

From the Orchard

News from the Oregon Sweet Cherry Commission

Fall/Winter 2018

2017 NW Cherry Season by the Numbers

B.J. Thurlby

President, NW Cherry Growers

The 2017 season was disappointingly reminiscent to the 2009 harvest, which was not a positive development for many growers. We set a record size crop on our 60,000 plus Northwest acres of fruit – coupled with an annual twist in the weather that saw a cooler than average May and early June temperatures that went from the high 60's in early June to the 90's by mid-June. This fluctuation in weather pushed the late crop ahead dramatically. The acceleration and volume of the 2017 crop was the fastest the industry has seen since 2009.

The Northwest industry began with an “official” start date of June 10th though a few shipments trickled out even earlier from some orchards. The NW industry shipped 7.7 million boxes in the last 20 days of June and some domestic retailers struggled to get the supplies they needed prior to

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2018 Northwest Cherry Research Review

Dana Branson

OSCC Administrator

The Northwest Cherry Research Review to hear reports on research performed during 2017 and proposals for projects in 2018 was held at the Pasco Red Lion Pasco, Washington on November 9 and 10, 2017.

Researchers gave short presentations regarding the findings for each project funded in 2017 on the final and continuing projects. Proposals were also given on 10 new projects for consideration. After the presentations Oregon and Washington commission and research committee members vote on first the priority of the research topic and then on the project itself. Then those votes are combined into one list of rankings to guide each group in their decisions on funding. The number of representatives from each state is close to

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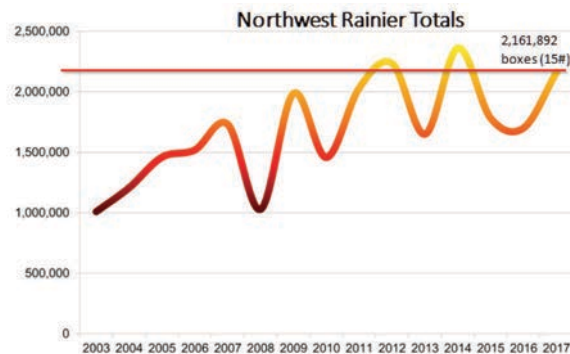
Oregon Crop History

| | Estimate | Actual | Actual |
|--------------|---------------|---------------|---------------|
| Type | <u>2017</u> | <u>2016</u> | <u>2015</u> |
| Fresh | 37,037 | 41,169 | 21,781 |
| Brine | 9,275 | 9,046 | 8,460 |
| Canned | 613 | 1,250 | 793 |
| Frozen | <u>1,880</u> | <u>2,680</u> | <u>1,775</u> |
| TOTAL | 48,805 | 54,145 | 32,809 |

Quantities in tons. 2017 not finalized.

the 4th of July. Despite the fact that some industry shippers had dropped packing 12 row by the beginning of July, there were still 5.8 million boxes of 11 row and smaller cherries shipped in 2017 ... mostly in June. Combined, our final numbers indicate that the Northwest shipped just over 26.4 million 20 lb. equivalent boxes through 86 days shipping. This constitutes the single largest shipping season in Northwest history.

The 2017 Rainier or Yellow cherry harvest came in at 2.16 million 15 lb. equivalent boxes, which is the 4th largest yellow cherry crop in history and saw reasonable demand from beginning to end.

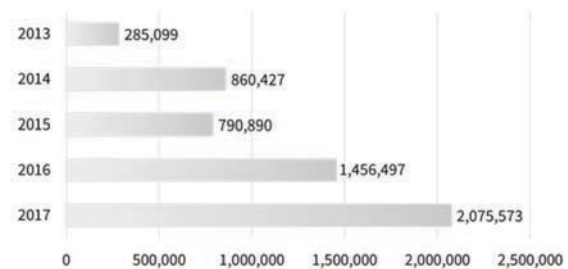


In looking at the crop estimate compiled by the Northwest Cherry Growers ... the closest estimate was the Round 3 estimate that predicted a crop of 24.7 million boxes which was released on June 12, 2017. The Round 3 estimate was within 6% accuracy. However, from the beginning of the season, the industry knew that they had set a record crop and sales desks were pricing our fruit for all the ads they could get from late June through mid-August. As it worked out, we shipped 7.7 million boxes in June, a record 15 million boxes in July and 3.8 million boxes in August ... with a few stored shipments leaving in early September. (See chart on top of page 4.)

We saw record volume on many varieties of cherries this year. With no real rain throughout the season and all varieties

setting heavy crops ... this was to be expected. However, one key variety needs to be mentioned. We continue to see large scale volume growth in the Chelan variety. As the chart below indicates, there were 2,075,573 boxes of Chelans shipped this season; which indicates a 43% growth when compared to 2016's previous record crop on the variety. Likewise, the California industry set and sold its largest crop on record, a 9.6 million 18 lb. equivalent crop, that ran until June 16th this past season.

Recent NW Chelan Crops



2017 Northwest Cherry Season Key Statistics:

The industry shipped for 86 days in 2017. In comparison, we shipped for 87 days in 2016, 77 days in 2015, 84 days in 2014, 81 days in 2013 and 92 days in 2012. As always, the brunt of the crop was shipped in 60 days from mid-June to mid-August.

The industry shipped just over 7.7 million 20 lb. boxes in June.

The industry shipped an all-time record of 15 million boxes in July.

The industry averaged over 500,000 boxes per day for 42 days in 2017 which is a shipping volume per day record.

The industry averaged 532,000 boxes per day from June 24th to July 3rd.

The industry averaged 286,280 boxes per

day for the duration of the 86-day season – which is an all-time record.

The largest shipment day was June 26th – 666,077 boxes (the largest shipping day on record).

The second largest shipment day was June 30th – 640,012 boxes.

The Rainier cherry pack was 2,161,892 million 15 lb. equivalent boxes vs. 1.7 million 15 lb. equivalent boxes in 2016. Rainier demand was steady in 2017.

The crop shipped was 67% domestic and 33% export.

We saw record shipments to the export markets, a total of 9.3 million boxes.

The domestic market absorbed 17.2 million boxes and saw a record of 1,377 total ads run. NW Cherries were the number one advertised item in produce for 4 straight weeks and in the top 3 for 7 weeks.

California finished shipping on June 16th and shipped a record 9.6 million 18 lb. equivalent boxes:

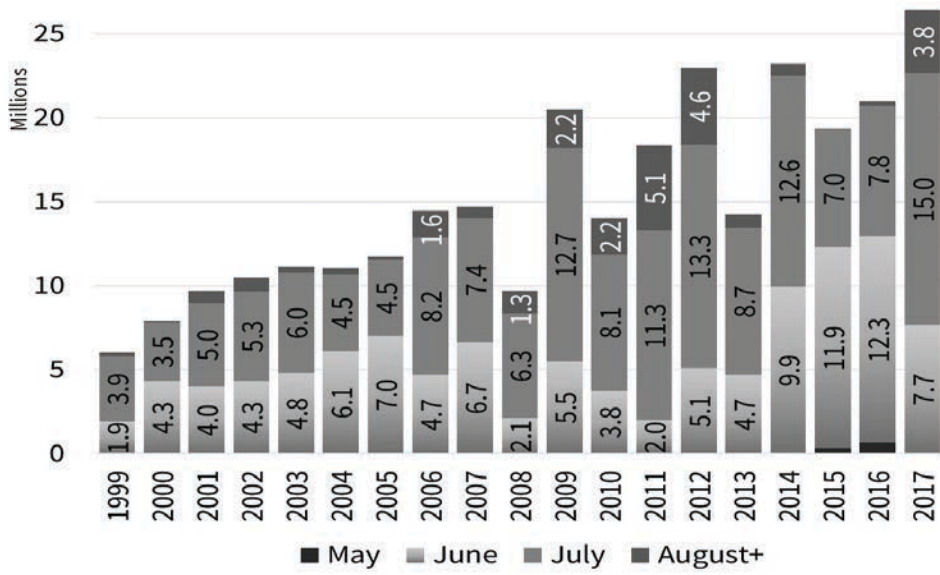
- Up from 5.2 million in 2016
- Up from 5.9 million in 2015
- Up from 2.6 million in 2014
- Up from 8.2 million in 2009

Closing Thoughts on 2017:

The 2017 season was a challenge from start to finish. While some growers who harvested prior to early July had positive returns ... many are and should be disappointed in the returns for this season. The reality is that we had a tough year when it comes to eating quality – whether it was over setting the trees or quick transition from mild weather to extreme heat ... the industry had a tough year getting consumers to come back and re-purchase our fruit ... even at give-away prices. It is a fact that our growers have set the bar very high when it comes to quality – and unfortunately consumers treat us like we are manufacturing lug nuts ... where the reality is that Mother Nature has a huge impact

on our fruit quality each year. The late start coupled with 40 straight days of 500,000 box shipping days starting on June 22nd ... put too much pressure on the market. Likewise, 15% of the U.S. cherry shoppers/buyers account for purchases of just over 35% of our cherries. Based on conversations with some large key retailers that track their shoppers with customer care cards ... many of this core group of shoppers only purchased one or two times ... where they purchased 6 to 7 times last year. Why? That is the million-dollar question – but based on the many emails we received from disappointed consumers ... it is clear that some of our consumers felt betrayed. On the positive, I think we organically grew the future market with low prices and widespread ads and large displays ... and retailers were very happy with our low prices and will look to promote cherries heavily again in 2018 ... which gives me hope for this next year.

I will spend the winter talking to growers about the challenges we will have trying to manage these larger crops. I believe the market could be successful as early as next year ... we just need some things to go right for us. The average price on 10 row fruit going to Asia was \$47 per box. I believe we should all be trying to grow all of our fruit for the Asian market. Asian importers expect fruit that has a minimum of 18% brix and firmness/firmtech readings of 320 and higher – we exported 6 million boxes to Asia this year – even with firmness readings below 300. To achieve this, growers will need to prune harder in the orchard to achieve a 5.5 leaves per piece of fruit ratio ... and absolutely need to use the full recommended amount of Gibb on their trees. I have had many growers tell me (early and late growers) that they used their normal volume of Gibb this year ... and because the trees had twice as much fruit as normal they misjudged their Gibb concentrations ... if they had it to do over again they would have used twice as much Gibb. Again, the world market views the Northwest Cherry Growers as the top producer of quality cherries in the world. We need to continue to focus on achieving high sugars and firmness in our fruit if we want to stay ahead of growers in Europe and South America who continue to narrow the quality gap.



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If you know of anyone who wants to receive this newsletter, meeting notices or ODA Administrative Rules, or if you have an address change please contact us at the one of the addresses above. This publication will be made available in alternate formats upon request. This newsletter, previous issues and meeting minutes are available on the OSCC website. www.osweetcherry.org.

Commission meetings are generally held bi-monthly in August, October, December, February, April and June. The date for the next meeting is set at the conclusion of each meeting to coordinate individual schedules.

REGULAR OSCC MEETING
 THURSDAY, FEBRUARY 15, 2018
 EXTENSION MEETING ROOM AT MCAREC
 9:00 A.M.

CHECK WWW.OSWEETCHERRY.ORG
 FOR AGENDA 2 WEEKS PRIOR

MEETING CALENDAR

**OSU EXTENSION
 CHERRY DAY**

TENTATIVELY SCHEDULED FOR
 FRIDAY, FEBRUARY 2, 2018
 THE DISCOVERY CENTER
 IN
 THE DALLES, OR
 AGENDA BEING DEVELOPED

CHECK OSU EXTENSION WEBSITE
 FOR WASCO COUNTY

2018 NW CHERRY INSTITUTE
 FRIDAY, JANUARY 12, 2018
 YAKIMA CONVENTION CENTER
 10 NORTH 8TH ST
 YAKIMA, WA

\$15-MEETING ONLY
 \$35-MEETING & LUNCH

**PRE-REGISTER BY FRIDAY DEC.29 IF
 YOU WANT LUNCH**

CALL KATHY 509-583-3504 OR
 EMAIL

CHERRYINSTITUTE@WASTATEFRUIT.COM
 FOR MORE INFORMATION

equal. Sometimes each state will vote to fund a researcher from their respective state 100% because the work is specific to their needs.

Four of the new proposals were related to virus detection and analysis because Washington has been experiencing problems with little cherry virus. It has been detected in Oregon too. Another new four projects were related to SWD control, sensors and population predictors. SWD was not a big problem this season, but we can't be ignored. The other projects designated as new were related to root stock development and the cherry breeding program even though these are projects that have been in progress for years.

David Gibeaut, Horticulture post-doctoral researcher at Mid-Columbia Agricultural Research and Extension Center (MCAREC) will continue working on a model for predicting flower bud hardiness and the preservation and retention of green stems. Dalila Rendon, Entomology post-doctoral researcher that joined MCAREC in May 2017, has projects involved with SWD. Several interviews have been completed to fill the Horticulture research position that was held by Todd Einhorn. Input is still under consideration by the search committee. The plan is that the candidate selected will be in place in time to work on projects for the 2018 growing season.

Copies of 2017 continuing reports and the currently proposed new projects are available electronically from the OSCC office. Reports from previous years are available by going to <http://treefruitresearch.com/searchable-database>.

The total amount of funding requested for both new and continuing projects adds up to \$1,257,894. The OSCC met November 28 to consider which projects will be funded. They will coordinate with Washington and California regarding shared projects and reach a final decision as soon as possible.

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CHANGE SERVICE REQUESTED