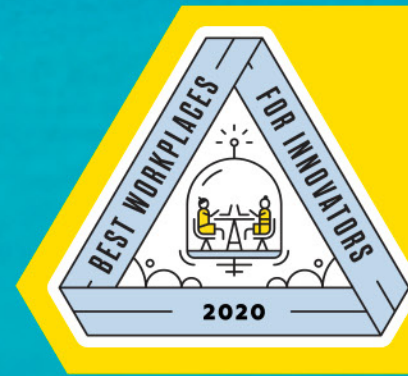




One of Fast Company's Top 100
**BEST WORKPLACES
FOR INNOVATORS**
2020



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We are living in unprecedented times that require brands and companies to step out of their comfort zone, stretch their imagination, enlarge their creative thinking and strengthen their power to reinvent and push the boundaries of our industries. To create the new realities that propel us towards a bigger and better future, we must constantly challenge the status quo with boldness and courage.

In those new realities, small companies like ours with few employees can compete on the highest marketing stages with multi-billion dollar companies and excel. This is facilitated in part by a democratized technology landscape that has become a great equalizer due to its transformative capacity which allows us to increase the power of good idea exponentially. But at the core, it is always the people's creative capacity and their ability to turn ideas into successful business innovations that move the world forward.

Innovation would have no purpose if it didn't lead to progress, advancement, success, overperformance, and overachievement. In the background of Avocados From Mexico's innovation story there are plenty of broken barriers and accomplished goals, and at the foreground, a group of people I couldn't be prouder of. Let's celebrate, improve and repeat, to continue changing the game.

Let's be más!

Alvaro Luque

Alvaro Luque
Avocados From Mexico, CEO



In 2019, Fast Company launched an annual company ranking – **Best Workplaces for Innovators** – to identify company cultures that empower employees to invent new ways of doing business. Fifty companies from around the world are honored every year for fostering internal innovation.

To compile this ranking, Fast Company collaborated with Accenture, a firm that works with the Fortune Global 500 to deliver innovation and transformation for a digital world, and who serves as an objective third party, to select the top 50 companies in the world in which innovation plays in a fundamental role in the companies' operations.

Accenture brings decades of research and expertise on relevant topics, from corporate innovation to workplace inclusion. Together, they developed a series of questions and metrics and using a rigorous, data-based methodology, evaluate each company in regards to their innovation capabilities, mindset, approaches and overall, the role innovation plays in each company's operations.

A panel of judges formed by entrepreneurs, executives, technologists, and academics along with Fast Company's editorial team, selected this year's Best Workplaces for Innovators. Avocados From Mexico proudly holds a seat at the top innovators table, sharing the recognition with some of the most innovative Fortune Global 500 companies, and the most disruptive tech startups in the world!

With this paramount recognition, Avocados From Mexico demonstrates once again that our little fruit grows big in the most competitive global platforms; that our teams are comprised of the best talent in the world; and that as category leaders, our commitment to blaze new trails for our fresh produce industry is unwavering. Unstoppable.

This meaningful accomplishment is dedicated to our growers, packers and importers who trust us with the fruit of their labor.

Ivonne Kinser

Ivonne Kinser
Head of Digital Marketing and E-Commerce
AFM Innovation Efforts, Lead

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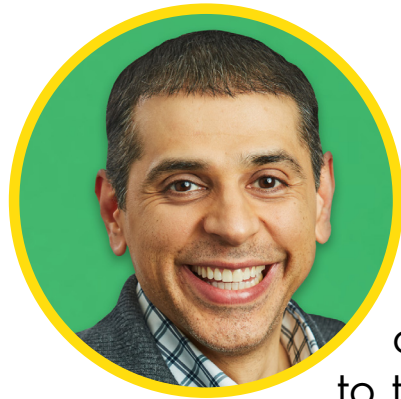


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At Avocados From Mexico, we have taken the proper steps to understand that Culture and Inclusion are propelled by the Employee Experience Cycle, and have incorporated a feedback channel which measures real time impact through our 360° surveys. Both are the foundation that empower our employees. For us, the employee experience starts from the moment that any potential candidate for hire makes his or her first touchpoint with anyone within our company. When we say that we are passionate about brand building, we are not referring only to the brand on our fruit. Our passion goes above beyond the brand of our product all the way to the brand that we build as an organization and as individuals.

At its core, Avocados From Mexico is a true melting pot, culturally rich and diverse, with some commonalities that are reflected in our operation guidelines. These make up the creative DNA of our organization: Drive Results, Foster Innovation, Believe in Collaboration, Purposeful Communication, Growth and Development, Cultivate Mexicanity and Community.

Our engagement survey has a MAGIC formula to engage our employees to drive their individual discretionary efforts, and as a company, to improve our culture with the following: Meaning with purpose at work, have the Autonomy to perform their best, being stretched and challenged to Grow, seeing the positive Impact they are creating, and creating a Connection with a sense of belonging. It looks for the deep relationships which employees are seeking at the company, manager, and employee levels. Overall, we are passionate for creating an environment that provides our people with the sandbox they need to think like an innovator and to think outside the box. This recognition is the manifestation of everything that we are as individuals, as well as everything we stand for as a brand.

Michael Lemos

Michael Lemos
Sr. Manager, People & Culture



The consideration of our organization as an innovator **is surprising on its own**. Before you judge us and/or compare us side by side with multi-billion dollar companies, giant technology leaders, or CPG companies that are competing for this award, please keep in mind that we are a fruit. A small, package-less little fruit, building a brand in a brand-less category by reinventing every established marketing rule in our industry and by challenging every preconceived notion to pave an unexplored trail, and to change the way marketing was done in our industry and for our category.

The impressive penetration of Avocados From Mexico in the U.S. has led to a **2.5 BILLION** pound market size. The first innovation is the sole existence of our group, Avocados From Mexico. The objective of the non-profit marketing arm created in the U.S. and headquartered in Dallas, TX, is to promote the product of the labor of two organizations: **1) APEAM**: the organization that groups over 20K small avocado growers and exporters **2) MHAIA**: the American association that groups hundreds of distributors. For the first time in history, two separate organizations came together under the industry funded Hass Avocado Research and Promotion program that is overseen by the United States Department of Agriculture (USDA).

USDA Commodity Checkoff Programs

This alliance was possible because of an impressive level of organization of thousands of small growers who came together in agreement and worked to get their orchards certified to meet the very high-quality standards required by the U.S. Department of Agriculture to accept them into the Mexican Hass Avocado export program.

Since the creation of the company in 2013, we have launched countless breakthrough innovations in all areas of our growing organization. As we innovate and grow, our positive impact in our industry, in our country (the United States), and in the world is felt.



Not only we are fueling America's appetite for healthy eating habits, but U.S. imports of Mexican Hass avocados also contributed the following to the U.S. economy in 2017:



**\$5.5 billion in
output or spending**



**\$3.4 billion to the
U.S. GDP (value-added)**



28,251 jobs

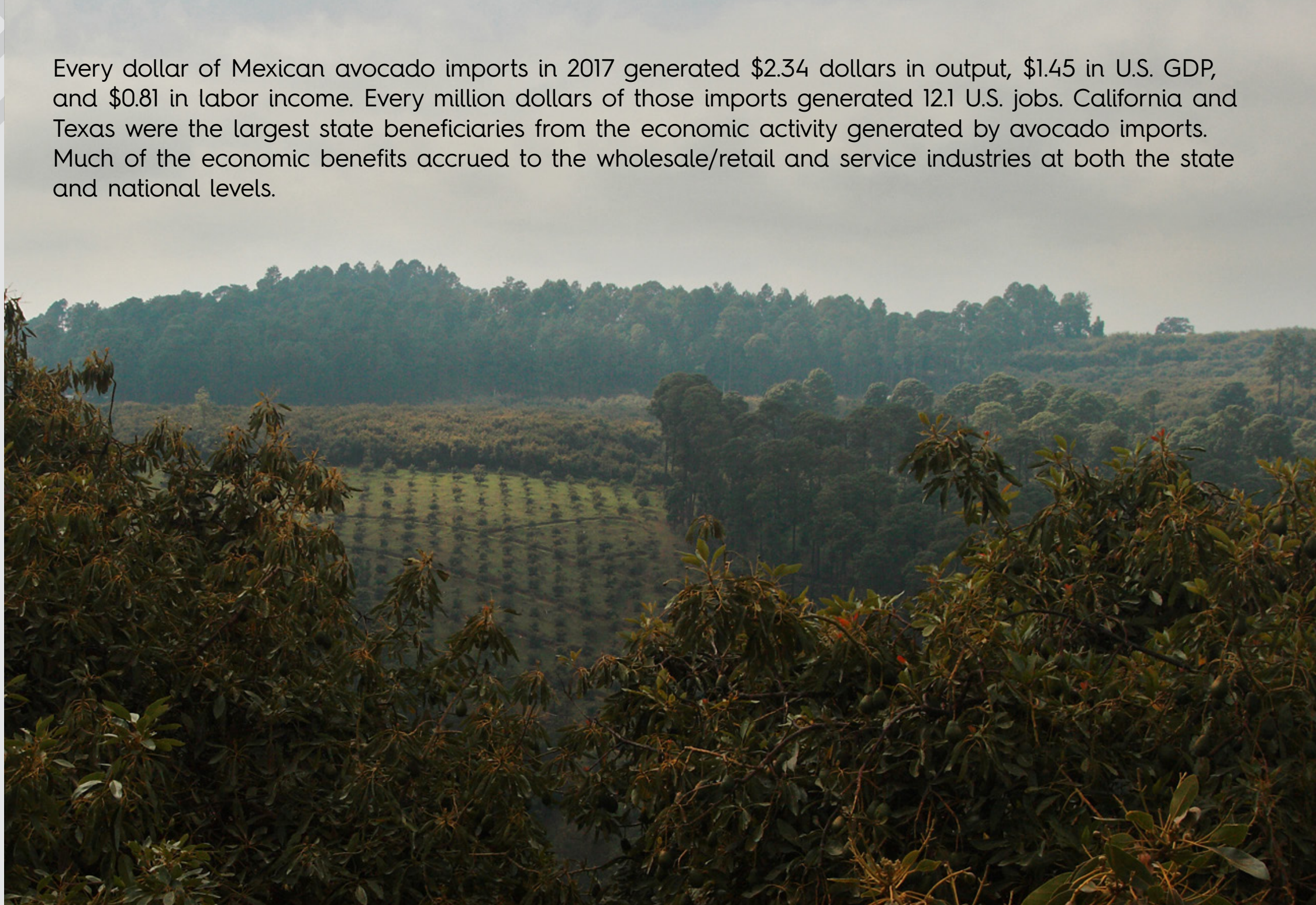


**\$1.9 billion
in labor income**



\$932 million in taxes

Every dollar of Mexican avocado imports in 2017 generated \$2.34 dollars in output, \$1.45 in U.S. GDP, and \$0.81 in labor income. Every million dollars of those imports generated 12.1 U.S. jobs. California and Texas were the largest state beneficiaries from the economic activity generated by avocado imports. Much of the economic benefits accrued to the wholesale/retail and service industries at both the state and national levels.



2018 Economic Study: [Here](#)



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Below are some of the innovations that, unpredictably, have been driven by one little, healthy fruit that in only a few years has become a staple on America's tables.
– Click on the links for details



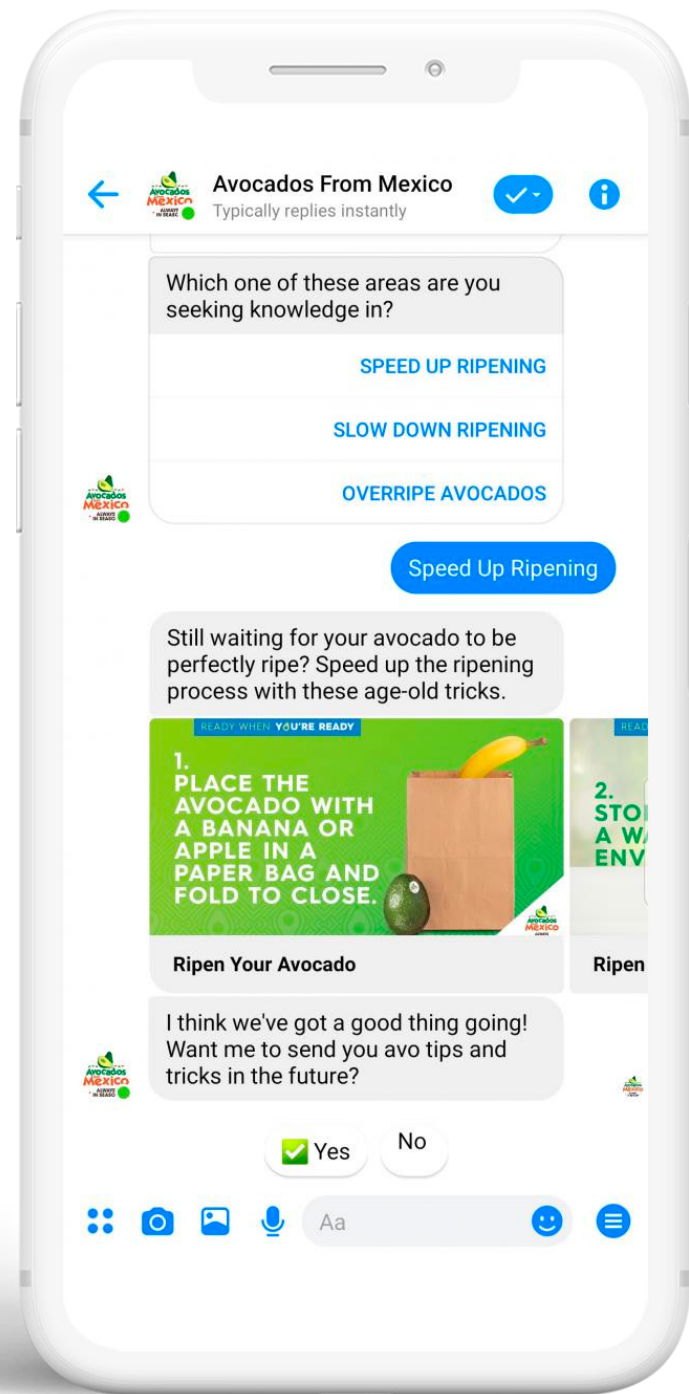
Launched the First Fresh Avocado-Centric Concession Stand in the nation:
Followed by several others across the nation.

We opened the first ever polished-casual avocado centric restaurant in the world.

Although we are neither food operators nor are we in the restaurant management business, we came up with an unusual marketing initiative to promote the AFM brand and create an “avocado innovation lab” that could help us test recipe innovations that we can then promote to food operators to meet one of our marketing goals within the Food Service segment, which is the increase in menu penetration. **AvoEatery** was launched in January 2020.



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We built a digital interface for Avocados From Mexico's "Avo-matic"

food truck that allowed users to place custom orders via giant touch screen interfaces. Using proprietary facial emotion tracking software, the diner was then instructed to smile as a dial measured the size of their grin and the amount of time held. Once the designated smile requirements were met, the user was congratulated with a reward screen, a picture of them mid-smile as a social shareable, and a 3D animation of a robot which provided recipe and avocado hacks until the "Avo-matic" delivered their personalized food order.



We Revolutionized The Way Consumers Shop For Avocados With Our New Education Program.

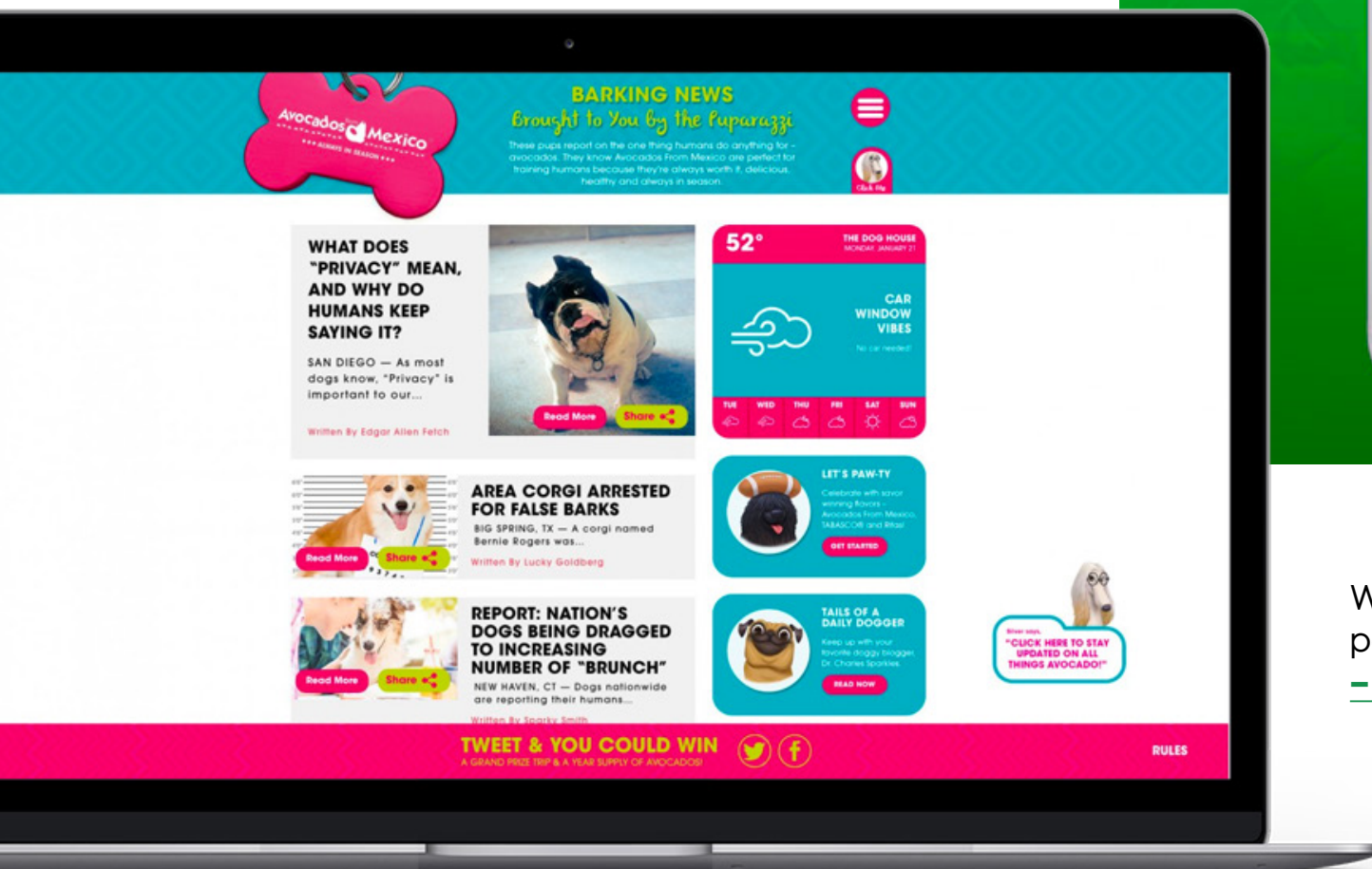
We partnered with Walmart on the execution. This initiative involved the development and launch of the first Chatbot in the fresh produce industry, which is represented by an engaging character named Selma Avocado, who was created to engage consumers with the brand's messages. This aimed to remove the main avocado consumption barrier, which is the lack of avocado education, and to drive more avocado purchases.



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*"Let's do what nobody else
in the industry is doing."*

Alvaro Luque
Avocados From Mexico CEO,
2014



We partnered with technology startup Inmoji to concept, **develop and launch a new mobile tool** that combined selfies and emojis to deliver our Super Bowl digital experience to consumers.

We integrated IBM Watson Artificial Intelligence into a digital activation that matched people with their favorite dogs available for adoption within their zip codes.

– **Fast Company**



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We created the first-ever **Avocado University** in the world, with custom-designed classes built to educate food operators on all things avocado and spark innovation across the Food Service industry. Over a year after the University was opened, we have graduated hundreds of operators that seek to change the ways their patrons consume avocados in ways never known before.

Not only was AFM the first produce brand ever to have a TV ad in the Super Bowl, but our creative, innovative and unexpected approach to digital marketing has made us the **top #1 or #2 Super Bowl digital campaigns several years in a row**, even ahead of multi-billion dollar and Super Bowl veteran brands.

A-54021

Tortilla Chip Pool Float

• Not a life-saving device

~~\$38.96~~

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Below are links to a couple of case studies that described in detail those innovative approaches and the breakthrough and unexpected results, considering a small brand like ours.



This year, we were the first company ever to place its digital marketing assets in the blockchain. As the media put it, **"the move represents one of the bigger applications of blockchain technology in a consumer-facing campaign in recent memory."**



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The company’s investments to encourage and support innovation include:

CULINARY INNOVATION: The creation and maintenance of a state-of-the-art Culinary Center located in the company HQ in Irving, Texas. The Culinary Center serves as the U.S. hub for year-round education, creativity, culinary ingenuity, and thought leadership. It is leveraged for innovative sessions and culinary exploration, besides serving as the hub of the only avocado-centric university existing in Food Service work. The company invested \$750,000 in the development of the center, and invests approximately \$60,000 in its maintenance, including the operational cost of the Avocado University.





TALENT DEVELOPMENT: One of the top priorities of the organization is to develop top-notch talent across the board. The small company of fewer than 50 people invests over \$200K each year to provide world-class training to 100% of its employees in the areas of leadership, soft-skills, professional knowledge and hard-skills in the most prestigious institutions in the world including



INNOVATION WORKSHOP: In 2020, the company invested in an exclusive innovation workshop developed by Yale University and customized for Avocados From Mexico. This workshop took place at Yale University in New Haven over an entire week, and every employee from Sr. Manager up participated. AFM also invited the advertising partners that work daily with its marketing teams on developing and executing the brand's marketing programs. In total, 25 people participated in the week-long innovation workshop.



RESEARCH INVESTMENT: The goals of the organization are determined by the opportunities identified through research, as our strategic direction is crafted to seize those opportunities. We rely heavily on research and allocate an average of \$3 Million per year on research alone. Since our product belongs to a package-less category, and we only have one product, the definition of "development" in our case is applicable to marketing innovations that represent new and different approaches to accomplish our two main objectives: Increase the demand of Avocados From Mexico in the U.S. and build the Avocados From Mexico brand.



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We leverage research to identify future opportunities and potential threats way ahead of time. From the data obtained, we focus on discovering and analyzing the trends and insights that help us predict potential future outcomes. That approach enables us to craft and execute the right strategies to seize those opportunities and to neutralize those threats even before they are obvious, which has been one of the cornerstones of our success.

A key investment related to this point was contracting the **Cambridge Group**,—a consultant group that specializes in developing demand-driven strategies to maximize growth and profitability, with a unique approach that focuses on looking at their business through the eyes of the customer rather than looking at the customer through the eyes of the business. Through our partnership with Cambridge—which represented a six-figure investment—we developed a robust mid-term plan, which is currently defining our growth strategies.



Through the assessment performed by The Cambridge Group, our company was identified as a **Performance Driven Company**, according to their business classification model. That discovery led to the development of our goals measurement tech platform which we called **AMBO**, (Avocados Management by Objectives). AMBO is leveraged to track the organization's business and marketing goals by groups and by individuals on an ongoing basis as these get accomplished.

Despite being a non-profit marketing organization with no sales goals, we set ambitious marketing performance goals aimed to contribute to our two main objectives: **1) Increase avocado consumption in the U.S., 2) Increase the brand equity of Avocados From Mexico in the U.S.** Currently, there are over 200 goals and objectives being tracked on AMBO corresponding to our 2019-2020 fiscal year, and all those goals and objectives are scheduled to be met before the fiscal year ends in June 2020. All and each of them were created to directly impact the two main objectives of the organization mentioned above. The entire process shows a masterfully orchestrated alignment of every action taken and every dollar invested by each individual and every group within the organization, with the main goals of it.



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Our organization’s planning process is intrinsically a trigger for innovation. It is a **disciplined and highly creative process** structured to deliver organized, sustainable and meaningful innovation. It is comprised of three phases over a six-month period during our fiscal year, which goes from July to June.

PHASE 1 MID-YEAR REVIEW

Every January, our 6-month planning process for the following fiscal officially starts. It kicks off with an all-hands / all-agencies meeting called the **Mid-Year-Review**, where each unit and its agencies present an assessment of all their initiatives for the current year, results, challenges encountered, learnings and potential room for improvement in front of the entire company and all the agency partners. This process invites us to stop and think deeply about what is working and what we can do to improve our results. It is a thought-provoking process and a priceless opportunity to awaken our curiosity as individuals and as team members, to find answers, solutions, and new ideas to change outcomes and improve results for the second part of the year.

PHASE 2 PLANNING 1

The next step is Planning One. From our initial thinking process, countless ideas surface, and start shaping our approaches for the next fiscal year. Each unit, including internal teams and agency partners, goes through an ideation process, a couple of pre-planning meetings, and prepares a document outlining the thinking that will shape their strategies and executions for the new year. That document is presented in front of the entire company and agency partners in an immersive two-day conference. This is the opportunity for each unit to understand what the other units are doing and how they are thinking about the business, and to uncover opportunities for alignments, partnerships, and joint ventures to be established among units.

PHASE 3 PLANNING 2

The last phase takes into consideration the feedback offered by our CEO during the Planning 1, the teams regroup within each unit to polish their strategies, propositions, and approaches, and return for Phase Two with a final plan. Between Phase One and Phase Two, the budgets for each unit get approved, and each unit knows its exact budget for the year. Their strategies and tactics presented during this last phase are now beyond just a proposal. They are already an annual plan with detailed execution approaches, tactics, and budget allocations.



INNOVATING THE INNOVATION PROCESS:

During this program, our participants received innovation training for some of the most qualified professors in the nation, including the following topics:



This workshop officially kicked off our 2021 planning process. Following our week at Yale, these new innovative approaches will shape our company's 2021 initiatives.





Our organization is a multicultural, multi-talented pot composed of individuals from diverse backgrounds, countries of origin and ethnicities. The small organization of fewer than 50 people, represents at least eight different nationalities and a female workforce of about 60%. That composition and diversity make our company organically inclusive.

CULTURE AS AN ALIGNMENT FORCE:

Our organization doesn’t rely on a vision or a mission statement. Instead, we believe in our culture as an organic guiding force that will naturally and organically drive every individual and every team toward one common place where we want to take the brand and the organization to. That culture is encapsulated in our company manifesto, and in our 10 operating guidelines, which are even written in our office’s walls to encourage, empower and inspire all individuals to live by them.

- 1 Believe in the power of brand building
- 2 Spread the vibrant magic of Mexicanity
- 3 Be the strategic category catalyst
- 4 Always focus on value, not price
- 5 **Be an outlier and break the produce mold**
- 6 Educate, educate, educate
- 7 Act as a responsible category leader
- 8 Celebrate wins, and then improve them
- 9 Develop the best people in the industry
- 10 Work hard, and always have fun



Additionally, the organization puts in place **EMPOWERMENT INITIATIVES AND GENDER EQUALITY AS CATALYSTS TO DRIVE PROGRESS AND INNOVATION:**

One example of the steps the company is taking toward fostering a positive workforce culture and empowerment of employees is the FLI (Female Leadership Initiative). The program is being kicked off in January 2020. It encompasses a series of actions to develop female leadership to harness female leadership style characteristics to strengthen the organization as a whole. The initial actions include a paid membership for all AFM female employees to become members of the **She Runs It organization**, including (in addition to the membership benefits) the participation cost and travel expenses to attend one of the organization's signature events in New York, Chicago or San Francisco. To kick off this initiative AFM has invited Keynote speaker and author of the best-seller *Grace Meets Grit*, **Daina Middleton**, who will visit AFM HQ to offer to all female employees her highly motivational keynote.



OUR COMMITMENT TO GENDER EQUALITY goes beyond our organization, and extends to our core consumers: “Maya” and Maria”, as we call them in the general market and in the Hispanic respectively. For them, we became the first produce company to sponsor the **#SeeHer movement** funded and supported by the Association of National Advertisers (ANA). Through our commitment with the #SeeHer movement, we make a promise to all female consumers out there, guaranteeing that our messages are constructive and positive for the current and future generations of female consumers.



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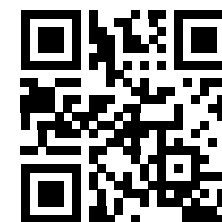


AMONG OTHER INITIATIVES, we have a Cultural Committee formed by a group of non-executive employees. The company assigns an annual budget to this initiative, which is allocated by the Committee toward the organization of events and activities aimed to allow the exercise of the operation guidelines which strengthens the culture.

These events and initiatives are conceived, planned and executed by the junior employees, which gives them the opportunity to distill their own creative ideas into the culture of the organization which gets shaped on an ongoing basis.

For more information about our culture contact
Michael Lemos - Sr. Manager, People & Culture at
mlemos@avocadosfrommexico.com

***To learn more about our
culture, scan the code!***



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