



Plum Good News

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2005/06 CROP YEAR

The Prune Marketing Committee unanimously approved a 2005 crop estimate of 105,000 natural condition tons at its June 30, 2005 meeting. This would be 30% below the average production for the past five years but 120% higher than 2004's near-record low of 47,828 tons. This estimate was based on the California Agricultural Statistics Service projection. All prune tonnage will be considered salable, since no undersized regulation will be in effect.

California prune inventories as of July 31, 2005 were reported by handlers to be 25,931 tons, down 62% from the 68,833 tons last year and the smallest carryover since the 1993 crop year's 24,809 ton carryover. Also reported were inventories of non-California sourced prunes totaling 1,149 tons. The total 2005 California prune supply is projected at 130,431 natural condition tons, which would represent a 12% increase over 2004.

The CASS 2005 forecast for bearing acreage was 67,000 acres which represents a 4% decline from the 2004 estimate of 70,000 acres. Non-bearing acreage for 2004 was 7,000 acres which represents a 1,000 acre decline from 2003.

The California Dried Plum Board nursery survey projects 2005 prune tree sales at 162,000, down 6% from 2004's 173,000 trees. Nursery sales of prune trees are projected to increase by 28% in 2006 to about 208,000 trees.

PRUNE MARKETING COMMITTEE

Federal Marketing Order Changes

The handling and reporting provisions of the Federal Marketing Order were suspended effective August 1, 2005. As a result, there will be no mandatory incoming or outgoing inspections or grade standards, no supply control regulations, and no mandatory handler reporting under the Federal Marketing Order for 2005/06. The Prune Marketing

Committee will continue to operate but on a much smaller scale.

2005/06 PMC Assessment Rate

A handler assessment rate of \$0.65 per ton (down from \$6.00 in 2004/05) on the estimated tonnage of 104,500 tons (105,000 total tons less 0.5% trash) was recommended by the PMC for approval by USDA at the PMC's June 30, 2005 meeting. This would generate 2005/06 revenues of \$67,925 and, when combined with a \$21,165 2004/05 carryover, would leave a projected reserve for contingencies of \$26,390 after budgeted expenses of \$62,700. Note that the assessment rate will apply to total tons received by handlers, either from their own production or from other growers. Without a mandatory undersized regulation, 100% of the crop will be salable and assessments must be paid on the total tonnage received.

CALIFORNIA DRIED PLUM BOARD

State Marketing Order Changes

The proposed amendments to the state marketing order were approved by decisive margins as follows:

Producer Voting Results	
Portion of all eligible producers that actually participated in the referendum:	61.6%
Portion of those producers voting who favored the amendments:	96.7%
Portion of the voted volume represented by those producers favoring the amendments:	93.0%

Processor Voting Results	
Portion of all eligible processors that actually participated in the referendum:	61.9%
Portion of those processors voting who favored the amendments:	84.6%
Portion of the voted volume represented by those processors favoring the amendments:	97.4%

The major changes are as follows:

- **Incoming Inspection and Grading Standards**

Adds authority for the Board to implement mandatory incoming inspection and grade standards for a given crop year with the support of 75% of the Board members. In other years there would be no mandatory incoming inspections or grade standards.

- **Voluntary Tree Removal Program**

Adds authority for the Board to develop and administer a voluntary tree removal program with the support of 75% of the Board members. This authority could only be used if the program offered the potential to eliminate an industry over-supply situation.

- **Pest and Disease Control**

Adds authority for the Board to recommend measures to prevent or reduce losses in the industry due to pests, diseases or infestations. These measures could include inspection, spraying, fumigating, or voluntary orchard removal.

- **Assessments**

Establishes one general assessment rate to be split between producers/dehydrators and processors in years without mandatory incoming inspection. In years with mandatory incoming inspection, this general assessment rate would be supplemented by an inspection assessment rate to defray inspection costs that would be paid by processors. These assessment rates could only be established with the support of 75% of the Board members.

- **Processor Assessment Credit-back Program**

Adds authority for crediting a portion of a processor's qualified expenditures for California dried plum/prune marketing activities against that processor's marketing order processor assessment obligation. This program would be intended to encourage more industry spending on marketing activities and would require support by 75% of the Board members.

- **Assessment Application**

Specifies that assessments would be applied to total California dried plum tonnage received by processors in years without mandatory incoming inspection but on salable tonnage in years with mandatory incoming inspection.

- **Processor Statistical Reports**

Requires processors to report to the Board total dried plum tonnage received in years without mandatory incoming inspection. In years with mandatory incoming inspection, processors would be required to report both total dried plum tonnage and salable tonnage received. Other reports may be required in either situation with the support of 75% of the Board members.

- **Marketing Order Continuation**

Specifies that successful passage of a major amendment substitutes for the required five-year continuation hearing and resets the timing for the next hearing.

For the 2005/06 crop year, all California prune packers are required to report the following to the CDPB office:

1. Carryover inventory as of July 31, 2005 for both California prunes and prunes from other sources.
2. Tonnage received from growers by quarter. Packer audits will be conducted by CDPB and/or CDFA personnel to verify the accuracy of these reports

Please note that the CDPB will have the authority to require additional information beyond what is being collected in 2005/06 under the following circumstances:

1. The total volume of salable prunes received from producers by each processor in years when such information is available.
2. A list of names and addresses of each prune producer of record when member nominations, public hearings or referendums are planned.
3. The volume of prunes delivered by each producer to a processor when a referendum or member nominations are planned.
4. Other information that may be required in the administration of the marketing order when approved by a 75% majority of the CDPB.

2005/06 CDPB Assessment Rate

A total assessment rate of \$32.00 per ton (up from \$25.00 per ton in 2004/05) was approved at the June 30, 2005 CDPB meeting. A grower assessment rate of \$21.00 per ton and a handler assessment rate of \$11.00 per ton were also approved. Total income of \$5,387,340 is projected (excluding funds drawn from the previously

approved bank line of credit) versus budgeted expenses of \$4,913,065 leaving a \$474,275 reserve for contingencies. The assessment rates will be applied to the total tonnage delivered by growers to processors, since the entire crop will be salable next year.

The CDPB's approved 2005/06 budget is shown below.

Administration	\$403,205
Operating Expenses	187,860
Consulting Services	113,000
Research Coordinator	80,000
Production Research	158,000
Acreage Survey/Crop Forecast	32,000
Advertising	0
Consumer/Nutrition Research	200,000
Public Relations	600,000
Foodservice/Food Tech	150,000
In-House Marketing	40,000
Sampling	10,000
Export Marketing	1,000,000
CDFA Charges	54,000
Generic MAP funding	1,885,000
Contingency Reserve	474,275
TOTAL	\$4,913,065

**2005/06
DOMESTIC MARKETING PROGRAM**

The domestic marketing program will be expanded in 2005/06 based on the encouraging results last year despite dramatically reduced 2004/05 budgets.

Public Relations

In 2005/06, the public relations positioning for California dried plums as the #1 fruit for digestive health will continue. This claim is based upon dried plums' sorbitol, fiber, antioxidants and potassium content. This positioning transcends the traditional laxative image to the broader concepts of lifestyle and well-being.

Our target audience will again be generally healthy women who are motivated by wellness, diet-prone and rely on processed, ready-to-eat foods for themselves and their families.

Our communications goals are to build awareness about the importance of digestive health among consumers, the media and health professionals; drive awareness that dried plums are an essential component for digestive health and position the CDPB as the #1 resource for digestive health information.

Our program strategy will be to build on the scientific credibility gained in year one via the Digestive Health Summit. We will spark research interest within the scientific community, enhance the tools created in year one and extend outreach to health professionals, the media and consumers.

Media outreach will focus on the Digestive Health Diet using Leo Treyzon, MD, as our media spokesperson for print, broadcast and the Internet. Dr. Treyzon is a gastroenterologist, a fellow at



the UCLA Center for Human Nutrition and a Digestive Health Organization advisory board member. Media outreach will focus on dried plums being the #1 fruit for digestive health and an integral part of a diet promoting good digestive health and wellness.

This diet is the culmination of the March 2005 Digestive Health Summit co-sponsored by the CDPB and UCLA. Dr. Treyzon will be interviewed by television programs, magazines and newspapers.

Satellite symposia are planned for the American Dietetic Association meeting in October 2005 and the Institute of Food Technologists meeting in June 2006. Booths on the exhibit floor will be used at both meetings to support the satellite symposia.

To communicate the consumer program theme "Tummy Talk: News That's Easy to Digest", a micro site will be developed featuring consumer information and linked to the CDPB and DHO websites. A consumer brochure "Tummy Talk Digest" will also be distributed.

Nutrition Research

The California Dried Plum Board sponsors nutrition and medical research to discover, characterize and/or quantify nutrient and non-nutrient components and health promoting functions of dried plums. Nutrition research seeks to discover the presence, bioavailability, quantity and functions of phytonutrients (mainly phenolic compounds) in dried plums and dried plum products, and new or expanded roles in health promotion for established nutrients such as potassium and carbohydrates with particular emphasis on dietary fiber and sorbitol.

The Nutrition Research Program works directly with scientists at major research institutions to develop the objective research database on which to

build a credible Health Communications and Consumer Public Relations program to position dried plums as the number one fruit for digestive health.

2005/06 Objectives

1. Maintain dried plums' role in a balanced and health-promoting diet, with special emphasis on digestive health for generally healthy women motivated by wellness who are "diet prone" and who rely on convenient, processed foods.
2. Support research and expand knowledge about dried plums' "web of nutrient functions" including the role of dietary fiber, sorbitol and phenolic compounds in digestive health.
3. Support continued positioning of dried plums as a naturally sweet, good-for-you, healthful, convenient, portable snack, meal component or recipe ingredient of choice.
4. Monitor proposed changes to the Women, Infants, and Children's (WIC) food packages for inclusion of dried plums as a processed fruit choice.
5. Support nutrition communications efforts in Consumer Public Relations to increase general awareness of digestive health as an aspect of overall health and well-being.
6. Support Public Relations program to raise digestive health awareness among health professionals/registered dietitians and to position dried plums as core to digestive health.

During 2005/06, the CDPB will prospect and fund new nutrition research projects, seek to have dried plums included in relevant research funded by other organizations/institutions, maintain a research database on dried plums' nutrient and non-nutrient components, maintain effective communications with the nutrition research community and provide timely information to the nutrition, health, fitness and medical communities and the industry.

Industrial Program

The proposed 2005/06 CDPB Industrial Program will continue to pursue industrial applications in many different food categories including meat products, baked goods, confections, snack/energy bars and sauces. Such a wide array of applications is possible due to the many benefits and available forms of dried plums.

As the food industry remains focused on such health and nutritional related issues as the reduction of fat/saturated fat/trans fat, carbohydrates, calories

and sugar all tied into weight control, dried plums' natural features are receiving new consideration as a natural food ingredient. An even larger opportunity, however, is the more practical food processor problem of shelf life and shelf stability. As more foods and snacks are fully or partially prepared in either shelf-stable or perishable forms, maintaining quality over extended periods-of-time is critical. In fact, in 2003, unsaleable food cost the industry \$2.6 billion.

Many of the properties of dried plums that contribute to their nutritional benefits also directly impact food product shelf life and shelf stability. The antioxidants in dried plums suppress the normal growth of bacteria that impacts on the shelf life of refrigerated meat products. Similarly, these same antioxidants minimize the effects of warmed-over flavor on pre-cooked meats. Dried plums' fiber and sorbitol help to maintain moisture in meat, bakery and many snack products. Dried plums' organic acids retard mold development in baked goods while also improving the flavor of reduced-fat bakery products.

The CDPB's 2005/06 objectives will be to:

1. Increase awareness of dried plums as a food ingredient.
2. Demonstrate dried plums' ingredient effectiveness to extend product shelf life and shelf stability.
3. Achieve adoption of dried plums in existing and new products.

These objectives will be accomplished by communicating dried plum product features and benefits through trade magazine advertising, publicity releases, trade shows and the CDPB website; using existing and new evidence as proof of dried plums' performance and supporting dried plum handler industrial sales and marketing activities.

INTERNATIONAL MARKETING

The CDPB's initial Market Access Program (MAP) funding allocation for 2005/06 is \$2,057,000 which is 14% higher than last year's initial MAP allocation. This allocation is based on a total MAP budget of only \$125 million versus last year's \$140 million MAP budget and the \$200 million budget called for in the Farm Bill. If Congress decides on one of the higher budget options, the CDPB should receive a supplemental allocation as it did last year.

The program will again include brand funding in established Western European markets with participating packers contributing at least 50% of the total cost of advertising and promotion for their brands.

Due to continued limitations on California prune supplies, no generic advertising will be conducted in Japan. The marketing focus will be on in-store sampling demonstrations and display contests to ensure that only California prunes benefit from the CDPB's promotional support. Public relations programs will emphasize the California origin and health and nutrition attributes of our products. Trade communications will provide reasons why buyers should purchase California prunes rather than those from France or Chile.

Generic promotion will resume in China and India next year but with limited budgets due to the supply situation. Trade communications and trade shows will emphasize the advantages of buying California prunes, while consumer activities will keep our products top-of-mind with consumers through retail promotions, sampling and reminder advertising.

European generic support will continue in Italy and the United Kingdom. We will work closely with UK retailers to arrange generic promotions tailored to their stores and customers and begin to regain support for California prunes that had been lost to prunes from other countries due to California's shortages. We will continue our partnerships with the UK women's netball association and Barnardos' charity for children.

Generic activities in Italy will promote California prunes as The Healthy and Versatile Snack. This message will be conveyed through in-store point-of-sale materials like posters and leaflets. The leaflets will also be inserted in popular women's magazines.

Generic activities in Greece will build awareness of California prunes and their quality, safety and nutritional attributes among both the trade and consumers. POS materials with strong California branding will be developed and distributed to retailers to support their promotions. Publicity efforts will focus on women's magazines to educate readers about California prunes.

The CDPB has also been awarded a \$40,000 Emerging Markets Program grant to conduct trade and consumer research in Hungary and The Czech

Republic. This research will help the industry assess the market potential for California prunes.

CDPB RESEARCH PROJECTS

Following are objectives of the 2005 CDPB funded research projects. Total funding for the CDPB Production Research budget is \$157,752. Contact Rich Peterson or Gary Obenauf for more details on any of these projects.

Prune Cultivar Evaluation and Development/Ted DeJong.

1. Develop new dried plum varieties, through traditional horticultural breeding methods, with the following characteristics:
 - A) Tree characteristics that reduce labor cost involved in producing dried plums.
 - B) Increased fruit quality and characteristics that increase efficiency and quality of drying and processing.
 - C) New specialty traits; with the dried product being equal or improved in quality to "Improved French", but differ in taste or color.
 - D) Tolerance/resistance to disease.
 - E) Earlier/later fruit maturity dates than "Improved French" dried plum.
2. Test and evaluate advanced selections resulting from the current breeding program at UC and grower locations in the Sacramento and San Joaquin Valleys. Budget: \$65,637.

Feasibility of Precision Fruit Thinning/Jim Thompson.

Evaluate the capability of a servo-electric activated limb shaker to remove precise amounts of fruit. Budget: \$10,000

Use of the Dynamic Model and Application of Rest Breaking Agents in Prune Production/Vito Polito.

1. Test the response of 'French' prune to rest-breaking chemicals to obtain improved tightness of bloom and bloom advance.
2. Test the Dynamic Model for assessing when to spray rest breaking agents, timing applications of rest-breaking chemicals to a sequence of accumulated chill portions.
3. Compare results of 'goodness of fit' between phonological data and the timing of application for the current year.

- Evaluate any advance in fruit maturity in treated trees. Budget: None (Funded from prior year savings)

Prune Aphids: Overwintering Biology and Biological Control/Nick Mills.

- Estimate the timing of termination of diapause and subsequent thermal requirements for egg hatch in early spring for MPA and LCPA.
- Test the impact of a range of potential insecticides, for use in fall or early spring treatments of aphids, on mummies and emerging adults of *Aphidius transcaspicus*.
- Continue to field release and monitor biotypes of *Aphidius transcaspicus* for control of MPA, and to determine their climatic tolerance. Budget: \$18,575

Developing Fall Spray Alternatives to Dormant Spray/Franz Niederholzer.

- Evaluate the use of labeled, effective pesticides for aphid and PTB control in October and November.
- Evaluate use and benefit of nitrogen and/or zinc in fall sprays and their compatibility with labeled pesticides.
- Evaluate the use of organosilicone spreaders to reduce spray volume per acre, improve pesticide delivery efficiency, and reduce pesticide application costs.
- Test the use of tower attachments to conventional air-blast sprayers to improve spray coverage in prune orchards while reducing spray drift.
- Extend research results to prune growers throughout the state via grower meetings and newsletters. Budget: \$28,040

Integrated Prune Farming Practices (IPFP)/Gary Obenauf.

- Provide support for revision of the “Prune Orchard Management” manual.
- Explore possibilities of additional grant funding for IPFP activities.
- Support UC activity to help reduce impact of lost UC positions. Budget: \$20,000

Reregistration of Pesticides/Gary Obenauf.

Reserved for registration of new materials or re-registration of existing materials needed by the California prune industry. Budget: \$10,000.

Minor Crop Farmer Alliance. Membership in a national organization to help educate EPA, USDA and others about the special needs of minor crops like prunes. Budget: \$5,000.

Pesticide Policy Coalition. Membership in a forum consisting of chemical manufacturers, agricultural organizations and food processors for issues associated with the implementation of the Food Quality Protection Act (FQPA). Budget: \$500.

IPA CONGRESS IN SARDINIA

The 9th World Congress of the International Prune Association (IPA) will be held from May 21 – 26, 2006 in Cagliari, Sardinia Island, Italy. Sardinia has been described as an island paradise in the middle of the Mediterranean with a 4,000 year history including archeological and architectural treasures.



Presentations will be given on the prune situation in each of the seven member countries: U.S., France, Chile, Argentina, Italy, Australia and South Africa. Following the Congress a short ferry ride will take IPA delegates to the Island of Corsica, which is a region of France and a prune-growing area. Tours of prune orchards and dehydrators will be offered.

Optional pre- and post- Congress tours of Sardinia will also be offered. For more information, visit the IPA website at www.ipaprunes.org and click on Next Congress.

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