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Commodity Profile: Apricots

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Overview

Spanish explorers are credited with introducing the apricot to the New World, with the earliest plantings reported in Virginia. But the temperate eastern climate was not suitable for apricot production, which did not flourish until seeds were planted in the gardens of Spanish missions in California. Today, over 94 percent of the apricots grown in the United States come from California, where the first major crop of apricots was recorded in 1792 in an area south of San Francisco. The remaining 6 percent of total U.S. apricot production comes from Washington and Utah.

Like most stone fruits, apricots thrive in a Mediterranean climate of long, hot summers and cool, wet winters. Apricots mature primarily in early summer making them one of the earliest available summer fruits. Commercially, the fruit is harvested just as the skin changes from green to yellow before the fruit is too soft and subject to bruising and rapid decay. The U.S. fresh market production season is relatively short, lasting from mid-May through mid-August. However, processed apricots are typically available throughout the year.

Industry Background and Marketing

Nearly 75 percent of U.S. apricot production is destined for the processing sector which includes canning, freezing, juice, and dried products (Economic Research Service (ERS) 2004). The three major processors of apricots in 2001 were Signature Fruit Company, Del Monte Foods, and Pacific Coast Producers, Signature Fruit Company having become the successor to the bankrupt Tri-Valley Growers in 2000. Del Monte Foods and Pacific Coast Producers combined account for nearly 55 percent of total canned apricots (Apricot Producers of California).

According to the Apricot Producers of California, the majority of California growers are small, family-owned businesses, with the farm acreage averaging between 50 to 60 acres. As the number of growers has decreased in recent years, production has become more concentrated. According to the Census of Agriculture, the number of U.S. apricot farms totaled 2,700 in 2002, a decrease of 28 percent from 1997.

Given the decrease in per capita consumption of canned apricots and increasing competition from abroad, growers have increased promotion of fresh-market apricots with the goal of receiving higher returns for their product (ERS 2004).

Demand

Total apricot consumption per capita in the United States has fluctuated between 0.9 and 1.6 pounds from 1972 to 2003. Fresh market consumption has remained relatively stable under 0.2 pounds per capita while, consumption of dried apricots has increased and consumption of canned apricots has decreased markedly (Figure 1). In 1972, canned apricot consumption was 0.9 pounds per capita and dried apricot consumption was 0.2. By 2003 canned apricot consumption had fallen to 0.2 pounds per capita, while dried apricot consumption increased to 0.7 pounds per capita. Increasing imports, an increasingly health-conscious population, and industry promotions have sustained domestic consumption despite decreasing domestic production.

Supply

The world's largest producers of apricots are Turkey and Iran, accounting for 18 percent and 12 percent of world apricot production respectively. The United States accounts for roughly 3 percent of world production and ranks ninth behind Italy, Spain, France, Pakistan, Morocco, and Syria (ERS 2004).

The total value of U.S. apricot production reached \$35 million in 2004 (Figure 2). The value of fresh production accounted for 45 percent of this total while the remaining 55 percent consisted of processed apricots (National Agricultural Statistical Service (NASS)).

Total bearing acreage over the past decade has decreased from 21,580 acres in 1996 to 17,340 in 2002 and 2004 (Figure 4). California comprised 92 percent of U.S. bearing acreage in 2004, and production has been concentrated in the San Joaquin Valley in the counties of Stanislaus, San Joaquin, and Merced. Washington State is the second largest producer, accounting for roughly 6 percent of the total, and Utah accounts for less than 1 percent (ERS 2004).

Prices

Average prices for fresh market apricots are typically higher than those for processed apricots. Prices for fresh market apricots are, in general, more variable. However, the inflation-adjusted price for both fresh and processing apricots (in year-2000 inflation-adjusted dollars) has been decreasing since the early 1980s (Figure 4). Fresh apricot market prices peaked in 1986 at \$1,382 per ton and again 10 years later in 1996 to \$1,253 per ton. In 2004, market prices for fresh apricots were \$615 per ton, processing apricot prices were \$256 per ton, and the average price was \$346 per ton. The overall, or average, price received by growers for all apricots is closer to that of processing apricots because the majority of production is destined for processing.

Imports

The value of imports has steadily increased since 1989, barring a notable drop in 2001. Lower-cost imports have increased competition for the U.S. domestic market. Total imports were

valued at over \$47 million making the United States a net importer (imports minus exports) of apricots by almost \$34 million in 2004. Over 87 percent of the imported apricots entered the United States from Turkey. Chile was the second largest exporter to the United States accounting for 6 percent of total apricot import value (Figure 5).

In 2004, the value of dried apricot imports accounted for about 90 percent of total apricot imports, followed by fresh imports (8%), preserved (1%), and pulp (less than 1%). In 2004, Turkey was the main source of dried apricots shipments to the United States. Chile was the leading source of U.S. fresh apricot imports, and Mexico shipped the majority of preserved apricots in 2004, capturing a large share of imports formerly supplied by South Africa.

Exports

The total 2004 value of U.S. apricot exports (fresh, dried, and preserved/canned) was \$13.3 million, down from the 2002 high of \$18 million. However, most U.S. apricots are consumed domestically and generally less than 5 percent of total production is destined for export. In 2004, exports of fresh apricots accounted for 69 percent of total U.S. apricot export value, dried exports accounted for 38 percent, and preserved about 13 percent. (Foreign Agricultural Service (FAS)). The largest export markets for U.S. apricots in 2004 were Canada, accounting for over half of total value followed by Mexico with 15 percent. Japan rounded out the top three U.S. export destinations accounting for 13 percent of all apricot exports (Figure 6). Exports to Canada have followed a generally increasing trend over the last decade, increasing from \$4 million in 1994 to \$7.4 million in 2004. Exports to Mexico have been more variable. Historically, Canada accounts for the majority of U.S. fresh and preserved apricot exports while apricot exports to Japan are predominately dried.

Sources

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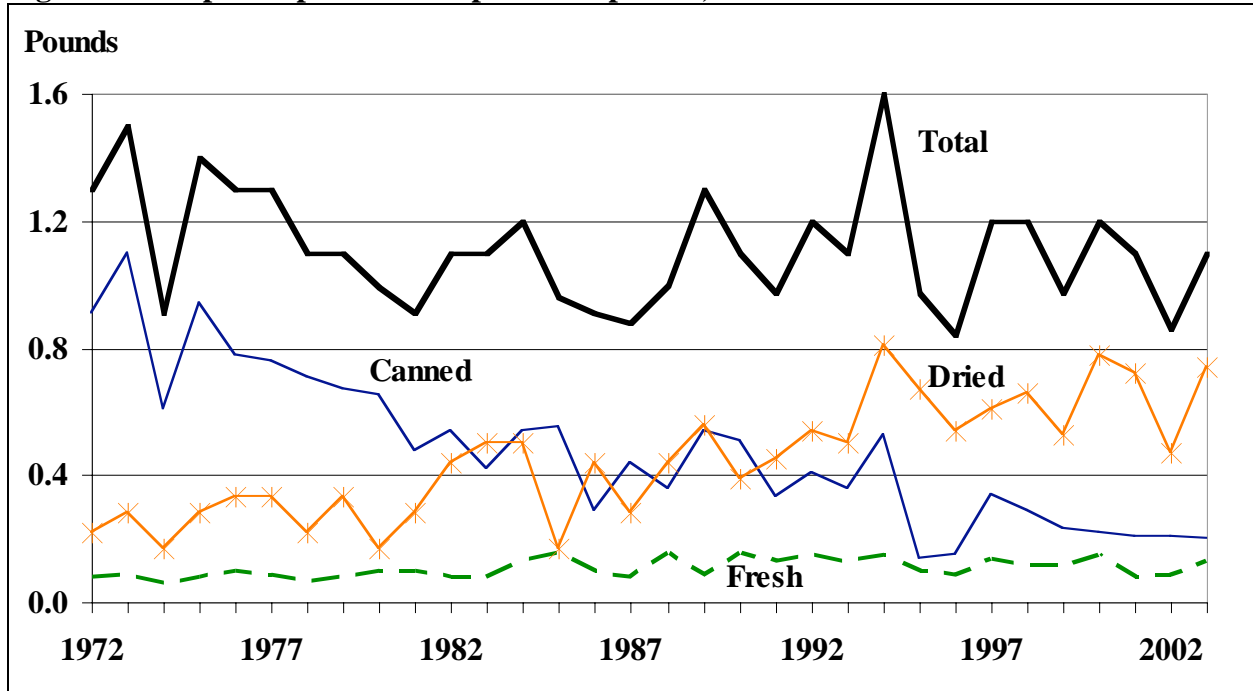
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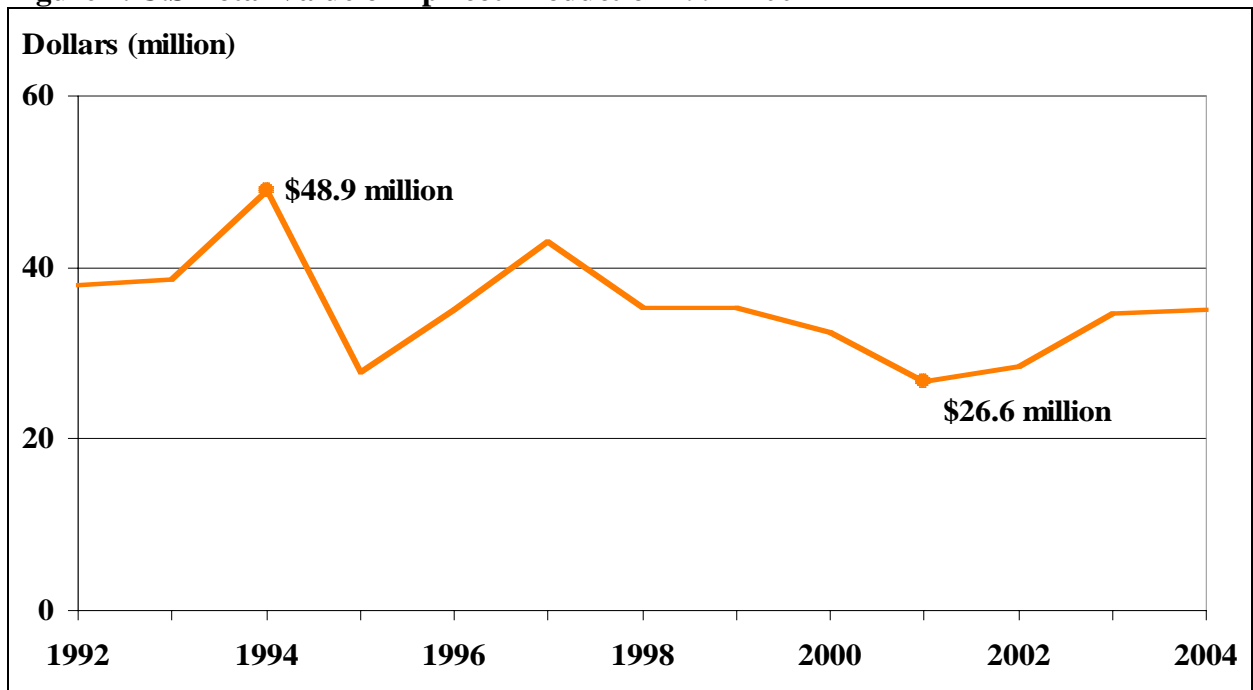
Figures

Figure 1. U.S. per Capita Consumption of Apricots, 1972-2003



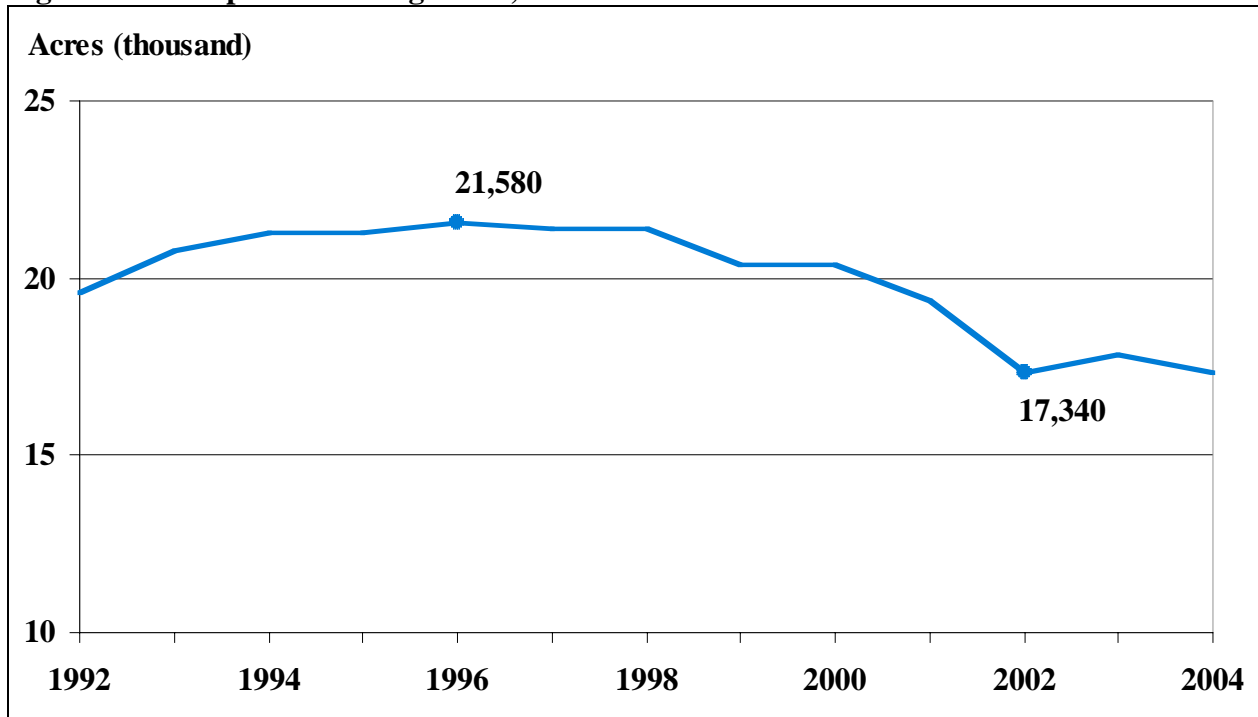
Source: USDA Economic Research Service Per Capita Data System

Figure 2. U.S. Total Value of Apricot Production 1992-2004



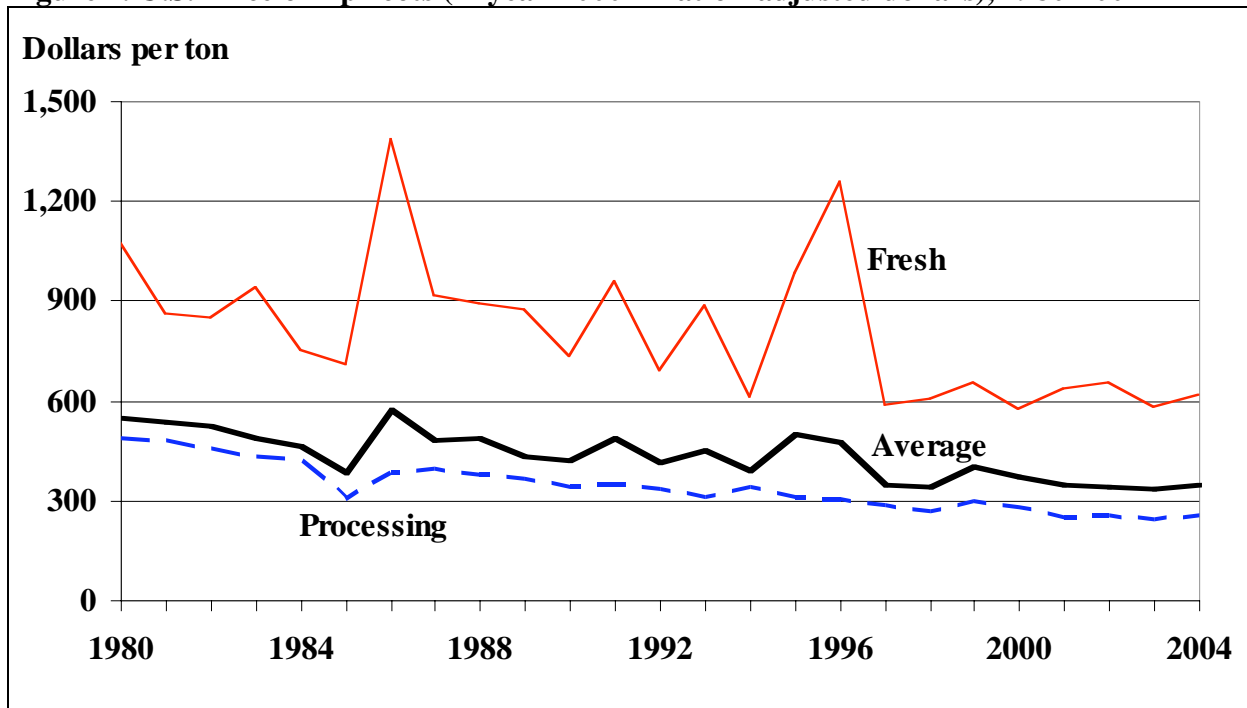
Source: USDA Economic Research Service Vegetables and Melons Yearbook

Figure 3. U.S. Apricot Bearing Acres, 1992-2004



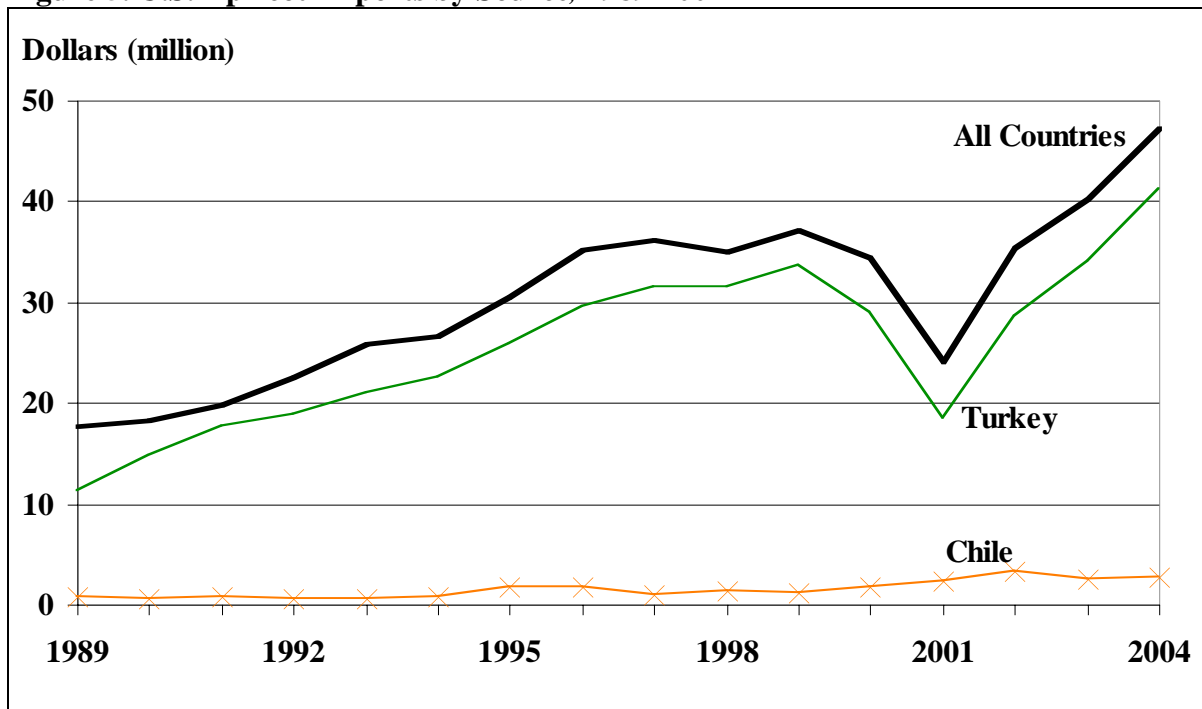
Source: USDA Economic Research Service Vegetables and Melons Yearbook

Figure 4. U.S. Price of Apricots (in year-2000 inflation-adjusted dollars), 1980-2004



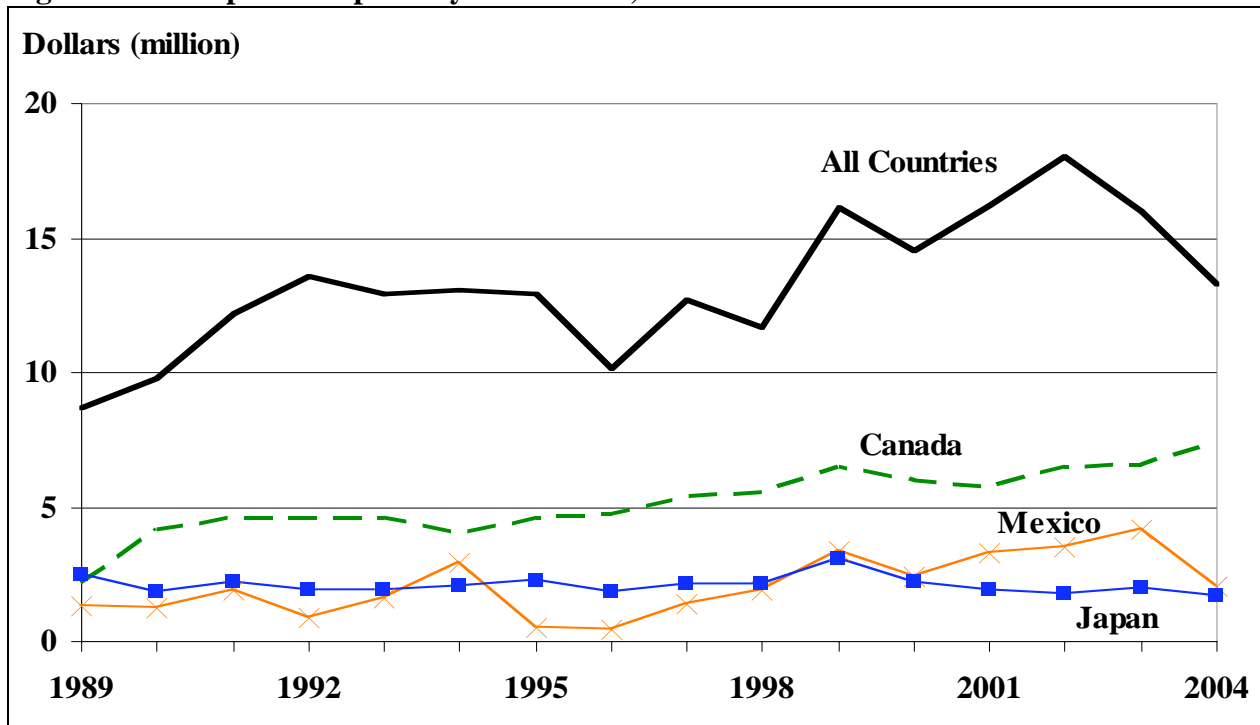
Source: USDA Economic Research Service, Vegetables and Melons Yearbook

Figure 5. U.S. Apricot Imports by Source, 1989-2004



Source: USDA Foreign Agricultural Service

Figure 6. U.S. Apricot Exports by Destination, 1989-2004



Source: USDA Foreign Agricultural Service