THE TOMATO PROCESSING INDUSTRY IN CALIFORNIA

PLANTING	JAN	**FEB**	**MAR**	**APR**	**MAY**	JUN	JUL	AUG	SEP	OCT	NOV	DEC
HARVESTING	JAN	FEB	MAR	APR	MAY	JUN	**JUL**	**AUG**	**SEP**	**OCT**	NOV	DEC

Production	2013	2014	2015
Volume of tomatoes processed (in metric tonnes)	10 884 000	12 707 000	13 025 000
Surface planted (in hectares)	104 600	116 352	118 372
Average field yield (in t/ha)	104.8	109.2	108.9
Average tomato price (for tomato paste in €/t field gate)	60.0	73.3	72.9
Number of growers	252	318	318
Number of processors	32	32	32
Trade balance (USA)			
Tomato paste (HS 200290 in metric tonnes)	465 460	518 306	441 972
Canned tomatoes (HS 200210 in metric tonnes)	50 906	53 589	42 965
Tomato sauces (HS 2103 in metric tonnes)	233 732	284 044	352 612

Today, California grows 95 percent of the USA's processing tomatoes and approximately one-third of the world processing tomatoes production, with slightly above 13 million metric tonnes processed in 2015 including about 400 000 tonnes of organic.

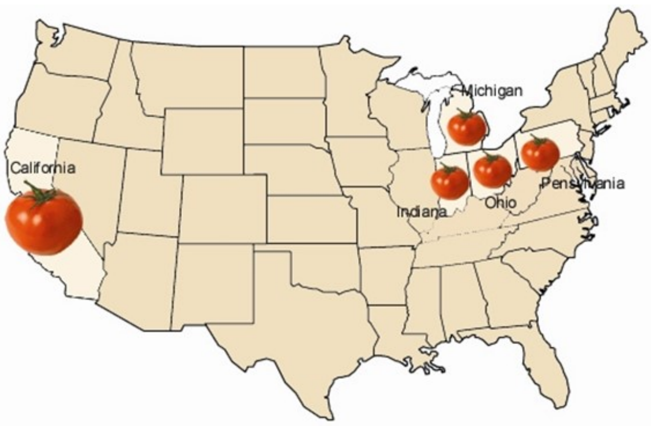
California's success can be attributed to its nutrient rich soils, nearly ideal climate conditions, water availability, and its commitment to research, development and adoption of technological innovations.

Processing tomatoes are largely grown in the 16 counties of the Central Valley, which can be divided into the two geographical locations of the Upper Central Valley and the Lower Central Valley, which span a distance of 640 kilometers and have a widely varied climate. During the growing months, temperatures can reach a high of 100°F (38°C) or above and drop to lows of 40°F (4°C) or below. The average annual rainfall ranges from as little as 26.9 cm at the far end of the Lower Central Valley up to 44.4 cm in the Upper Central Valley. As a result, the demand, supply and cost of irrigation also varies widely throughout the different regions. The Lower Central Valley has greater restrictions and higher demand for irrigation water thereby raising the cost well above the other regions of the state. The most widely used types of irrigation systems are open furrows and sprinklers. Drip irrigation has also come into use over the last decade and further research will insure greater utilization in the future.

The Lower central Valley begins planting anywhere from late January to early April and harvest is from mid June to mid-August. In the Upper Central Valley planting extends from February to mid-June and harvest can begin as early as July and extend as late as November. A small percentage of tomatoes are grown along the Central Coastal Valleys. This region usually plants from March to May and harvest is from August to mid-October.

318 growers grow an average of 40 000 tonnes of tomatoes each on 375 ha. They predominantly plant using transplants which now account for most of the acreage. There are over 200 varieties of tomatoes grown (nearly all hybrids) and the top ranking varieties are Heinz 8504, Sun 6366, DRI 319, AB 0311, Heinz 5608, UG 19406, Heinz 2401, HMX 3887 and HMX 1892. The average farm yield is 109 t/ha.

Over the last twenty years, the US processing tomato industry has realized substantial growth and changes. More than 80% of the total volume is processed into tomato paste and the industry has restructured to consolidate production capacity, shifting towards more direct marketers, who sell bulk paste rather than remanufacturers: the total paste processing capacity rose from c.90 000 tonnes fresh tomatoes per day in 1992 to 160 000 metric tonnes in 2015, while the direct marketers' capacity went from 37% of the total to 86%. There are now 13 main processors who operate 18 plants located trough the Central Valley of California, processing tomato paste, plus several manufacturers of canned, sundried or dehydrated tomato products, making a total of 32 plants. A full range tomato products from dehydrated, organic, paste, puree, juice, whole peeled, sliced, diced, ketchup, sauces, salsas, and many others is manufactured from these primary products.



Production increase is driven by rising consumer demand, as per capita use of processed tomato product continues to rise, although at a lower rate than before and than in other countries, and by a shift of the US industry from an essentially domestic oriented industry to an exporter: over the last few years, however, export volumes have increased to 3.5 million tonnes equivalent fresh tomatoes in 2013. Export have however dropped in the last two years due to the strength of the US dollar. Only small quantities of foreign products are imported.

WPTC members: California Tomato Growers Association (CTGA) & California League of Food Processors (CLFP).

CTGA is nonprofit association of California processing tomato growers with voluntary membership. Its services include price negotiations, information collection and dissemination, representation among political and public audiences, direction of research and direction of inspection services.

CLFP is an association of 65 companies engaged in the canning freezing, and dehydrating of California fruits and vegetables. Every primary processor of tomatoes is an active member of the association whose primary mission is to represent the interests of food processors before all levels of California State government. CLFP also conducts research programs for several California processing commodities. The CLFP tomato statistics program issues a wide variety of reports throughout the year, including quarterly inventory reports on US tomato stocks.