

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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2023 DISTRICT MEETING RECAP

The Association held a series of 2023 District Meetings during the past 30 days to provide members with the latest update on California’s cling peach industry. President Hudgins reviewed the 2023 season results noting that the state’s 2023 crop of 219,178 tons was up 7% from last year’s 204,440 ton crop. He added that our statewide average yield amounted to 16.3 tons/acre, up 9% from last year’s 15.0 ton/acre yield. He reviewed YTD pullouts following the 2023 season noting that just 183 acres had been removed which amounts to 1.4% of this year’s bearing acreage. He noted that the industry’s 2024 bearing acreage was expected to increase by just under 200 acres to a total of 13,600 acres as the 2021 plantings move into bearing acreage status. He added that given a range of prior yields, it was projected that the 2024 crop would amount to between 210,000-223,000 tons. He further noted that it was projected that our industry’s bearing acreage would continue to increase in 2025 and 2026 as the 2022 and 2023 plantings come into bearing. He indicated that the industry was tracking towards 14,700 bearing acres in 2026 which would amount to a 9% increase vs. 13,424 acres in 2023. He continued to stress that peach growers should not plant any additional acreage without a letter of intent from a processor and cautioned processors regarding overestimating market demands four years from now. He noted that following a 4% price increase announced by Del Monte Foods in July, Walmart had increased shelf pricing for Del Monte brand 15oz sliced peaches by 12% in September. He further noted that there was currently a record retail price differential between Del Monte brand sliced peaches and Great Value brand sliced peaches. He concluded by noting that the Association believed that growers and processors could benefit by reaching an early price agreement for the 2024 crop and that our Sales Committee would be meeting in the near future to discuss this in more detail.

Cling Peach Pullouts As of November 6, 2023

1. By Area

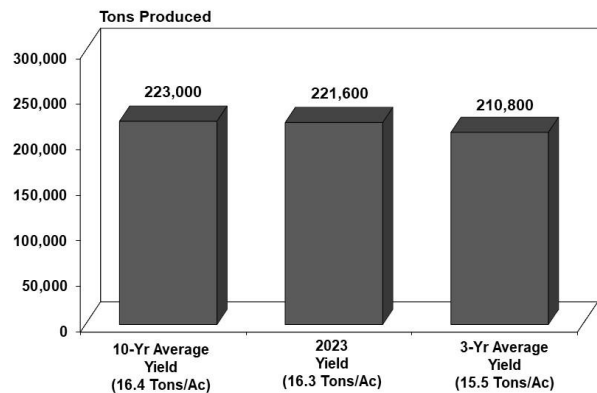
| Area | EE Acres | E Acres | L Acres | EL Acres | Total Acres | % of Bearing |
|--------------|-----------|-----------|-----------|-----------|-------------|--------------|
| Yuba/Sutter | 31 | 34 | 75 | 12 | 152 | 1.8% |
| Modesto | 0 | 0 | 0 | 0 | 0 | N/A |
| Kingsburg | 10 | 13 | 8 | 0 | 31 | 2.5% |
| TOTAL | 41 | 47 | 83 | 12 | 183 | 1.4% |

2. By 2023 Processor

| Processor | EE Acres | E Acres | L Acres | EL Acres | Total Acres |
|--------------|-----------|-----------|-----------|-----------|-------------|
| DMF | 15 | 18 | 18 | 5 | 56 |
| PCP | 26 | 29 | 65 | 2 | 122 |
| All Others | 0 | 0 | 0 | 5 | 5 |
| TOTAL | 41 | 47 | 83 | 12 | 183 |

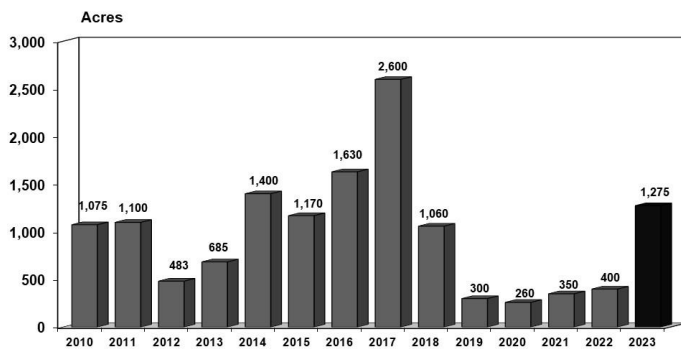
Last year pullouts totaled 320 acres as of November 1st.

Possible 2024 Peach Crop Scenarios*

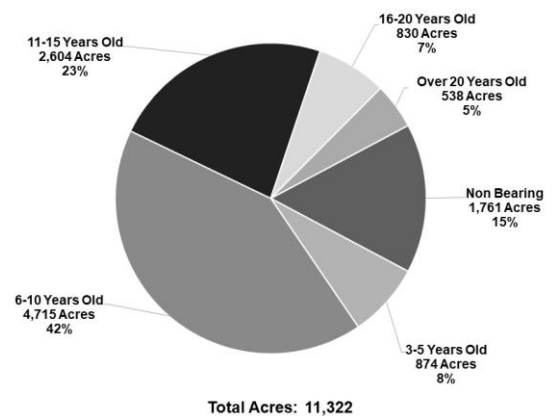


2023 Deliveries Totaled 219,178 Tons
 * Based on 13,597 Acres in 2024

Cling Peach Acres Planted 2010 - 2023



Ages of Current CCPA Membership Acres November, 2023



CCPA’s 2024 ANNUAL MEETING SET FOR JANUARY 31st

The Association’s 2024 Annual Meeting will take place on Wednesday, January 31st at the Sacramento Hilton Hotel. The meeting program will start at 4:00 p.m. Our keynote speaker this year will be Ken Johnson, Regional Director of Agribusiness for Umpqua Bank. Ken will be sharing a lender’s perspective on the 2024 outlook for cling peaches and other tree crops as banks seek to manage credit risk in their ag loan portfolios. 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 19th.) All CCPA members and invited industry guests are encouraged to join us in Sacramento on January 31st.

RETURN SERVICE REQUESTED

YTD CHILLING HOUR AND RAINFALL TOTALS

Chilling hours accumulated as of December 17th are running behind year-ago totals but ahead of 2021 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. (Last year the Davis location reported a total of 921 chilling hours vs. just 745 hours for 2021/22.) Our July 1st thru December 17th rainfall totals are currently running significantly below last year and 2021 amounts. More rain is expected this week across Northern California.

Total Chilling Hours: November 1 - December 17

| <u>Area</u> | <u>Current</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--------------------|----------------|-------------|-------------|-------------|
| Verona (YC) | 391 | 538 | 303 | 460 |
| Davis | 286 | 450 | 222 | 285 |
| Modesto | 428 | 570 | 274 | 421 |
| Parlier | 428 | 533 | 264 | 434 |

Rainfall Totals: July 1 – December 17

| <u>Area</u> | <u>Current</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> |
|--------------------|----------------|-------------|-------------|-------------|
| Verona (YC) | 1.75 | 5.16 | 9.33 | 1.74 |
| Davis | 6.56 | 8.11 | 11.13 | 2.17 |
| Modesto | 0.91 | 4.02 | 5.56 | 0.04 |
| Parlier | 0.78 | 1.87 | 3.62 | 0.72 |

2023 QUALITY AWARD WINNERS RECOGNIZED AT DISTRICT MEETING

R & P Chohan Trust won the Association’s 2023 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 0.55%. The average offgrade for all 27 Quality Award winners was 1.23%. The top three Quality Award winners in each district delivered an average of 608 tons with 3 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 | Vicki Anderson | 0.58% | Grateful Growers | 1.04% | Mohammad Aslam Khan | 1.55% |
| 2 | Kulwant Dail | 0.93% | Richard D McPherrin | 0.98% | Charnjit Kang | 1.08% |
| 3 | Gian Kaur Bains | 0.77% | Sundeeep Dail | 0.96% | Sukhdev S Purewal | 1.17% |
| 4 | Diamond B Co. | 1.04% | Diamond B Co. | 1.05% | GD Orchards, Inc. | 1.34% |
| 5 | Gurdawar Singh Bains | 0.93% | Jaspal Gill | 1.07% | Heer-Atwal Orchards | 1.52% |
| 6/7 | Luchessa Ranches | 0.74% | Manuel B Furtado | 1.48% | Lial Ranch | 1.56% |
| 8 | Voss Orchards | 1.23% | Noeller Farms | 1.43% | John L Miller Farms, Inc | 1.48% |
| 9 | Kullar Farms | 0.67% | Jeff & Cara Strom | 1.46% | Surinder S Dhesei | 1.51% |
| 10/11 | Jose Venegas | 1.02% | The Palm Family | 1.11% | BNL & Sons Farms, Inc | 1.30% |

JUNE-OCT CANNED PEACH IMPORTS UP 8%

Canned peach imports for the first 5 months of the 2023/24 marketing year (Jun-Oct) total 2,047,856 cases, up 8% from last year’s June-October volume of 1,895,691 cases. Import volume for just the month of October amounted to 600,969 cases which represents a 14% increase over last October’s import volume. While Chinese canned peach imports are currently running 14% below year-ago volumes, Greek canned peach shipments are up 76% vs. last year. If imports for the rest of the 2023/24 marketing year equal last year’s volume for Nov-May, our 2023/24 total canned peach imports will amount to just over 5.7 million cases which would be our largest ever volume of imports. (Our current record is 5,686,000 cases reached during the 2015/16 marketing year.)

OF INTEREST

- 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.