



COLOMBIA AVOCADO BOARD 2024-2029 STRATEGY

CAB Approved: 5/23/2024

USDA Approved: 6/13/2024

STRATEGY MAP

2029 GOAL



330M Lbs.



STRATEGIC COMPONENTS

- I. Build Demand
- II. Communicate U.S. Retailer Expectations & Market Trends
- III. Develop Market & Sourcing Intelligence Systems
- IV. Commitment to Sustainability
- V. Leverage Partnerships with Like-Minded Institutions

Colombia built infrastructure needed to support efficiency

Colombia has an information system for sharing data for all members

Colombia developed the know how to manage water and climate change

Yield per Hectare is at par with best and is profitable

23% dry matter agrees as minimum and complied by all growers

Colombia built flexible packing infrastructure capacity

SUPPORTS

- Job creation helps Colombia
- Generates positive foreign trade
- Opportunity for foreign investment in infrastructure
- Funds available for investment
- Access to market through Free Trade Agreements
- Coordination with CorpoHass
- Market proximity
- Potential for year-round supply

CHALLENGES

- Government support needed
- Maintain political stability
- National security
- Climate change
- Keeping agricultural jobs attractive
- Availability of trucks and containers, ships, and routes to the right ports
- Fruit sizes required by the market
- Water management
- Access to retail buyers

VALUES

- Strong focus and commitment to sustainability
- Commitment for all to work together in line with strategy
- Commitment to deliver quality over volume

INTRODUCTION

At the Colombia Avocado Board (CAB), an organization dedicated to enhancing the market adoption and consumer preference for Colombian avocados in the United States, we are committed to executing a strategic plan that supports the achievement of exporting 330 million pounds of avocados from Colombia to the U.S. within five years. This strategy will be harmonized with the efforts of our partner organization, CorpoHass, which focuses on promoting best agricultural practices among Colombian avocado growers and expanding market reach in the U.S., Europe, and Asia.



I. BUILD DEMAND

A. Strategic Retail Engagements:

In the US, East Coast demand is growing faster than other areas of the country. It is also an area where Colombia has logistical advantages versus other sources and therefore is a natural entry point to the US market.

1. CAB will identify targeted markets and retailers for growth on the U.S. East Coast.
2. Build trusted retailer relationships in those markets that naturally leverage the strengths of Colombia's market proximity.
3. Identify a mix of retail partners that will accept and sell a range of sizes to optimize crop utilization and return to growers, exporters, and importers.
4. Communicate to importers, exporters and growers where those opportunities lie.
5. Collaborate with retailers to drive sales during program periods.

B. Strategic Foodservice Engagements:

CAB will identify initial key foodservice partners to pursue in targeted markets on the U.S. East Coast.

1. Build trusted relationships with foodservice customers in these markets to provide an outlet for non-retail sizes, second-quality fruit, and additional volume as available.
2. Collaborate with foodservice partners to build sales year-round, with promotions during times when fruit is plentiful, but retail demand is slower.

C. Define And Communicate the Colombia Identity:

This initiative will craft the unique and differentiated identity that will resonate with U.S. customers and consumers and help build awareness and preference over time for Colombia avocados.

1. Work in collaboration with Corpohass to develop U.S. customers and consumer's identity components and messaging that will initially transmit, the Colombia identity as a reliable source of great eating experience avocados, on par with the preferred current sources,
2. Gradually transition the messaging to highlight the advantages of sourcing from Colombia when possible.



D. Targeted Trade Marketing Initiatives:

1. CAB will launch trade marketing and messaging campaigns across targeted U.S. East Coast markets to highlight the superior quality, taste, and sustainable production of Colombian avocados, aiming to build a strong brand presence among eastern retail and foodservice buyers.

E. CAB Education Efforts:

1. On a limited basis, CAB will provide information to trade decision makers and consumers through educational content on the website and selected social media to spotlight the ethical production practices employed by Colombian growers, the quality of Colombia avocados, and the overall health and nutrition benefits of Avocados.
2. CAB will leverage the nutrition and health consumer information produced by Hass Avocado Board to develop and execute the majority of consumer communication and education initiatives aiming to promote avocado awareness and consumption.



II. COMMUNICATE U.S. RETAILER EXPECTATIONS AND MARKET TRENDS

A. Work Synergistically with Importers and Retailers:

CAB has the unique opportunity and responsibility to build demand for Colombia avocados by helping retailers and importers work together more effectively.

1. CAB will work directly with retailers to provide information on the value of a Colombia avocado program and the expected upcoming supply.
2. CAB will also support importers as they work to build retailer relationships and demand for Colombia avocados.
3. In-market support will include retailer marketing programs such as ad support, digital coupons, in store materials, billboards, demos, etc.

B. Enhanced Quality Control:

1. As part of CAB's commitment to U.S. retailers, CAB will work with Corpohass to develop stringent quality assurance protocols, and feedback systems, to consistently meet and exceed retailer expectations, focusing on maintaining a minimum of 23% dry matter in all shipments, along with other quality attributes.
2. CAB may from time to time carry out surveys and quality assurance inspections to independently assess and report quality perception at retail or importers warehouses.

C. Logistics Optimization:

1. CAB will work with Corpohass to help engage the Colombian government and interested parties to invest in building the infrastructure needed (roads, ports, etc.) to support efficient logistics from farm to market.
2. CAB will support Corpohass and its members as they work on logistics solutions that allow for flexibility and reliability in avocado delivery, ensuring our ability to respond swiftly to the dynamic needs of U.S. retailers.
3. CAB will provide market insights and trend data to help guide effective decision making.

D. Flexible Packing Capacity:

1. In line with retailer sustainability and quality expectations, CAB will support Corpohass and industry efforts to expand current packing infrastructure capacity and flexibility to meet the requirements of U.S. retailers, including the ability to pack bags in the country.
2. CAB will help provide information on market expectations, new technology, and trends to guide this effort.



III. DEVELOP MARKET AND SOURCING INTELLIGENCE SYSTEMS

A. Advanced Supply and Demand Forecasting:

1. CAB will work with Corpohass to develop an information sharing system for all members to forecast Colombia avocado supply and market demand to help members have the information needed to respond to market demands accurately, ensuring optimal supply levels and minimizing waste.
2. Providing reliable supply data to market customers will help build trusted relationships in growing sales together and plan promotional campaigns when convenient.

B. Integrated Supply Chain Management:

1. CAB will work with Corpohass to install the right communication and technology systems to ensure reliable communication and data sharing to enhance timely and effective decision-making processes from the farm to the retail shelf.

C. Market Diversification:

1. CAB will explore and develop markets and customers in the U.S. given the natural market proximity, while supporting Corpohass in its overall efforts allowing Colombia to build a stronger worldwide customer base for its growers.

IV. COMMITMENT TO SUSTAINABILITY

A. Support and Communicate Ongoing Commitment to Colombia's Sustainability:

Colombia has a unique Sustainability story that is strong and differentiating. From responsibility with its resources, to repurposing cattle farmland for avocado production, to use of rainwater for production, to improving the lives of farm workers, to offsetting carbon footprint.

1. CAB will share the story of sustainability efforts in Colombia with customers and consumers.

B. Innovative Water and Climate Change Management:

Rainwater has been an abundant resource in Colombia; however, with changing climatic conditions.

1. CAB will support the exploration and development of a comprehensive water management approach and systems to ensure sustainable water use and availability and inform about new technologies that can help Colombian sources better manage climate change impact and rainwater management.

C. Sustainability in Production:

Colombia has unique growing regions and production areas that are different from other source countries.

1. CAB will support Corpohass in its efforts to ensure that farm yields per Hectare are on par with global standards, and are profitable, so farming operations are financially sustainable.



V. LEVERAGE PARTNERSHIPS WITH LIKE-MINDED INSTITUTIONS

A. Partnership with Corpohass:

1. The goals of Corpohass and CAB are intertwined. CAB will work with Corpohass on an ongoing basis to make sure progress continues for shared goals.
2. CAB will work with Corpohass to support the approval and funding of key initiatives that will enable CAB to achieve its near-term and long-term goals.
3. CAB will support Corpohass by serving as a resource for information and education to achieve the needed development of infrastructure and systems to expand production and exports in an efficient and effective process.

B. Partnering with the Hass Avocado Board (HAB):

1. CAB will leverage available industry information and resources from HAB to guide customer and market development.
2. Information will also be shared with Colombia members to help build U.S. market understanding and to guide decision making by individual members.

C. Partnering with IFPA, SEPC and other produce consumption Organizations:

1. CAB will continue to have an active presence in trade shows, forums, and events that help promote the Colombian origin of avocados.

D. Academic and Research Collaboration:

1. CAB will work with Corpohass to strengthen ties with leading agricultural and environmental research institutes in the US, to foster innovation in avocado cultivation and climate adaptation techniques.

E. Addressing Challenges and Leveraging Opportunities

CAB's strategy incorporates proactive measures to address potential challenges:

1. Engagement with Government and International Bodies:

- a. CAB will support Corpohass as it actively seeks support from U.S. organizations to enhance industry support, investments in infrastructure, and negotiate regulation updates that affect approval of production for U.S. markets.

2. Labor Development Programs:

- a. CAB will support Corpohass and help tell the story of the growers' impact in creating and sustaining job opportunities by growing exports to the U.S.
- b. There is great potential to strengthen Colombia through potential new job creation across the Colombia avocado industry as it expands a skilled and committed workforce.

3. Climate Resilience:

- a. CAB will support Corpohass and other organizations making strategic investments in climate resilience to prepare Colombia for potential changes in rainfall patterns and other climatic shifts, safeguarding industry productivity.



SUMMARY:

Through this comprehensive strategy, the Colombia Avocado Board is fully committed to achieving significant growth in the U.S. market while supporting our growers, exporters, and importers in partnership with Corpohass. Together, we aim to set a benchmark in the industry for sustainability, quality, and innovation.