# Häagen-Dazs and General Mills to Help Smallholder Vanilla Farmers Increase Yields and Improve Sustainability Practices in Madagascar

General Mills and Häagen-Dazs today announced an initiative designed to foster greater economic vitality for smallholder vanilla farmers in Madagascar and ensure the availability of high quality vanilla for future generations.

Häagen-Dazs, the world's leading brand of super-premium ice cream, with the General Mills Foundation, will invest \$125,000 over two years to benefit villages in Madagascar's Sava region, home of the world's highest quality vanilla. The commitment builds upon General Mills century-long history of working closely with farmers around the world to promote sustainable agriculture.

The new program will leverage the strengths of three global partners to help promote sustainable vanilla farming in Madagascar: General Mills will leverage its extensive supply chain and agronomic knowledge; vanilla supplier Virginia Dare will leverage its deep understanding of the vanilla market; and international humanitarian organization CARE will leverage its extensive expertise fighting global poverty.

"At General Mills, our mission is Nourishing Lives," explained Jerry Lynch, vice president and chief sustainability officer at General Mills. "Working to improve the lives of smallholder farmers by helping them accrue a greater share of the benefit from the crops they produce will also help ensure a sustainable and quality supply of vanilla for the future."

The sustainable vanilla sourcing program is part of a larger, more comprehensive sustainable sourcing plan being advanced by General Mills. In 2011, General Mills completed an extensive global assessment of the ingredients and materials it sources, developing an overall global sustainable sourcing model. Vanilla is one of 10 ingredients General Mills has prioritized to source sustainably. The company is now advancing sourcing strategies on each of the 10 priority ingredients where the greatest impact can be achieved.

# Program to bring social and environmental benefits to Malagasy vanilla farmers

The Madagascar vanilla program will provide training and education to several hundred smallholder vanilla farmers focused on producing a more sustainable and higher quality vanilla crop. The training will teach value-added production techniques, including yield improvement and vanilla curing. By adding value at the farm level, vanilla growers should be able to significantly increase their incomes, which should benefit entire communities in the region. The program also will focus on building vanilla curing and storage facilities.

"Häagen-Dazs prides itself on using only the finest ingredients, including the highest quality of a very select breed of vanilla from Madagascar," said David Clark, president of Häagen-Dazs, the global super-premium ice cream brand owned by General Mills. "Operating sustainably and ethically goes hand-in-hand with our commitment to deliver the quality, super-premium products consumers expect from Häagen-Dazs."

Madagascar is the world's leading producer of vanilla, responsible for more than 80 percent of the world's production. For a majority of the estimated 80,000 Malagasy farmers, the vanilla crop is their only source of income. General Mills relies on the Sava region of Madagascar for the high quality vanilla used in Häagen-Dazs ice cream. (Nestlé licenses the

Häagen-Dazs brand from General Mills, and operates the business separately in the U.S. and North America.)

"Contributing to the viability and sustainability of vanilla farming could have a significant impact on the lives of Malagasy growers, their communities, and the environment," said Steve Peterson, director of sourcing sustainability at General Mills. "Vanilla is integral to their way of life. From our knowledge of the region, we have come to understand that our ability to share our agronomic and supply chain expertise, while leveraging our financial resources, could help create a better, stronger, more sustainable supply of high quality vanilla, while raising living standards for the farmers who grow this important crop."

General Mills also has worked to deepen the world's understanding of the vanilla plant, which should additionally help benefit growers in Madagascar. For example, the company is funding cutting-edge research to map the vanilla genome. This unprecedented research, already under way at the University of California—Davis, will help lay the foundation for natural and conventional breeding improvements to increase yields, strengthen disease resistance or even to enhance flavor. Scientists from the J. Craig Venter Institute (USA), CIRAD (UMR-PMVBT La Réunion), the University of Antananarivo (Madagascar) and INIFAP/SAGARPA (Mexico) are all involved in the effort.

### **General Mills' Commitment to Small Farmers**

The new vanilla initiative is one of several General Mills programs directly benefitting smallholder farmers around the world. In Mexico, for example, General Mills and its Green Giant team of agronomists are working with broccoli and cauliflower growers to encourage adoption of drip irrigation practices, which can significantly reduce water usage. General Mills is providing interest-free loans to farmers for the purchase of drip irrigation equipment in the Irapauto region of Mexico, which has accelerated the adoption of drip irrigation in the area. General Mills estimates that 1.1 billion gallons of water are being saved annually as a result.

In China, small farmers in the northeastern village of Yongqing have increased their household income four- to eight-fold by growing corn exclusively for General Mills' Bugles corn snacks. By contracting directly with General Mills, more than 750 farmer households receive seeds, other inputs, agronomic guidance, and two unique guarantees: a price that's higher than the market price and a promise to buy their entire crop. Since the advent of the corn initiative in 2003, signs of the farmers' new higher standard of living are prominent, ranging from new homes and new farm equipment to improved diets and living standards.

In Africa, through the General Mills nonprofit Partners in Food Solutions, company scientists, engineers and technicians are working with more than 40 food processors on 140 projects to improve and increase food production in Kenya, Zambia, Tanzania and Malawi. As these small African food processors grow, they are able to hire more workers and source more materials from local smallholder farmers. The farmers, with their additional income, can send their children to school, get better medical care or even start new businesses.

General Mills is also partnering with CARE International and Merck in fighting poverty and empowering women and girls in Africa through a program called Join My Village. Through the program's 350 village-based savings and loan associations, over 3,000 small business loans have been administered, positively impacting hundreds of women and families involved in food production in Malawi.

The efforts by General Mills to operate sustainably and ethically have been recognized by third-party groups such as Forbes and Corporate Responsibility magazine, Lynch acknowledged. "But we know there is much more to be done. Even as we launch this new initiative in Madagascar, we know we must remain diligent and committed to elevating our sustainability efforts even further."

## **About General Mills**

General Mills is one of the world's leading food companies, operating in more than 100 countries. Its brands include Cheerios, Fiber One, Häagen-Dazs, Nature Valley, Yoplait, Betty Crocker, Pillsbury, Green Giant, Old El Paso, and Wanchai Ferry. Headquartered in Minneapolis, Minn., USA, General Mills had fiscal 2012 worldwide sales of US \$16.7 billion.

### **About CARE**

Founded in 1945 with the creation of the CARE Package, CARE is a leading humanitarian organization fighting global poverty. CARE places special focus on working alongside poor girls and women because, equipped with the proper resources, they have the power to lift whole families and entire communities out of poverty. Last year CARE worked in 84 countries and reached 122 million people around the world. To learn more, visit www.care.org.

## **About Virginia Dare**

Virginia Dare is a Brooklyn, N.Y. based flavor and extract company founded in 1923. Today the company creates and supplies flavors to the food, beverage, nutritional and pharmaceuticals markets. An industry recognized vanilla specialist, Virginia Dare uses an extensive network in Madagascar to procure the highest quality vanilla beans to produce extracts and vanilla flavors. As the world's leading industrial extractor of vanilla beans, Virginia Dare actively purchases this raw material from all producing countries and has been a pioneer in launching vanilla related sustainability initiatives.

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