

The Mushroom Zoom

A Quarterly Mushroom Council Report ending 07/01/07

The Mushroom Council continues to develop key learning's from syndicated data. This quarter we look in detail at all **Regions** below and focus on **California** and the **Pacific Northwest** examining growth and promotional opportunities.

Key Retail Tips to take advantage of the Mushrooming Opportunities!

Merchandise the 4 Key SKUs to optimize sales

8oz Whole White, 8 oz Sliced White, 8oz Whole Brown, 8oz Sliced Brown

Growth segments are 8 oz., browns and slices

Use Multiple Price points and/or promote larger sizes and alternative varieties to generate incremental mushroom sales

News Room

Exciting News!

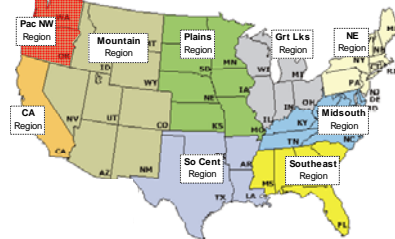
Mushrooms Partner With...



From July through September, mushrooms will be the Weight Watchers' "Pick of the Season" sponsor, which allows mushrooms to highlight their "0 POINTS" status on-pack. To support this new partnership, there will be in-store advertising and ongoing national public relations efforts.

The Weight Watchers "0 POINTS" logo on mushroom packages will quickly remind all shoppers, whether or not they're dieters, that mushrooms are healthy and low in calories.

Overview



Region CDIs & Performance

52Wk Category Sales and Per Capita for Food Stores reporting sales to IRI/FreshLook Marketing.

(Does not include Wal-Mart, Membership, Club, Drug, Whole Foods or Mass Merch channels)

	Population*	Dollars			\$ Per Cap	Per Cap Index**	16oz		16oz	
		52WK Dollars	%CHG YAGO	\$ Per Capita			52WK 16oz Eq Ut	%CHG YAGO	16oz Per Capita	16oz Per Cap Index**
California	36,216,548	114,228,410	9.4	3.15	131.6	25,586,278	1.1	0.71	115.0	
Great Lakes	46,148,708	93,451,996	0.9	2.03	84.5	23,605,821	(5.7)	0.51	83.3	
Midsouth	34,982,256	68,019,551	3.9	1.94	81.1	15,886,039	2.5	0.45	73.9	
Mountain	19,817,521	52,829,381	4.7	2.67	111.2	13,224,473	2.2	0.67	108.7	
Northeast	54,762,236	161,954,619	2.3	2.96	123.4	42,119,914	(1.4)	0.77	125.2	
Pacific NW	9,928,815	32,673,950	6.7	3.29	137.3	8,360,406	1.7	0.84	137.1	
Plains	19,724,936	43,797,802	2.2	2.22	92.7	11,578,982	(0.2)	0.59	95.6	
So. Central	33,516,186	51,075,589	(0.0)	1.52	63.6	12,802,617	(2.5)	0.38	62.2	
Southeast	38,057,576	84,449,361	(0.3)	2.22	92.6	26,872,791	(2.7)	0.71	115.0	
Total U.S.	293,154,782	702,480,659	3.2	2.40	100.0	180,037,321	(1.1)	0.61	100.0	

*Population furnished by IRI: Survey of Buying Power 2005 <http://www.infiores.com/public/mrp/poptrends.htm>

**Per Capita numbers are based on IRI/FreshLook stores and are posted for reference only

- California & Northwest = highest CDI's and the highest growth; 9.4% & 6.7%
- Brown's whole & sliced all sizes are the fastest growing items
- 8oz white sliced is #1 best seller; 23.6% of all sales but only 26% ACV Distribution
- 8oz brown sliced is the fastest growing in top 10 at 14.9% with only 16.6% ACV Distribution. (Significant retail opportunity!)
- Other areas of growth are Organics & Portabella (whole & sliced) and Shiitake
- Mushrooms less than 1% of Total Produce Lbs, but are 2-3% of Total Produce Dollar Sales.

California Region

California	Mushroom Sales & Share of Produce				Retail Price		Dollar Share of Mushrooms				
	\$	\$ Shr Prod	Pounds	Lb Shr Prod	\$/Lb	\$/Unit	WHITE	BRWN	SPECL TY	WHOL	SLCD
52 weeks	114,228,410	2.4%	25,586,278	0.7%	\$4.46	\$2.31	82.1%	15.5%	2.2%	54.1%	45.9%
vs YAGO	9.4%		1.1%				-1.2%	1.6%	-0.3%	-1.7%	1.7%
13 weeks	28,503,415	2.7%	6,290,113	0.7%	\$4.53	\$2.36	81.3%	16.6%	2.0%	54.7%	45.3%
vs YAGO	5.7%		0.2%				-1.3%	1.5%	-0.3%	-1.4%	1.4%
4 weeks	8,742,081	2.9%	1,923,051	0.8%	\$4.55	\$2.38	81.1%	17.1%	1.7%	55.1%	44.9%
vs YAGO	6.8%		0.8%				-0.7%	1.2%	-0.5%	-1.4%	1.4%

- Sales variances are positive. Leaders = Brown whole & sliced as well as White sliced
- 8oz SKUs (whole & sliced) are dominating sales in most varieties
- Mushroom sales grew by 9.4% over past year & Lbs grew by 1.1%
- Retail \$/lb and \$/Ut increases. (Note: California has one of the highest retails in U.S.)
- Most of the sales growth is due to 3 factors
 - Brown mushrooms share grew from 13.9% to 15.5% and is by far the fastest growing category
 - Sliced mushroom shares grew from 44.2% to 45.9% share
 - White whole mushrooms still is #1 at 23.1% of category and grew by 7.4%
- Promotions of Brown generated 25% more tonnage than White which only increased 11% during promotions
 - Comment: Brown promotions are generating more consumer purchases and/or bringing new users to the category

Pacific NW Region

Pacific NW	Mushroom Sales & Share of Produce				Retail Price		Dollar Share of Mushrooms				
	\$	\$ Shr Prod	Pounds	Lb Shr Prod	\$/Lb	\$/Unit	WHITE	BRWN	SPECL TY	WHOL	SLCD
52 weeks	32,673,950	2.4%	8,360,406	0.8%	\$3.91	\$1.96	80.5%	17.2%	2.2%	63.1%	36.9%
vs YAGO	6.7%		1.7%				-1.2%	1.3%	0.0%	-0.8%	0.8%
13 weeks	8,530,680	2.7%	2,142,606	0.8%	\$3.98	\$2.01	80.0%	18.1%	1.9%	63.5%	36.5%
vs YAGO	13.6%		10.7%				-1.2%	1.2%	0.1%	-2.2%	2.2%
4 weeks	2,715,733	2.8%	667,853	0.9%	\$4.07	\$2.06	80.8%	17.5%	1.7%	64.8%	35.2%
vs YAGO	23.7%		18.8%				0.8%	-0.7%	-0.1%	-0.4%	0.4%

- Sales variances are positive. Leaders = Brown and sliced mushrooms
 - Brown shares grew from 15.9% to 17.2%
 - Sliced shares grew from 36.1% to 36.9%
- This region is showing the strongest growth throughout the year, growing at a double digit rate over the last 13 and 4 weeks
- Promotions of brown generated +39% Wkly Lb Sales. White promo = +18%
Brown promotions are generating more consumer purchases and/or bringing new users to the category
- Whole Brown bulk and 8oz SKUs +12% and +98% respectively
- Sliced brown 8oz grew by +87.6% with 31% ACV Distribution

CDI = "Category Development Index". It's the regional Per capita sales indexed to Total U.S. per capita sales.
 ACV Distribution is the product average annual scanning rate in stores doing X-share of the market's dollar sales.
 Ex: 8oz white sliced = 26%ACV = is not being carried stores doing 74% of the Total U.S. dollar sales.
 ACV = "All Commodity Volume".

Data source: IRI/Fresh Look Marketing

Questions or Comments? For further info to sell more mushrooms please contact Cheryl Abate @ 408.432.7210 cheryl@mushroomcouncil.org