

How do you make carrots cool? In 2008, when I became the CEO of Bolthouse Farms,

that was the question we needed to answer. Like most agricultural businesses, the company had been preoccupied for much of its 93-year history with supply: getting its products—primarily carrots but also juices and dressings—from the field and the factory to the family dinner table. We liked steady, predictable demand, of course, but no one was seeking step-change growth.

As a 20-year veteran of the soft drinks industry, I wasn't satisfied with that. If Coca-Cola could persuade people to drink more than a billion servings of its soda each day, why couldn't we do the same for a vegetable? Junk food companies were experts in demand creation: we just had to use some of their tactics.

We started with simple tweaks to our pricing and packaging strategies for juices. Then, in 2010, came the big push: a multimillion-dollar marketing campaign—"Eat 'Em Like Junk Food"—that used tongue-in-cheek TV, print, and digital ads to liken baby carrots to Cheetos, Doritos, and other snack food favorites. It was an instant hit, generating significant media attention and boosting sales by 13%.

But we didn't stop there. We've put our products in vending machines, won permission to use *Sesame Street* characters on our packaging, and sold through retailers from 7-Eleven to Wal-Mart. We've created carrot snack packs, with ranch and other flavorings, developed 27 varieties of juices and smoothies, and put tasty veggie and fruit purees in squeezable tubes. I don't know that we've made carrots or other vegetables and fruits cool. But I do think we've changed their image in the consumer marketplace. (And we attracted the attention of Campbell Soup, which is now our parent.)

From Coke to Carrots

Growing up as the youngest of five boys, I always felt that my role was to challenge the status quo—at home, in school, and throughout my career. But by the end of my tenure at Coke, in 2003, I felt I was falling short. People drank enough soda; I didn't need to sell them any more.

Keen to get into the better-for-you space, I left the company and did a short stint as the CEO of the snack-food holding company Ubiquity Brands, overseeing its reorganization. When Madison Dearborn, the private equity firm that controlled Bolthouse, asked if I would be interested in the chief executive job, I jumped at the opportunity. Although Bolthouse was already a very successful business—one that had pioneered the "baby carrot" in 1985 and had launched a juice line in 2003—I thought I could add value by turning it from a family farm business into an innovative, professionally managed and branded organization. I made several critical hires—a new chief operating officer and the heads of sales, marketing, manufacturing, HR, and IT—to help me lead the change effort.

We logged one early win simply by applying a basic principle of the soft drink business to our juices: Beverages are adopted one drink at a time. So Bolthouse couldn't just sell expensive quarts or gallons of its 100% Carrot or Veggie, as it had been doing. We needed single-serve bottles. We launched a new three-package strategy, with aggressive single-serve price promotion, and within nine months we had surpassed Odwalla to become the top-selling juice maker in the country. It was a big moment for the team: Everyone could see that these best practices were portable. And we now had the leeway to consider more revolutionary moves—such as our crazy carrot-marketing campaign.

BOLTHOUSE FARMS IS REMAINING PRODUCE.

Clockwise from top: snack "destructions" in fruit-and-vegetable aisles; vending machines in schools; "junk food" snack packs; the new #unhappypost, which tracks shared "food porn" images on social media to encourage more-healthy eating.



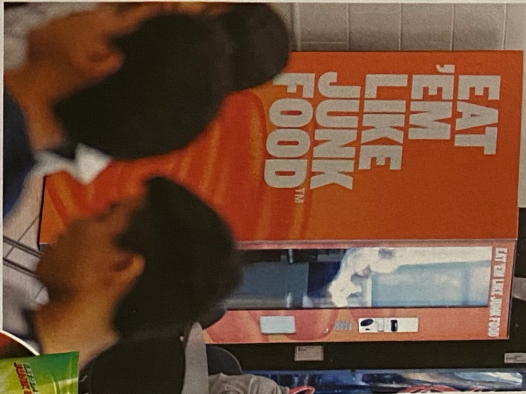
Of course, the idea for "Eat 'Em Like Junk Food" wasn't that crazy. Some of the most memorable and effective campaigns in recent history have been for commodity products. Think of "Got Milk?", Florida oranges, California raisins, and the pork industry's "The Other White Meat."

When professors at the University of Michigan considered 68 such marketing initiatives, they found that 100% of them had succeeded in boosting demand. In 2009, although Bolthouse's growth was slow and steady, we were propped up by our juice and dressing divisions; carrot sales were falling by 3% to 4% a year. Why not see if some clever advertisements could reverse that trend?

It took time to persuade the board and the management team. We were in a recession. Our private equity investors wanted to exit eventually, so we had to be disciplined about costs. And we were in the midst of an

unexpectedly complicated plant consolidation. But another lesson I had learned at Coke was how important it is to invest during tough times, especially in marketing initiatives, because the return on investment is better: Competitors retrench, ads are cheaper, and customers appreciate and then reward your resilience.

We gave several agencies a simple brief—develop a campaign to accelerate the consumption of baby carrots—and ultimately hired Crispin Porter + Bogusky, which was on a creative hot streak at the time. Of the three or four ideas the agency presented, "Eat 'Em Like Junk Food" was by far the riskiest, but we knew it was also the best. A few people within Bolthouse thought we had lost our minds. The company had spent a total of maybe \$100,000 on marketing before, and we were about to spend \$2 million in a single year. But we took the gamble, and it paid off.



prominent people such as New York's former mayor Michael Bloomberg and First Lady Michelle Obama, and ample consumer research shows that parents want more-healthy snacks for their kids. And yet as recently as 2012, the per capita consumption of fruits and vegetables was shrinking by 7% a year, according to data from the U.S. Department of Agriculture.

How can we turn that around? Our strategy, again drawn from my experience in the beverage industry, is three-pronged.

First is *accessibility*—making our products more likable and desirable. We need people to want to eat vegetables. That takes not only ads that make carrots seem cool but also top-notch customer research and innovative product development. We relocated our corporate headquarters from Bakersfield, California, to Santa Monica so that we could attract the kind of talent necessary to conceive, execute, and

sell the best ideas.

Take our Veggie Snackers. The concept came out of a Syracuse, New York, focus group. One 16-year-old boy wondered why, if our carrots were sold in vending machines just like Cool Ranch Doritos and Lay's barbecue potato chips, they didn't have flavors too. We asked our R&D team to explore the possibility, and the product line was introduced in test markets in 2014.

Our Fruit Tubes are another case in point. Children have grown accustomed to sucking yogurt out of inexpensive squeezable packages. Now they can get preservative- and dairy-free, no-sugar-added fresh fruit and vegetable purees in the same way.

