

# **The Red Edge: California's Strawberry Industry**

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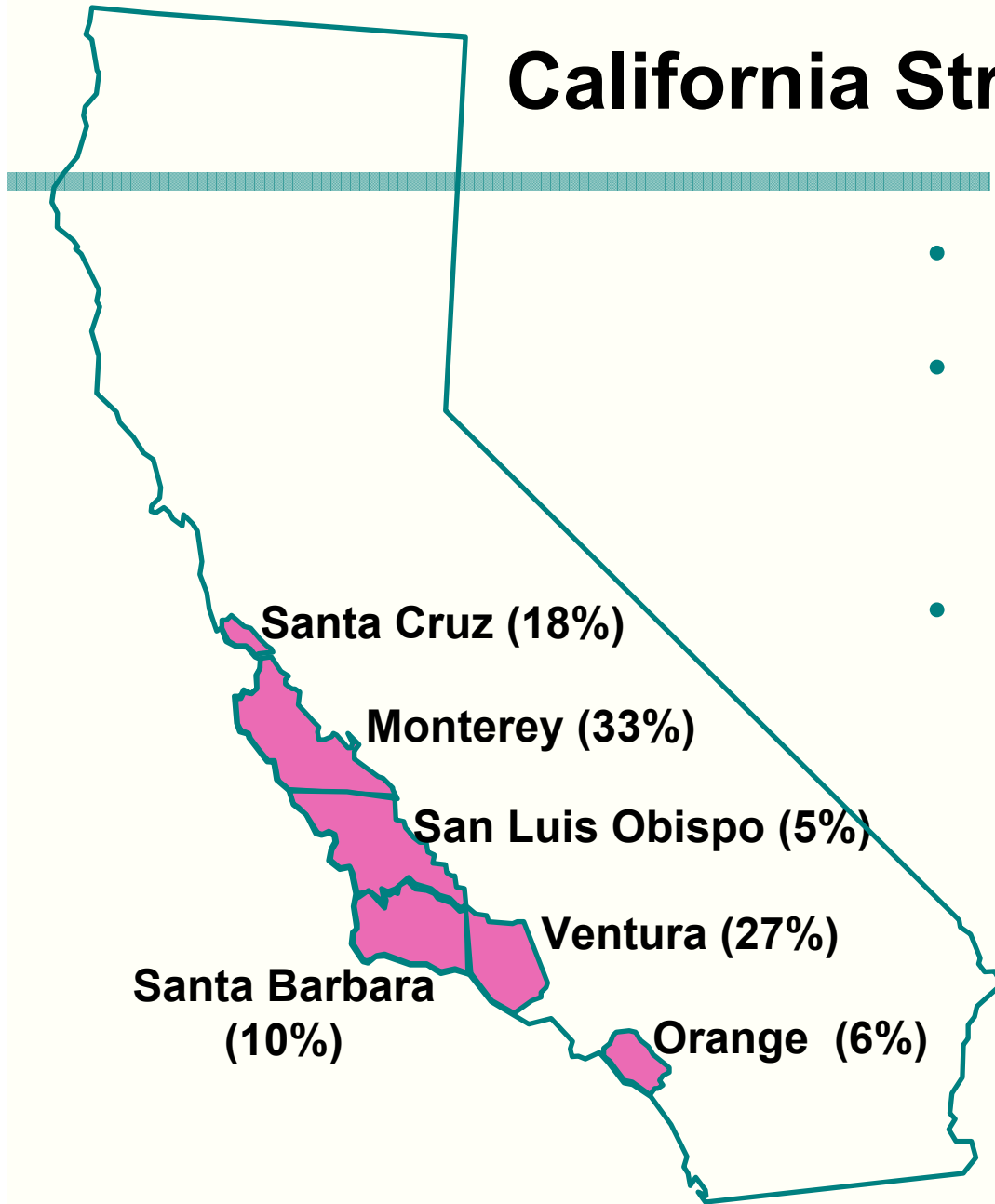
University of California-Davis

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# Background

- California is largest strawberry growing region in the nation .
- 80% national acreage in Calif. produces 90% of nation's fruit—high yields in Calif .
- California acreage increased from 8,500 acres in 1970 to over 37,000 acres in 2007.
- Strawberries (\$1.2 billion) rank in the top 10 agric. commodities in California .
- In 2006, Calif. harvested 2.12 billion lbs of strawberries, of which 78% was sold as fresh fruit & 22% as processed product.

# California Strawberries

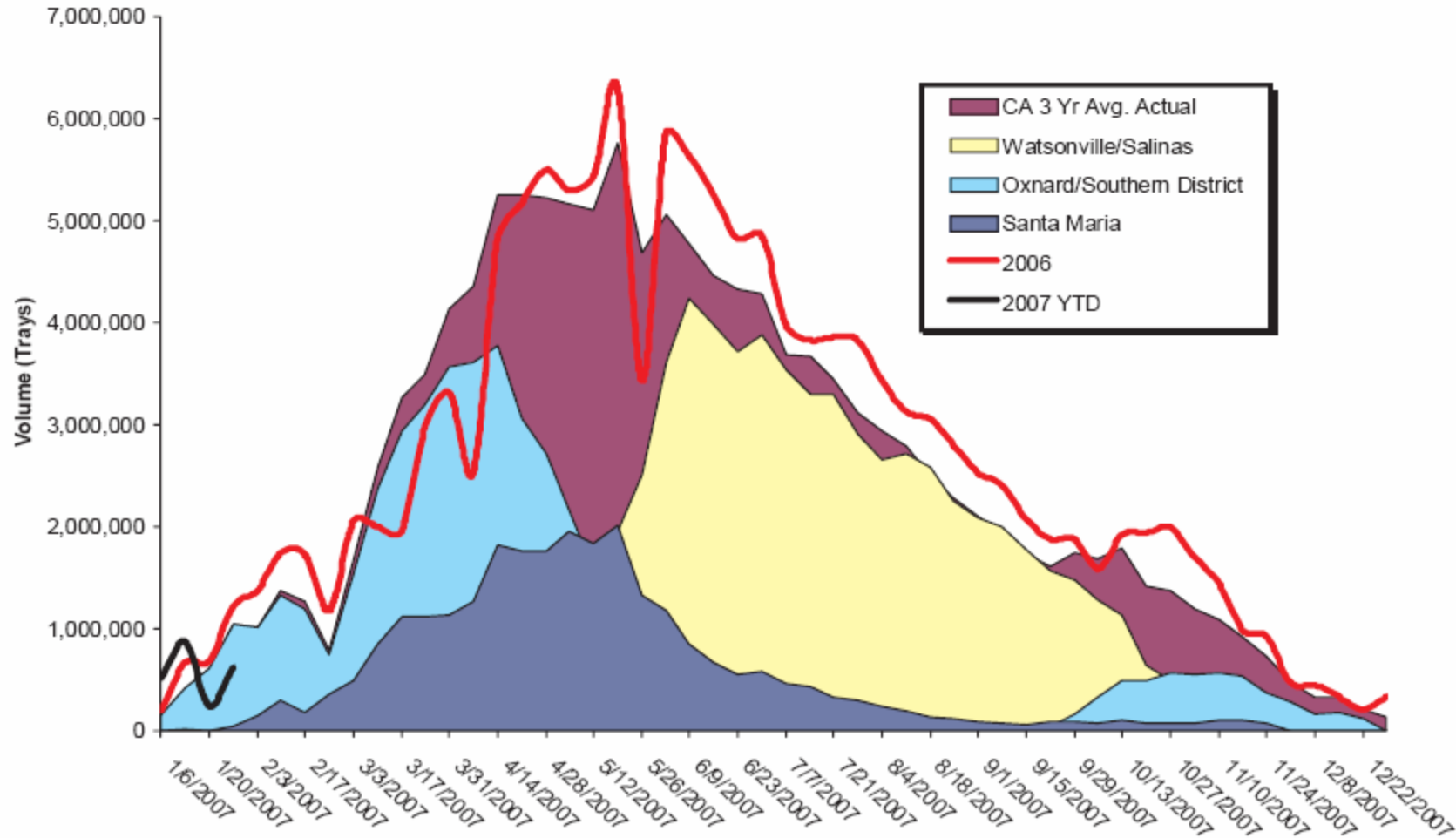


- Coastal production
- California accounts for almost 90% of U.S. production
- Florida accounts for less than 10%

# Traditional Season

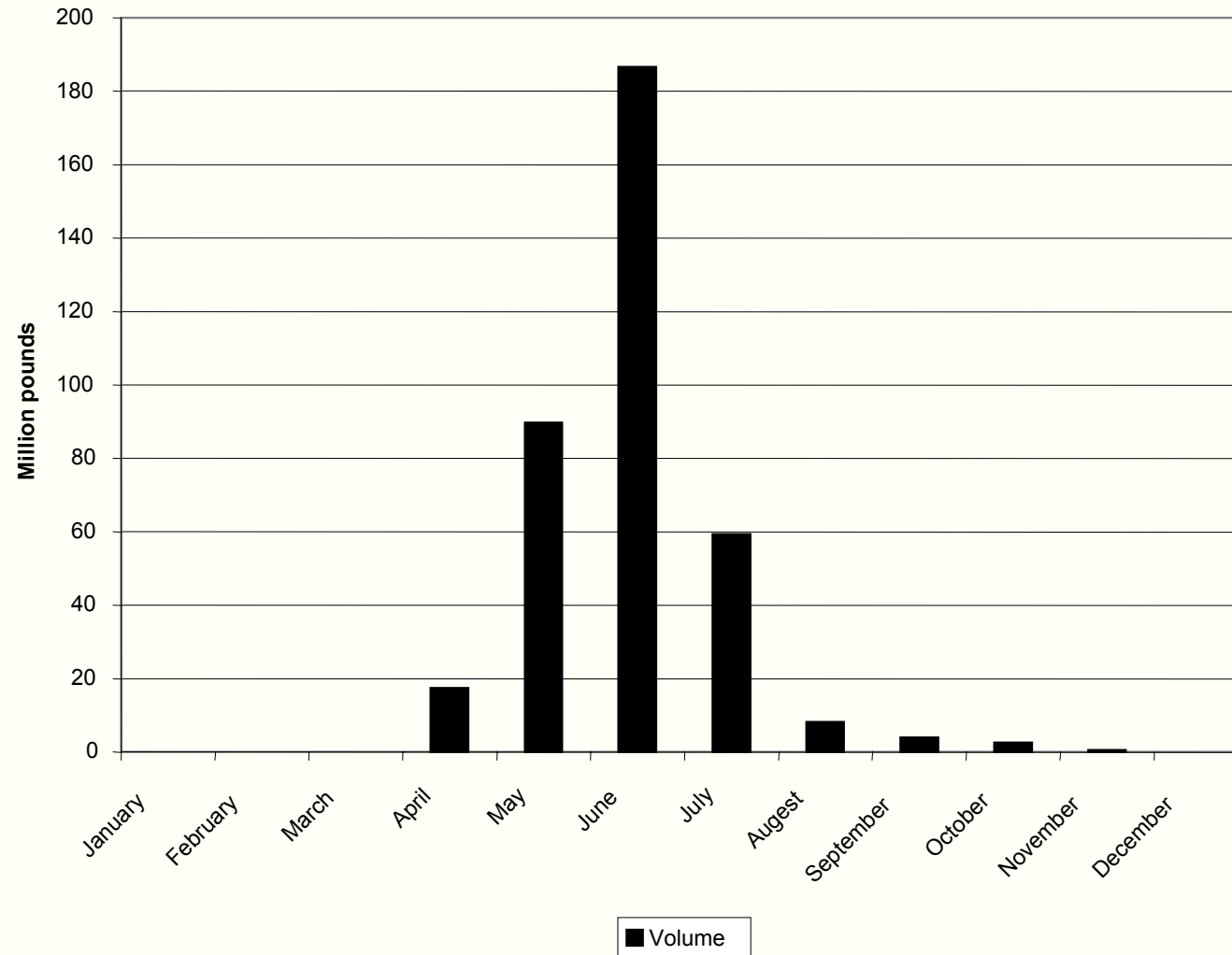
- Fall planting (90% of acreage)
  - Planted late Sept. (Oxnard) – Oct. (Watsonville)
  - Harvested
    - December – June in Oxnard area
    - March – October in Watsonville area
- Summer planting (10% of acreage)
  - Planted in July (Oxnard) & August (Watsonville)
  - Harvested
    - September – December in Oxnard area
    - October – May in the Watsonville area

## 2007 Projected Volume By District



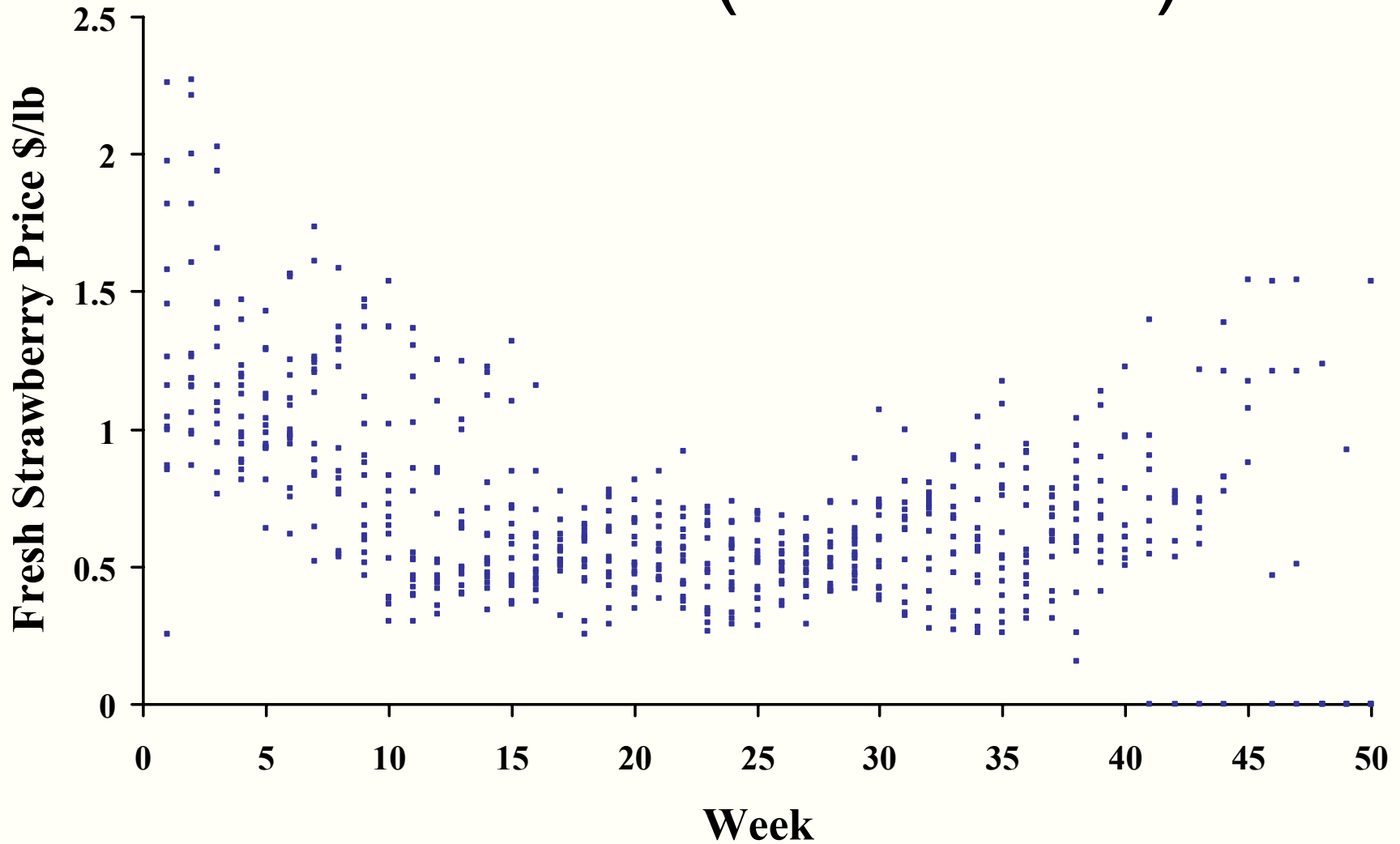
Source: California Strawberry Commission

# California Processed Volume: 2002



Source: *National Berry Report*, various issues.

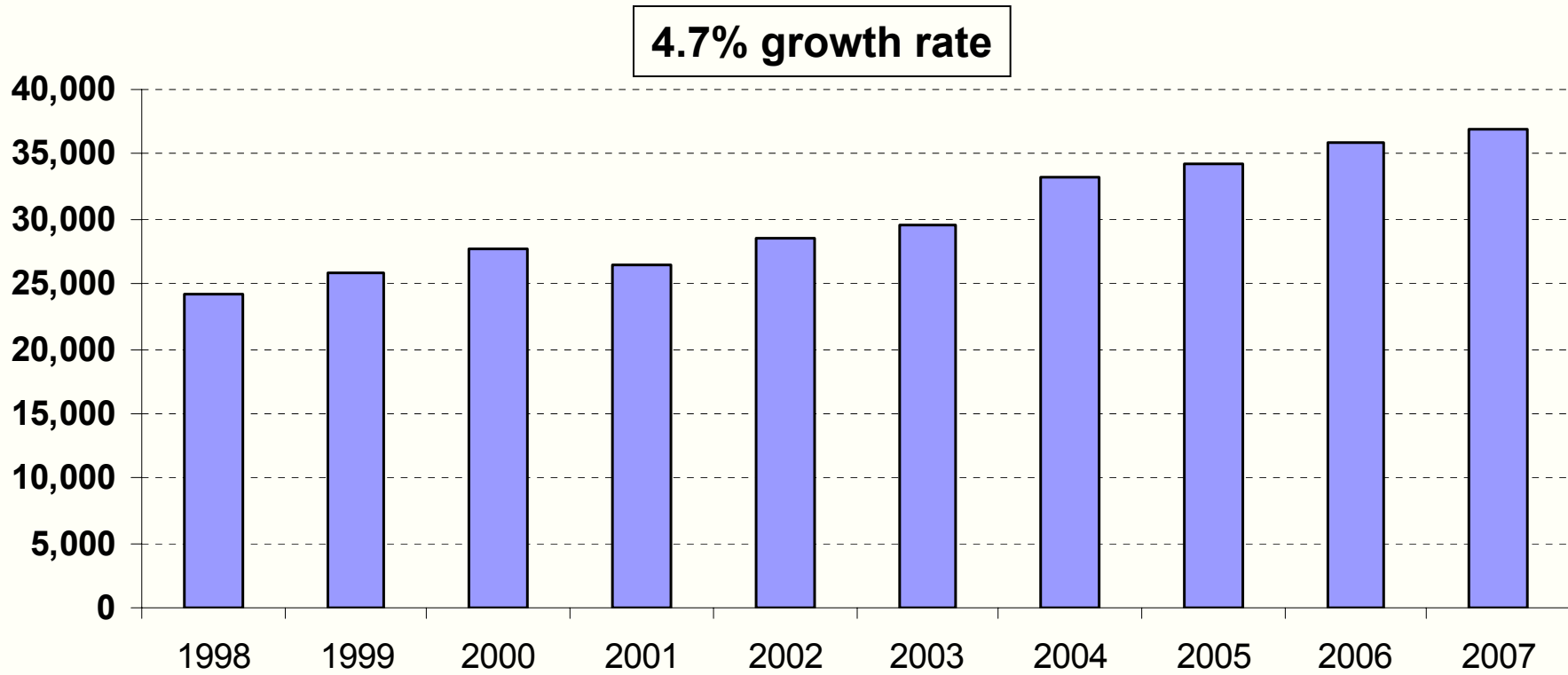
# Price Cycle: California Fresh Strawberries (1988-2002)



## Recent trends

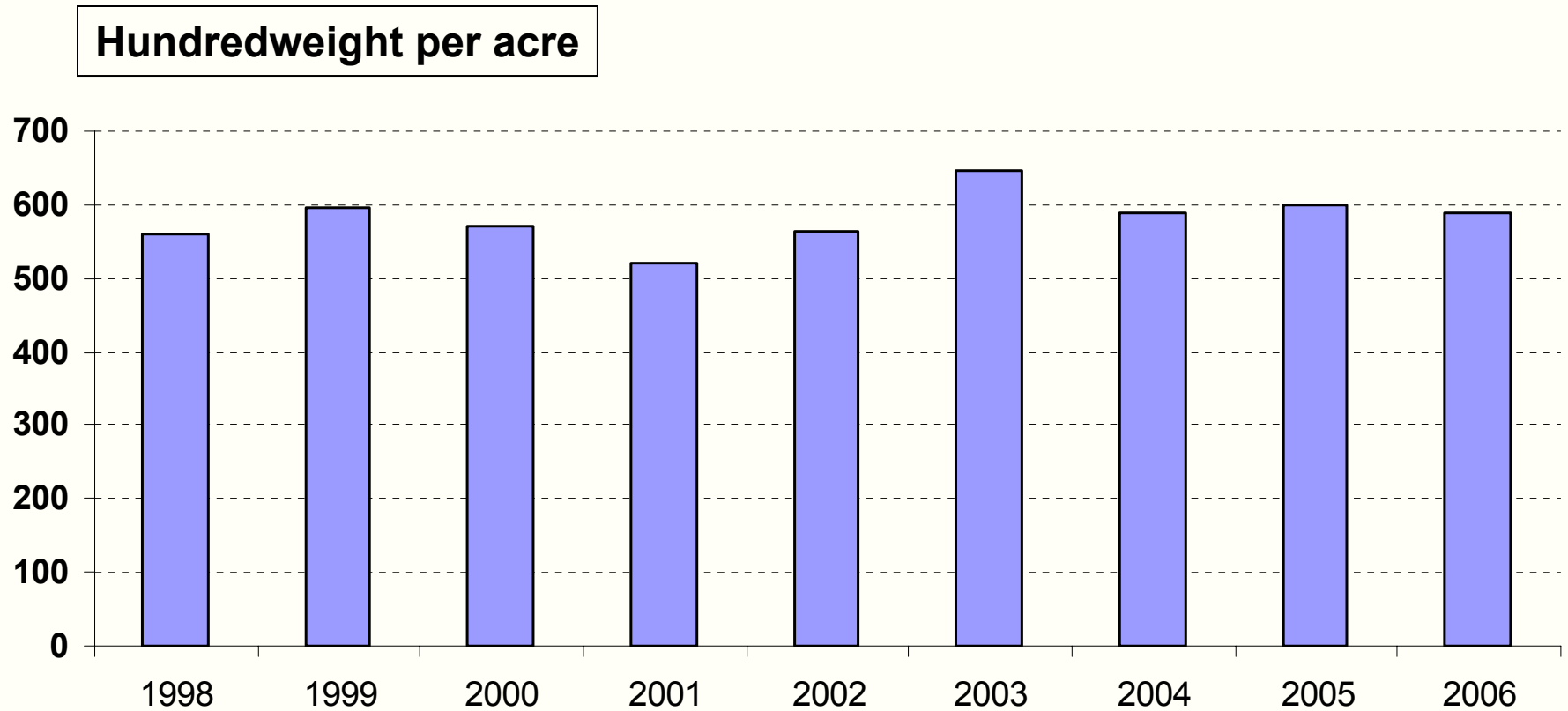
- State acreage growing 4.7% per year;
- Rising production costs due to environmental regulations, higher land rents, & loss of methyl bromide;
- Lengthening of the harvest period to almost year round production in California;
- Strong growth in U.S. per capita demand of fresh strawberries (3.5% per year);
- Rising stocks of frozen strawberries & higher net imports of frozen;
- Downward trend in real strawberry prices; new varieties will keep prices down
- Greater consolidation and increased vertical coordination.

# California Strawberry Acreage



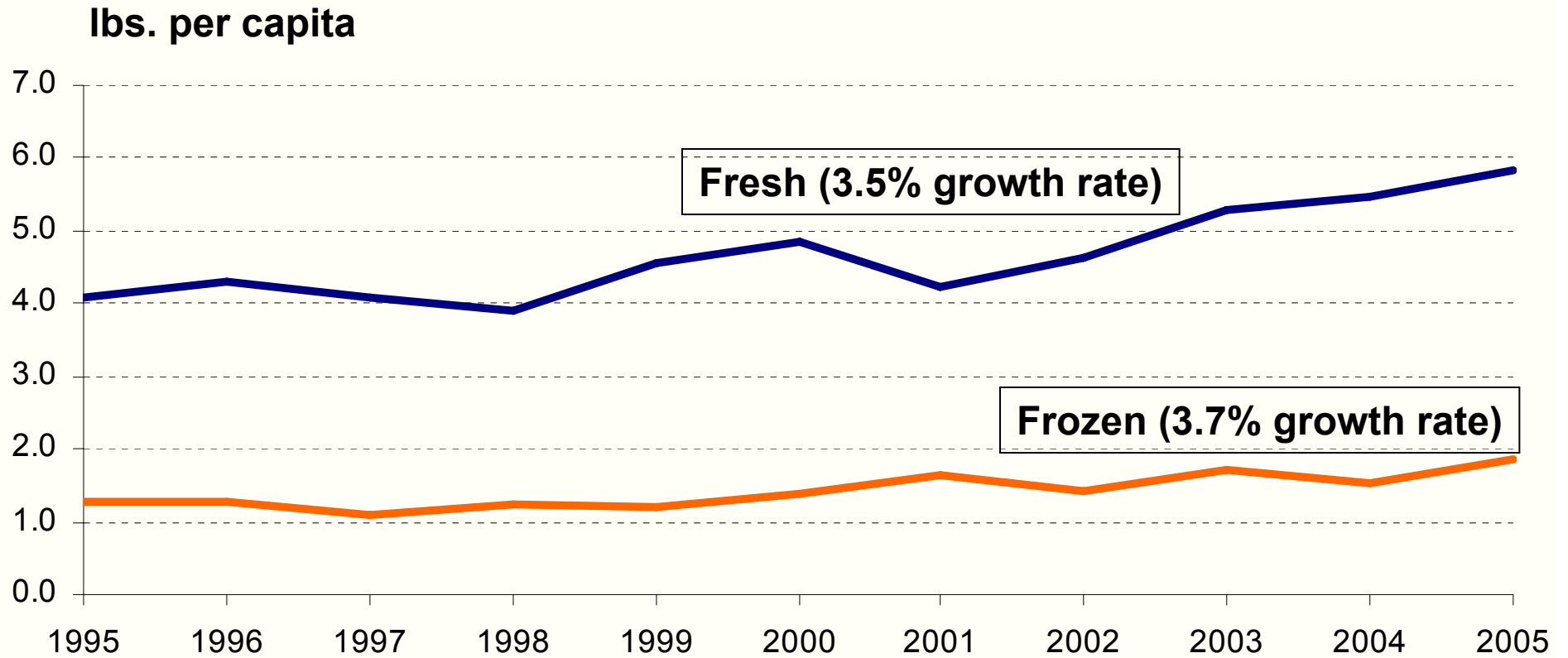
Source: NASS

# California Strawberry Yields



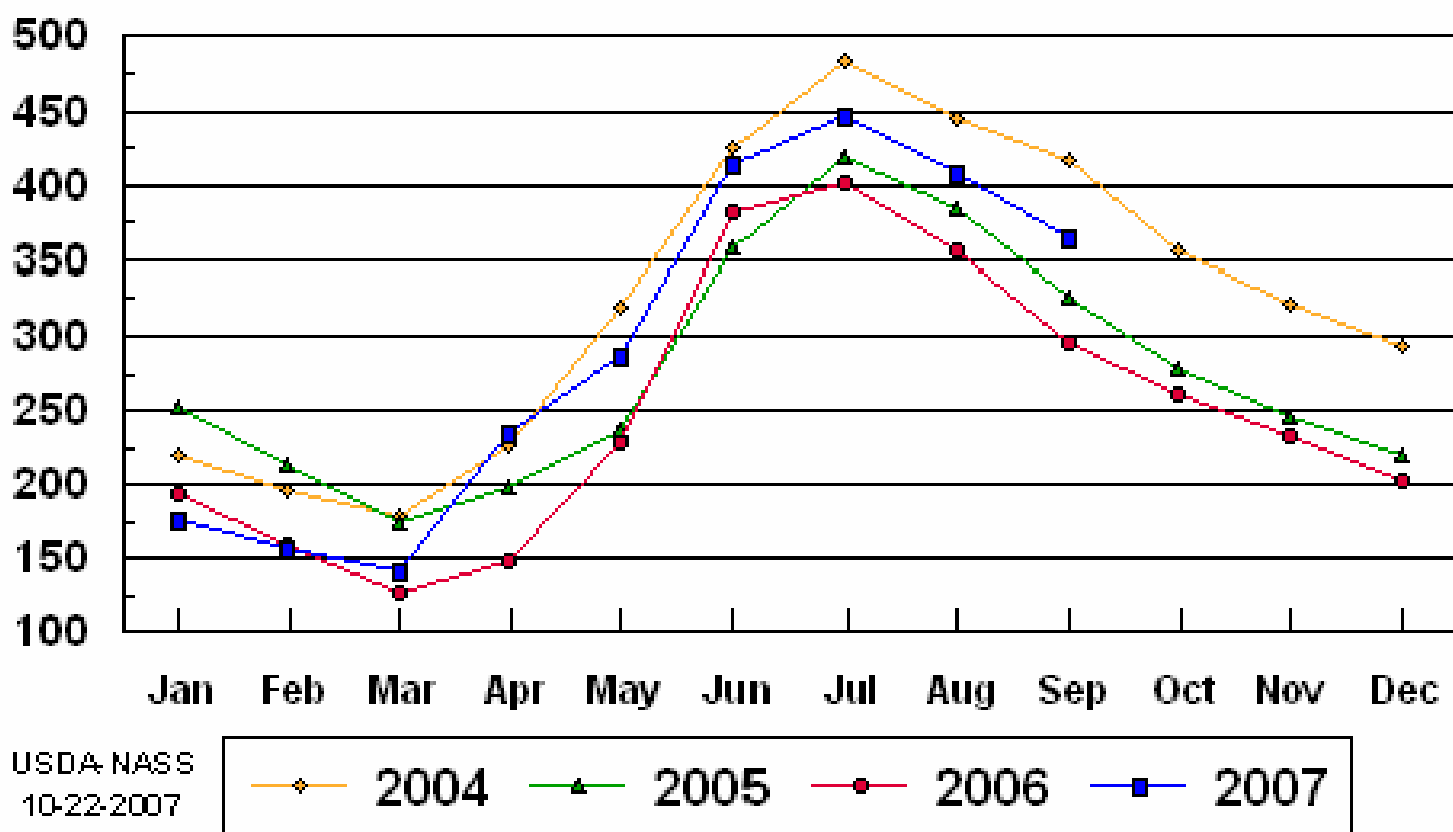
Source: NASS

# U.S. Per Capita Strawberry Consumption



## Frozen Strawberries - United States Cold Storage Stocks, 2004-2007

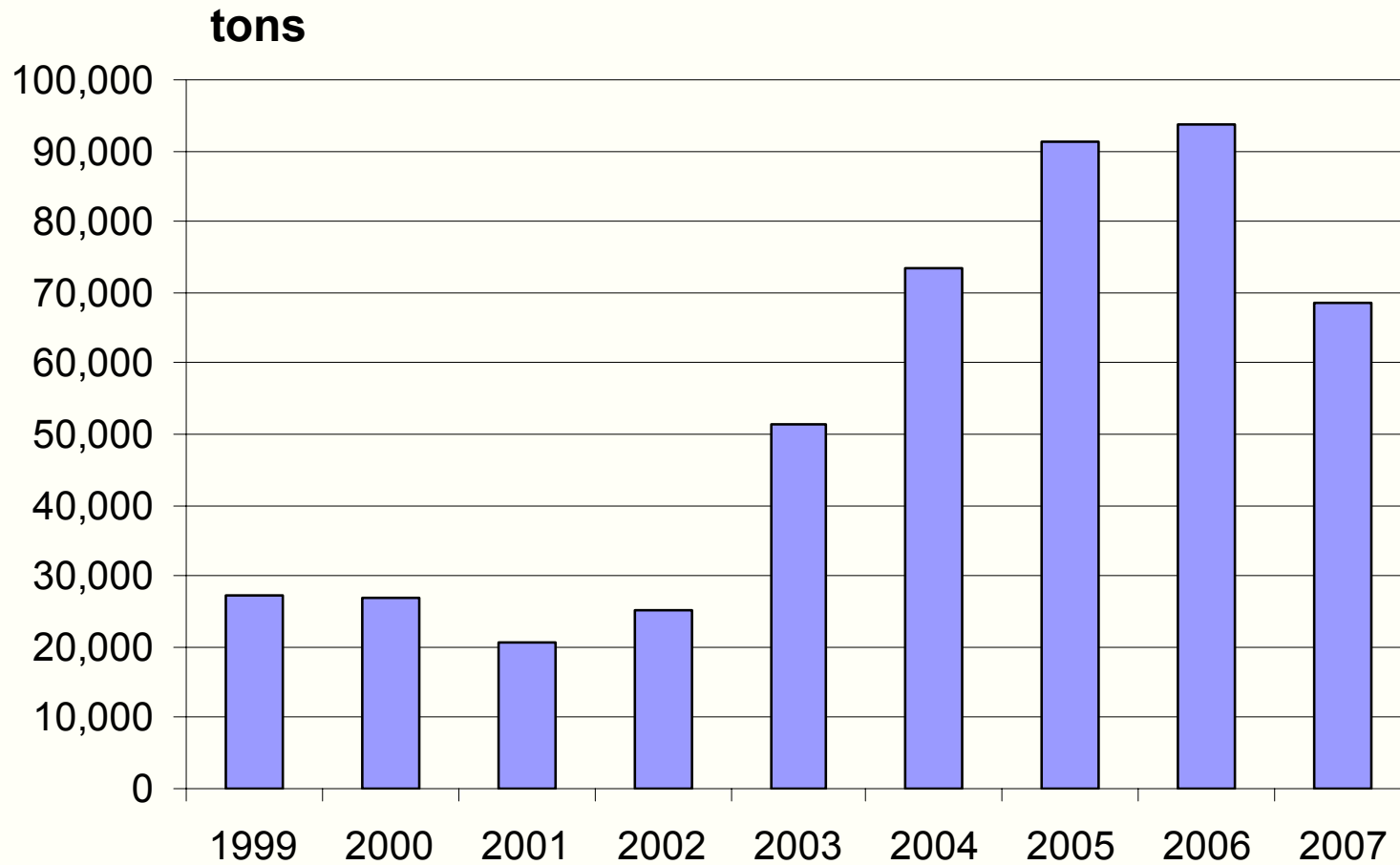
Million Pounds



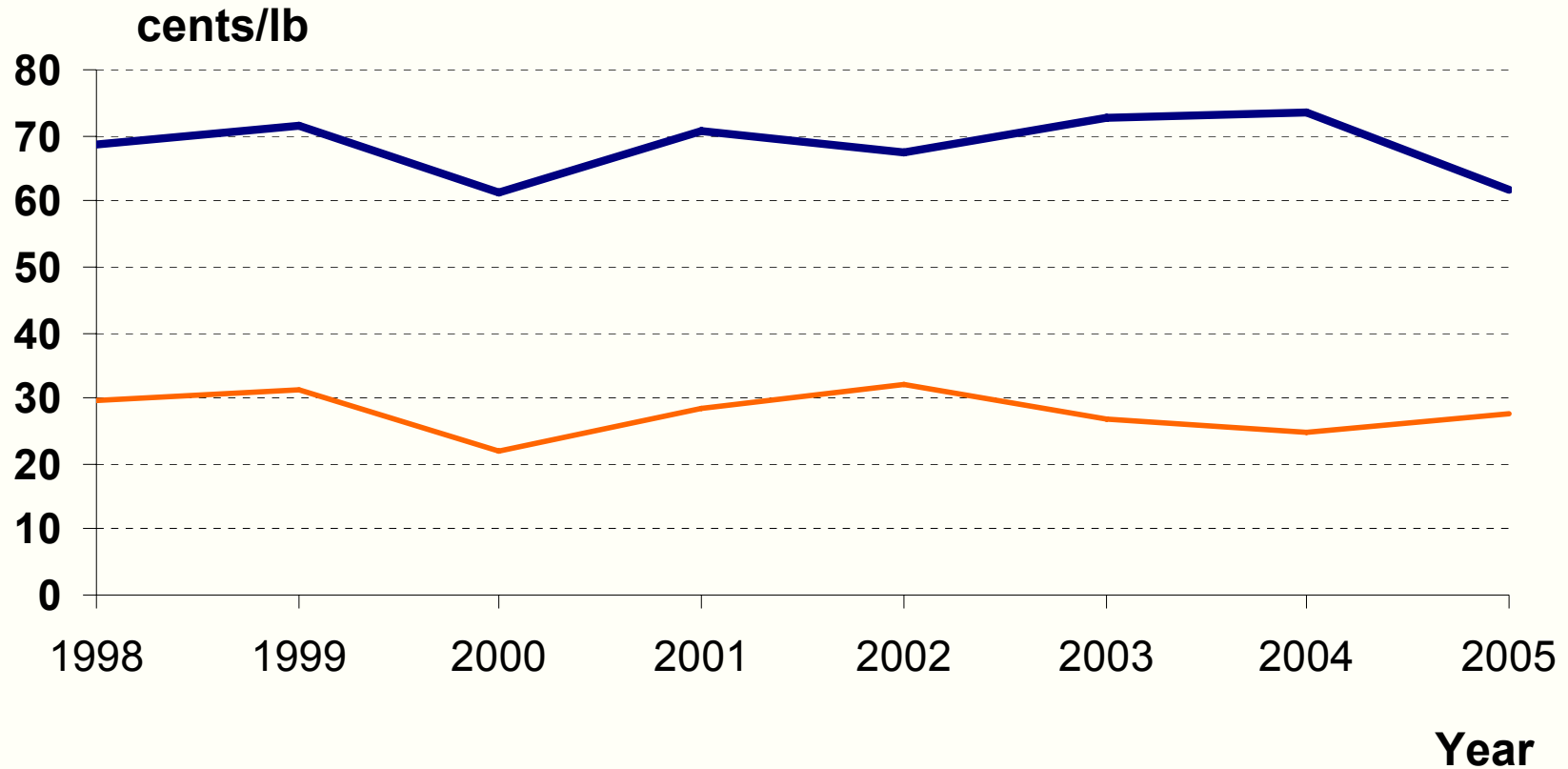
# US Frozen Strawberry Imports year ending June

Exporter	Quantity (tons)					
	2002	2003	2004	2005	2006	2007
World	48,352	56,131	57,063	61,381	84,654	84,901
Mexico	31,521	37,434	38,550	39,287	44,056	50,073
Argentina	358	1,644	2,979	5,003	8,171	10,673
Chile	2,648	4,623	8,292	5,872	9,709	10,471
China	1,170	1,521	3,221	7,586	17,281	8,222

# China Frozen Strawberry Exports year ending June



# Average Grower Strawberry Prices: California 1998-2005



Source: NASS