

# Pacific Coast Canned Fruits

report on 1954-55 f.o.b. shipments and price relationships for canned peaches, pears, apricots, and fruit cocktail

Sidney Hoos

**Specific marketing data**—on packs, shipments, carry-overs, f.o.b. prices, and their relations to the major factors affecting them—aid growers and canners in the formulation of production and marketing policies and programs.

As the 1954-55 marketing season closed and the 1955 pack approached, an unusual combination of market conditions existed. The loss of most of the southeastern peach crop because of frost, in combination with some spotty frost loss in California, resulted in a tight supply position for California cling peaches. It was expected that the shortage of eastern freestone peaches which generally go to fresh market would attract an unusually large proportion of California freestone peaches to the eastern fresh markets. This, in turn, was expected to reduce the canned pack of California freestone peaches which had grown substantially in the past several years. The short carry-over of California cling peaches, in combination with the continued rise in national income, further strengthened the demand for canning cling peaches.

## Major Factors

The anticipated tight supply situation in canned peaches resulted in intense trade interest in the prospective prices for the 1955 pack. Economic-statistical studies of market experience indicate that the major factors affecting the f.o.b. prices of canned fruits include the domestic commercial movement from canneries, the level of national disposable personal income, and the relative level of the prices of the competing canned fruits.

The f.o.b. prices of the various canned fruits shown in the following table are industry average prices reflecting industry experience during the 1954-55 marketing year.

1954-55 Marketing Year	
Canned fruit	Per case 24 No. 2½
California cling peaches (choice) . . . . .	\$5.17
California apricots (choice) . . . . .	5.66
Pacific Coast pears (choice) . . . . .	6.95
Pacific Coast Elberta freestone (fancy) . . . . .	6.44
California fruit cocktail (choice) . . . . .	6.37
Hawaiian pineapple (fancy, sliced, f.o.b. San Francisco) . . . . .	6.90

The highlights of the movement of canned fruit from canners during 1954-55 are indicated in the table below.

	Movement from canners, 1954-55	
	Total	Domestic commercial
thousands of cases; 24 No. 2½ basis		
California cling peaches . . . . .	15,968	14,056
California apricots . . . . .	3,477	3,019
Pacific Coast pears . . . . .	6,677	6,277
Pacific Coast freestone peaches . . . . .	3,841	3,841
California fruit cocktail . . . . .	9,135	8,102

It is estimated that some 12,750,000 cases of pineapple moved into trade channels through packers' and importers' shipments for domestic civilian consumption.

The historical f.o.b. price relationships for canned cling peaches, pears, and apricots are summarized in the following paragraphs.

## Canned Cling Peaches

A change of one million cases—choice No. 2½ basis—in canners' 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 of choice No. 2½ clings.

An increase of 10% in the index of disposable income was accompanied—on the average—by an increase of about 37¢ a case in the f.o.b. price of choice No. 2½ canned cling peaches.

A change of 10 points in the index of prices of competing canned fruits was, on the average, accompanied by a change in the same direction of about 23¢ a case in the f.o.b. price of choice No. 2½ canned cling peaches.

## Canned Pears

A change of one million cases—24 cans, No. 2½ basis—in canners' 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 60¢ a case in the f.o.b. price of choice No. 2½ canned pears.

An increase of 10% in the index of disposable income was, on the average, accompanied by an increase of about 50¢

a case in the f.o.b. price of choice No. 2½ Pacific Coast canned pears.

A change of 10 points in the index of prices of competing canned fruits was, on the average, accompanied by a change in the same direction of about 18¢ a case in the f.o.b. price of choice No. 2½ canned pears.

## Canned Apricots

A change of one million cases—24 cans, No. 2½ basis—in the commercial domestic movement of California canned apricots was, on the average, accompanied by a change in the opposite direction of about 50¢ a case in the f.o.b. price of choice No. 2½ apricots.

An increase of 10% in the index of disposable income was, on the average, accompanied by an increase of about 28¢ a case in the f.o.b. price of choice No. 2½ canned apricots.

A change of 10 points in the index of prices of competing canned fruits was, on the average, accompanied by a change in the same direction of about 13¢ a case in the f.o.b. price of choice No. 2½ apricots.

F.o.b. price relationships, as summarized above, bear upon the pricing and movement of the canned packs as well as returns to growers of canning fruit.

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