Editorial
Can New York Compete in the World Apple Market?

Two years ago a group of Washington growers and researchers met to discuss the future of the Washington apple industry. One of their findings was that they would have to lower the cost of production of high quality apples by 30 percent by 2010!! This was a shock to many growers. The growers asked, “How can our cost of production go down when our expenses are going up?” To answer this question, they are developing the Technology Roadmap, which we will hear more about in the future.

The answer to the cost reduction question has two parts. The first obvious answer is that we have to increase our yields. Dividing the expenses per acre by more bushels results in a lower cost per bushel. This led me to take a look at our yield per acre compared to competing production areas. When we compare New York to other eastern areas, we compare quite favorably. We’re all in the 500 bushels per acre range. But when we compare ourselves to Washington we’re way behind. Depending on which numbers you pick they’re probably in the 800 – 900 bushel range, a very significant yield advantage. And when we look at competing countries, we find New Zealand also just above 900 bushels. But the real shocker was discovering that Belgium and The Netherlands are both over 1000 bushels per acre; more than double New York. How can they do that in those maritime climates with less sunlight intensity than we have? One answer could be that being farther north, they have longer daylight in the summer than we do. But the real answer is probably that almost all their orchards are very high density with 1000 or more trees per acre. And their grower technology is arguably better than ours. Doubling our production is a tremendous advantage.

This leads us to the question of why is New York production so low? We have individual growers who average over 1000 bu/acre, but many of their neighbors have trouble making 500. So the answer is not climate, although some parts of the state do average more than others. What is our production potential? Darrel Oakes told me a couple of years ago about an area of Crispin on M9 in one of his orchards that picked 3500 bu/acre. This points out that our yield targets have not been high enough and we need a concerted push to get our yields higher if we are going to be competitive in the future. In the NY Apple Industry Strategic Plan, this area was assigned to Cornell, and hopefully they can continue to help us in this area.

However, even if we get our yields up, it is doubtful if we can decrease our production costs 30 percent using present practices. This leads us back to the Washington group and their Technology Roadmap. They are examining every practice and asking the question “why are we doing this and how can we do it better”? This will lead to a complete reengineering of apple production from the rootstock to the market. This is how computer companies have reduced the cost of a computer from $2000 to $200 in the past 10 years. And if the New York apple industry wants to compete in the world market of the future, it will have to go through the same process.

New York has many advantages. We are within 500 miles of half of the US population and half of Canada’s. And that advantage increases daily as fuel costs escalate. But if we want to be successful in the future, we, too, will have to lower the production cost of high quality apples. The problems in the apple business are not all in marketing, as many of us would like to think!

George Lamont
Executive Director, NYS Horticultural Society