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National Mango Board

2014

ANNUAL REPORT



2012-2014 MISSION STATEMENT AND CORE VALUES

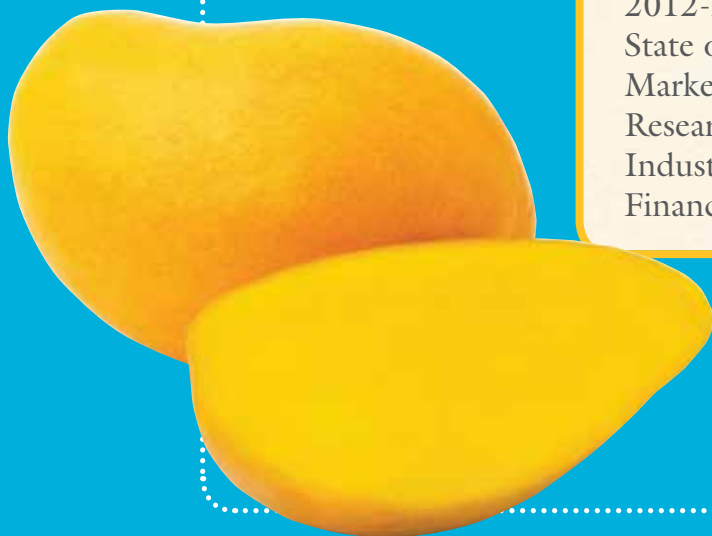
The National Mango Board's mission is to increase awareness and consumption of fresh mangos in the United States.

- We operate in total transparency for the good of the mango industry
- We are all inclusive of the mango industry and sensitive on issues affecting the stakeholders
- We understand the industry through research and education
- We put the mango industry's interest over self interest
- We openly communicate within the mango industry
- We conduct business with integrity and respect
- We act as a united industry dedicated to mango industry objectives



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LETTER FROM THE EXECUTIVE DIRECTOR

MANUEL MICHEL, NMB EXECUTIVE DIRECTOR

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As the demand for mangos in the United States continues to increase year after year, the NMB is proud to play a role as mangos become a favorite in the fruit baskets of families across America. While 2014 was a year of many challenges, including a significant overall decrease in annual mango imports due to tight supplies, it was also a year of progress that saw the mango industry reach new heights. NMB's research and promotion activities are now reaching more growers, importers and consumers than ever before. The following are a few of those examples:

The NMB continued its multi-faceted marketing approach aimed at inspiring consumers of all ages and walks of life to eat mango on a regular basis. Perhaps one of the more interesting discoveries in 2014 was that mangos don't necessarily compete with other fruits; rather they complement each other. New consumer research tells us that the more fruit a family consumes, the more diverse their selection becomes, and the more likely mangos will be included in their selection. The NMB is taking these and other insights, and incorporating them into each of our programs as we continue our mission of increasing fresh mango consumption, while fostering a thriving industry. The NMB also had several noteworthy marketing and promotional highlights in media and foodservice while continuing its ongoing partnerships with small to large scale retailers across the U.S. in order to ensure consumers are receiving clear, educational and consistent mango messages.

On the research front, the NMB continued supporting the fresh mango industry by advancing key studies in quality assurance, food safety, nutrition and health. By taking the findings and results gathered over the last several years, NMB produced several support materials and a website dedicated to providing the latest food safety information to mango growers and importers, in four different languages. Industry members now have direct access to the most recent food safety resources and have the opportunity to apply the knowledge and expertise that the NMB is bringing together.

In addition, NMB continued strengthening mango industry relations through a two-way street of dialogue and sharing of knowledge that is producing benefits made possible by this collaboration. From

presenting the latest research results directly to growers and importers at in-person outreach meetings, to improving our weekly Mango Crop Report so retailers have an extra tool to make decisions, this flow of information is benefiting the entire mango supply chain.

Since 2008, the mango industry has invested \$27.63 million into the NMB programs. Consumer demand research shows that during that time the industry has received an increase of \$279.30 million in FOB sales directly attributed to NMB programs, which equates to a 10.11 to 1 return on investment. In other words, for every dollar invested into the NMB since 2008, the mango industry has seen a return of \$10.11.

The NMB is proud of the progress made in 2014, and acknowledges everyone involved in making this a successful year. Most importantly, a big thank you to the entire mango industry for offering U.S. consumers such a great tasting and nutritious product!

Respectfully,
Manuel Michel



LETTER FROM THE PAST CHAIRMAN

BILL VOGEL, PAST CHAIRMAN • BOARD MEMBER TERM: 2012-2014

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At one time or another in one's produce career, an opportunity arises to participate in the development of or expanding the market of a fresh produce item. It has been my honor to participate with the NMB to do just that with fresh mangos. What is both refreshing and astounding is the experience with like-minded passionate individuals in creating momentum and forward movement. It is a wonderful experience and I highly recommend it to members of the mango community to participate on the NMB as a Board Member.

In the 1990s, mango industry pioneers like Chuck Ciruli, Larry Nienkerk and George Mendez, along with other mango industry leaders, sprouted the realization of a Marketing Board, which grew and flowered into what we see today as the NMB. Credit also goes to the Fresh Produce Association of the Americas, the platform provider. William Watson, the founding executive director, propelled the Board into the national limelight with the help from passionate industry members from the U.S. and mango producing countries. However, the business of the Board took a marked turn in 2012 when the earthquake of a recall became front and center.

In 2013, the Board responded by placing mango food safety as a top priority. The NMB's Mango Postharvest Best Management Practices Manual started by the previous Boards became extremely important. The Board and NMB staff promoted and shared with vigor this tool with industry mem-

bers, alongside the NMB's Mango Food Safety Training Kit and the Issues and Response Guide. The NMB also hosted Mango Food Safety Conferences to provide information about food safety and guidelines. The Board fully supported and shouted from the treetops to its members the

message of importance regarding food safety.

In addition to food safety, the Board continued to fund cutting-edge research of positive health benefits, ways to improve quality and the consumer experience. More clear and enhanced communication between the growers, shippers and the marketers occurred with the foresight and hard work of the Industry Relations program. Marketing, the larger focus of the Board, continued to hit "homeruns" throughout 2014 with events like our "Mangover" campaign, which taught consumers to refresh and upgrade their meals with the tropical taste of mangos. This campaign was such a success with consumers, that we received a prestigious Superior Achievement in Branding Reputation and Engagement Award in the Food & Beverage (Commodity) category, as well as a Produce Business Marketing Excellence Award; both grand slam events! Our Mango Bin project is a show-stopper and the resulting increase in mango awareness, U.S. consumption and return on fresh mango are now the envy of industry marketing groups.

For the years ahead, we put into place a formidable team which includes our new Executive Director, Manuel Michel, our new Director of Marketing, Rachel Muñoz, and continue with Leo Ortega, our highly respected Director of Research. We are also proud to see Kristine Concepción promoted to our Director of Industry Relations and continue with Amy Mercado as our Director of Operations.

This exquisite industrial theatre of our NMB is certainly an experience to behold and worthy of your support. Thanks for the front-row seat.

Sincerely, Bill Vogel



2014 BOARD OF DIRECTORS

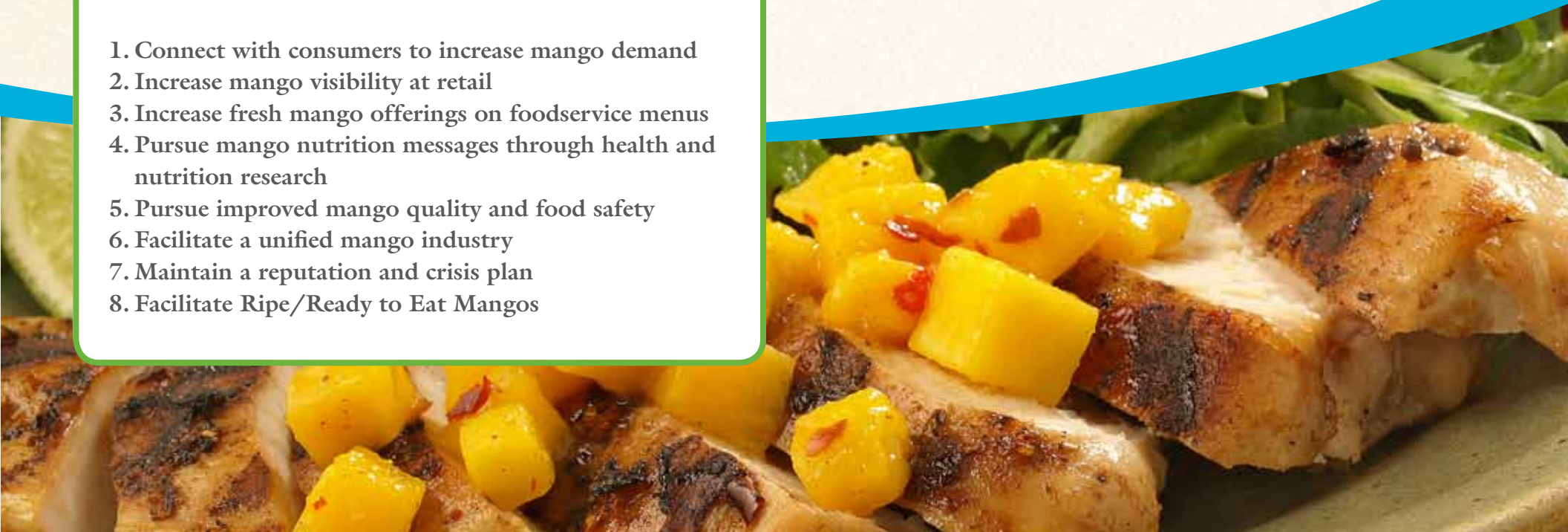
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- Bill Vogel, Chairman, Importer
- Veny L. Marti, Vice Chairman, Domestic Producer
- Ken Nabal, Treasurer, Importer
- Reynaldo Hilbck, Secretary, Foreign Producer
- Ronnie Cohen, Ex-officio, Importer
- Chris Ciruli, Importer
- Greg Golden, Importer
- Mariana Gonzalez, First-handler
- Jiovani Guevara, Importer
- Altamir Guilherme Martins, Foreign Producer
- Bernardo Malo, Foreign Producer
- Eddy Martinez, Foreign Producer
- Flávio Muranaka, Foreign Producer
- Tomás Paulín, Foreign Producer
- Jorge Perez, Foreign Producer
- Danny Pollak, Importer
- Jean Sapp, Domestic Producer
- Enrique Sanchez, Foreign Producer
- Wade Shiba, Importer



2012-2014 STRATEGIC PLAN

1. Connect with consumers to increase mango demand
2. Increase mango visibility at retail
3. Increase fresh mango offerings on foodservice menus
4. Pursue mango nutrition messages through health and nutrition research
5. Pursue improved mango quality and food safety
6. Facilitate a unified mango industry
7. Maintain a reputation and crisis plan
8. Facilitate Ripe/Ready to Eat Mangos

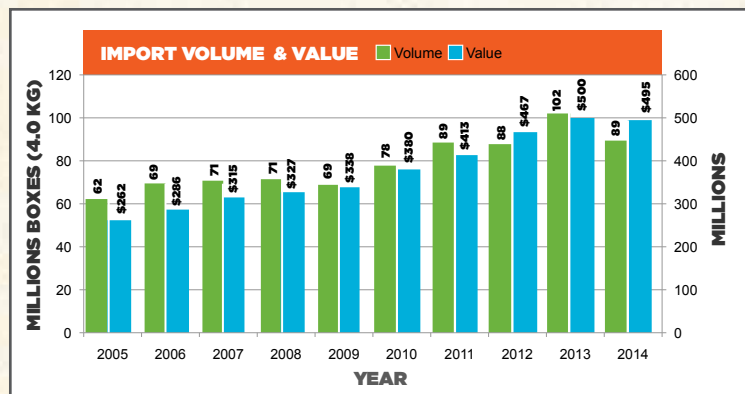


STATE OF THE MANGO INDUSTRY

The NMB works hard to measure each program from media outreach to foodservice promotions, secondary displays at retail, as well as results from quality research. There are also higher level measurements that take all of the programs into account.

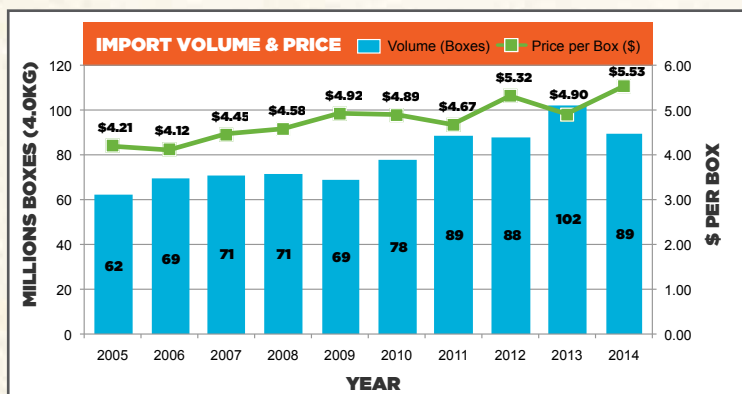
MANGO VALUE INDEX

The NMB measures the FOB value of the mango industry. This calculation is volume multiplied by FOB price (volume & price are for the 5 main exporting countries). From 2005 to 2014, the FOB value of mango imports has increased 88% from \$262 million in 2005 to \$495 million in 2014.



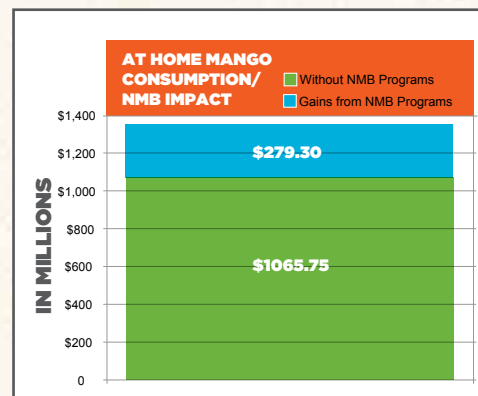
AVERAGE PRICE PER BOX INCREASED

Although the NMB does not control price, price per box is another important way to measure the success of the industry. The average price per box increased 32% from 2005 to 2014. If compared, 2005 average price per box was \$4.20 while \$5.53 in 2014, with significant volume increases since 2005. These trends are a clear indication of demand growth.



MANGO DEMAND ON THE RISE DUE IN PART TO THE NMB

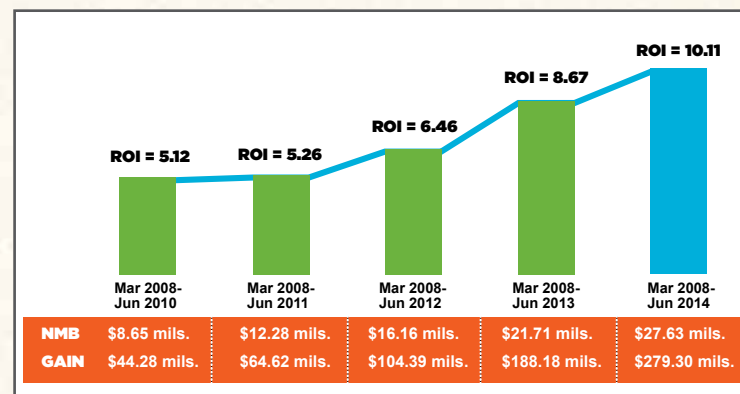
The NMB worked with Dr. Ronald Ward, agricultural economist from the University of Florida to analyze the impact of the NMB programs on at-home mango purchases. From March 2008 to June 2014, the impact of the NMB programs was \$279 million at the FOB level. This is 20.7% of the total FOB value during the same time.



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NMB RETURN ON INVESTMENT CONTINUES TO BE STRONG

Consumer demand research shows the mango industry has received a 10.11:1 return on investment. Since 2008, the industry has invested \$27.63 million into the NMB programs and the industry has received an increase of \$279.30 million in FOB sales directly attributed to those programs. For every dollar spent, the industry saw a return of \$10.11.



MARKETING PROGRAM

MANGOVER CAMPAIGN CONTINUED TO INSPIRE CONSUMERS

In 2014, the NMB continued to inspire consumers to refresh their dishes and upgrade seasonal favorites with the fresh and delicious taste of mango with celebrity spokesperson, Clinton Kelly. Kelly is co-host of ABC's lifestyle series "The Chew" and previously co-host of "What Not to Wear," and partnered with the NMB to garner national media to spread the Mangover message. The Mangover theme was also incorporated in the retail marketing, foodservice and nutrition outreach programs.



MANGOVER CAMPAIGN

This award-winning integrated marketing campaign, demonstrated how mango's versatile taste and year-round availability make it an easy upgrade for meals and snacks; transforming dull meals into tropical sensations by highlighting the colors, texture, aroma, and flavor of mango.

- Mangover Celebrations showcased creative ways to enhance celebrations throughout the holidays and seasons, such as Mother's Day, Fourth of July, and New Year's with recipe tips and ideas.
- The campaign included major media placements with Kelly such as OK TV, The Daily Meal, and Worldlifestyle.com.
- Kelly also worked as an editorial contributor for a national long-lead publication to provide Mangover advice on recipes, fashion and décor.
- The NMB helped promote Disney's *The Jungle Book* – available for the first time on Blu-ray™ Combo Pack and Digital HD. They shared tasty and healthy snack ideas in conjunction with the release which also included several social media contests, sweepstakes and parties that featured fun Mangover snacks and recipes inspired by the movie.



MANGOVER SUCCESS, REWARDS AND RECOGNITION

- The NMB was honored with the Superior Achievement in Branding Reputation and Engagement Award in the Food & Beverage (Commodity) category.
- The award recognizes authenticity, engagement, and consumer results that set apart public relation firms and departments.
- The NMB was also awarded a Marketing Excellence Award from the Produce Business for the innovative marketing campaign.

The Mangover campaign resulted in a record setting year for the NMB's Consumer PR & Marketing program reaching consumers a total of 2.2 billion times in 2014; exceeding their goal of 1.7 billion. The number of social impressions with mango mentions reached over 3.9 billion; significantly exceeding their 2014 goal of 1.2 million.

RETAIL PROMOTIONS & MARKETING

EXCITING WAYS TO PROMOTE MANGOS AT RETAIL LEVEL

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2014 was an exciting and groundbreaking year for the NMB's Retail Marketing and Promotions program. Below you will find program highlights and how the NMB supported the industry to keep mangos top of mind and increase presence and sell-through at retail.

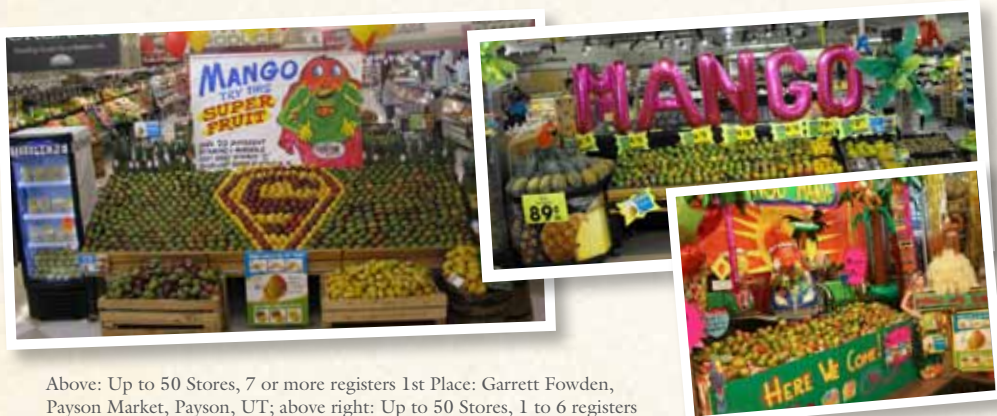
MANGO DISPLAY BINS

- At the request of retailers and mango shippers across the country, the NMB once again produced mango bin displays to help move more mangos.
- 1,000 bins were available at no charge to mango shippers for distribution to their smaller retailers that did not receive promotion allocations from the NMB.
- In 2014, mango volume increased 30% when stores displayed mangos in the NMB's high-graphic educational mango bins.
- A total of 9,210 bin displays were shipped to retailers all across the country, due to the enthusiastic response from the NMB's retail partners.



MANGO MANIA DISPLAY CONTEST

- The contest is designed to help stores boost mango sales, while showcasing creativity and educating shoppers about mangos. In its fourth year running, the contest was open to all retailers for the first time ever.



Above: Up to 50 Stores, 7 or more registers 1st Place: Garrett Fowden, Payson Market, Payson, UT; above right: Up to 50 Stores, 1 to 6 registers 1st Place: Jodie Murdock, Fresh Market, Richfield, UT; right: More than 50 Stores, 7 or more registers 1st Place: John Jaworski, Price Rite, Chicopee, MA

- More than \$12,000 in cash prizes was awarded to the stores that built the very best mango displays.
- The contest ran in July and mango suppliers were strongly encouraged to get involved – participating stores reported an increase of 138% in mango volume compared to the same time the previous year.

Below: George Hurst of Roundy's Supermarkets, 2014 Mango Retailer of the Year.



MANGO UNIVERSITY PROGRAM

- On the retail-training front, the NMB unveiled their brand new Mango University program, complete with videos, training, quizzes and prizes for produce associates who complete the program and earn their mango diploma.
- Professor Mango was the NMB's wacky guide to the world of mango retailing and the training program can be easily found at mango.org/university.
- The Mango University program had more than 100 graduates in 2014!



MANGO HANDLING AND RIPENING PROTOCOL

- The NMB created the first ever Mango Handling and Ripening Protocol with best practices for handling, merchandising and ripening mangos to help retailers drive sales.

MANGO MOVER E-NEWSLETTER

- To help retailers stay informed and increase mango movement, the NMB launched a brand new monthly email newsletter specifically for retailers, the Mango Mover.
- Features include tips to help sell more mangos at the store level and strategic thinking to help buyers and category manager plan for success in their mango business.



RESEARCH PROGRAM

NUTRITION & HEALTH RESEARCH

The NMB's Research program is designed to generate knowledge through research efforts in support of the NMB's vision. Research projects helps the NMB discover new, positive health benefits from eating mangos, improve mango eating quality and consistency for U.S. consumers, and spread communications to mango growers, harvesters, packers and shippers.

The NMB focuses on two main areas of research for the mango industry: nutrition and quality. Nutrition research is a long term investment and the NMB is dedicated to understanding more about the nutrition benefits of mangos and sharing this information with U.S. consumers. The discovery of new, positive health benefits from eating mangos could have a major impact on future mango sales. These beneficial messages are already being used in the marketing programs.



As a component of the NMB's Nutrition & Health Research program, the NMB works with nutrition researchers to better understand the compounds found in mangos and how they will impact various conditions in the human body. For instance, this superfruit contains over twenty different vitamins and minerals. A third-party preliminary animal model research indicates that mango may protect skin from damage due to exposure to UVB radiation.

In this study, mice fed mango extract experienced less skin damage from UVB Radiation.



There are four mango nutrients that stand out when it comes to skin health: vitamin C, vitamin A (or, beta carotene), and folate.

To learn more about the nutritional benefits of mangos, in 2014, the NMB engaged researchers to conduct human studies to understand mango's impact on the following:

- Breast Cancer
- Colon Cancer
- Diabetes
- Digestion
- Nutrition Trends Analysis

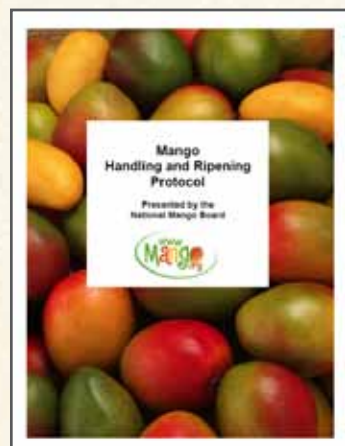
Results are still in progress for many of these studies and once concluded all reports are posted on the website for the industry to access. For reports that are available, please visit www.mango.org/industry/research.



The second focus of the NMB's Research program is quality. The NMB generates new knowledge to minimize postharvest losses through the mango supply chain in the U.S. Quality is an important factor for consumers when deciding whether or not to purchase a mango. According to Dr. Ronald Ward, Emeritus professor at the University of Florida, when consumers are completely concerned about ripeness and quality, there are major increases in the number of mangos per buying occasion.

In 2014, the NMB continued moving forward with its Ripe and Ready to Eat Mango Program (RRTEMP), a program aimed to provide U.S. consumers with a quality fruit that is ripe and ready to eat by the time of purchase. The NMB has done extensive research that shows that ripe fruit has higher acceptance rates within consumers.

The RRTEMP gives mangos a marketing advantage, eliminating the obstacle of consumers purchasing fruit short of its desired ripeness level, thus providing high quality fruit. To identify a high quality eating mango,



the NMB has developed minimum maturity indices, proper fruit ripening protocols and fruit sensory descriptions to attract and satisfy consumers. Proper mango temperature management is one of the most important elements in order to have a quality ripe fruit that is ready for consumers to enjoy.

After extensive research, the NMB in conjunction with the University of California Davis (Department of Plant Science), the University of Florida (IFAS Center for Food and Distribution and Retailing), Universidad del Valle in Guatemala and INIFAP in Mexico, developed a Mango Handling and Ripening Protocol. The Mango Handling and Ripening Protocol is designed to help improve mango handling practices in the U.S., leading to better quality mangos, greater consumer acceptance and higher mango sales. Topics covered in the protocol include; Mango Maturity and Ripeness, Mango Temperature Management, Mango Storage and Transportation, and Mango Handling and Merchandising at the Store.

In continuing efforts to provide consumers a high quality and safe product, the NMB in conjunction with food safety expert Dr. Sergio Nieto-Montenegro of Food Safety Consulting & Training Solutions, LLC developed a Food Safety Training Kit. This Kit shares food safety training materials recommended for mango growing farms and packinghouses, mango warehouses and distribution centers in the U.S. This training kit is available in English, Spanish, Portuguese and Creole.

For more information on mango handling best practices, visit www.mango.org/retail/best-practices.



INDUSTRY RELATIONS

FACILITATING A UNIFIED INDUSTRY



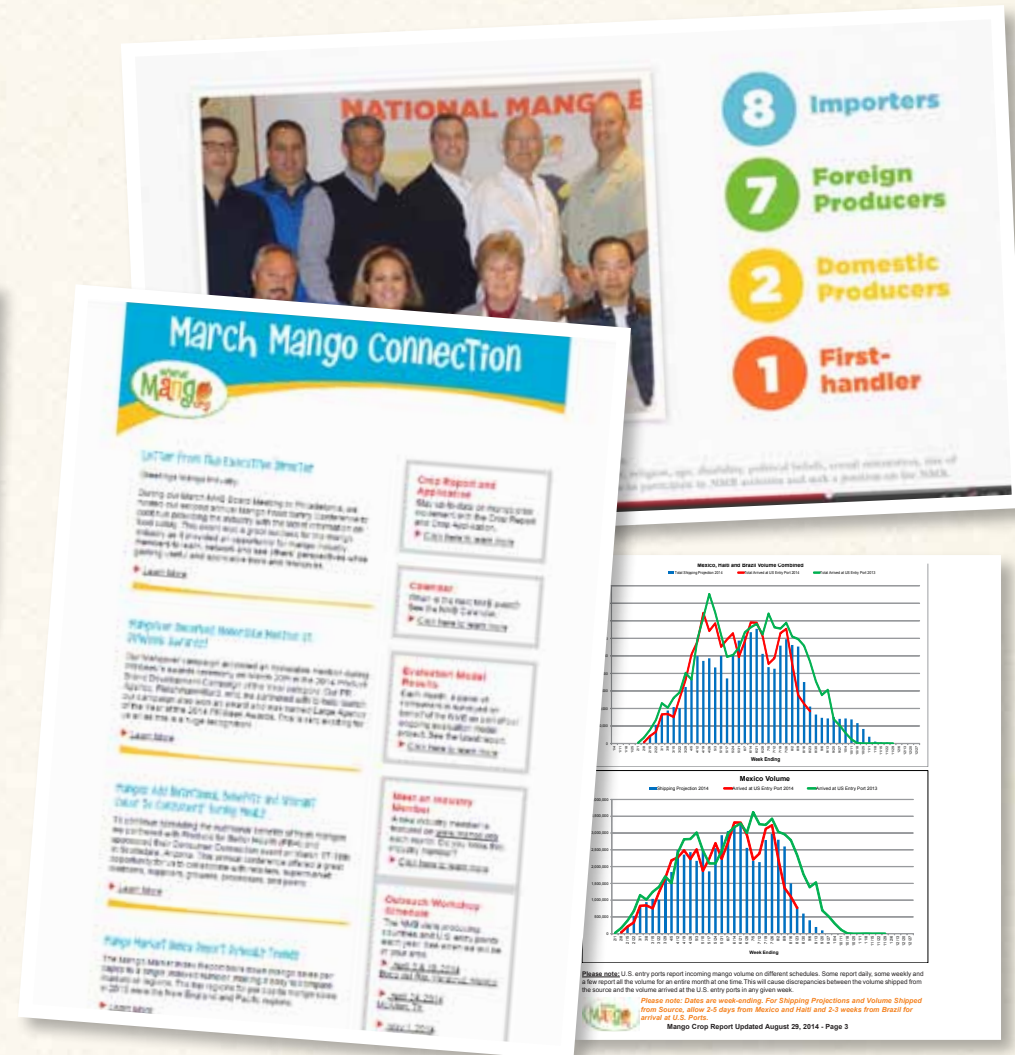
The Industry Relations Program is designed to enhance industry communication and preparedness to create a unified mango industry. Industry Relations outreach efforts help accentuate industry education initiatives around mango quality and food safety, communicate industry messages, and maintain a reputation and crisis communication.

In 2014, the NMB visited and hosted meetings in the top 6 producing countries and 5 major mango importing cities in the U.S. with the goal of educating stakeholders on the activities of the NMB and how they can assist industry members in its needs. NMB also visited mango industry members at regional retail trade shows. Each year, the Industry Relations program continues to have great success with industry members and receive overwhelmingly positive feedback. In 2014, the NMB had reached more than 1,500 mango industry members in result of these events.

In addition, the NMB hosted their annual teambuilding workshop for representatives from the top 6 exporting countries' Foreign Mango Organizations to build and maintain strong partnerships with these organizations. Furthermore, to continue educating the industry about the NMB and its activities, an institutional video was developed that showcases how the NMB came to be, its function, and program results. Produce trade media also helped spread mango messages to industry members. In 2014, the produce trade audience saw mango messages more than 12 million times, exceeding their goal of 6 million; a record breaking year for the NMB!



The Mango Connection (MC) and Crop Report (CR) are also great tools for the industry to stay informed about everything mango. The MC is the NMB's monthly e-newsletter which features updates on programs, nominations, tools, resources and more. The CR is a weekly report that shares information about the mango market such as shipping projections, volume shipped and arrived, price information and more.



FINANCIALS

Cross, Fernandez & Riley, LLP, Accountants and Consultants, audited the NMB financial statements of fiscal year 2014 and issued a report on February 26, 2015. The audit was done in accordance with auditing standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, Cross, Fernandez & Riley, LLP did not identify any significant deficiency in internal control over financial reporting for 2014.

REVENUES	
Assessments	\$6,249,919
Interest income	\$81
Total revenues	\$6,250,000
EXPENSES	
Program expenses	
Marketing	\$3,344,222
Industry relations	\$576,076
Research	\$1,180,067
Board meetings	\$97,280
Total program expenses	\$5,737,195
GENERAL AND ADMINISTRATIVE EXPENSES	
Overhead	\$541,845
USDA and US Customs	\$89,858
Rent	\$52,470
Depreciation and amortization	\$20,343
Loss on disposal of property and equipment	-\$243
Total general and administrative expenses	\$704,273
Total expenses	\$6,441,468
Change in Unrestricted net assets	(\$191,954)
Unrestricted net assets (beginning of year)	\$3,579,255
Unrestricted net assets (end of year)	\$3,387,301

