

Larger Washington apple crop may weigh on prices

By DAN WHEAT
Capital Press

WENATCHEE, Wash. — The 2016 Washington fresh apple crop is coming in larger than expected, and coupled with large crops elsewhere it will likely make for a challenging marketing season, industry experts say.

Whether prices tumble as much as they did with the record 143 million-box crop in 2014 is an open question, but experts say they very likely will come down.

The industry's Oct. 1 estimate of the Gala, Honeycrisp and Golden Delicious crop is

up 6.4 percent from the Aug. 1 estimate. Gala is now pegged at 32.5 million boxes. Honeycrisp is at 9.8 million and Golden is at 8.3 million.

If next month shows a similar increase in the Red Delicious, Fuji and Granny Smith varieties, the total crop could end up close to the 2014 record, said Desmond O'Rourke, a consultant and retired Washington State University agriculture economics professor in Pullman.

The Aug. 1 estimate was 132.9 million, 40-pound boxes.

The crop could hit 138 million boxes, up 20 percent from the 2015 crop. It will depend

on the size of the Red Delicious crop, other main varieties and the increasing number of club and managed varieties, said Chuck Zeutenhorst, general manager of First Fruits Marketing of Washington in Yakima.

The Red Delicious crop was estimated at 33.7 million boxes in August. Its harvest is just wrapping up.

"We don't have a good handle on who is taking Reds out (and replacing them with other varieties) but I have a feeling Reds will be up and drive crop size higher," Zeutenhorst said.

The total crop, which is about 70 percent harvested, is

"exceptional quality," he said.

Fuji, Cripps Pink and Granny Smith remain to be picked. Freezing temperatures were forecast in northcentral Washington for the night of Oct. 11. Too much freezing could lessen the crop volume.

Another crop around the 140 million-box mark "would be challenging for a number of reasons," O'Rourke said.

In North America, it will compete with large crops in Michigan, New York, Canada and Mexico. In Asia and the Middle East it will compete with large crops from Europe and China, he said.

The continuing strong

dollar diminishes the buying power of countries with weaker currencies, and the Russian embargo remains, he said.

On Oct. 7, the average asking price among Yakima and Wenatchee district shippers for extra fancy (standard grade), medium size (80s to 88s) Red Delicious was \$24 to \$26 per box, according to USDA. Other prices were:

- Golden Delicious: \$28 to \$30.90 for 80s and \$26 to \$28.90 for 88s.
- Gala: \$20 to \$23.90 for 80s and 88s.
- Fuji: \$30 to \$32.90 for 80s and 88s.
- Granny Smith: \$22 to

\$26.90 for 80s and 88s.

• Honeycrisp was \$45 to \$60.90 for 80s and 88s.

Those prices are strong and comparable to last year at this time but don't mean much because annual return depends on prices during the bulk of sales from November through June, O'Rourke said.

"As the pipeline and storage becomes full those prices will come down for sure," he said.

In early August, O'Rourke predicted the average price of Gala for the 2016-2017 sales season will be \$21 per box, down from \$24 last season, and \$21 for Fuji, down from \$27.

Oregon approaching a 'Golden Age' of wine, beer, spirits, cider industries

By ERIC MORTENSON
Capital Press

Two Pacific Northwest winemakers won awards in recent weeks, and the Oregon producer involved believes the state's surging wine industry has the potential to "lift the tide" for many other agricultural products.

Ed King, CEO and co-founder of King Estate in Eugene, said the future will find Oregon "fully arrived as a wine region standing on an equal footing with the world's greatest."

King's 2015 Acrobat Pinot gris was named best buy of 2016 by Wine Enthusiast, an influential industry magazine. The designation goes to wines considered an extraordinary value. Acrobat sells for about \$13 a bottle.

The Best Buy of the Year award was a first in that category for an Oregon wine. In 2014, Ken Wright's 2012 Abbott Claim Vineyard Pinot noir, from the Willamette Valley's Yamhill-Carlton district, was ranked first in Wine Enthusiast's Top 100 wines.

In an interview, King said he views the award as a parallel development to news that a large California company, Jackson Family Wines, maker of the familiar Kendall-Jackson brand, has purchased its fourth Oregon property in three years.

King said the popularity of Oregon wines is a sign of its "arrival" in the wine world, and the interest of "very sophisticated" companies such as Jackson Family Wines is further evidence.

He said the current evolution and success of the state's wine, beer, hard cider and spirits sectors may one day be looked upon as a "Golden Age" of Oregon agriculture.

King shared an email he distributed to wine industry leaders this summer in which he predicted Oregon will be



Courtesy of King Estate

Ed King, CEO and co-founder of King Estate winery and vineyard in Eugene, Ore., said Oregon's craft drink industry is entering a "Golden Age."

"much more heavily planted" to winegrapes in the future, and that the Southern Oregon and Columbia River wine regions will "share in this growth and renown" with the Willamette Valley.

He said the wine industry will become the largest component of Oregon agriculture in terms of dollar value, and will be "politically powerful."

Winegrapes ranked ninth in value among Oregon commodities in 2015, at \$147 million. They were ranked 11th, at \$107 million, in 2013.

King said Oregon wine must define itself as part of

the state's "global brand," which will include fine craft beverages, great food and an "unspoiled environment" to attract culinary travelers.

King also said the state can have world-scale export brands "built around our spectacular Oregon products: wine, beer, cheese, fruits, berries, hops, nuts, meats and grains."

He warned that Oregon wine must retain the diverse operations and high quality that got it to this point.

"Do not allow a creeping sameness under any guise (to) overtake our diversity," he wrote his fellow vintners. "We must compete with each

other with ferocity, and yet it is also our duty to seek the survival of our littlest, most unorthodox wineries."

He said Oregon's winemakers "must stay close to our dirt and our yeast, making our wine with the idea that we, ourselves, and our friends and families will be drinking it in ten and twenty years. We can do this and still be a business."

The other recent wine prize went to the Walla Walla Valley's L'Ecole N° 41 winery, of Lowden, Wash., which won a trophy for Best Red Bordeaux Blend in the Six Nations Wine Challenge held in Australia.

Judge rejects Idaho anti-grazing arguments

Lawsuit pertains to 220,000 publicly owned acres

By MATEUSZ PERKOWSKI
Capital Press

An environmentalist group has failed to persuade a federal judge that sheep grazing on about 220,000 publicly owned acres in Idaho violates environmental law.

Chief U.S. Magistrate Judge Ronald Bush has rejected several arguments by the Western Watersheds Project that federal land managers insufficiently studied the impact of grazing on sage grouse habitat.

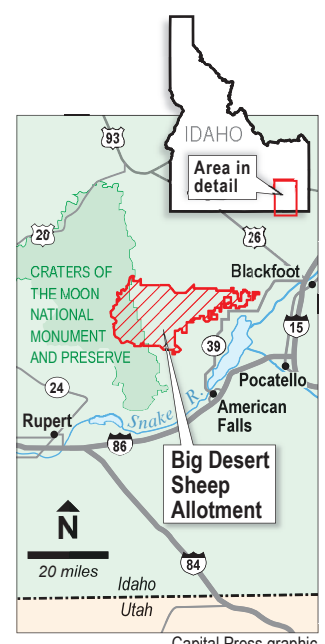
In 2013, the U.S. Bureau of Land Management decided to alter grazing on the Big Desert Sheep Allotment near Blackfoot, Idaho, by constructing roughly 17 miles of fencing and watering facilities to create a "forage reserve."

The purpose of the forage reserve is to increase sagebrush cover while providing livestock feed for ranchers who must rest their allotments due to revegetation and wildfire recovery efforts elsewhere.

Western Watersheds Project filed a lawsuit last year claiming the plan violated the National Environmental Policy Act because BLM didn't take a "hard look" at the environmental consequences and didn't study enough alternatives to the project.

"Despite its own findings that wildfires had resulted in conditions that prevented the allotment from meeting land health standards for native plants and sagebrush obligate species, BLM did not study the relationship between grazing and the reduction of soil crusts and cheatgrass invasion, which are well known to increase fire frequency and size," the complaint said.

The Idaho Wool Growers Association, the Minidoka



Grazing Association and the Etcheverry Sheep Co. intervened as defendants in the lawsuit, which sought an injunction against construction of the forage reserve.

Bush agreed with the intervenors and BLM that the environmental group failed to show livestock grazing actually caused the wildfires that have degraded range conditions in the allotment.

"No one appears to question that livestock grazing practices can impact fire frequency and intensity. But, there is no evidence that the historical grazing activity on the allotment has done so," he said.

The judge also rejected the argument that BLM's study of impacts on the sage grouse was too narrow, noting that the agency's decision relied on analysis of more than 600,000 acres in and around the allotment.

"In short, the BLM went beyond generalized statements about possible effects, taking the necessary 'hard look' at the grazing permits' cumulative impacts upon sage-grouse populations on the allotment itself, as well as neighboring allotments," he said.

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