



INGREDIENT
TECHNOLOGY
GROUP

Press Information

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OCEAN SPRAY REDUCES 2010 CROP FORECAST

Ocean Spray has reduced its 2010 cranberry crop forecast for both the cooperative and the industry. The cooperative believes that earlier forecasts, as recently as September, were optimistic but that lower yields, primarily due to poor weather conditions in its main growing areas, will result in a drop of over 6% compared to previous industry estimates.

“Given the continued discussion throughout the grower communities of a large and increasing crop surplus, we thought it was important to alert our growers, agents and key customers of the rapidly changing situation,” comments Mike Stamatakos, VP Agriculture Supply and Development. “There was excellent blossom and fruit set earlier in the year, leading our growers to forecast a large 2010 crop. However recent delivery analyses and grower reports point to significant fruit rot in parts of Wisconsin caused by incessant summer rains, scalding in Massachusetts caused by excessive summer heat and lower crop overall yields in the west due to a very cool and wet growing season. Taken in total, based on Ocean Spray’s year-to-year crop data, we now project the 2010 US crop to be less than 7.0 million barrels, down over 500,000 barrels from the August Cranberry Marketing Committee (CMC) projection of 7.5 million.”

The 2010 cranberry crop follows a record harvest in 2008 and good yields in 2009. The popularity of the cranberry and cranberry-based products around the world has seen continued sales growth with the CMC reporting industry sales to be up by 4.3% over the past twelve months and by 9% over its last three reporting periods.

“Competitive commodity pricing, government purchases, cranberry innovation and continued international consumer demand seem to be driving these sales trends,” continues Stamatakos. “Given

the projected crop shortfall and continued sales growth, the industry could make a significant move towards supply-demand equilibrium”.

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Editor's note

About Ocean Spray

Ocean Spray is an agricultural cooperative owned by more than 700 cranberry growers as well as more than 50 grapefruit growers. Ocean Spray is North America's leading producer of canned and bottled juices and juice drinks, and has been the best-selling brand name in the canned and bottled juice category since 1981. Ocean Spray posted fiscal 2009 sales of \$2.0 billion. Ocean Spray's Ingredient Technology Group (ITG) sells cranberry concentrate worldwide, and offers an extensive portfolio of other fruit ingredients including sweetened dried cranberries, BerryFusions® Fruits, cranberry powders and purée – with total annual sales of approximately \$140 million.

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