

# 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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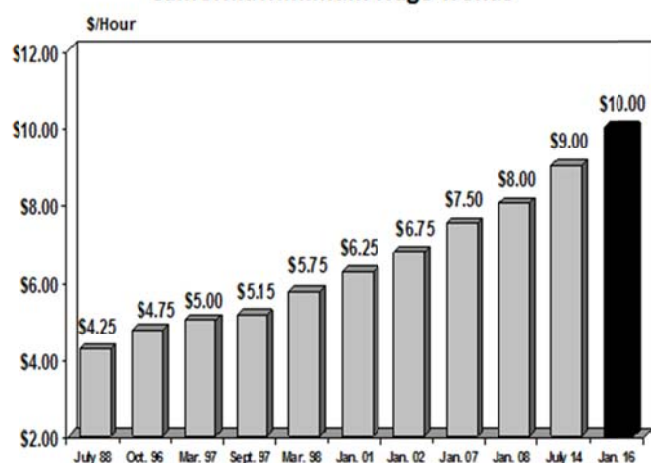
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## 2015 DISTRICT MEETING HIGHLIGHTS

Many Association members and processor representatives attended our recent 2015 District Meetings throughout the state. President Hudgins reviewed the 2015 season results, the current marketing outlook, and the industry's projected supply/demand position for 2016. He noted that with an average pullout rate of 5% during the next two years, the industry's total bearing acreage was projected to reach 18,600 acres in 2018 (up 0.4% from 2015's 18,538 bearing acres). He added that all three canners were continuing to offer \$500/acre planting incentive payments along with 20-year contracts for new plantings in order to meet current market demand. He further noted that nearly 60% of the industry's 2015 planting consisted of just three varieties (Late Ross, Stanislaus, and Ross) and pointed out the need for a more balanced delivery curve in future years. He added that the Association's goal for 2016 pricing was to maintain the peach grower's 2015 profit margin in the coming year by offsetting the increasing 2016 labor costs and anticipated yield reductions through a corresponding increase in raw product pricing. He concluded by noting that the Association had established early price agreements during the past three years believing that there were benefits for both growers and processors. He indicated that the Association would be interested in reaching an early price agreement for 2016 provided that both parties continued to believe that there were mutual benefits from concluding a price agreement.

**California Minimum Wage Trends**



The latest \$1.00/hour increase amounts to an 11.1% increase on January 1, 2016.

**Crop Yield History Following an 18 Ton/Acre Yield**

Crop Year	Yield/Acre	Following Year Yield
2015	18.1	?
2010	18.9	17.5
2009	19.2	18.9
2007	18.6	16.7
2002	18.1	17.0
2000	18.9	16.6
1997	18.4	17.2
1994	20.1	15.2
1992	18.6	17.8
1984	18.9	17.9
1980	18.3	16.3

## MORE REACTION TO SCHOOL'S PURCHASE OF CHINESE CANNED PEACHES

Following the CCPA's letter to the Sacramento City Unified School District last month voicing our objection to their purchase of Chinese canned peaches and canned mixed fruit, the Sacramento Bee ran a front page story on November 16<sup>th</sup> regarding this issue which included strong criticism of the district's purchase of Chinese canned fruit by Congressman John Garamendi. When contacted by the Bee's reporter, a spokesman for the school district called the purchase a "mistake" and noted that the district had cancelled their contract for future deliveries of canned fruit from China. This issue has also caught the attention of lawmakers in Sacramento. State Senator Cathleen Galgiani, who serves as Chair of the Senate Ag Committee, sent a letter this week to State Superintendent of Public Instruction Tom Torlakson pointing out the Buy American provisions of the National School Lunch Program and the lack of transparency and public awareness of school districts who are electing to purchase Chinese food products. She called on the Department of Education to promptly identify any other California school districts sourcing food products from outside the United States. The Association is very appreciative of the strong support we have received from both Congressman Garamendi and Senator Galgiani regarding this matter. At the Federal level, the National Council of Farmer Cooperatives is leading a widely-supported effort seeking to strengthen USDA's monitoring and enforcement of the Buy American provision for schools. The Peach Association has joined with nearly 40 other agricultural organizations who have signed an industry letter to Secretary Vilsack on this issue. We also intend to share the letter with representatives of the School Nutrition Association to enlist their support of domestic U.S. agriculture in school feeding programs.

## 2016 ANNUAL MEETING PLANS

The Association's 2016 Annual Meeting will be held on Tuesday, January 19<sup>th</sup> at the Sacramento Hilton Hotel (2200 Harvard Street). The meeting will get underway at 4:00 p.m. with Dan Vincent, President & CEO of Pacific Coast Producers, as our Keynote Speaker this year. Immediately following the conclusion of our Annual Meeting program, the Peach Family Dinner will take place with cocktails at 5:00 p.m. followed by dinner at 6:00 p.m. (Advance reservations are required for dinner – please RSVP to the Association's Sacramento office no later than Friday, January 8<sup>th</sup>.) All CCPA members and invited industry guests are encouraged to attend this event.

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**ADVISORY BOARD NOMINATION MEETINGS SCHEDULED**

The California Cling Peach Board will be holding a series of grower nomination meetings in December/January for Board positions that are expiring in March, 2016. Board members with terms expiring are: Jake Stowe, Suki Bains, Harinder Bains, Sarb Johl, and Dennis Flood. All growers are encouraged to attend the meeting in your area to hear reports on the Board’s activity during the past year. In other Advisory Board news, the Board is currently seeking proposals from California management service firms to carry out the administrative functions of the Board in future years. For more details, contact Amy Uber at CDFA ([amy.uber@cdfa.ca.gov](mailto:amy.uber@cdfa.ca.gov)). All proposals must be submitted electronically by 5:00 p.m. on Friday, January 15<sup>th</sup>.

**Yuba/Sutter**

January 21 @ 10:15 a.m.  
 Ag Commissioner’s Office  
 Yuba City

**Modesto/Stockton**

December 4 @ 10:50 a.m.  
 Stanislaus Co. Ag Center  
 Modesto

**Kingsburg**

December 15 @ 8:30 a.m.  
 Cling Peach Board Office  
 Dinuba

**2015 QUALITY AWARD WINNERS RECOGNIZED**

Wada Ranch (farmed by Yuba City growers Rajinder & Pam Chohan) won the Association’s 2015 Statewide Quality Award for achieving the lowest average offgrade (0.74%) among growers who delivered at least 250 tons over more than two weeks. The 2015 award marks three consecutive years that Rajinder and Pam Chohan have won top honors. The top three Quality Award winners in each district delivered an average of 873 tons with 8 growers in excess of 1,000 tons delivered. Our congratulations to all of the Quality Award winners shown below:

<u>District</u>	<u>1st Place</u>	<u>Offgrade</u>	<u>2nd Place</u>	<u>Offgrade</u>	<u>3rd Place</u>	<u>Offgrade</u>
1	Karmdeep S. Bains	1.65%	Madare Brothers	1.94%	Vicki Anderson	2.07%
2	Pamma Farms	0.84%	Inderpaul Chohan	1.58%	Riverside Ranches, LLC.	1.65%
3	Wada Ranch	0.74%	Rajinder & Paramdeep Chohan	0.81%	MSB Farms	1.08%
4	Parmjit S. & Sarbjit S. Johl	1.40%	Tierra Partners V, L.P.	1.45%	Chohan Farm	1.46%
5	Smith Ranches	1.49%	Empire Farming	1.71%	Oak Tree Farms	2.15%
6/7	Santini & Belletto	1.84%	K. Darpinian & Sons, Inc.	1.88%	Robert D. McManis	1.98%
8	John R. Starn	1.28%	Stackhouse Brothers	1.45%	Boer Farms	1.62%
9	HEK Farms	0.86%	Richard Swanson, Inc.	1.46%	Spycher Family Trust	1.51%
10/11	Murad Farms, Inc.	1.53%	Neufeld Farms	1.70%	Top Soil Farms	1.98%

**CHILLING HOURS UPDATE**

Chilling hours accumulated as of December 1 are significantly ahead of last year for both Davis and Modesto while Parlier is down slightly from year-ago levels. A minimum of 800 chilling hours between November 1 – February 28 is considered necessary to satisfy the basic chilling requirements of a cling peach tree.

**Chilling Hours: November 1 – December 1**

<u>Area</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Davis	226	76	139	128	192
Modesto	310	139	244	167	209
Parlier	293	301	196	144	206



THE ENTIRE CCPA STAFF WISHES  
 EVERYONE A VERY MERRY CHRISTMAS  
 & A PROSPEROUS NEW YEAR!

