ADVERTISING & PUBLIC RELATIONS REPORT TO THE WASHINGTON STATE POTATO COMMISSION ANNUAL POTATO CONFERENCE

by
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(Dale Simpson)

Our purpose this afternoon is to touch on the highlights of the Washington State Potato Commission's current promotional program.

As you may know, this program is developed as a detailed annual plan which is reviewed and approved by the Commissioner's each year. Execution of the program is supervised by the Commission staff, and regular progress reports are provided to the Commission during scheduled meetings.

The purpose of the program is to create awareness and esteem for the quality of Washington State Potatoes; and, ultimately, sell more potatoes at the best possible price.

Earlier this afternoon, Dr. McCracken from Washington State University described the importance of providing reassurance of the nutritional value of food products to consumers, and also the need to find a special niche and focus on promoting to that niche.

We are in the most fortunate position of having a superior potato product grown in Washington State. It is higher in solids, contains more nutrients than the average U.S. potato, rice or pasta. Washington Potatoes also have the advantage of superior flavor.

We have summed this up in what we call our "Nutritional Advantage Program." This advantage also leads to a market niche: fitness; or more specifically runners. This market niche is 24 million strong. Runners, by the way, outnumber golfers, skiers and tennis players.

They are also keenly interested in nutrition.

Entree into this market has been through sponsorships of world class marathon events. Washington State Potatoes are the Official Carbohydrate of world class running events such as the Philadelphia Distance Run, Charlotte Marathon, Los Angeles Marathon, Boston Marathon and the Lilac-Bloomsday run in Spokane.

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This is our third year of sponsorships. And this year for the first time, we have added a retail grocery element to the program. At the recently completed Charlotte Marathon we sponsored in-store demonstrations of Washington State Potatoes with Harris Teeter stores, the leading supermarket chain in the region.

As the slides show, we dominated the produce department with two major bulk displays, a display of shrink-wrapped product appealing to today's smaller family units, and demonstrations of piping hot baked potatoes along with two low-fat topping ideas.

Results of the month-long promotion are still coming in; but we know that early sales were very strong in the stores, with one unit moving 30 cases of its 40 case initial order during the first 48-hours of the promotion. Washington State Potatoes also received major advertising exposure as you can see. This, by the way, is in a market which <u>does not ordinarily even sell</u> Washington State Potatoes at retail.

We're also pleased to tell you that similar promotions are scheduled in Los Angeles in March with the Vons supermarket chain, and in Boston during April with Purity Supreme stores, a leading New England group.

Retail promotion is only part of the story; and Ann Shanahan will update you on other activities which support Washington's nutritional advantage.

(Ann Shanahan)

As Dale mentioned, the Commission's program has extended into many different areas of the country, and the world.

In September, we went to the Philadelphia Distance Run. Kim Jones, a world-ranked runner from Spokane, was the spokesperson for Washington State Potatoes at the race. Kim signed autographs at our booth in the runner's expo and carbed up on Washington potatoes at the pre-race carb-up dinner sponsored by the Commission.

An ad was placed in the <u>Philadelphia Inquirer</u>, the area's major newspaper, and free publicity ran in the newspaper and on local television as well, touting the nutritional benefits of Washington potatoes.

This is our second year in Philadelphia, and USDA unload reports show that shipments of Washington potatoes have more than doubled since we began promoting in the market.

In Charlotte, Commissioners distributed recipes and nutrition information to runners at the fitness expo prior to the race.

The Charlotte Observer ran a feature on Washington potatoes. And more than a ton of potatoes were served at the carbo loading dinner.

In the foodservice arena, PYA/Monarch, the region's leading distributor ran a month long promotion tying in with local restaurants. A three page feature ran in their house publication which is distributed to all local foodservice operators.

Charlotte area schools got into the action with "potato power" promotions and potato bars at lunch.

Similar activities are scheduled in foodservice for Los Angeles, Boston and Bloomsday.

In addition to in-market activities, we maintain a regular advertising schedule directed at key food service audiences on a year-around basis.

In the promotion area, a new series of printed pieces, all with a strong family resemblance, were developed for use in foodservice, retail and consumer situations. Information ranges from count sizes with storage and handling tips, to various kinds of merchandising materials, to point of purchase materials. Reports from shows and events where this new material has been used have been most favorable.

The Washington State Potato Commission conducts highly focused fresh potato export marketing efforts primarily in two Asian market areas: Hong Kong and Singapore. Success has been outstanding.

Washington State growers have more than doubled potato tonnage shipped to Hong Kong since 1986, and now sell over 90% of all fresh U.S. potatoes imported by this Crown Colony. Hong Kong importers supply major hotels and restaurants with Washington potatoes - some shipments going to luxury hotels and western-style restaurants in the People's Republic of China.

In addition, the area's largest retail supermarket chain sells Washington State potatoes as their premium table quality baker.

In Singapore, Washington potatoes have climbed from a 40% market share to close to 75% of the total USA-grown potatoes imported into this country. All major USA potato importer-distributors except one feature Washington grown as their premium USA potato. Recently one of the largest retail food chains switched to Washington potatoes.

The largest fresh potato distributor in Malaysia also imports Washington State potatoes.

Demand for Washington State potatoes has increased to the point that the Commission has appointed in-country market representatives in both Hong Kong and Singapore in order to provide needed full-time liaison with local importers and customers.