

Pacific Coast Canned Fruits

f.o.b. prices reflect average industry experience for the period June 1, 1953 through May 30, 1954

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Final industry data on the f.o.b. prices of California canned peaches, pears, and apricots reflect the average industry experience for the 12-month period from June 1, 1953 through May 30, 1954—and may be summarized as follows:

Canned fruit	Choice No. 2½	Aver. of all grades and sizes
		dollars per case
California cling peaches	5.12	4.61
California apricots	5.25	4.59
Pacific Coast pears	6.91	5.69
California freestone (Elberta) peaches	5.60	--
California fruit cocktail	6.67	5.46

The highlights of the movement of canned fruit from canners during 1953-54 are indicated in the following table:

Canned fruit	Movement from Canners	
	Total	Domestic commercial
	thousands of cases; 24 No. 2½ basis	
California cling peaches	16,782	14,550
California apricots	4,343	3,828
Pacific Coast pears	5,799	5,376
California freestone peaches	2,648	2,611
California fruit cocktail	7,988	6,891

Major price-influencing factors include the domestic commercial movement from canneries, the level of national disposable personal income, and the relative level of prices of canned fruits competing with the respective canned fruits.

The average influences of these market factors and the supply-demand situation in 1953-54 are summarized as follows:

Canned Cling Peaches

A change of 1,000,000 cases—24 No. 2½ basis—in the commercial domestic movement of California canned cling peaches was on the average accompanied by a change in the opposite direction of about 15¢ a case in the f.o.b. price.

An increase of 10% in the index of disposable income, considered by itself, was on the average accompanied by an in-

crease of about 37¢ a case in the f.o.b. price.

A change of 10 points in the adjusted index of prices of competing canned fruits was on the average accompanied by a change in the same direction of about 22¢ a case in the f.o.b. price.

The pack of cling peaches in 1953—17,163,000 cases, No. 2½ basis—was the second largest on record, exceeded only in 1951. The large pack, supplemented by the June 1, 1953 canner carry-over, began 1953-54 with close to 19,500,000 cases. The second largest total movement from canners—16,782,000 cases—resulted in June 1, 1954 canner stocks at 2,708,000 cases. Exports approaching 1,000,000 cases—including the 369,000 cases taken by the United Kingdom—plus 1,297,000 cases taken by the United States Defense Department, subtracted from total movement give a domestic commercial movement of 14,550,000 cases. This movement occurred with the support of increased national disposable income, but in the face of increased competitive price pressure from the other canned fruits.

Canned Pears

A change of 1,000,000 cases—24 No. 2½ basis—in the commercial domestic movement of Pacific Coast canned pears, considered by itself, was on the average accompanied by a change in the opposite direction of about 62¢ a case in the f.o.b. price—average of all grades and sizes—of Pacific Coast canned pears.

An increase of 10% in the index of disposable income was on the average accompanied by an increase of about 42¢ a case in the f.o.b. price.

A change of 10 points in the adjusted index of prices of competing canned fruits was on the average accompanied by a change in the same direction of about 15¢ a case in the f.o.b. price.

Due to the short crop in California, the 1953 pack of canned pears on the Pacific Coast—5,185,000 cases—was the second smallest in the postwar years. A substantial June 1, 1953 canner carry-over, with the 1953 pack, resulted in a total supply of near 6,500,000 cases for 1953-54. Canners' movement in 1953-54—5,799,000 cases—compared favorably with most previous years, and June 1,

1954 canner stocks were reported at a level of 747,000 cases. Exports continued at a depressed level, and United States government takings amounted to 310,000 cases. Thus, domestic commercial movement from Pacific Coast canners in 1953-54 amounted to 5,376,000 cases—somewhat under the movement of the previous year.

Canned Apricots

A change of 1,000,000 cases—24 No. 2½ basis—in the commercial domestic movement of California canned apricots, considered by itself, was on the average accompanied by a change in the opposite direction of about 40¢ a case in the f.o.b. price—average of all grades and sizes—of canned apricots.

An increase of 10% in the index of disposable income was on the average accompanied by an increase of about 25¢ a case in the f.o.b. price.

A change of 10 points in the adjusted index of prices of competing canned fruits was on the average accompanied by a change in the same direction of about 11¢ a case in the f.o.b. price.

The 1953 pack of California apricots, the largest in postwar years, amounted to 4,718,000 cases. A June 1, 1953 canners' carry-over of 646,000 cases gave a total canner supply of 5,364,000 cases for the marketing year 1953-54, or the largest total supply in the postwar years. Although canner total movement of 4,343,000 cases was the largest on record, canners' June 1, 1954 stocks were built up to 1,021,000 cases—second only to the beginning of 1948-49 in the postwar years. Exports were heavier than in the preceding several years, and United States government takings amounted to 257,000 cases. Despite the augmented stocks with canners' June 1, 1954, domestic commercial movement in 1953-54 was the largest on record.

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The foregoing article is based on the Giannini Foundation of Agricultural Economics Mimeographed Report No. 169, July 1954, Pacific Coast Canned Fruits—F.O.B. Price Relationships, 1953-54 by the same author. A copy of the complete report may be obtained by addressing a request to the Department of Agricultural Economics, 207 Giannini Hall, University of California, Berkeley 4.