

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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CCPA's 2016 PRETHINNING ESTIMATE TOTALS 311,497 TONS

The Association's 2016 prethinning estimate, which is conducted by our Directors, Delegates and Committeemen in early May each year, amounts to a total of 311,497 tons. The 2016 estimate represents a 7% decrease from last year's 335,613 ton crop. It amounts to an average yield of 17.3 tons/acre which is 4% below last year's yield of 18.1 tons/acre (but almost exactly matches our 10-year industry yield of 17.2 tons/acre). The Yuba/Sutter area is projected to produce an average of 17.2 tons/acre (after subtracting out a total of 12,000 tons of hail-damaged fruit as our best estimate of crop losses due to the May 5th hailstorm). The Modesto area is projected to have a yield of 17.5 tons/acre which represents a 4% increase over 2015 yields, while the Kingsburg area is projected to have a 17.6 ton/acre yield, down 5% from last year's 18.5 ton/acre yield. The estimated 2016 cling peach crop in California amounts to the smallest crop being produced on the fewest bearing acres in modern history. Earlier this month, the USDA's National Ag Statistics Service released their initial 2016 California cling peach crop estimate of 320,000 tons (based on grower surveys conducted prior to the May 5th hailstorm). The next peach crop estimate will be the industry's Block x Block estimate which is expected to be completed during the second week in June.

2016 Prethinning Estimate

Tonnage by Area

Area	Bearing Acres	Prethinning Estimate	2015 Deliveries	% Change vs Last Year	Yield/Acre
Yuba/Sutter	9,683	166,342	186,955	-11%	17.2
Stockton	626	10,394	12,068	-14%	16.6
Modesto	5,877	103,117	102,425	+ 1%	17.5
Kingsburg	1,793	31,644	34,165	- 7%	17.6
TOTALS	17,979	311,497	335,613	- 7%	17.3

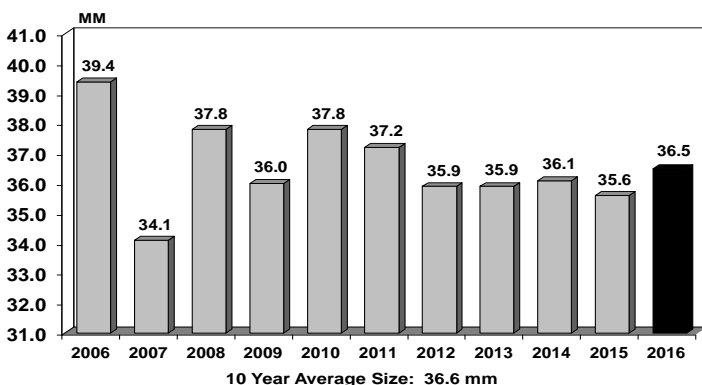
Tonnage by Varietal Group

Varietal Group	Bearing Acres	Prethinning Estimate	2015 Deliveries	% Change vs Last Year	Yield/Acre
Extra Early	4,987	74,298	78,801	- 6%	14.9
Early	2,649	43,246	44,913	- 4%	16.3
Late	7,581	144,508	155,325	- 7%	19.1
Extra Late	2,762	49,445	56,574	-13%	17.9
TOTALS	17,979	311,497	335,613	- 7%	17.3

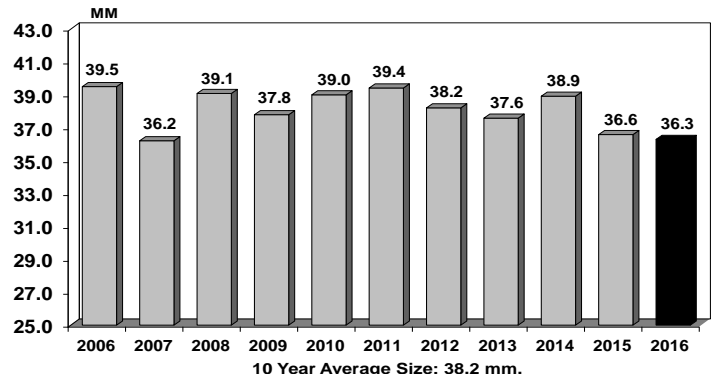
CURRENT CROP CONDITIONS

Thinning is underway in all parts of the state with many growers reporting sharply higher thinning costs and reduced availability of the experienced workers needed to perform a high quality thinning job. The Yuba/Sutter area established May 9th as Reference Date this year (unchanged from 2015). The Modesto area Reference Date was May 5th (three days earlier), while Kingsburg's May 1st Reference Date was two days ahead of last year. The Statewide Reference Date of May 7th surpassed last year's May 8th date as the earliest date in the past 60 years. The interval between full bloom and reference date this year is 70 days, which amounts to 8 days longer than last year's 62-day interval. Janine Hasey, U.C. Farm Advisor for Sutter, Yuba, and Colusa counties, reports a total of 6,352 growing degree hours for the first 30 days following bloom vs. 7,955 hours last year. She notes that this figure is much closer to the average which is expected to result in a more normal harvest timing for peaches in the Yuba City area this year. The hailstorm which hit the peach growing area just southwest of Yuba City on May 5th was the worst that many can recall in the area. It has impacted approximately 2,000 acres of peaches with golf ball sized hail hitting a number of orchards. Damage ranges from severe (no salvageable crop for 2016) to more manageable levels. Discussions are ongoing with processors concerning hail grade programs for 2016 and juice fruit sales opportunities. Obviously it is important for growers with hail damaged fruit to have information in a timely manner as they seek to maximize the value of their remaining marketable fruit this year. Fruit sizes at Reference Date Plus 10 Days are currently running ahead of last year in the Yuba/Sutter area but are below last year in the Modesto area.

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



Reference Date Sizes in Modesto
 10 Days After Reference Date



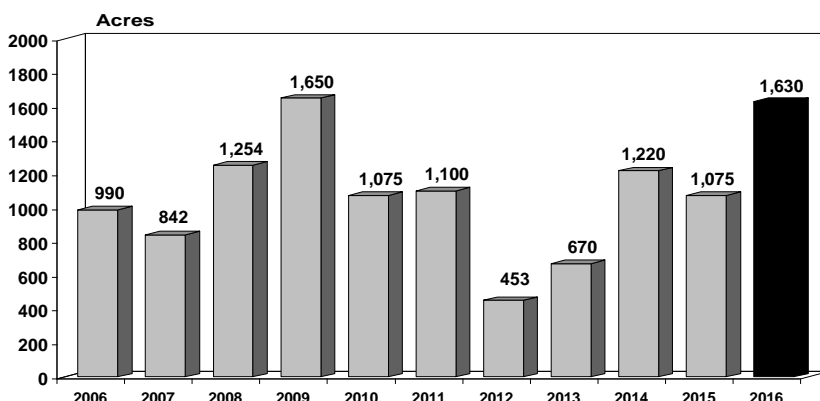
RETURN SERVICE REQUESTED

PEACH TREE SALES UP 45% IN 2016

According to the Peach Association’s annual survey of nurseries selling cling peach trees to California growers, a total of 299,303 trees were sold for 2016 plantings. This represents a 45% increase over last year’s sales of 206,799 trees. Plantings for 2016 are projected to be 1,630 acres which represents the most new plantings since 2009. The eight most popular varieties sold this year are listed as follows:

<u>Variety</u>	<u>2016 Tree Sales</u>
Late Ross	52,178
Lilleland	40,676
Starn	35,218
Ross	32,283
Klamath	32,205
Stanislaus	31,104
Kader	17,697
Lodel	13,311

**Cling Peach Acres Planted
 2006 - 2016**



2016 ADVISORY BOARD ASSESSMENT SET AT \$2.90/TON

At their May 19th meeting, the California Cling Peach Advisory Board approved a 2016 grower assessment of \$2.90/ton for the 2016/17 fiscal year which is unchanged from last year’s assessment level. They also approved a 2016/17 operating budget which includes \$310,000 for Domestic Promotion (up \$30,000 from last year), \$676,650 for Export Promotion (including \$520,500 in MAP Funds from USDA, net grower cost is \$156,150), \$142,940 for Research (unchanged from last year), \$196,500 for Government & Trade Relations (down \$6,000 from last year) and \$141,050 for Administration (down \$8,150 from last year). Sacramento based Ag Association Management Services, Inc. will perform management duties for the Board beginning June 1, 2016.

USDA MAKES INITIAL 2016 CANNED FRUIT BUY

On May 6th, USDA officials announced their initial purchase of canned fruit for the 2016/17 school year. PCP was awarded 78% of the total canned peach and mixed fruit volume, Del Monte was awarded 22% of cases purchased, while Seneca Foods received no awards from this bid. In total, USDA purchased 395, 808 cases of 6/10 canned peaches, 210,600 cases of 24/300 peaches, 220,704 cases of 6/10 mixed fruit, and 241,380 cases of 24/300 mixed fruit.

OF INTEREST

- Tom Gradziel, U.C. Davis Pomologist and Peach Breeder, and Janine Hasey, UCCE Sutter/Yuba Counties Farm Advisor, will lead a tour of Yuba City & Marysville orchards where several of the most promising new cling peach varieties are planted on Wednesday, June 15, beginning at 8:45 a.m. For details on orchard locations, please contact the Association’s Yuba City field office or Janine Hasey’s office at (530) 822-7515.
- CCPA members interested in signing up for one of our 2016 Early Final Payment Programs (cash contracts or PCP Coop membership) are reminded that the signup deadline is July 1st. Please contact your local CCPA field office for further details.
- On May 2nd, Kevin Concannon, who serves as USDA’s Under Secretary for Food, Nutrition and Consumer Services, sent a letter to 20 leading foodservice distributors reminding them of the Buy American provision for all school food purchases. This letter is a step in the right direction and we thank him for his attention to this issue.