

**Testimony of Marc McFetridge, Agricultural Economist from the U.S. Department
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No. 989

My name is Marc McFetridge. I have worked for the U.S. Department of Agriculture (USDA) since 2006. I worked for the Marketing Order Administration Division from July 2006 through December 2009. From December 2009 to the present I have worked for the Promotion and Economics Division as an agricultural economist where my duties include preparing economic and statistical analyses, which are used by government officials to help administer Federal programs for fruit and vegetable programs. A large part of my work is related to Federal marketing order issues.

I received a Bachelor's degree in agricultural business management in 2001 from Oregon State University and a Master's degree in agricultural and resource economics in 2004 from Oregon State University.

For this hearing on California Raisins, I have prepared a report titled "U.S. Raisin Crop Years: 2000 through 2014." The data source is the National Agricultural Statistics Service (NASS), USDA. The purpose of this report is to introduce U.S. government data and other relevant information into the hearing record. These graphs are intended to be used by all parties involved in the hearing, in discussing and analyzing the merits of the

various proposed amendments. Data for the 2015/16 crop year will not be available until July 2016, when NASS will release the *Noncitrus Fruits and Nut 2015 Summary*.

In the report, graphs are shown for U.S. raisins. Raisins are primarily produced in California's San Joaquin Valley and are sun-dried.

Bearing Acres:

The graph on page four shows the total bearing acres. Bearing acres reached a fifteen-year high during the 2000/01 crop year at 280,000 (two hundred, eighty thousand) acres for the total U.S. Since the 2000/01 crop year, bearing acres have trended downwards. For the 2014/15 crop year, bearing acres were reported at 190,000 (one hundred, ninety thousand) acres. Acreage is down five percent compared to the 2013/14 crop year and down eight percent compared to the previous five-year average.

Yield:

The graph on page five shows the average raisin yield. The average yield has varied greatly over the past 15 crop years with the fifteen-year average yield being 9.7 tons per acre. Average yields reached a high of 11.4 tons per acre during the 2002/03, 2008/09 and 2013/14 crop years. The lowest yield occurred during the 2006/07 crop year at 7.95 tons per acre. The 2014/15 crop year had a yield of 9.28 tons per acre, down almost

nineteen percent from the 2013/14 crop year and down eight percent compared to the previous five-year average.

Quantity of Dried Raisins:

The graph on page six shows the total quantity of dried raisins. As expected, the quantity of dried raisins has seen a significant reduction following the downward trend of bearing acres in the past 15 crop years. The graph also shows the typical cyclical nature of raisins where one year will have a large crop of raisins, followed by a smaller crop the next year. Quantity of raisins reached a high during the 2000/01 crop year at 484,500 (four hundred, eighty-four thousand, five hundred) tons. For the 2014/15 crop year, the quantity of raisins was reported at 328,600 (three hundred, twenty-eight thousand, six hundred) tons, down 17 percent compared to the 2013/14 crop year and down nine percent compared to the previous five-year average.

Prices Received by Growers:

The graph on page seven shows the average prices received by growers. Prices have steadily increased as the supply of raisins has trended downward the past 15 crop years. The season average price received by growers was the lowest during the 2002/03 crop year at \$393 (three hundred, ninety-three dollars) per ton. In the past 12 years, the price of raisins has increased by more than three and a half times the price received by growers in the 2002/03 crop year. The season average price for raisins in the 2014/15 crop year

was reported at \$1,820 (one thousand, eight hundred, twenty dollars) per ton, up 12 percent compared to the 2013/14 crop year and up fifteen percent compared to the previous five-year average.

Total Value of Production:

The graph on page eight shows the total value of production for raisins. Total value of production was calculated by taking the quantity of raisins multiplied by the season average price received by growers. The total value of production has followed a similar upward trend as grower prices. The total value of production was the lowest during the 2002/03 crop year at \$172,487,700 (one hundred, seventy-two million, four hundred, eighty-seven thousand, seven hundred dollars). For the 2014/15 crop year, the total value of production of dried raisins was \$598,052,000 (five hundred, ninety-eight million, fifty-two thousand dollars), more than triple the value of the 2002/03 crop. The total value of production for the 2014/15 crop year was down seven percent compared to the 2013/14 crop year but up compared to the previous five-year average.