

PEACH FUZZ



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

2300 River Plaza Drive / Suite 110 / Sacramento, CA 95833
 Sacramento: 916/925-9131 – Yuba City: 530/673-8526 – Modesto: 209/537-0715
 Website: <http://www.calpeach.com> E-mail: ccpa@calpeach.com

Vol. 44, No.3
 May 19, 2014

CCPA's 2014 PRETHINNING ESTIMATE TOTALS 335,837 TONS

The Association's 2014 prethinning estimate, which is conducted by our Directors, Delegates, and Committeemen during the first week of May each year, amounts to a total of 335,837 tons. The estimate amounts to a 8% decrease over last year's 364,376 ton crop. It reflects an average yield of 16.9 tons/acre which is 2% below last year's 17.2 ton/acre yield. The Yuba/Sutter area is projecting a 17.1 ton/acre yield which is unchanged from last year, while Modesto is projecting 16.7 ton/acre yield (up 1% vs. last year) and Kingsburg is projecting an 11% decrease in yield for 2014 (16.7 tons/acre this year vs. 18.8 tons/acre in 2013). Extra Earlies and Earlies are both projected to see 2% yield increases over last year with Lates expected to be down 3% and Extra Late yields are expected to drop by 7%. In addition to yield changes, the industry has also experienced a 6% decrease in our 2014 acreage vs. last year's 21,208 bearing acres. Our prethinning estimate covers just over 7,300 acres which amounts to 37% of the industry's total bearing acreage for 2014. On Friday, May 9th, the USDA's National Ag Statistics Service released their initial 2014 California cling peach crop estimate of 320,000 tons. The next peach crop estimate will be the industry's Block x Block estimate which is expected during the second week in June.

2014 Prethinning Estimate

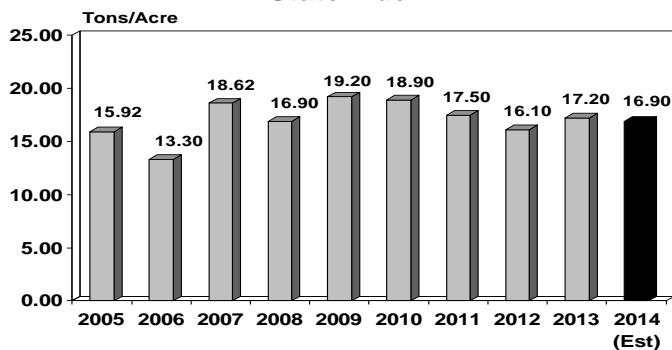
Tonnage by Area

Area	Bearing Acres	Prethinning Estimate	2013 Deliveries	% Change vs Last Year	Yield/Acre
Yuba/Sutter	10,566	180,457	197,308	-8.5%	17.1
Stockton	670	11,205	11,001	+1.9%	16.7
Modesto	6,498	108,259	115,487	-6.3%	16.7
Kingsburg	2,147	35,916	40,580	-11.5%	16.7
TOTALS	19,882	335,837	364,376	-7.8%	16.9

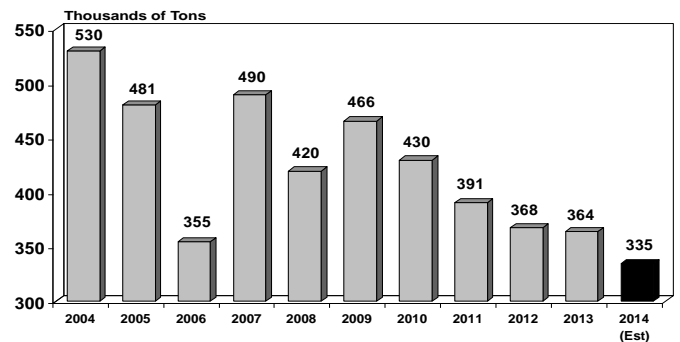
Tonnage by Varietal Group

Varietal Group	Bearing Acres	Prethinning Estimate	2013 Deliveries	% Change vs Last Year	Yield/Acre
Extra Early	5,605	82,920	86,670	-4.3%	14.8
Early	2,837	45,821	47,810	-4.2%	16.2
Late	8,236	151,982	162,649	-6.6%	18.5
Extra Late	3,204	55,114	67,247	-18.0%	17.2
TOTALS	19,882	335,837	364,376	-7.8%	16.9

California Cling Peach Yield Trends Statewide



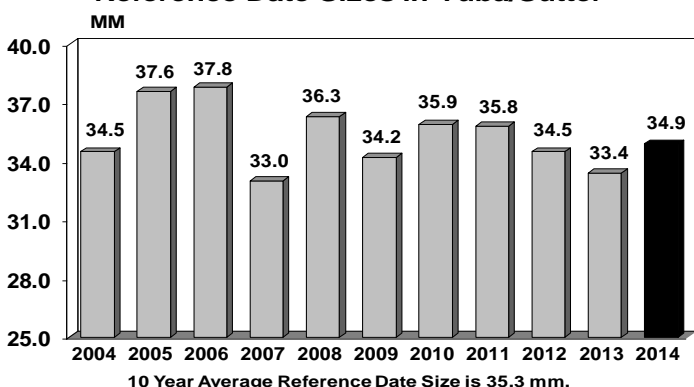
Cling Peach Delivery Trends Total Tons to All Processors



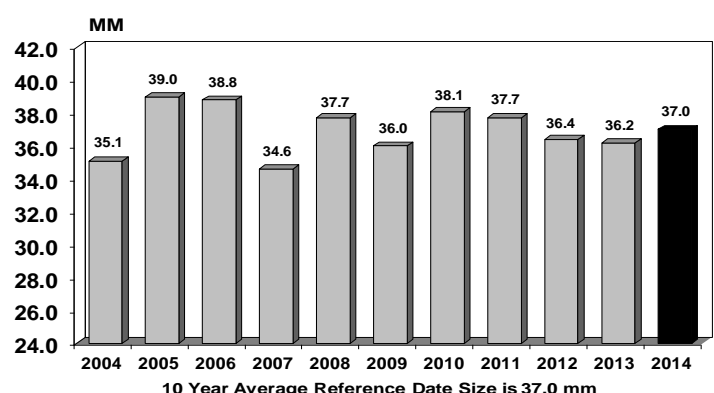
CURRENT CROP CONDITIONS

Thinning is now underway in all parts of the state with some growers complaining about limited labor availability. The Yuba/Sutter area has established May 12th as Reference Date this year which is just one day earlier than last year. Reference Date in the Modesto area was May 16th which is two days earlier than last year, while the Kingsburg Reference Date of May 2 is four days earlier than last year. Growers in all areas of the state are reporting lighter sets in Lates and Extra Lates. Fruit sizing appears to be better this year with reference date sizes in all areas ahead of last year.

Reference Date Sizes in Yuba/Sutter



Reference Date Sizes in Modesto



RETURN SERVICE REQUESTED

USDA MAKES INITIAL 2014 CANNED FRUIT BUY

On May 15, USDA officials announced their initial 2014 canned fruit purchases. Del Monte was awarded 281,808 cases of 6/10 diced peaches, 197,640 cases of 24/300 canned peaches, 461,472 cases of 6/10 canned pears, 132,840 cases of 24/300 canned pears, 249,888 cases of 6/10 canned mixed fruit, 108,540 cases of 24/300 canned mixed fruit, 23,712 cases of 6/10 canned apricots, and 29,160 cases of 24/300 canned apricots. The total Del Monte canned fruit award amounted to \$46.7 million for deliveries through December 31, 2014. PCP was awarded 26,448 cases of 6/10 canned apricots and 101,232 cases of 6/10 canned mixed fruit valued at \$4.9 million while Seneca Foods was awarded 22,680 cases of 24/300 canned apricots valued at \$0.6 million. USDA is expected to announce canned fruit purchases for the second half of the 2014/15 school year in mid-June.

PEACH TREE SALES UP 82% IN 2014

According to the Peach Association's annual survey of nurseries selling cling peach trees to California growers, a total of 235,410 trees were sold for 2014 plantings. This amounts to an 82% increase over last year's sales volume and is nearly four times larger than the 67,924 trees sold in 2012. Over half the 2014 sales volume was accounted for by the top four varieties: Klamath, Ross, Late Ross, and Starn. Plantings for 2014 are projected to be 1,220 acres, up from 670 acres in 2013.

PEACH MARKETING ORDER RENEWED FOR FIVE YEAR TERM

On April 23, 2014, CDFA officials announced the results of the cling peach marketing order referendum vote. Although over 300 growers failed to return their ballots for this referendum, 75% of those growers who voted favored continuation of the marketing order. As a result, the marketing order is now authorized to operate through May 31, 2019.

Recent Marketing Order Renewal Voting Results

<u>YEAR</u>	<u>YES Votes</u>	<u>NO Votes</u>	<u>Total Votes</u>
2014	106	35	141
2009	171	31	202
2004	151	45	196
2001	217	43	260
1998	225	79	304

CHINESE GOVERNMENT DISCLOSES WIDESPREAD SOIL CONTAMINATION

Last month, Chinese government officials publically disclosed results of the government's national soil pollution survey which shows that nearly 20% of China's crop growing farmland is contaminated with heavy metals. The report shows that over 66 million acres of arable land (enough to cover an area twice the size of Spain) is polluted with 80% attributed to inorganic toxins such as cadmium, nickel, and arsenic. The soil pollution report confirms widespread concerns about the safety of China's soil after decades of growth, the continued overuse of farm chemicals, and lax environmental enforcement. Chinese officials have vowed to tackle the soil pollution problem, but this threat has been overshadowed by growing public alarm in China over problems with smog and water contamination.

OF INTEREST

- CCPA Board Chairman Sunny Dale is currently running for a seat on the Board of Directors for Farm Credit West representing the Sacramento Valley Region.
- The California Farm Bureau's cafeteria staff recently received a delivery from their distributor of Chinese canned peaches imported by PCP under the Mission Pride label. Instead of serving them, the staff immediately returned the product and Sysco substituted California grown canned peaches which continue to be featured on the cafeteria's salad bar.
- YTD canned peach exports for June-March amount to 853,107 cases, down 12% from year-ago levels. YTD canned peach imports for the same period amount to 3,997,980 cases, up 28% from year-ago levels. Nearly 80% of all canned peach imports are from China.
- The next Peach Advisory Board meeting will take place on Wednesday, May 21 beginning at 9:30 a.m. at the California Farm Bureau building in Sacramento.