

ASTA Crop Report

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2007 Onion Crop Review

- 2007 Crop Year & Growing Conditions
 - Plantings were on time for the most part
 - Record cold weather and Freeze damage in some parts of California retarded seedling growth with some acreage lost
 - Not all lost acreage was able to be replanted
 - Industry shortfall of approximately 12%
 - Tight supply of Natural low Bac

Onion Growing Areas - Western U.S.

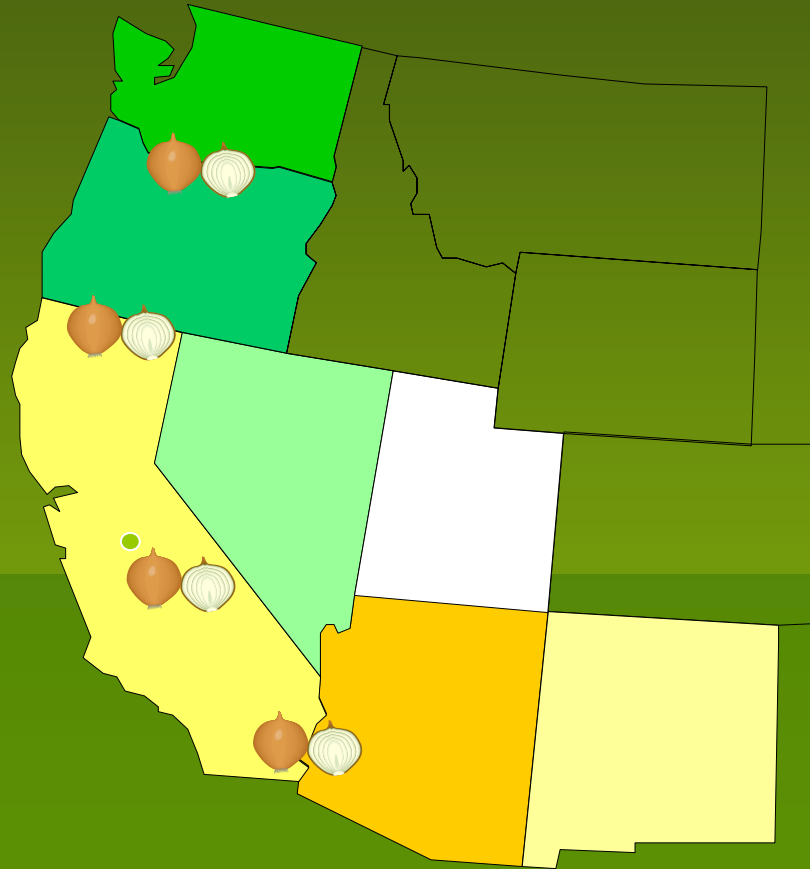
Umatilla

Tulelake

Westside

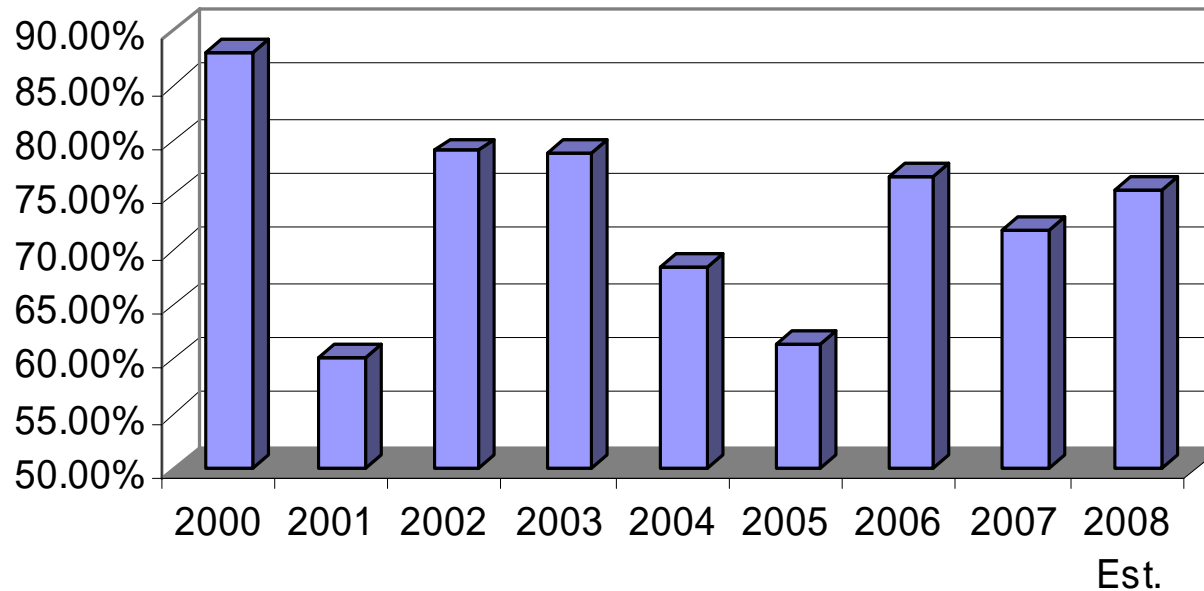
Kern

Desert



Onion Crop History

CGODAB Onion Loads Inspected Related to 1999



2008 Onion Crop Update

- 2008 crop was planted on time for the most part
 - Grower costs and competition for acreage forced some acreage to be planted late
 - Late acreage was forced to non traditional growing areas
 - Onion raw material costs increasing 20%
 - Driven by increased grower costs, and other inputs
 - Planned crop size similar to 2007

Issues Impacting Supply & Price

- Crop competition from commodity crops continue to drive land costs up
 - Wheat
 - Corn (ethanol)
 - Corn acreage has increased approximately 30% over the past three years.
 - Processing Tomatoes
 - Costs for grower contracts have increased by 46% over the past three years
- Water
 - Westside as with all of California is experiencing tight water availability and supplies
 - Water restrictions will continue

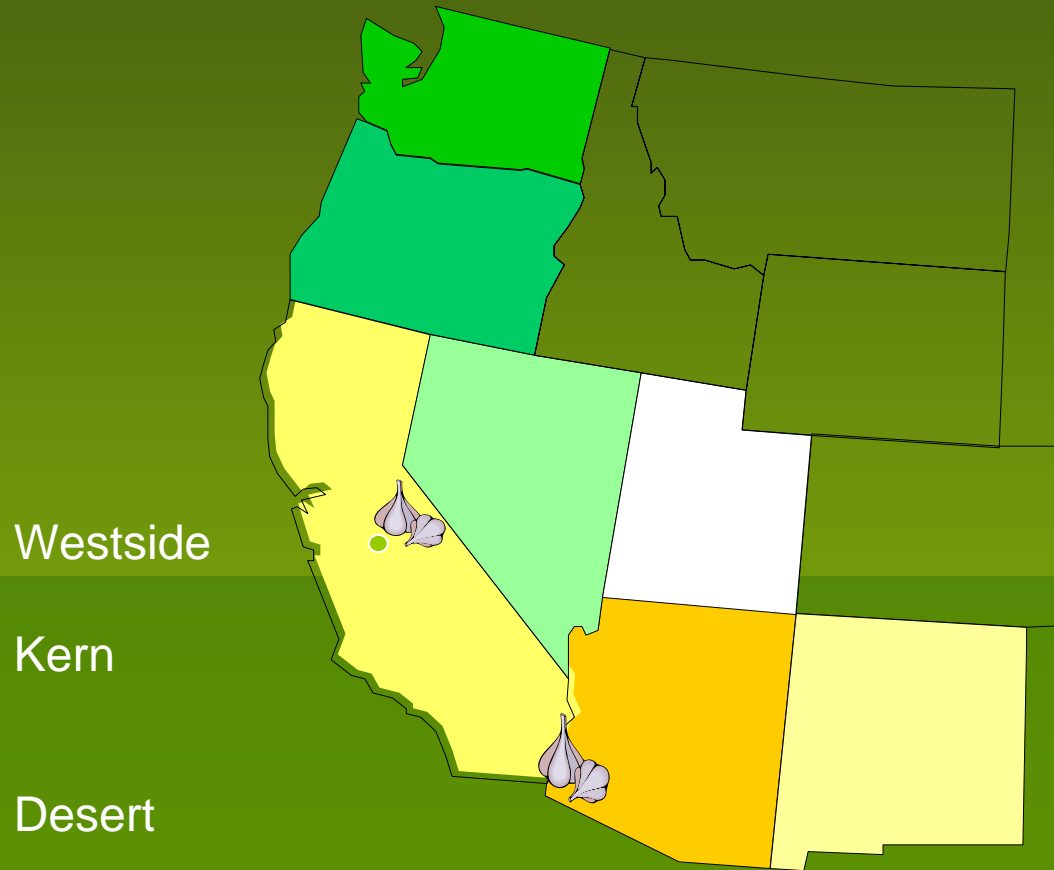
Issues Impacting Supply & Price

- Global demand is increasing for domestic onion
- Other petroleum based inputs continue to increase (e.g.; Diesel, Fertilizer, Natural gas)
- Reduced global onion production, and increasing costs
- Consecutive poor crops in the U.S., India, Egypt and China have greatly reduced Industry carry over levels
- Domestic consumption is increasing
 - India, Egypt etc.
- Continued demand to meet food safety and compliance requirements

2007 Garlic Crop Review

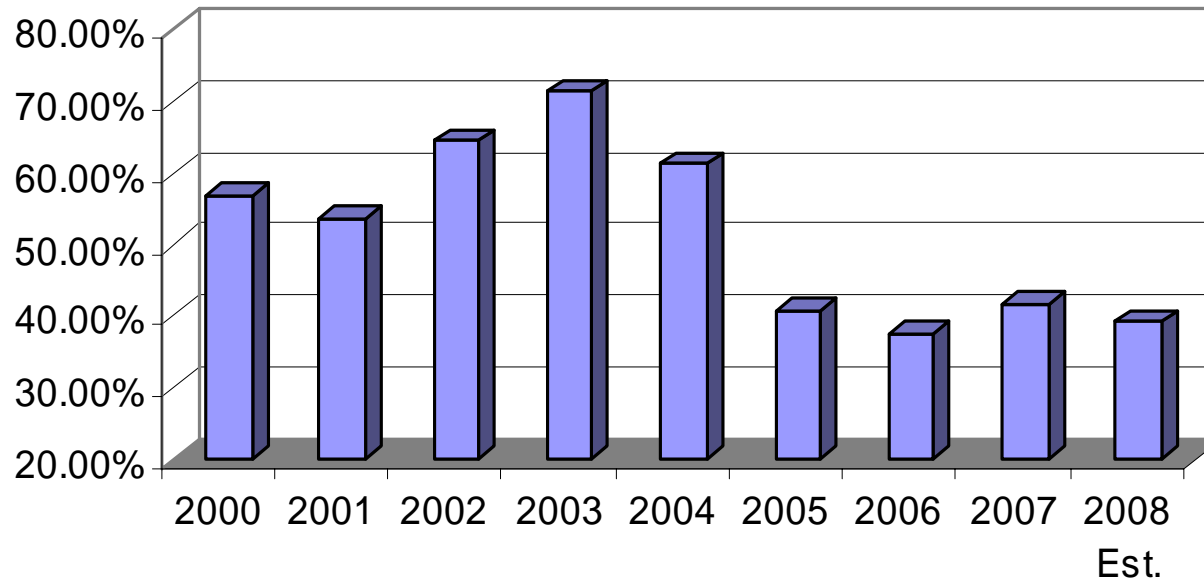
- 2007 Crop Year & Growing Conditions
 - Plantings were on time for the most part
 - Record cold weather and Freeze damage in some parts of California retarded seedling growth to a greater extent than with onion
 - Not all lost acreage was able to be replanted
 - Garlic seed shortage limited industry plantings

Garlic Growing Areas – Western U.S.



Garlic Crop History

CGODAB Garlic Loads Inspected Related to 1999



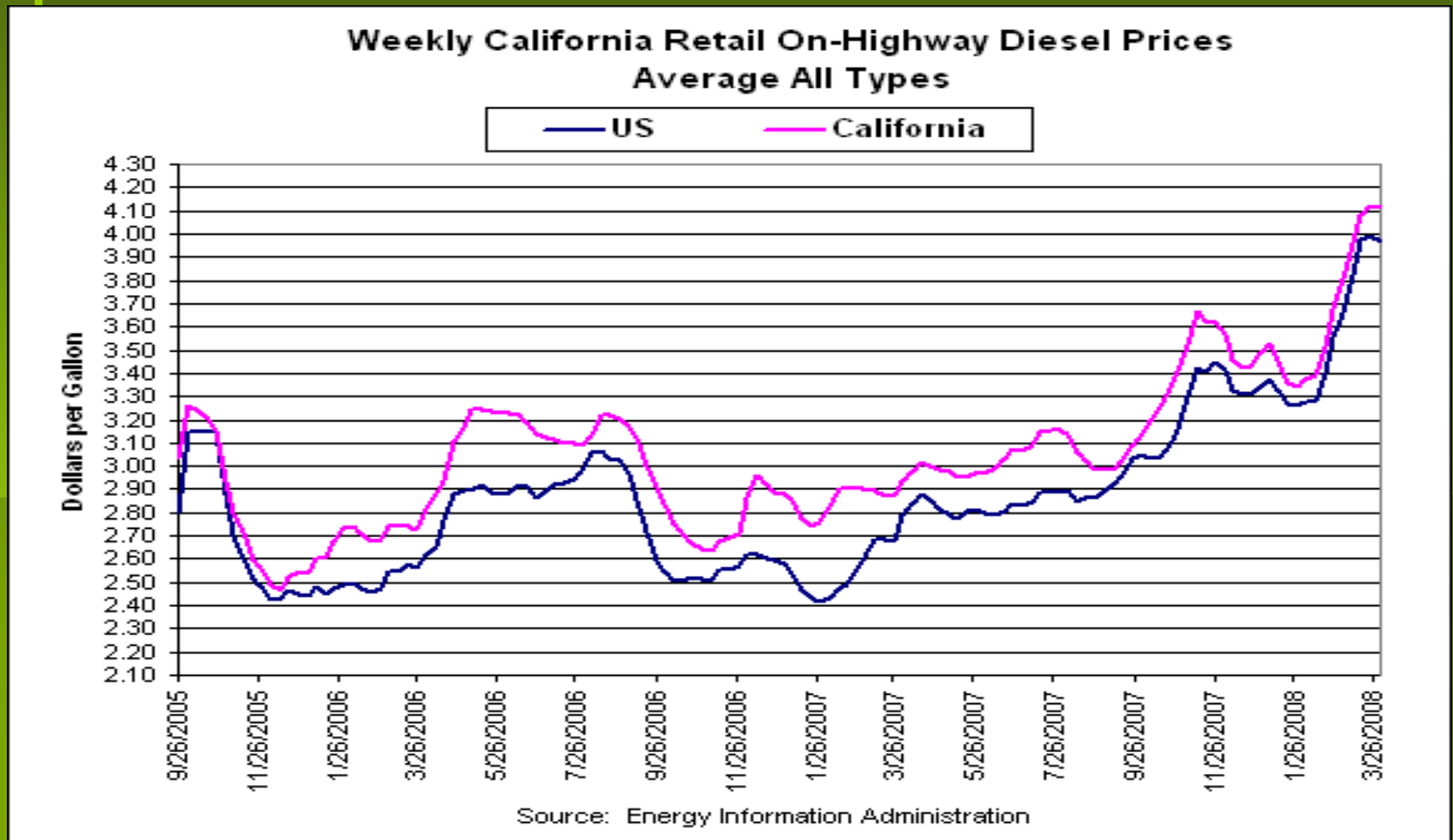
2008 Garlic Crop Update

- 2008 crop was planted on time for the most part
 - Due to last years freeze damage available garlic seed was short
 - Grower costs forced some acreage to be planted late
 - U.S. Garlic demand is growing
 - Garlic raw material costs are expected to increase by over 20%

Issues Impacting Supply & Price

- Competition from commodity crops continue to drive land costs up
 - Wheat
 - Corn (ethanol)
- Increased demand for Domestic Garlic
- Increased input costs
 - Diesel
 - Natural Gas
 - Fertilizer
- Carry over levels are low

Issues Impacting Price Diesel Fuel Prices



Chinese Garlic

- Chinese garlic supplies are up
- Inputs costs in China continue to increase
- Costs associated with Foods Safety continue to rise
 - Chinese CIQ Inspection costs are up significantly
- Cost of labor continues to increase
- Domestic Chinese consumption will continue to increase

Thank you!

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