

PEACH FUZZ



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

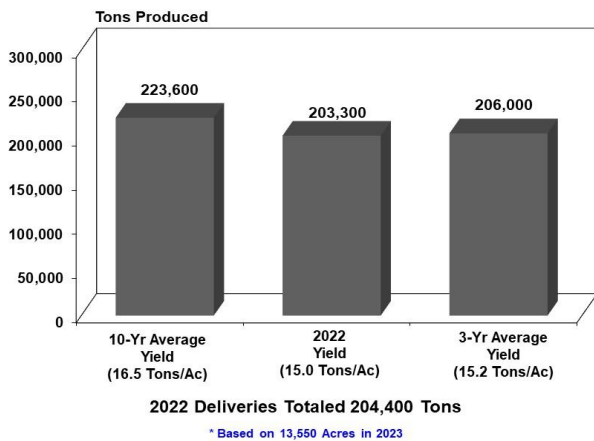
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Vol. 52, No.7
 December 20, 2022

2022 DISTRICT MEETING HIGHLIGHTS

Many Association members attended our 2022 District meetings in mid-November to hear the latest update on California's cling peach industry. President Hudgins reviewed the 2022 season results noting that while the 2022 crop of 204,440 tons was down 9% from last year's 225,262 ton crop, it represented a 9% increase over the industry's 187,420 ton Block x Block estimate. He noted that the modifications to our 2022 terms of sale in late June/early July had benefited both growers and processors by maximizing deliveries of fruit this year following our two spring frost events. He reviewed YTD pullouts following the 2022 season noting that just over 300 acres had been removed which amounts to 2.3% of our bearing acreage this year. He also reviewed recent planting trends noting that projected 2023 plantings of 1,600 acres amounted to more acres than the total plantings of the last 4 years combined. He warned that we must avoid repeating our experience in 2016/2017 when growers went from planting 1,600 acres in 2016 to 2,600 acres in 2017 noting that it took the industry several years to recover from overplanting of new acres. **DO NOT PLANT A PEACH ORCHARD IN 2023 WITHOUT A LETTER OF INTENT FROM A PROCESSOR. UNSOLD ORCHARDS PLANTED WITHOUT A CONTRACT ARE NOT ELIGIBLE FOR CCPA MEMBERSHIP.** (Editor's Note: Following our District Meetings, PCP has reached its target for 2023 plantings- so no additional acres are needed. Del Monte reports that they may be interested in acquiring a limited number of additional acres of 2023 plantings; however, their decisions will be based on area and variety. Check with a Del Monte field representative to learn if they have further interest.) President Hudgins further noted that the Association believed that both growers and processors had benefited from having an early price agreement in 2022 and we planned to seek an early price agreement for the 2023 crop. He added that while a few input costs were now lower than last year, labor costs were continuing to increase as well as energy and water costs.

Possible 2023 Peach Crop Scenarios*



Cling Peach Pullouts As of November 1, 2022

1. By Area

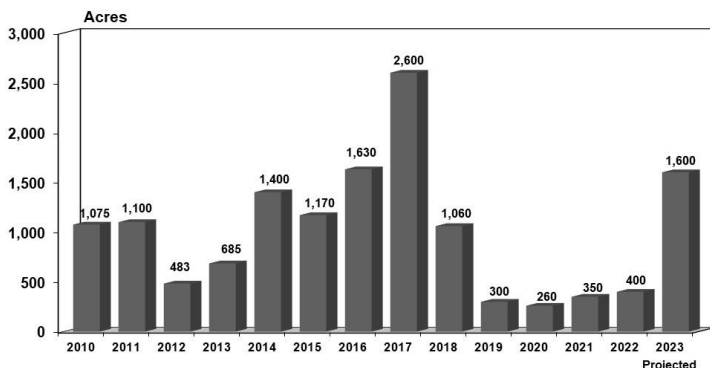
Area	EE Acres	E Acres	L Acres	EL Acres	Total Acres	% of Bearing
Yuba/Sutter	103	83	90	11	287	3.4%
Modesto	26	0	5	2	33	0.8%
Kingsburg	0	0	0	0	0	N/A
TOTAL	129	83	95	13	320	2.3%

2. By 2022 Processor

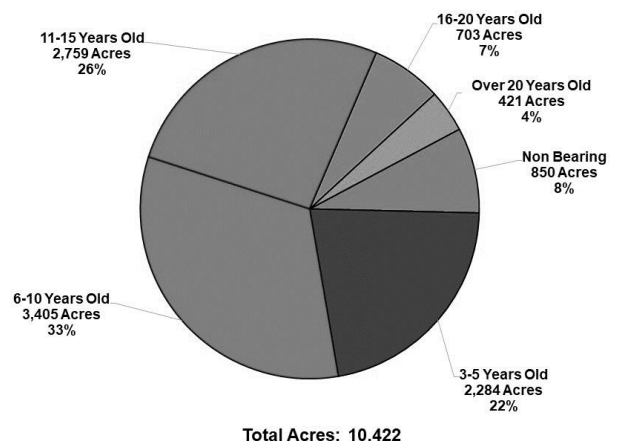
Processor	EE Acres	E Acres	L Acres	EL Acres	Total Acres
DMF	41	52	28	2	123
PCP	88	31	62	11	192
All Others	0	0	5	0	5
TOTAL	129	83	95	13	320

Last year pullouts totaled 1,060 acres as of November 19th.

Cling Peach Acres Planted 2010 - 2023



Ages of Current CCPA Membership Acres November, 2022



CCPA's 2023 ANNUAL MEETING SET FOR JANUARY 24TH

The Association's 2023 Annual Meeting will take place on Tuesday, January 24th at the Sacramento Hilton Hotel. The meeting program will start at 4:00 p.m. Our keynote speaker this year will be Matt Strong, President & CEO of Pacific Coast Producers. Matt will be providing us with his perspective on current canned peach market conditions and the future outlook for California's cling peach industry. Immediately following the Annual meeting program, our Peach Family dinner will take place with a cocktail reception at 5:30 p.m. followed by dinner at 6:30 p.m. (Advance reservations are required for dinner – RSVP's must be received by January 12th.) All CCPA members and invited industry guests are encouraged to join us in Sacramento this year.

RETURN SERVICE REQUESTED

YTD CHILLING HOUR AND RAINFALL TOTALS

Chilling hours accumulated as of December 15th are significantly above recent years figures for all reporting areas. A minimum of 800 chilling hours between November 1st to February 28th is considered necessary to satisfy the basic chilling requirements of a cling peach tree. However, our July 1st thru December 15th rainfall totals are significantly below last year's totals but higher than 2020 and 2019 for most areas.

Total Chilling Hours: November 1 - December 15

<u>Area</u>	<u>Current</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Verona (YC)	504	267	446	339
Davis	418	191	276	211
Modesto	530	244	410	215
Parlier	492	247	417	276

Rainfall Totals: July 1 – December 15

<u>Area</u>	<u>Current</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Verona (YC)	5.16	9.27	1.41	4.88
Davis	8.13	10.98	1.90	6.64
Modesto	4.06	5.40	0.10	4.77
Parlier	1.87	3.53	0.71	2.21

2022 QUALITY AWARD WINNERS RECOGNIZED AT DISTRICT MEETING

Heer-Atwal Orchard won the Association's 2022 Statewide Quality Award for achieving the lowest average offgrade among growers who delivered at least 250 tons over more than two weeks with an average offgrade of just 0.25%. The average offgrade for all 27 Quality Award winners was 1.0%. The top three Quality Award winners in each district delivered an average of 487 tons with 2 growers in excess of 700 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	Mohammad Aslam Khan	0.80%	Millennium Farms	1.08%	Jaspal Orchards	1.30%
2	Harbhajan S Takher & Sons	0.13%	Kulwant Dail	0.56%	Chohan & Sons, Inc.	0.81%
3	Bihala Farms	0.58%	Ohri Orchards	0.73%	Chohan Partnership	0.85%
4	Diamond B Co.	0.34%	Daljit Thandi	0.52%	Davit Management	0.83%
5	Heer-Atwal Orchards	0.25%	Gurdawar Singh Bains	0.86%	Triangle Properties	1.18%
6/7	Luchessa Ranches	1.13%	Blom's Ranch	1.53%	John L. Miller Farms, Inc.	1.82%
8	John L. Miller Farms, Inc	1.00%	J.O.V. Direct Growers, Inc.	2.19%	Noeller Farms	2.41%
9	Kullar Farms	0.77%	Surinder S. Dhesei	1.00%	HEK Farms	1.04%
10/11	Jose Venegas	0.85%	Harley L or Faye L Freeman	1.40%	Kenneth J. Thiesen	1.48%

YTD CANNED PEACH IMPORTS UP 13%

Canned peach imports for June-October total 1,897,322 cases, up 13% from last year's June-October volume of 1,681,438 cases. Import volume for the month of October amounted to 530,712 cases which represents a 18% increase over October, 2021 shipments. Chinese canned peaches account for nearly 60% of total import volume with current year per unit pricing nearly \$9/case below Greek unit pricing. This year we have seen the first evidence of Walmart sourcing a portion of their Great Value brand canned peaches from China.

OF INTEREST

- Last week there were several Chinese press reports of canned peaches flying off supermarket shelves in China following a loosening of China's COVID-19 restrictions driven by the belief that canned peaches can provide a defense against the virus. The buying frenzy prompted Chinese producers and medical experts to issue a reminder to the public that canned peaches are not a substitute for medicine.
- Just in time for Christmas, canned peach gift packs are available for purchase by CCPA members. A case of six 29oz cans of peach halves sells for \$12 and a case of twelve 8 ¼ oz pull top cans of chunky diced peaches sells for \$9.00. Contact your local Association field representative to arrange for pickup or delivery.