

ASTA ANNUAL MEETING
APRIL 20, 2005



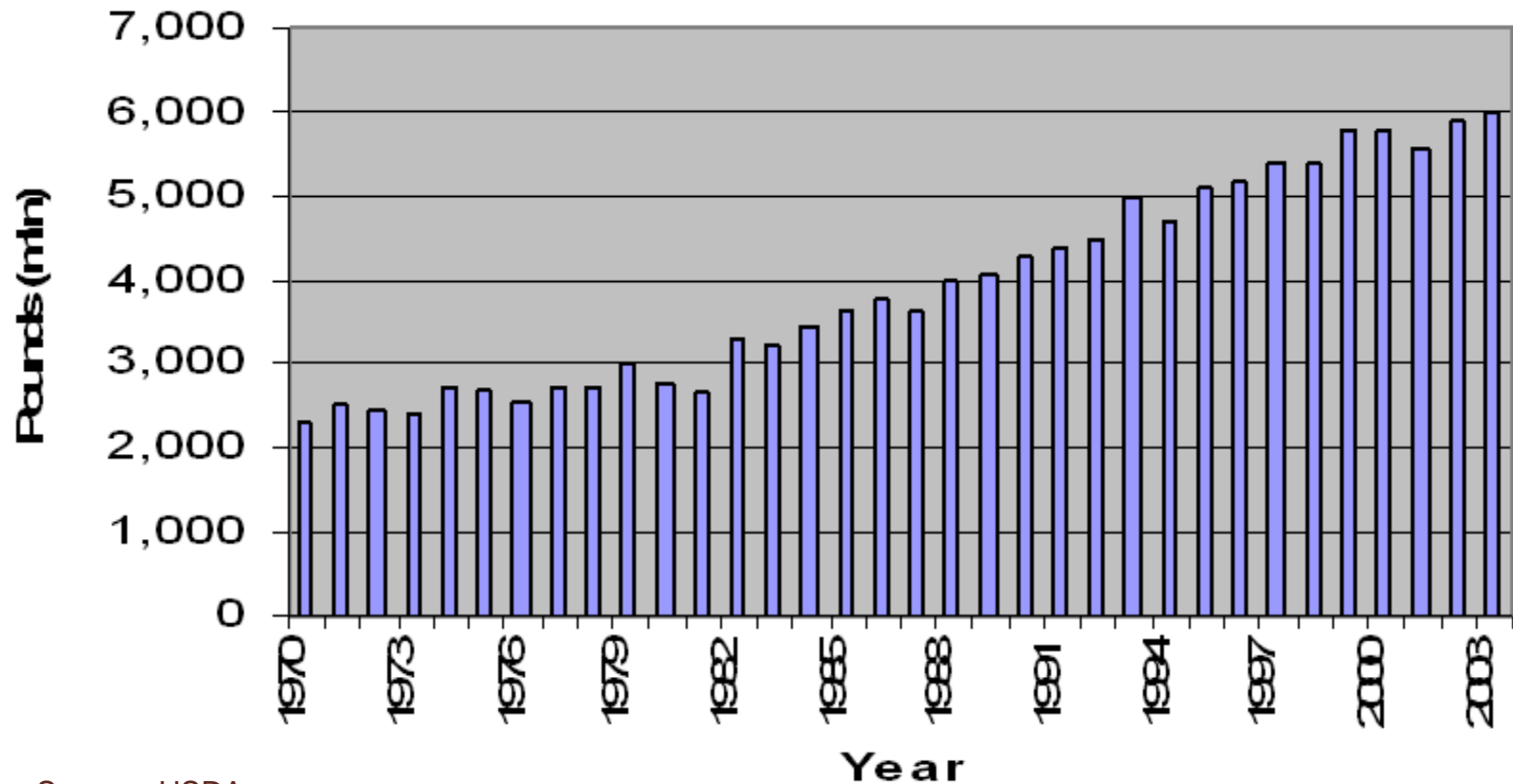
Onion/Garlic Crop Report

Greg Estep

ConAgra Food Ingredients

US Onion Consumption is Flat

Demand Growth Equal to Pop. Growth



Source: USDA

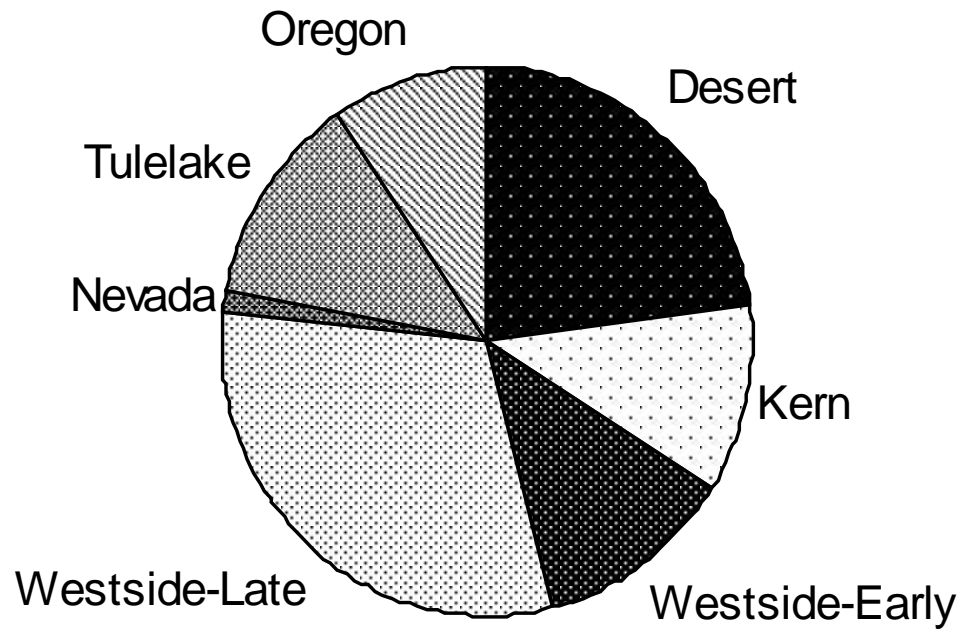
US Onion Crop Conditions

- ❑ Desert crop is progressing well and expect normal yields/quality
- ❑ Kern crop is developing slower than expected due to wet weather and there is yield concern
- ❑ Early-planted Westside crop is progressing very well and expect good yields/quality
- ❑ Late-planted Westside crop was negatively impacted by wet weather and is behind development with some acreage loss

US Onion Crop Conditions

- ❑ Oregon crop was planted under normal conditions and is progressing well
- ❑ Nevada crop should be relatively small with exit of operations by one company in this area
- ❑ Tulelake area has just started planting with drought conditions of some concern

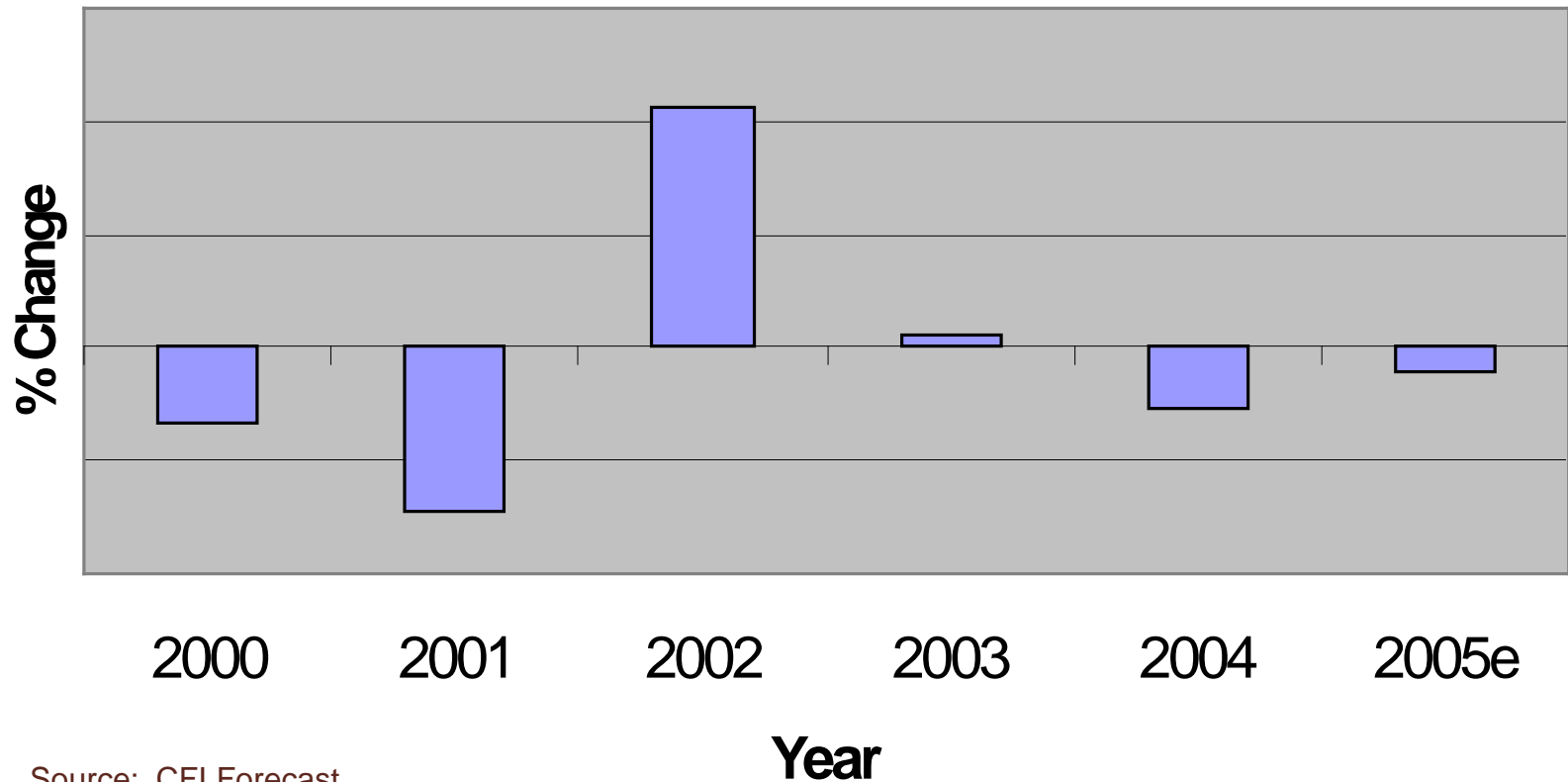
US Dehy Onion Growing Regions



Source: CFI Estimate

US Dehy Onion Crop Down Slightly

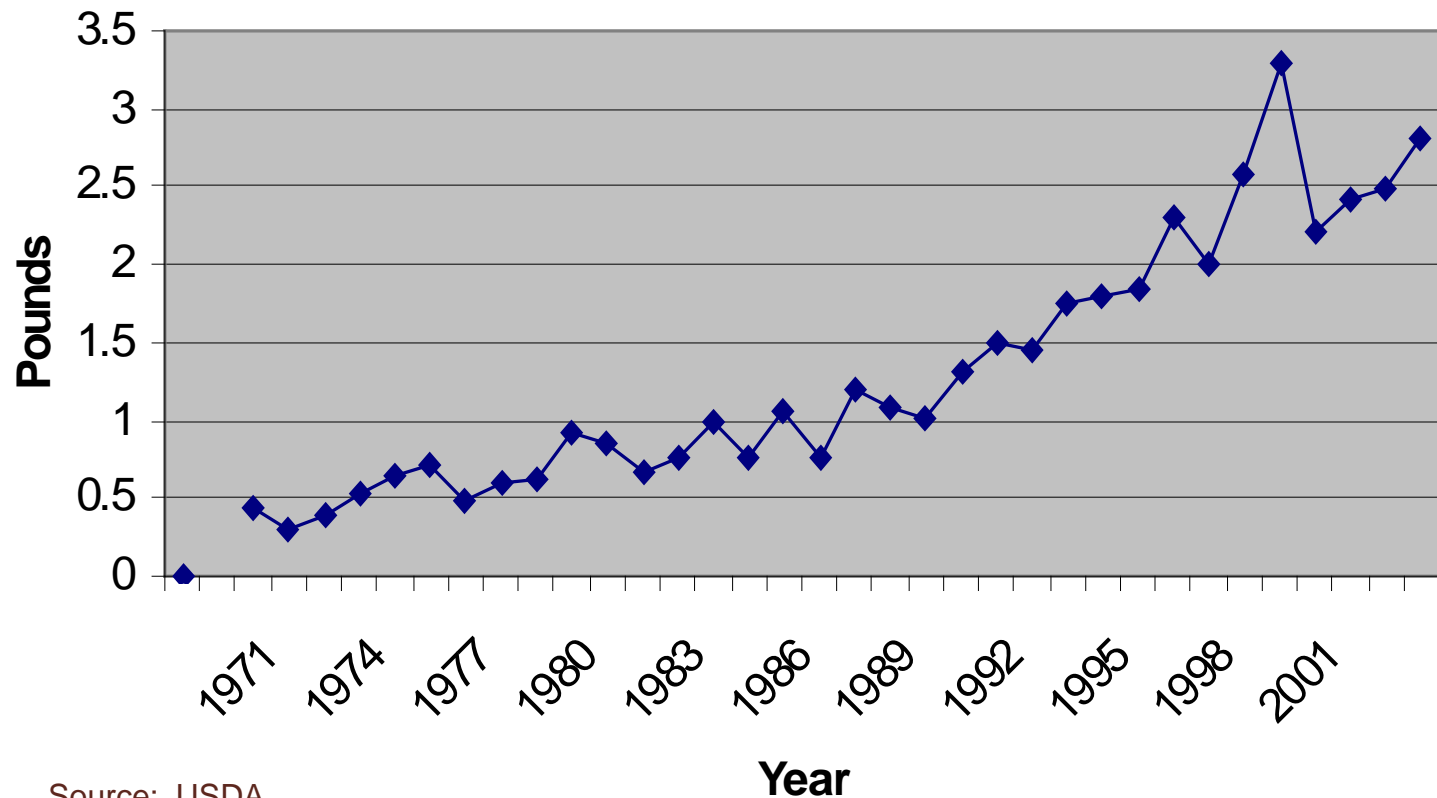
% Change vs Prior Year



Source: CFI Forecast

US Consumer Eating More Garlic

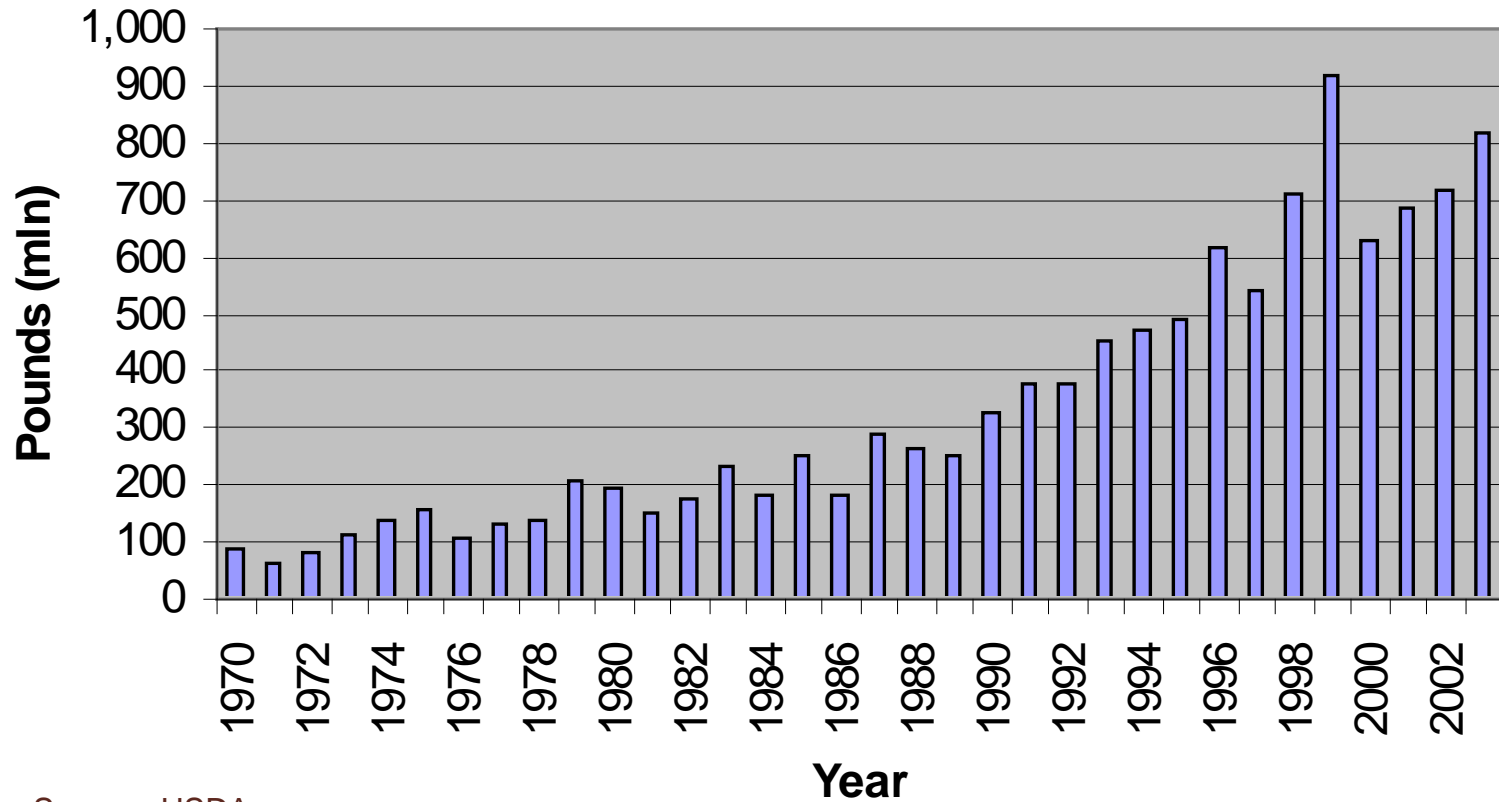
Per Capita Garlic Consumption



Source: USDA

US Garlic Consumption is Strong

Garlic Use Keeps Expanding



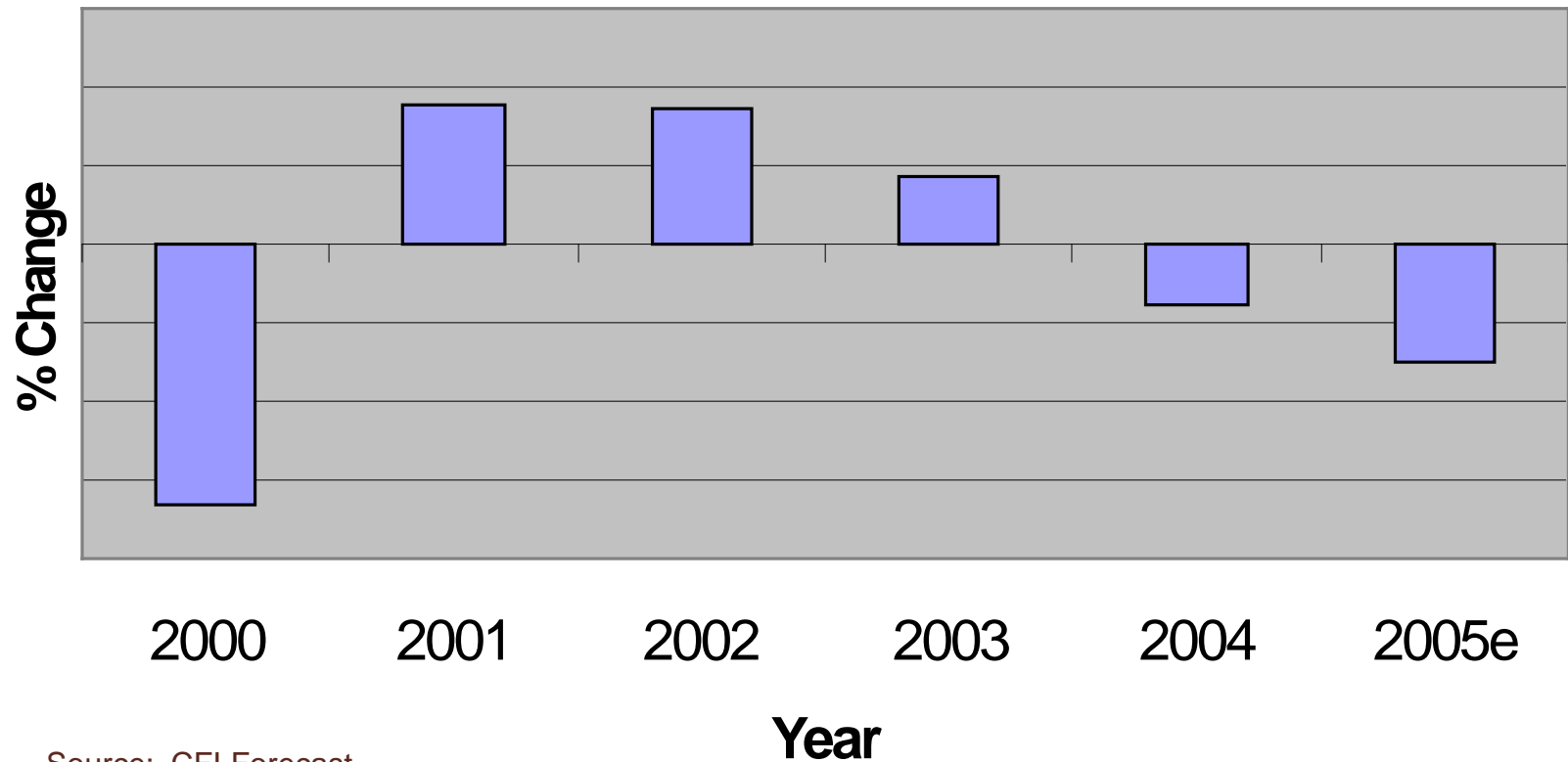
Source: USDA

US Garlic Crop Conditions

- ❑ San Joaquin Valley crops are progressing well and overall expect normal yields/quality
- ❑ Calif Early garlic fields are cloving and have a very good appearance
- ❑ Calif Late garlic fields have some disease pressure due wet weather
- ❑ Calif Late garlic fields are expected to improve with drier weather and fungicide applications

US Dehy Garlic Crop Lower

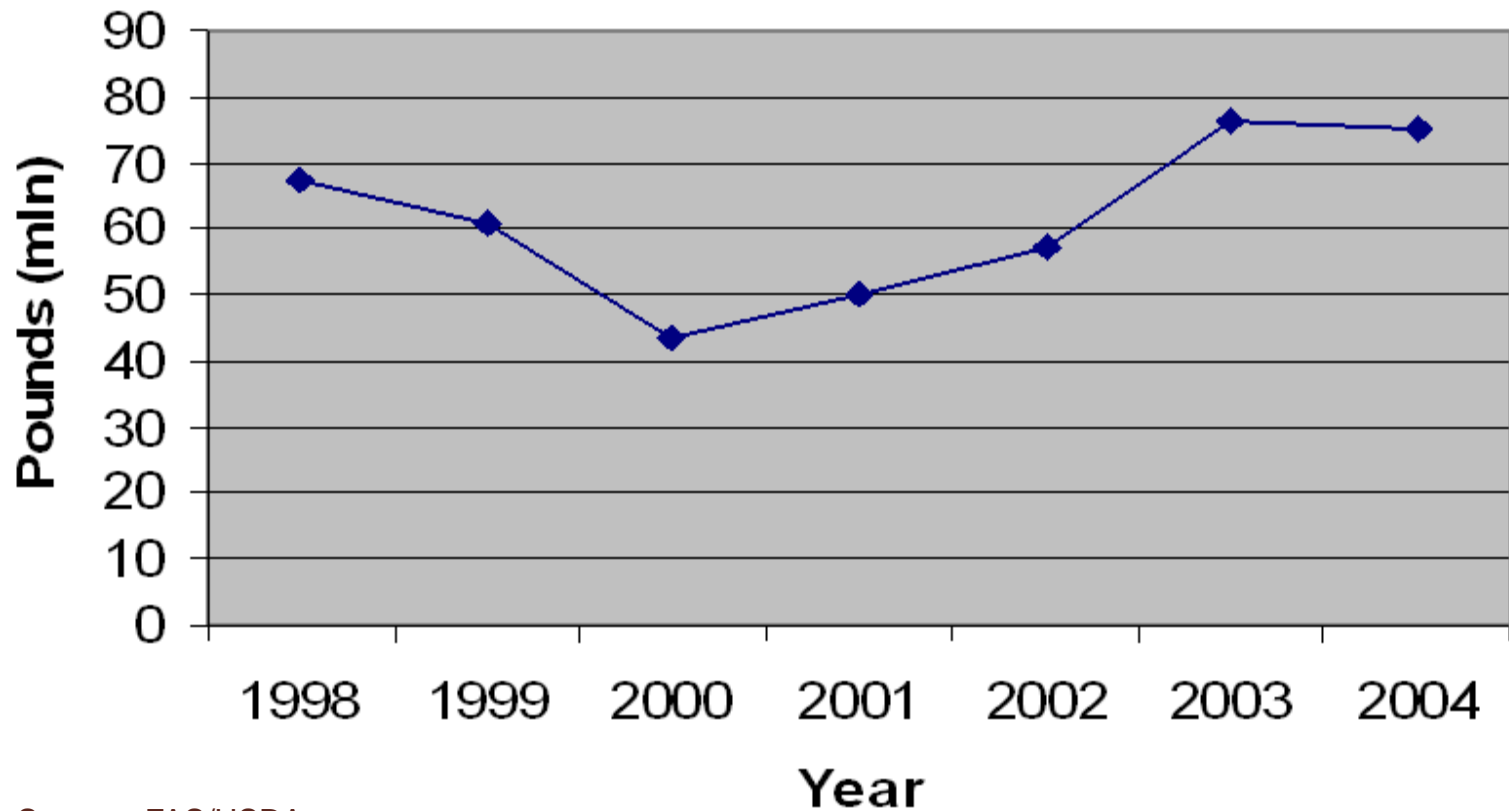
% Change vs Prior Year



Source: CFI Forecast

China Dehy Garlic Imports Slower

Imports were Down vs Last Year



Source: FAS/USDA

China Garlic Conditions

- ❑ Acreage expected to decline as government policies are providing new incentives on major row crops (rice, corn, wheat)
- ❑ Cold weather at planting and recent dry weather may negatively impact yields/quality
- ❑ Segregation of quality with better product going to fresh garlic exports
- ❑ Energy costs increased sharply last year
- ❑ Quality issues continue to be a concern

China Quality Issues

- ❑ Belgium issued Alert Notification regarding product from China having “too high content of lead in garlic powder” (EU Rapid Alert 3/18/05)
- ❑ Spain issued Information Notification regarding product from China having “too high content sulphites in garlic dehydrated” (EU Rapid Alert 11/5/04)

ADOGA Updates Standards

- ❑ 14th Edition of ADOGA “Official Standards and Methods” released April, 2005
- ❑ Updates methodology and terms
- ❑ Includes limits and guidelines on lead, sulfites, and pesticide residues
- ❑ ADOGA members are providing the “Official Standards and Methods” for free to the industry
- ❑ Standards can be downloaded at www.cfp.com by choosing the ADOGA Manual link

Thank You



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