



THE MARKET

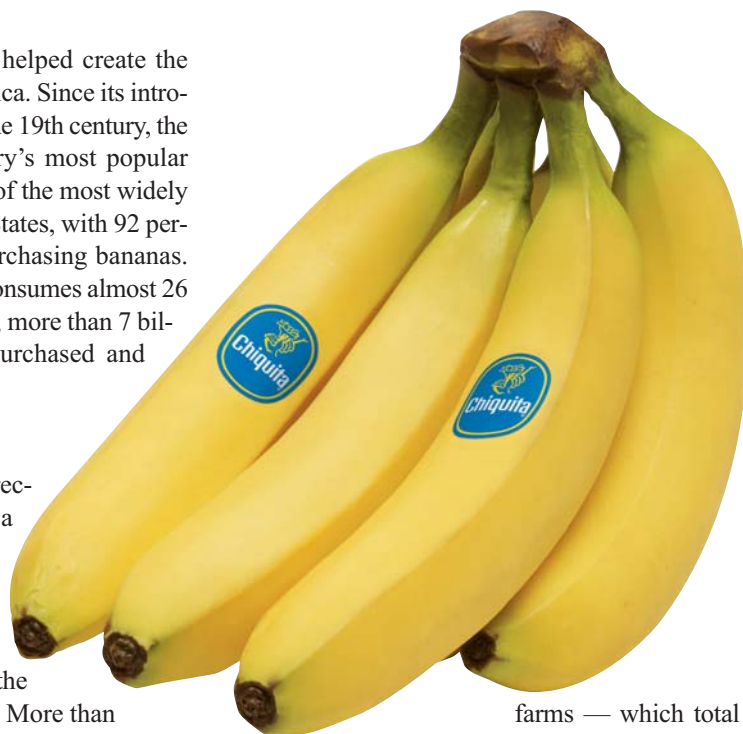
Established in 1899, Chiquita helped create the banana category in North America. Since its introduction to the United States in the 19th century, the banana has become the country's most popular fruit. In fact, the banana is one of the most widely consumed foods in the United States, with 92 percent of all U.S. households purchasing bananas. Each year, the average person consumes almost 26 pounds of bananas; collectively, more than 7 billion pounds of bananas are purchased and eaten annually.

ACHIEVEMENTS

Chiquita was one of the first to recognize what an important role a brand could play in a commodity category, and the company has worked hard to cultivate a strong relationship with consumers. Chiquita is also one of the best-known brands in America. More than 90 percent of consumers know the Chiquita brand.¹ Today, Chiquita is the preferred banana brand among consumers¹ and the number-one-rated produce brand in overall quality.² Consumers love Chiquita, as do supermarket retailers. The strength of the brand results in greater sales for retailers who stock Chiquita.³

While Chiquita is well known as America's favorite banana brand, the company also pioneered many of the practices employed today in the growing, harvesting, handling, packaging, and ripening of bananas — and even operates its own fleet of shipping vessels. First launched in 1899, the ships — known as the "Great White Fleet" — were painted white to reflect the heat of the tropical sun and thus maintain the optimum temperature for bananas. Chiquita has since set many industry standards — including refrigerated shipping vessels, innovative packaging, and container ripening procedures. The company continues to combine state-of-the-art technical practices with careful handling in order to provide the best quality bananas possible.

Recognizing the need to protect the lands where its bananas are grown, Chiquita has led the industry in implementing environmentally responsible agricultural practices. In 2000 — after investing eight years of effort and more than \$20 million in capital improvements — Chiquita became the first global banana brand to have 100% of company-owned banana farms receive certification from The Rainforest Alliance for meeting strict sustainable environmental and social performance standards. Each year, all Chiquita-owned



farms — which total more than 28,000 hectares (69,000 acres) — are recertified by The Rainforest Alliance based on independent farm-by-farm audits of performance.

HISTORY

The history of Chiquita and the banana category dates back to the 1870s, when two industrious men saw an attractive business opportunity in the delicious yellow fruit. In 1870, Capt. Lorenzo Dow Baker purchased 160 bunches of bananas in Jamaica and sailed them to Jersey City, New Jersey. There, Baker sold the bananas for a profit, and in 1895, Baker established the Boston Fruit Company.

In 1871, Minor C. Keith traveled to Costa Rica, where he contracted to build a national railroad. In order to supply cargo and passengers for the railroad, he planted bananas alongside the tracks — to provide paying fares both inland and back to the sea. On March 30, 1899, Keith's railroad company merged with the Boston Fruit Company, forming the United Fruit Company. That merger marked the official creation of what is now known as Chiquita Brands International.

The history of the Chiquita brand begins in the 1940s. World War II brought the banana industry to a virtual

standstill, as the British and American governments requisitioned company ships to aid in the war effort. In 1944, looking for new ways to invigorate the banana business, Chiquita introduced its now-famous Miss Chiquita character, along with a lively jingle. In 1963, the company added the Chiquita sticker to its fruit. Together, Miss Chiquita, the Chiquita jingle, and the Chiquita sticker became the most identifiable elements of the Chiquita brand. Familiar to generations of consumers, each brand icon has a history of its own.

Miss Chiquita. One of the most famous brand characters ever developed, Miss Chiquita debuted as an animated banana character in cinema advertising during the 1940s. Her famous Chiquita jingle educated Americans about the special ripening needs of bananas and informed consumers of the role of bananas in a healthy lifestyle.

Miss Chiquita has taken many forms over the years. Originally depicted as a "banana-lady," she evolved to human form in 1986. While her costume continues to adapt to the times, she has worn her distinctive fruit bowl hat from the beginning. Having celebrated her 50th birthday in 1994,

Miss Chiquita continues to be one of America's best-loved characters.

The Chiquita Jingle. Fun, lively, and entertaining,



the Chiquita jingle introduced Miss Chiquita to the world with the lyric, “I’m Chiquita banana and I’ve come to say.” Originally composed in 1944 by Len Mackenzie and Garth Montgomery, the jingle quickly took on a life of its own, becoming a part of American culture. At the height of its popularity in 1945, the jingle was airing 376 times a day on the radio, prompting *Time* magazine to publish this profile:

“Most spot commercials are either obnoxious or vapid. Chiquita Banana, sung to a catchy, Calypso-style tune, is so different that listeners actually like it. Last week, after more than eight months on the air, it had become the undisputed No. 1 song on the jingle-jangle hit parade. . . .”

The Chiquita jingle lives on today in advertising and promotions — reminding a whole new generation of Americans that they can stay fit and healthy with the help of Chiquita bananas.

The Chiquita Sticker. Historically, bananas were shipped on the stem — making it impossible to affix labels. In 1963 — at a time when bananas were being shipped in cardboard boxes as individual bunches — Chiquita introduced its now-famous blue label. The Chiquita sticker has become an icon in American culture. Generations of imaginative children have amused themselves by affixing the Chiquita label to their foreheads, hands, and arms.



THE PRODUCT

Bananas are one of the most nutrient-dense foods found in nature. In fact, an average 100-gram banana is a good source of four important dietary nutrients: potassium, vitamin B6, vitamin C, and fiber.

But what makes Chiquita bananas so popular? First is a commitment that reaches around the world. From the banana farm to the supermarket



display, Chiquita is committed to delivering the highest quality bananas. When you see the Chiquita label, you know you're getting the freshest fruit, great taste, quality, and nutrition.

RECENT DEVELOPMENTS

Chiquita has leveraged its strong brand equity to introduce other Chiquita branded produce items. In recent years, Chiquita has introduced branded melons, grapes, peaches, plums, and pineapples — as well as fresh vegetables and other items. With this expansion came the need for a tagline that encompassed more than the well-known banana tagline (“Chiquita. Quite Possibly, The World’s Perfect Food”). In 2002, the company introduced a new tagline — “Chiquita. Perfect For Life.” — which speaks to the great taste, convenience, and nutrition of all Chiquita products.

Chiquita is committed to promoting healthy lifestyles as well as healthy products. Over

the past decade, the company has introduced programs to educate children regarding the benefits of a healthy lifestyle and protecting the environment — through online efforts, in-school education programs, and educational promotional programs. The health benefits of Chiquita bananas were

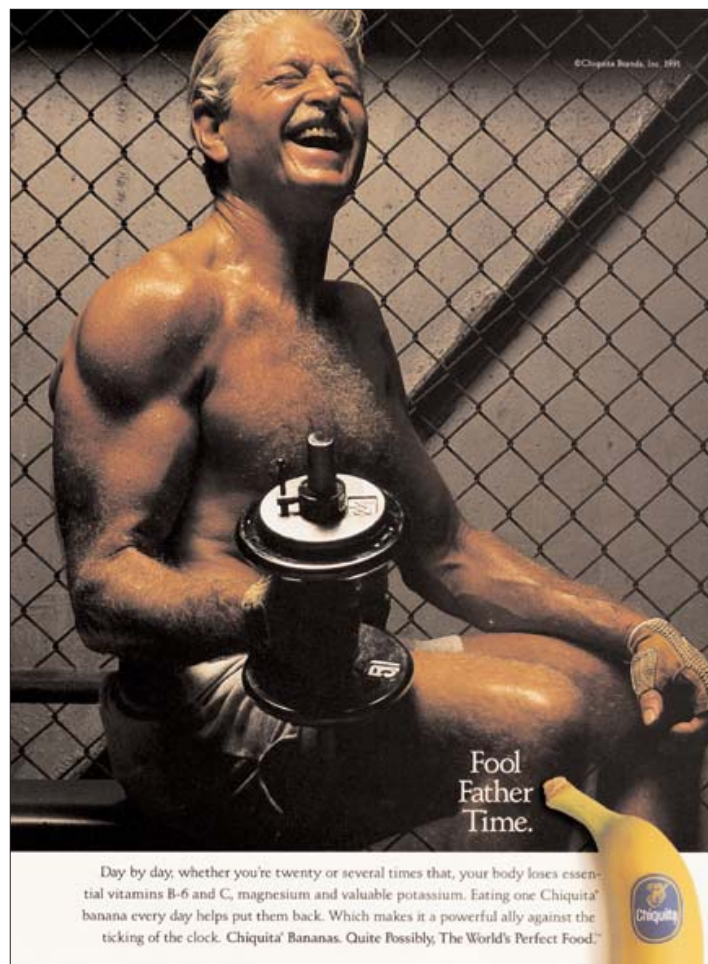
reinforced in 1997 when the American Heart Association certified the product as a heart-healthy food.

PROMOTION

Beginning with the introduction of Miss Chiquita, Chiquita has endeavored to develop innovative, entertaining, and effective methods of advertising and promotion. In fact, Chiquita was the first produce brand of *any* kind to advertise to consumers. The first Chiquita advertising took the form of 80-second cinema commercials that aired as animated shorts before movies in theaters.

Outside of advertising, Chiquita has developed high-impact retail promotions for its grocery partners. These promotions deliver millions of consumer impressions and generate great response. More important, these promotions deliver a significant sales increase for Chiquita retailers.

Other notable Chiquita programs have included sponsorship of the 1980 Winter Olympic Games in Lake Placid, New York; sponsorship of AYSO youth soccer in the early 1990s; sponsorship of the 2003–2004 men’s and women’s U.S. Soccer teams; participation in the American Heart Association’s Heart Check program; and participation in The



Heart and Stroke Foundation of Canada’s Health Check program.

BRAND VALUES

Fun, great taste, nutrition, and a healthy lifestyle are the hallmarks of the Chiquita brand. Having celebrated its 100th anniversary in 1999, Chiquita has been dedicated to helping consumers lead healthier, more enjoyable lives for more than a century.

1. *Harris International*, 2002
2. *Equitrend*, 2002
3. *ems*, 104 weeks ending 12/31/01

THINGS YOU DIDN'T KNOW ABOUT CHIQUITA

- Bananas are not trees; they’re really giant herbs, related to the orchid, lily, and palm family. The banana’s massive leaves reach up to 30 feet (914 centimeters), making it the largest plant on earth without a woody stem.
- Ancient Egyptian hieroglyphs depict people with bananas.
- If all the bananas grown in the world were placed end-to-end, the banana chain would circle the earth 1,400 times.
- When the Chiquita jingle was first performed at the offices of BBDO advertising, the singer rattled paper clips in a drinking cup to simulate maracas.
- Among the famous celebrities to have performed the Chiquita jingle are Milton Berle and Bugs Bunny.
- The original Miss Chiquita was illustrated by Dik Browne, who is also known for his famous “Hagar the Horrible” cartoon strip.