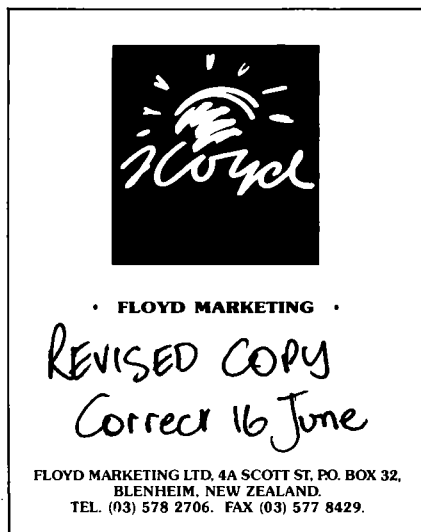


NEW ZEALAND BEEKEEPER' ASSOCIATION
I N D U S T R Y M A R K E T I N G P L A N
(Honey Marketing Plan)

NBA Marketing Committee
May 1993



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S E C T I O N I

THE NEW ZEALAND HONEY INDUSTRY MARKETING PLAN

INTRODUCTION

BACKGROUND

Each year since 1984, the NBA has called for an increase in profitability as being a key element in its Industry Plan. The industry's reference to the necessity for marketing and/or a Marketing Plan is tabled as follows:

In the 1984/85 Industry Plan - "investigate feasibility of establishing a New Zealand Honey Promotion Plan by 1986... improve Industry Public Relations ..."

1986/87 Industry Plan - "develop a marketing strategy for New Zealand Honey by May 1987... improve Industry Public Relations ..."

1987/88 Industry Plan - "develop a strategy for New Zealand Honey by May 1988 utilising the Massey, Auckland and Victoria University Reports... improve Industry Public Relations ..."

1988/89 Industry Plan - "by developing a marketing strategy for New Zealand Honey by December 1988... improve Industry Public Relations ..."

1989/90 Industry Plan - "by developing a marketing strategy by December 1989 including investigate the potential increase in Honey production and finalise strategic marketing report... improve Industry Public Relations ..."

1990/91 Industry Plan - all reference to marketing is removed from the Industry Plan and instead emphasis is on Quality Standards and improving Public Relations.

In February 1993 an expanded Marketing Committee was formed under the chairmanship of Allen McCaw.

This Committee has been charged with developing a Marketing Plan in line with the resolutions and mood of the 1992 NBA Annual Conference.

At this Conference NBA members agreed to a hive levy to fund a Marketing Programme along the broad lines proposed by Bill Floyd in his address to Conference.

MARKETING (PLAN) DEFINITIONS

The universally accepted definition of "marketing" is:

"all of the processes by which a company (or industry group) identifies a consumer's wants or needs and conceptualises and effects their fulfilment"

to which we need to add the rider.."profitably"

There are four controllable dynamics that are addressed in any Marketing Plan and they are:

- 1 The product and/or services provided or that could be provided.
- 2 The pricing strategies.
- 3 The distribution or placement of the product in the marketplace.
- 4 The promotion of the product/industry.

Promotion is then generally divided into five sub-groupings. They are:

Publicity
Advertising
Public Relations
Personal Selling
Direct or Mail Marketing

PERFORMANCE MEASUREMENT

The Marketing Committee believes that although it is difficult to develop a performance measurement that can accurately reflect the value of the Marketing Plan, that it is still necessary to do so.

The Marketing Committee believes that the performance of the Marketing Plan must be judged against the total performance of the industry which will take into account the following variables:

- A New Zealand FOB versus the current international prices in the likes of, for example, Argentina.
- B The hive values in New Zealand as opposed to similar countries overseas.
- C The market share of the various table spreads within the New Zealand domestic market.
- D The above factors when compared against the total crop available in a season.

It is also noted that for such a performance measurement to be effective, short term anomalies need to be identified and for this reason a database extending back, for example over the last ten years will give a firm basis on which to evaluate the Marketing Plan.

Whether or not all of the above information is available for the last ten years is to be determined, but it is agreed that such a system of measurement should be implemented as soon as possible, to allow for the industry to at least start developing a sound information base.

The Marketing Committee believes that the strategies developed in this Plan will bring about positive results in the long term; but this term must be measured in years, not months. Limited successes may result short-term, eg such as through the Manuka publicity, but these are the exception rather than the norm, and complement the Plans ambitions rather than being the prime purpose of it.

PRODUCT EMPHASIS

This Plan places a major emphasis on the Industry's Honey products rather than by-products such as pollen, propolis etc, or services such as pollination. This is for the following reasons:

An Industry opinion analysis of production/product diversification shows that table-spread Honey products affect the business worthiness of 90% plus of beekeepers, and accounts for an estimated \$31,000.000 (75%) of the dollar value of the industry.

It is with Honey Products that the greatest effect (and good) can be generated from the Marketing Plan resources allocation.

The Marketing Committee acknowledges that other Beekeeping-related products and services have the potential to be very profitable and with individual beekeepers may have an income value significantly greater than the average; but these products are usually developed to meet demand.

This Plan does address the need to make beekeepers aware of the opportunities from these alternative beekeeping products; but doesn't allocate any significant marketing budget to that end at this stage.

THE DIVERSE INTERESTS OF MEMBERS

There are 5,717 Beekeepers in New Zealand; of these approximately 527 ie 10.84%, have more than 500 hives each.

It is estimated that more than 80% of the turnover of the industry is generated by this group.

It is natural that there may be different business objectives between the two groups but the Marketing Plan has to be beneficial to those companies pursuing beekeeping as their prime business and source of profit.

Introduction Ends

NEW ZEALAND HONEY INDUSTRY
CURRENT MARKETING SITUATION

1 NBA BEEKEEPER PRODUCTION/PRODUCT MIX ANALYSIS

Members of the NBA produce both honey and honey/bee-keeping by-products. The industry's total range of products and the broad market groups and sizes has been estimated by sample industry opinion.

Please Note:

The Marketing Committee accepts that these estimates are the concensus of expert opinion.

The fact that such a system has had to be used highlights one of the industry's weaknesses, ie very little informed statistical data is available for industry wide planning.

Publication of this table will invite controversy and over time some "facts" will be validated or finely tuned, whereas others may have to be completely revised.

The Marketing Committee believes however that the information is a sufficiently authoritative base for the tasks required of it at this stage.

Industry Product Mix/Total value (Domestic & Export):

1	Honey creamed clover and multi-floral blends	\$17,500,000
2	Honey liquid clover and multi-floral blends	\$7,800,000

3	Honey varietal specific, INCLUDING: Manuka, Rata, Kanuka, Vipers Bugloss, Nodding Thistle, Rewarewa, Tawari, Pohutakawa, Thyme, Blue Borage, Clover, Spanish Heath, Honey Dew.	\$3,500,000
4	Comb Honey	\$2,200,000
5	Propolis	\$70,000
6	Royal Jelly	\$1,010,000
7	Pollen	\$200,000
8	Wax	\$1,300,000
9	Queens	\$900,000
10	Packages	\$1,750,000
11	Pollination	\$5,000,000
12	Other	_____?
	<u>Estimate</u>	\$41,230,000 =====

Industry Production Analysis

The Analysis Chart as shown in Appendix One was sent out to members of the Marketing Committee plus three other industry leaders.

Estimates varied widely, the conclusions being selected on the basis of who would best know that Product category. These figures will be updated as more reliable statistics become available.

Conclusions from Production Analysis:

- 1 That Honey Products 1-4 and 8 are universal to virtually every member of the NBA (although in the case of wax, although relevant to all NBA members, the quantities involved make it of limited value to the industry overall).

That Honey Products 5-7 and 9-11 have very limited membership involvement.

- 2 Therefore this Marketing Plan and the resources of the Marketing Committee will focus on Honey Products 1-4 with the Marketing Committee believing that Products 5-11 will be developed as demand warrants.

The Marketing Plan does however address the need to communicate the opportunities that products 5-11 represents, to NBA members; but the specific development of growth strategies for those products will be left, at this stage, to the members concerned.

2 COMPETITIVE ANALYSIS

Honey as a spread is believed to compete with:

Jams and Marmalade

Vegetable and Yeast Extracts

Peanut butter

Sweet spreads

and to a lesser extent with

Savoury spreads

Fish and meat pastes

Market Share Comparisons

Appendix Two shows the performance of honey against these other spreads for the years 1990, 1991, 1992.

Conclusions from This Comparison

That jams and marmalade market share has declined (slightly) in both volume and value,

That vegetable and yeast extracts and peanut butter have increased market share (slightly) in both volume and value,

and that honey market share has increased (slightly) in volume but reduced in value.

Other uses of Honey

A percentage of Honey used and shown in the spreads statistics would be used as a sweetener in place of sugar in cooking and drinks,

it is still to be determined whether the industry should fund research to identify the specific volumes involved at this stage.

Honey is also used by the food ingredient industry and, it is believed, by animal medicine groups. Once again there is no reliable data to show the amount of honey used in either of these areas and the Marketing Committee needs to determine whether the cost of getting such information is warranted and whether that collection cost needs to be included in the research budget shown.

Honey also competes with sugar for feeding beehives but there is no reliable statistical data to show the volumes used by beekeepers;

nor does the industry endeavour to educate beekeepers to look at the financial benefits of Honey feeding rather than sugar.

The feeding of honey would give beekeepers the opportunity to market their honey as organic as this type of feeding is part of the requirement of organic honey production,

noting however that such a move would have to be balanced against the cost of hive hygiene and management practises.

3 COMPETITIVE ANALYSIS : HOUSE BRANDS

The development of House brand Honeys has been marked in recent years.

For all PACKAGED FOODS in New Zealand, House brand market share has increased from 8.2% to 11.7%, (1991 to 1992).

Supermarket house brands represent 7% of the TOTAL GROCERY TRADE in New Zealand.

BUT within the HONEY PRODUCT category itself House brands are increasing at a greater rate than the average for either 'All Groceries' or other Spreads :

In 1992 House brands represented 32% of Supermarket Honey sales value.

This compares with: Peanut Butter 16%;
Jams, Marmalades 20%.

and is the cause for considerable concern for the Honey industry.

Conclusion

These findings indicate to the Marketing Committee that Honey purchasers (and consumers) have little (or diminishing!) Honey brand loyalty and are prepared to purchase honey on price alone.

Because the majority of consumers fail to see any perceived value difference between various House brand Honeys and Honey Packer Brand Honeys.

4 PRICING ANALYSIS

Pricing Elasticity:

Although little formal market information is available to the Honey industry, four separate studies carried out by university groups over the period 1986/1987 are all consistent in the findings that it is only the comparative price of Honey which affects sales.

ie if all Honey was increased in price, there would be no lessening of use:

Consumers are only concerned on comparing the price of Honey between the Honey brand choices available -

Whether the Honey retail price goes up or down, doesn't affect sales to any significant degree

(Reference Lincoln University, Honey Research)

International Commodity Prices And Their Effect On New Zealand Prices

Through the University research studies, we know that customers will purchase and consume Honey in the same volumes regardless of price fluctuations, but that they will often compare price options between Honey brands.

Honey packers sell Honey to supermarket groups for House brands at a price comparable to that which they can gain by exporting to the international commodity market (or even for less given the savings in freight, currency risks etc available from "quitting it locally").

Therefore the domestic price of Honey is directly linked to the international commodity price.

In supplying the House brand market however, the industry does not relieve pressure on the domestic surplus as House brand sales then merely replace another Packers Brand sale (and that packer is left with quitting his/her Honey overseas instead).

Conclusion

Honey imports are only allowed into New Zealand under strict permit conditions and this has effectively prevented virtually any honey imports; one would have assumed that this artificial barrier would have had the effect of allowing the New Zealand industry to adopt a non-competitive pricing collusion and maintain high prices;

but the reality is that the annual Honey crop surplus has to be quit on the international commodity market

OR to the NZ food retail trade for Housebrand Honey's but at the same international price or slightly less,

and this has the effect of forcing New Zealand prices down; because when House Brand prices are low, and because there is no perceivable difference between Housebrand and Packer Brand Honey for many consumers, Packer's Brands have to be priced down to maintain market share/loyalty.

It could be argued that the lack of import competition has in fact stifled the development of an innovative industry AND kept prices down.

5 HEALTH & FOOD REGULATION ANALYSIS

The Medicine Act 1981 and the Food Regulations 1984 are both very important to the honey industry; both are in the process of being reviewed and updated.

A draft of the new Medicine Act will be available in July 1993.

Submissions were called in October 1992 from some 500 organisations or individuals; it should be noted that the Honey industry was not included in this canvas.

However, Sue Jenkins from the Honey Marketing Committee attended a seminar in Christchurch in December 92 organised by the Health Department, and has now ensured that the Honey Industry will get all future information regarding the review.

Based on the information to date, the Honey industry needs to ensure that it makes a full and professional submission on the uses of honey and beekeeping products for therapeutic and medicinal purposes.

Under the present Food Regulations honey is classified as a sugar; although it is accepted as a "pure source"; ie it is not necessary to state what is in honey in any packaging.

The Marketing Committee believes endeavours should be made to have honey defined as a substance that is unique and differentiated from sugar. At present it is unlawful to make any claims that honey is other than just a food (ie that is has unique therapeutic or medicinal values).

6 CONSUMER POSITIONING OF HONEY

Little market research is available to the NBA, but the following has been available to the Marketing Committee in developing the strategies for this Plan.

- i Determination of Consumer Preferences and Attitudes Towards Honey in the Wellington City Retail Market,
Victoria University Management Group, June 1986
- ii The Demand For High Quality, Upmarket Honey in New Zealand.
Massey University Marketing Group, September 1987
- iii A Survey of Honey Consumption In Christchurch.
Lincoln Marketing Group, 1986
- iv The Auckland Honey Market...coordinating the Honey industry, achieving greater efficiency and stabilising Producer profitability
Auckland University Marketing Group, September 1987

- v Australian Honey Board Report on Honey usage and Attitudes, October 1992.

General Comment on These Research Resources

The Marketing Committee accepts that there are a number of contradictions between the findings of the above NZ University papers; to some extent this could be a result of the different communities researched, and with the exception of Lincoln, the sample bases are limited in both number and type.

With regard to the Australian research, the Marketing Committee does not feel it can 'adopt' the findings of the Australian Research because of social and ethnic differences between the two countries.

The Marketing Committee believes the New Zealand Honey Industry will need to commission its own qualitative and quantitative research regarding the domestic marketplace.

Current Marketing Situation Ends

SWOT ANALYSIS OF THE INDUSTRY
AND KEY ISSUES ARISING

General Notes

This Swot Analysis (ie Strengths, Weaknesses, Opportunities, Threats), was developed at the February 1993 Marketing Committee Strategy Meeting.

STRENGTHS

Quality products
Healthy image of honey as a product
No imports
Current research, especially Peter Molan, Waikato University
Funding base
Industry focus and commitment (Marketing Committee)
Small size
Educated beekeepers
Unique products/diversity
Clean, green image on world market
Disease control system
No routine use of drugs for honey production
High bee health status
Organic honey
Geographical locale (global)
National organisation (NBA)
Supermarket promotions

WEAKNESSES

Beekeepers quitting stock, often at a loss
Poor quality control
Not credible with health professionals
Misconceptions of product (especially creamed honey)
Legislation that honey is treated simply as a sugar
Lack of market research
Lack of funding
Too small to be effective
Lack of industry-wide vision
Lack of education in marketing
Variable supply

Weaknesses continued

Misrepresentation (eg manuka)
 Too many packers
 'Lifestyle' operators
 Not attractive to large scale investment
 (Beekeeping has low rating with banks)
 Poor returns
 Over production
 Low consumption
 Organic 'downgrading'
 Lack of knowledge of honey uses
 Lack of financial base to even allow diversification
 Lack of export control
 Over-regulation for internal and external (bees to Japan)
 Lack of industry standards

OPPORTUNITIES

Expansion of domestic market
 Expansion of export market
 Differentiated spreads
 Food ingredient
 Pollen sales
 Improve industry liaison structure
 Animal remedies
 Royal jelly
 Queens, live bees
 Market education (industry and public)
 New pollination markets
 Therapeutic/health food market
 Industry co-ordination
 Brand recognition
 Industry market education
 Honey as a medicine
 Diversification of markets
 Control of product supply
 Organic production
 ISO 9000 accreditation
 Product standard establishment
 Honey mark establishment

THREATS

Loss of floral sources
 Imports of honey
 Restrictions on land access
 Poor quality products
 Legislation changes
 Chemical contamination
 Declining industry
 Growth in supermarket plain packs
 Low product/price perception
 Competing spread/sweeteners
 Poor supply control
 Failure to obtain ISO accreditation
 Lowering/loss of product standard
 Breakdown of NBA
 Increased use of artificial pollination

KEY ISSUES ARISING FROM SWOT ANALYSIS**Key Issue 1: Quality**

Based on the Swot Analysis, the highest priority has to be given to achieving excellence in all issues relating to quality; defined as quality in beekeeping husbandry, quality in harvesting and harvest information systems, quality in variety integrity, ie:

that given the increasing demand for MONO-FLORAL Honey types there is a need to ensure that variety claims on packs do reflect accurately the Honey composition.

Key Issue 2: Honey Food Value Perception

Honey as a product is accepted by most people as being quote "good", but perhaps without any scientific or intellectual basis for this feeling.

This intuitive market perception is good for the industry, but we need to support the myth with fact and also address the issue of the negative attitude towards Honey held by the majority of professional health and nutrition professionals.

Key Issue 3: General Perception of Beekeeping As An Industry

Beekeeping is considered a high risk industry by financial institutions; and this both impairs the ability of the Industry to get finance for expansion and development and is negative in that it affects the Industry's members perception of themselves.

A 'catch 22' which once again retards innovation and development.

Key Issue 4: Where Can The Industry Get Its Growth?

New Zealand's high per capita Honey consumption means that we have a very strong user base to develop new products on, but conversely, we may have to accept that growth of the basic spread markets has limited potential, and that growth is going to have to come from product and marketing development and innovation.

Key Issue 5: The Growth of House Brands

The growth of House brands has to be seen as a consequence of poor marketing, or lack of marketing, on the part of the Honey Industry.

A contraction of the market share of house brands will be an indication that the Honey Industry's Marketing (Plan) is being effective.

Key Issue 6: Imports

We have to allow that competition in the form of imported honeys may happen.

This will probably result in two effects:

A immediate

with an effect on price through retailers having access to cheaper imported honeys, and

B long term

with a risk of disease leading to drug feeding and therefore a loss of status of New Zealand honey internationally as being drug free; thereby affecting the niche market opportunities prevailing at present because of that drug free image.

Swot Analysis and Key Issues Ends

STRATEGIC OVERVIEW

THE MARKETING MISSION

In developing a Marketing Plan for the Honey industry the following MISSION STATEMENT has been determined; this creates THE FOCUS for the Plan:

THAT THE MARKETING EFFORTS OF THE NBA SHALL BE DIRECTED TO CREATE AN ENVIRONMENT THAT WILL

1 ALLOW CONSUMERS TO ENJOY HONEY AS A FOOD THAT IS AVAILABLE IN A VARIETY OF TYPES EACH GIVING DIFFERENT SENSORY SATISFACTIONS

2 ALLOW CONSUMERS TO APPRECIATE THAT DIFFERENT HONEY'S HAVE NUTRITIONAL THERAPEUTIC OR MEDICINAL ATTRIBUTES THAT CAN ENHANCE THEIR OWN STANDARD OF LIVING AND HEALTH; AND BE ABLE TO ENJOY THESE VALUES WITH CONFIDENCE

3 ALLOW INDIVIDUAL MEMBERS OF THE NBA:

TO BE REWARDED FOR INNOVATION AND FOR COMMITMENT TO QUALITY,

TO PRODUCE PRODUCTS AND SERVICES THAT MEET CUSTOMER AND CONSUMER NEEDS

TO BE AWARE OF ALL THE OPPORTUNITIES AVAILABLE TO THEM APROPOS OF PRODUCT MIX AND PRODUCT DEVELOPMENT, PRICING AND PROMOTION, WITH PARTICULAR EMPHASIS ON THE POTENTIAL FOR MONO-FLORAL HONEYS.

TO BE PART OF AN INDUSTRY RECOGNISED COLLECTIVELY FOR ITS COMMITMENT TO QUALITY".

4 CREATE A COMMERCIAL ENVIRONMENT THAT IS HEALTHY, AND COMPETITIVE; WHERE INDIVIDUAL MEMBERS OF THE HONEY INDUSTRY SUCCEED OR FAIL BY THEIR OWN EFFORT.

5 ALLOW FOR THE INDUSTRY AS A WHOLE TO BE PERCEIVED AS

AN ESTABLISHED, TRADITIONAL, FINANCIALLY-SOUND RURAL ACTIVITY THAT IS COMMITTED TO QUALITY IN ALL MATTERS,

PRODUCING A RANGE OF PRODUCTS TO THE HIGHEST INTERNATIONAL STANDARDS

THAT HAVE UNIQUE COMPETITIVE ADVANTAGES IN THE NEW ZEALAND AND INTERNATIONAL MARKETPLACES.

Increased Competitiveness In The Industry

The Marketing Committee accepts that the industry is about to enter a period of rapid change, opportunity and threat as some companies become increasingly competitive and entrepreneurial and threaten the stable marketplaces that others have enjoyed.

However there is no alternative but to allow this to happen

Government and society is reluctant to embrace the concept of a revisit to the type of controlled industry as represented by the Honey Marketing Authority.

Is A "Free" Market The Only Option?

This Marketing Plan is based on the premise that controlled market is not an acceptable option for the individual members of the Honey industry.

For the industry to thrive it must create an environment where innovation and entrepreneurialism is allowed to flourish. Rigid marketing structure of the past have encouraged an averaging of skills and this is now inappropriate to the industry.

The industry is vulnerable to and has witnessed the rapid success of own brand and generic brand honeys in the New Zealand marketplace where the sole consideration has been low price.

Individual companies within the industry have taken initiatives with technical and product innovation. The Marketing Committee believes this has to be encouraged.

The ambition of this Marketing Plan must be to give all beekeepers the opportunity to succeed through innovation and development.

The success of the Marketing Plan can be measured by the degree to which it gives beekeepers the ability to succeed and not become just a low price commodity supplier.

"A David Amongst Goliaths"

It is acknowledged that the beekeeping industry is a very small one. Consequently the resources available for marketing are small.

In reality the probable marketing budget for the whole industry will be less than the budget used by many medium size regional companies in other industries.

Because of this lack of funds, strategies are going to have to be very cost conscious and as a general tactic, the Marketing Committee will supplement its promotional objectives by utilising the strengths and resources of others, eg the food ingredient industry.

Honey and The Food Ingredient Industry

Getting honey incorporated into other food products has a two fold advantage:

- a It "soaks up" manufacturing grade Honey, and

- b when manufacturers promote their project, for example sunflower and Honey bread or Honey coated peanuts etc. they create a general promotion of Honey as a food that adds value/interest and excitement to other foods

The Marketing Committee will put a major emphasis into the food ingredient industry for these reasons.

In so doing we are also emulating the very successful USA Honey Technology programme.

High Flying Mono-floral Varieties

The industry is well aware of the success of manuka ("a rags to riches" story to quote Buzzwords).

Not only has the publicity that has been generated for manuka created a significant increase in returns for manuka producers, but the fact that manuka Honey would appear to have sound medicinal properties undermines the credibility of "Honey knockers",

ie those people who have for years dismissed any thoughts of Honey having any values other than as a simple sugar ...

For this reason the Marketing Committee will continue to promote the manuka exercise to a greater extent than the mere volume of manuka Honey available for sale would otherwise warrant.

The Honey industry can gain considerable insight into how it needs to market its product/s by looking at the development of the New Zealand wine industry.

In recent years the wine industry has faced punitive domestic taxes, unbridled import competition, and the price attacks of chateau-cardboard etc.

This has meant that to survive, the wine industry had to make a commitment to quality and to variety and brand differentiation:

Wine consumers have gone from drinking simply "red" or "white" to selecting and enjoying specific wine varieties and specific brands, and even specific vintages.

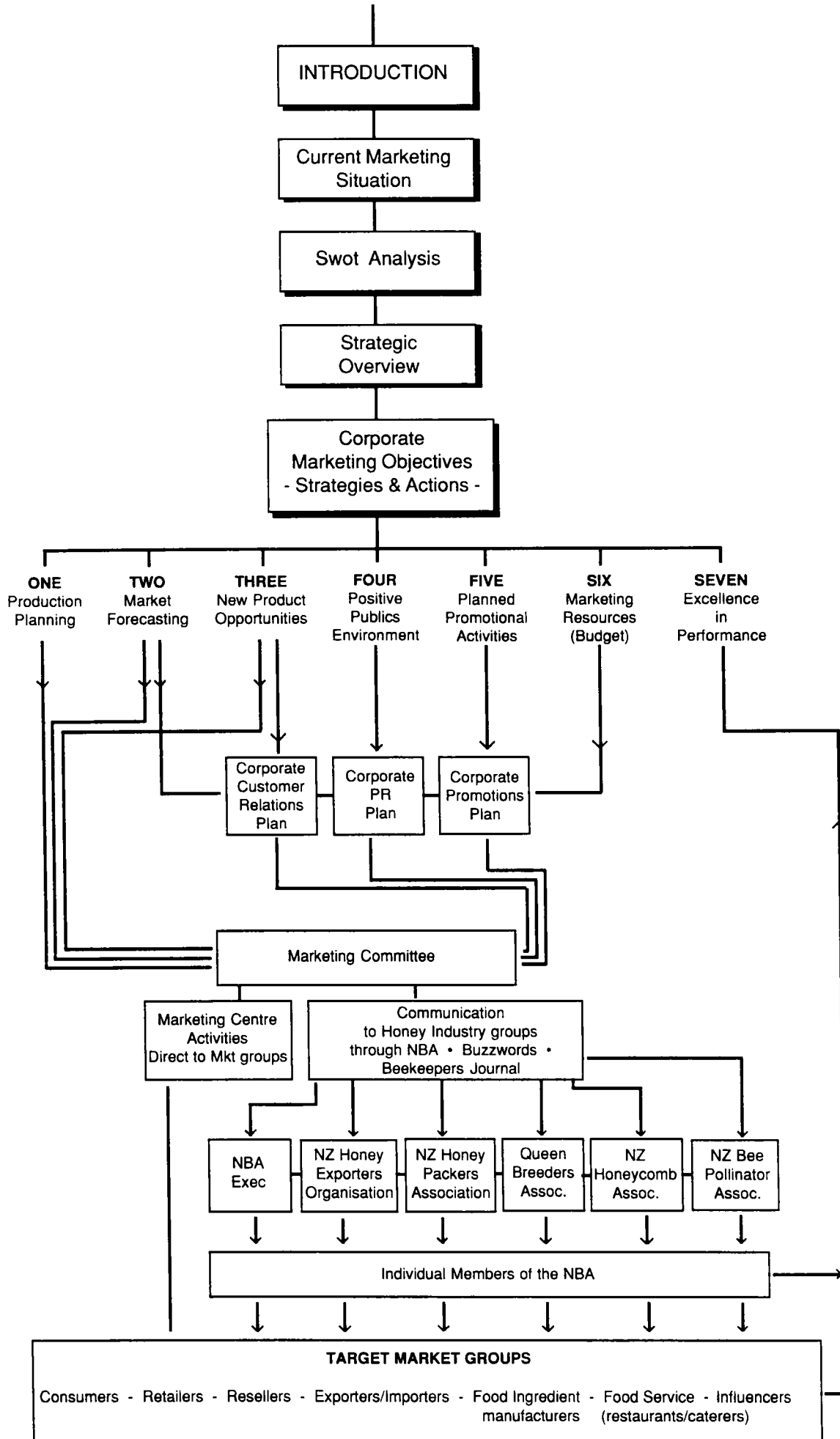
This has been achieved to the point where the New Zealand wine industry is not just surviving, but thriving, both internationally and on the New Zealand domestic market.

New Zealand's unique floral sources, its 'milk and honey', clean, green, international image gives the New Zealand beekeeper every opportunity to be as successful.

Strategic Overview Ends

S E C T I O N I I

New Zealand Honey Industry MARKETING PLAN



MARKETING PLAN EXPLANATION

1 Definitions:

Objectives : Where you want to be? The goal.

Strategies : How you are going to get there?

Actions The specific tasks to get there:
actions can always be shown under
the headings:

WHAT WHO WHEN COST

2 Cost Codes, as used in this Plan:

* Cost cannot be estimated at this stage

** Cost already included/allowed for in another
Action

GST - Note, all costs are exclusive of GST.

IMPORTANT

The costs have been based on an ideal (although still within the framework of a very limited total when compared to other industrial groups);

But the MC will have to make a Judgement Call with many of the Actions, taking into account the importance of the Action in relationship to the final budget available and the consequences and opportunities resulting from other Actions as they are completed.

The Timetable assumes that Strategies are commenced within the first year; once again ideal, but this may not be the case and many items may of necessity be deferred.

Where two sums are shown (a high and low); the low has been used for budget indication.

It is acknowledged that the total cost of the Actions exceeds the probable funds available; however, the full costing allows the MC to prioritise against full knowledge of all(ideal) costs.

3

People Codes:

MC Marketing Committee

MCC Marketing Committee Chairman

MCF Marketing Committee Facilitator

FM Floyd Marketing Limited

Explanation Ends

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MARKETING OBJECTIVE ONE

TO HAVE INDIVIDUAL BEEKEEPERS PRODUCING A RANGE OF
PRODUCTS AND/OR SERVICES THAT OPTIMISES THE RETURNS ON THEIR
OWN INVESTMENT.

STRATEGY NUMBER ONE

To inform all NBA members of the various products and service options available to them apropros of the resources and the knowledge that they have or can gain.

To this end beekeepers should be encouraged to assess the potential of a production mix that will see an expansion of their own activities into product other than simple spread Honeys. For example, Queens packaging, pollen, wax, slum gum, etc.

"Product Champions" will be available to the industry to assist them in diverting into new opportunities.

A Product Champion will be an industry person (or group) who is acknowledged as entrepreneurial and commercially successful in this product area.

The Product Champions will work with the Marketing Committee to prepare mini marketing papers on their particular product highlighting the income opportunities and how the product harvest fits within the beekeepers' production calendar.

ACTION ONE

The MCC to identify an individual or group to act as Product Champion for each Beekeeping Product:

5	Propolis
6	Royal Jelly
7	Pollen
8	Wax
9	Queens
10	Packages
11	Pollination

and instruct MCF to assist Product Champions to develop a Marketing Plan for each product

WHO MCC

WHEN at July Conference meeting

COST Nil

ACTION TWO

MCF to prepare a Model for each Product Champion to use to create a Product Marketing Plan. These Plans will show:

- (i) Income opportunities
- (ii) Production timetable benefits
- (iii) Domestic and international Marketing opportunities
- (iv) Specific and recommended distributors/agents (where appropriate).

The MCF will then distribute the model to each Champion to complete and return to MCF, who will then collate all information and present Plans to MC for approval.

WHO MCF

WHEN All above completed by 30 September 1993

COST	Time:	
	5 hours to create model	
	7 hours communication each	
	Product Champion (7 x 1 hr each)	
	<u>20</u> hours collation and refining	
	32 hours at \$75 =	\$2,400
	Outcosts - Tolls/faxes,	
	postage, typing - estimated	<u>350</u>
	TOTAL	\$2,750

ACTION THREE

MCF sends copies of Plans to Buzzwords to release (eg one each issue); plus copy to NBA to send copies to Branch Secretaries for general Beekeepers' use.

WHO	MCF	
WHEN	By 30 October 1993	
COST	Time 1 hour	\$75
	Outcosts:	
	(Tolls/postage/photocopying)	20
	(assumes no cost for NBA work)	—
	TOTAL	\$95

STRATEGY NUMBER TWO

To develop Industry-wide Quality Control standards for all products; noting that the long term objective may be to use these standards as the basis of ISO 9002 accreditation for the industry.

ACTION ONE

MCC appoints a sub-committee to prepare a Draft Discussion Paper on a set of Quality Control Standards for the industry.

WHO	MCC
WHEN	Sub-Committee appointed by July Conference meeting
COST	Nil

ACTION TWO

Sub-Committee to prepare Draft Paper and report back to MC for discussion/approval.

WHO	Presented at September 93 MC meeting
-----	--------------------------------------

WHEN 30 September 1993

COST Time - Nil

Outcosts:
 Travel/tolls/ for members of the
 subcommittee = \$1,500

TOTAL \$1,500

ACTION THREE

MCC presents paper to NBA Executive for
 acceptance.

WHO MCC

WHEN 30 October 1993

COST NIL

ACTION FOUR

New Zealand Honey Industry Quality Control Standards
 openly promoted through Beekeepers/Buzzwords/NBA Sub-
 Committees and to other groups (government
 agencies/food manufacturers etc)

WHO MCF

WHEN By 30 November 1993

COST Time - 10 hours \$750

Outcosts:
 eg printing, postage,
 tolls, estimate 1,000

TOTAL \$1,750

STRATEGY NUMBER THREE

Develop a symbol/communicable device that recognises those products or services that achieve the industry quality control standards as developed in Strategy Two above;

and that can be used by the marketplace as a reference point for the acceptance of pricing strategies by customers and consumers;

This device will become part of the industry's Promotional Plan.

ACTION ONE

MCF to engage one or two freelance artists to prepare concept sketches for a symbol.

MCF's brief to artists to include any restrictions or opportunities created by cultural factors in:

Japan, Korea, Italy, Spain, Germany.

WHO	MCF	
WHEN	Sketches completed	30 June
COST	MCF time 15 hours	\$ 1,125
	Outcosts - estimate	100
	Artists	<u>1,200</u>
	TOTAL	\$2,425

ACTION TWO

MCF present to all MCC at July Conference meeting for discussion/ approval/selection.

WHO MCF

WHEN 18 July 93
 COST Nil

ACTION THREE

MCF engaged Patent Attorney to search for conflicting trademarks and if OK, file an application for TM for the new device.

Note: Copyright and TM protections are both available; internationally we will have to rely on copyright only - too expensive to secure TM protection in all importing countries.

TM protection can be lodged in Australia within six months of New Zealand application and will cost \$1,600.00.

WHO	MCF	
WHEN	August 93	
COST	MCF Time - 2 hours	\$150
	Outcosts - tolls faxes, Patent Attorney fees	<u>350</u>
	TOTAL	\$500

ACTION FOUR

MCF engages chosen artist to complete full colour and black and white artwork for logo.

WHO MCF
 WHEN Artwork completed September 93

COST	MCF Time - 3 hours	\$225
	Outcosts - estimate	<u>500</u>
	TOTAL	\$725

ACTION FIVE

MCF to promote and provide the Honey device as shown in Promotion Plan Strategy Two.

(See Honey Promotion Plan)

STRATEGY NUMBER FOUR

Monitor the overseas development of Honey and Honey as an ingredient in other products and communicate those developments to New Zealand beekeepers.

ACTION ONE

MCF to liaise with the Australian and American honey industries and get access to their promotional material and, where appropriate, permission to duplicate and use in New Zealand industry print material.

WHO	MCF	
WHEN	USA; already arranged (see letters Appendix IV) Australia; by 31 July 1993	
COST	Time - 4 hours at \$75 =	\$300
	Outcosts:	
	Tolls/faxes/postage estimate	<u>100</u>
	TOTAL	\$400

ACTION TWO

MCF to subscribe the New Zealand Honey Industry into the Massey University Food Technology Bulletin Service.

WHO	MCF		
WHEN	July 1993		
COST	MCF Time - Negligible		
	Outcosts - annual subscription		<u>\$1,237</u>
		TOTAL	\$1,237

ACTION THREE

MCF to monitor the above specific data resources (Actions One and Two), plus other sources as available and appropriate and

prepare monthly Information Release for Buzzwords,

include information in general and specific media releases for all appropriate target groups (See Public Relations and Key Customer Plans).

WHO	MCF		
WHEN	Monthly		
COST	MCF Time - 5 hours at \$75 =		\$375
	Outcosts:		
	Tolls, postage, fax, typing		<u>125</u>
	Per month total -		500
	PER ANNUM TOTAL		\$6,000

STRATEGY NUMBER FIVE

Develop communications with New Zealand food ingredient industries based on mutual trust and respect and initiate product opportunities with those industries in joint venture relationships between beekeepers and/or packers and those industries.

ACTION NUMBER ONE

Ensure that this strategy is met as part of the industry's Key Customer Relations Plan.

WHO Floyd Marketing

WHEN March 93

COST Part of development of Marketing Plan

Objective One Ends

MARKETING OBJECTIVE TWO

CREATE OPPORTUNITIES FOR NBA MEMBERS BY ADOPTING A MARKETING APPROACH TO THE ABSORPTION OF THE NEW ZEALAND HONEY HARVEST THROUGH THE IDENTIFICATION OF EXISTING AND FUTURE MARKETPLACE CUSTOMER AND CONSUMER NEEDS AND COMMUNICATING THESE AS OPPORTUNITIES TO THE MEMBERS OF THE NBA

CUSTOMERS ARE DEFINED AS:

A DOMESTIC (NEW ZEALAND) MARKET

- I CONSUMERS
- II FOOD INGREDIENT INDUSTRY
- III MEDICINAL/THERAPEUTIC INDUSTRIES
- IV ANIMAL HEALTH INDUSTRY

B EXPORT MARKET

- I CONSUMERS
- II FOOD INGREDIENT INDUSTRY

STRATEGY NUMBER ONE

Carry out market research to identify market needs, wants and competitive trends in the New Zealand marketplace.

It should be noted that market research will be limited to the New Zealand marketplace.

At this stage the Honey Exporters Group will be required to carry out their own research initiatives for export markets.

ACTION ONE

Based on the discussions of the MC April 1993 meeting, the MCF is to prepare a brief for two Market research companies and get competitive quotes for that research.

WHO	MCF	
WHEN	June 1993	
COST	MCF Time - 4 hours	\$300
	Outcosts, tolls, postage	<u>25</u>
	TOTAL	\$325

ACTION TWO

MCF to prepare a discussion paper on an alternative research plan to Action One based on the concept of using industry volunteers to carry out a telephone survey.

WHO	MCF	
WHEN	June 1993	
COST	MCF Time - 6 hours	<u>\$450</u>
	TOTAL	\$450

ACTION THREE

MC to discuss reports from Actions 1 and 2 above at its July meeting (at Conference) and decide on the most appropriate course of action.

WHO MC

WHEN July 1993

COST Costs of July meeting already allowed for through all MC members attending Conference.

ACTION FOUR

MCF to initiate agreed action.

WHO MCF

WHEN August 1993

COST Estimate - \$8,000-\$25,000

STRATEGY NUMBER TWO

To have in place a Key Customer Relations Plan that identifies those companies that can make a significant contribution to the absorption of the Honey harvest through integration of Honey into their own product programmes and that who will, in so doing, also promote Honey per se.

This Key Customer Relations Plan is to address the need for a Honey Technology Kit and an industry tendering system that allows manufacturers quick access to Honey supply and gives them confidence in the quality and consist functionalities of the Honey being supplied.

ACTION ONE

Develop a Key Customer Relations Plan for Marketing Committee consideration and approval; this is to include the Honey Food Technology Kit.

WHO Floyd Marketing

WHEN March 1993

COST Included in the fee for the preparation of this plan

Objective Two Ends

MARKETING OBJECTIVE THREE

CREATE NEW MARKETS THROUGH AN INNOVATIVE APPROACH TO PRODUCT DEVELOPMENT

Explanation:

It is to be accepted that, in relationship to food ingredient manufacturers, the Honey industry has to create its own opportunities and not rely on manufacturers to be proactive in the uses of Honey as an ingredient.

This philosophy should extend to the point where product opportunities are created by the Honey industry and selected food manufacturers are targeted to be encouraged to take over ownership of the project.

A Honey industry tender system would then be put in place for individual members of the Honey industry to achieve supply contracts with that food manufacturer.

STRATEGY NUMBER ONE

Have in Place a suitable process model for the Marketing Committee/Facilitator to use.

ACTION ONE

MCF to design a Process Model to discover product opportunities and match them to potential manufacturers.

WHO MCF

WHEN August 1993

COST MCF - Time - 6 hours \$450

TOTAL \$450

ACTION TWO

MCF to submit the model to the August/September meeting of the MCC for approval.

WHO MCC

WHEN August/September 1993

COST To be part of September MC meeting or tele-conference.

ACTION THREE

MCC to timetable a series of one to three meetings per year to be held with the specific purpose of creating innovation and opportunity; note these meetings may second other people than just the MC; make up of the meetings to be decided by the MCC after the first meeting.

WHO MCC

WHEN July 1993

COST Nil

ACTION FOUR

MCC to facilitate meetings as agreed.

WHO	MCC			
WHEN	assume three per year	Sept	Nov	Mar
COST	MCF - 8 hours \$ 600 x3			\$1,800
	Outcosts - Transport and costs all committee members			
	Estimate - \$2,500 x 3			<u>\$7,500</u>
		TOTAL		\$9,300

Objective Four Ends

MARKETING OBJECTIVE FOUR

PUBLIC RELATIONS:

TO DEVELOP THE BEST ENVIRONMENT IN WHICH INDIVIDUAL
MEMBERS OF THE NBA CAN CREATE OPPORTUNITIES FOR
THEMSELVES.

STRATEGY NUMBER ONE

Use a co-ordinated Public Relations Strategy that will ensure that all publics that create both the internal and external environments for the industry are given the opportunity to have a positive attitude towards the Beekeeping/Honey industry per se and the individual members of that industry.

ACTION ONE

Develop a draft Public Relations Plan for Marketing Committee approval.

WHO Floyd Marketing

WHEN March 93

COST Included in the fee for the preparation of this plan.

ACTIONED See Section III

ACTION TWO

MCF to carry out the actions of the Plan as required.

WHO MC/MCF

WHEN See Plan Action timetable

COSTS See Plan costs

MARKETING OBJECTIVE FIVE

TO PROMOTE THE INDUSTRY. ITS MEMBERS AND ITS PRODUCTS IN SUCH A WAY AS TO ENSURE THAT ALL PUBLICS APPRECIATE THAT THE NEW ZEALAND HONEY INDUSTRY IS:

- i AN ESTABLISHED, TRADITIONAL, FINANCIALLY SOUND, RURAL ACTIVITY,
- ii COMMITTED TO QUALITY IN ALL MATTERS,
- iii PRODUCING A RANGE OF PRODUCTS THAT HAVE VARYING TYPES OF UNIQUE AND COMPETITIVE ADVANTAGES IN THE DOMESTIC AND INTERNATIONAL MARKETPLACES.

AND THAT ALL PROMOTIONAL ACTIVITY ASSISTS IN ACHIEVING THE INDUSTRY'S MARKETING OBJECTIVES.

STRATEGY ONE

Develop a Honey Industry Promotions Plan that ensures that all the promotional activities and elements that are used by the industry at large communicate, develop or reflect the values outlined in this Objective.

ACTION ONE

Floyd Marketing to prepare a draft Promotion Plan for discussion and costing.

WHO Floyd Marketing

WHEN March 1993

COST Included in the set cost for preparing the Marketing Plan.

ACTIONED See Section III

ACTION TWO

MC/MCF to initiate approved Promotional Plan Actions.

WHO MC/MCF

WHEN As per Plan

COST As detailed in Plan

Objective Five Ends

MARKETING OBJECTIVE SIX

ENSURE THAT THE APPROPRIATE RESOURCES ARE AVAILABLE TO THE
INDUSTRY TO DEVELOP AND IMPLEMENT THE MARKETING PLAN.

STRATEGY ONE

Engage an appropriate person to implement the strategies and actions detailed in the Marketing Plan; although accepting that only those Actions decided by the MC as being time and cost justified in relationship to the budget will actually be proceeded with.

ACTION ONE

MCC to arrange a tele-conference for MC to decide from the following options:

- A Engage Floyd Marketing Ltd based on costs in draft Marketing Plan;
- B Advertise for an alternative company/person to Floyd Marketing Ltd.
- C Appoint a person solicited from within, or referred by the MC, or the beekeeping industry at large.

WHO MCC

WHEN June/July 1993

COST	Outcosts -	
	Tele-conference call	\$50
	(possible advertising -	
	estimate \$500-\$1,000)	\$500
		-\$1000
	TOTAL	<u>\$550</u>
		-\$1050

ACTION TWO

Engage Floyd Marketing or initiate option 9b) or (c) from Action One to carry out Marketing Plan, PR and Promotional Plan Actions as approved by the MC.

WHO MCC

WHEN June/July 1993

COST See Total Action cost estimates (subject to Marketing Budget availability).

STRATEGY TWO

Get the maximum income resources available including:

- i Revenues from the marketing hive levy
- ii User pays services between the Marketing Committee and members of the NBA, for example, the possibility of a pack levy paid on use of the Marketing Committee's Quality Mark (on a per pack basis).
- iii Government and quango grants and schemes
- iv The Honey Trust
- v Private Trusts

ACTION ONE

MCF to investigate all options from the above and present a report to MCC.

WHO MCF

WHEN By 31 July 1993

COST	MCF Time - 20 hours	\$1,500
	Outcosts - tolls, faxes	<u>75</u>
	TOTAL	\$1,575

ACTION TWO

MCC discusses report with MC during August MC Tele-conference and then directs MCF accordingly.

WHO MCF
 WHEN August 1993
 COST Part of Tele-conference

ACTION THREE

MCF carries out MC directions.

WHO MCF
 WHEN September 1993 onwards
 COST Nil estimate against Marketing Budget, on the basis that actions by this stage will be based on some degree of certainty; therefore the income generated will be far in excess of any cost in this area.

STRATEGY THREE

To supplement the skills and resources of the Marketing Committee by encouraging university students to use Honey as a thesis topic. For example:

- i the encouragement of food tech students to choose Honey related topics at Massey
- ii Nutrition students at Otago to choose honey-related topics

- iii Veterinarian students at Massey to choose honey-related topics
- iv NBA students at all universities to look at honey, or some aspect of honey, as a topic.

Note: This is already being done with a Wellington-based NBA group, and the NBA and the Honey Trust have agreed in principle to allocate \$10,000 towards a scholarship for a project of this type: thesis subjects etc.

ACTION ONE

MCF to discuss with Ted Roberts the ARAC developing research student schemes with Universities.

WHO MCF

WHEN July 1993 at Conference

COST Costs already covered in attendance at Conference.

ACTION TWO

Depending on the results of discussions with Ted Roberts, MCF to discuss with Massey, Otago, and other appropriate institutions the options available appropriate of encouraging students to choose honey-related topics for their studies.

WHO MCF

WHEN September 1993

COST	MCF - Time - estimate 10 hours	\$750
	Outcosts - Tolls, faxes, typing, postage, Estimate:	<u>150</u>
	Total	\$ 900

ACTION THREE

MCF to present a report to Marketing Committee on the results of discussions in Actions 1 and 2 above.

WHO	MCF	
WHEN	October 1993	
COST	MCF - Time - 4 hours	\$300
	Outcosts - Typing, Photocopying, Postage,	\$100
	Total	<u>\$400</u>

ACTION FOUR

Implement final actions as determined/agreed by the Marketing Committee.

WHO	MCF	
WHEN	September 1993 to January 1994 and ongoing	
COST	Allow an annual budget of \$1500.00 for all time and outcosts.	
	Total	<u>\$1500.00</u>

Objective Six Ends

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MARKETING OBJECTIVE SEVEN

EXCELLENCE IN PERFORMANCE:

ENSURE THAT ALL MARKETING RELATED ACTIVITIES ARE PLANNED,
EFFECTIVE, JUSTIFIED, COST EFFICIENT AND SATISFY PRE-
DETERMINED AND AGREED INDUSTRY EXPECTATIONS

STRATEGY ONE

Develop a Marketing Plan for submission to the NBA Executive for approval to be the Marketing Plan for the New Zealand Honey Industry.

The Marketing Plan is to define the objectives and show all appropriate strategies and actions including task delegations, time frames and cost estimates.

ACTION ONE

Floyd Marketing to prepare Draft Plan for Marketing Committee discussion/ alter/approval.

WHO Floyd Marketing

WHEN By April 1993

COST \$7,000.00 Set fee for time and outcosts.

ACTIONED to Draft Stage, 22 March.

ACTION TWO

Draft Plan to be discussed by Marketing Committee at meeting called by MCC.

WHO MC

WHEN April 1993

COST Note Floyd Time included in initial Plan.

Costs shown are for air travel, all committee members and associated lunch expenses etc.

Estimate \$2,500

ACTION THREE

Floyd Marketing to revise Plan as per meeting and send completed Plan to Marketing Committee.

WHO	Floyd Marketing		
WHEN	By 31 May 1993		
COST	Floyd Marketing time included in initial fee.		
	Outcosts - Photocopying		
	Couriers to MC members		
	8 copies of Plan		<u>\$175</u>
		TOTAL	\$175

ACTION FOUR

MCC to organise a Marketing Committee Tele-conference and get approval for final Plan.

WHO	MCC		
WHEN	early June 1993		
COST	Outcosts - Tele-conference call,		
		Estimate	<u>\$50</u>
		TOTAL	\$50

ACTION FIVE

MCC to submit Plan to NBA Executive for approval.

WHO	MCC
WHEN	By 16 June 93

COST	Outcosts - Postage, toll calls,	
		Estimate <u>\$20</u>
		TOTAL \$20

STRATEGY TWO

Communicate a precis of the Marketing Plan to all NBA members.

ACTION ONE

MCF to produce a Draft Precis of the Marketing Plan (maximum size four pages) suitable for use as a general industry guide to the Plan and fax to the Marketing Committee for approval.

WHO	MCF	
WHEN	30 June 1993	
COST	MCF Time - 4 hours	\$300
	Outcosts - tolls, typing, faxes	<u>50</u>
	TOTAL	\$350

ACTION TWO

MCF to contact each MC member and get approval/comments on precis; adjust and fax our final copy to MCC for ratification.

WHO	MCF
WHEN	End of June 1993

COST	MCF - Time - 2 hours	\$175
	Outcosts - Tolls & faxes etc	<u>50</u>
	TOTAL	\$225

ACTION THREE

MCF send copy of Precis to NBA for inclusion in post Conference mail.

WHO	MCF
WHEN	Post July; NBA to provide dates
COST	MCF Time - Negligible
	Outcosts - Negligible

STRATEGY THREE

Present the Marketing Plan at the 1993 NBA Conference.

ACTION ONE

MCF to prepare a (15 max) minute Presentation of the Marketing Plan;

Note - this presentation is to relate to examples of how/why the Plan will be successful and is to follow a presentation by the MCC.

WHO	MCF	
WHEN	June/July	
COST	MCF Time - 8 hours at \$75	\$600
	Outcosts -	
	Overheads/visuals, estimate	<u>500</u>
	TOTAL	\$1,100

ACTION TWO

MCF carry out a presentation of the marketing plan at Conference.

WHO	MCF	
WHEN	21 or 22 July to be confirmed by Conference organisers	
COST	<u>Note</u> MCF will attend Conference 20/21/22 to allow for MC meeting on 20th.	
	MCF Time - 3 days/2 nights	\$1,680
	Outcosts - Air Fares, Rental Car Accommodation, meals	<u>938</u>
	TOTAL	\$2,618

STRATEGY FOUR

MCF or other Task providers for the Plan are to report monthly to the Chairman of the Marketing Committee who will be responsible for deciding on the appropriate frequency of Marketing Committee meetings.

The Chairman of the Marketing Committee will also provide a regular report to the NBA Executive and be responsible for ensuring that each issue of Beekeeper Journal and Buzzwords provides a progress report on the Marketing Plan.

ACTION ONE

MCC to organise and chair a MC Tele-conference for 8 pm, Tuesday 1 June; that conference call will:

- (i) discuss the revised Market Plan prior to submitting to the Executive.

- (ii) organise a MC meeting on the night of Tuesday 20 July (during Conference),
- (iii) discuss agreement on allocating a budget of \$24,000 in the Marketing Plan for the purposes of Budgeting the MC meetings,
- (iv) discuss other items as raised by MC members.

WHO MCC

WHEN By 30 June 1993

COST Tele-conference call \$50

TOTAL \$50

ACTION TWO

MCC to facilitate annual telecalls/meetings as agreed by the MC at the July (Conference-based) meeting.

WHO MCC

WHEN To be agreed

COST Outcosts - Fares/accommodation/
Time costs for MCF

Provisional total \$24,000

ACTION THREE

MCC to provide (or arrange for) a regular monthly report on Marketing Plan activities to go to the NBA.

WHO MCC

WHEN Monthly

COST Nil

ACTION FOUR

MCF to provide a monthly article for Buzzwords and a quarterly article for NZ Beekeeper.

WHO MCF

WHEN As required

COST	(i) MCF Time - 2 hrs each Buzzword	
	2 x 12 x \$75 =	\$1,800
	(ii) 3 hrs each Beekeeper	
	3 x 4 x \$75 =	900
	Outcosts:	
	Tolls, faxes, postage, typing	
	- Estimate \$100/month	<u>1,200</u>
	TOTAL	\$3,900

STRATEGY FIVE

Ensure that the Marketing Plan's Actions stay relevant by constantly assessing the appropriateness of both strategies and actions and where necessary terminate actions/initiate new actions.

ACTION ONE

MCF to provide a monthly report to the MCC. This report will accompany the MCF's account to the NBA and will include:

- (i) Actions completed or in progress.
- (ii) Explanations for wanting or needing to defer or cancel any Actions.
- (iii) Strategies and actions needing to be added; showing their costs and that effect on other planned actions

WHO	MCF		
WHEN	Monthly		
COST	MCF Time		
	Estimate 3 hours/month at \$75 (x 12)	\$2,700	
	Outcosts - Typing, postage 25 x 12	<u>300</u>	
	TOTAL		\$3,000

ACTION TWO

MCF to liaise by telephone with MCC where decisions are required outside the scope of the Plan and its not appropriate to use the written monthly report system to get authorisation.

WHO	MCF		
WHEN	Monthly		
COST	Estimate/average MCF time		
	3 hours/month x \$75 (x 12)	\$2,700	
	Outcosts -		
	Tolls/faxes estimate \$30/month	<u>360</u>	
	TOTAL		\$3,060

STRATEGY SIX

Develop a Marketing Information Audit System against which the performance and effectiveness of the Marketing Plan can be assessed.

This System will provide:

an Information database that can be used by Product Champions to achieve Objective One, Strategy One (Honey Marketing Plan) and by the MCF in appropriate PR strategies.

Information will include the following variables:

- (i) NZ FOB values various honey varieties.
- (ii) Comparison of NZ FOBs and appropriate competitor nations, eg Argentine.
- (iii) Hive values in NZ in comparison to appropriate competitor nations.
- (iv) Market shares of NZ domestic spreads (honey, jam, marmalade, yeast extract, peanut butter).
- (v) NZ seasonal crop totals (variety specific and overall).

ACTION ONE

MCC to ask Peter Bray to prepare a Draft model for an Industry Marketing Information System (MIS).

WHO	MCC
WHEN	July MC meeting
COST	Nil

ACTION TWO

Peter Bray to produce a Draft model taking into account the objectives as outlined above (Strategy 6) and including recommendations as to a base for this system and probable costs for setting up and ongoing data required. Peter to forward Draft to MCC.

WHO Peter Bray
WHEN 30 September (subject to confirmation of feasibility by Peter Bray).
COST To be advised by Peter Bray.

ACTION THREE

The Bray MIS Draft circulated by MCC to all MC members and discussed at the next or most appropriate MC meeting for discussion/alters/acceptance.

WHO MCC
WHEN To be advised
COST Nil

ACTION FOUR

MIS introduced and costs finalised. Incorporated into the Marketing Plan.

WHO MCF
WHEN To be advised
COST Allow estimate for provisional purposes of \$6,000

Total \$6,000

STRATEGY SEVEN

The MC will carry out a Complete Annual Audit Review of the Marketing Plan.

This Review will be the basis of an annual review to the NBA (and to Conference).

ACTION ONE

MCF to prepare an audit model for use by the MC.

WHO	MCF	
WHEN	By November 1993	
COST	MCF Time - 6 hours	\$450
	Outcosts - Typing/photocopying	<u>150</u>
	TOTAL	\$600

ACTION TWO

MCF present to November or December MC meeting for approval.

WHO	MCF
WHEN	December or January
COST	**

ACTION THREE

Audit prepared by MCF for distribution to MC members (and other parties considered relevant by MC).

WHO	MCF	
WHEN	May 1994	
COST	MCF - Time 40 hours	\$3,000
	(estimate only until Action 2 completed)	
	Outcosts:	
	Typing, tolls, photocopying	250
	(estimate only until Action 2 completed)	
	TOTAL	<u>\$3,250</u>

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THE NBA MARKETING GROUP

NEW ZEALAND HONEY INDUSTRY

PUBLIC RELATIONS PLAN

GENERAL NOTE RE PUBLIC RELATIONS

Because of budget limitations, it is necessary to develop general strategies and tactics that are, where possible, effective with more than just one group.

It should also be noted that in the various Business Plans put forward since 1984, that the issue of Public Relations was considered to be of major importance to the Industry and that this area of corporate activity is now to be carried out as part of the Industry's Marketing Plan.

PR 15 Purchasers

PR 16 Consumers

PUBLIC ONE NBA MEMBERS

The individual members of the NBA, ie the equivalent of the shareholders in a public company.

OBJECTIVE

HAVE THE MEMBERS AWARE OF THEIR ORGANISATION'S MARKETING OBJECTIVES AND THAT THEY ARE PART OF AN INDUSTRY THAT HAS ENORMOUS POTENTIAL FOR SUCCESS:

BUT AN INDUSTRY THAT REQUIRES ITS MEMBERS TO REASSESS THEIR OWN COMMITMENT TO QUALITY AND THAT THE NBA MAY BE REQUIRED TO POLICE QUALITY STANDARDS TO THE POINT WHERE IT COMES INTO CONFLICT WITH THE ACTIONS OF SOME INDIVIDUAL BEEKEEPERS, BUT THAT THIS MAY BE NECESSARY FOR THE OVERALL GOOD OF THE INDUSTRY.

STRATEGY ONE

Communicate the Honey Industry Marketing Plan to all NBA members.

See Strategies/Actions in Objective 7.

STRATEGY NUMBER TWO

Ensure that whenever publicity is gained about the Industry its products or any of its members; that information is communicated to the NBA members.

For example, when the American Honey delegation visited New Zealand earlier this year USA Honey Board executive Dave Bauer was interviewed on Radio and said positive things about New Zealand Honey.

A transcript or summary of this should now appear in Buzzwords and/or the New Zealand Beekeepers Journal.

ACTION NUMBER ONE

Include the need for a clippings/ reference/media file in the Promotions Plan and allow for regular articles to Buzzwords.

WHO Floyd Marketing

WHEN March 1993

COST Refer to the Promotions Plan

PUBLIC TWO: NBA INDUSTRY SUB GROUPS

OBJECTIVE

ENSURE THAT THE FOLLOWING ORGANISATIONS ARE AWARE OF THE OPPORTUNITIES TO ASSIST THE INDUSTRY AS A WHOLE IN ACHIEVING ITS MISSION THROUGH COMMUNICATING THE OPPORTUNITIES AVAILABLE TO INDIVIDUAL BEEKEEPERS THROUGH THEIR OWN PRODUCT CATEGORIES.

NEW ZEALAND HONEY EXPORTERS ASSOCIATION
NEW ZEALAND HONEY PACKERS ASSOCIATION
NEW ZEALAND QUEEN BEE ASSOCIATION
NEW ZEALAND HONEYCOMB ASSOCIATION
NEW ZEALAND BEE POLLINATORS ASSOCIATION

STRATEGY NUMBER ONE

Ensure that each of the industry's subgroups are familiar with the Marketing Plan.

ACTION ONE

Send a copy of the Marketing Plan to all subgroups.

WHO	MCF	
WHEN	July 1993	
COST	MCF - Time - 1 hour	\$75
	Outcosts:	
	Photocopying, postage	<u>150</u>
	TOTAL	\$225

PUBLIC THREE NEW ZEALAND HONEY TRUST

OBJECTIVE

TO HAVE THE FULL SUPPORT OF THE NEW ZEALAND HONEY TRUST FOR THE MARKETING OBJECTIVES OF THE NBA SO THAT WHERE AND IF APPROPRIATE, THE TRUST IS RECEPTIVE TO APPROACHES FROM THE NBA FOR FURTHER ASSISTANCE.

STRATEGY ONE

Marketing Committee to ensure the Trust is given full copies of all marketing related papers and promotional utilities and is fully informed on all marketing activities.

ACTION ONE

Marketing Committee Chairman discuss with the NBA the best way of supplying the Trust with Marketing related activities. and instruct MCF accordingly.

WHO	MCC
WHEN	July 1993
COST	Nil

PUBLIC FOUR: FINANCIAL

Financial publics: includes the various financial institutions and lending organisations in New Zealand plus Farm Valuers, Farm Advisors and the like.

OBJECTIVE

CONVINCE THEM THAT THE HONEY INDUSTRY IS A SOUND, REPUTABLE RURAL ACTIVITY. THAT THE INDUSTRY AS A WHOLE HAS A SOUND PLANNING OBJECTIVE THAT WILL CREATE OPPORTUNITIES FOR ITS INDIVIDUAL MEMBERS.

IT SHOULD BE NOTED THAT THIS OBJECTIVE NEEDS TO SPECIFICALLY ADDRESS THE ISSUE THAT MANY FINANCIAL INSTITUTIONS REGARD BEEKEEPING AS A SUBSISTENCE LEVEL OR SEMI-NOMADIC ACTIVITY AND ARE RELUCTANT TO PROVIDE FINANCIAL ASSISTANCE TO PEOPLE WHO IN ANY OTHER AREA OF COMMERCIAL ACTIVITY WOULD BE DEEMED TO BE BOTH SUCCESSFUL AND A FINANCIALLY SOUND RISK.

(This suggested perception by the financial groups was tabled at the planning committee meeting. There has been no formal research carried out to determine the extent to which it does affect the activities of NBA member).

STRATEGY ONE

Distribute a specific media release targeting financial publics. This media story to highlight the opportunities that have been presented to the Honey industry at this time; and show the growth of differentiated products and export markets.

ACTION ONE

MCF identify suitable media, and develop media release and disseminate.

WHO	MCF	
WHEN	end of August 1993	
COST	MCF Time - 5 hours	\$375
	Outcosts:	
	Typing, postage (assume 30 releases, tolls, faxes	<u>150</u>
	TOTAL	\$525

ACTION TWO

Send copy of this Media Release to Buzzwords to publish for NBA members attention to use if they are discussing their own financial needs with financial institutions.

WHO	MCF
WHEN	July 1993
COST	MCF Time - Negligible
	Outcosts - Negligible

PUBLIC FIVE MEDIAOBJECTIVE

HAVE THE NEW ZEALAND MEDIA AWARE OF THE NEW ZEALAND HONEY INDUSTRY:

AND THAT THE HONEY INDUSTRY HAS A STRUCTURE WHICH ENABLES THE MEDIA TO GET PROMPT ASSISTANCE IN THE DEVELOPMENT OF HONEY INDUSTRY RELATED STORY.

HAVE THE MEDIA AWARE OF THE HONEY INDUSTRY'S STAND ON MAJOR ISSUES SUCH AS HONEY IMPORTS, BEE DISEASE CONTROL, NUTRITIONAL LABELLING ETC

MEDIA PUBLICS WILL INCLUDE:

SPECIALIST LIFESTYLE MAGAZINES,

SPECIALIST INDUSTRY MAGAZINES,
FOR EXAMPLE FOOD TECHNOLOGY, FOOD PROCESSING NEWS,

PRESS/RADIO/TV

STRATEGY NUMBER ONE

Advise all media of the Honey industry structure, apropos of the NBA Executive and Marketing Committee with appropriate contact persons for information regarding:

- a beekeeping/disease control
- b honey product opportunities and innovations
- c export marketing

ACTION ONE

Decide on appropriate spokespeople for each information category.

WHO MCF (with MC)

WHEN During July Conference meeting

COST Nil

ACTION TWO

Prepare appropriate general media release and send out to all chief reporters and editors of appropriate media.

WHO	MCF	
WHEN	August 1993	
COST	MCF Time - 3 hours	\$225
	Outcosts (60 releases),	
	Typing, photocopying, postage	<u>125</u>
	TOTAL	\$350

ACTION THREE

Develop and disseminate media releases as required, on an on-going basis, to relevant media.

WHO	MCF	
WHEN	Assume 10 per annum	
COST	MCF Time - 5 hours x 75 x 12 =	\$4,500
	Outcosts (15 releases each month):	
	Typing, photocopying, postage \$75 x 12	<u>900</u>
	TOTAL	\$5,400

PUBLIC SIX GOVERNMENT DEPARTMENTSOBJECTIVE

TO HAVE THE RESPECT OF RELEVANT GOVERNMENT DEPARTMENTS, IE MAF, DEPARTMENT OF HEALTH AND CUSTOMS SO THAT THE NBA IS RECOGNISED AS A GROUP WHOSE OPINION IS RELEVANT ON MATTERS THAT RELATE TO THOSE DEPARTMENTS SUCH AS BORDER DISEASE CONTROL, HEALTH ISSUES, NUTRITION ISSUES ETC.

STRATEGY NUMBER ONE

Develop good sound ongoing communications with each of the departments.

ACTION NUMBER ONE

Identify departments and appropriate personnel in each department that the industry must maintain a good communication and relationship with.

WHO	MCF		
WHEN	July 1993		
COST	MCF Time - 2 hrs at \$75		\$150
	Outcosts - Tolls		<u>30</u>
		TOTAL	\$180

ACTION NUMBER TWO

MCC delegate to appropriate MC or NBA Executive members to create direct links with those government departments/personnel.

WHO	MCC		
WHEN	August 1993		
COST	Time - Nil		
	Outcosts - Tolls, faxes	TOTAL	\$40

ACTION NUMBER THREE

MCF to liaise with each Honey spokesperson and where necessary prepare appropriate support information for those people to use in their relationships with those departments.

WHO	MCF
WHEN	September 1993

COST Difficult to assess; allow budget limit of \$3,000 for this Action - including MCF time and all outcosts.

TOTAL \$3000

PUBLIC SEVEN TRADE DEVELOPMENT BOARD

OBJECTIVE

GET THE MAXIMUM SUPPORT AND ASSISTANCE FROM THE TRADE DEVELOPMENT BOARD FOR HONEY EXPORTERS.

STRATEGY

Make the Board aware of New Zealand Honey export successes and of the potential from current mono floral developments.

ACTION ONE

Identify the Board's appropriate contact people and support/publicity structures.

WHO	MCF	
WHEN	August 1993	
COST	MCF Time - 2 hours	\$150
	Outcosts - Tolls	<u>20</u>
	TOTAL	\$170

ACTION TWO

Maintain contact, send information as appropriate.

WHO	MCF	
WHEN	Assume 6 times per year	
COST	MCF Time - 3 hrs x \$75 x 6	\$1,350
	Outcosts - \$50 x 6	<u>300</u>
	TOTAL	\$1,650

PUBLIC EIGHT FOOD INGREDIENT INDUSTRY

OBJECTIVE

HAVE THE FOOD INGREDIENT INDUSTRY AWARE OF THE POTENTIAL BENEFITS OF INCLUDING HONEY (BOTH GENERIC AND MONO-FLORAL SPECIFIC) IN PRODUCTS; AND HAVE CONFIDENCE IN THE NEW ZEALAND HONEY INDUSTRY:

STRATEGY ONE

Ensure that the Honey Industry does have a Quality Control and Standard Specifications system in place.

- See Marketing Plan Objective One and Key Customer Plan

STRATEGY TWO

Ensure ongoing communications with the Food Ingredient Industry.

ACTION ONE

MC to approve the recommended action of the Key Customer Relations Plan in this Marketing Plan and authorise MCF to carry out the actions.

WHO MC

WHEN July at Conference meeting

COST Nil

PUBLIC NINE FOOD SERVICE

ie CHEFS, RESTAURATEURS, CATERERS

OBJECTIVE

FOR THE FOOD SERVICE INDUSTRY TO USE HONEY AS AN INNOVATIVE, EXCITING AND NOTEWORTHY FLAVOURING AGENT/SWEETENER IN THEIR CUISINE/MENUS

STRATEGY ONE

Use Catering/Hospitality Industry Targeted Media, (for example Hospitality Magazine) to communicate Honey's unique functionalities and especially the concept of selecting mono floral varieties for specific dishes for specific benefits.

ACTION ONE

MCF to prepare a media release and distribute to all appropriate media.

WHO MCF

WHEN August 1993

COST MCF Time - 3 hrs at \$75 \$225

Outcosts:

Typing, Tolls, Photocopying, Postage 150

TOTAL \$375

ACTION TWO

Ongoing media releases as appropriate

WHO	MCF	
WHEN	Assume 8 per annum using up to 4 specific media.	
COST	MCF Time - 3 hrs at \$75 x 8 =	\$1,800
	Outcosts:	
	Typing, tolls, photocopying, postage	
	\$80 x 8 =	<u>640</u>
	TOTAL	\$2,440

STRATEGY TWO

Utilise national Cuisine competitions to promote Honey, eg with a Honey Recipe Award

ACTION ONE

Identify all suitable occasions and prioritise for honey inclusion; negotiate with organisers for a Honey Recipe/Award where appropriate.

WHO	MCF	
WHEN	September 1993	
COST	Difficult to assess/set budget for this	
ACTIONED	Action for all time/costs/Award, =	<u>\$2,500</u>
	TOTAL	\$2,500

STRATEGY THREE

Encourage the participation of NZ Honey packers at national food service industry events; (such events get a substantial attendance from this Food Service Target Group).

ACTION ONE

MCF to include this information in monthly Buzzwords and communicate direct to NZ Honey Packers' Association.

WHO MCF

WHEN Ongoing

COST MCF Time and Outcosts already included in monthly Report Action.

TOTAL Nil

PUBLIC TEN FOOD WRITERSOBJECTIVE

AS WITH FOOD SERVICE INDUSTRY, TO HAVE FOOD WRITERS AWARE OF HONEY'S POTENTIAL AS AN INNOVATIVE EXCITING AND NOTE WORTHY FLAVOURING AGENT AND SWEETENER THAT HAS SPECIFIC AND EXCLUSIVE FUNCTIONALITIES IN FOOD DISHES; TO BE AWARE OF THE VERY DISTINCTIVE DIFFERENCES BETWEEN MONO-FLORAL HONEY TYPES.

STRATEGY ONE

Provide comprehensive honey information to all food writers. This will have a different emphasis to information in the Food Ingredient Industry Kit.

ACTION ONE

Prepare a Honey/Cuisine Information package and send to members of the New Zealand Food Writers' Society.

Note - photography will be available to be used for other promotional activities.

WHO	MCF	
WHEN	October 1993	
COST	MCF Time - 30 hours at \$75	\$2,250
	Outcosts: Typing, printing, photography, postage	<u>6,000</u>
	TOTAL	\$8,250

ACTION TWO

Maintain an ongoing information service to food writers by compiling appropriate information sheets from developments of Honey users both in New Zealand and overseas and send on a regular basis.

WHO	MCF	
WHEN	Assume 3 times per annum	
COST	MCF time 10 hrs x \$75 x 3 =	\$2,250
	Outcosts: Typing/printing/ postage/tolls \$250 x 3	<u>750</u>
	TOTAL	\$3,000

STRATEGY TWO

Present the case for honey as an exciting food at the 1993 Food Writers' Conference in Christchurch.

Note - Sue Jenkins, NBA Marketing Committee member, is also a member of the New Zealand Food Writers' Guild is well-versed in the use of Honey in food, and well skilled to carry out this presentation.

The presentation would be based on making food writers aware of the various mono floral varieties of Honey and the specific and unique taste sensory profiles.

The occasion could be used to release the Honey Information Kit for food writers.

ACTION ONE

Sue Jenkins to make approaches to the Food Writers' Guild and confirm the costs of making a presentation.

WHO	Sue Jenkins	
WHEN	June 1993	
COST	Outcosts - Tolls/faxes	<u>\$20</u>
	TOTAL	\$20

ACTION TWO

Sue Jenkins to prepare and present a paper on Honey to the Foodwriters' Conference.

WHO	Sue Jenkins	
WHEN	October 1993	
COST	MCF Time to assist with paper 4 hours at \$75 =	\$300
	Outcosts: Disbursements for Sue, Presentation props	<u>800</u>
	TOTAL	\$1,100

PUBLIC ELEVEN FOOD RETAIL INDUSTRYOBJECTIVE

TO HAVE THE FOOD RETAIL INDUSTRY AWARE THAT HONEY IS A STAPLE ITEM IN MANY CUSTOMERS' SHOPPING LISTS, AND THAT COMPARATIVE PRICING IS A MAJOR FACTOR, BUT THAT THE PRICE OF HONEY COMPARED TO OTHER SPREADS IS LESS IMPORTANT TO SHOPPERS AND THAT THERE IS A DEVELOPING MARKET FOR MONO-FLORAL HONEYS THAT DISPLAY UNIQUE TASTE FACTORS AND THAT THESE CAN COMMAND A PREMIUM PRICE IN THE MARKETPLACE.

STRATEGY ONE

Develop a communication contact with the editors of the various retail group in-house newsletters and also provide information about Honey on a regular basis to the appropriate trade magazines, for example Grocer's Review and Supermarketing Magazine.

ACTION ONE

MCF to identify all suitable publications and establish contact with appropriate editors/reporters.

WHO	MCF	
WHEN	August 1993	
COST	MCF Time - 2 hrs at \$75 =	\$150
	Outcosts:	
	Tolls/faxes/typing	<u>100</u>
	TOTAL	\$250

ACTION TWO

Send information/media release to these media on a regular basis or as appropriate information warrants

WHO	MCF	
WHEN	Assume 3 times per year	
COST	MCF Time - 3 hrs at \$75 x 6 =	\$675
	Outcosts:	
	Typing/tolls/faxes/postage	
	\$60 x 3	<u>180</u>
	TOTAL	\$855

PUBLIC TWELVE CONSUMER ORGANISATIONS

OBJECTIVE

TO HAVE CONSUMER GROUPS AWARE OF HONEY'S UNIQUE NUTRITIONAL AND VARIETAL-SPECIFIC THERAPEUTIC/MEDICINAL VALUES.

STRATEGY ONE

Include Consumers' Institute in all information releases to both media and nutrition/medical publics.

ACTION ONE

MCF to include Consumers Institute in with the information being sent to other specific Publics.

WHO MCF

WHEN September 1993

COST Nil

PUBLIC THIRTEEN NUTRITIONISTS, DIETICIANS, THE MEDICAL PROFESSION, ANIMAL MEDICINES GROUP

OBJECTIVE

TO HAVE THESE GROUPS ACKNOWLEDGE THAT HONEY DOES HAVE NUTRITIONAL AND, DEPENDING ON THE VARIETY, THERAPEUTIC AND/OR MEDICINAL VALUES THAT DISTINGUISH IT FROM BEING A "MERE SUGAR"

General Note:

These groups are of immense importance to the Honey industry and we must ensure that we do not alienate or polarise them through outrageous claims which will leave them to dismiss any perspective that Honey is other than a "quack food", as has been, to the greater part, the present perception of this group.

These groups are important because they influence food writers and food technologists and their spheres of influence, as well as their own.

It's important to acknowledge that it is not the intention of the Marketing Committee to misrepresent Honey in any way, rather the Marketing Committee believes that Honey has qualities that distinguish it from sugars per se;

and that with the present high profile of manuka Honey, we have the opportunity to allow the health/medical profession to question its previous "sweeping stance" on Honey. food and health values.

The Veterinary Surgeon group is an important one in that the use of Honey, for example in the thorough bred industry, may have considerable potential and there are not the same restrictions placed on veterinary surgeons to trial treatments in the same way that there are with the human medical profession.

STRATEGY ONE

Use the recent finding about Manuka and related active Honey's to show that the issue "what is Honey?", is more complex than at first thought, and that a simplistic claim that Honey is just sugar cannot now be maintained.

ACTION ONE

MCF to identify centres of influence for the professions represented by this Public

These Centres-of-Influence will include Professor Mann from the Human Nutrition Department at Otago University and Gary Putt, Business Development Manager of the Food Technology Research Centre at Massey University.

WHO	MCF	
WHEN	August 1993	
COST	MCF Time - 4 hours at \$75 =	\$300
	Outcosts: Tolls/Faxes	<u>50</u>
	TOTAL	\$350

ACTION TWO

Provide regular information releases to these Centre-of-Influence groups.

WHO	MCF	
WHEN	Assume 3 times per year.	
COST	MCF Time - 3 hours at \$75 x 3	\$675
	Outcosts:	
	Typing/postage, \$40 x 3 =	<u>120</u>
	TOTAL	\$795

STRATEGY TWO

Make presentations to seminars/conferences appropriate to the professions represented by these groups.

ACTION ONE

Identify appropriate occasions.

WHO	MCF	
WHEN	September 1993	
COST	MCF Time - 4 hours at \$75 =	\$300
	Outcosts: Tolls	<u>50</u>
		TOTAL \$350

ACTION TWO

MCF to prepare and attend to present Papers.

WHO	MCF	
WHEN	Assume 3 presentations per year	
COST	Allow budget of \$5,000 for this Action (for all time and Outcosts)	
		TOTAL \$5,000

PUBLIC FOURTEEN ALTERNATIVE HEALTH INDUSTRYOBJECTIVE

ENSURE THAT THE ALTERNATIVE HEALTH INDUSTRY IS FULLY INFORMED ON THE NUTRITIONAL, THERAPEUTIC AND MEDICINAL PROPERTIES OF SPECIFIC MONO FLORAL HONEY VARIETIES SO THAT THAT INDUSTRY IS ABLE TO HAVE A RESPONSIBLE APPROACH TOWARDS THE USE OR RECOMMENDATION OF HONEY IN HEALTH ISSUES.

NOTE, IT IS IMPORTANT THAT THIS GROUP DOES NOT MAKE OUTRAGEOUS CLAIMS WHICH WOULD PUT THE CREDIBILITY OF GENUINE AND VALID CLAIMS AT PERIL WITH THE COMMUNITY AT LARGE, ESPECIALLY THE MEDICAL PROFESSION.

STRATEGY

Identify appropriate publications that reach this group and arrange for regular information releases to them. Encourage Honey packers to provide information to these publications as well.

ACTION ONE

MCF to identify publications most appropriate to this group.

WHO	MCF	
WHEN	September 1993	
COST	MCF Time - 2 hours at \$75	\$150
	Outcosts: Tolls/faxes	<u>35</u>
	TOTAL	\$185

ACTION TWO

Send this group copies of other Publics Releases as appropriate.

WHO	MCF	
WHEN	As appropriate	
COST	Negligible.	
	Outcosts:	
	Allow typing/postage, \$60 x 4	<u>\$240</u>
	TOTAL	\$240

PUBLIC FIFTEEN PURCHASERSOBJECTIVE

FOR PURCHASERS TO BE AWARE THAT HONEY IS A PRODUCT GROUP MADE UP OF SEVERAL UNIQUE AND SPECIFIC VARIETIES, EACH OF WHICH OFFERS DIFFERENT TASTE AND SMELL SENSORY SATISFACTIONS.

THAT HONEY HAS MANY USES OTHER THAN AS A SIMPLE SPREAD; INCLUDING AS A SWEETENER IN DRINKS AND AS A FOOD COOKING INGREDIENT.

THAT IT IS APPROPRIATE AND WORTHWHILE TO STOCK MORE THAN ONE HONEY FLORAL VARIETY TO ALLOW FOR THESE CHOICES TO TAKE PLACE IN THE HOME.

THAT NEW ZEALAND HONEYS ARE OF THE HIGHEST QUALITY AND THAT THEY CAN HAVE CONFIDENCE IN THE SELECTION AND USES OF NEW ZEALAND HONEYS BEARING THE NBA'S QUALITY MARK.

STRATEGY ONE

Communicate the attributes of the various honey varieties and the meaning of the Honey Mark in all appropriate promotional material; avoid where possible perpetuating the concept that "Honey is just Honey".

ACTION

MCF to check that all promotional material reflects this strategy.

WHO MCF

WHEN Ongoing

COST Nil

PUBLIC SIXTEEN CONSUMERS

OBJECTIVE

TO HAVE CONSUMERS AWARE THAT HONEY IS AN ENJOYABLE, PLEASANT FOOD THAT PROVIDES BOTH ENERGY AND TASTE SENSORY SATISFACTIONS, THAT IT IS DIFFERENT TO SUGAR AND WHEN USED IN PLACE OF SUGAR AS A SWEETENING OR FLAVOURING ENHANCER, OFFERS IMPROVED TASTING PLEASURES.

THAT HONEY IS ONLY THE GENERIC NAME FOR A WHOLE VARIETY OF DIFFERENT TYPES OF HONEY AND THAT VARIOUS MONO FLORAL HONEYS OFFER DIFFERENT TASTE, AROMA AND VISUAL SATISFACTIONS AND DIFFERENT HONEYS ARE APPROPRIATE FOR DIFFERENT OCCASIONS.

THAT SOME HONEY'S ALSO OFFER UNIQUE THERAPEUTIC AND EVEN MEDICINAL BENEFITS.

STRATEGY/ACTION

IMPLEMENT THE STRATEGIES AND ACTIONS OF THIS MARKETING PLAN.

PROMOTION PLAN

Note - Promotion in the context of this Marketing Plan refers to all publicity, advertising, sales and distribution activities; all industry administration; all activities that interface with any of our publics.

OBJECTIVE

TO PROMOTE THE INDUSTRY, IT'S MEMBERS AND IT'S PRODUCTS IN SUCH A WAY AS TO ENSURE THAT ALL PUBLICS APPRECIATE THAT THE NEW ZEALAND HONEY INDUSTRY IS :

- I AN ESTABLISHED, TRADITIONAL, FINANCIALLY SOUND, RURAL ACTIVITY.
- II COMMITTED TO QUALITY IN ALL MATTERS.
- III PRODUCING A RANGE OF PRODUCTS THAT HAVE VARYING TYPES OF UNIQUE AND COMPETITIVE ADVANTAGES IN THE DOMESTIC AND INTERNATIONAL MARKETPLACES.

STRATEGY ONE NEW ZEALAND HONEY INDUSTRY CORPORATE IMAGE

Ensure that all activities carried out for any of the marketing exercises complement and reinforce a desired overall corporate image.

ACTION ONE

To clearly define our desired industry image so that all activities can be measured against that.

WHO Floyd Marketing

WHEN March 1993

COST Included in fee for Market Plan preparation.

ACTIONED See Marketing Plan Mission Statement

STRATEGY TWO BRAND STRATEGY

To develop a New Zealand brand name and visual identity that can be used as and when opportunities arise.

Adaptations of this brand identity will be used for quality control and if deemed suitable or appropriate, for a Honey Mark that individual companies can purchase for integration into their own packaging and promotional strategies; subject to their products achieving the Standards set for the Mark.

See Promotions Plan

STRATEGY THREE INDUSTRY CONTRACTS

Produce a set of generic product definitions and sales contracts that can be adopted by NZ Beekeepers per se and used in negotiations with food ingredient companies and other bulk purchasers.

The sales contract would work towards the goal of achieving consistent and reliable quality of supply to the food ingredient industry and would enable food ingredient companies to have confidence when dealing with individual Honey packers; the contracts will not indicate any prices.

ACTION ONE

Develop a model for Marketing Committee to discuss/approve.

WHO MCF

WHEN October 1993

COST MCF Time - 20 hrs \$1,500

Outcosts -

Typing, tolls, faxes 300

TOTAL \$1,800

ACTION TWO

Submit to MC for approval.

WHO MCF

WHEN November 1993

COST ***

STRATEGY FOUR INTERNATIONAL INDUSTRY AWARDS

Get the maximum publicity for New Zealand Honey/Honey companies that achieve recognition/success in food related Awards.

ACTION ONE

MCF to collate a list of all known appropriate competitions/opportunities, both national and international.

WHO MCF

WHEN October 1993

COST MCF Time - 5 hrs at \$75 = \$375

Outcosts: Tolls/faxes 50

TOTAL \$425

ACTION TWO

Circulate information through Buzzwords in regular Marketing column.

WHO MCF

WHEN Ongoing

COST Nil

STRATEGY FIVE NBA AWARDS

The NBA Conference is to be used as an opportunity to recognise Outstanding Achievements in the areas of:

Beekeeping; Honey Product Innovation; Honey Product Marketing.

Three Awards will be presented at each Conference -

"New Zealand Beekeeper of the Year"

"Most Innovative Honey Product of the Year"

"New Zealand Honey Marketer of the Year"

The Marketing Committee may consider outside sponsorship of the Awards as either a fundraising opportunity for the Marketing Committee AND/OR to enhance the Award with a sponsor prize.

ACTION ONE

MC to discuss category definitions and judging system and sponsorship opportunities.

WHO MC

WHEN October 1993

COST No cost (Part of October meeting costs).

ACTION TWO

MCF to carry out tasks required to achieve resulting objectives of Action One.

WHO MCF

WHEN May 1993

COST Allow budget of \$2,000 for total exercise.

TOTAL \$2 000

ACTION ONE

Complete a list of all appropriate publications, insertions, insertion costs and compile for discussion and rejection/approval by MC.

WHO	MCF	
WHEN	August 1993	
COST	MCF Time - 2 hrs	\$150
	Outcosts: Tolls, faxes	<u>60</u>
	TOTAL	\$210

STRATEGY EIGHT CUSTOMER FOOD INGREDIENT HONEY TECHNOLOGY
PROMOTION KIT

ACTION ONE

Investigate/develop concept, prepare Report for discussion

WHO	Floyd Marketing
WHEN	March 93
COST	Included in the \$3,000 allowance as part of Key Customer Relations Plan Action 3.
ACTIONED	See Section III.

STRATEGY NINE GENERIC HONEY SOUVENIRS

The Industry to develop a set of generic souvenir options that can be made available to NBA members for over printing and use in the marketplace.

DEFER AT THIS STAGE

STRATEGY TEN EXPORT PUBLICITY

The Industry evaluates the best opportunities for export publicity and develops a set of generic editorial material and photographs to be made available to appropriate publishers, government departments etc

ACTION ONE

MC to advise Export Association that this is their responsibility but suggest that all releases by them be done in consultation with the MCF so that a consistent coherent and untended image strategy is adhered to.

WHO MCC
 WHEN August 1993
 COST Nil

STRATEGY ELEVEN DOMESTIC PUBLICITY

The Industry requires a planned approach to the dissemination of general information about Honey and Honey-related products so that all information is consistent with and supportive of the Marketing Objectives of this Plan.

ACTION ONE

MC suggest to NBA that all industry subgroups that where possible media releases are co-ordinated through the MCF so that a consistent, coherent and intended image strategy is adhered to.

WHO MC
 WHEN July Conference
 COST Nil

ACTION TWO

MCF to liaise with MCC and assist with media releases when required.

WHO MCF

WHEN Ongoing

COST Not possible to assess at this stage.

Promotional Plan Ends

KEY-CUSTOMER RELATIONS PLAN

Background

As identified in the Marketing Plan, the food ingredient industry represents an opportunity for the Honey industry to:

- a Develop opportunities for the sale of Honey.
- b Create opportunities for the promotion of Honey through the consequent advertising of products that contain Honey as an ingredient.

It should be noted that in research carried out prior to the development of the Marketing Plan, (see Report, Appendix III) the following Honey industry weaknesses were commented on by food ingredient industry spokespeople:

- 1 That there is virtually no knowledge of Honey amongst the food ingredient industry people (food technologists/ product development managers etc).
- 2 That there is difficulty in finding a central, authoritative source of information and knowledge about Honey.
- 3 That Honey supplied for ongoing manufacture had inconsistent qualities between batches.

OBJECTIVE

TO POSITION HONEY AS A FOOD INGREDIENT THAT OFFERS UNIQUE AND REWARDING FUNCTIONALITIES TO FOOD MANUFACTURERS IN THE DEVELOPMENT OF NEW FOOD PRODUCTS.

STRATEGY ONE

Create a specific entity, the New Zealand Honey Food Technology Advisory Service.

The Honey Food Technology Advisory Service is to be responsible for providing a guaranteed communication conduit with key customers and potential key customers of the Honey industry. The advisory service will be able to:

- i answer or get access to the answers required for any product opportunities or problems key customers may have,
- ii communicate on an ongoing basis, with key customers, developing Honey-use opportunities,
- iii act as the facilitator for the Honey product innovation project (see Appendix V)

ACTION ONE

MCC to appoint the MCF to administer the Service on behalf of the Industry.

WHO	MC
WHEN	July Conference meeting.
COST	Nil

ACTION TWO

The MCF to :

- 1 Identify customers in order of opportunity for Honey use.
- 2 Make a personal approach to determine the decision making structure within each company.
- 3 Programme for quarterly or six monthly telephone or face to face interviews re product opportunities for Honey with these Key Customers.

WHO	MCF	
WHEN	September 1993	
COST	MCF Time - 20 hrs at \$75 =	\$1,500
	Outcosts:	
	Tolls, faxes, postage, estimate	<u>200</u>
	TOTAL	\$1,700

ACTION THREE

Develop the Honey Food Technology Kit and the Taste Library Kit as resources for use by the Service (see attached concept); making provision within the Kit for Honey Packers to promote their own services and offset production costs of the Kit itself.

WHO	MCF	
WHEN	October 1993 depending on when Specifications Systems and Tendering Contracts are available for inclusion in the Kit.	
COST	\$3,000.00	
	TOTAL	\$3,000

ACTION FOUR

Respond to customer enquiries as required.

WHO	MCF	
WHEN	Ongoing. Note - This has already started as a result of Floyd Marketing's initial survey of some food manufacturers.	
COST	MCF Time - estimate 10 hrs mth average	
	\$750 x 12 =	\$9,000
	Outcosts:	
	Typing, tolls, faxes - \$50/mth	<u>600</u>
	TOTAL	\$9,600

ACTION SIX

Monitor the Honey industry service levels to the customer where sales have been successful and where necessary communicate weaknesses to appropriate Honey suppliers.

WHO	MCF
WHEN	Ongoing
COST	Included in time assessments for Action Four.

Ends

NEW ZEALAND HONEY FOOD TECHNOLOGY KIT

Following research with a sample group of food technologists and product managers of key New Zealand companies, the following kit is proposed:

A basic robust professional-looking ring binder folder is produced that features:

- 1 The New Zealand Honey logo.
- 2 General information regarding Honey varieties in New Zealand and their properties, functionalities, under the headings of:
 - a colour
 - b taste
 - c aroma
 - d therapeutic
 - e medicinal
 - f volumes usually available
 - g storage handling information
- 3 General information re Honey packers who are able to provide Honey to the new standard specifications set by the NBA.
- 4 The New Zealand Honey Specification Standards.
- 5 Explanation of the Standards systems.
- 6 Information regarding the use of the New Zealand Honey symbol on product.
- 7 Purchasing Options.

List of all packers with Honey types and services available.
- 8 Sample copies of recommended sales or order forms to ensure that tendering processes guarantee the customer Honey with the correct functionalities.

9 Product Opportunity Section

Provision for customers keeping reference copies of a regular newsletter produced by the New Zealand (Honey/Food) Food Technology Advisory Service Unit.

TASTE LIBRARY

A set of basic Honey samples is produced in functional pottles that match the specifications set by the NBA for various Honey types.

Note: this Taste Library concept is not new to the food ingredient industry and inclusion in the Plan is as a result of the specific suggestion by Cadbury New Zealand Limited.

Ends

S E C T I O N I V

A P P E N D I C E S

NBA Marketing Committee
 Beekeeping Industry Production Analysis (1992)

PRODUCT	Existing Market Breakdown Showing % of Column A					New Zealand Market				Product Potential				Industry Share*
	(A) NZ Market (\$s)	(B) Export Market (N.Z.\$s)	(C) As consumer goods	(D) As ingredient in food industry products	(E) for Honey Industry	Declining	Stable	Good	Exceptional	Declining	Stable	Good	Exceptional	
1. Honey creamed clover & blends	13,000,000	4,500,000	95%	3%	2%		✓					✓		90%
2. Honey liquid clover & blends	3,800,000	4,000,000	90%	8%	2%			✓				✓		30%
3. Honey varietal specific other than clover	2,000,000	1,500,000	95%	5%	-			✓				✓	✓	50%
4. Comb Honey	400,000	1,800,000	100%	-	-		✓			✓				20%
5. Propolis	20,000	50,000	100%	-	-			✓					✓	5%
6. Royal Jelly (imported)	1,000,000	10,000	100%	-	-			✓						1%
7. Pollen	100,000	100,000	100%	-	-			✓				✓		1%
8. Wax	200,000	1,100,000	50%	-	50%			✓		✓				100%
9. Queens	400,000	500,000	-	-	100%			✓				✓		2%
10. Packages	2,000	500,000	-	-	100%			✓				✓		1%
11. Pollination	5,000,000	-	-	-	-									40%
12.														
TOTAL	26,000,000	14,060,000												

* Percentage of Beekeepers who are currently in this activity.

HONEY MARKETING PLAN APPENDIX TWO

NEW ZEALAND KEYMARKETS * : SPREADS MARKET SHARE

	VOLUME (%)			VALUE (%)		
	1990	1991	1992	1990	1991	1992
HONEY	21.1	23.6	23.6	17.9	19.1	18.7
Jams / Marmalades	45.4	42.4	42.2	41.8	38.9	38.6
Veg & Yeast Extracts	10.4	10.5	10.7	13.0	13.5	14.4
Peanut Butter	18.9	19.3	19.3	23.3	24.6	24.4
Savoury Spreads	0.1	0.1	0.1	0.3	0.2	N/A
Sweet Spreads	3.4	3.4	3.5	1.6	1.6	N/A
Fish/Meat Pastes	0.7	0.7	0.6	2.1	2.1	N/A

* Note: This does not allow for gate sales, nor route trade sales (i.e. dairies & small grocers)

Source: Nielson/March '93
FLOYD MARKETING



HMFDTCH1.DOC 16/2/93

• FLOYD MARKETING •

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MARKETING
LTD.
4A SCOTT STREET
PO BOX 32, BLENHEIM
NEW ZEALAND
TEL (03) 578 2700
FAX (03) 577 8429

REPORT ON MARKETING HONEY TO THE NZ FOOD INGREDIENT INDUSTRY

Background:

New Zealand enjoys a very high per capita consumption of Honey but most of this is used as a table spread; use of Honey by the food ingredient manufacturing industry is relatively low (although increasing).

The American Honey Marketing Bureau identified the American food ingredient industry as a major opportunity for both using Honey and increasing the consumers awareness of Honey per se:

as a result they have targeted that industry with a highly sophisticated Honey Technology Programme;

the result has been a 10 per cent increase in honey consumption in the USA.

The Focus group decided that this American initiative was appropriate to the New Zealand marketplace.

Food Ingredient Industry Information Kit

It was agreed that a Food Ingredient/Honey Technology kit should be developed, and the Marketing Committee authorised Floyd Marketing to proceed with this, as per the presentation from Floyd Marketing to Conference 92.

Development of the Kit

The development of the kit was to be used as an opportunity to talk with key decision makers in selected industries and let the kit then relate to what they wanted.

Accordingly samples of the American information was sent to six companies' food technologists; the material was followed up with a telephone call and discussion.

The companies were:

Nestle NZ Ltd / Eric Pollock; Manager Tech Services

Ernest Adams / Frana Larkin; Prod Dev Technologist

J Watties / Rosemary Gresson; Prod Dev Mgr

Brittannia Brands/Shona Lowe; Res and Dev Techn.

Cadbury NZ/ Graeme Leith; Choc Development Mgr

Tasman Milk Products/ Mike Foster; Prod Dev Mgr

Full discussions have been carried out with all but Nestle; Mr Pollock has been on leave Jan/Feb and will be contacted end of February.

Results of Survey To Date:

Is The Concept of Getting regular Honey Information of Interest?

YES.

Was Any of the American Information/Claims Lacking in Credibility?

NO...all respondents were impressed with the information and found it interesting and credible.

Any Special Information You Now Want That Hasn't Been Available?

One person wanted detailed information on dried Honey powder.

As A Result of This Information Would You Consider using Honey in Product development?

Watties	YES
Tasman	YES
Brittannia	YES
Cadbury	UNLIKELY
Ernest Adams	YES

Previous Trials With Honey

Watties	NO
Tasman	Developing Honey Powder
Brittannia	Eta Peanut Butter and Honey, now withdrawn
Cadbury	Swiss Chalet (honey/nougat) of limited success Honey Chocolate tablet, now withdrawn had problems with inconsistent functionalities from honey suppliers
Ernest Adams	Honey Muesli Bar, didn't complete the trials

General Comments

- 1 Don't deluge with information; none of these people are prepared to spend long periods of time reading material from ; for example, the Honey Industry

Information should 1 - 2 pages most, at a time; look at monthly or bi monthly newsletters....don't send a book.

- 2 Most companies carry a Tasting Library:

we need to develop a Honey sample kit with standardised references for all technologists to have on hand.

this can be inexpensive (the flasher the labels etc the more suspect the information).

- 3 Food technologists want regular approaches from suppliers/potential suppliers:

eg Ernest Adams would be prepared to discuss confidential information about forthcoming projects to allow us to find a place for Honey in those projects; but we have to make the opportunity happen, the company won't.

- 4 Honey Liquid versus powder:

Brittania advised that they wouldn't consider Honey for extruded products because they used powder for manufacturing and wouldn't adapt for liquid sugars (Honey);...

samples of Honey powder being sent to them!

5 Food Update

All major food manufacturers subscribe to this Massey Food Technology Research Centre publication.

I have discussed getting Honey information into the abstracts (copy of membership etc attached).

it may be a good source of reference material for the Honey Marketing group but it is also a highly credible information bridge between the NZ Honey and food ingredient industries.

RECOMMENDED ACTIONS

- 1 Get access to the American Honey Information on a regular basis.

Plagiarise and adapt to NZ conditions and use as the basis for a regular newsletter/ "Honey Technology Information Update"
- 2 Develop a folder/filing system that can be sent to companies/targets as an Introduction to Honey as a food ingredient and is then used to store future information, eg the Update.
- 3 Identify and approach the balance of the eg Top Twenty appropriate food manufacturers in New Zealand in a similar style to the first six.
- 4 Develop the Tasting Library Unit
- 5 Introduce the Folder/Update Newsletter and Tasting Library.

- 6 Plan for regular calls to companies showing most potential for product development of high Honey use recipes.

- 7 As part of assessing the effectiveness of this marketing strategy the ratio of domestic to manufacturing (Honey consumption) will need to be assessed to allow for performance monitoring.

Report Ends

Floyd Marketing Ltd
February 93.



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• FLOYD MARKETING •

FLOYD
MARKETING
LTD.
4A SCOTT STREET
PO BOX 32, BLENHEIM
NEW ZEALAND
TEL (03) 578 2706
FAX (03) 577 8429

Mary Humann
Marketing Director
National Honey Board
9595 Nelson Road
Longmount, CO-80501-6351
UNITED STATES OF AMERICA

FAX 001-303-776-1177

Dear Mary

It was good to talk to you.

I appreciate Dale Bauer contacting you so promptly and allowing you to be prepared for my call.

Just to explain:

- 1 The New Zealand honey industry is "governed" by the National Beekeepers Association.
- 2 That Association has engaged Floyd Marketing Ltd to prepare a Marketing Plan for the New Zealand honey industry.
- 3 Our own company (Floyd Marketing) works with a number of food and wine companies and as a result, we were in a good position to see some very real opportunities for honey to be introduced into the New Zealand food ingredient industry.

The amount of honey used in this area at present is minimal.

- 4 I was given a set of your food technology programme material and was extremely impressed; and as I explained to Dale, we would like to be able to use that information.

This can be done with an acknowledgement to your own organisation or with absolutely no reference at all. That is for you to decide and instruct us accordingly.

I understand from my discussion with you that you are prepared to allow the New Zealand NBA to use the information and findings on condition that we do not use your trademark ie the honey bear.

We have no problem with that.

Updating

We would be interested in getting updated information as you produce it and to that end could you advise the costs of being on your "mailing list" (allowing for international postage costs).

As I explained to Dale, I would hope that we can "repay" your industry for any assistance it gives us by providing you with feedback from our own endeavours in the New Zealand marketplace.

It may be that any innovation that's developed here could have potential application for you as well.

I look forward to your reply to this letter and being part of the developing of a good and mutually beneficial relationship between the American and New Zealand honey industries.

Regards

Yours Sincerely



Bill Floyd
Market Strategist
FLOYD MARKETING LTD

Marketing Consultants to the
NEW ZEALAND NATIONAL BEEKEEPERS ASSOCIATION

REPORT TO NBA MARKETING COMMITTEE

SUBJECT: HONEY POWDER

Background:

- 1 At the 1991 NBA Conference Floyd Marketing used a starch-based Honey powder to illustrate how Honey could be presented in other than its conventional form;

 this powder was then used at the Conference afternoon tea as a sweetener whitener; but was decidedly unsuccessful because of the starch.

- 2 As a result of that sampling Floyd Marketing approached one of their clients, Tasman Milk Products Ltd in Golden Bay, to look at developing a spray dried Honey milk powder.

- 3 Initial trials have resulted in a product that has the potential for a number of applications.

 A sample of the powder was given to the American Honey Industry delegation who visited NZ in February this year.

 The result was an inquiry from the Souix Honey Association; the world's largest Honey marketing organisation. (See attached letter.)

Current Actions

- 1 In keeping with the strategic objectives of the Honey Marketing Plan re Key Customers and the Food Ingredient Industry we are now encouraging Tasman Milk Products (who has ownership of the project) to look at the potential for both national and international markets (including the North American inquiry).
- 2 Through Tasman we also get access to the NZ Dairy Board

and that organisation's international marketing infrastructure.

- 3 There may be health advantages to consumers of Honey-milk powder drinks in that:

Dr Peter Molan of Waikato University believes that research should be able to prove that when milk and Honey are ingested together the body retains more of the calcium in the milk than when the milk is consumed alone.

This could create a major marketing opportunity for the product given the current anxieties about osteoporosis; and give Tasman and the Dairy Board considerable impetus to bring the concept through to a final marketable product.

- 4 Floyd Marketing is at present working with Tasman and the Dairy Board on the product and will report progress in due course.

Report Ends

FLOYD MARKETING LTD

19 March 1993.

COPY

WORLD'S LARGEST HONEY MARKETING ORGANIZATION



SIOUX HONEY ASSOCIATION

301 Lewis Boulevard • Sioux City, Iowa

March 9, 1993

Post Office Box 388 51102

Telephone (712) 258-0638
(SUE BEE SOU) TLX 48-0154
FAX (712) 258-1332

Floyd Marketing Ltd.
4A Scott Street
P. O. Box 32
Blenheim, New Zealand

Attn: Bill Floyd

Dear Mr. Floyd:

The Vice Chairman of our Board of Directors, Dale Bauer, recently gave me a sample of one of your products. I believe the product to be powdered milk and honey.

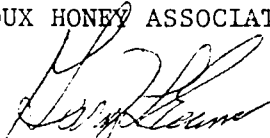
I have been discussing this product with several of the Sioux Honey Association staff members, and have determined that there is an interest on our part to investigate the product further. If possible, we would appreciate receiving a larger sample from you so we can present the product to some of our bulk honey customers and perhaps develop a market for the product.

We would be interested in any comments or suggestions you might have regarding this possible relationship with you and your product. We would be most interested in your suggestions for possible uses for the product and any success stories you might have regarding its use.

We look forward to hearing from you at your earliest convenience.

Very truly yours,

SIOUX HONEY ASSOCIATION


Gary L. Evans
President

bsk

