

Network CONNECTION



..... Updates and market insights from CTFA's PPN Network

August 3, 2009

News from the Network

Crop Update

Packout volume should stabilize for peaches and will increase this week for nectarines as the August varieties get started. Plums continue to come up short, which will keep their daily volume down from normal levels. Packout on plums will increase slightly as several late varieties get started. Temperatures are being predicted in the mid to low 90's, with a possible dip into the upper 80's later in the week.

Peaches

O'Henry will be the dominant variety this week. **August Flame®** will be the number two variety this week. Sizes are heavy to 48's and 42's. **Sweet Henry** will be the major subacid variety available. Among Summerwhite® varieties, **Snow King** will be the major variety this period. **Autumn Snow** will be the #2 variety this week.

Nectarines

Summer Fire will be 13-15% short if its estimate. **August Bright** will be the dominant variety the first half of the week and **August Fire** will become the dominant variety this second half of the week. **Summer Fire** will be the number two variety until mid week, and then **August Bright** will take the position. Sizes are heavy to 56's for **August Fire**. Among Summerwhite® varieties, **August Pearl™** and **Regal Pearl™** will vie for the lead position this week.

Plums

Friar will be 25% short of its estimate. **Joanna Red** and **Flavorich** will vie for the number one position the first part of this week. Later in the week, **Joanna Red** should take the lead spot. Watch for **Howard Sun** to come on later in the week.

Through last Saturday	Season to Date (1,000)	2009 Estimate (1,000)
Yellow peaches	9,559.3	15,394
Summerwhite® peaches	3,182.4	5,046
Peaches Total	12,741.6	20,440
Yellow Nectarines	7,793.4	13,208
Summerwhite® nectarines	2,150.1	4,372
Nectarines Total	9,943.5	17,580
Plums	5,576.5	8,910

Engage in the PPN Advocate

The PPN Advocate has been active since February providing intelligence and resources to the industry on topics such as; water, light brown apple moth, competing commodities, research, food safety, and the list goes on. The PPN Advocate is a perfect place to find information on issues effecting the industry and tips on how to address them. The PPN Advocate is a platform for industry members to engage with other industry members on various subjects such as consumer research, legislation, Environmental Working Group, foreign markets and industry happenings. The PPN Advocate also provides links to various resources to increase industry intelligence and awareness.

New Data Available in the CTFA Data Resource Center

Similar to the Season Year to Date report published every 5 weeks during the season, industry members can now access complimentary fruit data in the Data Resource Center. The information is available for Apples, Cherries, Grapes, Melons, Pears, and Strawberries. Users can set up the data cube to break out dollar sales, lbs sold, and price for each commodity by region and market down to the week. This information can be valuable for industry members who are tracking how peach, plum, and nectarine sales are doing against other competitive fruits.

The process is simple. Located in the ***Retail/Packout Data/Shipment/Destination*** section (left side menu), choose the ***Competitive Crops by Market*** cube in the drop down menu and format your data from there.

If you are interested in learning more about this resource or have any questions or need a username/password to the Data Resource Center please contact Cassie Drake at CTFA for assistance (cdrake@caltreefruit.com or 559.638.8260).

Delinquent Assessment Collection / Reports Procedures

We would like to remind handlers CTFA is mandated by the government to issue letters of demand for delinquent assessments and reports. Please see below for further details.

Assessments

Please note that assessment is due upon billing. A letter of demand is issued when assessments are due, as follows:

- When the account is 30 days delinquent, we are mandated to send a letter of demand and provide the handler 15 days to pay.

- At 45 days delinquent, we are required to send a second letter of demand and provide the handler 15 days to pay.
- When the account is 60 days delinquent, we are required to refer the handler to USDA and/or CDFA for legal/collection action. Also at 60 days delinquent, there are interest and late payment/collection penalties (10%) that are charged to the handler. For the state programs, the interest is 5% per month and for the federal programs, it is 1.5% per month.

Reports

Please note CTFA is mandated by the government to send letters of demand for delinquent reports. *Destination Reports* are due on the 15th of the month following the month in which shipments are made, and are required for handlers who handled 50,000 or more equivalent containers the prior season. *Shipment* and *Grower Reports* are due on November 15. CTFA is mandated to send a letter of demand for **all** reports due, as follows:

- If reports have not been filed by the due date, we are mandated to send a letter of demand and provide the handler 15 days to report.
- If the handler has not reported after 15 days, we are required to send a second letter of demand and provide the handler with 15 days to report.
- If the handler has not reported after the 15 days, we are required to refer the handler to CDFA for legal action for failure to report.

These procedures are fully outlined in CTFA's compliance plan. If you have any questions about these procedures or would like a copy of the compliance plan, please feel free to contact Gary Van Sickle at gvansickle@caltreefruit.com or Sheri Mierau at smierau@caltreefruit.com. Both can be reached by phone at 559-638-8260.

Varietal Marking and Reporting Clarification

In 2006, mandatory varietal markings on containers were eliminated. Since then we have received several questions about requirements. We have provided the information below to help clarify the marking and reporting requirements.

Commodity is a required container marking and can be used in conjunction with a color descriptor, such as "yellow peaches" or "red plums." Varietal names may be marked on containers at the packer's discretion. A packer may use in place of the varietal name, a trademarked name, such as "June Pearl™"; or a brand or type name, such as "Titan Red Brand." [The "TM" symbol may be used anytime to alert the public to a claim regardless of whether an application with the USPTO has been filed.] In regards to packout reports and shipment reports, handlers must report the actual varietal name on their reports. If a brand or trademarked name is used on the container, the reporting needs to accurately indicate the appropriate varietal name. Substituting one varietal name for another, either on a container or in reports to CTFA, is not permitted.

If you have any questions, please feel free to contact Gary Van Sickle at gvansickle@caltreefruit.com or Sheri Mierau at Smierau@caltreefruit.com. Both can be reached by phone at 559-638-8260

2008-2009 Nursery Tree Sales Report Now Available

The 2008-2009 Nursery Tree Sales Report is now available. To receive a copy please contact Gary Van Sickle at gvansickle@caltreefruit.com or 559-636-8260.

Proposed Ethanol plant to be established in Reedley CA

Sun BioEnergy LLC is proposing the establishment of a plant to convert Biomass to Ethanol in Reedley, CA. Currently Sun BioEnergy is seeking long-term feedstock contracts with substantial annual tonnage for all stone fruits, citrus, apples, grapes, color-up materials, nuts, wood chips, tree stumps, and sugar cane. Materials used from these products are peels, cuttings, hulls, and stalks. The proposed Ethanol plant is thought to be an environmentally beneficial way of disposing of ag materials. For more information, contact Greg Shipley at 805-239-8714.

Save the date: Ag Off-Road Equipment Funding Forum September 29

The US EPA Air and Agriculture Programs will be hosting an Agriculture Off-Road Equipment Funding forum on Tuesday, September 29. The meeting will be in room 229 at the USDA Service Center, 430 G. Street, Davis, California. The Forum begins at 9:30 am and is expected to end by 12:30 pm. For more information, please contact Grace Cheng, US EPA Air Division at (415) 972-3983 or Gary Van Sickle at gvanickle@caltreefruit.com or (559) 638-8260.

Meetings of Note:

International Market Development Subcommittee to Meet August 13

The International Market Development Subcommittee will meet at 12:00 pm on Thursday, August 13, 2009 at the California Tree Fruit Agreement, 975 I Street, Reedley, CA. Contact Gordon Smith for additional details at gsmith@caltreefruit.com or 559-638-8260.

To stop receiving the PPN Network Connection please contact Denise Junqueiro at Djunqueiro@caltreefruit.com or (559) 638-8260