

FRESH DIRECTIONS

WEST CREEK FRESH

Weekly Produce Trend Report for Week Ending October 10, 2014

MARKET OVERVIEW

California strawberry shippers have experienced volume shortages during the last few months due to several key “Acts of God” factors affecting growers: labor, temperatures, drought and shortage; demand continues to exceed supply. Prices have increased. Very light supplies of red leaf lettuce and green cabbage. Growth rates have slowed, and quality concerns remain higher than usual on lettuce, spring mix, romaine and several mixed vegetable items depending on shipper. It has been reported over the past two months that the Salinas Valley has endured chronic nighttime temperatures and humidity well above normal. We all knew that sooner or later this highly unusual weather pattern would cause a market disruption. Salinas lettuce shippers are now 7 days ahead of their lettuce harvest schedule. This means they are harvesting lettuce today, October 2, which was designed to be ready Thursday, October 9. The near term future is coming into clearer focus and it's not very pretty. Shippers now foresee a substantial lettuce gap the weeks of October 27 and/or November 3. More and more Salinas lettuce shippers are choosing to skip Huron in the autumn and move directly to Yuma. This means, in theory, their Salinas season is lengthened and Yuma slides forward. The reality is Salinas lettuce shippers will have far fewer available acres in late October and/or early November. As it appears now, the transition from the central coast to the desert will not be seamless. In fact, it could be downright bumpy.

COMMODITY	PRICE	QUALITY	PRICE TREND
Avocados-Mexican	Moderate	Good	↓
Avocados-Californian	Moderate	END	----
Blackberries	Extreme	Fair	↔
Blueberries	Extreme	Good	↔
Raspberries, Strawberries	Moderate to High	Good	↔
Grapefruit	FINISHED	----	----
Lemons	High	Good	↓
Oranges, Navels, Valencias	High	Good	↔↑
Limes	Moderate	Excellent	↓
Pineapples	Moderate	Good	↑
Green, Red Leaf Lettuces	Moderate	Good	↔
Iceberg Lettuce	High	Good	↔
Romaine Lettuce, Romaine Hearts	Moderate	Good	↔
Cucumbers	Moderate to High	Good	↑
Green Beans	Moderate to Extreme	Good	↑
Green Bell Peppers	Moderate	Good	↑
Red Bell Peppers	Moderate	Good	↔
Yellow Squash, Zucchini	High	Good	↑
Green & Red Seedless Grapes	Moderate to High	Good	↔
Peaches, Plums	Moderate	Good	↔
Cantaloupes, Honeydews	Moderate	Good	↑
Artichokes, Green Onions	Moderate	Excellent	↓
Asparagus	High	Good	↓
Arugula, Frisee, Fennel/Anise, Mache, Baby Spinach, Spring Mix	Moderate	Good	↔
Parsley (Italian)	Moderate	Very Good	↔
Carrots	Moderate	Good	↑
Broccoli, Cauliflower, Spinach (Bunched)	Moderate	Good	↓
Snow & Sugar Snap Peas	High to Extreme	Poor to Fair	↔
Celery	Low	Excellent	↔
Red Cabbage	Moderate to High	Excellent	↔
Green Cabbage	High	Excellent	↑
Parsley (Italian & Curly)	Moderate	Very Good	↔
Cilantro	Moderate	Very Good	↔
Bok Choy, Napa	High	Good	↔
Peeled Garlic	Extreme	Good	↔
Kale (Green)	Low to Moderate	Good	↔
Red, White & Yellow Onions	Moderate	Good	↔
Potatoes	Low	Good	↔
Round, Roma, Plum, Grape Tomatoes	Moderate	Good	↑
Red & Golden Delicious	Moderate	Good	↔
Galas, Granny Smiths, Fujis	High	Good	↔
D'Anjous	High	Good	↔
Red Anjous	Moderate	Good	↔



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APPLES & PEARS

Demand and movement very strong, supplies tight all grades on small sizes, especially reds. Sizing coming off the 1st picks are mostly 100's and larger, making it difficult to secure supplies for school business. Braeburns have now started. Quality is extremely good which is producing mostly premium grade while old crop product is holding up well on what is left. Cameos, Pink Lady's will come off the first couple weeks of October, just about everything else has started. Pear demand is very good, especially for 110s and smaller; supplies are tight on these sizes. Crop is running heavy to US#1, peaking 90s larger.

ARTICHOKES

Steady production with somewhat lighter supplies and a wide range on FOB pricing. The market on 12s is down this week while 18s and 24s are holding steady; medium and small sizes are still relatively scarce. Most production is centered on the 12-24 categories and good volume on key sizes. Quality is very good with consistent sizing and compact heads.

ARUGULA

Steady availability.

ASPARAGUS

New crop asparagus from Mexico is now available. Availability has improved, with plentiful supplies anticipated by next week.

AVOCADOS

Very few California avocados remain. Fruit is mature and with great flavor. Lambs will be harvested in California and shipped out of Santa Paula for one to two more weeks. Mexican harvest of new crop fruit is going well and care is being taken to only harvest mature fruit. Pricing and volume will stabilize as a normal flow of fruit develops. This is a time of transition; fruit will take longer to ripen, have a tendency to remain green when ripe, and having a thicker skin making it difficult to detect ripe degree. Lenticel damage can also be seen this time of year. This is when the small bumps on the avocado skin become damaged and darken several days after packing and shipping from Mexico. The fruit has just been through the rainy season, and the new crop exterior of the skin is tender. Steps are being taken to ensure that all harvested fruit is mature and will ripen evenly. Supplies are improving; better on 60s and smaller.

BELL PEPPERS

Green: Availability has tightened and prices have

strengthened on green bells as production winds down in Central California districts, leaving coastal Southern California as the primary growing area. Transition will soon be underway to Georgia as the harvest in Michigan winds down on green bells.

Red & Yellow: Continued plentiful supplies and favorable prices for red and yellow bells in California.

BLACKBERRIES

Tight availability due to quality issues for late-season blackberries. Producing regions are Santa Maria, Watsonville, Salinas, Baja, Oxnard, Oregon and Washington. Weather driven issues such as mold and wet/leaky fruit have been reported. Inspection of the fruit is now being performed at field and dock level in the PNW. It is important to maintain fruit temperature at 32-33 degrees. Conventional product is declining as well as organic. Berry Valley production will continue through October.

BLUEBERRIES

Production is finishing in the Northwest. Primary growing regions are now Mexico and Argentina along with a limited quantity coming in from Chile (one month earlier than normal). Overall availability is steady.

BOK CHOY

Tight supplies, high prices.

BROCCOLI

Good supplies, though on the lighter side with less demand from the west coast. Current quality is good however, the battle continues with some issues of hollow stem and immature/over mature beads. Crews are being diligent to make sure none of these appear in the final pack. There is an increased range in FOB prices. Prices should firm up by the end of the month once supply and demand stabilize.

CABBAGE

Cabbage supplies are limited with Georgia being done. Cabbage is available in N.Y.

CANTALOUPE

Market is strong with the Westside finishing up and we are transitioning to the fall desert melon deal. The overall quality is good with checkerboard color on most blocks due to the cooler weather you will see more of a green cast. Internal quality is excellent with good sugar and excellent color. We expect to go through mid to late November out of the desert and then move into the offshore fruit.



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CARROTS

Availability has tightened for jumbo carrots in California as size and yield have declined, the result of a slower growth cycle during the late season fall harvest at higher elevation (2,150 ft.) in the Cuyama Valley of Southern California. Prices will trend higher until the harvest returns to the Southern San Joaquin Valley (Bakersfield).

CAULIFLOWER

Increased production with lower prices. Quality is very nice with medium plus white curds, tight pack and a majority of 12s available each day.

CELERY

Good supplies continue as volume increases for the fall and upcoming holidays. Quality is excellent with good heavy celery (60-62 lbs.) with dark green color and very meaty shanks.

CILANTRO

Very good supplies as well as quality and appearance. Bunches are approximately 9-11" in length with good green color.

CUCUMBERS

Mediocre quality and waning supplies in some of the home grown areas in the East and Southwest are causing prices to rise for the front end of the fall Mexican season. Numbers out of Mexico are beginning to increase out of both Nogales, Arizona and McAllen, Texas, with good availability but at higher prices. Super Select size is priced at a premium, and demand is strong. Select and large sizes are available at favorable prices.

EGGPLANT

East: Good supplies are available and are coming from NC, SC and GA. Demand is weak and FOB prices remain at low levels.

West: Supplies coming primarily from Fresno. Market is stable.

FENNEL/ANISE

Fennel supplies are decent and above demand for this week. Market should remain stable this week.

GARLIC

Not much has changed. Volume from China is down substantially due to tariff increases for the majority of importers. This has resulted in a large increase in demand for California and Mexican growers. Although a few containers from China have arrived on the West coast recently, demand exceeds supply. A limited supply of Chinese garlic is currently available, however volume is much

less than normal. A judicial ruling is expected next week regarding the release into the market of Chinese garlic that is being held in port. The current shortage will not be relieved until more Chinese garlic becomes available.

GRAPES

Market steady with good supplies of all colors, the overall quality of the fruit is very good with excellent sugar and good color on the reds. We will continue to harvest through November barring any major weather situations and should have fruit through mid-December and possibly longer depending on weather.

GREEN BEANS

Tight availability and high prices in California; steady in Virginia and North Carolina.

GREEN CABBAGE

Prices have increased as supplies from other California sources dry up and many other western regional supplies finish early this year. Currently, supplies are lower as growing conditions slow somewhat, but quality is excellent.

GREEN ONIONS

Medium size onions continue to be strong in most market with supplies on the lower side. Smaller onions have declined in price. Winter onions are starting in Mexico with domestic finishing in two weeks.

HONEYDEW

Market is strengthening as production on the Westside and northern California are finishing and we are starting out of the desert and Mexico in a light way, but production should start to increase by the end of next week. The overall quality is good with mostly a green to cream cast and nice deep green internal meat. Fruit is showing some heavier ground scars out of the desert versus the Westside fruit.

ICEBERG LETTUCE

Light to average supplies this week. Demand has been fairly strong. Quality is good with medium head size, slightly lighter in color, occasionally ribby and misshapen, and weights from 37-43 lbs. Sclerotinia and mildew issues continue somewhat, which are normal for this time of year.

JALAPEÑOS

East: FOB prices stable. Quality is very good. The GA crop has begun.

West: Supplies out of Baja and San Maria continue. Quality is very good. Steady FOB prices.



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KALE (GREEN)

Very good supplies this week. Overall quality and appearance continues to be nice though some systemic mildew in the stem is evident (normal for this time of year).

KIWI

New crop California kiwi is now available. The crop size is expected to be somewhat normal this year, however ongoing drought conditions will continue to play a role in the size profile, yield and overall production.

LEMONS

Market steady as we are finally harvesting and packing a little more than we have out of Dist. 3 and production will continue to increase and by the end of next week we should be packing a full schedule. The overall quality looks good to fair with some staining and gas spots showing up as we are gassing the fruit about 120 hours prior to packing and there had been some monsoon conditions which if fruit is picked with any moisture in the rind you will see some spotting. We expect to have a similar crop out of dist. 3 as we did last year and Dist. 1 will be a little lighter due to the freeze and the drought.

LETTUCE (GREEN & RED LEAF)

Very short supplies of red leaf this week. Above normal supplies of green leaf. The green leaf quality is very good with 21-22 lbs. per case and 9-10" heads. The red leaf will only be 18- 19lbs per case and 8-9" long per head.

LIMES (PERSIAN)

Full loads of robust limes with excellent quality are available. Shipping from Ventura County, CA, Hidalgo County, TX and Lancaster County, PA.

NAPA

Good availability and favorable prices from selected shippers.

ONIONS

Quality very good from the Northwest on all colors. Probable softening of FOB's as more onions are being harvested.

ORANGES (CALIFORNIA)

Market steady with 113's and smaller very tight and 88's and larger in fair supply, the overall quality remains the same fair at best with some skin breakdown and softer fruit, interior is good with excellent sugar and juice content. We will be starting to pick navels hopefully by October 13th and then have them ready to pack around the 20th. The overall navel crop looks good just a little light in production. The weather has been a little cooler

which will bring on some color. We expect to be peaking on 88's when we start and should have good supplies of smaller fruit and larger fruit will be a little tighter until the first of December.

ORANGES (TEXAS/FLORIDA)

Florida should have some limited supplies by the end of this week. Texas has started in a small way. Good volume continues this week.

PARSLEY (CURLY)

Increased supplies this week mainly due to warmer weather. Quality continues to be very nice. Bunches are measuring 8-10" in length with good dark green color.

PARSLEY (ITALIAN)

Supplies have somewhat increased from last week. Quality is very good and bunches are averaging 9-11" in length with a dark green color.

PINEAPPLES

Currently, 5s are the tight sizes with better availability on 6s, 8s. Pricing has increased on 7s – very limited in supply.

POTATOES (IDAHO)

Large sizes remain tight. Midrange and smaller sizes are available. Norkotah prices are steady; new crop volume is increasing. Expect skins to be set after the sweat process in mid-October. This variety is blocky in shape with smooth, light skins and few, if any, quality issues. Burbank's will start harvesting next week for some shippers.

RASPBERRIES

Producing regions are Baja, Oxnard, Watsonville, Santa Maria and Salinas. Quality is overall. Varietal shifts have contributed to higher quality yields. Conventional production is forecasted to increase during October. Organics continue to be tight.

RED CABBAGE

Production has slowed down; waiting for growth each week. Quality is excellent.

ROMAINE HEARTS

Average supplies this week throughout the industry. Quality is good (good green color and full, 9-11" head length) with weights of 16- 18 lbs. Occasional cracked ribs in some heads, fringe burn and seeders. Crews are harvesting in a different way to avoid these issues of product that goes into final pack.



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ROMAINE LETTUCE

Somewhat shorter supplies this week with good quality overall. However, several issues are impacting fields (light bruising due to some mechanical damage and minor fringe burn in some heads). Overall demand is strong and prices are steady. Quality is good with 10-12" in length and weights 36-38 lbs.

SALADS & BLENDS

Although prices are unchanged, recent heat has caused quality problems like pinking and light color. Shelf-life is a concern. Inspectors are working with processors to ensure good-quality product is packed in WCF boxes.

SNOW AND SUGAR SNAP PEAS

Snow peas and sugar snaps are in tight supply (Peru, Mexico, and California). Prices remain at the highs for both. Quality is poor, and limited availability will continue through next week.

SPINACH (BABY)

Adequate supplies.

SPINACH (BUNCHED)

Steady supplies this week with good demand. Market is slightly down. Overall quality is good; bunches are full and large with 10-11" in length. Color is dark green and weights are 20-22 lbs. Occasional yellow leaves are seen in some bunches.

SPRING MIX

Steady availability. Hot weather conditions are in the late week forecast, extending into next week, potentially causing damage.

SQUASH (ZUCCHINI & YELLOW)

Tight availability and high prices continue for both zucchini and yellow squash in the East and West. The new crop harvest in Georgia, North Carolina and South Carolina is off to a slow start, with periods of rainfall occurring throughout September. This has resulted in quality issues and reduced yields. In the West, late-season production is winding down in the coastal districts of Central and Southern California for zucchini and yellow squash. The new crop harvest in Northern Mexico is off to slow start, having been hit by two hurricanes during September (Norbert and Odile). Warm, humid weather conditions continue to affect quality. The good news is that condition is relatively strong on the squash that is being shipped; however a wide range in quality exists, with many grower lots characterized by scarring and

misshape. We anticipate continued tight availability and high prices to continue through mid-October.

STRAWBERRIES

The season is winding down in Salinas-Watsonville, and with the heat wave that is in the forecast, the potential for an early finish is anticipated. A wide range in quality and price characterizes the current market, with the premium quality being harvested in the new crop districts of Santa Maria and Oxnard. Driscoll will have Oxnard as their primary district by mid-October, the complete lineup of mixed berries available.

TOMATOES

EAST

Rounds: Quality out of the field is still good but we continue to see shelf-life issues as we come toward the end of several growing regions in the east and transition to fields in FL. Supplies continue from several growing regions. Western NC and SC, VA, TN, NJ, MI, Northern FL and AL (vine ripens) are all producing. How long these fields continue to produce depends on the weather. The first frost will bring these crops to an end. Demand continues to be weak. FOB prices on 5x6s are up slightly and down slightly on 6x6s and 6x7s. We continue to recommend that inventories be kept tight until we get past these life-shelf issues.

Romas: Supplies are still tight in the east but the lack of demand as also affected this commodity. The FOB prices are down slightly. Quality continues to be good. We are not seeing shelf-life issues on romas.

Grapes: Supplies from VA, TN, NC, SC and AL continue. FOB prices are up slightly but are still at very low levels. Quality remains good. Demand continues weak.

Cherries: Demand weak, supplies steady. FOB prices are up slightly. Quality remains good. The Eastern Shore of VA is the primary sourcing area.

WEST/MEXICO

Rounds: Weak demand and good supplies have caused FOB prices to drop another dollar on all sizes. We see a depressed market for at least another week or two. Mexican crossings of vine ripens continue at Otay Mesa, Nogales and McAllen. Quality is variable.

Romas: Demand is weak but supplies are a little tighter. FOB prices are up \$1 on all sizes. Quality is variable.

Grapes: Crossings from Baja, McAllen and now Nogales continue with stable FOB prices and variable quality.



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TREE FRUIT

(PEACHES, NECTARINES, PLUMS, CHERRIES)

Steady availability for late season California peaches, red plums and black plums. The size profile for plums is limited on small sizes.

WATERMELON

Moderate demand with adequate supply for late season production in California, Texas and Oklahoma. New crop watermelon bins from Northern Mexico are now available.