TREE FRUIT
ENDOWMENT ADVISORY COMMITTEE

WSU TREE FRUIT
ENDOWMENT

2017
IMPACT REPORT
The mission of the Washington State University (WSU) Tree Fruit Endowment Advisory Committee (EAC) is to provide guidance and oversight of the historic gift of $32 million from the Washington tree fruit industry to WSU. The guidance and oversight function is meant to address three areas:

- Ensuring that the funds in the endowment are being managed and utilized properly,
- Providing leadership on the selection of faculty,
- Reviewing faculty programs to ensure they provide a sustained benefit to the tree fruit producers of Washington State.

EAC members are appointed by the following organizations: Northwest Fresh Pear Committee; Washington State Fruit Commission; Washington Tree Fruit Research Commission; and the Washington Apple Commission.

CURRENT EAC MEMBERS

SAM GODWIN, Chair
Chelan Fresh Marketing

TOM BUTLER
Washington Fruit & Produce Company

SEAN GILBERT
Gilbert Orchards

BOB GIX
Blue Star Growers Inc.

ALAN GROFF
Foreman Fruit Company

JAKE GUTZWILER
Stemilt Growers, Inc.

JASON MATSON
Matson Fruit Company

GENERATIONS OF GROWTH

The Washington tree fruit industry ranks first in the nation for the production of apples, pears, and sweet cherries. Along with stone fruit, this represents billions of dollars for the Washington state economy.

How do we continue to grow? Research, education, and outreach. This is precisely the goal of the WSU Tree Fruit Endowment. It enables us to recruit and retain top-level scientists from around the world who offer leading-edge, science-based solutions to the challenges growers face. In close partnership with a forward-thinking and engaged industry, and with a major focus on enhancing activities at both the Prosser and Wenatchee Research & Extension Centers, these WSU faculty improve production, protection, and handling of tree fruit crops.

Because of the supportive partnership with the Washington Tree Fruit Research Commission, the Endowment Advisory Committee, and every grower in the state of Washington, the critical research conducted at WSU will ensure a sustainable, vibrant future for the tree fruit industry and the people we feed for generations to come.

RON MITTELHAMMER
CAHNRS DEAN
TREE FRUIT ENDOWMENT

The $32 million tree fruit investment created three endowment areas of excellence. These endowments support Faculty Endowed Chair Positions, Information Technology and Transfer (Extension), Research Facilities, and Orchard Development.

WHAT IS AN ENDOWMENT?

An endowment is a fund that holds its principal in perpetuity and only pays out a small portion, about 4 percent per year. Endowment investments have two goals: to grow the principal and to generate a sustained investment in areas of excellence.

HOW ENDOWMENTS WORK

CONTRIBUTIONS BY COMMODITY

FRUIT

<table>
<thead>
<tr>
<th>Fruit</th>
<th>As of Oct. 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple</td>
<td>$16,440,141.71</td>
</tr>
<tr>
<td>Pear</td>
<td>$1,831,258.34</td>
</tr>
<tr>
<td>Cherry</td>
<td>$4,055,971.45</td>
</tr>
<tr>
<td>Stone Fruit</td>
<td>$142,296.67</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$22,469,668.17</strong></td>
</tr>
</tbody>
</table>

ENDOWMENT TOTALS

<table>
<thead>
<tr>
<th>Endowment</th>
<th>Principal Balance</th>
<th>Total Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extension Leader</td>
<td>$2,000,000.00</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>ITT (Extension)</td>
<td>$6,500,000.00</td>
<td>$12,000,000.00</td>
</tr>
<tr>
<td>Orchard &amp; Facilities</td>
<td>$7,969,668.17</td>
<td>$8,000,000.00</td>
</tr>
<tr>
<td>Physiology Faculty Chair</td>
<td>$2,000,000.00</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Postharvest Faculty Chair</td>
<td>$2,000,000.00</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Soil &amp; Rhizosphere Faculty Chair</td>
<td>$2,000,000.00</td>
<td>$2,000,000.00</td>
</tr>
</tbody>
</table>
FINANCIALS: 6/30/17

Principal Value .................................. $2,000,000.00
Market Value ...................................... $2,142,021.48

DISTRIBUTIONS: 7/1/16–6/30/17

Expenditure Funds Available ...... $174,283.45
Total Expenditures ......................... $111,073.24

RESEARCH OVERVIEW

- Develop best management practices systems for Cosmic Crisp™ and other apple scion cultivars under Washington conditions.
- Improve fruit quality of pears and minimize loss during cold storage by optimizing harvest time and reducing repackaging.
- Replace Manchurian crab apple as a pollinizer and reduce quarantine problems for the international apple market.

Photo by TJ Mullinax/Good Fruit Grower
# INFORMATION TECHNOLOGY TRANSFER

## PROGRAM OVERVIEW

To develop a state-wide program focused on diagnostics, management, food safety, and export issues.

---

### ROB BLAKEY
EXTENSION SPECIALIST

*through 2017*

<table>
<thead>
<tr>
<th>Financials: 6/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Value .......... $6,500,000.00</td>
</tr>
<tr>
<td>Market Value ........... $6,709,282.05</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Distributions: 7/1/16–6/30/17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure Funds Available ...... $264,528.58</td>
</tr>
<tr>
<td>Total Expenditures ........ $0.00**</td>
</tr>
</tbody>
</table>

*Search for replacement begins January 2018
**WSU covered first year salary

---

Photo by TJ Mullinax/Good Fruit Grower
**EXTENSION LEADER**

**KAREN LEWIS & TREE FRUIT EXTENSION TEAM**

**FINANCIALS: 6/30/17**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal Value</td>
<td>$2,000,000.00</td>
</tr>
<tr>
<td>Market Value</td>
<td>$2,097,791.37</td>
</tr>
</tbody>
</table>

**DISTRIBUTIONS: 7/1/16–6/30/17**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure Funds Available</td>
<td>$135,468.04</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>$60,000.00</td>
</tr>
</tbody>
</table>

**PROGRAM OVERVIEW**

Funds are utilized for web-based communication, industry outreach, team activities, and professional development.

Photo by TJ Mullinax/Good Fruit Grower
ADDITIONAL ENDOWMENTS

ENDOWED CHAIR IN POSTHARVEST SYSTEMS
ACTIVE SEARCH IN PROGRESS
We anticipate interviewing for this position in late 2017 or early 2018.

FINANCIALS: 6/30/17
Principal Value .................. $2,000,000.00
Market Value ..................... $2,092,332.69

DISTRIBUTIONS: 7/1/16–6/30/17
Expenditure Funds Available ........ $38,826.01
Total Expenditures ........................ $0.00

FINANCIALS: 6/30/17
Principal Value .................. $2,000,000.00
Market Value ..................... $2,102,197.67

DISTRIBUTIONS: 7/1/16–6/30/17
Expenditure Funds Available ........ $59,764.48
Total Expenditures ........................ $0.00

Photo by TJ Mullinax/Good Fruit Grower

RESEARCH ORCHARDS & FACILITIES
R & E CENTER DIRECTORS

FINANCIALS: 10/31/17
Principal Value .................. $7,969,668.17
Market Value.............Unavailable at time of print.

DISTRIBUTIONS: 7/1/16–6/30/17
Expenditure Funds Available ...... $255,185.95
Total Expenditures ........................ $0.00
*EAC to approve expenditures 3/2018.

FINANCIALS: 6/30/17
Principal Value .................. $2,000,000.00
Market Value ..................... $2,102,197.67

DISTRIBUTIONS: 7/1/16–6/30/17
Expenditure Funds Available ........ $59,764.48
Total Expenditures ........................ $0.00

Photo by TJ Mullinax/Good Fruit Grower

ACTIVE SEARCH IN PROGRESS
We are currently negotiating with a finalist for this position and expect to have this confirmed by late 2017.