EXPANDING INTERNATIONAL MARKETS.
FOR U.S. COMPANIES
2013 IN REVIEW.

2013 began with challenges and ended with reward as we continued to make great gains in promoting the value and benefits of exporting to companies across our 12-state region. With the status of the Farm Bill unknown at the beginning of the year, we found ways to best utilize our Market Access Program (MAP) resources to stay in front of our companies with brand-building events, activities and opportunities. Whether it was an exporter education seminar engaging small companies in Kansas, providing custom market research to a gourmet sauce manufacturer in Illinois or facilitating a meeting between a Michigan pickle maker and a buyer from China—these efforts all helped support big gains in export sales of Midwestern value added food products.

Through a collaborative effort with our member state agencies, Food Export-Midwest helps small and medium sized companies become engaged in exporting, develop an understanding of the process and opportunities while supporting their export sales success. That remains our core mission. Through Outreach and Exporter Education, Market Entry Programs and Market Promotion we helped more companies in 2013 explore new markets, find new buyers, create demand, increase their production, add new employees and expand their local economies. These results are only made possible through a collective effort of many. In essence, we help companies Make Their Market.

On behalf of the Foreign Agricultural Service of the United States Department of Agriculture, the Food Export-Midwest Board of Directors, our member state agencies, staff and participants, take a moment to review our programs, services and results from 2013.

Sincerely,

DOUG GOEHRING
PRESIDENT,
FOOD EXPORT-MIDWEST
COMMISSIONER,
NORTH DAKOTA DEPARTMENT OF AGRICULTURE

TIM HAMILTON
EXECUTIVE DIRECTOR,
FOOD EXPORT-MIDWEST

ABOUT US.

Food Export Association of the Midwest USA is a non-profit organization that promotes the export of food and agricultural products from the Midwest region of the United States. The organization has been helping U.S. suppliers of Midwestern food and agricultural products sell their products overseas since 1969, when it was first created as a cooperative effort between 12 Midwestern state agricultural promotion agencies and the United States Department of Agriculture’s Foreign Agricultural Service (FAS).

Food Export-Midwest in conjunction with its member states, provides a wide range of services to facilitate the trade between local food suppliers and importers around the world. The Midwest is one of the world’s leading food-producing regions. Midwestern farmers harvest grain, as well as oil seeds, fruits and vegetables, beans, livestock, and dairy products. Consequently, the Midwest is home to hundreds of companies who provide consumers around the globe with high quality processed food and agricultural products.

SUCCESS STORIES

“Food Export-Midwest has been very supportive and easy to work with. By participating in the Branded Program, Domata has the ability to go to more trade shows. Each show reaches a different audience. The more shows you attend, the higher the probability of finding the right customer.”

DAVE MADISON, PRESIDENT,
DOMATA LLC, MINNEAPOLIS, MINNESOTA,
GLUTEN FREE FLOUR AND BAKING MIXES.

“Food Export Helpline™ helped us in three big ways. Advising us on various conditions of sale to reduce our risk as a new exporter. Educated us on filling out KORUS applications. Advised us on required export documentation. As a result, this has helped customers buy more efficiently and made us more valuable as a supplier. Since May 2013, we have shipped 1-2 containers of fettuccine per month to Korea.”

CHUCK BOYLE, DAKOTA GROWERS PASTA,
CARRINGTON, NORTH DAKOTA
PROGRAMS AND SERVICES

Do you export? Are you ready? Two of the most pivotal questions we ask when finding small and medium-sized companies to use our programs and services. A dedicated team of customer service staff enables companies to be Export Ready!

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 programs and activities, export basics, industry news and exporting opportunities abroad.

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

Market Builder is our comprehensive market research tool that provides specific, in-depth intelligence for a specific product in a specific market and offers the opportunity to meet with qualified buyers once research is concluded.

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 Midwest suppliers, providing an opportunity for these suppliers to promote their products without leaving the country.

Sales are made. What’s next? Our Market Promotion services assist suppliers beyond the first sale helping them remain viable, build their brand and increase market share.

The Branded Program is administered each year by Food Export-Midwest 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.

The key to success is becoming export ready. Helping companies understand the benefit and impact exporting can have on their business is our first step in the process.
2013 Program Results

Actual Export Sales from All Activities
US $421,781,306

Projected Export Sales from All Activities
US $533,908,885

Participants Registered in Programs
1,847

New Participants in Food Export Midwest Programs
296

Companies Who Increased Their Sales by 20% or More
285

Companies with a First-time Sale in a Market
365

New Distributor Relationships Established
1,707

Contacts with New Buyers
17,585

PROGRAM PARTICIPANTS 2010-2013

2010 2011 2012 2013

1,468 1,727 1,774 1,847

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 Midwestern agriculture and value added food products. This snapshot of our 2013 achievements illustrates our continued dedication to driving export success.

SUCCESS STORIES

“Tradeshows can be lucrative, as well. For example, Good Life Foods located in Lincoln, NE, secured sales contracts valued at $1.5 million at the Food and Hotel China Show held in Shanghai, China in November 2013. Good Life Foods utilized Branded Program funds to help underwrite the costs associated with exhibiting at the show as well as advertising, demonstrations, label modifications, giveaways and samples. The company also utilized the Food Show PLUS™ service at Food and Hotel China.”

BRENT SULLIVAN, OWNER, STICKY STACKS SYRUP - OVERLAND PARK, KANSAS

“The real benefit of working with Food Export is small to medium size companies can get the overseas exposure that they wouldn’t financially be able or have the know how to do on their own. If your company is trying to export a product that isn’t mainstream, there isn’t a lot of backing to help get you market exposure. Food Export has helped get our company overseas exposure through the Market Builder program and by listing our products in the Online Product Catalog.”

DANIEL HARPER, EXPORT SALES MANAGER, MAPLE LEAF FARMS - LEESBURG, INDIANA

““The kind of personal support we’ve received is invaluable. Food Export offers a unique infrastructural support team as opposed to a company just trying to sell you suggestions. Any time we have a question, Food Export goes above and beyond to get us the right information.”

BRENT SULLIVAN, OWNER, STICKY STACKS SYRUP - OVERLAND PARK, KANSAS
Food Export Association of the Midwest USA

STATEMENT OF ACTIVITIES Period Ended December 31, 2013

REVENUE AND SUPPORT

<table>
<thead>
<tr>
<th></th>
<th>UNDESIGNATED</th>
<th>PROGRAM</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Federal Program Reimbursements</td>
<td>$ 0</td>
<td>$ 9,239,128</td>
<td>$ 9,239,128</td>
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<tr>
<td>Industry Fees</td>
<td>$ 781,048</td>
<td>$ 800,000</td>
<td>$ 1,581,048</td>
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<tr>
<td>State Membership Dues</td>
<td>$ 120,000</td>
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<td>$ 120,000</td>
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<tr>
<td>Interest Income</td>
<td>$ 2,816</td>
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<tr>
<td>Other Income</td>
<td>$ 2,426</td>
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<td><strong>Total Revenue and Support</strong></td>
<td><strong>$ 906,290</strong></td>
<td><strong>$ 10,039,128</strong></td>
<td><strong>$ 10,945,418</strong></td>
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EXPENSES

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<th>UNDESIGNATED</th>
<th>PROGRAM</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Program Reimbursable Expenses</td>
<td>$ 0</td>
<td>$ 9,239,128</td>
<td>$ 9,239,128</td>
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<tr>
<td>Personnel</td>
<td>$ 546,908</td>
<td>$ 750,000</td>
<td>$ 1,296,908</td>
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<td>Travel and Meetings</td>
<td>$ 89,083</td>
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<td>$ 89,083</td>
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<tr>
<td>Professional Fees</td>
<td>$ 75,347</td>
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<tr>
<td>Other General and Administrative</td>
<td>$ 219,883</td>
<td>$ 50,000</td>
<td>$ 269,883</td>
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<td><strong>Total Expenses</strong></td>
<td><strong>$ 931,221</strong></td>
<td><strong>$ 10,039,128</strong></td>
<td><strong>$ 10,970,349</strong></td>
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<tr>
<td>Increase (Decrease) in Net Assets</td>
<td>$(24,931)</td>
<td>$ 0</td>
<td>$(24,931)</td>
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<tr>
<td>Beginning of Period</td>
<td>$ 1,874,867</td>
<td>$ 0</td>
<td>$ 1,912,400</td>
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<td><strong>End of Period</strong></td>
<td><strong>$ 1,849,936</strong></td>
<td><strong>$ 0</strong></td>
<td><strong>$ 1,887,469</strong></td>
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STATEMENT OF FINANCIAL POSITION Period Ended December 31, 2013

ASSETS

<table>
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<tr>
<th></th>
<th>UNDESIGNATED</th>
<th>PROGRAM</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$ 440,450</td>
<td>$ 105,682</td>
<td>$ 546,132</td>
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<tr>
<td>Investments, at Fair Value</td>
<td>$ 995,328</td>
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<td>$ 995,328</td>
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<tr>
<td>Interfund Accounts</td>
<td>$ 573,519</td>
<td>$(573,519)</td>
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<tr>
<td>Receivables</td>
<td>$ 6,550</td>
<td>$ 686,720</td>
<td>$ 693,270</td>
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<tr>
<td>Furniture and Equipment (Net of Depreciation)</td>
<td>$ 63,293</td>
<td>$ 0</td>
<td>$ 63,293</td>
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<tr>
<td>Other Assets</td>
<td>$ 162,558</td>
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<td>$ 162,558</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$ 2,241,698</strong></td>
<td><strong>$ 218,883</strong></td>
<td><strong>$ 2,460,581</strong></td>
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LIABILITIES AND FUND BALANCES

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<th>TOTAL</th>
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<tbody>
<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>$ 207,822</td>
<td>$ 0</td>
<td>$ 207,822</td>
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<tr>
<td>Program Advances</td>
<td>$ 0</td>
<td>$ 218,883</td>
<td>$ 218,883</td>
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<tr>
<td>Deferred Revenue</td>
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<td>$ 146,407</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$ 354,229</strong></td>
<td><strong>$ 218,883</strong></td>
<td><strong>$ 573,112</strong></td>
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NET ASSETS

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<tr>
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<th>UNDESIGNATED</th>
<th>PROGRAM</th>
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<tbody>
<tr>
<td>Unrestricted Net Assets</td>
<td>$ 1,887,469</td>
<td>$ 0</td>
<td>$ 1,887,469</td>
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</tbody>
</table>
FOOD EXPORT-MIDWEST STAFF

Tim Hamilton
Executive Director

Michelle Rogowski
Deputy Director

John Belmont
Communications Manager

Robert Lowe, CPA
Financial Manager

Teresa Miller
International Marketing Program Manager

Joe Yotti
Branded Program Manager

Molly Burns
Outreach and Customer Service Coordinator

Laura Buske
International Marketing Program Coordinator

Brian Fisher
Outreach and Customer Service Coordinator

Jason Knudson
Recruitment Strategy Coordinator

Barbara Moll
Administrative Assistant

Adolfo Montelongo
Communications Coordinator

Kathryn Navarro
International Marketing Program Assistant

Blake Saxon
IT Assistant

Jasmine D. Scott
Senior Coordinator Communications Content Development

Vanessa Simsick
International Marketing Program Coordinator

Nina Smith
Accounting/Human Resources Coordinator

Veronica Wade
Branded Program Coordinator

Mike Weiand
IT Administrator

Paul Weiss
Outreach and Customer Service Coordinator

Brendan Wilson
International Marketing Program Assistant

FOOD EXPORT-MIDWEST

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Minnesota Department of Agriculture

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Greg Ibach, Director
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David Goodman, Director
Ohio Development Services Agency

Lucas Lentz, Secretary
South Dakota Department of Agriculture

Ben Brancel, Secretary
Wisconsin Department of Agriculture, Trade and Consumer Protection

STATE REGIONAL TRADE GROUPS (SRTGs)

Food Export–Midwest 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 USA–Northeast®
One Penn Center
1617 JFK Boulevard, Suite 420
Philadelphia, PA 19103 USA
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 Association of the Midwest - USA®
309 West Washington Street
Suite 600
Chicago, IL 60606 USA
T: 312.334.9200 F: 312.334.9230
www.foodexport.org

Food Export-Midwest and Food Export-Northeast do not tolerate fraud and are vigilant in preventing fraud in any of our programs. Food Export does not discriminate, and we reserve the sole right to accept or deny companies into our programs. For complete participation policies and our code of ethics, visit: www.foodexport.org/termsofuse.