



CRDF Board Meeting

February 23, 2016

Strategic planning objectives and approach are directly linked to the CRDF mission



Current CRDF mission

To “advance disease and production research and product development activities to insure the survival and competitiveness of Florida’s citrus growers through innovation”

Objectives of the strategic planning process

- Ensure survival of the current citrus industry in Florida, and not *necessarily* to solve for HLB or accelerate research
- Develop an updated and vetted process to define CRDF focus, planning, budget allocation, organization and stakeholder engagement for the next six years

Approach of the strategic planning process

Engage BTG consultants in a 4 month evaluation and planning process to:

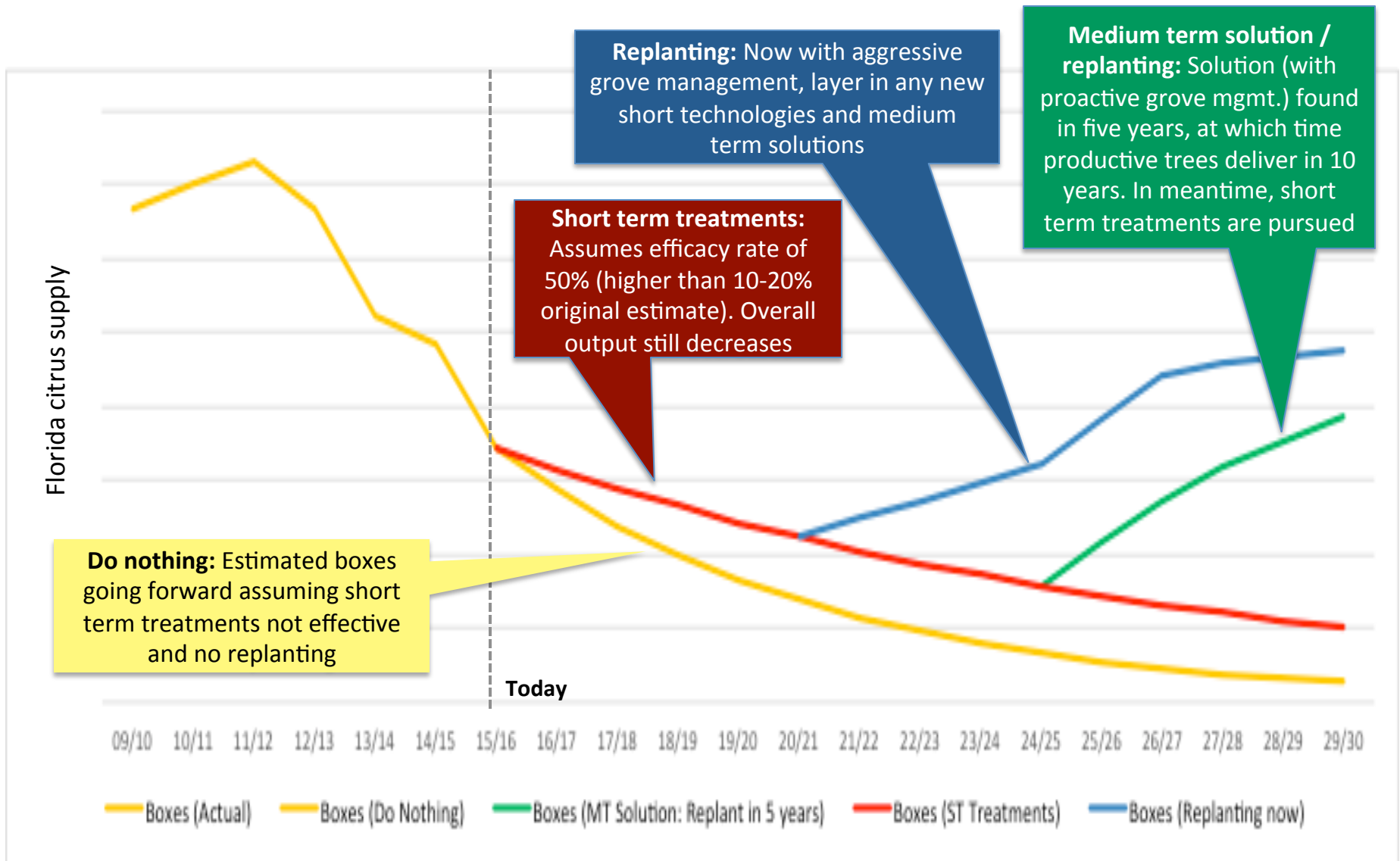
- Understand evolving industry dynamics, funding landscape and HLB disease mitigation progress
- Assess current CRDF planning process, capacity and role
- Conduct extensive and multiple interviews with over 30 internal and external stakeholders to inform CRDF evaluation
- Conduct Brazil visit with Fundecitrus to understand industry management techniques, grower engagement and technology progress
- Workshop emerging views with multi-disciplinary steering committee and full day brainstorming with industry members

CRDF updated strategy summary

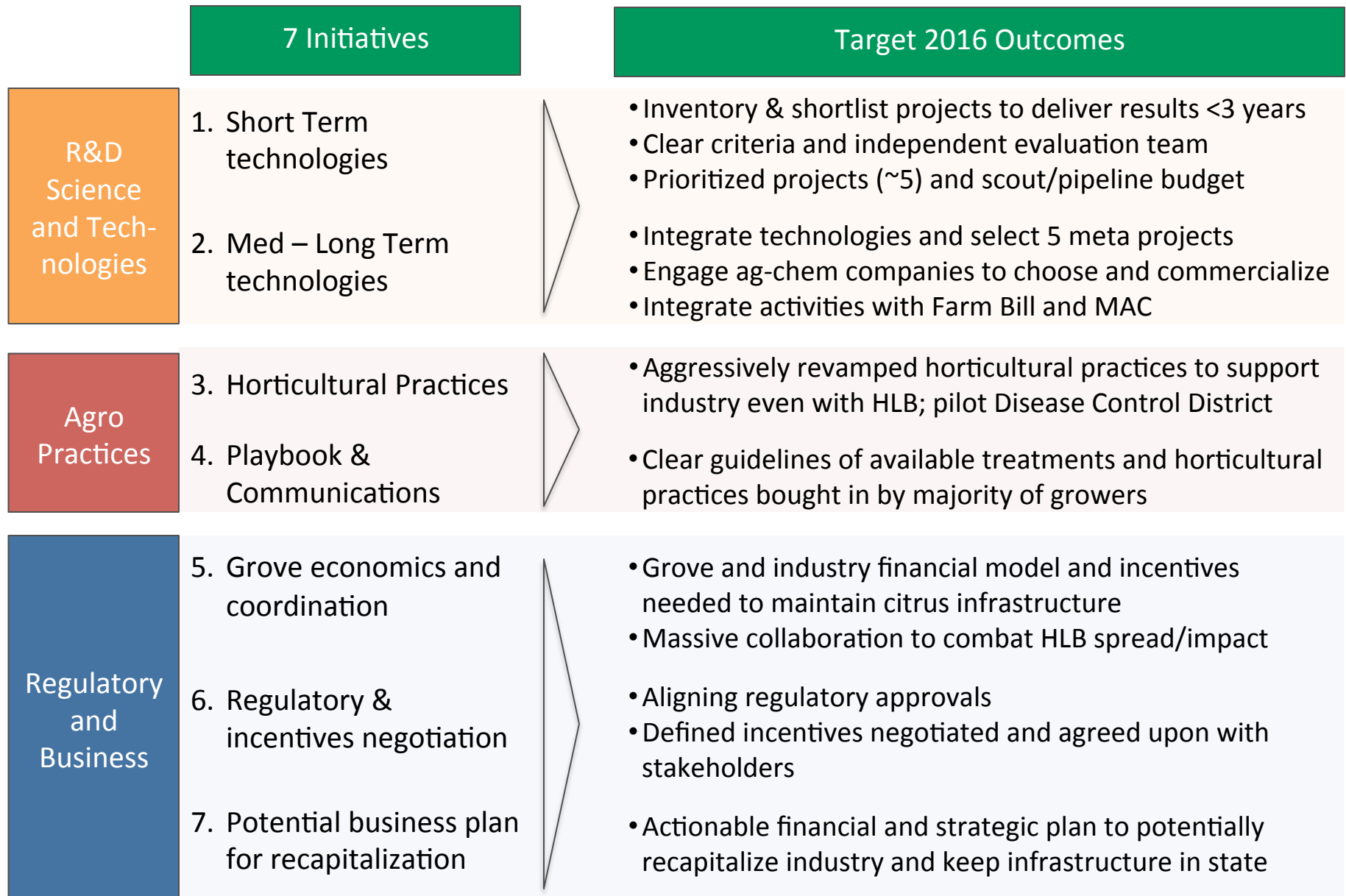


Objective:		Ensure survival of the current citrus industry in Florida		
		Existing trees	New trees	Overall Outcomes
Science/Tech (yield impact timing)	Short term (<3 yrs)	<ul style="list-style-type: none"> Balanced panel to conduct full inventory to ensure only effective technologies (and combinations) promoted Focus efforts (shortlist expected at <10 supported projects) Continue scanning for existing technologies to apply to citrus 		<ul style="list-style-type: none"> Effective projects Stemmed yield loss
	Med-Long Term (4+ yrs)	<ul style="list-style-type: none"> Inventory to shortlist ~2 pathogen meta projects Engagement of agro-chem, coordination w Farm Bill 	<ul style="list-style-type: none"> Inventory to shortlist ~3 meta projects for vector/host Ag-chem, processors, start-up, Farm Bill, academics engagement 	<ul style="list-style-type: none"> Commercialized technology Yield rebound from treatments New trees resistant
Agro Practices		<ul style="list-style-type: none"> Aggressive removal of abandoned groves and high inoculum trees Horticultural practices to maintain tree health Psyllid management 	<ul style="list-style-type: none"> Aggressive replanting schedule Revamped and aggressive agro practices for industry survival even with HLB Pilot Disease Control District 	<ul style="list-style-type: none"> Yield rebound from new trees + better management Clear playbook for growers
Regulatory and business support		<ul style="list-style-type: none"> Abandoned grove incentives Aligned regulatory support 	<ul style="list-style-type: none"> Cost/risk assessment of replanting Incentives for growers to replant Nego with processors & packers Aligned regulatory support Potential recapitalization biz case 	<ul style="list-style-type: none"> Containment and reduction of HLB Coordinated growers Massive replanting

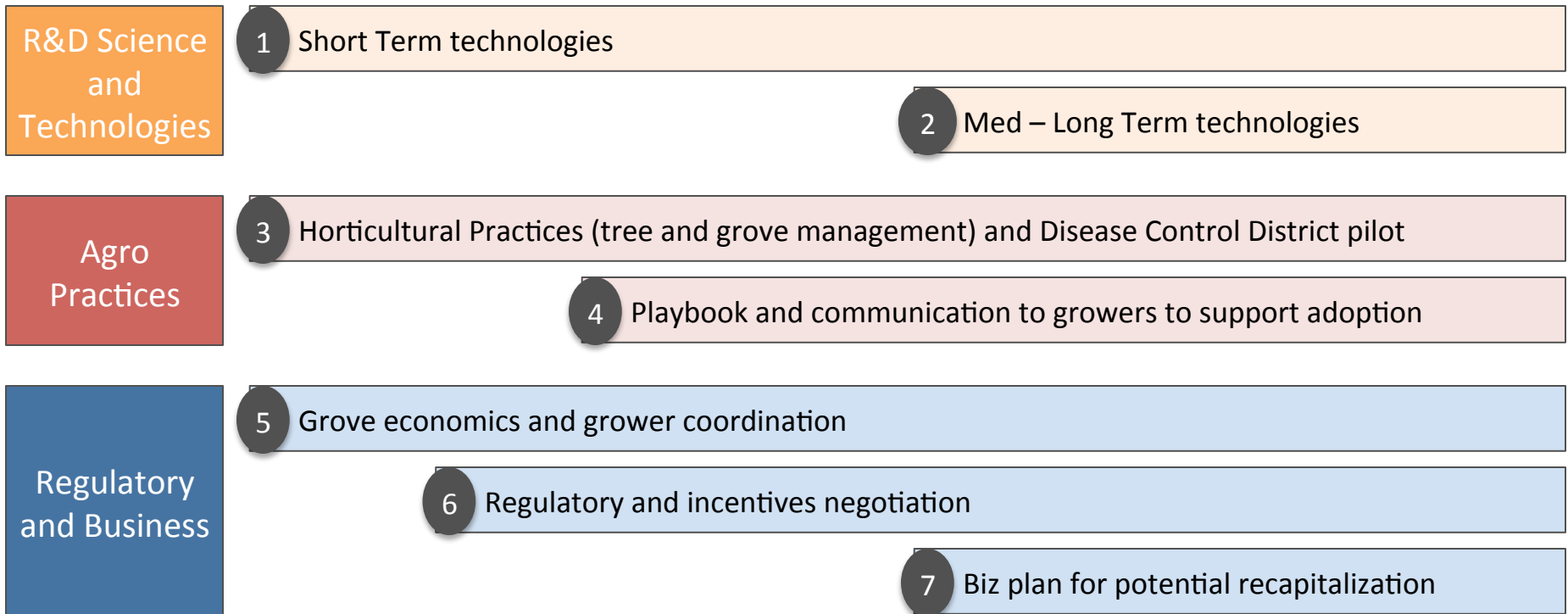
Scenario modeling shows importance of short term treatments and replanting



Proposed 7 Initiatives and Target 2016 Outcomes



2016 Implementation Plan



Milestones:



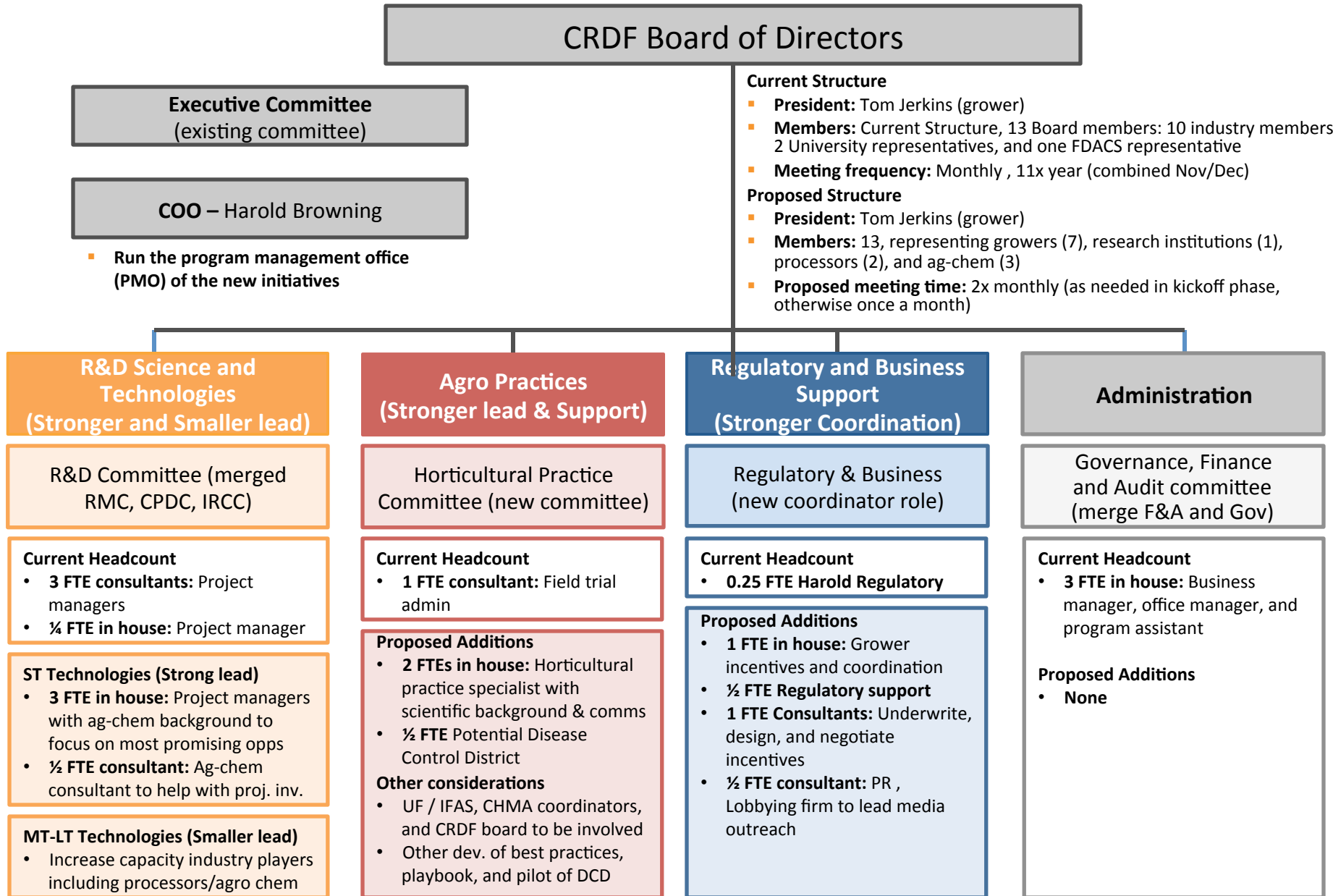
CRDF to play leading and coordinating roles with extensive support from others in the citrus industry



		Evolving CRDF Role	<u>Potential CRDF sponsor and lead</u>	<u>Highly involved citrus industry</u>
R&D Science and Tech- nologies	Short Term technologies	Stronger lead	<ul style="list-style-type: none"> Sponsor: Tom Jerkins Lead: Current/New PMs Input: Ben, Bobby, Jackie, TIG 	<ul style="list-style-type: none"> Ag-chem for existing tech, processors, FL Fruit & Veg. Assc., Third Party Registrations, Fundecitrus
	Med – Long Term technologies	Smaller lead with new support	<ul style="list-style-type: none"> Sponsor: Tom Jerkins Lead: TBD or N/A, TIG Input: Coca Cola, PepsiCo 	<ul style="list-style-type: none"> Ag-chem for developing new tech, processors, FFVA / TPR, Fundecitrus
Agro Practices	Horticultural Practices	Stronger lead and coordination	<ul style="list-style-type: none"> Sponsor: Jerry, Lisa, or Steve Lead: New full time hire Input: University of Florida / IFAS, CHMA coordinators 	<ul style="list-style-type: none"> Fundecitrus, FL Citrus Production Mgrs. Assc. (FCPMA) , CA and Texas CRDF peers
	Playbook & Comms		<ul style="list-style-type: none"> Sponsor: Harold Lead: PM Input: CRDF board for messaging 	<ul style="list-style-type: none"> Fundecitrus, FCPMA, CA and Texas CRDF peers
Regulatory and Business	Grove economics and coordination	Stronger coordination	<ul style="list-style-type: none"> Sponsor: Larry, Jerry Lead: PM Input: Outside consultant, CHMA coordinators 	<ul style="list-style-type: none"> FCPMA, State and Fed agencies, Florida Citrus Mutual (Sparks)
	Regulatory & incentives negotiation		<ul style="list-style-type: none"> Sponsor: Harold Lead: TBD Input: Outside consultant 	<ul style="list-style-type: none"> Florida Citrus Mutual (Sparks), FFVA, FDACS
	Potential Biz plan for recap	Consider for later	<ul style="list-style-type: none"> External political and PR consultants 	<ul style="list-style-type: none"> CA and Texas CRDF peers. , FCPMA, FL Citrus Mutual, State and Fed agencies

CRDF 2.0 potential detailed organization structure for discussion

ILLUSTRATIVE



CRDF potential budget FY 16/17

ILLUSTRATIVE



		15/16 (F)	16/17 (P)	Notes & Recommendations	
R&D Science and Technologies	CURRENT	R&D PROJECTS			
		Research	11,269,374	6,269,374	<i>De-prioritize research, cut projects, invest in product development</i>
		Product Development	<u>4,023,604</u>	<u>8,023,604</u>	<i>Prioritize product development with focus on meta projects</i>
		Total Research and Product Dev. projects	15,292,978	14,292,978	
	SHORT	R&D PROJECTS			
		Research / Scanning		4,388,562	<i>Massive Focus on projects with Short Term Outcomes; Separate into Specific projects and Scanning Efforts</i>
		Product Development		8,023,604	
		Short Term Technologies initiatives		<u>300,000</u>	<i>Ag chem consultant to help perform project inventory with CRDF</i>
		R&D Projects Sub Total		12,712,166	
MED/LONG	R&D PROJECTS		Outcomes and Med-Long Term Yield		
	Research		1,880,812	<i>Focus on Research with Med-Long Term Outcomes, Additional capacity/budget from Farm Bill, MAC, Agro-Chem and Processor</i>	
	Product Development		-		
	Med-Long Term Technologies initiative		<u>250,000</u>	<i>Dedicated project managers from ag-chem to forward opportunities</i>	
	R&D Initiatives Sub Total		2,130,812		
Agro Practices*	AGRO PRACTICES INITIATIVES				
	Horticultural practice specialist	-	150,000	<i>Specialist to study and codify most applicable horticultural practices</i>	
	Grower outreach	-	250,000	<i>Engagement of growers in selected areas, and throughout the state</i>	
	Development of best practices	-	100,000	<i>Codified best practices that will go into the playbook</i>	
	Playbook production and distribution	-	100,000	<i>Clear and actionable playbook used to help growers and build trust</i>	
	Pilot of disease control district	-	<u>300,000</u>	<i>Focus on 1 or 2 pilots of districts that practice coordinated approaches</i>	
	Agro Practices Initiatives Sub Total	-	900,000		
Regulatory and Business	REG AND BUS INITIATIVES				
	Grower Incentives & coordination	-	250,000	<i>Staff to evaluate, incentivize and influence grower actions</i>	
	Regulatory and negotiations	-	200,000	<i>CRDF staff and consultants to coordinate and accelerate changes</i>	
	Public relations firm	-	50,000	<i>Communication of key messages to relevant stakeholders</i>	
	Business plan development/lobbying	-	<u>150,000</u>	<i>Used for state and federal regulatory bodies and leaders</i>	
	Reg and Bus Initiatives Sub Total		650,000		
Administration	Admin Costs	<u>843,870</u>	<u>843,870</u>	<i>Assumes this value is held constant</i>	
TOTAL COSTS		16,136,848	16,686,848		

1. Greater focus on product development

2. Split into Short & Med/Long Term with focus on Short Term and high efficacy

3. Additions in Agro Practices and Incentives & Regulatory Coordination

Proposed CRDF 6 year strategic plan

ILLUSTRATIVE



	Year 1: 2016	Years 2-3: 2017-2018	Years 4-6: 2019-21
	<i>Set up initiatives & traction</i>	<i>Practices and replanting stage</i>	<i>Integrating new tech</i>
R&D Science and Technologies	<ul style="list-style-type: none"> Establish R&D Committee to perform inventory to determine go / no go on all current projects RFPs for prioritized short term tech focus areas and MT-LT meta projects Incentivize ag-chem consortium participation and optimize PM func. 	<ul style="list-style-type: none"> Quarterly project reviews Go / no go on keeping prod. dev. in house or into for profit entity 1 or more meta projects in field test Ag-chem fully engaged either as paid consultants, PMs, or in spun-off entity 	<ul style="list-style-type: none"> Continued quarterly project reviews 1 or more meta projects commercially available Improved efficacy given better practices in the field
Agro Practices	<ul style="list-style-type: none"> Inventory of currently available agro practices for grower implementation Engage knowledgeable external parties for best practices Develop and distribute grower playbook as an ongoing tool Pilot Disease Control District 	<ul style="list-style-type: none"> Grower engagement activities for playbook buy-in and demonstration of best practices Review of latest treatments and agro practices; Communication of results Annually distribute updated playbook with grower feedback 	<ul style="list-style-type: none"> Review of latest treatment and agro practices Annually distribute updated playbook with grower feedback
Regulatory and Business	<ul style="list-style-type: none"> Develop analysis, comms and outreach focused on grower incentives Accelerate/support regulatory If necessary, perform analysis for application package for potential recapitalization 	<ul style="list-style-type: none"> Grower incentives approved and in place for grower / processor coord. Aggressive replanting of trees Media management and political lobbying with use of consultants Implemented policy changes / bailout 	<ul style="list-style-type: none"> Growers actively removing infected trees and replanting Massive industry collaboration Review and update of grower and processor incentives Regulatory acceleration of med-long term technologies



Next steps and closing remarks

- Review budget and identify areas for approval (table areas without approval for further review and define specific requirements)
- Set up initiative teams for approved initiatives and begin implementation
- Evaluate and finalize organization and budget