



Fresh Vegetables, Inc.

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April 16, 2007

To Our Valued Customers:

All of us in the produce industry – growers, shippers, processors, foodservice operators, brokers and retailers – took a tremendous hit last year from the spinach e.coli outbreak, both financially and in terms of consumer confidence in the safety of our products. In the consumers' eyes, all of us are in a common arena when it comes to food safety, so we must continue to find ways to restore consumers' trust and economic health to the industry.

At Dole Fresh Vegetables, we have taken two tracks.

First, we took an early leadership position in the development of the California Leafy Greens Marketing Agreement, which took effect April 1, 2007. As you are aware, the Marketing Agreement put in place enhanced Good Agricultural Practices (GAPs), which will be updated and improved as the scientific research work progresses. The new GAPs, facilitated by WGA, were developed by the grower/shipper/processor community (UFPA, California Farm Bureau and some of the major companies, including Dole Fresh Vegetables), working with food scientists, government regulators, retailers and academia. We want to thank you for your support, which helped convince handlers representing 98% of all leafy greens supplied from California to sign up for the new marketing agreement that at its core, requires on site verification by government inspectors, of the documented GAPs. Compliance with the new GAPs will be verified, certified and enforced using a USDA designed and trained inspection program. Implementation of the new GAPs will be a costly, but necessary, investment in the future of our industry.

Second, Dole Fresh Vegetables is making substantial investments on our own in enhancements that go beyond the new GAPs and that we believe may eventually become industry benchmarks in the future. We are increasing research funding, increasing field buffer zones, adding field personnel, implementing raw material testing, and implementing RFID tracking of raw materials, among other efforts. These enhancements are not one-time events, but are a part of doing business – ours and yours – for the future.

As you are aware, under the Marketing Agreement, the California Department of Food and Agriculture has put in place a \$0.02 per carton assessment, solely to cover costs of the new government inspection program. This \$0.02 per carton assessment is only a fraction of the incremental food safety costs we are incurring. Dole Fresh Vegetables incremental costs cover our enhanced practices, which are not limited to California or just leafy greens.

Based on the magnitude of these incremental costs, we are asking for your understanding and support in passing along a portion of these costs. Effective Sunday, April 29, 2007, we will be implementing a cost increase of \$0.22 per carton, across all cartons, for Dole Fresh Vegetables products.

None of us could have predicted the extraordinary events of the past seven months or the position we find ourselves in today. We will do everything we can to manage these ongoing costs and we greatly appreciate your support in helping us to continue to deliver safe and nutritious products.

Mike Cavallero – President
Dole Fresh Fruit North America

Eric Schwartz – President
Dole Fresh Vegetables