

THE USHBC BLUESPAPER

News and Marketing Program Updates from the
U.S. Highbush Blueberry Council
July 2006

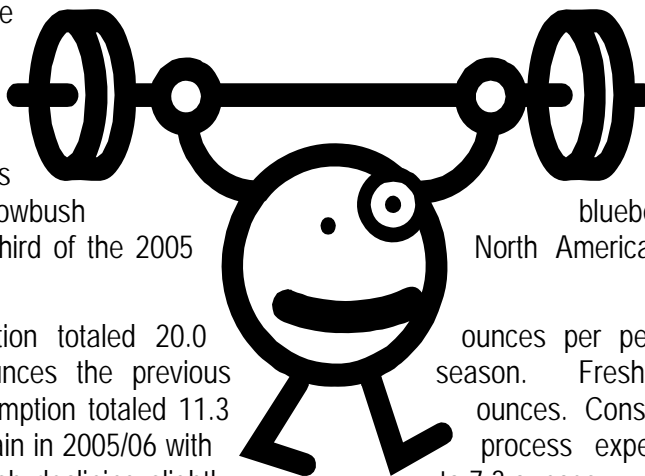
NABC REPORTS ANOTHER STRONG YEAR FOR THE BLUEBERRY INDUSTRY

The North American Blueberry Council (NABC) has recently completed its overview of the 2005 blueberry season and notes another strong year for the blueberry industry. The report notes that fresh market sales of blueberries in 2005 had an estimated farm gate value of \$285,464,000, which is +19.8% greater than the level attained in 2004. Blueberries for processing had an estimated farm gate value of \$220,533,000 in 2005, up +27.1% from the value attained the previous year.

North American blueberry production totaled 465.9 million pounds in 2005, down slightly from the total of 469.1 million pounds produced in 2004. Highbush blueberries accounted for 65% of total production last year with lowbush blueberries representing 35% of the total. More than one third of the 2005 North American crop was sold as fresh blueberries.

U.S. per capita consumption totaled 20.0 ounces per person during the 2004/2005 season, up from 17.5 ounces the previous season. Fresh consumption totaled 8.7 ounces and process consumption totaled 11.3 ounces. Consumption is expected to reach 20.0 ounces per person again in 2005/06 with process expected to increase to 12.7 ounces per person and fresh declining slightly to 7.3 ounces.

Japan continues to be the primary offshore export market for U.S. blueberries in 2005 (both highbush and lowbush) importing 2.2 million pounds of fresh blueberries and 12.3 million pounds of process. As evidenced by their recent blueberry interest, the United Kingdom has also become a prime market for blueberries. The U.K. was the second largest offshore market for U.S. fresh blueberries in 2005 importing a total of 2,039,998 pounds of fresh blueberries compared to just 173,573 pounds the previous year.



USHBC CONTINUATION REFERENDUM SCHEDULED FOR AUGUST

Blueberry growers and importers have the opportunity to provide their individual evaluation of the effectiveness of the USHBC program during the *USHBC Continuation Referendum* scheduled to take place from August 1 to August 22, 2006.

Referendum ballots were mailed directly to blueberry growers and importers this month. Outcome will be based on a simple majority of the number of voters voting and a majority of the volume voted. Those who have not



received their ballot by mid July are encouraged to contact the USDA or the USHBC office.

FROM THE FIELD- COMMENTS FROM THE BLUEBERRY INDUSTRY

The comments printed on page 2 of *The Bluespaper* concerning the USHBC program were received from various members of the blueberry industry. If you would like to share your comments concerning industry issues, events or USHBC activities, please send your comments to: *The Bluespaper*, c/o USHBC; 2390 East Bidwell Street, Suite #300; Folsom, California 95630.

From C. Joseph Keel-
President, Florida Blueberry Growers Association:

"When I entered the blueberry industry 10 years ago I examined it closely to try to determine how long the good prices in my window would prevail. I had hoped with the increase plantings and production prices it would only decline slowly as supplies increased. My study showed the decade of the 90's proved April and May prices to be very sensitive to increased volume. Each year the trend appeared similar until a few years ago when health in general not only came to the forefront but studies indicating the benefits of eating blueberries was being exposed by researchers and health organizations. Along with the positive research came newspaper articles, paid advertisement, periodicals and magazines that promoted blueberry consumption.

After this surge in publicity and in spite of our volume in Florida increasing from 2.8 million pounds in 2000 to 4 million pounds in 2005 our prices have either remained constant from the previous year or have advanced.

I have personally known several members of the USHBC from its infancy to the present day and have stayed in direct contact not only because they are my friends, but because I wanted to stay current on their efforts to promote our industry. Through our dialog over time it became apparent to me the impact and contribution the USHBC has made on our industry. There has been a direct correlation between the popularity of blueberries and the efforts of this organization. I feel the assessments that we pay as growers has been focused and well spent and the gains are just now beginning to emerge.

We growers have known for a long time that we have a healthy high quality product and with the continued efforts of the USHBC the world knows it also."

From Tom Bodtke- South Haven, Michigan:

"There are many ways that growers can invest in the blueberry industry through our own businesses. USHBC is the way that we can together invest in the future of our industry. The results are indisputable."

From Mike Makara- Abbotsford, British Columbia:

"As a British Columbia grower and exporter of fresh and frozen blueberries to the U.S. we are quite satisfied with the levies imposed at the U.S./Canadian border to help the U.S. Highbush Blueberry Council promote and expand the usage and sales of blueberries throughout the world. We view the border levy as a necessary minimal cost of doing business which leads to a certainty of our farm operations because we know that without promotion our profitability would decrease."

From Carol Harroun- Carlton, Oregon:

"I have found after working with this group of USHBC members, the supportive attitude of each single member. We are a small grower and interact with the public face to face. This Council has helped us to be more successful".

From Amy Howell- Marucci Center for Blueberry and Cranberry Research, Chatsworth, New Jersey:

"The USHBC has been instrumental in communicating the many health benefits of highbush blueberries. The group has initiated and oversees funding of world-class research investigating blueberries and health. Many of the top researchers in brain aging, anti-cancer and antioxidant research are funded through USHBC. Without this funding, much of this groundbreaking research would not continue. In addition to funding research in established areas, the USHBC funds exploratory areas, a strategy which has led to the discovery of new and exciting health benefits for blueberries. I am proud to be the Public Member of the USHBC and have nothing but respect for the efforts of the Council."

From Ron Bodtke, South Haven, Michigan:

"The solid growth in demand and profit in the blueberry industry is a fact that working together through USHBC has accomplished. USHBC has been very beneficial to our industry."

From Jason Smith- Abbotsford, British Columbia:

"As a grower in British Columbia, I think that without the USHBC our industry would not be doing as well as it is when it comes to selling our product. With the money received from the minimal levy excellent research has been done and hopefully will continue. This research has helped to bring to the public's attention all of the positive things that blueberries do for humans. With the increase in acreage across North America, I think it is more crucial now than ever to have the USHBC and the mandatory levies to continue to bring a positive return to the growers as well as making sure that the public is aware of all the positive things that could come from eating blueberries. I fully support the collection of this minimal levy and feel strongly that it is necessary for us to continue to be a viable industry."



The USHBC Bluespaper is published by the U.S. Highbush Blueberry Council; 2390 East Bidwell Street, Suite #300; Folsom, California 95630. Phone (916) 983-0111; Fax (916) 983-9022; Web Site: www.blueberry.org, or www.ushbc.org
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