Evolving Needs of the Ag Workforce

SUNWORLD

About Sun World International

MAJOR CALIFORNIA GROWER, PACKER, SHIPPER

- Farm 10,000 acres in Riverside and Kern Counties of California
- Top producer of grapes, sweet peppers
- Fruit marketer for U.S. and Mexico growers
- Employee 230 year-round staff and 6,000 seasonal workers

STRATEGIC SUPPLY PARTNER

- Core customers: Supermarkets, Wholesale, Club and Importers in US and 30+ countries worldwide
- Emphasize collaborative planning process, insights and value added marketing

LEADING DEVELOPER OF NEW FRUIT VARIETIES

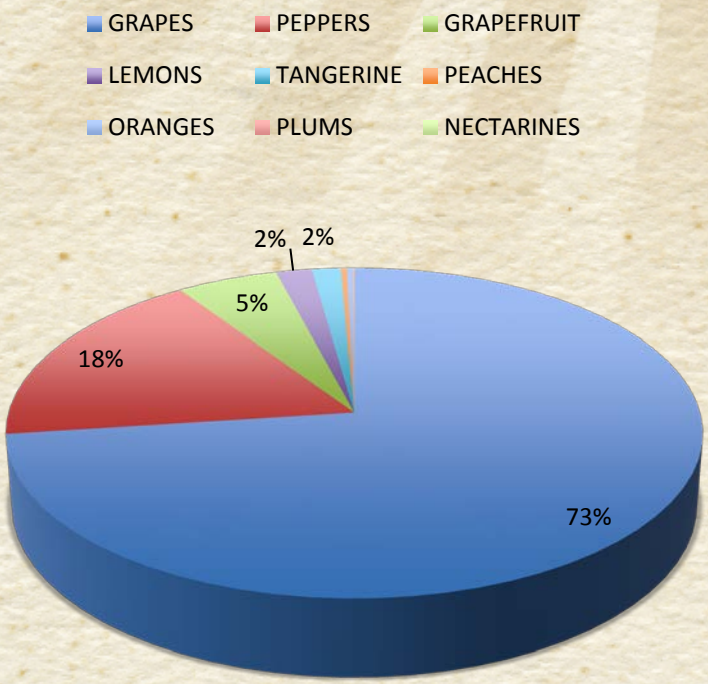
- World's largest grape & stonefruit breeding program
- Full-range seedless grape line
- Distinctive stonefruit brand series

INTERNATIONAL GROWERS & MARKETERS

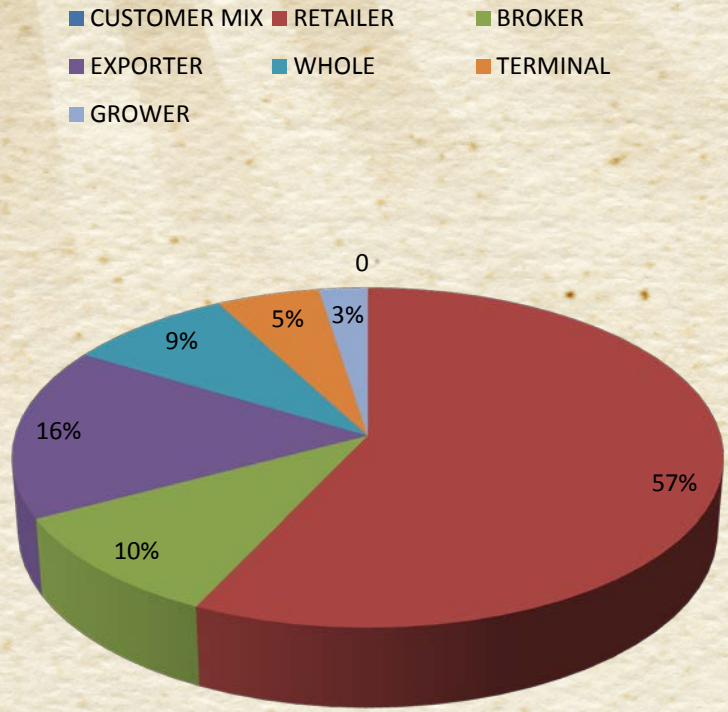
- Year-round supply from all major grape producing regions
- 1,100 licensed growers
- 44 licensed marketers in 11 countries

About Sun World International

PRODUCT MIX



CUSTOMER MIX



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Workforce Challenges

- Dwindling supply of skilled farm labor
- Need for higher level business acumen across all areas
  - Ability to manage increasing complexity of business
  - Understanding financial impact of decisions in low margin business
  - Regulatory and customer demands for Food Safety and Sustainability
- Recruitment challenges due to location and perception of industry
- Competition
  - Competing within produce sector and other sectors to recruit and retain talent

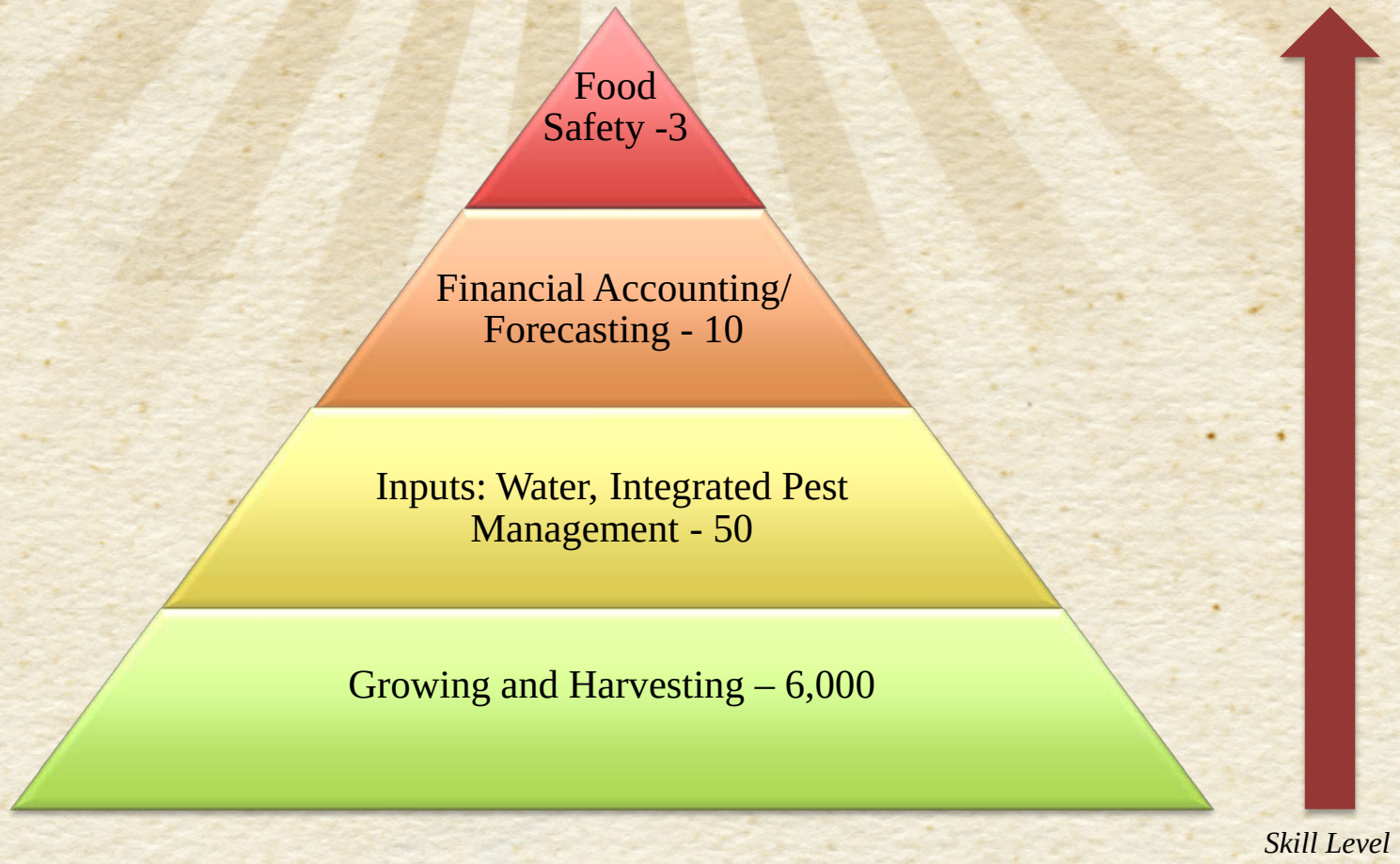
Farm Labor Workforce Needs

- In 2013, California employed 475,900 in the Ag sector[1]
  - EDD estimates total farm labor to increase 1.5% between 2010 and 2020
- Sun World currently employs approx. 6,000 seasonal farm laborers
  - The Labor need is expected to increase 40% in the next 5

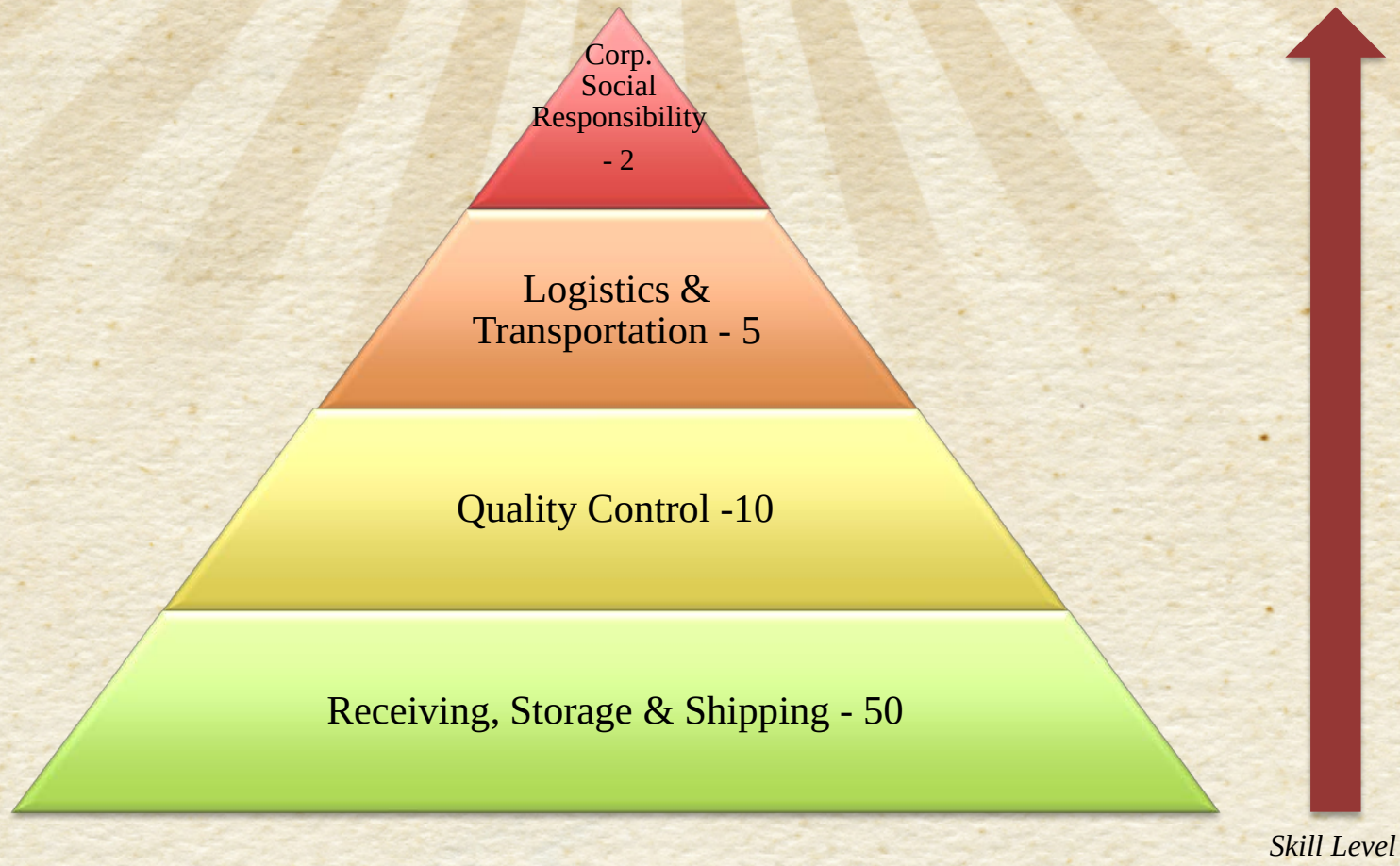
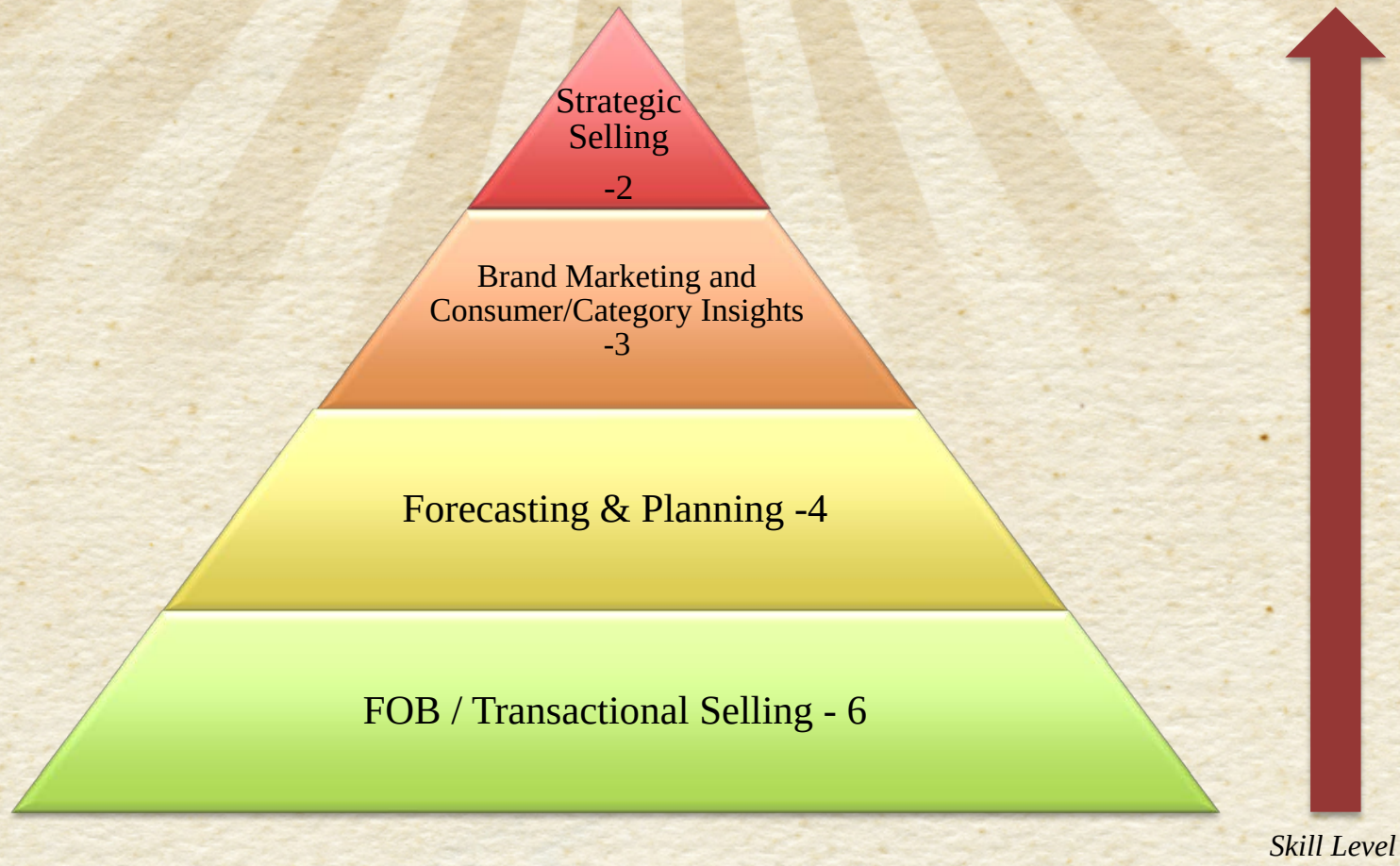
- Labor Challenges
  - Local and available workforce unwilling to take farm jobs
    - In 2010, 36,000 workers referred to H2-A employers by State agencies and 68% did not accept the jobs that were offered to them[2]
    - In 2013 think tank Cato Institute study 35 States Welfare pays more than minimum wage. California ranked eleventh at $17.87 per hour.
  - Lack of Immigration Reform
  - Competitive industries (Construction, Warehousing, Hospitality industries)
  - Available workforce lacks technical skills
  - Consumer price-sensitivity hinders higher wages

1) California Employment Development Department, 2013 2) National Survey conducted by National Council of Agriculture Employers, as cited in "Gauging the Farm Sector's Sensitivity to Immigration Reform via Changes in the Labor Costs and Availability", WAEES, Feb 2014

Farming Workforce Needs



Operations Workforce Needs



Sales Workforce Needs