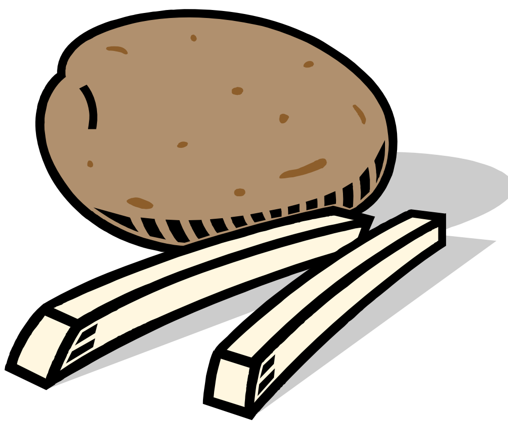
Marketing U.S. Potatoes

2007 Crop



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Market News Service

Idaho State Department of Agriculture
Oregon State University

Cooperating with

United State Department of Agriculture
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Foreword

This abbreviated summary is the result of technology that allows you to select only the prices and shipments you are interested in from the Market News Portal. You can access the **Fruit and Vegetable Market News Portal** at

http://www.marketnews.usda.gov/portal/fv

Historical shipment and price information can be obtained by using **Run a Custom Report**.

The U.S. Potato Monthly Shipments are generated out of the Market News Portal, downloaded in Excel and organized into a Pivot Table.

The *National Potato and Onion Report* is still published and is available by subscription for mail or fax service. To subscribe to this report call 208-525-0166. It is also available on the Web at http://www.ams.usda.gov/fv/mncs/idop.pdf

If you have any questions, call the Idaho Falls Market News office at 208-525-0166

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Marketing the Kern District California 2007 Spring Potato Crop

Acreage & Production: USDA, NASS estimated the California Spring crop production at:

KERN CALIFORNIA DISTRICT SPRING POTATO CROP					
CROP YEAR	**HARVESTED ACRES**	**YIELD PER ACRE**	**PRODUCTION CWT**	**PRICE PER CWT**	**PRODUCTION VALUE**
2003	19,000	440	8,360,000	$12.60	105,336,000
2004	17,500	475	8,313,000	$13.40	111,394,000
2005	15,100	405	6,116,000	$13.00	79,508,000
2006	15,300	395	6,044,000	$12.00	72,528,000
2007	**15,500**	**395**	**6,123,000**	**$10.20**	**62,455,000**
5 year average	16,480	422	6,991,200	$12.24	86,244,200
change from 2006 to 2007	99%	100%	99%	118%	116%
change from ave to 2007	94%	94%	88%	83%	72%
National Agricultural Statistics Service (NASS)					

***Includes Chip Stock

Kern County Department of Agriculture and Measurement Standards indicated acreage was:

Kern County Spring Potato Acreage			
	2006	**2007**	**% change**
Lone White	1,932	1,826	106%
Round Red	1,686	2,047	82%
Russet	3,968	4,030	98%
Yellow Type	1,068	1,365	78%
Chipper	3,402	3,745	91%
Total Acreage	12,056	13,013	93%
*Please note: One major Kern County Packing Shed does not publicly release their acreage, therefore, it is not included in these totals.			

KERN DISTRICT, CALIFORNIA POTATO SHIPMENTS

2007 Spring Crop	
Purple Type	50,400 cwt
Yellow Type	384,300 cwt
Long White	606,600 cwt
Round Red	559,300 cwt
Russet	1,005,800 cwt
Rail/piggy-back	1,232,000 cwt
TOTAL SHIPMENTS	**3,838,400 cwt**

Shipments: Local Kern county shipments started week-ending May 5 and continued until week-ending August 18.

	Kern District Potato Shipments 2007 Spring Crop	CWT	percentage
Truck Shipments	Purple/fingerling	50,400	2%
	Yellow Type	384,300	15%
	Long White	606,600	23%
	Round Red	559,300	21%
	Russet	1,005,800	39%
	TOTAL TRUCK	2,606,400	
	Rail	1,160,400	30%
	Piggy-back	62,800	2%
	TOTAL	3,829,600	

Marketing:

The 2007 season was the first the shippers ask for and received an additional handling fee of 45 cents per carton/bale.

Long Whites: 50 pound carton size A, U.S. No. One opened at $20.45-22.45 per carton on week-ending May 12, then closed at $10.30-10.45 on week-ending July 14. They never traded higher than the first week and traded lowest on the last week of the season.

Round Reds: 50 pound carton size A, U.S. No. One opened at $14.45-16.45 per carton on week-ending May 12, then closed at $9.45 on week-ending July 14. They never traded higher than the first week and traded lowest on week-ending June 30 at $8.45.

Yellow Type: 50 pound carton size A, U.S. No. One opened at $30.45 per carton on week-ending May 12, then closed at $12.45 on week-ending July 14. They never traded higher than the first week and traded lowest the last three weeks of the season at $12.45.

Russet Norkotah: U.S. One non size A baled 5-10 pound film bags opened at $7.45-8.45 on week-ending June 16, and closed at $6.45 on week-ending July 28. They never traded higher than $8.45 on the first week of the season and never traded lower than $5.45-6.45 on week-ending June 23. U.S. One carton 80s opened the season on week-ending June 16 at $12.45 per carton and closed on week-ending July 28 at $7.45 per carton. They never traded higher than the first week and the lowest they traded was the last week of the season.

Three of the Kern County shippers operate their facilities outside of the traditional Spring Potato Season. They have a Winter crop grown in their Kern fields and operations in what they call "the desert", which is in the Imperial Valley-Coachella area. One Kern shipper also uses potatoes grown in the Lancaster area. Those three areas are reported in separate districts: Winter crop is California-Central, the desert deal in reported in California-Imperial Valley, and Lancaster is included in the California-Southern. Shipments are reported in a Week-ending format in these districts. Prices are not reported by the Market News in these areas, so that confidentiality can be maintained. The Winter crop runs from November into March. The desert deal runs in April. The Lancaster crop runs as the Kern spring deal finishes in late June and runs into early October. One other California shipper has ground through out southern California, allowing them to harvest potatoes through out the year.

<u>Transportation Trends</u>: Trucks hauled 68 percent of the crop. Trucks were extremely hard to come by, but rail was even more of a shortage. Most shippers must rely on the customer to find a truck. Buyers had limited luck finding a truck that was going to California. Finding a truck all ready in-state that was empty was extremely difficult. Piggy-back continues to be an alternate method of transportation because of the limited availability of trucks and rail cars. Most rail cars are captured by a large re-packer with a growing operation in the Bakersfield area. Another transportation opportunity for Kern County shippers has announced its intentions. Railex, with Corporate Headquarters in Riverhead, New York has announced they'll build an additional facility in Delano, California (outside of Bakersfield). Railex anticipates the California facility will be operational for September 2008. Railex indicates they'll be able to deliver potatoes/produce weekly, coast to coast in five days, from Delano, California to its Rotterdam, New York facility. The Albany, New York area is unique in that Railex can service 5 major cities in four hrs or less. It is extremely well served by rail, yet lacks the congestion associated with major metropolitan areas. This combination makes for a highly efficient transfer of goods to market that can be coupled with high volume and consistent supply through Railex's platform. Kern shippers are indeed excited for the new and additional opportunity for shipping into the lucrative East Coast market.

<u>Summary</u>: Phenomenal yields! Some Long White field had yields of 595 cwt per acre with a 92 percent pack out. Some yellow fields went 400 cwt per acre. No wonder they had trouble getting the crop sold and moved.

MARKETING THE 2007 COLORADO POTATO CROP

Shipments: Colorado fresh potato shipments were 14.4 million cwt. The shipping period was from week-ending August 4, 2007 to week-ending August 23, 2008.

Acreage & Production: Colorado fall acreage was 59,200 acres planted, 59,100 acres harvested. Yields of the fall crop were 355 cwt per acre. That put production at 21,926,000 cwt up from 20,981,000 cwt in 2006 compared up from the three year average of 23,552,000 cwt. Colorado had an additional 3,000 acres of summer crop potatoes planted, 2800 harvested, per acre yields of 350 cwt, equaling production of 945,000 cwt in 2007 compared to 980,000 cwt in 2006 in Northern Colorado. Much of Northern Colorado's acreage is in colored and chipper varieties yielding less than the Russet varieties.

A heavy general frost hit the San Luis Valley the nights of June 6 & 7, followed by winds of up to 70 mph. Potato plants were staged anywhere from emergence to 6-8" high. All plants were black and froze to the ground. The wind did more damage on the East side of the valley. The soil type changes around mid-valley. The farther east one goes the heavier the sand becomes. At 70 mph the sand cuts the plants to pieces. As of June 14 shippers indicated it was too soon to tell how the crop would respond. The Russet Norkotah doesn't like stress, so there is concern; no one knows how well the potato plants will come back from this. The plant literally starts over from the root system.

Planting: Planting of the Summer Potatoes on in the North Platte Valley started the first week of April with some rain delay field work early in the month. By April 15 only 17 percent of the summer crop was planted compared to the normal of 27 percent. By May 6 growers had caught up with 52 percent planted compared to the 5-year average of 55 percent. By June 10 the summer potatoes were 100 percent planted. May 6 saw the first emergence of the summer potato with 5 percent emerged compared to the 5-year average of 12 percent. Rain showers continued to slow the 2007 crop. By June 10 the summer crop had caught up to normal, with 39 percent emerged compared to the 5-year average of 41 percent. The summer crop was coming along quite well with 40 percent rated good and 49 percent rated excellent on June 10. By July 1 the summer crop was 99 percent emerged compared to the 5-year average of 96 percent. Planting of the fall crop kicked of the week-ending April 29 with 5 percent planted by weeks end. Planting proceeded at the average pace into May 20 with 75 percent planted and the first emergence being reported. Planting of the fall potato crop was complete by June 10, which paralleled the 5-year average. Emergence was 39 percent that week compared to the 5-year average of 41 percent. This week showed the fall crop rated at 37 percent fair and 45 percent good with only 13 percent excellent. July 1 saw the fall crop fully emerged and crop condition 37 percent fair, 41 percent good and 13 percent excellent.

Harvesting: Harvest of the summer crop kicked of week-ending August 12, with crop condition rated at 20 percent fair, 35 percent good and 40 percent excellent. Rain showers slowed harvest of the summer crop to 6 percent complete by August 19 compared to the 5-year average of 19. The harvest of the summer crop never caught up the 5-year average until the last week of harvest, which concluded by October 21. Harvest of the fall storage crop in the San Luis Valley got underway week-ending September 9. The crop condition was rated 3 percent poor, 37 percent fair, 43 percent good, and 17 percent excellent. By week-ending September 24 Colorado enjoyed some much needed moisture. However, most areas reported rainfall amounts well below the yearly average. By October 7 the fall crop was 60 percent complete compared to 69 percent for the 5-year average. By September 21 the fall harvest was 95 percent complete compared to the 5-year average of 96.

Marketing: No prices were issued from Northern Colorado as there are too few packers in the area to quote. The majority of the table crop is shipped bulk to other areas, including the San Luis Valley to be marketed. Prices from the San Luis Valley for Russet Norkotahs baled 5-10 pound film bags size A (on a per bale basis) opened at $6.50 the week-ending September 15. Season ending prices were $11.00 week-ending July 19. Seasonal lows of $6.00-6.50 occurred in week-ending November 3. Prices opened at $9.00-10.00 per carton on 70 count cartons. Season ending prices on 70 count was $22.00-23.00. The season low for 70 count was $7.00-7.50 through most of October. Dry bulk prices started out at $8.00 cwt on the second week of the season, week-ending September 22. Season ending prices were $12.25-15.00 on week-ending June 7. Seasonal lows on bulk sales were $7.00-8.00 through October and November B size Reds, in 50 pound sacks, traded between $13.00-15.00 at season opening and $12.50-15.00 at season close. Yellow flesh type potatoes in baled 5 pound film bags traded between $9.00-10.00 at the start of the season and $11.00 at the end of April.

About 1/3 of Colorado's fresh volume from the San Luis Valley moved in bulk to out-of-state re-packers. Russets accounted for 72.6 percent of the crop acreage in Colorado (Colorado Agricultural Statistics Service). Norkotah made up 50 percent of all the acreage, Centennial 9.0 percent, Rio Grande Russet 8.0 percent, and Nuggets 5.6 percent. Red varieties were 3.3 percent of the planted acres, led by the Sangre variety. Yellow Flesh varieties were 3.8 percent of the acreage, led by the Yukon Gold variety.

MARKETING DELAWARE POTATOES
2007 Season

Statistics: According to the Delaware Agricultural Statistics Service, growers planted 2,000 acres of potatoes, down sharply by 1,000 acres from the 2006 season. However, production increased to 540,000 cwt, up 7 percent from last season (540,000 cwt). Yields were heavier at 270 cwt per acre, compared to 240 last year.

Movement: The Market News Service reported movement of 265,000 cwt of tablestock for the 2007 season, down sharply from the year before (419,200 cwt). No chipstock was reported as supplies were held by one grower in the state. The grower base has shrunk to only five potato growers in the state.

Growing and Harvest Season: Planting was underway in late March with dry conditions reported since the beginning of the year. By mid-April, planting was 77 percent completed, compared to only 23 percent the previous season and the 5-year average of 32 percent. Above normal temperatures with only occasional showers continued through the completion of planting in early May. Cooler weather and some precipitation provided near ideal growing conditions during the month. However, high temperatures near Memorial Day dried soils once again. Feast or famine though, in late June, the southern part of the growing region received over 11 inches of rain, which left some acreage unable to be harvested.

Marketing Season: The Market News Service reported the first f.o.b. shipping prices of the 2007 season in early August with 50 pound sacks of U.S. One Size A Round Reds from $7.00-8.00, mostly $7.00, sharply below the previous year's start of $11.00-12.00, while B size Reds sold from $10.00-11.00, $9.00 below the 2006 season. Red supplies were shipped through the month and ended slightly lower as size A finished the year at mostly $6.00, while Bs brought $8.00-9.00. Movement was sluggish throughout the short season in Delaware as Round White U.S. One size A 50 pound sacks started the season at mostly $7.00 with 2 ¾ inch-4 ½ inch size $8.00-9.00, while baled 10 5 pound sacks size A sold from $9-9.50 at the onset of the season. The week of Labor Day, A size Round White market slipped to $6.00 for 50s and $7.00 for chefs, with baled 5s mostly $8.50. During September, U.S. One ten-pound open window sacks loose size A were reported by the Market News Service at mostly $1.45, with tote bags (approximately 2000 pounds) from $10.00-11.00 cwt. The season was completed the first week of October with both 50s at mostly $6.00, baled 5s mostly $8.50.

MARKETING THE 2007 FLORIDA POTATO CROP

Shipments: Shipments of fresh-table stock potatoes out of Florida for the 2007 season were 2,528,100 total cwt. Round Red 1,831,100 cwt; Round White 530,200 cwt; Yellow Type 157,600 cwt; and Russet Norkotah 9,200 cwt. Round Red shipments began the week-ending January 27 and finished week-ending June 30. Round Red shipments had two peaks during the 2007 season. The first was a 4 week span from week-ending March 3 through week-ending March 24, and the second was for two weeks from May 19 through May 26. Round White shipments started on week-ending February 3 and finished week-ending June 30. Round White shipments were somewhat sporadic, with the one week of June 16 standing out in the season. Yellow Type shipments began week-ending March 3 and finishing the last week of the season of June 30. June and July were the biggest shipping months for Yellow Type, with sporadic shipments otherwise. Russet Norkotah was a short lived season, with shipments falling into the three weeks of June 2 through June 16. Shipments of chipper potatoes totaled 2,803,600 cwt for the 2007 season. Chipper shipments began the week-ending April 14 and finished week-ending June 23. Chipper shipments peaked from week-ending May 5 through May 19.

Marketing: No prices were issued for chipper potatoes in the 2007 season as most movement was contracted or open sales were in the hands of a few growers, with too few prices reported to establish a market. The USDA, AMS, Fruit &Vegetable Market News reported prices out of Florida from week-ending February 2 through June 16 on Round Red and February 17 through June 2 on Round White, except for a gap on Round White during the weeks of April 21 through April 28 because of a gap in harvest. Round Red 50 pound sacks started out at $12.45 per sack, finishing at $8.45-9.45. Round White 50 pound sacks started at $22.45 and finished at $10.45-11.45. Supplies of Russet Norkotah were in too few hands to establish a market, as were Yellow Type.

Acreage & Production: 2007 crop production is listed by the USDA NASS in their January 2008 Crop Production-Annual Report for the 2007 crop summary. Area planted was **278,000** acres total, with Hastings as 165,000 acres and other as 113,000 acres. Area harvested was **272,000** acre total, with Hastings as 162,000 acres, and other as 110,000 acres. Yield per acre was **287** cwt per acres state wide, 285 cwt per acre in Hastings, and 290 cwt per acre in other areas. Production was **7,806,000** cwt total, with Hastings at 4,617,000 cwt and all other areas at 3,190,000 cwt.

Harvesting: None of the Florida potato crop is put into storage. The entire production is packed and shipped at harvest. Thus harvest is on going thru the packing season. Enough acres are harvested each day to keep the packing plants going based on demand and sales each day. So harvesting is not as stressful in Florida as it is in storage states that harvest into the night.

Crop & Weather: December started with showers in the Immokalee & Hastings area slowing down planting. Adverse weather significantly slowed the potato crop around Lake Okeechobee area. Potato field preparations became active in central and southern Peninsula areas in December. Cool temperatures slowed some plant development at the end of December as growers paused to observe the holidays. Dry conditions allowed planting and growing to progress on schedule for most of January and February. However, mostly cool temperatures during the two months slowed crop growth. Most acreage showed no significant damage although the cold singed a few acres. Potato growers reported no significant damage from this cold snap. Potato digging around Lake Okeechobee and in the Immokalee and Palmetto-Ruskin areas became active during February.

One Florida potato buyer summed the growing season up by saying: “Tough growing season. Lot’s of rain, froze in January, stress. Yields were low, replanted some acreage, finished replanting in March (not much time to make a crop).

MARKETING THE 2007 IDAHO POTATO CROP

Shipments: The first 2007 crop shipments were recorded August 1, 2007. 1,272,000 cwt of 2006 crop shipments over-lapped the start of the 2007 crop marketing in August, 2007. It was September 1, 2007 before Idaho marketing was not competing with storage supplies (as well as other areas). Fresh market shipments were in full volume from September 2007 onward. From mid-September, 2007 through May 2008, weekly shipments (excluding Thanksgiving, Christmas-New Year's holiday weeks) were stable around 608,000 cwt.

At the request of industry representatives, the Market News Service began reporting shipments by variety in late February 2008. From the beginning of reporting through the end of May 2008, 96 percent of the shipments were Russets, 2 percent were Round Reds (including red skin/yellow flesh) and 1 percent Yellows.

The crop year is the calendar year when harvest occurred. Seasons are not fixed dates. Shipments are reported by the crop year (season) so overlapping shipments (generally in August) due occur as marketing from storage of the 2007 crop extended through August of 2008 after 2008 harvest and shipments had started.

Acreage and Production: The NASS, USDA in-season estimate for 2007 crop acreage was 350,000 acres planted. That was up 15,000 acres from the final estimate for the 2006 crop. The in-season estimate of yield was 377 cwt per acre. While this was down 9 cwt per acre from the 2006 crop, it was the second highest on record. This put production at 131, 650,000 cwt, up 2.74 million cwt from 2006 crop. The final end-of-season estimates were yield of 373 cwt per acre and production of 130.01 million cwt.

Nationally, the revised 2007 crop production was 407.517 million cwt. Significantly for Idaho marketing, Colorado production was off 8 percent compared to the previous year and Wisconsin was down 4 percent. Washington, however, was up 14 percent.

Growing Conditions: Planting was earlier than normal and had few interruptions. The very hot summer with little moisture had a negative affect on tuber shape and the crop in the major fresh-pack area had a large incidence of growth crack. High levels of virus (PVY) strongly affected yields and size on a number of East Idaho fields.

Harvest: Except for an unusually early snowfall on October 6th which delayed harvest in the Upper Valley for several days, the harvest period was mostly open and wrapped up early.

Marketing: Baled 5 10-pound film bags: **Russet Norkotah** marketing started in early August 2007 at $5.00-5.25 per bale in the Twin Falls-Burley District and Western Idaho. Only one packing shed shipped from Western Idaho again this year. Before Labor Day prices were down to $4.50-4.75 per bale for the non-size A. Baled poly 10 pound bags prices dropped in early September even though marketing shifted to include the Upper Valley Norkotahs. Prices fell to $4.50 per bale in

September. **Russet Burbank** prices by late September were $4.25-4.50 per bale until mid October 2007. A high of $5.75 per bale was reached in November, and stayed steady until mid February 2008. Prices began to decline in late February to $5.50. After falling to a low of $4.75 in early May, prices began to rise sharply to finish with a price of $7.00 per bale by the end of May 2007, well above last year's price of $4.50 per bale.

50 pound cartons 70s: Opening prices for 70 count Russet Norkotahs were $9.50 per 50 pound carton in August 2008. Before Labor Day prices had fallen to $8.25 per carton for 70s. Russet Norkotah cartons of 70 counts from the Upper Valley and Twin Falls-Burley District, continued to stay at $8.25 per carton before Russet Burbank marketing got started. Russet Burbank prices remained mostly steady at $8.75-9.00 until early November, with a high of $9.50 per carton for 70s reached in mid November. Burbank 70s traded between $10.00-12.00 per carton from mid-November through early May.
Prices jumped $9.00 per carton in the next month, to $21.00. Prices peaked at a record-setting season-end price of $23.00 in mid-August for 70 counts.

Prices represent open (spot) market sales by first handlers, on product packed to U.S. Grade standards, as shown. No consideration is given to after-sale adjustments unless otherwise stated. Brokerage fees paid by the shipper are included in the price reported.

U.S. grade standards for potatoes were revised effective April 21, 2008. Among other changes, the U.S. Extra No. 1 grade was eliminated, creamer & chefs sizes were added and tolerances were increased for arrivals.

Processing: Lower solids (dry matter), growth cracks and pointy ends on the tubers characterized much of the 2007 crop for processing. This was a big change from the good quality and shape that processors had grown accustomed to in recent years. Recovery rates for fryers thus suffered compared to the very high recovery from the 2006 crop. Open-market activity by processors with growers was limited all season as the pre-season field-run and other contracting was at a much higher level than the previous season. In the dehydration sector, the development of grower co-op and a joint-venture partner buying numerous Idaho and other plants also limited open-market buying.

Nationally, processors used 278 million cwt of raw potatoes from the 2007 crop, up 4 percent from 2006, according the NASS, USDA 2007 Summary. Fryers used 168 million cwt for frozen French fries & other frozen products (up 12 percent from the previous year), chips & shoestrings used 53.6 million cwt (down 18 percent) and dehydration used 49.5 million cwt (up 2 percent).

MARKETING THE 2007 KLAMATH BASIN POTATO CROP

Shipments: Klamath Basin fresh potato shipments were 2.1 million cwt; with the California side of the Valley at 1.1 million cwt and the Oregon side at 1.0 million cwt. The shipping period was from week-ending September 1, 2007 to week-ending August 23, 2007. The week-ending November 17 was the peak of shipments with 84,300 cwt shipped. Following that pre-Thanksgiving week a decline in shipments was seen, with a slight bump prior to the Easter Holiday when 57,100 cwt was shipped on week-ending March 15.

Acreage & Production: Oregon's Klamath County 2007 fall acreage was 5,300 acres planted compared to 5,100 in 2006. Yields of Klamath's fall crop was 485 cwt per acre compared to 480 in 2006. That put production at 2,570,500 cwt, compared to 2,448,000 in 2006.

Marketing: Prices from the Klamath Basin for Russet Norkotah baled 5-10-pound film bags non-size A (on a per bale basis) opened at $4.00-5.00 the week-ending September 29. Season ending prices were $7.50-8.00 week-ending July 5. Seasonal lows of $4.00-4.50 occurred in week-ending October 6-13. 70 count carton prices opened at $9.00 per carton. Season ending prices on 70 count was $20.00. The season low for 70 count was $9.00, which held for the first 8 weeks, through November 17.

MARKETING MAINE POTATOES
2007 Season

Production: Maine's 2007 potato production was reported at 16.8 million cwt, down 6 percent from nearly 18.0 million cwt in 2006 due to reductions in both acreage and yield. Harvested acreage totaled 57,000, a decrease of 1,000 acres from the previous year. Planted acreage (57,100) decreased by 1,400 acres in 2006. Yields of 295 cwt per acre did not match the record highs in 2004 and 2006, but quality going into storage was excellent.

Objective Yield Survey: Results from the annual Potato Objective Yield Survey conducted by NASS officials indicated the Russet Burbank again as the leading (fry processing) variety planted in the state, comprising 39.1 percent of the total acreage, followed by numbered Frito-Lay chipping selections at 18.9 percent and the Long White Shepody for processing at 4.6 percent. Round White table varieties Superior and Katahdin finished at 5 percent and 2.8 percent. Acreages by potato type was White (both Long and Round) at 46.2 percent, Russet varieties 44.8 percent, Yellows 5.4 percent and Reds at 3.6 percent. This was the first year Yellows were reported in the survey and graded out at 82 percent U.S. One. Round white varieties graded out well at 89 percent U.S. One, compared to 78 percent in 2006 and the 5-year average of 81 percent. Russets graded out at 70 percent, compared to 63 percent the previous year and the 5-year average of 69 percent.

Growing and Harvest Seasons: Cool, wet soil conditions forced growers to hold off planting until the middle of May. Emergence was also initially stalled by cool temperatures and by mid-June, half of the plants had broken ground, compared to 80 percent emergence in 2006. Showers and favorable temperatures persisted well into August, causing rapid plant growth in most locations. Above average temperatures in September helped offset growth delays in later planted fields and farmers had the crop dug by mid-October with little rain delays. Quality going into storages was reported as excellent.

Shipments: Maine fresh potato shipments totaled slightly over 3.32 million cwt for the season, compared to 3.11 million cwt for the previous season as reported by the Market News Service. Movement started briskly by a hand full of grower/shippers in early September and continued at an accelerated pace through the New Year's holiday. Tablestock shipments through October totaled 285,000 cwt compared to 181,000 cwt the year before. By year's end and the holiday season, 1.1 million cwt had been shipped, compared to the previous season to date total of 940,000 cwt, an increase of 18 percent. This pace generally continued through March when shipments to date were approximately 2.4 million cwt compared to 2.0 million cwt the year prior. Major destinations for the crop included Massachusetts, New York, Pennsylvania, North Carolina, Maine and Maryland with nearly 1,000 additional loads shipped to all destinations from start of season through May 2007.

Easements: According to the Maine Department of Agriculture's Inspection Service, 141 loads (78,207 cwt) were sent to Canada for processing for the season, compared to 349 and 315 for the 2006 and 2005 crop years.

Potato Stocks: Stocks on hand December 1, 2007 totaled 12.7 million cwt, 12 percent below the 2006 December 1 holdings. Disappearance totaled 3.8 million cwt, compared to 3.6 million cwt the previous season. Processor usage (excluding chips) was down 3 percent from last season's unusually high usage.
Storage accounted for 77 percent of the state's total production: 52 percent Russets, 42 percent Round White varieties, 3 percent Reds and 1 percent Long Whites. The May 1 stocks on hand reported 3.9 million cwt, 25 percent less than the previous season of 5.3 million cwt.

Marketing Season: Movement was slower during the early fall months; prices also reflected sluggish demand. Market News issued the first FO B shipping point prices mid-October with Round White U.S. One 2-inch minimum ten pound open-window sacks loose from mostly $1.00-1.20 compared to the previous season starting prices of $1.30-1.40. Russet Norkotah shipping point prices began the season in early November as baled 10 5-pound film bags were mostly $6.00-6.50, compared to last season's starting prices of $7.25-7.75. After Thanksgiving, the pace improved and by mid-January, shipments were ahead of the 5-year pace. Norkotah prices generally remained at the level of mostly $6.00-6.25 into early March, when good Easter holiday promotional business boosted prices slightly. By mid-April, supplies were tight and Norkotah baled 5s finished the season in late April at mostly $6.50 Round White prices slid slightly during the peak shipping months with loose 10s being reported for mostly .95-$1.10. Good Easter demand boosted prices to $1.10-1.20 in early March. As supplies tightened by mid-April, prices were elevated to mostly $1.20-1.30 until the end of the pricing season the latter half of May. Markets continued to slide slightly through the winter months; by the end of February, Round White loose 10s fell to .90-$1.20, mostly $1.00-1.10 and Russet Norkotah baled 5s mostly $5.00-5.50. Excess supplies of Russet Burbank found their way into the fresh marketing channel in late April and baled 10 5 pound film bags of 2 inch or 4 ounce minimum brought mostly $6.50 at season's end in late May.

Packaging: The major consumer packages for Maine Round Whites remain the 2-inch 10 pound open window sack and baled 10 5-pound film bags and the baled 10-5 pound sacks for Russet varieties. There are some premium pack sizes such as 2 ¼ inch minimum on Whites for some chain store accounts and 5-9 ounce packs on Russets.

Transportation: Fuel costs soared during the season with surcharges that averaged from 18-30 percent added to base rates to major destination cities. Base rates remained unchanged from the previous season: New York $3.00, Boston $2.40, Philadelphia $3.50 and Baltimore $3.75 cwt. There were a few instances of truck shortages this season, primarily due to fuel costs as they escalated in February and March. Easter holiday promotions as well as seed orders competed for transportation. A few shortages were noted during peak holiday promotional weeks.

MICHIGAN CHIPPING POTATOES
2007 Season

Production: Michigan growers harvested 42,000 acres, down 1,000 acres from the previous season but with a 4 percent increase in production to 14.7 million cwt for the 2007 season (14.2 million hundredweight in 2006). Yields increased from 330 to 350 cwt per acre, a record high for the state. This was Michigan's largest crop since 2003 and very good quality. Approximately 86 percent of the December 1 stocks on hands were Round White varieties, heavily devoted to chipping acreage. Movement for the 2007 season totaled 8.6 million cwt., 4 percent above the 2006 season. Predominant varieties included Atlantic, Snowden, Pike and FL numbered varieties.

Growing and Harvest Seasons: Planting of out-of-the-field early supplies began at a slower pace by mid-April across the southern region of the state, followed shortly by other areas in the Lower Peninsula due to cooler, wet conditions. By mid-May, only 40 percent of the crop was in the ground, compared to 60 percent the previous year. Emergence was slow as well with only 4 percent out of the ground, compared to 16 percent the previous season. Warmer and dry weather accelerated planting progress by the end of the month to 74 percent, compared to 81 percent with emergence 48 percent at month's end. Planting was completed by mid-June with warm and dry soil conditions that persisted into August. Some growers delayed initial harvest due to extreme drought or abnormally dry conditions at that time. Initial harvest of field supplies began in early August. By mid-month though, little progress was made due to spotted intermittent showers. Evidence of Colorado potato beetle and early blight was reported in some fields. Near Labor Day, cooler temperatures and sunny days improved the harvest pace to 12 percent, compared to 20 percent the previous year. The rest of the month into October brought nearly ideal harvesting conditions and an improved pace. The crop was under cover by the end of the month, well ahead of the previous season.

Marketing: Open market supplies were limited all season, as some grower yields were average and barely grew enough to fulfill their own contracts, while others reported slight overages due to better yields. Some of the Eastern regions of the country had below normal yields and production and many chip companies began searching early for loads to replace contract shortages in these areas. In late September, some extra out-of-the-field supplies traded for $4.00 cwt, near contract pricing. After harvest was completed in late October, the prices moved to $7.00 cwt for storage supplies. These potatoes helped offset losses in several eastern growing areas. A slightly bump in price occurred again in late November when supplies brought $7.50 cwt, $8.00 in December, and $8.50 after the New Year. Very few open market supplies were available by February with prices at $9.00 and $9.50 in March. The last open market pricing occurred in early May with prices at $10.00-10.25 cwt. A major chip company slowed weekly movement during the spring months, in order to have supplies to feed company plants in the northern states into early June. There were some losses in southern growing areas and yield sacrifice in order to keep plants running.

Stocks: According to NASS, Michigan's potato stocks on hand December 1, 2007 totaled 9.5 million cwt compared to 8.1 million cwt, 17 percent above the previous year, which represented 65 percent of the season's production. The May 1 holdings of 1.6 million cwt. were up sharply (129 percent) from the previous season and accounted for 11 percent of production. Many industry officials thought the stocks figure was too high, while some chip growers commented that holdings included supplies for a major chipper for deliveries into June to help offset some losses in early summer yields in some southern areas of the country.

MAINE SEED POTATOES
2007 Season

Acreage: Acreage for 2007 was down slightly (1 percent) from the previous season as the Florida-tested and certified acreage for the 2007-08 season totaled 10,808 acres, and off 5 percent from the 2005-06 crop year. These figures did not include growers own seed plots. The Maine Seed Inspection Department was responsible for inspection and certification of seed shipments by variety and destination for the industry. Certification tags were issued by state Seed Potato Specialists for lots that met official grades for Maine Certified Seed, and after Florida testing, recorded 5 per cent or less virus diseased plants. The top ten seed varieties were: Frito-Lay numbered chipping selections, Atlantic, Superior, Yukon Gold, Reba, Snowden, Russet Burbank, NorWis, Andover and Dark Red Norland. **Measurable decreases** were noted in the following key varieties: **Russet Burbank** (-59 percent), **Monona** (-53 percent), **Dark Red Norland** (-25 percent), **NorWis** (-12 percent), **Superior** (-8 percent) and **Frito varieties** (-5 percent). The **biggest increases** noted in the major varieties were **Atlantic** (+17 percent), **Snowden** (+11 percent) and **Yukon Gold** (+6 percent). Other notable increases of lesser varieties included Katahdin, Russet Norkotah, Reba, Goldrush, and Red LaSoda (NY Strain). The industry also noted a few other varieties that declined such as Ontario, Andover, Pike and LaChipper.

Shipments: Shipments began in late October to Florida and finished the first week in June for the 2007 shipping season. Movement was 1.23 million cwt, 5 percent above the 2006 season and 15 percent above the 2005 crop year (1.17 and 1.07 million cwt respectively), according to the Maine Seed Inspection Service. Major destinations for Maine seed were **Florida** with **293,018 cwt., up 36 percent** from the previous season's figure of 215,439 cwt; New York 225,922 cwt, up 18 percent (191,013 cwt), **North Carolina 219,495 cwt** compared to 213,312 cwt, **Pennsylvania 92,199 cwt** compared to 94,965 cwt and **Canada 63,976 cwt**, down 9 percent from last season (70,660 cwt). **Peak volume** was reported in **April**, when New York, Pennsylvania, and other Mid-Atlantic States received the bulk of their shipments. Destinations included 33 states and/or countries this season. The **major varieties** shipped by Maine seed growers were **Atlantic** (290,911 cwt), **Frito Lay numbered** chipping selections (242,620 cwt), **Snowden** (102,947 cwt), **Superior** (71,122 cwt), **Reba** (68,821 cwt), and **Norwis** (57,711 cwt).

Marketing: No open market pricing was reported during the shipping season. Most movement occurred as a result of pre-season sales. There was little spot buying interest after initial seed purchases were made.

MARKETING MICHIGAN POTATOES
2007 Season

Production: Michigan growers harvested 42,000 acres, down 1,000 acres from the previous season with a 4 percent increase in production (14.2 million hundredweight (cwt) in 2006) to 14.7 million cwt for the 2007 season. Yields increased from 330 to 350 cwt per acre, a record high for the state. Approximately 86 percent of the December 1 stocks on hand were Round White varieties, 12 percent Russets, and 1 percent Red and Yellow varieties.

Movement: Initial light shipments of the summer Onaway crop commenced at a slow pace in mid-July and continued through October. Demand remained light for the crop during the entire season. Through October, loads to date lagged behind the 2006 season by 200 loads and the 2005 season by nearly 140 loads. Movement picked up sharply in November as storage supplies of Russets and Round whites were offered. Bulk loads to repackers picked up sharply at this time as well. By the end of the month, movement for the crop year had surpassed the previous two years' total by nearly 40 and 80 loads respectively. The Market News Service did however include shipments of Russets from the Upper Peninsula that were sold through Wisconsin potato dealers this season, which also increased the total to date above previous seasons. Peak shipping months were November through March, which included Easter holiday promotions this year. Round white supplies were depleted in early May despite sluggish demand for most of the season. Russet demand picked up at this time and helped clean up the remaining few growers in early June.

The final total for the season reported by the Market New Service in early June was nearly 1.78 million cwt or 3,950 load equivalents, compared to 1.77 million cwt or 3,932 loads the previous season, again due primarily to the number of bulk Russet potatoes grown and sold to repackers.

Growing and Harvest Seasons: Planting was off to a slower start in early April due to cooler and wetter conditions. By mid-May, only 40 percent of the crop was planted, compared to 60 percent the previous year. Emergence lagged also with just 4 percent reported compared to 16 percent last year. By the end of the month, 74 percent was planted and warmer weather encouraged plant growth to 48 percent emergence. Hot, dry weather conditions in June affected the plants, even on irrigated soils. Planting was completed by the end of the month. Harvest of the summer Onaway crop began slowly the latter half of July with the bulk going for local farmers' markets or special in-state chain store promotions. By mid-August, heavy rains delayed harvest and brought some disease pressure. The pace improved near Labor Day with cooler and sunny days, and generally continued through the month of September. The harvest continued through most of October and finished well ahead of the previous season.

Onaway Summer Marketing Season: The first pricing report issued by the Market News Service was delayed slightly and began mid-August with sluggish demand. Prices for Round White Onaway U.S. One ten pound open-window sacks loose size A were 30 cents lower than the previous season's start at $1.30 and slightly less than the 2005 season.. After Labor Day, prices slipped to mostly $1.20; however, by October 1, remaining Onaway supplies dropped to mostly $1.10-1.15 to finish up at the end of the month.

Storage Season: The first FOB shipping point prices for storage supplies began later than normal in mid-October with Russet Norkotah and Goldrush U.S. One ten pound film bags loose size A at mostly $1.20-1.30, lower than the previous season' opening prices of $1.30-1.40 and the same as the 2005 crop year. Prices inched upward in January to $1.25-1.40 and again March 1 with fairly good demand for Easter promotions. These price levels of $1.50-1.60 remained through the end of the price reporting season in mid-May with light supplies in few hands. The FOB shipping point prices for storage Round Whites began on a stronger note than the summer white crop as the MNS reported a starting range of $1.20-1.25. Whites were slower to climb however and demand lagged most of the season. The top of the market brought $1.50-1.60 from a few premium packers, while the mostly range remained lower from mostly $1.25-1.30 the remainder of the season.

Stocks on Hand: Michigan's potato stocks on hand December 1, 2007 totaled 9.5 million cwt compared to 8.1 million cwt and 17 percent above the previous year, and represented 65 percent of the crop year's production.
The May 1 holdings of 1.6 million cwt was up sharply from the previous year (.7 million cwt) and accounted for 11 percent of the year's production. Some industry representatives thought the amount was overstated; however, some chip growers held supplies for a major buyer to run northern plants into June due to some early summer losses in some regions of the country.

Packaging: The 10 pound open-window sack loose paper sack for Round White varieties remained the favored package while the 10 pound film bag loose for Russet varieties (notably Norkotah and Goldrush) was predominant. A few growers packed a 15 pound loose film bag for holiday promotions and a premium 8 pound film bag of Round whites and Russets for special in-house sales by a major retailer in the state.

Transportation: Trucking was easily handled except for a tight supply near Christmas and New Year's promotions. Again rising fuel costs ate at the bottom line for most growers' profits. Most of the table stock delivered to nearby or overnight destinations with little problems.

MICHIGAN CHIPPING POTATOES
2007 Season

Production: Michigan growers harvested 42,000 acres, down 1,000 acres from the previous season but with a 4 percent increase in production to 14.7 million cwt for the 2007 season (14.2 million hundredweight in 2006). Yields increased from 330 to 350 cwt per acre, a record high for the state. This was Michigan's largest crop since 2003 and very good quality. Approximately 86 percent of the December 1 stocks on hands were Round White varieties, heavily devoted to chipping acreage. Movement for the 2007 season totaled 8.6 million cwt., 4 percent above the 2006 season. Predominant varieties included Atlantic, Snowden, Pike and FL numbered varieties.

Growing and Harvest Seasons: Planting of out-of-the-field early supplies began at a slower pace by mid-April across the southern region of the state, followed shortly by other areas in the Lower Peninsula due to cooler, wet conditions. By mid-May, only 40 percent of the crop was in the ground, compared to 60 percent the previous year. Emergence was slow as well with only 4 percent out of the ground, compared to 16 percent the previous season. Warmer and dry weather accelerated planting progress by the end of the month to 74 percent, compared to 81 percent with emergence 48 percent at month's end. Planting was completed by mid-June with warm and dry soil conditions that persisted into August. Some growers delayed initial harvest due to extreme drought or abnormally dry conditions at that time. Initial harvest of field supplies began in early August. By mid-month though, little progress was made due to spotted intermittent showers. Evidence of Colorado potato beetle and early blight was reported in some fields. Near Labor Day, cooler temperatures and sunny days improved the harvest pace to 12 percent, compared to 20 percent the previous year. The rest of the month into October brought nearly ideal harvesting conditions and an improved pace. The crop was under cover by the end of the month, well ahead of the previous season.

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MARKETING THE 2007 BIG LAKE & CENTRAL MINNESOTA CROP

Growing Conditions: The Big Lake & Central Minnesota District stretches from the Big Lake area (Sherburne County) in the south to Long Prairie, Perham, Bemidji, Trail and Red Lake areas in Central Minnesota.

Harvest: Light harvest activity of Round Reds started the last week of July. Most growers of Round Reds had finished digging by mid September with minimal weather delays during harvest. The peat soil area around Gully, MN finished harvesting Red around mid October. Some russets were still being harvested into late October.

Shipments: Recorded shipments of Round Reds and Russets for the season totaled 1,816,204 cwt. The Idaho Falls, Idaho, USDA Market News Service collected shipments through the voluntary cooperation of individual shippers. All shipments were transported by truck. Shipments of Reds started in late July week-ending July 28, and peaked in August week-ending August 8. Shipments of Russets started the first week of September and finished for the most part in early October; a few Russets were stored and marketed in November for the Thanksgiving market. Volume shipments continued through week-ending October 6, then declined seasonally with light shipments continuing out of the peat soil storage area until the last potato was shipped on week-ending March 1, 2008

Acreage & Production: National Agricultural Statistics Service reported planted acreage for <u>all</u> of Minnesota at 50,000 acres in 2007 with 47,000 acres harvested.

Marketing: The Big Lake & Central Minnesota marketing of Round Reds 2007 started in late July, a month after Arizona had finished for the season and the California volume of Round Reds had began to stabilize.

Shipping point prices for Round Reds U.S. No. 1 size A in 50 pound paper sacks, started the week-ending July 21at $8.00 per 50 pound unit. During the eight weeks of the Red potato marketing season, prices ranged from a season opening high of $8.00 per 50 pound unit for the Size A 50 pound paper sacks to a low of $4.50-5.00- per 50 pound unit the week of August 18. Size A Round Reds in 50 pound paper sacks finished the season at $5.75-6.00. Size B in 50 pound paper sacks started the season at $15.00-17.00, dropped to a season of $7.00-7.75 the week of October 1.
Russet Norkotah were again reported by the Idaho Falls, Idaho, USDA Market News Service. The Big Lake area has few Russets and a short window when they are all running. U.S. No. 1 baled 10 5 pound film bags opened the season week-ending September 1 at $5.50 per bale and finished week-ending September 22 at 6.50. U.S. No.1 carton 80 count opened at $8.00 and finished at 7.00 per carton.

Packaging: The major packs for Round Red potatoes were 2000 pound tote bags. This package is used by shippers as the base price for pricing size A 50 pound paper sacks, 50 pound cartons, and 10 & 5 pound film bags. The packaging for Norkotah was size A and non-size A in 100 pound sacks, 10 pound and 5 pound film bags; 50 pound cartons of count size potatoes.

MARKETING THE 2007 RED RIVER VALLEY POTATO CROP

Acreage & Production: Minnesota – North Dakota production was up a total of 4 percent compared to the three year average according to the National Agricultural Statistics Service. North Dakota growers produced 23,660,000 cwt up from the three-year average 23,213,000 cwt. Minnesota growers produced 20,680,000 cwt. North Dakota planted 97,000 acres and harvested 91,000. Minnesota planted 50,000 acres and harvested 47,000. Over-all, yields per acre in North Dakota was 260 cwt per acre. Minnesota over-all yields per acre were 440 cwt per acre. Although exact figures aren't available from both North Dakota & Minnesota, chip-stock acreage continued to decline. Minnesota leading potato growing counties for the 2007 crop year was Sherburne (Big Lake) at 5,600 acres and 2,352,000 cwt, Polk (East Grand Forks) 5,400 acres and 1,506,600 cwt, and Clay (Morehead) 1,900 acres and 423,800 cwt. North Dakota's leading potato growing counties for the 2007 crop year was Walsh (Grafton) 31,600 acres-5,180,000 cwt, Grand Forks (Grand Forks) 13,800 acres-4,845,000 cwt, and Pembina (Crystal) 22,800 acres-3,840,000.

Planting: Potatoes planted was at 6 percent by week-ending April 29, which was slightly behind last year and the average. Planting for 2007 was well underway by week-ending May 6. Potatoes were 30 percent planted compared with 19 percent last year and 25 percent on average. Throughout the planting period, progress was delayed by frequent rainfall especially in the Northern Red River Valley area. Planting progress was brought to a halt the first two weeks of May by heavy rains that saturated soils across the region. Week-ending June 17 showed the potato crop 97 percent planted and 89 percent emerged.

Growing Conditions: Adequate moisture for potatoes continues to be a concern for producers as their crops have entered critical developmental stages by weeks end July 8. Potatoes were in the blooming developmental stage and advanced 27 percentage points during the week to 67 percent complete with rows filled at 23 percent compared to 48 percent in 2006 and 22 percent of the 5-year average. Although limited moisture has caused some deterioration of all other crop conditions, they remain being rated mostly good to excellent. By week-ending July 29 98 percent of the potato fields bloom compared to the 5-year average of 93. Rows filled were at 79 percent compared to the 5-year average of 77. Potato conditions were 6 percent very poor, 2 percent poor, 14 percent fair, 48 percent good, and 30 percent excellent. Grand Forks reported a high temperature of 91 for the week, 54 for the low 0.23 inches of rain with 11.27 for the year, which is 2.26 inches higher than the norm. Week-ending August 12 reported 97 percent of row closure, compared to 97 for the 5-year average. Vine kill was also reported at 2 percent compared to 9 percent for the 5-year average.

Harvest: Potato harvest began in North Dakota week-ending September 2 with chipper and process varieties being harvested. Harvest was listed at 6 percent, with vine kill at 33 percent compared to 44 percent of the 5-year average. Week-ending September 9 showed potatoes dug at 14 percent complete, compared with 32 percent last year and 16 percent on average. Potatoes made the most harvest progress during week-ending September 16 advancing 26 percentage points to 40 percent dug. Vine kill was at 88 percent complete compared to the 5-year average of 77. By week's end October 1 potatoes were 74 percent dug, ahead of both last year and average. Vines were 97 percent complete compared to the 5-year average of 94 percent. Potatoes dug were 85 percent complete, equal to last year but ahead of the average pace by weeks end October 7. Potatoes dug were virtually complete at 98 percent by week's end October 28 compared to 99 percent of the 5-year average.

Marketing: The first report of the season was issued the week of September 8, 2006 (same week as the 2006 crop) and the last report was put out the week of May 24 (compared to week-ending June 16 of the 2006 crop). Prices for tote bags, approx 2000 pounds per cwt. size A Round Reds U.S. No. One opened at $10.40, compared to the 2006 crop at $9.50-10.00. Marketing continued even after new-crop Reds were available from spring crop areas. The final week of shipments was June 21, 2008 (compared to July 21, 2007 on the 2006 crop). Tote bags finished the season at $14.50-15.00.

The customary trade practice in this district is to use the tote bags approx 2000 pounds per cwt size A for Round Reds U.S. No. One as a base price. Baled 10 pound film bags were usually up-charged $3.00 per cwt premium and 5 pound film bags up-charged $4.00 per cwt from the tote price. 50 pound paper sacks were $1.50 per cwt over the tote base price. Overall production value of all potatoes in both Minnesota and North Dakota for 2007 was: Minnesota $132,352,000 compared to the 5-year average of $117,481,400 and North Dakota $156,156,000 compared to the 5-year average of $153,447,000.

Shipments: Daily shipments were collected with the voluntary cooperation of the Red River Valley shippers by Idaho Falls, Idaho, Market News Service. Fresh market shipments of Round Reds began week-ending July 14 and continued into the week-ending July 21. The 2006 crop didn't begin shipping until August 5, 2006. The 2007 crop had a pocket of potatoes grown near Lidgerwood, North Dakota. They were planted and harvested earlier than the Red River Valley crop. The 2006 crop finished on week-ending August 5, showing the availability of potatoes in 2007 was much less. Fresh shipments totaled 3,911,600 cwt for the 2007 crop compared to 4,460,700 cwt for the 2006 season The Holiday Season showed some increases in shipments from other weeks. The week-ending November 17 was the biggest week of the year, with shipments of 1,566,000 compared to 1,587,000 cwt shipped the same week in 2006. Three weeks in December week-ending 8, 15, & 22, with respective cwt of 121,000, 141,100, and 120,800 saw a bump in shipments. The Easter bump was weeks-ending March 1, 8, & 15 with 102,800, 125,500, 118,200 cwt.

Transportation Trends: The Valley often experiences more transportation problems than most other shipping areas because of its location and the lack of back hauls. The truck shortages that other segments of the produce industry experienced this year also plagued the Red River Valley. Frito-Lay hauls massive amounts of chippers out of state during harvest and the largest turkey producing area in the nation is just over the North Dakota border into Central Minnesota. These two commodities take many trucks from the potato shippers. Trucks were in tight supply by late-October and shortages continued through the month of December.

MARKETING NEW YORK LONG ISLAND POTATOES
2007 Season

Statistics: According to the New York Agricultural Statistics Service, New York growers planted **19,000** acres of potatoes for the 2007 season, 1,600 **less acres** than the previous season. Harvested acreage totaled 18,300 acres, 700 less than the previous year and a record low. **Production** dropped to **5.2 million** hundredweight, an 8 percent decrease from 2006 with yields of 285 cwt, less than 300 cwt per acre the year prior. Growers on Long Island generally yield slightly more than the state average due to the varieties grown on the island, notably the large profile Norwis. Unofficial sources reported planted **acreage of** potatoes at nearly 2,700 acres on Eastern Long Island.

Growing and Harvest Seasons: Initial planting was underway in late March but there were a few delays due to wet conditions in early April. Most growers, however, finished handily by the end of April. Timely rains during the summer months helped with tuber development. A few growers began harvest and packing by mid-August to local receivers in the city. Harvest continued into mid-October. The quality of the crop appeared to be improved from the breakdown conditions reported the previous growing season.

Marketing Season: The first FOB shipping point prices was issued by the Market News Service in late August. Prices were lower than the 2006 start with Round white U.S. One 50 pound sacks size A $6.00 compared to mostly $8.00 in 2006, and large size $7.00 compared to $10.00 the prior season. Demand improved at the lower price level though. In early November, 50 pound sacks size A had dropped to mostly $5.00-5.25 with large size mostly $5.25-5.50 while Round White baled 10 5-pound sacks sold from mostly $7.50-8.50, a $1.00 less than the previous season. Large size potatoes saw little premium during the year as the tuber profile was slightly larger than normal. Although prices were lower than the past few seasons, growers finished slightly earlier than usual at these low prices. Yukon Gold 50 pound sacks size A also brought less money during the season and sold during the fall shipping season at mostly $10.00, $2.00 below the 2006 season.

Movement: The Market News Service reported shipments from Long Island of approximately 721,000 cwt for the 2007 season, an increase of 12 percent from the previous season (645,000 cwt). Export loads continued their decline and were not broken out from domestic shipments this season to avoid disclosure of individual operations. The last shipment report was issued by the Market News Service in mid-February, several weeks earlier than the previous sluggish marketing season.

Stocks: Stocks on hand December 1 for New York were **2.8 million** hundredweight, down slightly from **the previous season total of 3.0** million cwt**.** By February 1, New York's holdings were 1.2 million cwt, lower than the previous season (1.4 million cwt). The remaining holdings were held upstate between table stock and mostly chip potato growers.

Packaging: The major pack on the island is the 50 pound. sack. Many growers and brokers delivered to re-packers and wholesalers in New York City, Florida and North Carolina, and large size potatoes to foodservice accounts along the East Coast.

NEW YORK CHIPPING POTATOES
2007 Season

Statistics: According to the New York Agricultural Statistics Service, growers planted 19,000 acres for the 2007 season, down 1,600 acres from the 2006 season and the lowest level since NASS estimates began in 1929. Harvested acres totaled 18,300, 700 less than the previous year and another record low. Production was estimated at 5.2 million cwt, an 8 percent decrease from 2006 with yields forecasted at 285 cwt, down slightly from a 2006 record-breaking yield of 300 cwt per acre. Chipping acreage is located generally in Western and Central New York, in Steuben, Wyoming, Wayne and Livingston counties. Approximately 5,000 acres were devoted to chip stock, with primary varieties grown Atlantic, Snowden, Andover and Marcy.

Growing and Harvest Season: Planting was underway in late April with intermittent cold fronts and some rains. In early May, planting was 31 percent completed, compared to 41 percent the previous year and the 5-year average of 31 percent. Warmer weather mid-month pushed planting ahead though and by June 1, planting was 92 percent completed and at record speed for completion. Much of June and July were very warm and near **drought conditions**. Initial light harvest was underway at the end of July, and some yields suffered by the dry soil conditions. Harvest was slowed in August by intermittent showers and harvest was slowed. After Labor Day, near ideal conditions pushed harvest schedules ahead and by October 1, 85 percent of the harvest was completed, compared to the 5-year average of 72 percent. By mid-month, harvest was generally completed.

Movement: Movement of out-of-the-field supplies commenced slowly by mid-August, and peaked mid-September to mid-October, with somewhat disappointing yields. Some growers faced contract shortages due to lower yields. According to the Market News Service, movement for the 2007 season totaled 1.83 million cwt, down 2 percent from the previous big season. The major chip buyers in New York consisted of Wise Foods, EK Bare, Utz Quality Foods, Pennsylvania Potato Co-op and Stowe Potato Sales.

Stocks on hand: New York Agricultural Statistics Service reported stocks on hand December 1, 2007 totaled 2.8 million cwt, down from 3.0 million cwt. the previous year and a sharp drop in Round white varieties (69 percent versus 90 percent the previous year). By April 1, only 400,000 cwt remained in storage, a decrease of 20 percent from the previous season and 6 percent of storage potatoes.

MARKETING THE 2007 EASTERN NORTH CAROLINA POTATO CROP

Statistics: According to the National Agricultural Statistics Service, harvested acreage of potatoes totaled 14,500 acres in 2007 compared to 15,500 acres in 2006 and 15,000 acres in 2005. Production finished at 27,000 hundredweight compared to 32,550 cwt. in 2006 and 28,500 cwt. in 2005. In 2007 yield was 186 cwt. per acre compared to 210 cwt. in 2006 and 190 cwt. in 2005.

Movement: According to the Market News Service, movement totaled 337,000 cwt for table stock and an additional 2,820,000 cwt of chipstock. The season started in late June, slightly behind the 2006 season, and wrapped up in late July at about the same time as the 2006 season, with the remaining supplies in too few hands to establish a market.

Growing and Harvest Season: The month of January saw precipitation amounts above normal for most areas of the State along with unseasonably warm temperatures. However, these conditions did not last long as February blew in below normal temperatures, lows ranging from 6 to 20 degrees Fahrenheit, and below normal precipitation. Soil moisture levels were rated at 65 percent adequate and the lack of precipitation allowed potato plantings to get underway and progress slightly ahead of the 2006 crop with 31 percent of the crop planted compared to 14 percent last season. Temperatures varied during March with unseasonably cool temperatures early in the month and record setting highs toward the end of the month. There was little rainfall during March, which allowed for several suitable days of field work. By the week-ending March 25, 83 percent of the potato crop had been planted compared to 71 percent in 2006. Planting continued into April with 95 percent of the crop planted by the week-ending April 08. Unfortunately the State suffered a devastating freeze during Easter weekend with temperatures dipping into the teens damaging many planted vegetables. By the week-ending April 29, 1 percent of the potato crop was rated to be in very poor condition, 16 percent poor, and 20 percent fair. May and June did not help improve the crop with above normal temperatures and below normal precipitation eventually leading the State into drought status. The week-ending May 27 soil moisture levels were rated 34 percent very short, 43 percent short, 23 percent adequate, and 0 percent surplus. Harvest began in June and by the week-ending June 24, 16 percent of the potato crop had been harvested compared to 43 percent the previous year. Harvest was completed by the week-ending July 22 with

95 percent of the crop harvested compared to 96 percent a year ago and 91 percent for the 5-year average.

Marketing Season: Prices this season for Round White U.S. No. One, size A 50 pound sacks were slightly higher than the previous year. The first FOB price report was on June 29. Round White U.S. No. One, size A 50 pound sacks were $10.00-$10.75 compared to the first price report of $8.00-$10.00 in 2006. The last prices reported were on July 25 and ranged $7.00-$9.00 compared to $7.00-$8.00 in 2006. Round Red U.S. No. One, size A 50 pound sacks trended lower in 2007 compared to 2006. The first FOB price reported for Round Reds was on July 03. U.S. No. One, Size A 50 pound sacks were $10.50-$12.00 compared to $12.30 in 2006. The final prices reported were on July 25 at $9.00-$11.00 compared to $11.30-$12.00 in 2006. Prices for Yellow Type U.S. No. One, size A 50 pound sacks trended lower when compared to 2006. The first FOB prices were reported on July 12 at $11.00-$12.00 compared to $17.00-$20.00 in 2006. The final prices reported were on July 17 at $12.00 compared to $16.00-$18.00. Chip Potatoes are sold bulk per hundredweight and were marketed in 2007 generally on a contract basis. The general contract price on Round White Atlantics 85 percent or better U.S. No. One bulk per cwt. was $6.00-$8.00 compared to $6.50-$8.50 in 2006. There was a small amount marketed on an open market basis with Round White Atlantics 85 percent or better U.S. No. One bulk per cwt. At $6.00-$8.25 compared to $3.50-$5.00 in 2006.

OHIO CHIPPING POTATOES
2007 Season

Statistics: Ohio harvested 3,000 acres of potatoes, a decrease of 100 acres from the previous year, according to the Ohio Agricultural Statistics Service. Yields were slightly up at 330 cwt per acre (325 cwt last season). However, production dropped to .99 million cwt, a decrease of 2 percent from the 2006 crop. The state's chipping acreage dropped significantly with the loss of a major grower; nearly 1,100 acres were planted with chip stock, down approximately 300 acres from the previous season. The predominant areas were in western Ohio, from Findlay north to Toledo and south of Cleveland, in the Wooster area.

Movement: The 2007 chipping potato crop totaled only 105,491 cwt, down sharply (44 percent) from the previous year's total of 187,830 cwt and 214,143 cwt in 2005, according to the Market News Service. The total for the season was the smallest of the decade and the shortest in shipping weeks (20) as well. The season came to a close by the third week in January. No open market sales were reported during the season as many growers were short on contracted movement.

Growing Season: Planting was underway in early April but progressed slowly due to below normal temperatures and wet conditions. By month's end, 35 percent of the planting was completed, compared to the 5-year average of 39 percent. Warmer temperatures accelerated planting and by mid-May 80 percent had been planted compared to the 5-year average of 73 percent. Growers finished early in June under above normal temperatures and dry soil conditions.

Harvesting Season: Initial harvest began in early August with above normal temperatures. Progress slowed sharply later in the month by heavy rains. At Labor Day, only 29 percent of the crop was harvested compared to the 5-year average of 43 percent. Better progress was made during September and harvest by October 1 was 82 percent completed, slightly ahead of the previous year. Most growers wrapped up by mid-month.

Stocks on hand: The National Agricultural Statistics Service discontinued monthly potato stocks reports for Ohio for the 2005 season.

PENNSYLVANIA CHIPPING POTATOES
2007 Season

Statistics: Pennsylvania **harvested 10,000 acres** of potatoes, 500 less acres **(-5 percent)** from the previous season and the lowest harvested acreage on record, according to the Pennsylvania Agricultural Statistics Service. Approximately 3,000-3,500 acres were planted in chipping potatoes, with the predominant plantings in the Northwestern, East Central and Central districts of the state. Production of 2.2 million cwt sharply declined by 19 percent from the previous year **(2.73)** with yields of 220 cwt per acre compared to 260 the previous season. Predominant chipping varieties grown were Atlantic, Snowden, Pike, Andover and Marcy. The average price received for the 2007 crop was $10.10 cwt, down from $10.40 in 2006, a 3 percent decrease.

Growing Season: Planting was delayed in April by cool, wet conditions. By the end of the month, conditions improved and initial planting was underway. By the middle of May, 59 percent of the planting was completed, slightly behind the previous year but on track with the 5-year average. Excellent weather conditions continued with most fields planted by June 1. Hot and dry conditions prevailed through June and much of July and yields suffered significantly. Spotted showers were reported in early August.

Harvesting Season: Initial harvest of field supplies (Atlantic) began the second week of August, despite unseasonably hot temperatures and spotted showers around the state. Drought stress was apparent in many counties and only moderate harvesting progress was reported in August and the first half of September. By October 1, only 61 percent of the harvest was completed, compared to 70 percent last season and the 5-year average of 77 percent. Above normal temperatures and dry soil conditions persisted into October. The harvest was virtually completed later in the month.

Shipments peaked with field supplies in September. The shipping season was completed slightly ahead of the previous season in mid-March with a total of 824,954 cwt, a 24 percent increase from the previous year, according to the Market News Service. No open market prices were reported this year as most growers planted for contracted sales only.

MARKETING THE COLUMBIA BASIN WASHINGTON – UMATILLA BASIN OREGON CROP 2007 SEASON

Acreage & Production: According to the National Agricultural Statistics Service, Washington planted acreage was 165,000 acres in 2007, an increase from 2006's 156,000 acres. Harvested acreage in 2007 was also 165,000 acres, an increase from 2006's 156,000 acres. Washington's yield per acre in 2007 was 620 cwt, a 7 percent increase from 2006's yield of 580 cwt. Washington's production in 2007 was 102,300,000, a 14 percent increase from 2006's production of 89,900,000 cwt. Umatilla Basin Oregon planted and harvested acreage was 11,000 acres in 2007, an increase from 2006's planted and harvested acreage of 9,000 acres. Umatilla Basin Oregon's yield in 2007 was 595 cwt per acre, an 8 percent increase from 2006's yield of 550 cwt per acre. Umatilla Basin Oregon's production in 2007 was 6,545,000 cwt, an increase from 2006's production of 4,950,000 cwt.

Shipments: Shipments for the 2007 season for Washington were 10,045,000 cwt, of which 1,203,000 cwt were exports. This was an 8 percent increase from 2006's shipments of 9,268,000 cwt, of which 1,286,000 cwt were exports. Shipments for the 2007 season for Umatilla Basin Oregon were 2,292,000 cwt, of which 274,000 cwt were exports. This was an increase from 2006's shipments of 1,713,000 cwt, of which 315,000 cwt were exports.

Crop & Weather: **Washington** potato planting got started in March and by the last week 10 percent of the crop had been planted in the south end of Franklin County, compared to 13 percent in 2006. Potato growers were busy preparing fields and planting during the second week of March. Rented crop land was tight. Typical spring weather and low temperatures were reported through the state. Growers continued to prepare fields for planting in Grant County. By the end of the week, 28 percent of the crop had been planted. Weather was cool mid-June as growers pushed to get fields planted. In Franklin County the weather was pretty normal for the week with a few rain showers and a little wind. Forty-three percent of the crop had been planted and 7 percent had emerged. During the week-ending March 22, there were a couple days of cold temperatures and one early morning frost in Franklin County. There were a few reports of some potato frost damage but mostly likely nothing the plants wouldn't grow out of. There were a couple days of scattered showers as well. During the last week of the month, generally cool and moist weather continued to hamper crop activity. Planting was behind schedule due to rain. 59percent of the crop had been planted, compared to 74 percent in 2006. Twenty-one percent of the crop had emerged, compared to 18 percent in 2006. Precipitation levels were down about 35 percent from the 30 year averages.

During the first week of May, planting continued with 74 percent planted and 44 percent emerged. In Grant County, precipitation over the weekend helped moisture conditions considerably. Plants started blooming in some areas the third week of May while other areas were finishing planting. By the end of May, 95 percent of the crop had been planted and 83 percent had emerged.

Significant rainfall was reported the first week of June. Potatoes were doing well with the moist conditions and were in the flower stage in all areas. 100 percent of the crop had been planted. The crop was completely emerged by the end of the third week of June. Franklin County potatoes looked good and were doing well with the cooler temperatures the last week of June.

Temperatures were hot throughout July and by the end of the month 19 percent of the crop had been harvested. Harvest continued throughout the months of July, August and September and was complete by the end of October.

Weather had been dry and warm for most of the last week of March in the **Umatilla Basin Oregon.** Fields were being worked and prepared for planting. Fields were planted throughout the month of April.

There were some scattered showers with some areas of hail at the end of the week-ending May 14. Potatoes were largely emerged during the third week of May and as always, the area would have benefitted from more rain.

Temperatures were very hot with no moisture received during the first week of June. Crop conditions were falling fast and needed rain. During the beginning of the week-ending June 10, the area started with much needed rain and much cooler conditions than the previous week. Additional rain received during the weekend in some areas also helped the current conditions. By mid-June, the conditions had held and hadn't gotten any worse. The crop was an average to above average crop in the higher rainfall areas (more than 14 inches). Lower rainfall areas were at risk for poor crop conditions. The potato crop generally looked good. Potato acreage was estimated at a slight decrease from the prior season.

By mid-August, potato harvest was in full swing and yields were normal or slightly above normal. Irrigation water was holding up to satisfactory levels. Harvest was complete by the end of October. (Source: National Agricultural Statistics Service)

<u>Marketing</u>: The first report of Round Reds was issued during the week-ending July 14, 2007. 50 pound cartons of U.S. One size A was $10.00. The last report was issued during the week-ending August 18, 2007 at $7.00-8.00.

The first report of Yellow Type was issued during the week-ending July 14, 2007. 50 pound cartons of U.S. One size A was $12.00. The last report was issued during the week-ending August 11, 2007 at $8.00-10.00.

The first report of Russet Norkotahs was issued during the week-ending July 28, 2007. 50 pound cartons of U.S. One 70s was $9.00-9.50. The last report was issued during the week-ending August 2, 2008 at $20.00-22.00.

MARKETING THE 2007 NORTHWEST WASHINGTON POTATO CROP

Shipments: Shipments of fresh-table stock potatoes out of Northwestern Washington for the 2007 season were 1,464,400 total cwt. The USDA, AMS, Fruit and Vegetable Market News Service began tracking shipments by variety mid-way through the 2007 Crop's packing season. The 2008 Summary Report will break down shipments by variety. No seasonal shipments trends appear concerning Holidays and etc. The majority of the potato crop out of this District is of the Round Red variety. Also grown, packed and shipped are Yellow Type, Long White, a small amount of Russet, Fingerling, Purple and etc. The first shipments were moved on the week-ending August 25, 2007 and the last shipments of the season were on week-ending July 12, 2008. The Round Red shipped throughout the season. The Long Whites were moved by late December, and Yellow Type by late February. The week-ending October 27 was the biggest shipping week of the season with 105,000 cwt shipped. The week of February 2 was the next busiest week, with 94,400 cwt shipped.

Marketing: The USDA, AMS, Fruit & Vegetable Market News reported prices out of Northwestern Washington from week-ending September 8 through April 12 on Round Red and September 8 through December 22 on Long White, Yellow Type ran from September 8 through the week of February 9. Round Red 50 pound cartons started out at $20.00 per carton, finishing at $19.00-22.00, with the high price peaking from September 29-November 17 at $23.00. The seasonal low was the last two weeks of the shipping season at $19.00 per carton. Round White 50 pound cartons started at $18.00-20.00 week-ending September 8 and finished at $19.00-19.00 week-ending December 22. The Long White high price was $21.00 from November 10 through December 1. Yellow Type 50 pound cartons started out at $18.00-20.00 per carton, finishing at $20.00, with the high price peaking from September 29-October 13 at $21.00 per carton. The seasonal low was the last two weeks of the shipping season at $19.00 per carton. Supplies of Russet Norkotah were in too few hands to establish a market.

Acreage & Production: Washington's 2007 crop production is listed by the USDA NASS in their January 2008 Crop Production-Annual Report for the 2007 crop summary. Area planted was **165,000** acres total. Area harvested was **165,000** acre total. Yield per acre was **620** cwt per acres State wide. Production was **102,300,000** cwt total, with. Washington State NASS doesn't keep potato production records for counties or track production from the Northwest Washington District.

Harvesting: Weather is an extremely important factor in growing and harvesting the Northwestern Washington potato crop. The majority of the crop is raised in and around the Mount Vernon/Burlington area of Skagit County. Seasonal rainfall for that area is normally 26 inches per year. Much of the soil type in the area used for potatoes is a sandy loam. Many fields also have drainage systems installed. Growers are able to harvest potatoes even in wet rainy weather, because they have grown the potatoes in sandy soil in fields that have the drainage systems. Also, most of the Long White variety are not harvested and put into storage. They are harvested and packaged late into the year. Often, harvest of Long Whites continued the following spring. The

Long White do not store well and quality cannot be maintained. Most of the Northwest Washington potato crop is put into storage.

Crop & Weather: Week-ending April 29 high temperatures averaged 56 degrees and .03 inch of precipitation. With a good rain last Tuesday April 23 and overcast most of the week, the weather really put the breaks on planting. However, rainy days turned into sunshine over the weekend and many farmers decided to get to work while the getting was good. Potato farmers in the valley had about ten percent of this year's crop in the ground. Week-ending April 22 saw high temperatures for the week averaging 52 degrees. There was .01 of rain recorded. Potato farmers in the valley had a very productive week with about 5 percent of the crop planted by week's end. Week-ending April 15 had high temperatures for the week averaging 52 degrees. With the weather easing up a bit, many farmers were able to get out ion their fields and begin tilling the soil. Potato farmers were in the biggest rush to get their crop in the ground in order to gain access to early markets next fall. Farmers were behind schedule this year due to a later spring. By week-ending May 6 potato farmers in the Valley had about 20 percent of the crop planted. High temperatures for the week averaged 56 degrees with 0.4 inch of precipitation. High temperatures for the week-ending May 13 averaged 61 degrees, with no precipitation recorded. Potato farmers in the valley had about 40 percent of the crop planted. High temperatures for the week-ending May 20 were 63 degrees. There was seven inches of precipitation recorded. Potato farmers have about 60 percent of the crop planted. By week-ending August 12 farmers were desiccating and topping fields of potatoes indicating harvest would soon start. Week-ending September 30 high temperatures averaged 56 degrees and there was 1.06 inches of rain. Potato harvest was 20 percent complete. With heavy rains over the weekend, harvest was delayed for a few days. Week-ending October 7 saw high temperatures for the week averaging 54 degrees and saw 3.0 inches of precipitation. Potato harvest was 30 percent complete. Potato farmers were in the process of switching over to the mad chains, dueling up their tractors, and getting ready to dig potatoes in the mud. Week-ending October 14 saw good weather over the weekend; however some potatoes were not harvested due to standing water. High temperatures averaged 60 degrees. Potato harvest was 50 percent complete. The crop was doing well with lower yields in fields that were not irrigated last summer. October 28 saw high temperatures for the week averaging 55 degrees. Many potato farmers were unable to get into their fields due to muddy conditions. The potato harvest was 70 percent complete. There was rain and cooler nights with heavy frost on Wednesday and Thursday of the week-ending November 4, but some nice days for fieldwork. High temperatures averaged 50 degrees. Potato harvest was 80 percent complete. The crop was doing well this year with lower yields in fields that were not irrigated last summer. By the end of December high temperatures were averaging 42 degrees. With 3.71 inches of rain in December many potato farmers left a portion of their crop in the field. If the temperature drops below 20 degrees without a snow cover the potatoes will be lost.

MARKETING THE CENTRAL WISCONSIN POTATOES 2007 CROP

Acreage & Production: According to the USDA National Agricultural Statistics Service, Wisconsin potato planted acreage in 2007 was 64,500 acres, down from 2006's 66,000 acres. Harvested acreage in 2007 was 64,000 acres, down from 2006's 66,000 acres. Yield per acre was 440 hundredweight (cwt) in 2007, a decrease from 2006's yield of 445 cwt. Production in 2007 was 28,160,000 cwt, a decrease from 2006's production of 29,370,000 cwt.

Shipments: Shipments from Central Wisconsin in 2007 were 8,346,000 cwt, an 8 percent decrease from 2006's shipments of 9,098,000 cwt. The peak shipping month was January at 932,000 cwt. All of the potatoes were shipped by truck. There are no rail shipments out of Wisconsin.

Crop & Weather: Planting began in the central area of the State by mid-April. By the end of April, planting was nearly complete in the central counties and had begun in the northern counties.

Planting was nearly complete statewide by mid-May. Potatoes were emerging across the State by the third week of May and blooming by the end of June.

The crop appeared to be in good condition by the first week of July. By mid-July, the leaf hopper population was high and was a problem for growers.

By mid-August, potatoes were being irrigated and digging had started. Harvest continued for the next couple weeks with reports of good yields. The entire State received rain during the week-ending August 27, bringing the State-wide soil moisture conditions to 3 percent very short, 8 percent short, 48 percent adequate, and 41 percent surplus. With continued rainfall and saturated soils, little to no progress was made in the fields.

Yields had all been reported as good during the first week of September. Harvest continued for the rest of the month.

During the first week of October, harvest continued between rains and was wrapping up in the central and southern areas. Most areas of the State received over an inch of rainfall during the past week, as well as humid, summer-like temperatures. By mid-October, reports had indicated good to excellent yields for potatoes.

Marketing: The first report of Round Reds was issued during the week-ending July 28, 2007. 50 pound sacks of U.S. One size A was $6.50-9.00. The last report was issued during the week-ending January 26, 2008 at $7.50-8.00.

The first report of Round Whites was issued during the week-ending August 4, 2007. 50 pound sacks of U.S. One size A was $5.25-6.00. The last report was issued during the week-ending October 27, 2007 at $4.00-5.00.

The first report of Yellow Types was issued during the week-ending August 4, 2007. 50 pound sacks of U.S. One size A was $9.00-11.00. The last report was issued during the week-ending October, 27, 2007 at $8.00-9.00.

The first report of Russet Norkotahs was issued during the week-ending August 11, 2007. 50 pound cartons of U.S. One 70s was $10.50-12.50. The last report was issued during the week-ending June 28, 2008 at $21.00-22.00.

MARKETING THE 2007 VIRGINIA POTATO CROP

Harvesting & Marketing: Harvest of the 2007 Virginia potato crop began on June 15 although supplies were light until late June. Virginia Market News Service began reporting shipping point prices on June 21 with the first FOB Eastern Shore price quoted at $10.00 per 50 pound sack of Round White, U.S. One, size A potatoes. Although prices were relatively high, demand was fairly light. In fact, movement on many days was slow due to light demand. By July 9, light demand had pressured prices and some sales were reported at $9.00. As a result of continued low demand, prices continued to fall and by July 17, were reported at $7.00-8.00. Demand throughout this time was reported as light to fairly light. On July 23, the price was $7.00 although demand had improved slightly. Throughout the rest of July, the price remained at $7.00 with demand ranging from fairly light to moderate. In early August, prices fell to $6.00 as growers did their best to finish marketing their crop. The final report of the season was on August 9, although light shipments did continue for a short time. Overall, prices were fairly good during the 2007 season but demand and movement were disappointing.

Prices for the large 2¾ to 4½ inch "chef" Round White potatoes were first reported on June 21 at $12.00 per 50 pound sack. Prices remained at $12.00 until July 6 when sales ranged from $11.00-12.00. By the following week, prices were reported at $10.00 and stayed at that level until August 2. Prices fell quickly in August and ended the year at $7.00-8.00.

Russet potatoes continue to be a very important crop for some Virginia growers. Prices for Russets have not differed much from Round White over the past few years. Demand for Russets may have been a little better than for Round White in 2007 but was still fairly light throughout the season.

Demand for Round Red potatoes was better than it was for the Round White and prices were fairly high for most of the season. Round Red prices were first reported on July 2 at $11.00 for 50 pound sacks of U.S. One, size A and mostly $16.00 for size B. Demand was fairly good. Prices for size A Red potatoes remained at $11.00 until July 16 when sales ranged from $10.00-11.00. By July 23, most sales of size A were at $9.00. Prices generally remained at $9.00 until July 30 before finishing the year at $8.00. Prices for size B Red potatoes were reported at $16.00 and remained generally unchanged until very late in the season when they dropped to $14.00. Overall, it was a successful year for the marketing of Red potatoes.

Yukon Gold potato prices were first reported on July 6 at $14.00 for 50 pound sacks of U.S. One, size A. Prices quickly dropped and were quoted at $12.00 to $14.00 on July 10 and $12.00 by July 12. By late July, demand was light and prices were $10.00. The final price was reported on August 1 at $9.00 to $10.00. Demand for Yukon Gold potatoes appears to be fairly limited and once supplies begin to increase, it can become very difficult to market these potatoes.

Weather: Weather conditions played an important role during the 2007 potato season. An Easter freeze affected many crops throughout the Eastern United States, including the potato crop in neighboring North Carolina. Fortunately, because the crop had not progressed as far as North Carolina's when the freeze hit, Virginia potato growers, for the most part, were spared any major damage.

Extremely dry conditions became the next concern for growers. Less than normal rainfall was recorded at the Eastern Shore Agricultural Research Center in Painter during January, February, March and May. Although rainfall during June was higher than average the dry conditions resumed during July and August. Northampton County in particular was hit very hard by the drought conditions. As a result, yields were down considerably for many growers. Another problem Virginia potato growers faced was the extremely hot temperatures that arrived in July and August. Temperatures reached 90 degrees or higher for 6 days in a row between July 7-12 and totaled 90 degrees or higher for a total of 10 days during the month. Temperatures were also extremely hot in early August with a high temperature of 98 degrees recorded on August 8.

Production & Quality: Total Virginia production in 2007 was estimated at 1,073,000 hundredweight (cwt) by the National Agricultural Statistics Service, compared to 1,512,000 cwt in 2006, 1,029,000 cwt in 2005, 1,200,000 cwt in 2004, 1,550,000 cwt in 2003 and 1,386,000 cwt in 2002. The decrease in production can be attributed to lower yields caused by extremely dry conditions.

For the most part, quality of the 2007 crop was good. There were a few isolated reports of quality problems due to heat late in the season. Overall, growers produced a high quality crop with very few problems.

Shipments: Shipments of Virginia potatoes were down considerably in 2007. Approximately 1,459 truck lot equivalents (50,000 pound) were shipped in 2007 compared to 2,008 in 2006. Shipments totaled 1,543 in 2005, 1,486 in 2004 and 2,125 in 2003. The decline in shipments during 2007 can be attributed to a decrease in both yields and demand.

Shipments during June totaled 93 loads, compared to 252 loads in June 2006 when the harvest started fairly early and demand was good. During June 2005, only 50 loads were shipped. During July 2007, 972 loads were shipped compared to 1,437 in July 2006 and 1,225 loads in July 2005. In August 2007, 394 loads were shipped compared to 319 in 2006 and 268 loads in August 2005. During 2007, 67 percent of the crop was shipped during July, 27 percent in August and 6 percent in June. During 2006, 71.6 percent of the crop was shipped during July compared to 15.9 percent in August and 12.5 percent in June.

Packaging: Potatoes were sold in 50 pound sacks, baled 5 and 10 pound bags, loose 10 pound bags and canvas totes. Both paper and poly bags were utilized. Standard mark-ups for packaging have typically been $2.50 per cwt for loose 10 pound bags, $3.00 per cwt for baled 10 pound bags and $5.00 per cwt for baled 5 pound bags for the past several years. During the past two years, some growers increased the price by $.50 resulting in mark-ups of $3.00 per cwt for loose 10 pound bags, $3.50 per cwt for baled 10 pound bags and $5.50 per cwt for baled 5 pound bags.

Use of canvas totes, each weighing approximately 2,000 pounds when full, continues to account for a considerable amount of shipments. Selling potatoes in totes allows growers to move the crop at a faster rate but doesn't permit them to earn the mark-ups from the smaller packages.

Markets & Competition: The 2007 season presented Virginia potato growers with many challenges as demand was relatively light for much of the marketing season. Going into the season, growers were hopeful that 2007 would be a good year as the crop in North Carolina, one of our major competitors, was delayed by an Easter freeze. Unfortunately, many buyers ended up purchasing Long White potatoes shipped by rail from California. As a result, there were many days when demand was light and movement was slow.

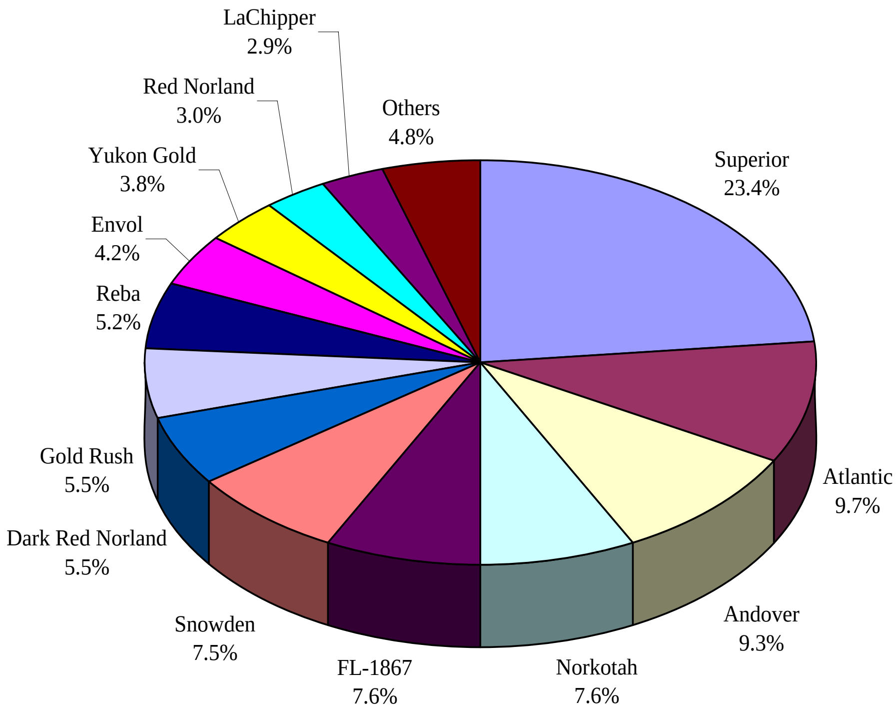
In the past, Canada has been an important market for Virginia potato growers. Unfortunately, shipments to Canada were very low in 2007. A large increase in Canadian production and stocks created a situation where Canadian buyers did not need new crop U.S. potatoes as much as they have in other years. In fact, Virginia shipments to Canada were the lowest since 1999. Virginia potato growers only shipped 94 loads (50,000 pounds) to Canada in 2007 compared to 187 loads in 2006, 124 loads in 2005, 99 loads in 2004, 130 in 2003 and 337 in 2002. Of the loads shipped to Canada in 2007, approximately 45 percent were chipstock.

REVIEW OF THE 2007 VIRGINIA CHIPSTOCK POTATO SEASON

U Chipstock potatoes continue to be a very important part of Virginia's potato crop, representing nearly half of Virginia's 2007 shipments. Growers reported that yields ranged from average to fairly good and quality was good throughout the season. Unfortunately, movement of the chipstock crop was not as good as growers had hoped. The competing areas of Florida and North Carolina took longer to finish harvesting than expected which caused movement in Virginia to be relatively slow. Very hot conditions became a concern late in the harvest.

The vast majority of chipstock sales were preseason contracts and were mostly in the $7.00-7.50 per cwt price range. Open market demand was fairly light with prices generally at $5.25-5.50. Although open market prices were not as high as growers hoped, they were an improvement from the $4.00-4.50 they received in 2006.

Varieties: Of the 120.43 carlots (50,000 pound) of seed imported and inspected during the 2007 season, Superiors accounted for 23 percent of the total, once again making it the most popular of all varieties grown in Virginia. The chipstock variety Atlantic, at nearly 10 percent, returned to the second most popular after falling to fourth in 2006. The Andover variety, used for both tablestock and chipstock, was a close third with slightly over 9 percent. Russet potatoes, including the fourth ranked Norkotah and eighth ranked Gold Rush, accounted for slightly over 13 percent of the seed potatoes planted in 2007, down from 15.5 percent in 2006. Russet varieties have ranged between 11 percent to 15 percent over the past six years compared to only 2 percent in 2001. Chipping varieties accounted for the fifth and sixth most popular with FL-1867, a Frito Lay variety, at 7.6 percent and Snowdens at 7.5 percent. Dark Red Norland was the seventh most popular variety at 5.5 percent. Red potatoes continue to play an important role for Virginia potato growers and accounted for slightly over 10 percent in 2007, up from 7 percent in 2006, 8 percent in 2005 and 9 percent in 2004. Red potatoes accounted for 10 percent in 2003, 14 percent in 2002 and 12 percent in 2001. Reba, a mid to late season variety, was the ninth most popular variety at 5.2 percent, up from 3.6 percent in 2006 and 4.2 percent in 2005 but down from 6 percent in 2004 and 12 percent in 2003. Envol, an early tablestock variety, was tenth at 4.2 percent, virtually unchanged from 2006. Yukon Gold dropped to eleventh at 3.8 percent, a decrease from 4.4 percent in 2006. The Yukon Gold variety has generally ranged between 4 percent and 6 percent during the past six years after accounting for 9 percent in 2001


LaChipper
2.9%
Red Norland
3.0%
Others
4.8%
Yukon Gold
3.8%
Superior
23.4%
Envol
4.2%
Reba
5.2%
Gold Rush
5.5%
Atlantic
9.7%
Dark Red Norland
5.5%
Andover
9.3%
Snowden
7.5%
FL-1867
7.6%
Norkotah
7.6%

MARKETING THE NEW BRUNSWICK POTATOES
2007 Season

Production: According to Statistics Canada, New Brunswick potato production was nearly 17 million cwt, down 4 percent from the 2006 season total of 17.7 million cwt. The July 2008 production report placed harvested acreage at 58,500 acres, down 500 acres from the previous season. Yields were off slightly (10 cwt) from the previous crop year at 290 cwt per acre, and 30 cwt. more than the 2005 crop. Total Canadian production of 109.5 million cwt was reported for the year, down 2 percent from the 2006 season (112.2 million cwt).

Movement: Early movement (September-December) to the U.S. (974,400 cwt) was up sharply (45 percent) from the 2006 season total of 683,757 cwt. However, peak shipped months were reported in March, April, May and June. These figures were compiled with data issued from the U.S. Commerce Department, Agriculture and Agri-Food Canada and finalized by Statistics Canada. The season total through July 2008 of 3.27 million cwt. jumped drastically ahead of the previous year's movement to the U.S. of 2.27 million cwt. The U.S. was the number one destination for New Brunswick potatoes, namely Russet varieties. Access to the States is made through the major border crossing at Houlton, Maine, with lighter shipments entering through Fort Fairfield and Bridgewater, Maine. Lighter shipments of the 2006 crop continued through August. New Brunswick has predominantly been a processing (french-fry) region, with nearly 60 percent of production devoted to this market. It is also the original home of McCain Foods, one of the giants in the fry industry. There are two McCain processing plants in the province, Grand Falls and Florenceville.

Growing and Harvest Season: Planting got off to a slow start in early May due to cool, wet conditions. Initial emergence was also slower than normal also. However, showers and warm temperatures in August helped boost plant and tuber growth. Some growers delayed Russet harvest hoping for additional tuber bulk late in the season. Good weather in September and early October with little rain delays helped extend the harvest slightly. Initial light harvest of Round white and Yellows was underway in early September, while Russet harvest commenced in mid-September.

Marketing Season: The U.S. Department of Agriculture Market News Service issued the first FOB shipping report on Russet Norkotah mid-October with U.S. One or Canada. One washed 2 ounce or 4-inch minimum baled 10 5 pound film bags from mostly $6.50-7.00 (U.S. dollars) per bale, $2.00 per cwt. lower than the opening price of the 2006 season. Prices slipped in early November to mostly $5.50-5.75 and remained at that level until mid-March, when prices started to make gradual to accelerated increases of $1.00 cwt periodically. By June 1, baled 5's had climbed to $7.50-8.75. The Market News Service issued the last report in mid-July with market prices for consumer pack 5's sold from $9.00-10.00. These prices were far above the previous season's finish of mostly $6.00-6.50. Carton prices during the first shipping quarter of the season were fairly stable as 60 and 70 counts sold from $16.00-18.00 cwt. The carton market started to climb in early May; by June 1, 60 and 70 counts brought $24.00-29.00 cwt. with supplies in fewer hands. At the time of the last Market News FOB report in mid-July, large cartons brought $40.00-44.00 cwt, while 100 count boxes sold from $34.00-38.00 cwt.

Stocks on hand: New Brunswick's potato **holdings on December 1,** 2007 totaled **11.9 million cwt**, down 16.5 percent from December 2006 holdings of 14.3 million cwt**. On May 1, stocks** on hand were just under 5.5 million cwt compared to 8.7 million cwt the previous year a sharp drop of 37 percent. A few fresh shippers continued to pack for the U.S. market through August.

Commodity Name	POTATOES													
Sum of 100000lb units	**Column Labels**													
Row Labels	**Aug-08**	**Sep-08**	**Oct-08**	**Nov-08**	**Dec-08**	**Jan-08**	**Feb-08**	**Mar-08**	**Apr-08**	**May-08**	**Jun-08**	**Jul-08**	**Aug-08**	**Grand Total**
CALIFORNIA-CENTRAL	324	76		30	199									629
CALIFORNIA-NORTH		59	100	125	122	107	90	93	97	122	113	40	43	1111
CALIFORNIA-SOUTH	136	110	42	29	23									340
CANADA	37	469	372	426	647	572	619	834	598	616	566	337	117	6210
COLORADO	126	974	1332	1638	1532	1604	1304	1433	1259	1242	984	795	224	14447
DELAWARE	129	110	19											258
IDAHO	1234	2345	2793	2849	2502	2702	2542	2652	2748	2616	2601	2749	1452	31785
KANSAS	612	140	45											797
MAINE		59	173	445	451	483	412	482	357	264	157	21	10	3314
MICHIGAN	94	218	162	237	250	231	195	239	199	116				1941
MINNESOTA	884	513	269	220	192	163	117	118	80	64				2620
NEBRASKA	203	430	325	318	373	311	283	393	243	405	162	34		3480
NEVADA	17	74	82	84	120	65	100	139	79	117	109	95	49	1130
NEW MEXICO	187	175	91	105	67	35	44	76	38	9				827
NEW YORK	52	99	139	145	149	98	40							722
NORTH CAROLINA	27													27
NORTH DAKOTA	15	166	347	425	381	572	344	329	188	113	38			2918
OREGON	216	166	325	316	337	330	261	325	303	304	260	185	28	3356
TEXAS	418	7												425
VIRGINIA	74													74
WASHINGTON	1264	1015	1244	1078	1143	867	946	922	787	989	778	583	61	11677
WISCONSIN	756	820	948	981	888	945	696	689	599	500	273	164	38	8297
Grand Total	**6805**	**8025**	**8808**	**9451**	**9376**	**9085**	**7993**	**8724**	**7575**	**7477**	**6041**	**5003**	**2022**	**96385**