DISCLAIMER

- I’m not an Economist
- I’m not a Marketer
- I’m a sales jockey with a LB mentality
- I’ve worked in the WA produce industry for 43 years

I love what I do!
Washington Apple Commission

- Established 1937 to promote Washington apple brand
- Represents approximately 1,450 growers in WA
- Protect WA apple logo
- Develop and implement promotions in over 25 international markets
- Industry exports to 60+ countries worldwide
- USDA MAP program participant
Why India?

India has 53 cities with a population of 1M+
India’s Importance = Varietal Displacement

**Total Value of Exports**
- **1999/2000**: $238,114
- **2006/2007**: $23,984,953
- **2014/2015**: $89,687,031

**Washington Red Delicious Shipments (42# boxes)**
- **1999/2000**: 19,141 boxes
- **2006/2007**: 1,356,615 boxes
- **2014/2015**: 26,576,244 boxes

**Exports to India**
- **1999/2000**: 0.10%
- **2006/2007**: 8.9%
- **2014/2015**: 21.2%
Red Delicious: Familiar & Robust

- A familiar product: Red Delicious known to Indian consumers.

- WA Red Delicious stays fresh in hot & humid temperatures.
Market Potential

- **India Apple Production (42# boxes)**
  - 2000-2016

- **Total India Market Size (in 42# boxes)**
  - Per capita consumption 2.0 kg – U.S. = 7.6 kg
  - Room to grow
  - Cold Chain limitations (capacity)
  - Distribution Challenges (refrigerated trucks)

- **Northern Hemisphere Imports (in 42# boxes)**
  - USA
  - China
  - Others

- **Import Volume**
- **Domestic Volume**
- **Total Volume**
  - 2011-12 to 2015-16
India: A Unique Approach

- 15% Modern Retail
- 25% Stand-Alone Retail / Neighborhood Shops
- 60% Roadside Stands

WAC Pathways to consumers:
- POS Materials (Brand Awareness)
- Signage (Importer Support)
- Social Media (50k+ Facebook Fans)
- Cooking demos (High income)
- WAC Roadshow (Geographical expansion)
WAC Roadshow
Focusing on Geographical Expansion

- Target 70 Tier II and III cities
- April-May timeframe (extending the market)
- 232 promotion days (2-3 stops/day)
- 4 million total consumers engaged
- Media Events in 23 cities - $1.1 million PR Value
  - (Press Conference, Lunch, Tea)
Opportunities & Challenges Interwoven

- High Duty (Barrier to Trade): $23 CNF x 50% Duty = $34.50 x 3% aggregate duties = $35.54 landed
- Red Delicious known and robust
  - Holds up well in hot and humid climate
  - Indian consumers familiar with variety
- U.S. Reputation for High Quality & Food Safety
- Strong US$ versus Rupee
- Geography: huge country, challenging inland distribution and limited cold chain
- Competition increasing: China, EU, SH, etc.
Opportunities & Challenges Interwoven

- Ocean Transit = 45 days
- Food Safety Regulations = ‘Test and Hold’ = can add up to 7 days
- 29 States often operate somewhat independent of Federal Government
  - More difficult to push back against unfounded PR – wax
  - Easier to implement protectionist measures (Port Closure)
- 22 official languages
Together we’re Better!

Keith Sunderpal - WAC India

Scott Sindelar Minister Counselor & Ambassador Verma