

# citrus commission

Sept 19, 2007

## MEETING SUMMARY

### Commission Approves Marketing Plan

The Commission unanimously approved the 07/08 domestic marketing plan. Plans for the year include advertising, public relations, public affairs, promotions, foodservice, trade communications and in-state initiatives for orange juice, grapefruit juice and fresh fruit. The strategic plan promotes and educates consumers about the health and wellness benefits of Florida citrus. The plan is designed to educate health professionals, the media and the retail and foodservice trade, including consumer affairs directors. This year's programs will focus on proven health claims and introduce new and relevant health claims to encourage consumers to include Florida citrus in their daily lives.

### New OJ Advertising Concepts Presented

Following an initial round of advertising copy-testing that did not meet expectations earlier in the summer, new concepts were developed and presented to the Commission. Four new creative directions were shared that support recent strategic insights based on health and wellness research conducted by The Hartman Group. Television concepts for :15 and :30 second commercials were presented. Creative testing will be conducted during the next month, including focus groups and Millward Brown copy-testing. Results will be presented to the Commission at the October meeting.



### Orange Juice Media Plan Unveiled

The Commission unanimously approved a \$15.4 million 07/08 media plan, which includes both network and cable television and online advertising. The media buy also consists of key value-added cross-platform online/offline sponsorships and product placements. The nine-month online buy includes Florida Orange Juice's award-winning sponsorship of primetime programs such as "Grey's Anatomy" and "Lost" that are available for viewing on ABC.com. A new addition to the online this year is a streaming video "roadblock" on CNN.com. Three mornings a week, Florida Orange Juice will be the exclusive sponsor of any video viewed on CNN.com.

### Blood Pressure Machines Promote OJ in Wal\*Mart

Lifeclinic is the world's leading manufacturer and distributor of commercial automated health testing stations located at retail. The FDOC will place orange juice health and wellness messaging on blood pressure machines in all 2,035 Wal\*Mart Supercenters for a three-month period beginning in January. The program was tested in 06/07 and resulted in a +29 percent sales lift for orange juice test versus control stores.



# Florida's Leading Industries Team Up

The FDOC will be an official sponsor of VISITFLORIDA.com, the state's leading tourism website. The partnership includes messaging on the weather map and an entire page devoted solely to Florida citrus on the site and a click-through option to floridajuice.com. In addition, the FDOC will sponsor the weather update in 48 eMagazines promoting travel to Florida and will include key messages in the 11 special interest publications distributed by VISIT FLORIDA annually. Finally, four videos will be created and distributed on VISITFLORIDA.com, floridajuice.com and third party websites relevant to food and nutrition. The partnership is expected to garner more than 21 million consumer impressions.

## Orange Juice Ads to Air in Canada

Television advertisements for orange juice will reach the target audience in Toronto, Ottawa, and Montreal. An equal blend of :30 and :15 second commercials will run in three seasons: fall, winter 07/08, and spring '08. English commercials will air in Toronto and Ottawa, and a French version will run in Montreal. The campaign will kick off the second week of November and will run through April.

## Sales Trends Reviewed

For the week ending August 4, orange juice continues to lag previous years in volume sold; however, dollars spent continue at levels higher than previous years. Pricing is still much higher than last year, but some movement downward has been detected. Staff will continue to monitor retail pricing to determine if prices start to reflect bulk and fruit market prices. Grapefruit sales declines have leveled off, and grapefruit, both gallons and dollars, are tracking equivalent to last year. The 06/07 in-store coupon successfully encouraged multiple purchases, as well as supplementary promotional activity from the brands and retailers.

## State Budget Deficit Impacts CATF

The Commission agreed to reach out to Governor Crist regarding the impact of the state budget deficit (\$1.2 billion) on the citrus advertising trust fund (CATF). The Governor has sent recommendations to the Speaker of the House and President of the Senate recommending an increase of the CATF general revenue service charge from 3.3 percent to 8 percent. The increase would result in a reduction of almost \$2 million in the current FDOC budget. A letter, signed by all the Commissioners, will be sent to the Governor in opposition of the increased general revenue charge.

## Workshop Announced

Florida Citrus Commission Chairman Ben Albritton called for a public workshop to explore alternative funding mechanisms for the Department's generic advertising programs. Dubbed the "Department Funding Alternatives Workshop" (DFAW), the half-day meeting, set for October 30, 1:30 p.m., at FDOC headquarters, will attempt to explore mechanisms to more equitably spread the costs of the advertising and promotion programs to all those benefiting from the programs.

The workshop is a follow-on to the recently concluded Federal Program Exploratory Committee and follows up on the 2006 Special Industry Committee recommendations and next steps. The agenda will include presentations and an open dialogue on the pros and cons of various marketing strategies such as NFC-only, seals, symbols, and 100% Florida. It also will cover the status to date of other efforts to eliminate the "free-rider" issue, including legislative initiatives and opportunities to partner with other producer states and countries.

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