

PEACH FUZZ



An exclusive membership newsletter published by California Canning Peach Association the cooperative bargaining association in the canning cling peach industry.

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2015 BLOCK X BLOCK ESTIMATE TOTALS 328,893 TONS

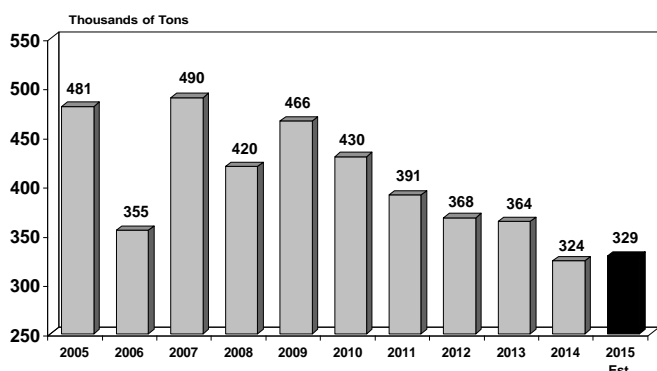
The California League of Food Processors has released the industry's 2015 Block x Block crop estimate of 328,893 tons. This amounts to an average yield of 17.7 tons/acre, up 9% from last year's yield of 16.3 tons/acre, but only 0.7 tons/acre greater than the industry's 10-year average yield of 17 tons/acre. The 328,893 ton estimate is lower than the Association's 342,511 ton Prethinning Estimate which was conducted in early May (we described it as representing the best case scenario in the May issue of the Peach Fuzz). The largest yield increase this year is projected to be the Late varietal group with an estimate of 19.9 tons/acre (up 12% from last year). The Modesto area is projecting the largest yield increase vs. last year with a 2015 estimate of 16.9 tons/acre vs. just 15.2 ton/acre in 2014. If the 2015 peach deliveries reach our Block x Block estimate, the California peach industry is projected to pack 12.5 million cases, up nearly 2% from last year's 12.3 million case pack.

2015 Block x Block Estimate

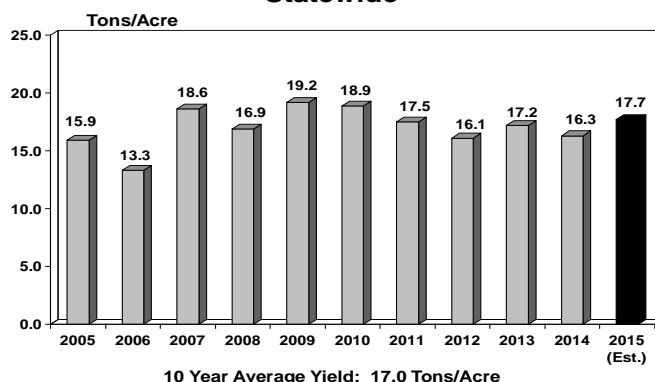
<u>TONNAGE BY AREA</u>	<u>Bearing Acres</u>	<u>Blk x Blk Estimate</u>	<u>2014 Deliveries</u>	<u>% Change vs. Last Year</u>	<u>Yield/Acre</u>
Yuba/Sutter	9,966	180,807	179,608	+0.7%	18.1
Stockton	626	11,117	9,117	+21.9%	17.8
Modesto	6,102	103,241	100,952	+2.3%	16.9
Kingsburg	1,844	33,728	34,781	-3.0%	18.3
TOTALS	18,538	328,893	324,458	+1.4%	17.7

<u>Varietal Group</u>	<u>Bearing Acres</u>	<u>Blk x Blk Estimate</u>	<u>2014 Deliveries</u>	<u>% Change vs. Last Year</u>	<u>Yield/Acre</u>
Extra Early	5,255	79,690	79,299	+0.5%	15.2
Early	2,670	42,137	43,385	-2.9%	15.8
Late	7,650	152,426	146,042	+4.4%	19.9
Extra Late	2,963	54,640	55,731	-2.0%	18.4
TOTALS	18,538	328,893	324,458	+1.4%	17.7

Cling Peach Delivery Trends
 Total Tons to All Processors



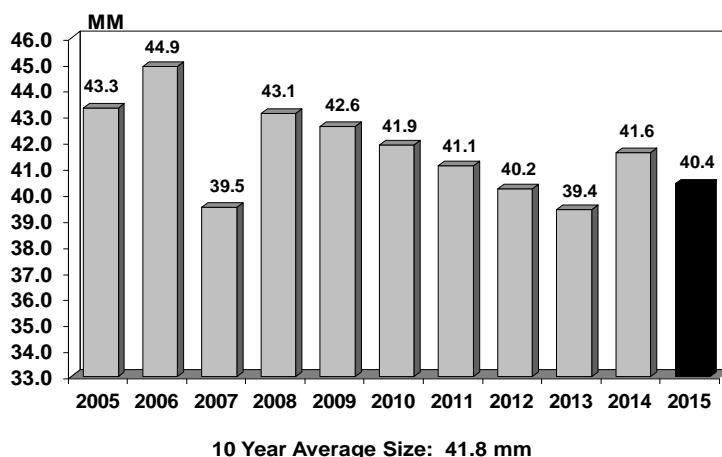
California Cling Peach Yield Trends
 Statewide



2015 PEACH HARVEST UNDERWAY

The 2015 peach harvest began with Ceres Carsons being picked in Kingsburg on Saturday, June 6th. The initial delivery this year took place four days earlier than last year. Just over 600 tons have been delivered through June 13th with an average offgrade of 1.7%. Despite the promising start, concerns still exist regarding fruit sizes this year. Reference Date plus 30-day size measurements taken by the Association's fieldstaff continue to show below average sizes in both the Yuba/Sutter and Modesto districts. Yuba/Sutter has the smallest fruit sizes with an average of just 40.4 mm as of June 8th. Growers who believe they have a large percentage of undersize fruit are encouraged to contact your local CCPA field representative regarding our sort-out juice fruit sales program this summer.

Reference Date Sizes in Yuba/Sutter
 30 Days After Reference Date



RETURN SERVICE REQUESTED

USDA MAKES INITIAL 2015 CANNED FRUIT BUY

On May 13, USDA officials announced their initial purchase of canned fruit for the 2015/2016 school year. Del Monte Foods was awarded 173,580 cases of 6/10 peaches, 45,360 cases of 24/300 peaches, and 69,312 cases of 6/10 mixed fruit. PCP was awarded 221,412 cases of 6/10 peaches, 113,400 cases of 24/300 mixed fruit and 54,720 cases of 6/10 mixed fruit. Seneca was awarded 150,480 cases of 6/10 peaches and 96,672 cases of 6/10 mixed fruit. These purchases, which are made on a delivered to destination basis, carried much higher prices than 2014 USDA sales. USDA officials are currently seeking to purchase an additional 922,944 cases of 6/10 peaches, 513,540 cases of 24/300 peaches, 655,728 cases of 6/10 mixed fruit, and 392,040 cases of 24/300 mixed fruit for the second half of the 2015/16 school year. Bids for the second round of USDA canned fruit purchases are due June 15 with awards to be announced no later than July 2, 2015.

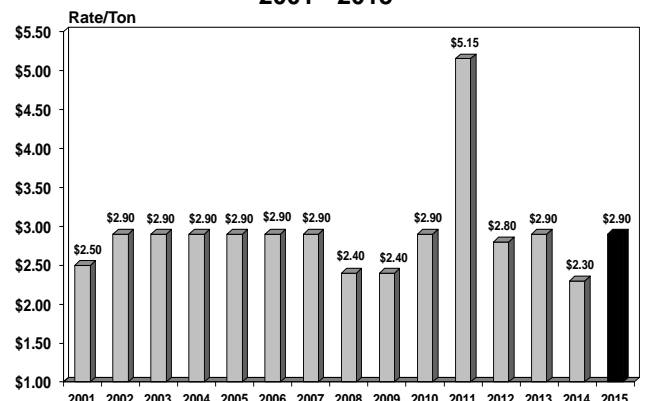
YTD CANNED PEACH IMPORTS SET NEW RECORD

Canned peach imports for the 11 month period June 1 – April 30 total 4,857,609 cases, up 13% from year-ago levels. The YTD import figure represents a new import volume record with one month remaining to be added to this total for the 2014/15 marketing year. The previous record import volume was set last year with 4,517,134 cases for the 2013/14 marketing year. It is now clear that we will exceed 5 million cases this year. China continues to be the leading U.S. supplier with 3,331,400 cases imported this year followed by Greece with 1,253,089 cases. No other country has shipped more than 150,000 cases. YTD canned peach exports amount to 905,462 cases, down 6% from last year's export volume. Canada continues to be the leading export market with 500,802 cases (up 21% vs. last year). Sales volume for Mexico continues to decline with 278,892 cases shipped this year vs. 443,776 cases last year.

2015 ADVISORY BOARD ASSESSMENT SET AT \$2.90/TON

At their May 29th meeting, the California Cling Peach Board Approved a 2015 grower assessment of \$2.90/ton to fund the Board's activities for the 2015/16 fiscal year. This represents a 60¢/ton increase over the 2014 assessment level, but is the same as the 2013 grower assessment. (A \$2.90/ton assessment has been in place for 8 of the past 14 years.) The 2015/16 Board budget includes \$280,000 for Domestic Promotion, \$650,000 for Export Promotion (including \$500,000 in MAP funding from USDA, net grower cost is \$150,000), \$143,020 for Research, \$202,500 for Government & Trade Relations, and \$149,200 for Administration. Monfort Management Services will continue to manage the Board's activities for the 2015/16 fiscal year.

**History of Advisory Board Assessments
2001 - 2015**



OF INTEREST

- All CCPA members are reminded that the deadline to return your ballots regarding the Association's proposed By-law amendment is Friday, June 19th.
- Seneca Foods has reported earnings of \$9.9 million on total sales revenue of \$1.286 billion for their 2014/15 fiscal year ending March 31st. Del Monte Pacific's earnings for their 2014/15 fiscal year will be reported on June 25th.