MAKING INTERNATIONAL MARKETS.

FOR SMALL U.S. COMPANIES
2012 IN REVIEW.

Throughout 2012 Food Export USA - Northeast continued to make strides in supporting the National Export Initiative and wisely used resources of the Market Access Program (MAP). In conjunction with our 10 member State Agricultural Promotion Agencies, through various programs, services and activities, we engaged suppliers throughout the region linking U.S. suppliers with international buyers. Our participants included suppliers of value-added food and seafood products for retail, food service, natural, specialty and gourmet products, private label, pet food and feed and more.

Through our market-building activities, programs and services, Food Export-Northeast has focused on Outreach and Exporter Education, Market Entry Programs and Market Promotion. We’ve helped more small and medium-sized enterprises discover the value and benefits of exporting. As this happens, production increases, sales grow, jobs are created, demand accelerates and more quality U.S. food and agricultural products get to more consumers worldwide. Agricultural exports continue to escalate which helps us continue this rewarding mission.

On behalf of our state members and staff we invite you to review our programs, services and successes we share with our participating suppliers.

Sincerely,

DOUGLAS FISHER
PRESIDENT, FOOD EXPORT-NORTHEAST

TIM HAMILTON
SECRETARY, NEW JERSEY DEPARTMENT OF AGRICULTURE

ABOUT US.

Food Export USA-Northeast (Food Export-Northeast) is a non-profit organization that promotes the export of food and agricultural products from the Northeast region of the United States. The organization has been helping exporters of northeastern food and agricultural products export their products overseas since 1973, when it was created as a cooperative effort between 10 Northeastern State Agricultural Promotion Agencies and the Foreign Agricultural Service (FAS) of the United States Department of Agriculture.

Food Export-Northeast, in conjunction with its member states, provides a wide range of services to facilitate trade between local food suppliers and importers around the world.

The Northeast has a bounty of diverse agriculture including dairy products, fruits, (cranberries, blueberries, wild blueberries and apples), wine, snack foods and maple syrup to name just a few. Host to a large, well-developed food processing industry, the Northeast is home to a multitude of value added products ranging from the healthy, kosher, specialty/gourmet, food service and ethnic market segments.
Do You Export? Are you Ready? These are two questions commonly asked as we find small and medium-sized companies that can use our programs and services to find success. Education is where it all begins. Through research, appropriate outreach, educational services and a dedicated team of customer service staff, Food Export-Northeast strives to enable companies to become Export Ready!

**START HERE!**

**Exporter Education**

Food Export Helpline™ is a complimentary service that provides customized, one-on-one assistance on many export-related topics.

Export Essentials Online provides fundamentals, logistics and detailed information to answer questions. It’s a college-level exporting course featured on www.foodexport.org.

**Global Food Marketer™** is our print newsletter and e-Bulletin sent to participating and prospective suppliers containing new and useful information about upcoming activities, export basics, industry news, and exporting opportunities abroad.

Seminars and Webinars provide up to date exporter intelligence for companies regarding specific markets, logistics, trade financing, documentation, how to meet and follow-up with foreign buyers and much more.

**GO FORWARD!**

**Market Entry**

Market Builder is our comprehensive market research tool that provides specific, in-depth intelligence for a specific product in a specific market.

Online Product Catalog provides U.S. suppliers with 24-7-365 exposure to international buyers and distributors via this powerful online product directory.

Buyers Missions bring qualified, pre-screened international buyers and distributors to the U.S. to meet with Northeast suppliers, providing an opportunity for these suppliers to promote their products without leaving the country.

Focused Trade Missions provide total market immersion by taking U.S. suppliers to a specific market to learn first-hand about the industry landscape, competition, product and consumer differences and how to best promote U.S. products.

Food Show PLUS!™ services provide international tradeshow assistance to U.S. suppliers, maximizing tradeshow success and creating more confident international exhibitors.

**Maintain and Grow!**

**Market Promotion**

The Branded Program is administered each year by Food Export-Northeast and provides U.S. suppliers the opportunity to stretch their international marketing dollars. The program offers 50% cost-share reimbursement for a wide variety of international marketing activities including: advertising, package and label modifications, in-store promotions, point of sale materials, PR, websites, related international trade show fees and more.

Support is also available for promotional displays, product demonstrations, sampling programs at international supermarkets, restaurants and hotels that feature U.S.-made processed foods and agriculture products.

The Branded Program is only open to eligible small companies, as defined by the U.S. Small Business Administration. Agricultural producer cooperatives are eligible to participate.

"As a young company in the early stages of exporting, The Branded Program has opened up a lot of opportunities. We’re now distributed in Canada and project our sales for 2012 to reach $500k in the region—potentially $2M annually with our Tiny Fruits line."

– LITTLE DUCK ORGANICS, BROOKLYN, NY
2012 Program Results

Actual Export Sales from All Activities
US $670,734,233

Projected Export Sales from All Activities
US $697,065,466

Number of Participants Registered in Programs
1,535

Number of New Participants in Food Export Northeast Programs
262

Number of Companies Who Increased Their Sales by 20% or More
242

Number of Companies with a First-time Sale in a Market
292

Number of New Distributor Relationships Established
1,384

Number of Contacts with New Buyers
7,423

Program Participants 2009-2012

All of our programs and services, made possible by Market Access Program (MAP) funding through the Foreign Agricultural Service of the United States Department of Agriculture, are designed to promote Northeastern agriculture and value added food products. This snapshot of our 2012 achievements illustrates our continued dedication to driving export success.
Food Export USA-Northeast

STATEMENT OF ACTIVITIES Period Ended December 31, 2012

REVENUE AND SUPPORT

<table>
<thead>
<tr>
<th></th>
<th>OPERATING FUND</th>
<th>PROGRAM FUND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Program Reimbursements</td>
<td>$ 0</td>
<td>$ 7,924,647</td>
<td>$7,924,647</td>
</tr>
<tr>
<td>Industry Fees</td>
<td>$ 731,907</td>
<td>$ 800,000</td>
<td>$1,531,907</td>
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<tr>
<td>State Membership Dues</td>
<td>$ 50,100</td>
<td>$ 0</td>
<td>$ 50,100</td>
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<tr>
<td>Interest Income</td>
<td>$ 5,503</td>
<td>$ 0</td>
<td>$ 5,503</td>
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<tr>
<td>Other Income</td>
<td>$ 1,316</td>
<td>$ 0</td>
<td>$ 1,316</td>
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<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$ 788,826</strong></td>
<td><strong>$ 8,724,647</strong></td>
<td><strong>$ 9,513,473</strong></td>
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EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>OPERATING FUND</th>
<th>PROGRAM FUND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reimbursable Program Expense</td>
<td>$ 0</td>
<td>$ 7,924,647</td>
<td>$7,924,647</td>
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<tr>
<td>Personnel</td>
<td>$ 77,621</td>
<td>$ 750,000</td>
<td>$ 827,621</td>
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<tr>
<td>Travel and Meetings</td>
<td>$ 85,853</td>
<td>$ 0</td>
<td>$ 85,853</td>
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<tr>
<td>Professional Fees</td>
<td>$ 44,574</td>
<td>$ 0</td>
<td>$ 44,574</td>
</tr>
<tr>
<td>Other General and Administrative</td>
<td>$ 404,020</td>
<td>$ 50,000</td>
<td>$ 454,020</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$ 612,068</strong></td>
<td><strong>$ 8,724,647</strong></td>
<td><strong>$ 9,336,715</strong></td>
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</tbody>
</table>

Increase in Net Assets  $ 176,758  $ 0  $ 176,758
Fund Balances, Beginning of Period  $ 1,212,580  $ 0  $ 1,212,580
Fund Balances, End of Period  $ 1,389,338  $ 0  $ 1,389,338

STATEMENT OF FINANCIAL POSITION Period Ended December 31, 2012

ASSETS

<table>
<thead>
<tr>
<th></th>
<th>OPERATING FUND</th>
<th>PROGRAM FUND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$ 1,350,611</td>
<td>$ 977,954</td>
<td>$ 2,328,565</td>
</tr>
<tr>
<td>Investments, at Fair Value</td>
<td>$ 413,138</td>
<td>$ 0</td>
<td>$ 413,138</td>
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<tr>
<td>Interfund Accounts</td>
<td>$ 2,942</td>
<td>$ 2,942</td>
<td>$ 0</td>
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<tr>
<td>Receivables</td>
<td>$ 71,235</td>
<td>$ 438,596</td>
<td>$ 509,831</td>
</tr>
<tr>
<td>Furniture and Equipment (Net of Depreciation)</td>
<td>$ 34,502</td>
<td>$ 0</td>
<td>$ 34,502</td>
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<tr>
<td>Other Assets</td>
<td>$ 16,217</td>
<td>$ 117,415</td>
<td>$ 133,632</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 1,882,761</strong></td>
<td><strong>$ 1,536,907</strong></td>
<td><strong>$ 3,419,668</strong></td>
</tr>
</tbody>
</table>

LIABILITIES AND FUND BALANCES

<table>
<thead>
<tr>
<th></th>
<th>OPERATING FUND</th>
<th>PROGRAM FUND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>$ 171,973</td>
<td>$ 187,171</td>
<td>$ 359,144</td>
</tr>
<tr>
<td>Program Advances</td>
<td>$ 0</td>
<td>$ 1,349,736</td>
<td>$ 1,349,736</td>
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<tr>
<td>Deferred Revenue</td>
<td>$ 321,450</td>
<td>$ 0</td>
<td>$ 321,450</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$ 493,423</strong></td>
<td><strong>$ 1,536,907</strong></td>
<td><strong>$ 2,030,330</strong></td>
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</tbody>
</table>

NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>OPERATING FUND</th>
<th>PROGRAM FUND</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted Net Assets</td>
<td><strong>$ 1,389,338</strong></td>
<td>$ 0</td>
<td><strong>$ 1,389,338</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$ 1,882,761</strong></td>
<td><strong>$ 1,536,907</strong></td>
<td><strong>$ 3,419,668</strong></td>
</tr>
</tbody>
</table>
STATE REGIONAL TRADE GROUPS (SRTGs)

Food Export–Northeast is one of four non-profit State Regional Trade Groups (SRTGs) that promote the export of food and agricultural products from their respective regions of the United States. The SRTGs were first created as a cooperative effort between the State Agricultural Promotion Agencies and the United States Department of Agriculture’s Foreign Agricultural Service. The SRTGs work in conjunction with their member states to provide a wide range of services to facilitate trade between local food companies and importers around the world.

OTHER STATE REGIONAL TRADE GROUPS

Food Export Association of the Midwest USA®
309 W. Washington Street, Suite 600
Chicago, IL 60606 USA
T: 312.334.9200 F: 312.334.9230
www.foodexport.org

The Southern U.S. Trade Association (SUSTA)
701 Poydras Street, Suite 3725
New Orleans, LA 70139 USA
T: 504.568.5986 F: 504.568.6010
www.susta.org

The Western U.S. Trade Association (WUSATA)
4601 NE 77th Avenue, Suite 240
Vancouver, WA 98662 USA
T: 360.693.3373 F: 360.693.3464
www.wusata.org

Food Export USA®–Northeast
One Penn Center
1617 JFK Boulevard
Suite 420
Philadelphia, PA 19103 USA
www.foodexport.org

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