

Chairman's Message

2009 was a challenging year for Sunkist, as it was for almost every business, due to the worldwide recession. However, Sunkist's 116 years of experience in managing through difficult times helped us turn what could have been a very bad year into a relatively good one. As you will see in the pages that follow, hard work, strategic planning, and discipline in harvesting and sales programs rewarded Sunkist growers with some of the highest returns per acre generated in our industry this past year.



In July 2009, your board of directors and senior staff met for our annual strategic planning session to discuss the strategies and tactics that Sunkist management proposed to realize our vision of enhancing our position as the world's preeminent citrus marketer, attracting more volume, and optimizing Sunkist's value creation potential.

We are, first and foremost, focused on our core business - marketing the fruit you grow in a way that provides the best returns in the industry. Beyond that, our potential to create value for growers includes such strategies as expanding our "for profit" business opportunities. This value-added income goes to the Company's bottom line, keeping costs to growers at the lowest level in many years.

Sunkist's value creation ideas can be grouped into three areas: market expansion, portfolio expansion, and enhancement to the Citrus Juice & Oils (CJ&O) operation. With market expansion, we are exploring avenues to extract value from markets in which we are not currently

trading. Portfolio expansion may include such things as strategically increasing our portfolio of easy peelers and organics and/or adding appropriate non-citrus varieties to our overall sales mix. In addition, we are conducting a comprehensive study of our CJ&O business to implement necessary refinements following the completion of the plant relocation and consolidation project.

In 2009, we increased our efforts to create a better awareness of who and what Sunkist really is - a group of citrus growers whose families have worked in agriculture for generations. An outgrowth of this effort has been a new tagline, "a cooperative of family farms since 1893," which now appears on all our communications. We undertook this effort because Sunkist is perceived by many as a large, impersonal corporation when nothing could be further from the truth. Not only does our new identifier enhance our brand image with the trade, government agencies and consumers, it also positions us in our proper perspective as "local growers" rather than "corporate farmers."

In closing, I want to express my appreciation once again to my fellow board members who devote so much time and effort to our organization. Their knowledge and experience bring so much to the board table. And on behalf of the board and the grower members of Sunkist, I want to thank the management and staff of our cooperative for the expertise and dedication that made us the industry leader for the past 116 years - and that will keep us the leader for the next 116.

A handwritten signature in black ink that reads "Nick Bozick". The signature is written in a cursive, flowing style.

Nicholas L. Bozick
Chairman of the Board
Sunkist Growers