

Fruit Ingredient Supplier and Processor

FruitSmart[®] Newsletter | September 2018



Fruit Market Update

Overall the 2018 harvest is shaping up to be a good year for quality but a mixed bag for quantity. The weather has been favorable for most fruits but we will need that to continue for the remainder of the harvest season. A few quick fruit updates:

Apple: USDA forecasts the total USA 2018 apple crop to be same volume as 2017, whereas the US Apple Association recently targets an overall decrease at 6%. For the East crop, primarily New York, the USDA estimates no change but US Apple predicts a 1% increase. For the Midwest, primarily Michigan, the USDA projects a 34% increase with US Apple determining a 35% increase. The West, primarily Washington, is projected by USDA to be 67% of the total USA 2018 apple crop but be reduced by 4% from 2017 harvest. US Apple estimates the West apple crop to be 12% less than 2017 harvest. After more than five decades, the big change for 2018 harvest is that Red Delicious is no longer the #1 apple variety. For Washington state, the top five varieties are now Gala, Red Delicious, Fuji, Granny Smith and Honeycrisp, in that order. With a slightly smaller crop this season and the continuing/looming tariffs with major apple trading countries, the impact and effect on conventional juice apple pricing has yet to be determined. About 30% of Washington's apples are exported with the top three countries being Mexico, India and Canada, in that order with China at #6. Organic apples will be more plentiful again this harvest with pricing better than 2017 harvest so keep us in mind especially for organic, cold pressed NFC apple juice. Washington state produces 85% of the organic apples grown in the USA.

Apricot: Supply of fruit was normal so apricot concentrate availability and pricing are similar to last year. Organic apricot concentrate is also available.

Blackberry: Oregon is the overwhelming dominant USA state for blackberries. The harvest ended with good quality berries and similar volume to 2017. Concentrate will be similar pricing to last year.

Blueberry: Blueberries experienced some difficulties during the growing season in Washington state so crop size was not as large as initially projected. With some carryover inventory, concentrate pricing will be similar to slightly higher than last year.

Cherry, Dark Sweet: The Pacific Northwest USA packed somewhat less than the 27 million box record of 2017. The quality was excellent and the supply of processing cherries was favorable. 80% of the sweet cherries are grown in the Northwest. The supply of dark sweet cherry concentrate will be good and with pricing similar to last year.

Cranberry: The United States Department of Agricultural (USDA) issued ruling on April 4 establishing a proportion of 2017 harvest cranberries (or equivalent cranberry concentrate) that are to be restricted, which means disposed. The "restricted" volume is set at 15% of the 2017 harvest, a percentage proposed by cranberry growers. The USDA estimated that the 15% restriction would remove 1.1 million barrels (110 million pounds) of cranberries from the market, resulting in carryover inventory of 82.9% of annual sales. On September 12, the USDA issued a ruling for the 2018 harvest at a 25% restriction. For more detailed info please go to <https://federalregister.gov/d/2018-19825>. This USA government assistance program, similar in result to the 2017 harvest one million gallon USDA bonus buy of Concord grape juice concentrate, is designed to reduce industry inventory in hopes of increasing future grower pricing. For now, cranberry concentrate pricing continues to be soft.

Grape, Concord: The 2018 USA Concord grape crop is expected to be "normal" to above average in size. Washington state remains the majority of the crop with the balance grown in Michigan and New York. Because of low pricing pressure over the last few years, some Washington growers are replacing their Concord grape acreage with wine grapes, hops or tree fruit. In 2005, Washington had 26,000 acres of Concord but today it is closer to 19,000. After the 2017 harvest USDA "bonus buy" of concentrate, the current industry supply is very tight and higher raw fruit pricing is expected for 2018 harvest. Harvest will begin shortly.

Raspberry, Red: Pacific Northwest red raspberries saw a good crop in both quality and quantity this year but intense pressure from imported product significantly reduced raw fruit pricing this harvest. Supply of concentrate will be good and at lower pricing than last year.

Please let us know how we can assist with your ingredients requirements.



HACCP



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Featured Inventory

Organic NFC Apple Juice
Red Raspberry Puree
Organic Peach Conc
Red Raspberry Juice Conc
Clarified Guava Juice Conc
Organic Apple Fiber
Date Powder
Cranberry Seeds
Sweet Cherry Essence
Black Raspberry Seed Oil

Please call for a quote.

Events Calendar

Longhorn (Texas) IFT Supplier Night
October 18, Frisco TX
www.longhorn-ift.org

Chicago IFT Supplier Night
November 1, Rosemont IL
www.chicagoift.org

Juice Products Assoc.
Fall Business Mtg
November 4-6, Atlanta GA
www.juiceproducts.org

Supply Side West
November 6-10, Las Vegas NV
www.supplysideshow.com

CiderCon
February 7-8, 2019, Chicago IL
www.ciderassociation.org

Please contact us for a meeting.

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