California Apples

acreage and production declining due to unfavorable grower earnings

Burt B. Burlingame

Apples grown in 53 of the 58 California counties produce 8% of the national crop—and more than 80% of that 8% is centered in the Sebastopol and the Watsonville areas.

The Sebastopol district of Sonoma County is noted for its production of the Gravenstein—the principal summer apple in the United States—and the county accounts for nearly 90% of the crop. Fall and winter varieties represent about 35% of the total acreage in this area.

The Watsonville district contrasts with the Sebastopol area in that approximately 60% of its bearing acreage is the winter apple—Yellow Newtown.

Other and smaller commercial apple districts of the state include Anderson Valley in Mendocino County; spotted foothill areas along the east side of the Central Valley; the Yucaipa district in San Bernardino County; and several small areas in San Diego County.

Acreage Trends

Bearing acreage of all varieties decreased 21,000 acres from 1926 to 1947. New plantings have not kept pace with removals. Unless new plantings are increased, 3,000 more bearing acres probably will be lost by 1960.

Nonbearing acreage in the state in 1947 amounted to only 7.9% of the total acreage. It is estimated that the average annual plantings for the seven years ending 1947 amounted to approximately 385 acres, or a little over 1% per year.

At the same time, nearly 50% of the present bearing acreage is an estimated 33 years or older. Assuming 50 to 60 years to be the average productive life of these trees, an average annual rate of retirement of roughly 700 acres may be expected. This is over 300 acres per year greater than average plantings in recent years.

Production Trends

The trend in total production of all apple varieties in California followed the acreage trend, upward until about 1930. The largest crop on record—314,000 tons in 1928—occurred two years after bearing acreage had reached its peak. From about 1930 to the beginning of World War II California's apple production declined; 1939–1942 marked the lowest four consecutive years of production since the peak, with a 185,000-ton average.

The short term trend in total production appears to have turned upward after 1942 due almost entirely to increased yields of Gravensteins. This trend is not expected to continue.

Utilization

A smaller proportion of the apples produced in California is sold for fresh use than that sold in most other states and in the United States as a whole. Since apples for fresh use bring higher average prices than for processing, this situation partly explains why California grower prices have averaged 20% to 30% less than for the United States as a whole.

California growers have dried a much larger proportion of their apples than growers in other states.

During the 1944-1947 period California's proportion of dried apples dropped to 26% from nearly 40% for the years 1934–1937. Actual tonnage did not drop as much as the percentage, however, since total production during this period was somewhat higher.

The percentage of California apples used for processing purposes other than drying has increased in recent years, particularly for canning and freezing.

Prices to Growers

Growers in California generally have received lower prices for their apples than the average for all growers in the United States.

Two principal causes of this situation are:

1. Lower prices received for sales of fresh fruit. Apples shipped out of state incur higher marketing and transportation expenses than eastern apples.

2. A smaller proportion of California total production is sold for fresh use. Only 48% was thus sold during 1939–1947, as compared to 71% for the entire United States.

During the 1930's prices received by California growers averaged only about $16 per ton. After the United States entry into the war apple prices jumped sharply and rose to a peak in 1945 when California growers received an average of $83 per ton for all fruit sold, the United States apple crop for that year being the shortest on record.

Prices in 1946 dropped back to only a little below the relatively high level of the 1943 and 1944 crops, but in 1947 they fell almost as low as 1941. This brought California far below the 1947 United States average grower prices, which were only 10% below 1946.

California average returns during the six years 1942–1947 were $62 or practically four times the average for the 12 years preceding the war.

Current production costs are more than double prewar costs. As a result grower returns above cash costs in 1947 are estimated to have been about one half of the 1941 returns, even though prices received in 1947 were slightly higher.

Price Outlook and Earnings

In the next few years California grower prices are likely to average considerably below wartime levels. Supplies will be more than adequate to take care of normal civilian fresh market requirements, except perhaps in extremely short crop years.

Future prices received by the California apple grower will be influenced greatly by the proportion which can be sold fresh; by consumer incomes; by competition of other fruits; and apples from other states.

Future earnings probably will be lower than the war period but the better orchards—efficiently operated—should be reasonably profitable.

Burt B. Burlingame is Associate Agriculturist, Farm Management, in Agricultural Extension and Associate on the Giannini Foundation, Berkeley.

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

CALIFORNIA AGRICULTURE will be sent free upon request to the University of California College of Agriculture, 22 Giannini Hall, Berkeley 4, California. Please allow about two weeks between your request and the arrival of your first copy.