



Agricultural Issues Center
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Commodity Profile: Cherries, Sweet and Tart

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Overview

Cherries are consumed in many forms, including fresh, frozen, canned, juice, wine, brined and dried. According to the USDA, nearly 60 percent of the U.S. sweet cherry crop is used fresh, while almost all tart cherries are used for processing. In 2003, Washington, California and Oregon were the main sweet cherry producing states, accounting for over 90 percent of the quantity produced. The main tart cherry production states in 2003 were Michigan, Utah and Washington, which produced close to 90 percent of total production. In 2003, the United States produced 236,960 tons of sweet cherries on 75,890 acres. This compares to 102,512 tons of tart cherries, which were grown on 37,300 acres. Total value of U.S. sweet cherry production in 2003 was \$327 million, while tart cherries totaled \$84 million (Figure 1).

Demand

Total cherry consumption in the United States has remained relatively stable, with the 2001 per capita consumption of 1.7 pounds being the same as it was in 1970, (Figure 2). Of the 1.7 pounds, 0.9 pounds, slightly more than half, had first been frozen or canned and only 0.01 pound tart cherries were consumed fresh. Per capita consumption peaked at 2.2 pounds in 1988 and hit a low of 1.3 pounds in 1991 and in 1996. Fresh cherry consumption has also remained relatively constant during the same period, reaching a low of 0.3 of a pound per capita in 1995. In 2001, consumption was at 0.8 of a pound per capita, a level not reached since 1976.

Supply: Sweet cherries

More than 85 percent of commercial sweet cherry production is harvested in Washington, California and Oregon. In 2003, Washington was the largest sweet cherry producer with 46 percent of total U.S. production (116,000 tons). California was second with 24

percent (62,000 tons) of U.S. production while Oregon accounted for 17 percent (38,000 tons).

U.S. sweet cherry bearing acreage increased 66 percent, from 45,620 acres in 1992 to 75,890 acres in 2003 (Figure 3). U.S. production has fluctuated considerably during the last decade (Figure 4). 2003 production at 236,060 tons was up 30 percent from 181,225 tons in 2002 and 15 percent higher than the 205,000 tons in 1992.

Supply: Tart cherries

Tart cherry acreage in the United States totaled 37,300 acres in 2003, down from 48,450 in 1992. Total U.S. production of tart cherries in 2003 was 102,512 tons, up from a very small harvest of 28,576 tons in 2001, but down from 167,830 tons in 1992. Less than 1 percent of tart cherry production in the United States is for fresh use. In 2003, three states produced 90% of the harvest. The main producing states were Michigan with almost 70% percent (69,853 tons) of total production, followed by Utah (11,794 tons) and Washington (9,072 tons). Other tart cherry producers in 2003 were Wisconsin, New York, Colorado, Pennsylvania, and Oregon. The total value of U.S. tart cherry production reached \$83 million in 2003, up from \$55 million in 1992.

Exports: Sweet cherries

The United States is a net exporter of sweet cherries, with approximately one-fifth of the U.S. sweet cherry production destined for export in 2003. In 2003, 93 percent of U.S. sweet cherry exports were fresh, while the rest consisted of frozen or preserved cherries.

U.S. sweet cherry exports were \$181 million in 2003, up 15 percent from 2002. Exports increased during the early 1990s, and by 1994 the value of sweet cherry export reached \$143.2 million (Figure 5). Since then, the value of U.S. sweet cherry exports fluctuated, but reached a high in 2003.

Since at least 1989, Japan has been the largest export destination for U.S. sweet cherries, accounting for 41 percent of U.S. sweet cherry exports in 2003, when Japan imported \$75 million worth of U.S. sweet cherries. Canada received 25 percent (or \$45 million) of all U.S. sweet cherry exports in 2003, making it the second largest export customer behind Japan. Taiwan was the third most important destination in 2003, and accounted for 12 percent of total U.S. exports. U.S. sweet cherry shipments to Canada grew from \$9.3 million in 1989 to almost \$45 million in 2003. In 2003, the U.S.'s southern NAFTA partner, Mexico, was the tenth largest destination of U.S. sweet cherries. U.S. sweet cherry exports to Mexico were \$1.2 million, up from \$1 million the previous year.

Exports: Tart cherries

As with sweet cherries, the United States is a net exporter of tart cherries, with tart cherry exports accounting for roughly 11 percent of total sweet and tart cherry export value. In 2003, U.S. tart cherry exports were valued at \$23.2 million, up from \$3.9 million in 1989 (Figure 6). Exports generally increased during the first half of the 1990s and reached \$18.3 million in 1997. U.S. cherry tart shipments were lower in 1998 and 1999 at about \$12 million per year, but rebounded in subsequent years to the present level. In 2003, the

top export destinations for U.S. tart cherries were Japan at \$6.4 million, followed by Canada at \$5.5 million and Australia at \$4.3 million. Approximately 55 percent of all tart cherry exports in 2003 consisted of fresh tart cherries, while the remainder was a frozen or processed product.

Imports: Sweet cherries

U.S. sweet cherry imports totaled \$26.9 million in 2003, up from \$1.8 million in 1989. Since at least 1989, Chile has been the top supplier of sweet cherries to the U.S. In 2003, most U.S. sweet cherry imports (almost \$16 million) came from Chile. Italy was the second largest supplier, accounting for \$5.1 or 19 percent of U.S. imports. Turkey was the third largest supplier of sweet cherries to the U.S. market in 2003 and shipped \$2.7 million worth of sweet cherries.

Imports: Tart cherries

U.S. imports of tart cherries were valued at \$8.2 million in 2003, up from \$346,000 in 1990. Import levels were relatively unchanged during the 1990s reaching \$1.3 million in 1999, but then increased to over \$10.9 million in 2002. Canada at \$4.3 million and Poland at \$2.5 million were the main suppliers of U.S. tart cherry imports in 2003.

Tariff rates and policy changes resulting from NAFTA

The United States has no tariffs for fresh or frozen sweet cherry imports from countries with which normal trade relations are maintained. Trading partners without normal trade status with the United States face a tariff of 4.4 cents per kilogram when shipping fresh or frozen sweet cherries into the United States.

In 1988, before the Canadian-U.S. Free Trade Agreement, Canada imposed tariffs of either 6.61 cents per kg or 8.82 cents per kg on all U.S. cherries, depending on the type of shipment. All Canadian tariffs were reduced over 10 years and reached zero in 1998.

In 1994, upon the implementation of NAFTA, Mexico eliminated its 20 percent tariff on cherry shipments from the United States.

Price

The inflation-adjusted price (1996 dollars) for U.S. sweet cherries has also fluctuated since 1992. Overall, the price increased from a low of \$996 per ton in 1992 to \$1,256 per ton in 2003 (in 1996 dollar terms). The price of sweet cherries peaked in 1996, at \$1,470 per ton.

Sources

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Figures

Figure 1: U.S. Cherry Production, Value, Sweet and Tart, 1992-2003

(Source: National Agricultural Statistical Service)

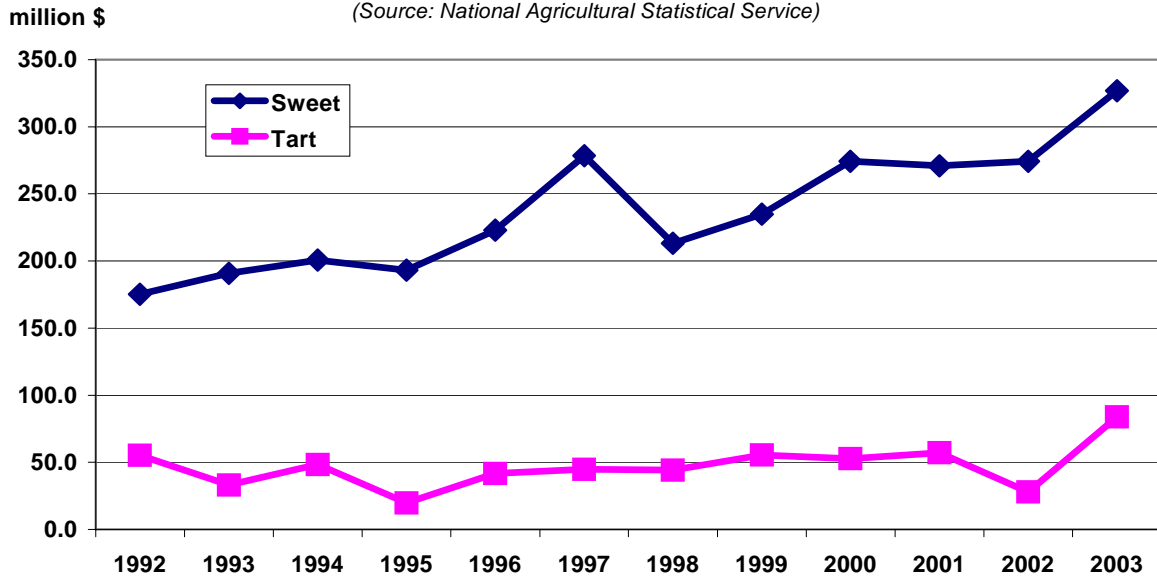


Figure 2: U.S. Per Capita Cherry (Sweet and Tart) Consumption, 1970-2001

(Source: USDA Economic Research Service)

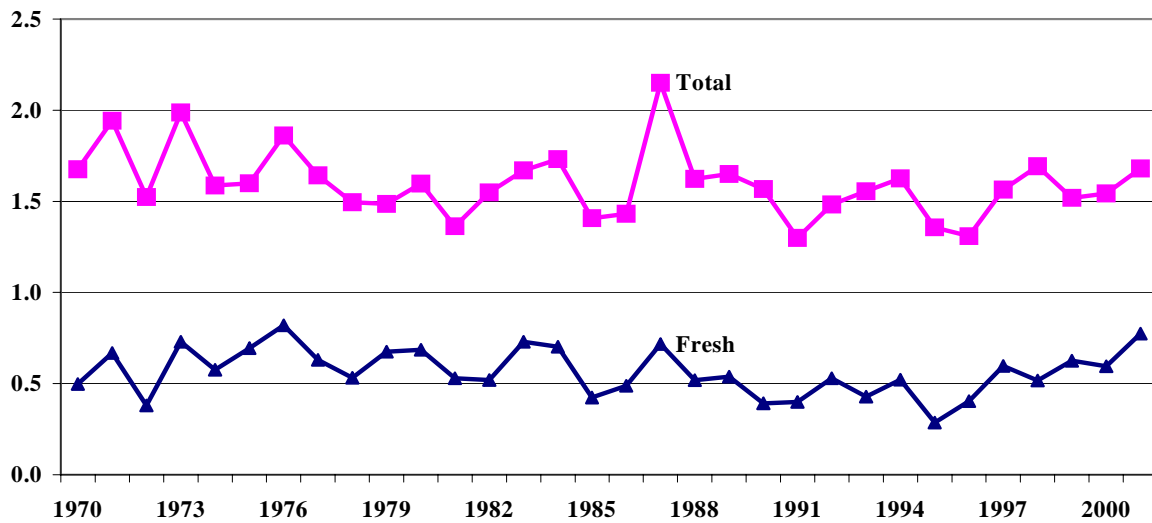


Figure 3: U.S. Sweet Cherry Acreage, 1992-2003

(Source: National Agricultural Statistical Service)

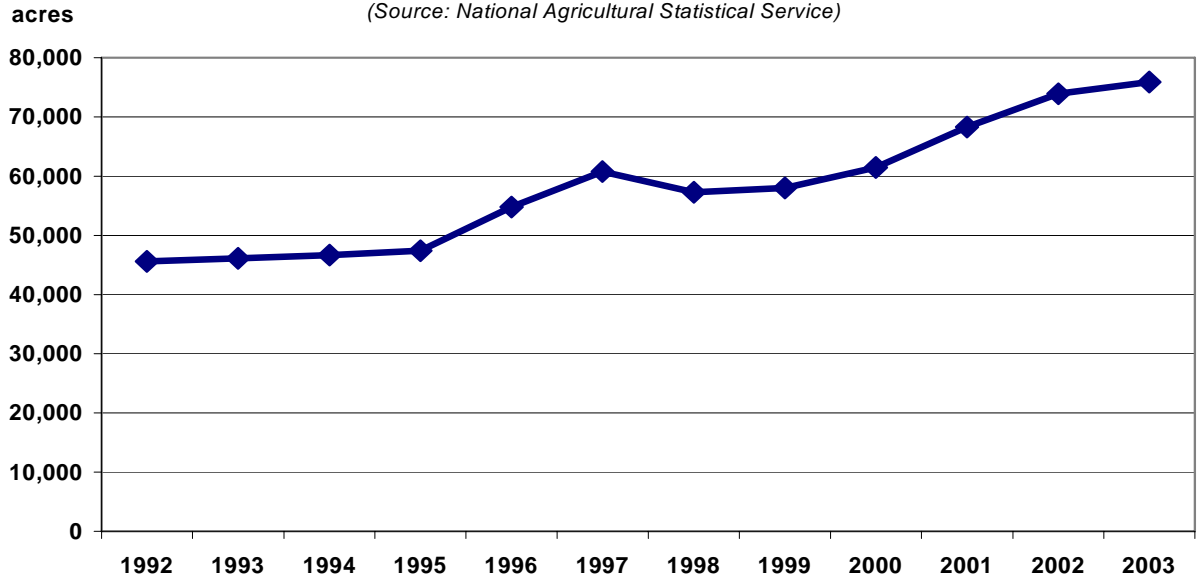


Figure 4: U.S. Sweet Cherry Production, 1992-2003

(Source: National Agricultural Statistical Service)

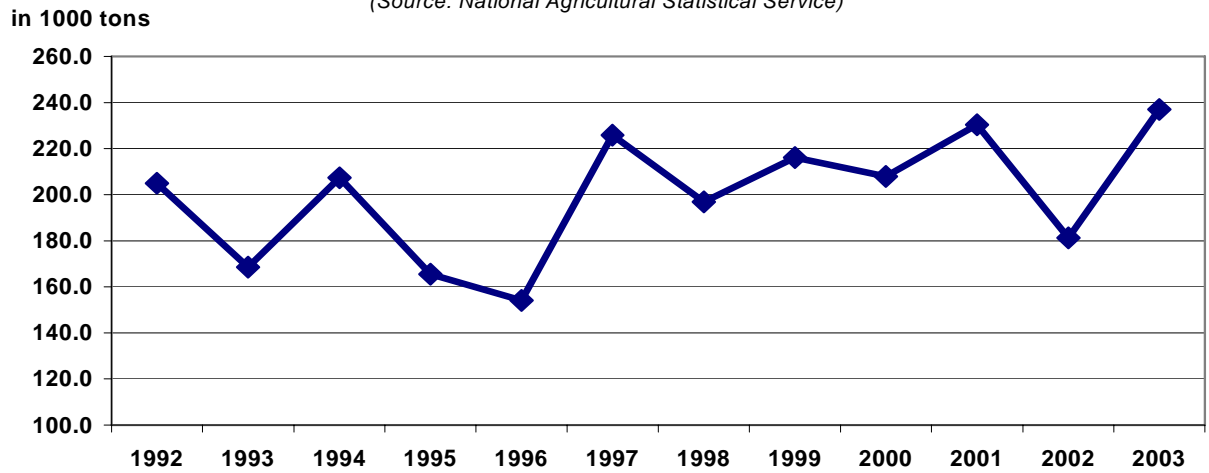


Figure 5: U.S. Fresh Sweet Cherry Exports, 1989-2003
(Source: U.S. Customs Service)

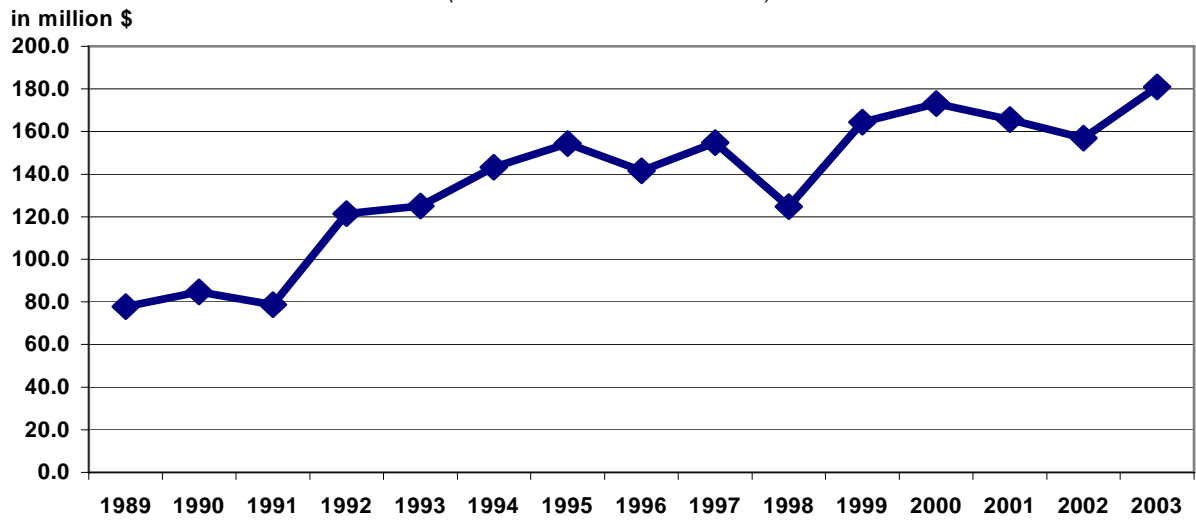


Figure 6: U.S. Tart Cherry Exports, 1989-2003
(Source: U.S. Customs Service)

