The Status of International Potato Production
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- How potatoes are being produced
- Acreage in various countries
- Effect of production on world markets
- Production of value added products in international markets
US Potato Board

- Grower organization representing approximately 6,000 potato growers
- Marketing organization
- Increase the usage and consumption of US potatoes
  - Domestically
  - Internationally
World Potato Production

• Which country grows the most spuds?
• Top three potato producing countries for last four years?
# World Potato Production in MT

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td># 1</td>
<td>China</td>
<td>70,223,331</td>
<td>68,139,264</td>
<td>70,048,000</td>
<td>73,776,500</td>
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<tr>
<td># 2</td>
<td>Russia</td>
<td>32,870,840</td>
<td>36,746,512</td>
<td>35,914,240</td>
<td>36,400,000</td>
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<tr>
<td># 3</td>
<td>India</td>
<td>24,450,000</td>
<td>25,000,000</td>
<td>25,000,000</td>
<td>25,000,000</td>
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<tr>
<td># 4</td>
<td>US</td>
<td>20,856,270</td>
<td>20,766,100</td>
<td>20,755,000</td>
<td>19,311,000</td>
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<tr>
<td># 5</td>
<td>Ukraine</td>
<td>16,619,500</td>
<td>18,453,000</td>
<td>20,680,770</td>
<td>19,111,030</td>
</tr>
</tbody>
</table>

FAOSTAT data, August 2005
World Potato Production

Metric Tons vs. Years

- China
- Russia
- India
- US
- Ukraine

World Potato Production

Intermountain
IFT 2006
Where are the potatoes going?

70,000,000 MT x 2,205 lb
= 154,350,000,000,000 lbs

1,306,313,812 estimated population July 2005
US Potato Production

19,111,030 MT x 2205 lb = 42,139,821,150 lbs

- 86% domestic
- 14% export
Losses 1991-2004

Annual loss: $121,500,000
Total loss: $1,580,000,000

Annual In-Home Potato Servings Per Capita (Excluding Chips)

-26%
How Potatoes Look to the Consumer
What Consumers Want
Improving Our Competitive Position

- Innovation occurring in produce:
  - New varieties
  - Packaging
  - Adding value
Improving Our Competitive Position

• Potatoes are falling behind
  – Retailers
  – Consumers

• Innovation is very limited and incremental
In 2003, quick & easy meals accounted for 2/3 of all in home dinner meals; Only 12% of these included potatoes
Educational Signage

- Nutrition-oriented signage
- Point-of-sale materials focused on type, usage and nutrition information

French Fingerling Potatoes

French Fingerling Potatoes have an oblong shape with red-streaked thin skin and white flesh. They have a light, nutty flavor and firm texture.

Get the skinny on America’s favorite vegetable.

The Healthy Potato.
HMPH at Retail

Intermountain
IFT 2006
Learning from Success
The UK Potato Industry is Doing It!

New demand created from:
• Connecting potatoes to a dramatically changing consumer and marketplace:
  – Innovation and consumer-based offerings
  – Category management & development partnerships
• Products that move potatoes into different meal occasions beyond traditional:
  – Convenient
  – Better tasting
  – New
The UK

• Emergence of fresh, ready to cook offerings
  – Steam packs
  – Removes guilt of not cooking for family
  – Oven cook trays

• Premiumization

• Variety labeling and marketing

• Retailer/packer exclusivity of varieties

• Retailer private label brands
Fresh new potatoes - dressed with butter, olive oil and fresh herbs or
- tomato, paprika and a hint of chilli
Fresh new potatoes
dressed with tomato, paprika
and a hint of chilli

£1.09

Keep refrigerated

Per serving (120g)
1.3g Fat
88 Calories
trace salt

Display until
1 DEC
Use by
1 DEC

Weight
360g

Washed and ready to cook
Quality guaranteed
See reverse for cooking instructions and nutritional information
Stuffed mini jackets – with garlic and herb butter
Finest* Four pepper charlotte potatoes for roasting
Save 50p

£2.49
£1.99

Finest

FOUR PEPPER CHARLOTTE POTATOES FOR ROAST

Tender Charlotte potatoes, sweet pink shallots, fragrant rosemary and garlic infused olive oil with a hint of pepper

All you need to add is a few simple finishing touches for sup

£2.49

Keep refrigerated

04 DEC
435g
Finest* Smile and Exquisa
The Smile variety boasts a bright red skin with a distinctive creamy ‘smile’ which remains after cooking. Smile has been specially selected for Tesco for its creamy soft texture and flavour.

Nutrition
Typical Composition
100g (3.5oz) provide: Energy 80kcal/345kJ, Protein 1.7g, Carbohydrate 13g, Sugars 1.3g, Fat 0.3g, Saturated fat 0.2g, Salt 0.1g. 

Produce of U.K.
The Exquisa variety features a creamy whipped finish that has been specifically selected for Tesco for its creamy soft texture and buttery flavour.

100g contains

Calories: 80
Sugar: 0.6g
Fat: 0.2g
Saturates: trace
Salt: 0g

Boil for 20 minutes

Weight: 1kg

Display until:

Best before:

Origin: France

BS 1 1F06
Charlotte potatoes

An excellent salad potato with a light yellow flesh and a firm texture.

Wash before use. Store in a cool, dark place.

See reverse for serving suggestions and cooking instructions.

Nutrition

Typical Composition. 100g (3½ oz) provide: Energy 314kJ/74kcal, Protein 1.7g, Carbohydrate 16.1g (of which sugars 1.3g), Fat 0.3g (of which saturates 0.0g), Fibre 1.0g, Sodium trace.

Our promise

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Freephone 0800 50 55 55, Mon-Sat, 9am-6pm.
Shop on-line at www.tesco.com

GV1 07:26 L7
CHARLOTTE
UK

Display Until: 28 11 05
Best Before: 30 11 05
Baby new potatoes

A specially selected small potato, delicious eaten hot or cold.

Wash before use. Store in a cool, dark place.
See reverse for serving suggestion and cooking instructions.
Potatoes

12.5kg 27.6lb
Observations, Learnings and Challenges

• The UK is innovating and growing demand
• Retailers are driving the innovation and capturing the margins
• In the US growers & shippers can still take control of the innovation process and own the upside potential
US Potato Production

19,111,030 MT x 2205 lb = 42,139,821,150 lbs

- 86% domestic
- 14% export
US Potato Exports

Exports

July/June Marketing Year

$ Million

'02/'03 '03/'04 '04/'05 '05/06e
Challenge

• Meet international market needs
• Understand target market & consumer
Taiwan
New Varieties / Packaging
Taiwan
Nutrition / New Packaging
Taiwan
New Applications / Nutrition
International Frozen Program
Frozen Growth Strategy

Expand Market Penetration for US Frozen Potato Products via

- NEW Products
- NEW Uses
- NEW Channels
Japan
New Products / New Channels
Korea

New Channel / New Uses

- US frozen julienne-cut potato snack
- Initial trial sales launch = 6% of total Korean frozen potato sales
Dehydrated potatoes
Functional ingredient
Added Value
More Opportunities

- Frozen dough
- Pizza crust and topping
- Extenders
- Fortified products
Other Successes
What about your industry?
Quick to prepare, delicious, packed full of fiber, vitamin C and more potassium than a banana.....the perfect choice for a well balanced meal!

Check it out!

.....www.healthypotato.com