

# MARKETING SWEET CHERRIES



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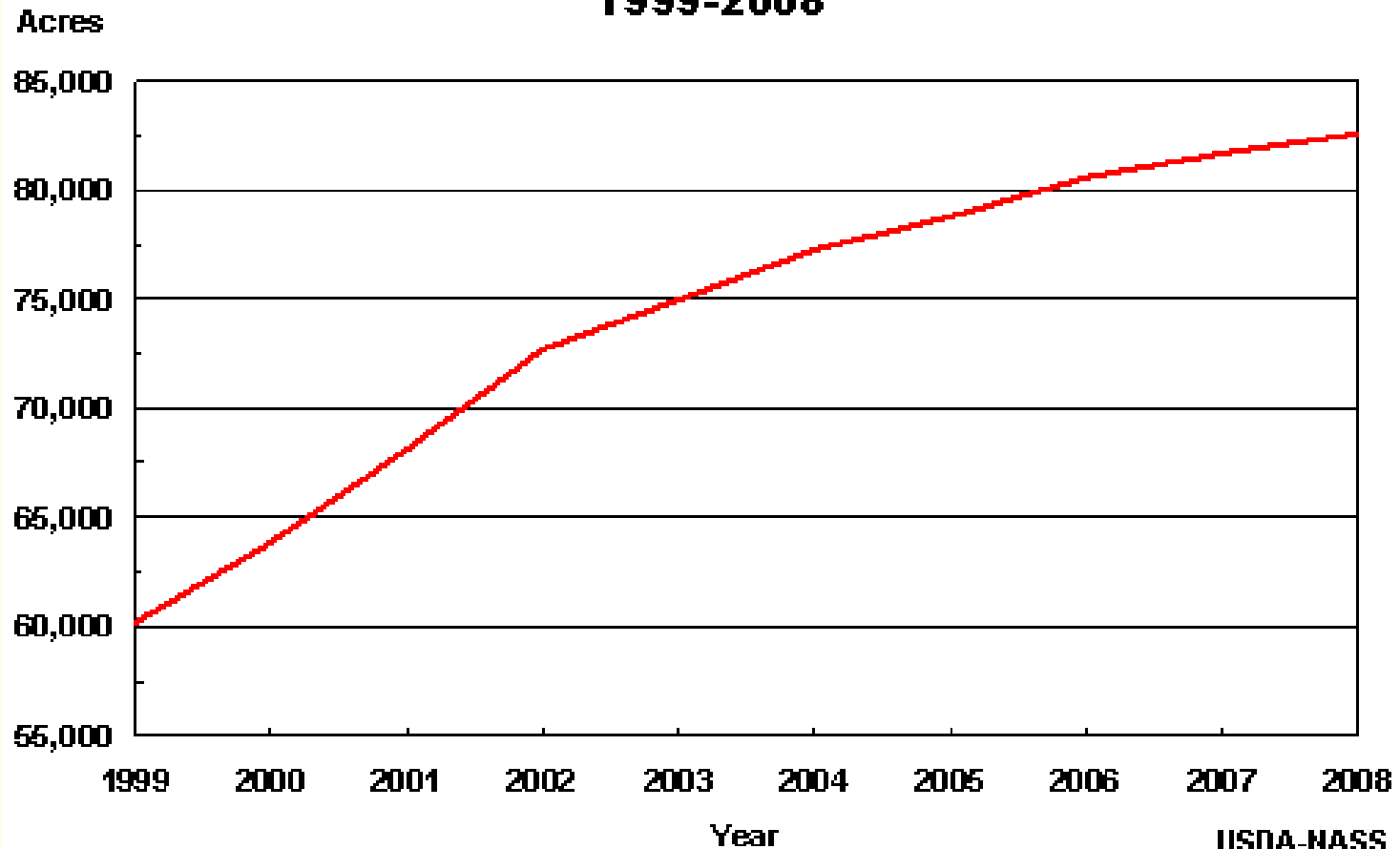
# Overview

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- US Cherry Supply & Demand
- Traditional marketing
- Direct marketing



# U.S. Sweet Cherries Bearing Acres 1999-2008



USDA-NASS  
January 2009

# Sweet Cherries:

## Acreage, Yields, Production & Use

source: USDA, Noncitrus Fruits & Nuts

State & Year	Bearing Acreage	Yield/	Production	Utilization	
		Acre	Total	Fresh	Processed
		Tons	Tons	Tons	Tons
<b>CA</b>					
2006	26,000	1.6	42,100	32,400	7,800
2007	26,000	3.3	85,000	67,400	14,400
2008	27,000	3.2	86,000	67,400	15,400
<b>OR</b>					
2006	12,000	4.6	55,100	29,600	23,000
2007	12,500	2.8	35,000	20,500	13,500
2008	12,500	2.4	30,000	17,200	9,200
<b>WA</b>					
2006	32,000	5.3	168,000	123,000	45,000
2007	33,000	4.8	157,000	129,000	28,000
2008	33,000	3.0	100,000	85,000	15,000
<b>US</b>					
2006	80,600	3.7	294,160	190,770	96,750
2007	81,670	3.8	310,680	222,560	83,650
2008	82,610	3.0	247,060	174,620	65,100

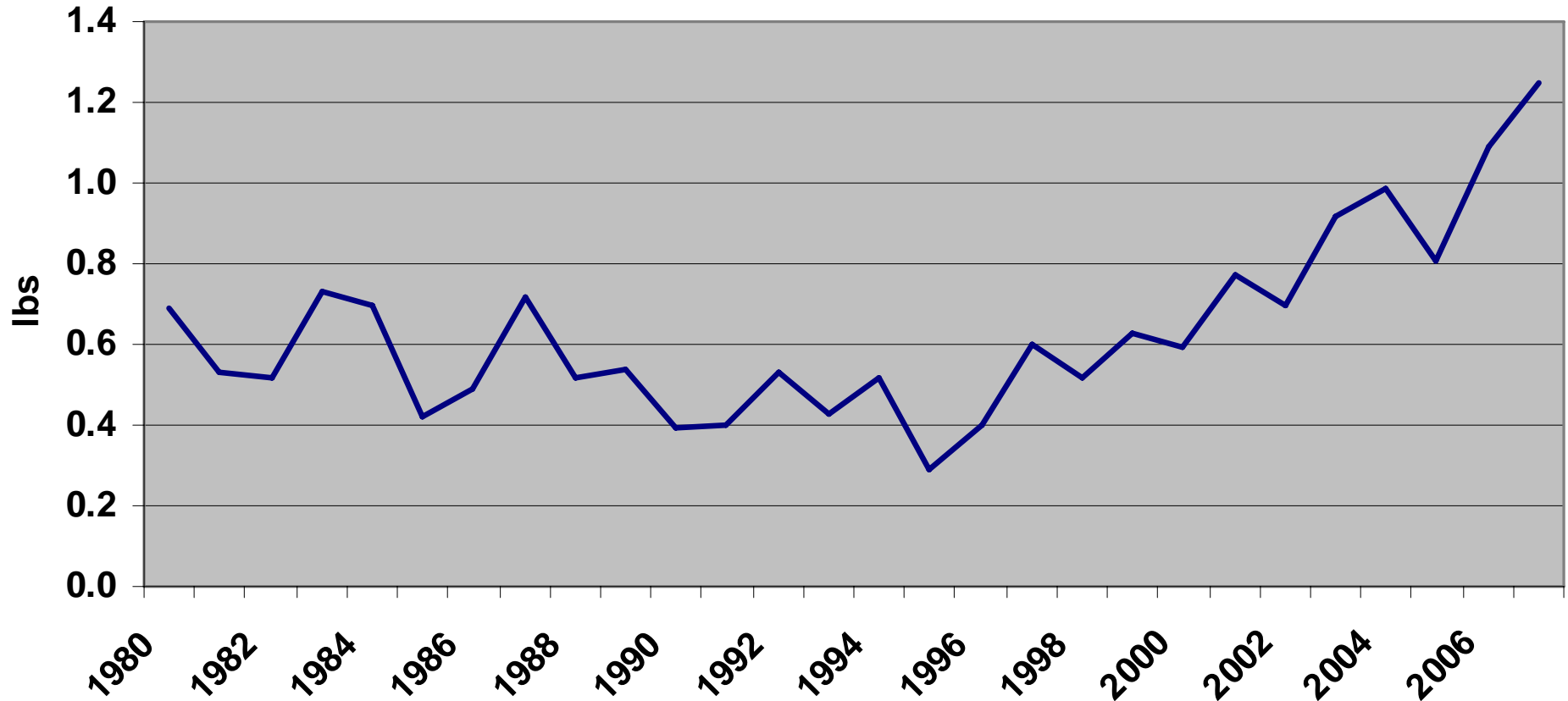
# **Average Prices Paid to Producers California Cherries, Per Ton**

	<b>Fresh</b>	<b>Processed</b>
<b>2006</b>	<b>\$3,740</b>	<b>\$412</b>
<b>2007</b>	<b>\$2,250</b>	<b>\$234</b>
<b>2008</b>	<b>\$2,840</b>	<b>\$202</b>

source: USDA, Noncitrus Fruits & Nuts

# US Per Capita Sweet Cherry Consumption 1980-2007

source: USDA Fruit & Tree Nuts Yearbook



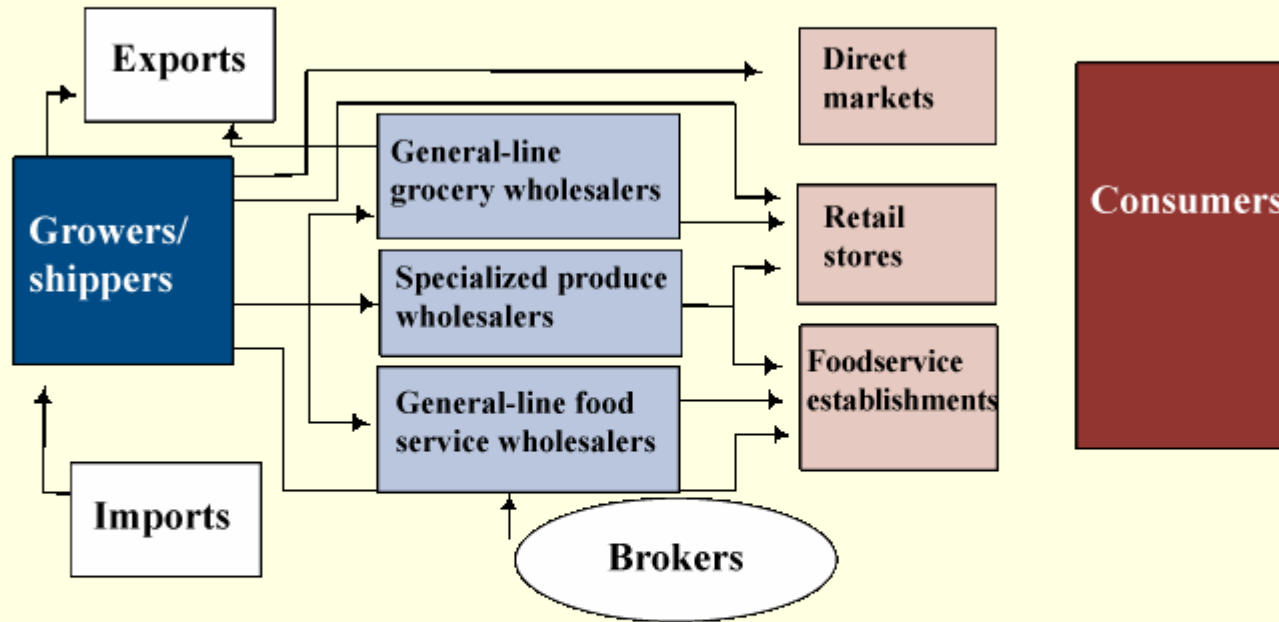
# Health Benefits of Sweet Cherries

source: California Cherry Advisory Board [www.calcherry.com](http://www.calcherry.com)

- Heart Disease Prevention
  - flavonoid - quercetin
- Cancer Prevention
  - phenolic acid called amygdalin, also termed Vitamin B17 and laetrile, found in the kernels of cherries and other fruits
- Pain Relief
  - Anthocyanins found in cherries block inflammatory enzymes, reducing pain. 20 cherries are 10 times as potent as aspirin and have positive effects on gout and arthritis pain
- Bone Health
  - Sweet cherries are an excellent source of boron. Boron consumption, coupled with calcium and magnesium has been linked to increased bone health.



# Fresh Fruit and Vegetable Marketing Channels



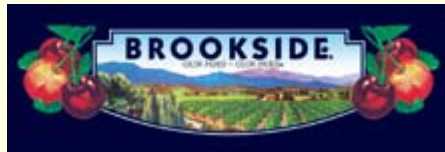
Adapted from "U.S. Fresh Produce Markets: Marketing Channels, Trade Practices, and Retail Pricing Behavior" by Carolyn Dimitri, Abebayehu Tegene, and Phil R. Kaufman Agricultural Economic Report No. (AER-825) , September 2003.

# Traditional Produce Marketing System Entities

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- Packer/shippers
- Wholesalers/Distributors
- Retailers & Foodservice Operations

# Packer-Shippers



# Packer Shippers

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- Usually are growers as well as packers
- Aggregate product
- Receive, sort, package, store, ship
- Usually pay a contract price
  - Deduct for services
- Often contract direct with large customers, such as Costco, Safeway, SaveMart

# Packaging Options

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- 18 lb wooden box
- 18 lb carton
- 5 kilo carton
- Clam shells
- Bags



# Japan Mixed Cherry Varieties

**18PD.RICORDO.X.JAPAN**

**18 lbs. “Ricordo Japan” Loose Pack**

**Net Weight 18 lbs.**

**White Opaque Liner – Non-Vented**

**9x9 Cherry pad**

**Sealed w/ PPQ Tape**

Heat Treated (Yellow Striped)

Pallet only

**Skid Pad on Pallet**

**90 units per pallet**

**9ti x 10hi Stacking Pattern**

**Corner Board x 4**

**Pallet Strapped with Rapid Rope**

**NO Leaves or Debris**

(Standard Carton)



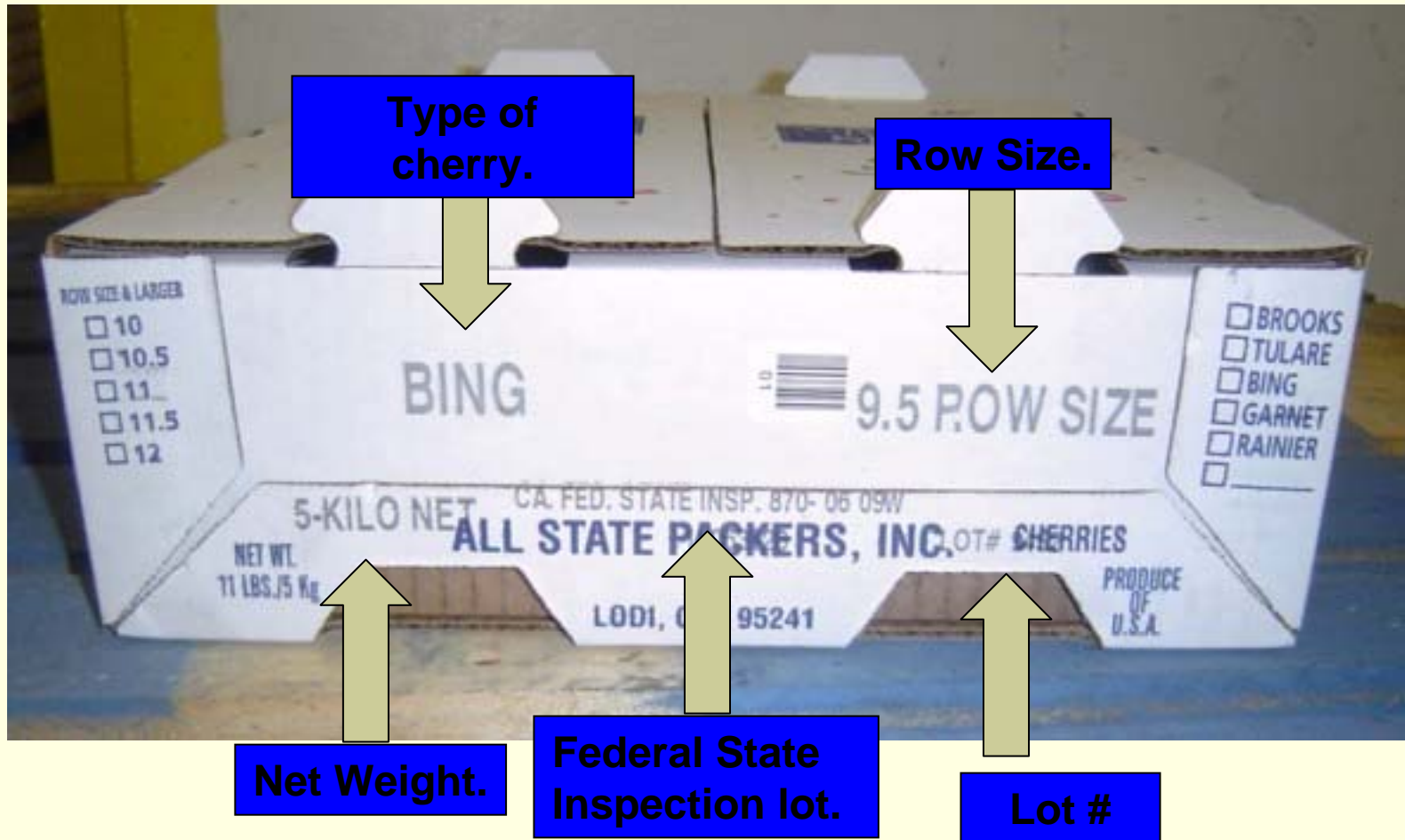
Inkjet Variety

# EXPORT 5-Kilo

- Net Weight: 5 Kilos (11 lbs)
- Packed inside of an MA bag. (Modified Atmosphere)
- 108 Boxes per pallet.
- All Sizes/Varieties.



# 5-Kilo



# Club Stores

## 4 Lbs Clams

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# Mixed Cherry Varieties

**4/4C.COSTCO**



**Four 4 lb. Clam Shells**

**Net Weight 16 lbs.**


**CHEP Pallet ONLY**

**95 units per pallet**

**5ti x 19hi Stacking Pattern**

**Pallet Top on ALL full pallets**

**Corner Board x 4**

**Pallet Bag** 

**Pallet Strapped with Rapid Rope**

**Clams:**

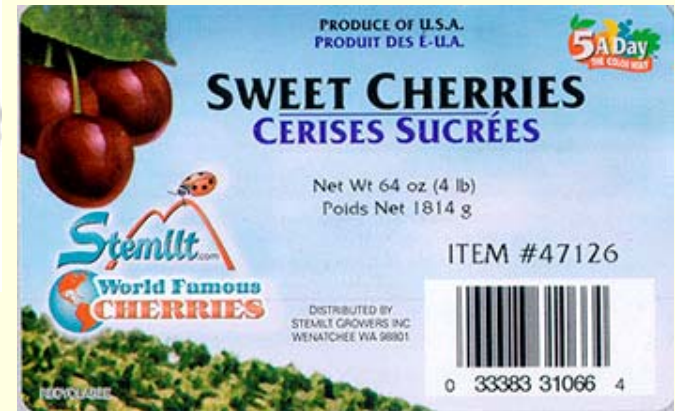
**4 LB. UPC: 0 33383 31066 4 (NO PRINTED SIZE OR VARIETY)**

**COSTCO ITEM # 47126 On the clam label**

**Boxes:**

**New COSTCO 4-4 CLAM MASTER**

**(Euro 40 x 60 footprint)**



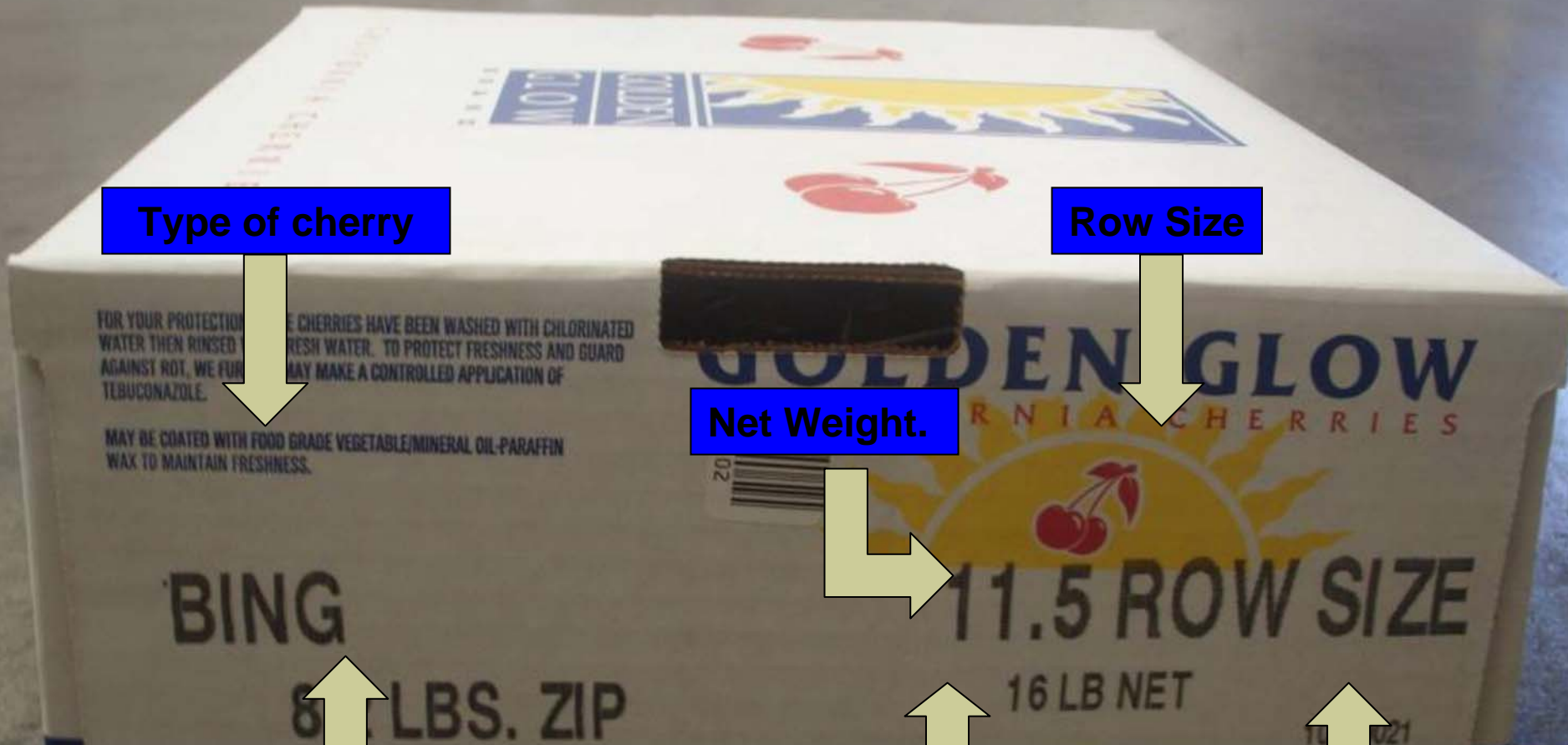
Inkjet Packed and Shipped by address



# 8/2 Bags



# 8/2 Bags



Type of cherry

Row Size

Net Weight.

Amount and weight of bags.

Federal State Inspection lot.

Lot #.

# Direct Marketing

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- Farmers markets
- CSAs
- Farm stand
- U-pick
- Internet/Mail Order



OPPORTUNITY TO EARN “FULL RETAIL”—  
BUT NEED TO CONSIDER PACKING,  
TRANSPORTATION & SELLING COSTS

# Marketing Cherries At Farmers Markets

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- Only farmers can sell at Certified Farmers Markets in California
- Exempt from Pack & Grade regulations
- Cherries are celebrated as first crop of summer
- Sampling regulations vary by market



# Considerations With Direct Marketing

- Packaging
- Temperature control
- Branding your identity
- Product selection
- Liability insurance
- **Packing, transportation & selling costs**



Thank you to Stemilt and  
AllState Packing for  
sharing their marketing  
materials

