



Bits & Pieces

Graceland, Milne Fruit Products Partner to Produce, Market Juice Concentrates

Graceland Fruit, Inc. and Milne Fruit Products, Inc. are partnering in the production and sales of fruit juices as Graceland Fruit continues expanding its product line of industrial food ingredients. Milne Fruit Products will serve as the exclusive sales and marketing agent of Graceland's cranberry juice and other new juice concentrate products as they become available.

Milne Fruit Products transferred to Graceland Fruit its expertise and technology in manufacturing various high quality fruit juices. Milne Fruit Products has an excellent reputation in the marketplace for quality juices and purees, and is looking forward to joining forces with Graceland Fruit to offer expanded lines of quality fruit ingredients.

"This is a natural partnership; we are merging Milne's technology and sales & marketing capabilities with Graceland's natural fruits into a new source for juice concentrates," Don Nugent, Graceland's president and chief executive officer, explained.

As part of a major expansion program, Graceland Fruit is enlarging its plant and is

invested in new concentrate technologies provided by Milne. The new system began production in November and will be at full capacity by the end of the year.

The new fruit concentrate products are expected to add revenue to Graceland Fruit in the first year of production. This new revenue stream is expected to continue growing as new fruit varieties are added to the dried and juice product lines.

Milne Fruit Products, Inc., formerly owned by Ocean Spray Cranberries, Inc., is now owned and operated by Wyckoff Farms, Inc. (WFI), a grower and processor of various fruit ingredient products. Based in Washington state, Milne Fruit Products converts fruit into 100% natural and pure fruit ingredients such as fruit juices, fruit purees, custom blends, premixes, and other related nutritional ingredients for both domestic and international markets.



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A Newsletter from
**GRACELAND
FRUIT, INC.**

Accurate Ingredients Joins Team

Accurate Ingredients, in Santa Ana, CA, became the most recent addition to the Graceland Fruit broker network October 1.

"Accurate Ingredients has an in-depth knowledge of the market place," Graceland National Sales Manager Derek Klein said. "They will make a great addition to our team."

Accurate Ingredients Partner Mike Kilfoy said he was excited to work with such a well established and respected company.

"Graceland provides a unique product line that our customers are looking for. What really

caught our attention was the infused dried and Fridg-N-Fresh® vegetables," he said.

The brokerage firm will assume responsibility for the Southern California and Arizona territories.

"We strongly believe we can greatly increase Graceland's presence and sales in this region through concentrated sales efforts with well-established business relationships with our customer base," Kilfoy said. "We've already determined a few major opportunities going forward."



flavor focus

Carrots

Carrots are one of the most versatile foods around, and Graceland Fruit gives manufacturers the opportunity to use carrot ingredients in a variety of foods, from sweetened dried carrots that are perfect for cakes to a refrigerated carrot that complement hearty beef stews.

Particularly rich in Vitamin A and fiber, carrots can help lower cholesterol and improve eyesight, while also playing a role in maintaining the immune system, skin and the epithelial cells that line every organ. Epithelial cell maintenance is critically important because 85% of



cancers start in these cells.

Graceland offers three distinct carrot products. Sweetened infused dried carrots are available for use in muffins, cakes, and other baked goods, while savory infused dried carrots are perfect for breads, soups and dry dinner mixes. The Fridg-N-Fresh® carrots can be used in casseroles and to add healthy vegetable taste to one-dish home meal replacements.

For samples, or to learn more about these new carrot products, contact Graceland's sales department at (800) 352-7181 or (231) 352-7181. (See recipe and product listing on page 4.)

President's Message

*Don Nugent
President & CEO*



Greetings from beautiful Northern Michigan! What a nice summer and beautiful fall it was; warm sunny days and blue skies almost every day this summer. Then came fall, the most brilliant color on the hardwoods and continued nice weather. Truly, what we call a "perfect Chamber of Commerce year" for our tourist guests.

Our fruit crops this year have given us new challenges and opportunities. The cherry crop was average in quantity, but because of the dry summer, the fruit was slightly smaller in size. This dry growing season also reduced disease pressure. As a result, it was one of the highest quality crops I can ever remember.

The extremely short blueberry crop, with record pricing, certainly causes one to try to do whatever is necessary to have adequate fruit for all of our customers. This includes aggressive purchasing as well as process improvements. Those process improvements will be very obvious on your next visit to our facility

as they are very significant additions to our plant.

We started in June with a retooling of our original infusion system. Right now, we are bringing on line our juice concentrate system. If this was not enough activity, we have just begun the construction of a waste treatment facility and 46,000 square foot addition to the drying plant. None of this activity has affected our production capabilities as the areas are cut off from the manufacturing sections of the plant. This allows us to continue operating while the improvements and additions take place, offering uninterrupted service to our customers. Our commitment to the marketplace and to continuous improvement supports our mission of "Creating Opportunities through Extraordinary Food Ingredients".

All of us at Graceland Fruit wish you a Happy Holiday season, and a safe, healthy and prosperous 2006.

Graceland's Show Presence Continues to Reap Results



The extraordinary quality of Graceland Fruit's extensive fruit and vegetable product lines is key to the company's success. The best way to demonstrate this quality is at food industry trade shows where manufacturers can see and taste the products.

Every year, Graceland exhibits at a number of domestic and foreign trade shows, and the results are undeniable.

"In a few days at ANUGA (in Germany), we met as many manufacturers as we could have in a month of traveling," explained Dan Arkema, Graceland's international broker.

Plus, shows give Graceland important insight into what the market wants. For example, during the ANUGA show, most of the northern Europeans were interested in the infused dried cranberry, according to Arkema.

"The French Health Allegation recently named cranberries as the first food that can claim to have medicinal qualities," he said. "The Europeans are very aware of the health benefits of cranberries."

Manufacturers and rebaggers in the United Kingdom, Scandanavia and Germany were also interested in cherries, and Graceland's infused dried vegetables were also of interest, according to Arkema.

"Attendees showed a nice response to the vegetables, especially the peppers, carrots and broccoli. The broccoli really shows clearly how just a couple of minutes in the microwave will return the broccoli to a fresh-tasting state," he said.

Vegetables were also a hit at the FOODEX show in Japan, where Graceland offered attendees a savory quiche that used the infused dried vegetables.

"It was the best quiche I ever had - firm and fluffy, with no water from the vegetables. It was a big hit," Arkema said.

Graceland Welcomes Spanish Agent

In addition, participating in foreign shows provides Graceland the opportunity to meet new agents.

Graceland's newest agent is Fernando Belmar, of Spain, who attended Michigan State University. "He's smart, committed and appreciates Michigan agriculture and the value of cherries," Arkema said.

Belmar, who started working with Graceland in August, brought several

customers by the booth during ANUGA, who were primarily interested in rebagging opportunities.

"I was impressed with the quality of the customers he brought to ANUGA," Arkema said.



During FOODEX Japan, Graceland's vegetable quiche was a big hit.

UPCOMING SHOWS

FOODEX

Japan March 14 - 17, 2006

FMI-USFES

Chicago May 7 - 9, 2006

IFT

Orlando June 25 - 27, 2006





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Extraordinary Fruit & Vegetable Ingredients
Infused Dried Fruit • Soft-N-Frozen™ Fruit
Infused Dried Vegetables • Fridg-N-Fresh™ Vegetables
www.GracelandFruit.com

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First Class
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Carrot Products

**Infused Dried
Julienne Carrots
Diced Carrots**

**Fridg-N-Fresh®
Diced and Crinkle Cut**



Coconut-Cherry- Carrot Bread

2 1/2 cups flour
1 cup sugar
1 tsp. baking powder
1 tsp. baking soda
1/2 tsp. nutmeg
1/4 tsp. salt
3 beaten eggs
1/2 cup cooking oil
1/2 cup milk
1 cup Graceland julienne sliced dried carrots
3 1/2 oz. flaked coconut
1/2 cup Graceland dried tart cherries, chopped and soaked
in water 15 minutes, drain

Combine dry ingredients. Combine eggs, oil and milk and add to dry ingredients, mix well. Stir in carrots, coconut, and cherries. Grease two loaf pans; pour batter into pans. Bake at 350 degrees for 40 to 50 minutes or till toothpick inserted near center comes out clean. Yield: 16 servings