

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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Vol. 51, No.1
 March 17, 2021

CURRENT CROP CONDITIONS

According to the CCPA's fieldstaff, our statewide full bloom this year occurred on March 7th which is 4 days later than last year's March 3rd full bloom date. All three growing areas reported a later bloom timing this year ranging from 3 days later in Modesto to 5 days later in Kingsburg and the Yuba/Sutter area. The 2021 bloom looked good in all areas of the state and growers were able to apply bloom sprays in a timely manner. Final chilling hours recorded at U.C. Davis for 2020/21 amounted to 745 hours, down from 760 hours reported last year. Interestingly recording stations in each major peach growing area reflected more chilling hours than the Davis location. Verona (Yuba/Sutter area) reported 1,143 hours vs. 1,080 hours last year, Modesto reported 1,064 hours vs. 977 hours last year, and Parlier (Kingsburg area) reported 1,128 hours vs. 1,035 hours last year. Nearly all growers have completed their winter pruning work. With below average rainfall this winter, many growers have been forced to start irrigations early this year. As of mid-March, growers are currently optimistic about the prospects for a good 2021 peach crop.

Chilling Hours Comparison

Area	2020-21	2019-20	2018-19	2017-18	2016-17
Verona	1,143	1,080	952	958	1,014
Davis	745	760	762	811	874
Modesto	1,064	977	948	956	900
Parlier	1,128	1,035	845	977	824

Full Bloom Timing 2017-2021

Area	2017	2018	2019	2020	2021
Yuba/Sutter	Mar 10	Mar 12	Mar 19	Mar 3	Mar 8
Modesto	Mar 12	Mar 19	Mar 18	Mar 3	Mar 6
Kingsburg	Mar 4	Mar 13	Mar 9	Feb 29	Mar 5
Statewide	Mar 10	Mar 14	Mar 18	Mar 3	Mar 7

ACREAGE & CONTRACTING UPDATE

The Peach Association's fieldstaff reports that pullouts following the 2020 season now total 1,379 acres which amounts to 8.6% of the industry's total bearing acreage in 2020. The winter pullouts exceed the 782 acres of 2018 plantings which will move into bearing status of 2021, so the Association is currently projecting that the industry will have approximately 15,200 bearing acres for the 2021 harvest which represents an 800 acre decrease from our 2020 bearing acreage position. We currently have just over 300 acres remaining unsold for 2021, primarily located in the Modesto area. At this point, we do not anticipate that any of the 207 unsold acres in the Late varietal group (primarily Ross) will be purchased by canners unless there is a significant crop shortfall during the 2021 harvest season. Growers have been advised to think carefully before spending money on thinning unsold Ross blocks as these costs may not be recovered through a sale of fruit this summer. During the past week, both Del Monte and PCP have been offering early three-year contract extensions to a number of growers for Extra Early & Early variety orchards with contracts due to expire following the 2021 harvest. The Association's field representatives are currently following up with these growers to sign Allocation Forms for the orchards receiving contract extensions.

Cling Peach Pullouts As of March 15, 2021

1. By Area

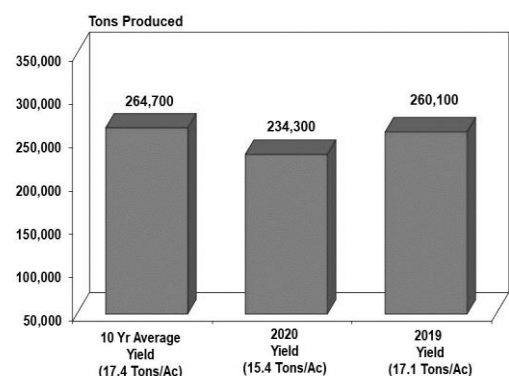
Area	EE Acres	E Acres	L Acres	EL Acres	Total Acres	% of Bearing
Yuba/Sutter	269	84	257	159	769	7.9%
Modesto	148	107	73	111	439	9.2%
Kingsburg	76	0	85	10	171	11.0%
TOTAL	493	191	415	280	1,379	8.6%

2. By 2020 Processor

Processor	EE Acres	E Acres	L Acres	EL Acres	Total Acres
DMF	244	57	106	95	527
PCP	226	122	263	181	792
All Others	23	12	21	4	60
TOTAL	493	191	415	280	1,379

Last year pullouts totaled 937 acres as of January 31st.

Possible 2021 Peach Crop Scenarios*



2020 Deliveries Totaled 246,500 Tons

* Based on 15,211 Acres in 2021

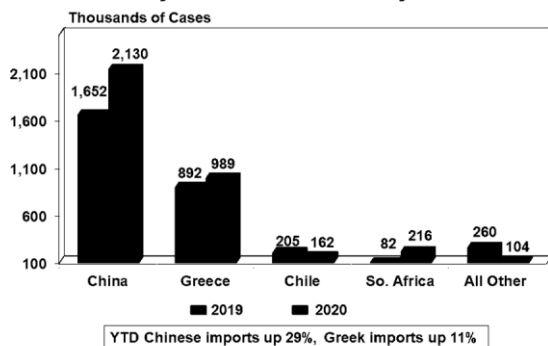
RETURNSERVICEREQUESTED

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«Address_1»
«Address_2»
«City», «State»«Zip»

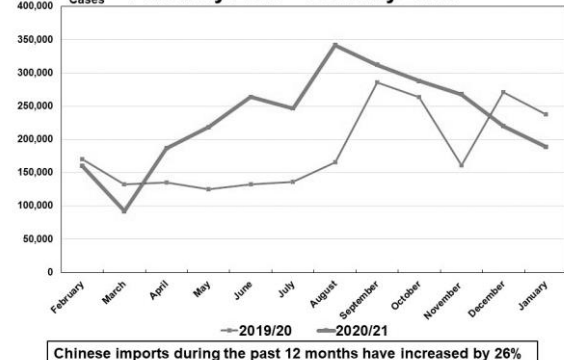
YTD CANNED PEACH IMPORTS UP 16%

Canned peach imports for January amounted to 451,424 cases, up 5% from last January's 429,569 cases of imports. YTD canned peach imports for June-Jan amount to 3,600,802 cases, up 16% from last year's import volume through January. YTD Chinese import volume amounts to 2,129,516 cases (+29%) while YTD Greek import volume amounts to 989,248 cases (+11%). On March 5th, the US and EU issued a joint statement that the retaliatory tariffs on both sides of the Atlantic will be suspended for four months while negotiators work to resolve the long running Large Civil Aircraft dispute involving Boeing and Airbus subsidies. As a result, the additional 25% tariffs on Greek canned peaches, fruit mixtures, and frozen peaches will be suspended through at least July 11th. This action will benefit major importers like Dole Packaged Foods (and to a lesser extent Del Monte Foods which has imported several million dollars worth of canned and plastic packaged peaches from Greece since the 2020 harvest concluded). At this point, it appears that the current China Section 301 tariffs which includes the 25% additional tariffs on canned peaches, fruit mixtures, and frozen peaches from China will remain in effect for at least the balance of 2021. Late last year Dole Packaged Foods and Del Monte Foods (along with thousands of other companies) submitted motions to the US Court of International Trade seeking refunds of Section 301 tariffs on imports from China. Last week, lawyers for the Justice Department and USTR filed their forceful response defending the current Section 301 tariffs and contending that all pending refund requests are invalid and non-judicial.

**Comparison of Canned Peach Import Volumes
June-January 2020 vs. 2021 for Major Countries**



**Chinese Canned Peach Imports Into The US Market
February 2019 – January 2021**



SCHULER SCHOLARSHIPS AWARDED FOR 2021

In 2019, the Peach Association established the Ron Schuler Memorial Scholarship to award two \$1,500 scholarships annually to students planning to major in agriculture or environmental science while attending college. The scholarships are available to students who are part of a CCPA member's family who fill out and submit a completed application form by December 1st. We are pleased to announce that the 2021 scholarship recipients are Shaan Sandhu from Yuba City and Macey Hammerstrom from Kingsburg. Shaan plans to attend either Cal Poly or U.C. Davis next fall to major in Engineering & Ag Business with a goal of starting his own business to design and manufacture farm equipment. Macey plans to obtain her Masters Degree in Ag Economics from Texas A&M in order to pursue her goal of working as an ag policy analyst or ag economist in Washington D.C. We wish both Shaan and Macey all the best as they pursue future careers in agriculture.

OF INTEREST

- The Association's Board of Directors has reelected all four Board officers for 2021 as follows: Chairman Ranjit Davit, Vice Chairman Eric Spycher, Secretary Leonard Perez, and Treasurer Jasbir Bains. We have three newly elected Board members for 2021: Harbhajan Sandhu from Yuba City, James Cotta from Lodi, and Craig Arnold from Winton.
- The House of Representatives is scheduled to vote this week on H.R. 1603, The Farm Workforce Modernization Act, introduced by Congresswoman Zoe Lofgren and Congressman Dan Newhouse. The Peach Association has joined with nearly 300 agricultural organizations from all over the country in urging Congress to address the agricultural workforce crisis so American agriculture can continue to feed our nation.