

# PRODUCE PLANNER

August 14, 2009

*In fact, California's Hass crop is about 85% finished. Just a few weeks ago, California growers were supplying around 10 million pounds a week. This week, they may be down to only around 2 million pounds. Mexico's new crop really kicks into gear in September, so they aren't much help in boosting supplies. Chilean fruit has helped take some pressure off of pricing. Full ship imports will start this month, with the first ship expected to off load this weekend. However, pressure on prices will most likely head right into September, perhaps easing after Labor Day.*



## TOP FIVE

**AVOCADOS**... California production is dropping off rather quickly, which has pressured prices higher.

**BANANA**... As school bells begin to ring for a new school year, we could see increased demand for Bananas.

**BLUEBERRIES**... Many growers just south of Portland are harvesting only about half of their normal crop for this time of year. The culprit was heat.

**STRAWBERRIES**... Harvest yields are down over 30% from just a few weeks ago.

**TOMATOES**... As in most summers, weather is having a huge impact on the roller coaster supplies of most types of Tomatoes ■

Remember that Chilean fruit is at the start of their season. The fruit has the minimum oil, but with each new import shipment, oil is improving. This early fruit will need extra time to ripen, so order well in advance. By the way, the lower the oil content in an Avocado, the more susceptible the fruit is to chill damage. In walking orchards south of Santiago, we are seeing a very large crop. Some growers are saying Chile could produce almost 300 million pounds, double their crop from last year. During the August transition from domestic to import supplies, we tend to find more issues with quality and pricing. Once imports establish their hold on market supplies by September, that's when markets can settle down once again.

### BANANAS

As school bells begin to ring for a new school year, we could see increased demand for Bananas. That should add more pressure on prices. As we end the summer stonefruit season, that will also mean less competition for grocery cart space, which again will add pressure to prices.

### BERRIES - BLUEBERRIES

This is peak Blueberry season, with many growing regions in full summer harvest, from Maine to Washington, including Canada. Most growing regions are seeing well above average harvest numbers. Oregon, however is not. Many growers just south of Portland are harvesting only about half of their normal crop for this time of year. The culprit was heat. This growing region had the longest string of 100+ degree temperatures in almost 30 years. Prior to the heat wave, Oregon growers were about 50 - 60% above their normal crop for the same time period of 2008. What a difference a heat wave can produce. The heat literally burns the berries on the vine. The vines are so open, there is very little canopy to protect the berries from sunburn. Another problem has been a lack of irrigation water, which would help cool the berries off during the heat wave.

### BERRIES - STRAWBERRIES

As expected, production from Salinas and Watsonville is declining rather quickly. That's normal for this time of year. Harvest yields are down over 30% from just a few weeks ago. Shelf life has to be looked at as well. The berries this time of year get a bit more "shaky" and can lead to losses. Order conservatively and make sure of a very quick turn around in inventory.

PRODUCT	quality			price		
	HIGH	AVG	POOR	HIGH	AVG	POOR
Asparagus	✓			✓		
Beans		✓			✓	
Broccoli	✓			✓		
Cabbage		✓				✓
Cauliflower		✓			✓	
Celery	✓					✓
Cucumbers		✓				✓
Lettuce – Iceberg		✓			✓	
– Leaf		✓			✓	
– Romaine		✓			✓	
– Spring Mix	✓					✓
Onions – Red	✓		✓			
Onions – Yellow	✓		✓			
Peppers – Green		✓			✓	
Peppers – Red		✓			✓	
Potatoes – Russet	✓			✓		
Squash – Yellow		✓			✓	
Squash – Zucchini	✓					✓
Tomato – Cherry	✓				✓	
– Grape		✓			✓	
– Mature Green		✓			✓	
– Roma		✓		✓		
– Vine-Ripe		✓			✓	
Avocado—Calif.	✓			✓		
– Imports		✓		✓		
Berries	✓				✓	
Grapes	✓					✓
Kiwifruit	✓				✓	
Lemons		✓		✓		
Limes		✓			✓	
Melon—Cantaloupe	✓				✓	
Melon – Honeydew	✓				✓	
Melon—Watermelon	✓				✓	
Oranges		✓		✓		
Pineapple		✓			✓	
Strawberries	✓			✓		

## BROCCOLI

Several regional and local areas, including Canada, are in summer production, adding to California supplies. This has helped keep overall supplies above average, easily keeping up with demand. We have seen some hollow heart in some lots. Hollow heart is basically an empty cavity in the stem. Rapid stalk growth during warmer nights can easily cause the hollow core. Actually, it's not just the warm temperatures, but also a lack of calcium in the plant. The heat prevents calcium from properly circulating in the plant, and that's what causes the hollow heart. It does not have a huge negative impact on overall quality and flavor, and certainly does not impact florets.

## GRAPES

We are seeing excellent supplies from California's San Joaquin Valley, from Bakersfield in the south to Fresno in the north. Quality is unbelievable. Berry size is large. Sugar and flavor are excellent. We are seeing excellent cluster sizes as well. Reds are coloring up nicely. Most Red Seedless lots are showing 100% color. Larger cluster sizing is an indication that packers barely have to trim through the clusters to clean them up.

## LETTUCE – ICEBERG

As usual, we're seeing fewer summer acres planted in Salinas. Salinas Valley growers try to stay out of the way of regional and local "home grown" Lettuce supplies from the Midwest, northeast and Canada. We are seeing barely normal harvest supplies for this time of year, but with the very sluggish demand, you'd never know it. Supplies are easily keeping up with demand. Processors continue to back off their contracted amounts, leaving more Iceberg available for the open fresh market. We have still seen some mildew, but for the most part, that problem is behind us. From these current harvest fields, harvesters are able to trim away an extra wrapper leaf or two to minimize the mildew. That has meant shelf life is once again very good.

## MELONS – CANTALOUPE

Smaller size fruit, 15s and smaller, have been more difficult to get, keeping pressure on prices for the smaller sizes. This should be the peak of the season for Cantaloupe from the West Side of the San Joaquin Valley. The somewhat haphazard weather patterns this summer has meant for some fragile markets with the Cantaloupe. We have seen pretty wide swings in weekly harvest volume and pricing. Quality, at least has been excellent, with great color, sugar and flavor. Sizing continues to be problematic. Earlier cooler temperatures allowed fruit on the vines to gain size, but not sugar or maturity. That has meant smaller size fruit has been the tightest to get. If demand was any stronger, the fragile market would actually become a bit more volatile.

## ONIONS

We are seeing supplies from three major regions, New Mexico, California and the Northwest. Markets are finally easing as supplies slowly start overtaking demand. Pressure on prices is finally easing slowly. Red and White Onions are still in tighter supply, keeping strong pressure on pricing. Next week, we expect to see full peak supplies from the Northwest, which should help ease pricing pressure. As we move to more northern harvest regions in Oregon, Washington and Idaho, we should expect a fairly smooth transition. The news in the Northwest was the blistering heat. Remember that Onions gain a lot of weight and size during the final month of growth. Sizing is down as a result. We have noticed that only around half of the Onions are coming in above 3.5 inch diameter.

## POTATOES – RUSSET

With old crop storage Russets, there are far fewer 70 and larger spuds for the remainder of this season. This has pushed prices a bit higher, which we were expecting. And that is pretty normal for this time of year. By this weekend, perhaps next weekend, most Idaho shippers will be completely finished with their old crop. New crop Russets are