

California Spinach

economic status in 1948 reviewed and trends in marketing considered

Sidney Hoos and P. C. Habib

California spinach production in 1947 and 1948 declined considerably below the recent wartime level.

From 1933 to 1946 the share going into processing was increasing. In 1947 this situation was changed and 46% of California production went to fresh use.

Carry-over of canned spinach was practically nonexistent during the war but has reoccurred since. The pack year 1949-50 will begin with a carry-over low in relation to previous peacetime years.

Although 1947 saw a revival of the declining fresh consumption, canned and frozen spinach have been taking an increasing share of the market.

Commercial spinach production in California is harvested from about December 15th to April 1st. Other areas produce spinach at different seasons of the year, depending on climate. Winter-produced spinach is the most important source of fresh market spinach. Spring is the next most important season, followed by summer, early fall and late fall in that order.

In the period 1920-1924, 28% of the country's total spinach acreage was in California but by 1948 the state had only 11.6% of the country's total acreage.

Spinach acreage in California is concentrated in three main regions: the northern counties of the Central Valley; the coast counties south of San Francisco; and the Los Angeles area. The four leading counties of Monterey, Los Angeles, Stanislaus and San Joaquin include 67% of the spinach acreage in the state. Acreage in Los Angeles County is used to raise spinach almost exclusively for the fresh market, but the other major producing counties concentrate on the processing markets.

The national yield per acre followed a declining trend during the years 1918-1933, but since then average yield per acre has been fairly constant. It is significant that California's yield per acre of spinach has always been much greater than in the nation as a whole.

The trend in the use of California spinach production for the fresh market was steadily downward until 1946. In 1947 the quantity of spinach used fresh increased considerably, in spite of a sharp decrease in total production. Canned utilization has been considerably greater than fresh with the exception of 1938 and

1947. Frozen spinach production increased significantly during 1942-1946, fell to a very low point in 1947, then recovered in 1948.

In terms of per cent of total production, it is evident that the major use of California production has been for processing. The share of California production moving into canning increased until 1946 when 73% of the total state production went to canned use. In 1947 production canned declined to half of the 1946 level, and only 50% of the total crop was canned. Although California spinach production used fresh declined to 13% in 1946, it is significant that 46% of total output in 1947 was fresh. The 1947 utilization pattern was not continued in 1948. Canned use increased to 58% of total output while fresh use declined to 24% of the total.

Significant changes have been evident in the utilization of spinach for freezing. This use became important in California during the late 1930's, and in 1946 as much as 14% of California production was frozen. Along with the reduction in canning in 1947, there was a sharp retraction in the quantity of spinach frozen, only 4% of total production going to freezing that year. In 1948, however, the frozen pack increased significantly, using 18% of the total output.

The behavior of California farm prices of spinach over the thirty-year span from 1919 through 1948 may be divided into several periods. Farm prices followed a downward trend until 1926; they then flattened out for several years but rose during 1930-1932. From 1933 through 1942, farm prices generally followed a gradual upward trend, with a marked rise occurring in 1943. Since then, prices have fluctuated about a record level.

The downward trend which occurred up to 1926 developed at the same time production followed an upward trend. Prices remained stable during the latter half of the 1920 decade, despite the marked increase in production. The price behavior reflects the strong increase in demand developing during those years. In the depression years of the early 1930's, prices were held up primarily by the markedly reduced production. And as the country recovered from the depression, California farm prices of spinach advanced due to the combined effects of

economic recovery at large and the fact that production declined again rather than go back to previous high levels. In the national defense and war years, farm prices of spinach rose as did other prices. The increased demand, especially for processed spinach, played a strong part. Although processed output increased during the war years, total production of spinach—processed and fresh market combined—was stable and remained below previous record levels.

The high farm prices during 1947 and 1948 reflected the low production of those years in comparison with the several earlier ones. California spinach farm prices in recent years have not only been higher than before the war, but also they have not suffered the postwar declines which occurred in the farm prices of some products. Reduced production coupled with an expanded demand are the major factors accounting for the high level of postwar prices.

Fresh spinach is particularly suited to prepackaging in cellophane consumer-size bags—and today it is the most important packaged vegetable crop.

In California, about one half of fresh spinach sales in the Los Angeles and San Francisco market areas are made in branded, consumer-size packages. Packaging in California has been confined to the local market, although producers look forward to packaging in consumer units for distant shipment.

If consumer-package processing develops on a large scale, the purchases and sales of individual packers may be sufficiently large to permit a direct effect on selling prices in the field.

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CALIFORNIA AGRICULTURE

Progress Reports of Agricultural Research, published monthly by the University of California College of Agriculture, Agricultural Experiment Station.

Harold Ellis Director
Agricultural Information
W. G. Wilde Editor and Manager

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