



2023 BLUEBERRIES

A DOWN SEASON IN B.C.





BLUEBERRY SITUATION

The 2023 season was looking to be an Average or Good crop in B.C., but is now looking to be a Crop Failure for the DUKE variety which is about 60% of what is grown in this region.

The dramatic drop in pricing from 2022 season also have growers shipping to the Fresh Market in an effort to minimize their losses.

With the non existent crop, a stable demand for Fresh and the impression of a low priced frozen market. The Duke Frozen Crop is coming up Extremely Short in B.C.



2023 – Duke
“Crop Failure”

Clusters did not form, size is sporadic and there is NO second pick.



2022 – Duke
“Average Crop”

Clusters are formed, sizing is good and there is a second pick



2020 – Duke
“Good Crop”

Clusters are well formed, sizing is good, there is a second and third pick to follow

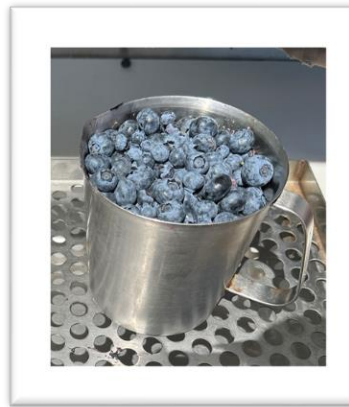


SIZE MATTERS

With the Duke crop being down an estimated 60% or more and the Fresh Market taking whatever it can get Size is also a concern.

Usually the first pick of Duke is 80% X-Large, but this season we are seeing the First Pick that we are receiving being a 50/50 split.

X-Large Dukes will be limited for the 2023 season.



Assorted Sample from field tote (4 cups)



Small Size $<9/16''$ (2 cups)



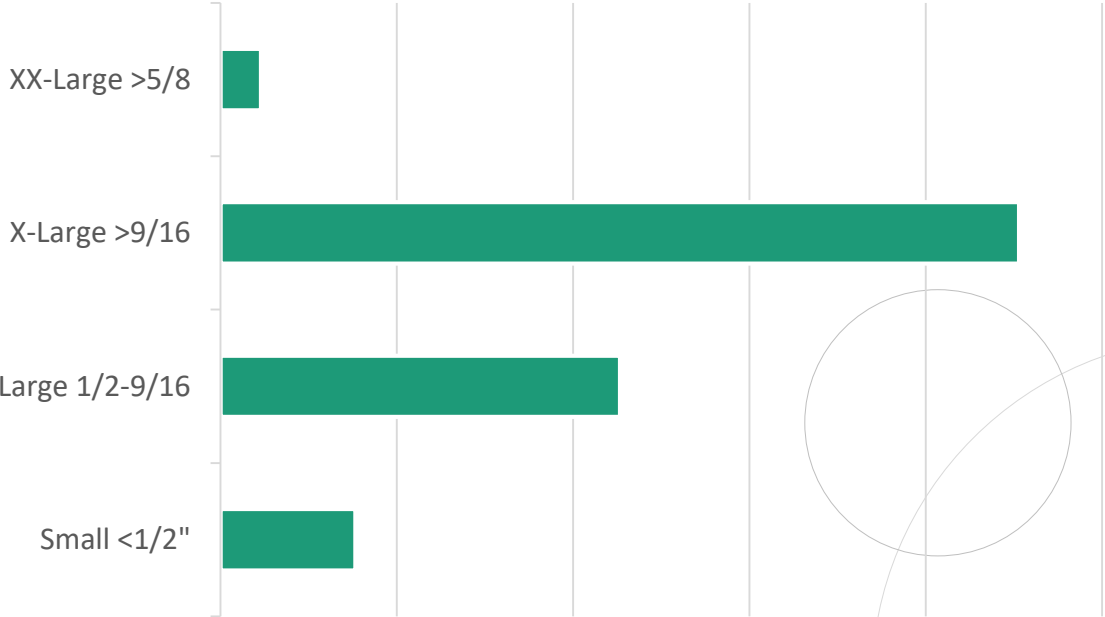
X-Large Size $>9/16''$ (2 cups)



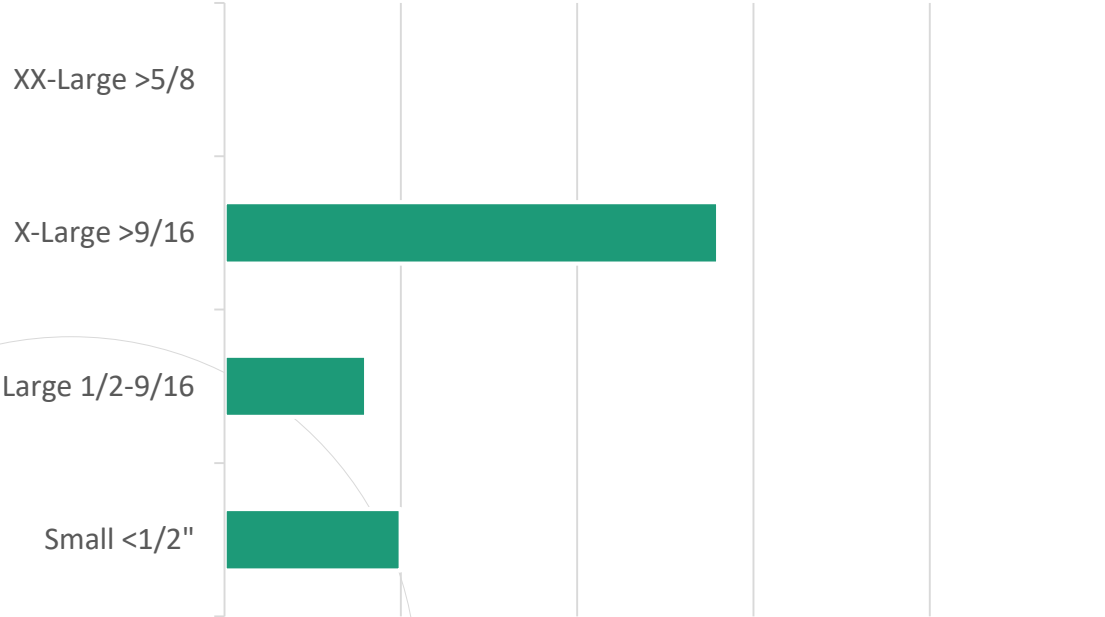


SIZE PACK-OUT

2022 Season



2023 Season

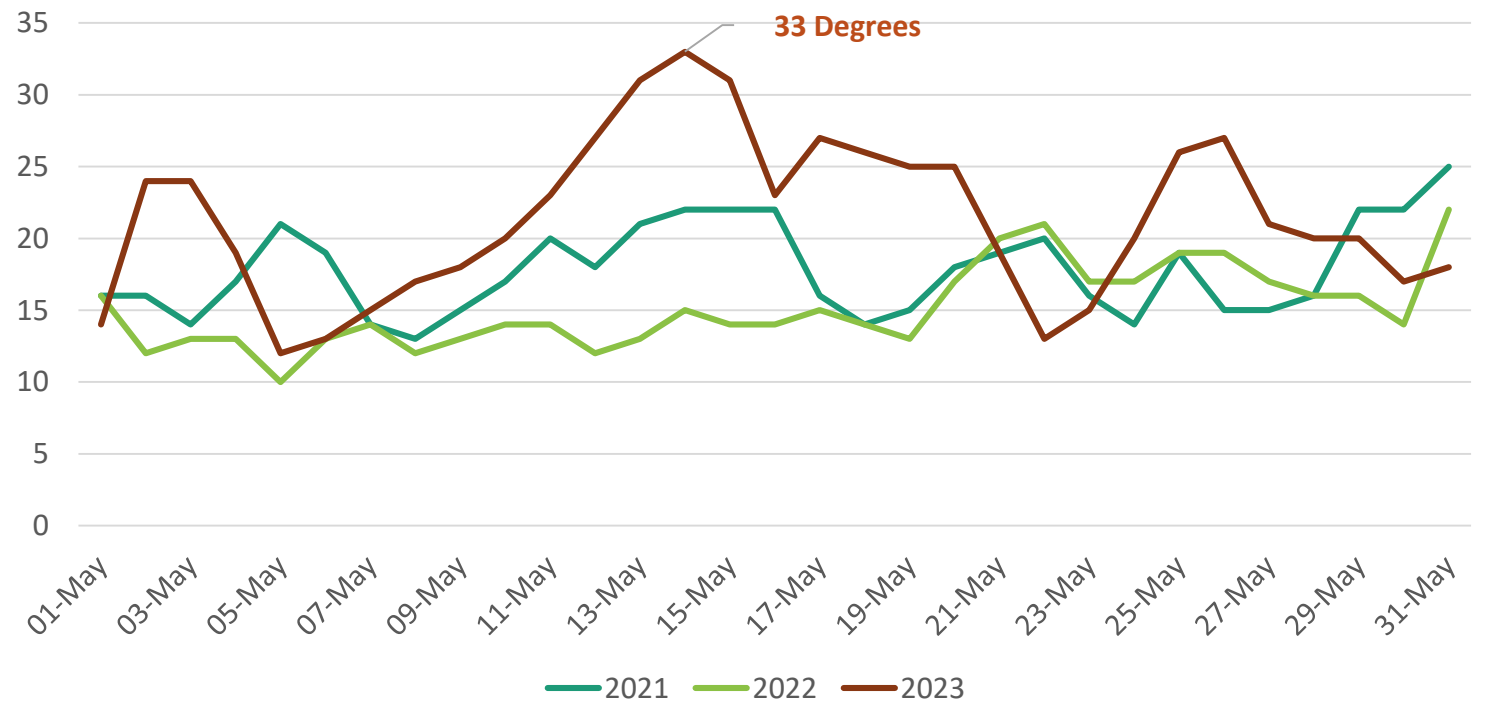




WHAT HAPPENED?

- 1) The 2021 season grower returns for frozen/fresh were comparable and in some cases frozen better than fresh when you take into account the input costs, leading to fresh packers being less aggressive in 2022 in regards to booking adds for the fresh season. This along with a delayed start had many packers that normally focus the majority of their volume to the fresh market speculate on the frozen market. The late season also had B.C. competing head on with an early Peruvian Blueberry crop.
- 2) In the fall of 2022 it became clear that many “Fresh” Packers were carrying frozen blueberries without sales. This availability along with customers holding higher inventories than usual pushed the market down to lows that have not been seen since 2009.
- 3) As we entered spring the Blueberry Crop was looking Good to Average and with inventories at an all time high “Fresh” Packers chose to book aggressive adds with retailers in an effort to maximize their Fresh Production and move their 2022 Frozen Inventories.
- 4) During pollination there were multiple high temperature records, one included a record breaking 3 day heatwave that had temperatures greater than 33 degrees Celsius. We feel this event is what may have contributed to such a poor pollination.

Abbotsford May Temperature Comparison

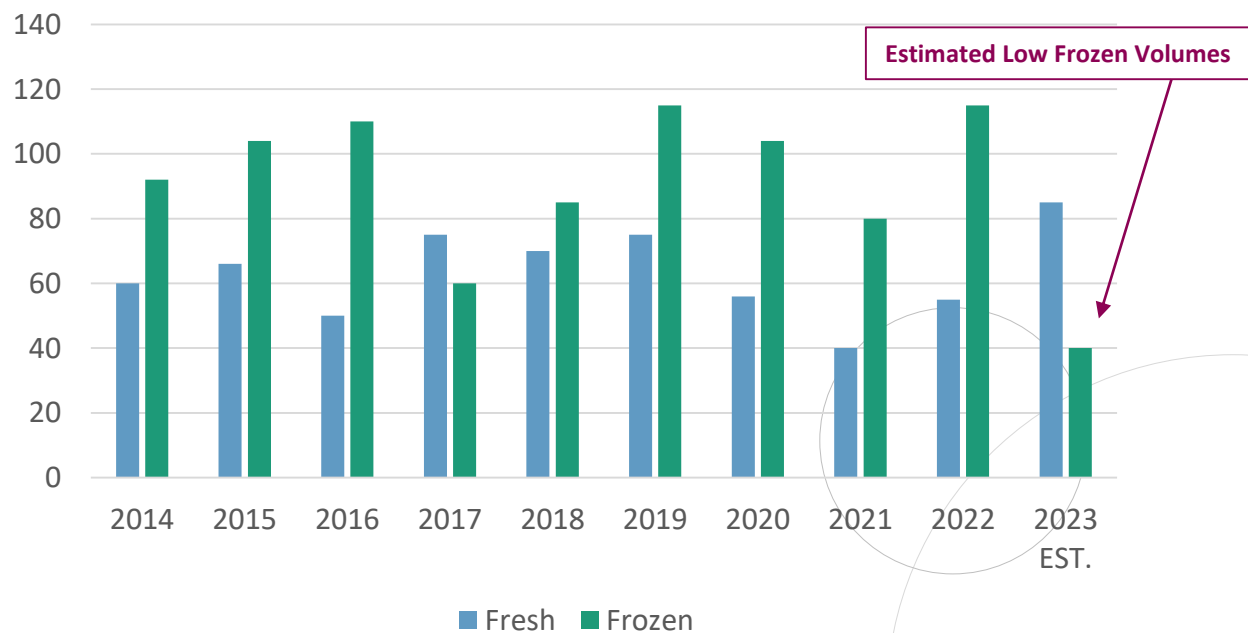




NORTHWEST BLUEBERRY PRODUCTION

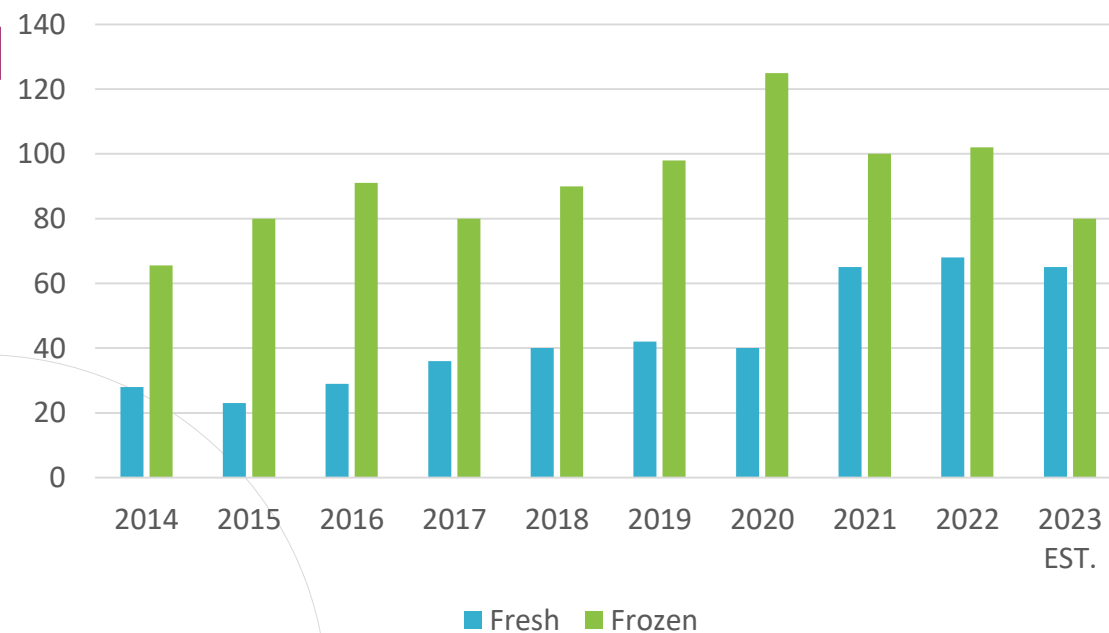
British Columbia

10 Year Blueberry Production



Washington State

10 Year Blueberry Production





BLUEBERRY PRODUCTION

2023 FORECAST AS OF JULY 25, 2023

This conservative forecasted production by region shows that with a Strong Fresh Market moving steady volumes, a low demand for Frozen, along with a decline in volume in B.C. and an average Wild Crop. There will be approximately 100 million pound less total Blueberries in North America this season and over 200 million pounds less of Frozen Blueberries then in 2022.

North American Blueberries

(million lbs.)

Region	2018	2019	2020	2021	2022	2023 EST.	2022 Fresh	2022 Frozen	2023 Fresh est.	2023 Frozen est.
British Columbia	155.0	195.0	175.0	165.0	170.0	125.0	55.0	115.0	85.0	40.0
Washington	130.0	160.0	165.0	172.0	175.0	145.0	51.0	124.0	65.0	80.0
Oregon	134.0	153.0	149.8	145.0	157.4	140.0	63.0	94.4	75.0	65.0
California	63.4	71.7	77.8	73.2	63.6	62.0	51.6	12.0	50.0	12.0
Michigan	69.5	82.5	72.0	71.0	56.0	60.0	30.0	26.0	35.0	25.0
Other Midwest	2.8	5.6	5.3	6.9	7.0	7.0	6.8	0.2	6.8	0.2
New Jersey	38.0	38.0	36.0	40.0	34.0	42.0	30.0	4.0	34.0	8.0
Other Northeast	3.5	3.3	3.3	0.4	1.0	1.0	1.0	0.0	1.0	0.0
Florida	19.8	22.7	17.0	24.0	25.1	18.0	25.1	0.0	18.0	0.0
Georgia	50.0	92.0	65.0	80.0	50.0	73.0	38.0	16.0	58.0	15.0
North Carolina	33.0	36.2	31.0	34.5	31.6	47.0	26.5	10.0	37.0	10.0
Other Southeast	9.1	4.3	8.1	8.7	8.0	8.0	8.0	0.0	8.0	0.0
Total	708.1	864.3	805.3	820.7	778.7	728.0	386.0	401.6	472.8	255.2
Wild Totals	219.0	260.0	225.5	265.9	341.0	260.0	5.0	336.0	5.0	255.0
Grand Total	927.1	1,124.3	1,030.8	1,086.6	1,119.7	988.0	391.0	737.6	477.8	510.2

South American/Mexico U.S. Imports Blueberries

(million lbs.)

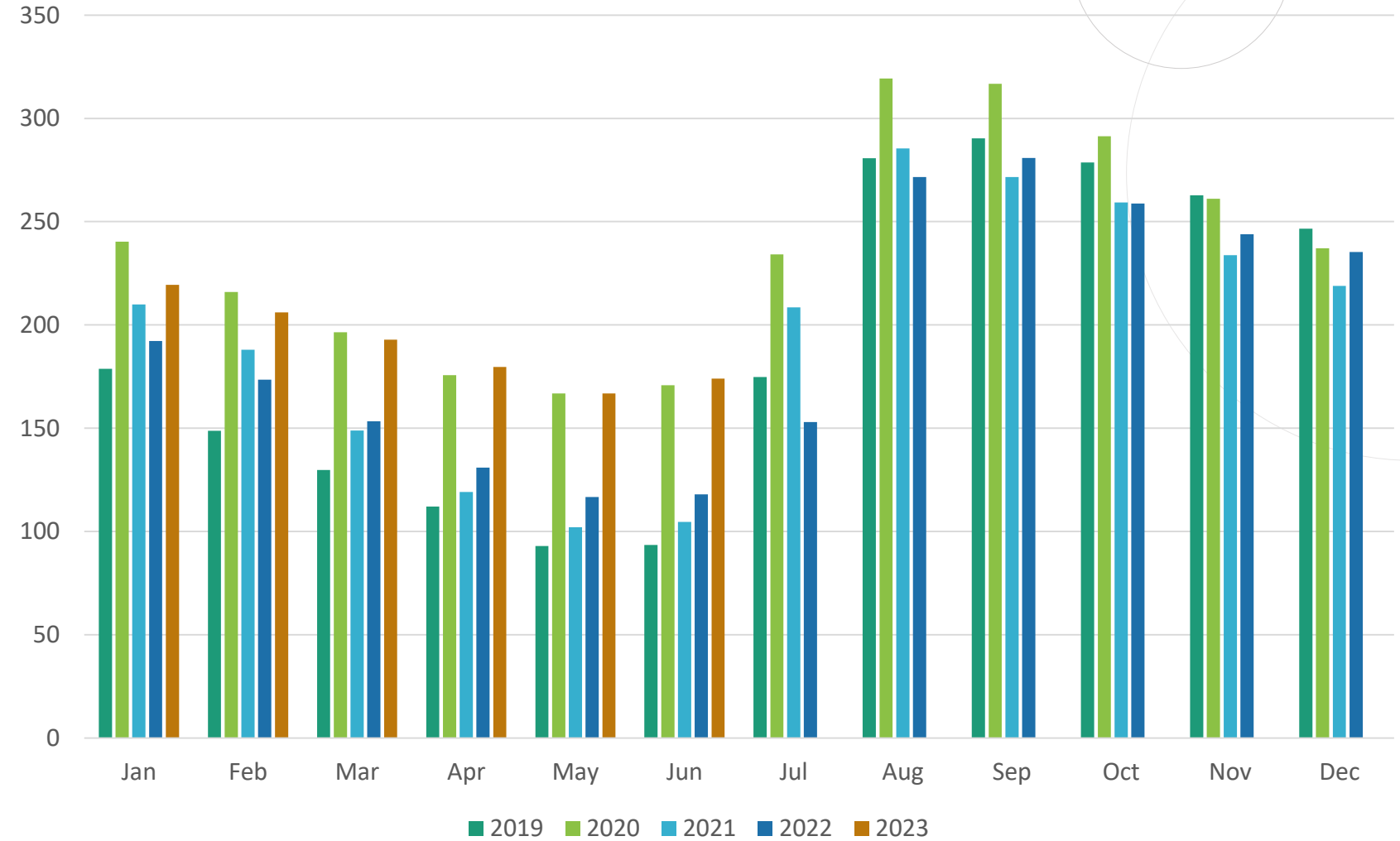
Region	2018	2019	2020	2021	2022 Est.	Average	2021 Fresh	2021 Frozen	2022 Est. Fresh	2022 Est. Frozen
Peru	-	-	192.0	271.8	339.0	267.6	263.2	8.6	328.0	11.0
Chile	-	-	165.3	158.0	175.0	166.1	117.0	41.0	128.0	47.0
Mexico	-	-	101.1	145.2	173.0	139.8	141.8	3.4	173.0	0.0
Total U.S. Imports	n/a	n/a	458.4	575.0	687.0	573.5	552.0	53.0	629.0	58.0

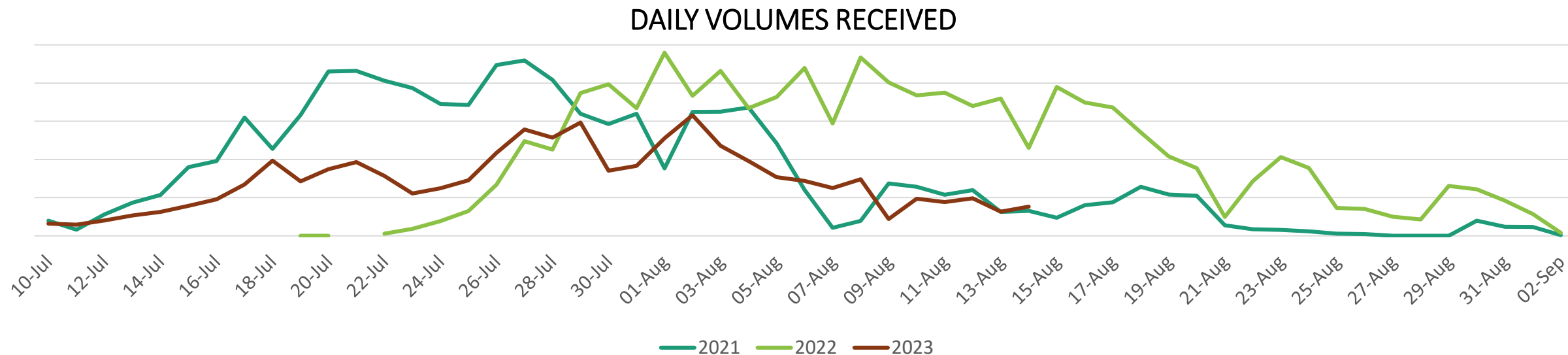


USA COLD STORAGE



Frozen Blueberries as of June 2023





FINAL MARKET OUTLOOK



The question is, what are the effects of a dramatically short crop in B.C., with more volume going to the Fresh Market in all regions, lower overall volumes from the Pacific Northwest and a just “average” Wild Blueberry Crop when there seemed to be a large carryover from 2022, higher customer inventories and a slowing of consumption.....

We believe the answer will be Quality!!
Not all frozen Blueberries are equal.