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FOR IMMEDIATE RELEASE

Growers Announce 2018 Prune Price

YUBA CITY, CA, January 15, 2019 – A 23% reduction in crop production has resulted in a price recommendation that holds prices steady on California prunes despite trade and global market challenges. Directors of the Prune Bargaining Association voted last month to maintain the same price schedule for the 2018 crop as the 2017 crop. The price schedule provides guidance to growers and packers on prices to be paid to growers for California prunes depending on size and quality of the fruit.

In making their decision PBA Directors considered domestic and international market factors, supply and trade demand, and average export volume and unit-value trends provided by the USDA Foreign Agricultural Service. Despite the down-turn in global trade for prunes, U.S. prune exports increased 11% in the first quarter of the 2018-19 market year, according to USDA-FAS. Since California accounts for nearly 100% of U.S. prune production, the increase in volume is good news for California growers who have seen some sharp volume declines in the recent past. In 2016, export volume fell to 37,000 tons from 43,000 tons in the previous year. Exports account for about 50 percent of the industry's trade volume.

In charting a course to maintain firm prices to growers, PBA Directors acknowledged that the industry faces serious challenges, noting that cheap, inferior product from foreign sources and escalating tariffs have impacted key markets. For example, the USDA reports shipments to Hong Kong down 35% and shipments to Germany down 21% for the first quarter of the new market year. Yet, PBA President, Ranvir Singh, is cautiously optimistic. "California quality and consistency is attractive to the trade and to consumers," he explains. "Customers are finding that other sources of prunes just don't have the same quality they have come to expect from California."

The Prune Bargaining Association was formed in 1968 as a grower-owned cooperative to improve the economy of the California prune industry, encourage the production of a quality product and provide a forum for growers to exchange ideas regarding the industry. The PBA establishes the industry's raw product price for prunes.