

MARKETING THOMPSON SEEDLESS

The Thompson Seedless variety is widely used in all three major grape marketing segments-- raisins, winery and fresh table. Modern cultural practices and competitive markets have eliminated the grower's ability to make a mid-season shift into the table grape market.

However, raisin and wine cultural practices differ only slightly. Mid-season marketing flexibility is thus possible for a large percentage of the Thompson Seedless acreage in the San Joaquin Valley.

The equivalent winery price chart on the next page may help you to decide if you want to sell green or dry.

First: An accurate sugar reading is important. If this is a late season decision then an actual test can be made. Otherwise, you will have to rely on past vineyard performance and current seasonal and crop conditions.

Next: Select your estimated raisin price per ton (see page 6 for explanation). Move across the page to the sugar test that fits your vineyard. The figure shown is the equivalent winery price/green ton.

For example, if the average raisin price is estimated to be \$950/ton and you expect to have a sugar test of 209B, then the winery equivalent price would be \$228/ton, i.e. only if the expected winery price was \$228/ton would your net returns per acre be equal for raisins or wine.

However, one must keep in mind that it costs a little more to make raisins, but the net returns per acre have historically been greater. It's always more work. Most important, nearly always the making of raisins carries a substantially greater risk.



EQUIVALENT WINERY PRICE PER TON

Raisin Price Per Ton	Sugar Test - At Normal Raisin Harvest					
	17 ⁰ B	18 ⁰ B	19 ⁰ B	20 ⁰ B	21 ⁰ B	22 ⁰ B
700	145	151	158	164	171	177
750	156	162	170	176	183	191
800	166	173	181	188	196	204
850	176	184	193	200	209	217
900	187	195	204	212	221	230
950	197	206	216	224	234	246
1000	207	217	227	237	246	259
1050	218	228	239	249	259	272
1100	228	239	250	261	271	285
1150	238	250	261	273	284	295
1200	249	261	273	285	297	311
1250	259	272	284	297	309	324
1300	270	283	296	309	322	338
1350	280	294	307	321	334	351
1400	290	304	319	333	347	361

The key management question is....at what point is the difference in net returns per acre enough to justify the added risk and work of making raisins????

For additional production cost information see the U.C. vineyard cost sheets that are available at your local Farm Advisors Office.



RAISIN DELIVERIES BY VARIETAL TYPES, 1970-79 TONNAGES¹

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
				Sweatbox Tons						
Natural Seedless	176,066	172,347	91,258	198,753	212,390	253,271	117,605	218,800	74,410	263,000
Muscats	1,440	1,857	712	2,200	2,704	2,039	412	1,162	1,207	1,606
Golden Seedless	11,464	17,168	9,511	16,185	13,847	17,391	14,091	15,200	8,010	19,464
Dipped Seedless	2	212	1,004	5,357	9,634	6,885	5,731	9,137	11,994	13,998
Zante Currants	2,972	2,178	1,107	2,059	2,424	2,801	3,371	3,300	3,308	3,354
Other Varieties	993	1,162	560	1,014	1,113	1,208	714		504	1,553
TOTALS	192,937	194,924	104,152	225,568	242,112	283,595	141,924	247,599	99,433	302,975

GROWER RETURNS PER SWEATBOX TON³

Natural Seedless

Free tonnage cash price	\$320	325	500	700	640	647.50	1,050	840	1,600	1,150
% free tonnage ²	70	77	100	100	73	60	100	69	100	71
Returns on 100% ²	\$278	319	500	700	605	600	1,050	856	1,600	1,150*
<u>Dehydrated (All Types)</u>	\$363	360	542	758	520	633	1,050	836	1,300	1,150*
<u>Muscat</u>	\$390	400	642	723	529	730	1,050	834	1,600	1,150*
<u>Zante Currants</u>	\$230	250	506	723	649	703	1,050	803	1,600	1,150*

*preliminary estimate

¹Raisin Administrative Committee Data

²Cash seller returns only; does not include grower cooperative data.

³California Crop and Livestock Reporting Service Data.

HIGH SUGAR MEANS MORE MONEY

Fresh fruit maturity, i.e. the sugar in the berry, is commonly known as the percent of soluble solids. This percent is usually expressed as Degree Brix ($^{\circ}\text{B}$). The chart below shows the dry ratio decreasing rapidly as the fresh grapes attain higher sugar levels. Another way to show this important relationship is to compare the pounds of dry raisins that can be made from 1 ton of fresh grapes at different percentages of soluble solids.

All marketable raisins contain about 69% sugar. Therefore:

I. The higher the fresh fruit sugar, the less wt. loss or dry down. Therefore, two vineyards having an equal fresh fruit tonnage/acre but different $^{\circ}\text{B}$ will also have different raisin yields. The vineyard with the higher $^{\circ}\text{B}$ will have the greatest raisin yield.

II. Harvest costs are the single greatest production cost item. These are normally paid on a per tray basis. Heavier trays will result from higher sugar grapes even though the fresh fruit wt. per tray was equal. Therefore, less trays are required to make 1 ton of raisins and so the cost of harvest, turning and rolling, boxing, etc. will be less/ton.

Thompson Seedless - Natural Sun-Dried Raisins

$^{\circ}\text{B}$	Dry Ratio	Lbs. raisins from 1 ton of grapes
16	5.08	394
17	4.81	416
18	4.57	438
19	4.35	460
20	4.16	481
21	3.98	503
22	3.82	524

RAISIN MARKETING ORDERS

Raisin marketing orders are authorized by both Federal and California legislation. The California raisin industry initiated both programs in 1949. The Federal Raisin Marketing Order is administered locally under U.S.D.A. supervision. All segments of the industry are represented in this marketing order through their elected representatives.

Part of the Federal Raisin Marketing Order's function is to assist in providing the American consumer with an orderly and regular supply of healthful California raisins. The strict minimum grade standards that help make California raisins prized throughout the world are specified in the marketing order program. In addition, the history of the California raisin industry has been one of tremendous oversupply in some years, followed by disastrously short crops in other years. These wide fluctuations are primarily due to conditions beyond the control of the grower. A typical example was the spring freeze in 1972 that resulted in a loss of more than half of the entire industry's crop. Fall rains during the raisin drying season and fluctuating wine industry grape purchases often aggravated the industry's supply problems.

Therefore, in order to facilitate a reasonably uniform flow of product year in and year out from the farm to the consumer, the Federal Marketing Order specifies that varying percentages of each season's crop can be sold in the domestic and neighboring export markets. This annual percentage figure is noted in the chart and is commonly known as Free Tonnage. The balance of each year's crop is then assigned to the reserve tonnage pool, some of which may be sold through export channels. The export price is sometimes very low and in some years has even been below the California growers' costs of production. Therefore, the "Cash Seller Returns on 100%" category in the chart shows the actual dollars per ton the grower received after combining the normal price on the "Free Tonnage %" with the price he received for the reserve pool tonnage.

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