<td>231,347</td>
<td>107,662</td>
</tr>
<tr>
<td>North America</td>
<td>694,778</td>
<td>655,266</td>
<td>749,935</td>
<td>816,205</td>
<td>825,236</td>
<td>130,458</td>
</tr>
<tr>
<td>Western Europe</td>
<td>468,041</td>
<td>523,312</td>
<td>566,450</td>
<td>583,036</td>
<td>572,648</td>
<td>104,607</td>
</tr>
<tr>
<td>Middle East</td>
<td>171,870</td>
<td>139,367</td>
<td>173,591</td>
<td>164,279</td>
<td>167,915</td>
<td>(3,955)</td>
</tr>
<tr>
<td>Greater China</td>
<td>157,699</td>
<td>177,076</td>
<td>205,584</td>
<td>240,538</td>
<td>206,623</td>
<td>48,924</td>
</tr>
</tbody>
</table>

Growth in Shipments

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>5-Year Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>21.00%</td>
<td>2.24%</td>
<td>32.13%</td>
<td>19.42%</td>
<td>15.95%</td>
<td>18.15%</td>
</tr>
<tr>
<td>North America</td>
<td>-0.34%</td>
<td>-5.69%</td>
<td>14.45%</td>
<td>8.84%</td>
<td>1.11%</td>
<td>3.67%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>-12.00%</td>
<td>11.81%</td>
<td>8.24%</td>
<td>2.93%</td>
<td>-1.78%</td>
<td>1.84%</td>
</tr>
<tr>
<td>Middle East</td>
<td>-4.00%</td>
<td>-18.91%</td>
<td>24.56%</td>
<td>-5.36%</td>
<td>2.21%</td>
<td>-0.30%</td>
</tr>
<tr>
<td>Greater China</td>
<td>-10.13%</td>
<td>12.29%</td>
<td>16.10%</td>
<td>17.00%</td>
<td>-14.10%</td>
<td>4.23%</td>
</tr>
</tbody>
</table>

Percent of Crop

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>5-Year Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>6.83%</td>
<td>6.98%</td>
<td>7.96%</td>
<td>8.86%</td>
<td>10.21%</td>
<td>8.17%</td>
</tr>
<tr>
<td>North America</td>
<td>38.34%</td>
<td>36.18%</td>
<td>35.71%</td>
<td>36.26%</td>
<td>36.43%</td>
<td>36.59%</td>
</tr>
<tr>
<td>Western Europe</td>
<td>25.83%</td>
<td>28.90%</td>
<td>26.97%</td>
<td>25.90%</td>
<td>25.28%</td>
<td>26.58%</td>
</tr>
<tr>
<td>Middle East</td>
<td>9.49%</td>
<td>7.70%</td>
<td>8.27%</td>
<td>7.30%</td>
<td>7.41%</td>
<td>8.03%</td>
</tr>
<tr>
<td>Greater China</td>
<td>8.70%</td>
<td>9.78%</td>
<td>9.79%</td>
<td>10.69%</td>
<td>9.12%</td>
<td>9.62%</td>
</tr>
</tbody>
</table>

Source: Almond Board of California