

**Peach group asks retailers to buy U.S. canned fruit**

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Retailers that promote locally grown goods but stock store shelves with imported canned peaches leave a bad taste in the mouths of California peach growers, who have seen their market share eroded by an influx of low-priced imports.

Rich Hudgins, president and CEO of the California Canning Peach Association, wrote a letter to The Kroger Co. and other retailers in February, pointing out the disconnect with their local sourcing and sustainability statements. He urged the companies to reconsider their decision to purchase Chinese peaches and to buy canned fruit that is U.S.-grown.

"Kroger, along with several other smaller retailers, continue to highlight their relationships with local farmers as part of their marketing campaigns, while simultaneously moving forward with plans to source more canned fruit from China to increase their profit margins," Hudgins said. "It's time for growers to say to Kroger: 'Practice what you preach.' We will continue to do everything possible to cause Kroger to reconsider its decision to buy Chinese canned fruit instead of U.S.-grown canned fruit."

Retailers that purchase imported canned fruit, Hudgins said, create economic havoc that has far-reaching ramifications in rural California.

"Not only are farmers losing their processing contracts, forcing them to cut down and pull out their peach orchards, but canneries are closing and eliminating thousands of union jobs and devastating local economies in rural, ag-dependent communities," he said.

In addition, a recent price comparison conducted throughout the Midwest by the association revealed that no price savings are being passed on to shoppers, even though the retailers purchase the heavily subsidized Chinese products at a lower price. Hudgins noted that local Walmart stores had sold California diced peaches for less than what Kroger was charging for Chinese diced peaches.

In recent years, California cling peach growers have experienced flat or shrinking demand and rising employment costs. The 2018 cling peach crop was the smallest crop on record at about 256,178 tons.

Fewer canners remain in business to process the fruit. Seneca Foods, which announced the closure of its cannery in Modesto about a year ago, cited continued losses related to low-priced imports from China as its reason for closing.

Going into this growing season, Hudgins said, the few remaining canneries have notified cling peach farmers that 2019 will be the last year they will honor their contracts and pay for their peaches, forcing many growers to tear out orchards or sell farms to make ends meet.

Third-generation farmer Vicki Anderson, who does most of the farm work herself to cut costs, said she is directly harmed by U.S. retailers that choose to sell low-priced, imported canned peaches from China.

"I have no place to sell my peaches this coming summer when it is harvest time," said Anderson, who began farming full-time at the family farm in Gridley after her father passed away. "The contract with my processor expired last year, which forces me to consider all options to survive, including pulling out my 40 acres of peach trees and planting almonds. This would add considerable expenses to my business while eliminating any revenue for years until the new trees can produce a harvestable crop."

Farmer Lou Boer of Modesto, a second-generation grower who also works full time outside of farming to make ends meet, said his contract with the cannery expires at the end of this harvest season, leaving him to decide what to do with his farm.

This is not the first time the California Canning Peach Association stated its case for why retailers should purchase fruit from California as opposed to low-cost imports. The association succeeded in influencing Target to sell California-grown cling peaches in 2012.

In the letter to The Kroger Co., the association states: "California peach growers are second to none when it comes to growing and harvesting the best quality, safest fruit under the strictest food safety regulations in the world, while continuing to reduce environmental impacts and providing their workers with the highest farm wages in the nation."

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