



2020 Business Plan

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2020 BUDGET PARAMETERS

2020 Volume Projections lbs.	2,650,000,000
HAB Revenue @2.5¢/lbs.	\$66,250,000
85% Rebate to Member Organizations: CAC CAIA MHAIA PAC	\$(56,312,500)
HAB Net Revenue	\$9,937,500
Budgeted Beginning Reserves 1/1/20	\$1,850,908
Available Resources	\$11,788,408
2020 OPERATING BUDGET	\$10,583,875
Projected Ending Reserves 12/31/20	\$1,204,533

STAFF

Emiliano Escobedo
Executive Director

Robert Rumph
Vice President of Finance

Nikki Ford
Senior Director of Nutrition

Gina Widjaja
Director of Marketing and Communications

John McGuigan
Director of Industry Affairs

Alejandro Gavito
Category Data and Research Manager

Natalia Arias
Digital Marketing and Communications Manager

Ivonne Gomez
Bilingual Content Manager

Jason Garthoffner
Web and Graphic Designer

Silvia Standke
Executive Assistant

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BUSINESS PLAN FRAMEWORK

Strategic Frame

The Hass Avocado Promotion, Research and Information Act is designed to strengthen the position of the Hass avocado industry in the domestic marketplace; and maintain, develop, expand markets and uses for Hass avocados in the domestic marketplace.

Purpose: Hass avocados improve lives through a unique, flavorful eating experience and health benefits.

Mission: HAB exists to support the global avocado industry stakeholders in our collective efforts toward market expansion in the U.S.

Vision: HAB is the catalyst for fresh avocados being the No. 1 consumed fruit in the U.S. and industry stakeholders being successful.

STRATEGIC PRIORITIES AND PROGRAM AREAS

Strategic Priority	Build Demand		Nutrition		Supply & Demand Data	Quality	Industry Engagement	Sustainability
Program Area	Nutrition Marketing	Target Audience Research	Nutrition Research	Nutrition Affairs	Supply & Demand Information	Quality	Industry Engagement	Sustainability

BUILD DEMAND

5 Year Goal

Annual per capita consumption (PCC) of fresh avocados in the United States will be (A) 9.1 pounds or (B) \$23 by 2021.

Progress to Date

	2016	2017	2018	2019
Vol Hass + Org Imp (MM)	2,233	2,138	2,543	
Avg Retail Price / Lb	\$2.45	\$2.82	\$2.38	
Population (MM)	323	326	328	
PCC/LB	6.9	6.6	7.8	
PCC/\$	\$16.94	\$18.49	\$18.45	

Nutrition Marketing

OBJECTIVES

1. To deliver the outcomes of our research, and usage ideas are in the hands of target health professionals in the U.S. with an end result to increase recommendations
2.
 - a. To raise/sustain target consumer awareness level that avocados are nutritious and continues to be the primary reason for consuming them
 - b. To increase target consumers' avocado usage throughout the day (breakfast, lunch, dinner, snack)
3. To generate targeted, frequent and positive media coverage/influencer endorsements about the health benefits and versatility of fresh avocados.

STRATEGIES

- Create and promote resources for health professionals that they could use with their patients on how avocados can help with their respective health concerns in order to increase recommendations
- Continue educating consumers of avocado health benefits and provide delicious recipes and tips for consumers to use throughout the day including breakfast and snacks
- Generate media outreach when research is published and always provide usage ideas to food & wellness reporters/members of the media

Target Audience Research

OBJECTIVE

- Fund target audience research that provides actionable data for the industry

STRATEGIES

- Research variations in avocado shopper purchase behaviors across geographic regions
- Track recommendations and attitudes of target health professionals
- Track usage and attitudes of U.S. General Market and Hispanic Market consumer target audience

NUTRITION

5 Year Goal

The growing scientific body of evidence will be relevant, translational, and credible to support health benefits associated with consuming more avocados.

Progress to Date

	2016	2017	2018	2019
# of Projects	16	22	27	27

Nutrition Research

OBJECTIVE

- Identify, design and fund relevant and motivating research for consumers and health professionals

STRATEGIES

- Direct the nutrition research pipeline so it is relevant and translational to target audience

Nutrition Affairs

OBJECTIVE

- Remove barriers to marketing nutritional benefits of avocados indicated by: Dietary Guidelines for Americans 2020, Healthy, Birth to 24 months / pregnancy

STRATEGIES

- Be informed of evolving nutrition policies and affairs
- Educate target audiences on the positive health benefits of avocado consumption

SUPPLY & DEMAND DATA

5 Year Goal

Goal 1: Research and obtain industry information about where Hass or Hass-like avocados are produced, how much and when.

Progress to Date

	2016	2017	2018	2019
# of reports	n/a	n/a	n/a	2

Goal 2: Research and obtain industry information about where Hass or Hass-like avocados are sold, how much and when.

Progress to Date

	2016	2017	2018	2019
AVIS participants	74	77	84	88
AVIS wholesale supply	98%	100%	98%	
AVIS wholesale shipments data	82%	86%	83%	

Supply & Demand Information

OBJECTIVES

- Provide accurate and timely information about where the majority of avocados are sold, how much, when, and their availability in the U.S. market
- Improve availability, industry awareness, use of and access to actionable category information, insights and data
- Provide industry information and data that defines current avocado production and future production capabilities in countries that supply the U.S. market

STRATEGIES

- Effectively disseminate HAB's research insights, data assets and communications to stakeholders
- Obtain avocado retail, promotional and trade data
- Track and monitor avocado volume, sales and international trade
- Maintain high levels of continuous participation and engagement in AVIS
- Continue our CIRAD engagement in a research project that uses robust research methodology to improve producers' and importers' knowledge of avocado production now and into the future. Countries of origin in 2020 to include Colombia, Chile and the Dominican Republic

INDUSTRY ENGAGEMENT

5 Year Goal

Increase the percentage of Hass avocado producers and importers in the U.S. that are subject to HAB assessments who (A) are familiar with HAB from the 2017 baseline of 64% to 90%, (B) know what HAB does from the 2017 baseline of 67% to 90% and (C) whose overall opinion about the work of the Board is "somewhat satisfied" or "very satisfied" increased from 48% to 75%.

Progress to Date

	2017	2019	2021
Part A	64%		
Part B	67%		
Part C	48%		

Industry Engagement

OBJECTIVES

- Increase awareness among U.S. producers and importers of the Hass Avocado Board and their support for the work that we do.
- Launch avocado industry leadership program
- Increase two-way engagement with our stakeholders with new grower meetings and forum
- Initiate and complete the 2025 strategic planning process

STRATEGIES

- Continually communicate through new and existing channels to effectively engage the industry with messages regarding HAB's work to stakeholders
- Leverage business support tools that are available to producers and importers, including nutrition, nutrition marketing, data & research, quality manual, sustainability and board updates
- Work with our communications partner Fleishman Hillard to further develop and refine our communications, including a HAB effect video to showcase our story
- Engage and support board members to host HAB focused meetings
- Attend meeting and events, including all association meetings held by, CAC, CAIA, MHAIA, PAC, Colombian Avocado Board (CAB) and provide HAB updates at each
- Attend and participate at avocado and produce trade industry meetings in country and abroad where we can engage stakeholders and get the HAB message out
- Participate and attend Commodity Roundtable meetings
- Create an Avocado Industry Leadership program
- Manage and host an Avocado Forum in the fall of 2020
- Initiate and complete the 2025 strategic planning process

SUSTAINABILITY

5 Year Goal

(A.) Research how key U.S. consumers and health professionals think about sustainability. (B.) Characterize the U.S. Hass avocado supply chain environmental, social and economic impact and (C.) develop a strategy for positioning avocados within sustainable diets.

Sustainability

OBJECTIVES

- Re-frame and re-launch this effort in a larger, more compelling strategic way
- Build engagement, support & excitement within the industry

STRATEGIES

- Engage Brand K Strategy
- Engage key stakeholders

QUALITY

5 Year Goal

HAB's quality related information pertaining to the proper handling of the fruit after entry into the U.S. supply chain is used by handlers, importers, distributors and marketers that supply the U.S. market. Companies that move 85% of the volume will report having the information available and among them 80% will report finding the information useful.

Progress to Date

	2018	2019	2021
# of companies	n/a	n/a	n/a
% that find it useful	n/a	n/a	n/a

Quality

OBJECTIVES

- Ensure HAB's quality manual is relevant and up to date with the latest quality and handling information.

STRATEGIES

- Work with the quality committee to review the manual and make any changes needed.

ADMINISTRATION, OVERSIGHT AND IMPLEMENTATION

Objective

- Effectively and efficiently comply with the duties and responsibilities under the Act and Order.

2020 BUDGET SUMMARY

Program Area	Dollars
Nutrition Marketing	\$3,843,525
Target Audience Research	\$165,000
Nutrition Research	\$2,889,511
Nutrition Affairs	\$249,200
Supply and Demand Information	\$716,437
Industry Engagement	\$924,967
Quality	\$32,834
Sustainability	\$250,515
Administration of HAPRIO	\$1,294,887
Oversight	\$216,000
Implementation	\$1,000
TOTAL	\$10,583,875

STAFF ALLOCATION TO PROGRAMS AND ADMINISTRATION

Staff compensation and benefits are allocated to the program management line of various programs and administration in the budget in accordance with the following matrix for 2020. Numbers in parenthesis delineate changes in the percentage of allocation compared to 2019.

POSITION	Nutrition Marketing	Nutrition Research	Industry Engagement	Sustainability	Supply & Demand	Quality	Admin
Category Data & Research Mgr.					100%		
Executive Director	25% (-5)	5% (-5)	25%	5%	5%	2% (-3)	33% (+13)
Director of Marketing & Comm.	95%		5%				
Director of Nutrition	10%	90% (+10)		0% (-10)			
VP Finance							100%
Office Assistant	30%	30%	10%				30%
Digital Marketing & Comm. Mgr.	65%	5%	25%		5%		
Executive Assistant	5%	5%	25%		5%		60%
Director of Industry Affairs			70% (+20)	10% (-10)	15%	5%(-10)	
Bilingual Content Mgr.	70%		30%				
Web and Graphic Designer	70%		30%				

NUTRITION MARKETING

Overview

Similar to prior years, HAB's nutrition marketing program will support the four research health pillars: heart health, weight management, type 2 diabetes, and healthy living at every age. HAB will target health professionals, primarily registered dietitians, as well as heavy and super heavy avocado users (consumers). For the second wave, our communications will focus on establishing healthy eating habits and having fresh avocados as the (easy) solution. We will leverage both existing and new research in our outreach to target audiences and include resources such as healthy avocado recipes, recipe photography, meal plans, registered dietitian spokespeople (Avocado Goodness Experts), and new partners will be introduced to help amplify the message. The communications plan is broken down by each target audience below. At the end, the plan also lists digital communications plan that HAB will primarily manage in-house.

Health Professionals

In response to a need for more resources, HAB will create more tools and creative content that health professionals can use with their clients/patients such as the Love One Today® cookbook, new recipes, and handouts featuring meal plans. This creative content will be used in our Nutrition & Research Promotion Program, for example in continuing education webinars/podcasts, e-newsletters and advertising. Print and display ads will appear in *Today's Dietitian*, *Food & Nutrition*, *Diabetes Educator*, *Smartbrief*, as well as targeted ads which allow us to pay for ads delivered to the right audience at the right time, also known as programmatic advertising. With the majority of health professionals seeking

continuing education (CE) opportunities via websites and webinars, HAB will be focusing more on webinars and promoting resources on our website, limiting our events participation to one next year. The Today's Dietitian Symposium is an event that provides us an opportunity to educate and provide CE units to health professionals during an educational session.

General Market Consumer & Media

HAB will be working with influencers to promote the Heart Health pillar with a focus on using avocados as a healthier swap in recipes. As part of the creative content, new recipes will be created to support the Weight Management and Healthy Living at Every Age pillars. A new content partner will be introduced in 2020 to help amplify our message, Pop Sugar. They already published 250 articles related to avocados which attracted over 1 million unique visitors who are 40x more engaged with avocado content than the average Pop Sugar topic. Their readers are longing for information about leading healthier lifestyles. Later in the year to promote the Diabetes pillar, we will launch the "Avocado's Perfect Match" contest where consumers are encouraged to find food that can pair well with avocados in preventing or managing diabetes. Also to promote Healthy Living at Every Age pillar, HAB will bring in a new strategic partnership with Walk with a Doc (WWAD), a non-profit organization that is dedicated to educating and empowering patients through exercise led by health experts. Doctors will be able to communicate our research during their organized walks, email blasts and events at a few media markets.

Hispanic Market Consumer & Media

Similar to the General Market, HAB will also work with influencers to promote the Heart Health pillar where they will showcase recipes with ingredients that can be swapped with avocados to make them heart-healthier. The integration with a new content partner, Pop Sugar Latina, will promote the Weight Management and Healthy Living at Every Age pillars. Later in the year, to promote the Type 2 Diabetes pillar, HAB will work with a new strategic partner, AltaMed, the nation's largest federally qualified health center with over 300,000 patients and 300 physicians in Southern California. In addition, HAB will work with influencers again in the fall to promote the nutrition messages about diabetes prevention under the Diabetes pillar and feature a new holiday dessert recipe that can be enjoyed by those who are trying to prevent or manage their diabetes.

Websites, Social Media, E-Newsletters

HAB drives all communication efforts for health professionals, general market consumers and Hispanic market consumers to our websites LoveOneToday.com and SaboreaUnoHoy.com, respectively. While it is important to invite new visitors, it is our goal to continuously engage with the current and returning visitors, hence it's imperative to keep nutrition research, recipes and resources updated on both of those sites. HAB will continue to ensure that LoveOneToday.com and SaboreaUnoHoy.com be the holistic avocado nutrition information hubs and easily discoverable across search tools so we will continue implementing Search Engine Optimization and Search Engine Marketing efforts. As an integral part of Love One Today's communications, we are going to continue working with influencers, both expertise- (e.g RD's) and experience-based (e.g. health & food bloggers). In 2020, HAB will establish its own network of influencers in which we will directly manage the relationship in-house. Over time, this direct relationship will help us with message amplification and our goal for these influencers to recommend and talk about avocado health benefits to their network of followers. In addition, HAB will

continue sending out monthly newsletters to the general market consumers and a quarterly newsletter to health professionals, and a robust organic and paid social media plan will be integrated into the communications program to support the marketing outreach.

Objectives

1. To deliver the outcomes of our research, and usage ideas are in the hands of target health professionals in the U.S. with an end result to increase recommendations
2. a. To raise/sustain target consumer awareness level that avocados are nutritious and continues to be the primary reason for consuming them
b. To increase target consumers' avocado usage throughout the day (breakfast, lunch, dinner, snack)
3. To generate targeted, frequent and positive media coverage/influencer endorsements about the health benefits and versatility of fresh avocados

Strategies

- Create and promote resources for health professionals that they could use with their patients on how avocados can help with their respective health concerns in order to increase recommendations
- Continue educating consumers of avocado health benefits and provide delicious recipes and tips for consumers to use throughout the day including breakfast and snacks
- Generate media outreach when research is published and always provide usage ideas to food & wellness reporters/members of the media

Target Audience

- Health professionals
- General market consumers & media
- Hispanic market consumers & media

Key Programs

- Creative content
- Nutrition & research promotion
- Events
- Online/website/social media
- Strategic partnerships
- Strategy issues radar & reporting
- Program management

Nutrition Marketing Budget

Nutrition Marketing Program	Dollars
Creative Content	\$406,200
Message Testing & Approval	\$30,000
Nutrition & Research Promotion	\$1,801,200
Events	\$100,000
Online/Website/Social Media	\$275,000
Strategic Partnerships	\$228,200
Strategy Issues Radar & Reporting	\$273,900
Program Management	\$729,025
Subtotal	\$3,843,525

TARGET AUDIENCE RESEARCH

Overview

In 2020 we will research variations in avocado shopper purchase behaviors across geographic regions by following a sequence of studies focused on the U.S. avocado shopper, to provide a better understanding of avocado shopper's behaviors and underlying purchase drivers. Insight topics will include who the most valuable shoppers are, their impact on the category, which shoppers represent the greatest opportunity for growth, and how best to influence shoppers along their avocado shopping journey. These studies will be prepared by Fusion Marketing Group, an experienced marketing and sales intelligence agency in the fresh produce and perishable industry. Data sourced for these studies will be sourced from The National Consumer Panel (NCP), a joint venture between Nielsen and Information Resources Inc., two leading consumer insight providers in the United States focusing on measuring consumer attitudes and behavior. This panel consists of 120,000 households representing a balanced sample of the U.S. population and demographics.

The third wave of the revised HAB Consumer Tracking Study will be conducted in spring 2020. The tracking study identifies and measures the relative importance of various attitudes and behaviors of U.S. shoppers' purchase and usage of fresh Hass avocados and how these attitudes and behaviors correlate to (i) avocado purchase levels and (ii) health pillar segments, as well as measure advertising & PR efforts awareness. The study will be conducted in both general market and Hispanic consumers.

The second wave of the revised Health Professionals tracking study which measures awareness of avocado health benefits, the Love One Today® program, and frequency of making usage recommendations to clients among others will be conducted in spring 2020 as well to track progress against the nutrition marketing program objectives.

Objective

- Fund target audience research that provides actionable data for the industry

Strategies

- Research variations in avocado shopper purchase behaviors across geographic regions
- Track usage and attitudes of U.S. General Market and Hispanic Market consumer target audience
- Track recommendations and attitudes of targeted health professionals

Key Programs

- Research, Insights and Tracking

Target Audience Research Budget

Target Audience Research Program	Dollars
Research, Insights and Tracking	\$165,000
Subtotal	\$165,000

NUTRITION RESEARCH

Overview

The primary aim of the Nutrition Program is to fund scientific research to understand the positive relationship between fresh avocado consumption and health and wellness. The nutrition research is the foundation for HAB's nutrition marketing and promotional efforts, country-of-origin nutrition marketing materials and is also used to educate key experts on the health benefits of consuming avocados. Consumer research initially established four key health pillars for which are emphasized throughout the Science Pipeline – Cardiovascular Health, Weight Management, Type 2 Diabetes and Healthy Living at Every Age, and continued consumer tracking suggests these four health pillars are still highly motivating and relevant to the target populations.

The 2020 Science Pipeline supports ongoing nutrition research commitments approved by previous Boards, the new phase 7 research recommendation, avocado purchases and shipping for clinical research trials, and additional pipeline resources (recipe development, participant incentives, etc.).

The ongoing research projects with financial commitments in 2020 include (year approved by the Board – projected year of completion; 2020 financial commitment):

- Weight Management:
 - Dr. Naiman Khan, University of Illinois at Urbana-Champaign (2015 - 2020; \$88,722)
 - Habitual diet and Avocado Trial (HAT) study, multiple sites (2017-2022; \$1,107,669)
- Type 2 Diabetes:
 - Dr. Britt Burton-Freeman, Illinois Institute for Technology (2014-2020; \$82,478)

The new Phase 7 nutrition research recommendation includes nine projects and continues to build the body of scientific evidence with relevant, motivating and credible studies to support the health benefits associated with consuming more avocados. Avocados are now considered heart healthy but new research can demonstrate why they are heart healthy thus, keeping avocados as a relevant and motivating food choice to maintain a healthy cardiovascular system. The proposed weight management projects aim to change the perception that avocados are fattening and can play a role in weight loss diets

while research projects proposed within the Type 2 Diabetes pillar work to position avocados as a healthy choice for diabetics and as a potential key ingredient for supporting healthy blood glucose and insulin levels. Lastly, research projects supported within the Healthy Living at Every Age pillar aim to demonstrate that everyone can reap health benefits from consuming avocados – from keeping our kids healthy to helping our aging population maintain healthy skin and cognitive abilities.

The total multi-year estimate of Costs and total projected costs in 2020 are best estimates of project costs at this time. Upon Board approval of the recommendation, details of studies will be finalized and the budgets will reflect those decisions within the protocol. Further, HAB will negotiate with the universities to reduce costs associated with the projects and seek appropriate partnerships to co-fund projects. Details of each nutrition research recommendation are listed below under the established health pillars.

Total Multi-year Estimate of Costs: \$2,010,246

Total Projected Costs in 2020: \$1,114,000

Heart Health

- A Randomized, Controlled-feeding, Crossover Study to Examine the Metabolic Effects of Replacing Energy from Solid Fats and Added Sugars (SoFAS) with Avocado in Men and Women with Elevated Triglycerides.
 - Investigator: Dr. Kevin Maki, MB Clinical Biosciences
 - Overview: The aim of this clinical study is to assess the cardiovascular effects of daily replacement of foods in the average American diet with an avocado. Many markers of cardiovascular health will be measured including cholesterol and other lipids, hs-CRP (marker of inflammation), glucose, insulin, and blood pressure. Diets will contain the same amount of calories and every participant will go through two separate 3-week treatment periods. Americans typically eat 35 % of their daily caloric intake from SoFAS. By replacing SoFAS with avocados we expect cardiovascular markers to improve as well as benefits to insulin and blood sugar which can be especially helpful to those with type 2 diabetes.
 - Project Timeline: March 2020 – December 2022
 - Estimated Total Cost: \$677,000
- Avocado Vascular (AvVa) Study: Effects of regular intake of avocados on systemic and ocular vascular health
 - Investigator: Dr. Britt Burton-Freeman, Illinois Institute for Technology
 - Overview: This randomized parallel designed study aims to understand the effects of chronic avocado feeding on blood vessel health. Secondary endpoints include cognitive function, cardiometabolic blood markers, kidney function, eye health and body weight. Previous research from two HAB supported trials have found improved blood vessel health in response to eating one meal containing avocados. This trial would be the first to look at vascular health in response to a longer term avocado feeding trial (3-4 months). Numerous secondary outcomes would explore novel outcomes for future research.
 - Project Timeline: March 2020 – December 2024
 - Estimated Total Cost: \$680,000
- Effect of Avocado Intake on Hepatic Health and Oxidative Stress in Latinos
 - Investigator: Dr. Matthew Allison, University of California at San Diego

- Overview: Fatty liver disease affects 1/3 of the US population with the Latino population being affected disproportionately and it is considered a risk factor for cardiovascular disease. This secondary analysis of a HAB supported clinical trial will look at the effects of avocado intake on markers of liver health. This research will help health professionals provide dietary counsel for patients at risk for cardiovascular disease.
- Project Timeline: January 2020 – December 2021
- Estimated Total Cost: \$39,292

Weight Management

- **Macronutrient Absorption from Avocados: The Measured Energy Value of Avocados in the Human Diet**
 - Investigator: Dr. David Baer, USDA Agricultural Research Service
 - Overview: A controlled-feeding, randomized crossover design trial will look at the digestibility of avocados and how many calories are absorbed into the body when avocados are eaten. **While there are many factors that contribute to weight gain, being mindful of calories is an important factor.** This study aims to understand how many calories avocados contribute to a meal. Due to the natural food matrix of the avocado, it is likely that all calories are not absorbed and therefore, the total energy-density of the fruit is lower than what is provided on the nutrition facts label.
 - Project Timeline: July 2020 – December 2023
 - Estimated Total Cost: \$194,000; *The cost of this study is subsidized by the USDA-ARS providing an additional \$175,000 towards the project

Type 2 Diabetes

- **Avocado Intake and Type 2 Diabetes Prevention: A Metabolomic Enhanced Analysis**
 - Investigator: Alexis Wood, Baylor College of Medicine
 - Overview: This would be the first study in the history of the HAB Nutrition Research science pipeline to investigate the relationship between avocados and incidence of type 2 diabetes as all other clinical research focuses on risk factors (glucose, insulin, etc.) The observational dataset (Study of Latinos; SOL) will be used to look at associations between avocado intake in a Latino population and incidence of diabetes and its risk factors over a 7-year period. The SOL dataset is a landmark study of >16,000 adult Latinos enrolled at four different clinical sites across the U.S. This analysis will include more than 11,000 adult Latinos that have completed follow-up clinical visits since baseline data collection in 2008. Latinos are heavy consumers of avocados and are one of HAB's target audiences for communications.
 - Project Timeline: January 2020 – March 2021
 - Estimated Total Cost: \$55,000
- **Exploring Associations Between Avocado Consumption and Risk Factors for Type 2 Diabetes Mellitus: Secondary Analysis of Australian Health Survey and clinical Trial Data**
 - Investigator: Yasmine Probst, University of Wollongong, Australia
 - Overview: This study aims to use two novel datasets (1 observational, 1 clinical) to understand the relationship between avocado consumption, diet quality and risk factors for diabetes in an adult population. The use of an observational and clinical dataset is a novel approach which strengthens the data analysis and provides greater confidence in the study

- findings. Secondary analysis will include body weight, body mass index, waist circumference and nutrient intake.
- Project Timeline: January 2020 – January 2021
- Estimated Total Cost: \$26,577

Healthy Living at Every Age

- Avocado Intake and its Role in the Nutritional Status and Diet Quality of Adolescents: A Secondary Data Research
 - Investigator: Dr. Gina Segovia-Siapco, Loma Linda University
 - Overview: This study is a secondary analysis from a cross-sectional study to investigate the association between quantity of avocado consumed and measures of health in adolescent teens. Specific measures include body fat, lean mass, body mass index, waist circumference and diet quality. Avocado intake ranges from never consumed up to 1.5 avocados per day. The findings from this study may be used for marketing efforts or to inform age-specific dietary recommendations, as outlined in Federal dietary recommendations.
 - Project Timeline: January 2020 – December 2021
 - Estimated Total Cost: \$70,400
- Determining the Effect of Avocado Consumption on Skin Aging
 - Investigator: Zhaoping Li, UCLA
 - Overview: This clinical trial aims to assess the effect of providing one avocado per day on skin health in comparison with a control group maintaining their regular diets. They will determine the clinical efficacy of daily avocado consumption on skin inflammation and aging by assessing UV-induced changes, elasticity, sebum, and hydration.
 - Project Timeline: January 2020 – July 2022
 - Estimated Total Cost: \$171,000; *the cost of this trial is significantly reduced because participants will be utilized from the ongoing HAT study
- Acute vs. chronic effects of consuming avocado on cognitive performance in overweight and obese adults
 - Investigator: Joan Sabate, Loma Linda University
 - Overview: This randomized, cross-over clinical trial will enroll participants who have completed the HAT study to determine the effects of a breakfast meal containing avocados on cognitive performance, as measured by a battery of cognitive tests. The participants in this trial will have either consumed one avocado daily for six months or abstained from eating avocados. This will allow researchers to test the effects of long term consumption and short term effects, in response to just one breakfast meal.
 - Project Timeline: January 2020 – December 2022
 - Estimated Total Cost: \$96,554; *the cost of this trial is significantly reduced because participants will be utilized from the ongoing HAT study

The Science Pipeline also supports resources estimated at \$50,000 which will include development of a clinical compliance assay and purchasing of shared clinic supplies and equipment. The estimated purchases and shipping of avocados and biological samples to and from clinical sites will be \$145,000 in 2020. Project management includes travel to scientific conferences and meetings to present the latest avocado nutrition research, support marketing efforts on avocado nutrition research, and provide education to science and policy experts.

Objective

- Identify, design and fund relevant and motivating research for consumers and health professionals

Strategies

- Direct the nutrition research pipeline so it is relevant and translational to target audience

Key Programs

- Science Pipeline
- Program Management

Nutrition Research Budget

Program	Dollars
Program Management	\$ 301,642
Science Pipeline	\$2,587,869
Subtotal	\$2,889,511

NUTRITION AFFAIRS

Overview

The Nutrition Affairs focus area aims to monitor relevant science and nutrition policy and engages, as necessary, to educate influential scientific experts on the benefits of consuming fresh avocados. The two key programs include Strategy and Issues Radar, and Events. HAB will continue to engage in the Federal Dietary Guidelines process (Dietary Guidelines for Americans 2020), which, for the first time, will include dietary recommendations for pregnant and lactating women and children under the age of 2 years. HAB will also begin to explore strategy for potential new health claims, provision of avocados in school and consideration of dietary requirements for bioactive components, such as lutein.

To ensure wide reach of HAB supported scientific research, nutrition affairs also provides free open access to all research publications. As in previous years, HAB will continue to support scientific meetings, researcher networking opportunities and advisory council meetings. In 2020, this will include a 3-4 day scientific advisory meeting in Southern California, a networking dinner of advisors and supported researchers at the annual Nutrition Meeting, and development of a scientific session at a leading scientific conference. HAB will also continue to engage with key opinion leaders through in-person presentations and development of quarterly nutrition science newsletters.

This year, HAB will continue to partner with policy experts at Nutrition on Demand, scientific leaders at the American Society for Nutrition, and Heidi Diller, RD. HAB will also continue to engage with scientific experts including Dr. Mark Dreher from Nutrition Science Solutions and our experts from the Avocado Nutrition Science Advisory group.

Objective

- Remove barriers to marketing nutritional benefits of avocados indicated by: Dietary Guidelines for Americans 2020, Healthy, infants/toddlers/pregnancy/lactation

Strategies

- Be informed of evolving nutrition policies and affairs
- Develop content to support educational initiatives
- Educate target audiences on the positive health benefits of avocado consumption

Key Programs

- Strategy and Issues Radar
- Events
- Thought Leader Education

Nutrition Affairs Budget

Program	Dollars
Events	\$89,200
Strategy and Issues Radar	\$160,000
Subtotal	\$249,200

SUPPLY & DEMAND DATA

Overview

Information and data provided by HAB assists the industry in making business decisions. In 2020 HAB will purchase data from 3 sources. Syndicated retail scan data for the analysis and dissemination of retail sales information will be sourced from Information Resources Inc., a market research company that provides consumer, shopper, and retail market intelligence and analysis focused on the fresh and consumer packaged goods retail industry. Advertising data will be sourced from Market Track/Numerator, a leading provider of advertising, brand, and pricing intelligence data that monitors trade and promotional advertising, pricing and e-commerce activity. Avocado international trade data will be sourced from IHS Markit, a global information provider from a wide variety of industries and products. In 2020 HAB will share retail scan data, supply and demand volume information, international trade data and research with stakeholders and the trade through our newsletter, trade media, Hassavocadoboard.com, AVIS, and in person presentations. HAB will communicate the research and industry information to further exemplify HAB's leadership position within the industry. HAB will track and monitor avocado retail volume and sales data nationally and across regional and market-level geographies and provide online data analysis tools with monthly and quarterly reports to enable stakeholders to track the avocado market pulse. We will continue to support AVIS users, validate the data and grow the participant list as well as share of volume reported. For the research and information program, we will continue our engagement with CIRAD to continue conducting a Hass avocado supply information research project that will provide the Board and domestic industry with insights into Hass avocado supply information in countries that ship to the U.S. market, both presently and into the future.

Objectives

- Provide accurate and timely information about where the majority of avocados are sold, how much, when, and their availability in the U.S. market
- Improve availability, industry awareness, use of and access to actionable category information, insights and data
- Provide industry information and data that defines current avocado production and future production capabilities in countries that supply the U.S. market

Strategies

- Effectively disseminate HAB's research insights, data assets and communications to stakeholders
- Obtain avocado retail, promotional and trade data
- Track and monitor avocado volume, sales and international trade
- Maintain high levels of continuous participation and engagement in AVIS
- Continue our CIRAD engagement in a research project that uses robust research methodology to improve producers' and importers' knowledge of avocado production now and into the future. Countries of origin in 2020 to include Colombia, Chile and the Dominican Republic

Key Programs

- Communications
- Data Services
- Track and Monitor
- AVIS
- Research and Information

Supply and Demand Data Budget

Program	Dollars
Program Management	\$295,337
Communications	\$138,000
Data Services	\$116,100
Track and Monitor	\$68,000
AVIS	\$59,000
Research and Information	\$40,000
Subtotal	\$716,437

INDUSTRY ENGAGEMENT

Overview

In 2020 we will further develop and implement our industry engagement plan. We will communicate existing messages/content being created by HAB from various programs e.g. volume information, retail data, nutrition marketing, HAB Effect information, HAB Happenings blog, Hass Insights, HAB Effect video, annual report, quality manual and more through our existing channels, including the industry website and other media. We will continue to provide to the importer/marketer community the in-

person engagement that we began in 2019 to provide new research and information, quality manual, as well as other HAB data and materials that are beneficial to these stakeholders.

Additionally, we will develop three new major initiatives: 1. A new outreach program for small group meetings with growers led by board member participants with the goal to give all participants the opportunity to have an interactive Q & A session directly with a HAB member and staff, in a small setting to inquire about any questions they may have about the Board and our activities. 2. A new Avocado Industry Leadership program budgeted under outreach that will cultivate a pipeline of future avocado leaders to serve on the HAB and HAPRI association's boards and 3. Plan and host an Avocado Forum and initiate 2025 strategic planning process budgeted under industry meetings and events. The Forum will be an industry engagement event in Southern California where inter-disciplinary topics across the industry landscape will be discussed, deliberated and evaluated while planning for the future of HAB and the avocado industry in the United States. HAB promotional materials will be purchased to support the program.

In 2020, we will continue our outreach and networking efforts with avocado and produce trade in country by attending member organization board meetings and produce industry events like PMA Fresh Summit and also by traveling abroad to engage avocado producers, exporters and U.S. importers at events like Fruit Logistica in Berlin, Germany or in their respective producing countries. We will continue our membership and attendance to meetings of the Commodity Roundtable through the Fresh Approach.

Objectives

- Increase awareness among U.S. producers and importers of the Hass Avocado Board and their support for the work that we do.
- Launch avocado industry leadership program
- Increase two-way engagement with our stakeholders with new grower meetings and forum
- Initiate and complete the 2025 strategic planning process

Strategies

- Continually communicate through new and existing channels to effectively engage the industry with messages regarding HAB's work to stakeholders
- Leverage business support tools that are available to producers and importers, including nutrition, nutrition marketing, data & research, quality manual, sustainability and board updates
- Work with our communications partner Fleishman Hillard to further develop and refine our communications, including a HAB effect video to showcase our story
- Engage and support board members to host HAB focused meetings
- Attend meeting and events, including all association meetings held by, CAC, CAIA, MHAIA, PAC, CAB and provide HAB updates at each
- Attend and participate at avocado and produce trade industry meetings in country and abroad where we can engage stakeholders and get the HAB message out
- Participate and attend Commodity Roundtable meetings
- Create an Avocado Industry Leadership program
- Manage and host an avocado forum in the fall of 2020
- Initiate and complete the 2025 strategic planning process

Key Programs

- Annual Report
- Communications
- HAB Promotional Materials
- Industry Meetings and Events
- Industry Website
- Outreach
- Program Management

Industry Engagement Budget

Program	Dollars
Program Management	\$481,967
Annual Report	\$6,000
HAB Promotional Materials	\$6,000
Industry Meetings and Events	\$163,000
Industry Website	\$46,000
Outreach	\$42,000
Communications	\$180,000
Subtotal	\$924,967

SUSTAINABILITY

Overview

In 2019 the Board made no progress on this strategic priority. Since the Board approved the sustainability action plan presented in August 2018, several changes have taken place that have altered our ability to move forward with the proposed plan.

1. Staff engaged with Brand K Strategy, an expert in the field, to develop a proposal on how to reach the sustainability goals in 2018 but were unable to continue any work since then.
2. HAB did not have a sustainability committee in 2019 and was unable to make progress this year.
3. The priorities on sustainability of several producing regions have changed and they are showing interest to engage with HAB.

For 2020, we propose hitting the reset button. The first step is to have the Board rescind the Board approved sustainability strategy and action plan approved in August 2018 and provide approval for staff to re-engage a consultant like Brand K Strategy to re-frame and re-launch this effort in a larger, more compelling strategic way and build engagement, support & excitement within the industry for the new sustainability effort.

Board approval of this business plan will effectively rescind the Board approved sustainability strategy and action plan approved in August 2018 and enable staff to re-engage a consultant like Brand K Strategy to work on the objectives below.

Objectives

- Re-frame and re-launch this effort in a larger, more compelling strategic way
- Build engagement, support & excitement within the industry

Strategies

- Engage a consultant like Brand K Strategy
- Engage key stakeholders

Key Programs

- Strategy Development
- Program Management

Sustainability Budget

Program	Dollars
Program Management	\$50,515
Strategy Development	\$200,000
Subtotal	\$350,515

QUALITY

Overview

In 2019 there was no Quality Committee approved by the Board, therefore progress against the 5-year working goal was delayed. The budget for 2020 will cover any additional research or information needed to revise the quality manual finalized in 2019. Program management includes staff allocations.

Objectives

- Ensure HAB's quality manual is relevant and up to date with the latest quality and handling information

Strategies

- Work with the quality committee to review the manual and make any changes needed

Key Programs

- Program Management
- Research and Information

Quality Budget

Program	Dollars
Program Management	\$22,834
Research and Information	\$10,000
Subtotal	\$32,834

Timing

Program will be ongoing throughout the year

ADMINISTRATION OF HAPRIO, IMPLEMENTATION AND OVERSIGHT

Overview

The Board administers the Hass Avocado Promotion, Research and Information Order (HAPRIO). HAB is responsible for carrying out an effective national program of promotion, research and information for Hass avocados. HAB is also responsible for establishing a fair and orderly procedure whereby adequate funds can be assembled and efficiently managed to fulfill the provision of the program, including managing organic exemptions and re-exports. In 2020, HAB will manage an initial budget of \$66.25 million.

HAB will maintain a third party financial oversight program and provide corporate liability insurance to board members and staff. HAB will continue to work with a third-party Information Technology Services company and other experts as needed to maintain the security and integrity of HAB's network infrastructure. HAB will maintain a daily backup of all data stored on its network two separate cloud based storage sites. HAB will work with third-party consultants to maintain the Handler Assessment System (HAS) and Financial System. The 2020 budget includes funds for board member travel and lodging for four HAC/HAB meetings. The administration budget provides resources needed to cover for travel and meeting expenses incurred by the Board and support the annual election. In addition, we budgeted to retain legal counsel, with JRG attorneys.

HAB will continue to provide competitive salaries, wages and benefits, a portion of which are allocated program management for each strategic priority in the budget and a separate portion in the administration budget. The administration budget also includes funding for training/education programs that are relevant to HAB's development and retention. The administration budget includes funds for office rent, office supplies, avocados, network and communication needs, and equipment necessary to carry out the program management and administrative duties of the Board.

As in previous years, we have budgeted funds for corporate governance programs to support any governance activities of the Board or consultants. This year we budgeted funds to support the following board action:

The Hass Avocado Board approves that the Corporate Governance Committee further refine and implement the recommendations that arose from the Interpretative Analysis and board discussion during the Governance Workshop held on July 16, 2019, and to set forth policy and practices for the Hass Avocado Board in the following areas:

1. A plan to increase the trust, mutual respect and inclusiveness among board members and between the board and the executive director
2. An active process for the selection of officers
3. Revised bylaw or policy for selection of committee members
4. Clarification of best practices regarding transparency and limitations imposed by confidentiality requirements
5. Clarification of the role of the Board and its officers vis-à-vis the executive director

HAB pays a fee to the USDA which oversees the Board's programs to ensure compliance with the law and USDA guidelines. In addition, the Office of General Counsel (OGC) may provide appropriate and required legal counsel, and on a case by case basis, may also grant approval for boards to use outside counsel.

Objective

- Effectively and efficiently comply with the duties and responsibilities under the Act and Order

Admin, Implementation and Oversight Budget

ADMINISTRATION OF HAPRIO	Dollars
Financial oversight – auditing	\$52,000
Board - travel, meetings, elections	\$238,000
Office related - rent, network, communications, & equipment/supplies	\$207,324
Professional services and consulting	\$22,200
Legal services	\$72,000
Corporate insurance	\$58,020
Salaries/wages/benefits	\$575,343
Education, training, conferences, seminars	\$20,000
Corporate Governance	\$50,000
Subtotal Administration of HAPRIO	\$1,294,887
Program Implementation Fee	\$1,000
USDA Oversight	\$216,000
Total Administration, Implementation and Oversight	\$1,511,887