

NYS Berry Pricing – Trends, Changes, Challenges

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In October 2009, the NY Berry Growers' Association, in conjunction with the NY Farm Viability Institute and Cornell Dept. of Horticulture, distributed a berry pricing survey to 500 commercial berry growers across the state. The purpose of the survey was to make statewide berry pricing information available to commercial berry growers so they might better evaluate the potential for better economic returns of their various berry crops. Information collected would also give a picture of industry

“Our survey on NY State berry growers shows considerable variation in berry prices charged to consumers. While farms in more urban areas tended to have higher prices, this was not always the case. Often farms in rural areas were able to charge among the highest prices, suggesting that attention to quality and marketing can result in higher prices. Growers charging prices considerably below the average ought to consider raising their prices if they have high quality.”

pricing changes since the initial survey conducted by the New York Berry Growers Association in 2006.

Growers were asked to list prices they received during the 2009 season for four major berry crop commodities (strawberries, blueberries, brambles (raspberries, blackberries), and ribes (currants and gooseberries) – currently grown in NY State. There was also opportunity to include pricing information for other small fruit crops they might be marketing. Prices for berries marketed via pick-your-own (PYO), wholesale, and retail venues were requested. Growers were additionally asked to indicate whether or not they marketed their berries as value added products.

One hundred sixty-two growers responded from 48 counties, a 340% increase over the number of berry growers responding in 2006 (48). Monroe, Onondaga, Oswego, and Suffolk Counties had the highest numbers of respondents. Of those 162 growers responding in 2009, 157 indicated they were conventional growers; five indicated they were organic growers.

Fifty-four percent of the respondents grew two or more berry crops. Of those growing single berry crops, 27 grew strawberries, nine grew raspberries, 35 grew blueberries, and one grew currants. While blackberries ranked fourth in terms of number of producers, none of those responding indicated they were growing blackberries as a stand alone berry crop.

Fifty-one percent of the responses were from farms with three acres or less of berries under production (Figure 1). Farms with 4 to 10 acres of berries comprised 24%. The remaining 18% were

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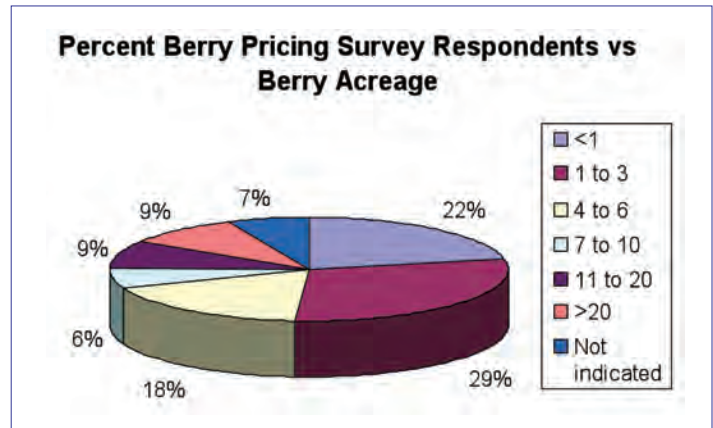


Figure 1. Farm size (acres) and number of representative respondents.

from farms with 11 or more acres of berries under production. Seven percent of growers did not indicate farm size.

Figure 2 provides a comparison of marketing venues across berry crops. Retail marketing was used by the highest percentage of respondents across all crops with PYO having the second highest percentage. Seventy-two percent of growers responding used two or more marketing venues for their berry crops (primarily PYO and retail venues). Of the 28% using only one marketing venue for their berries, PYO and retail venues were for the most part evenly divided (22 vs. 23 growers, respectively). One grower indicated wholesale was their sole marketing venue (currants). Strawberries dominated PYO, wholesale, and retail markets, followed by blueberries, raspberries, and blackberries, respectively.

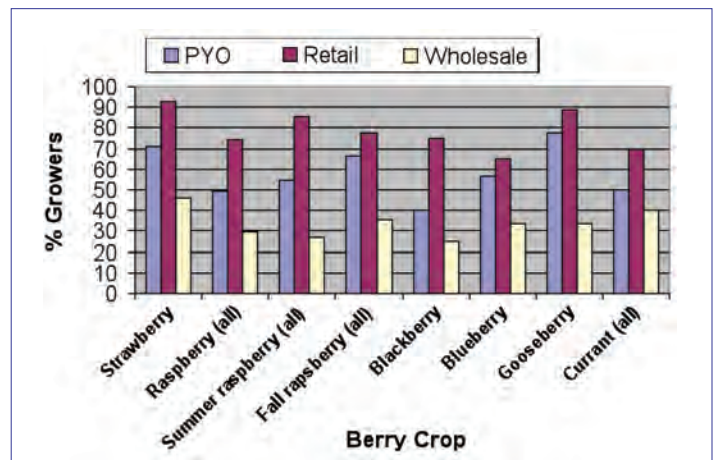


Figure 2: Comparison of marketing venues across berry crops, 2009.

Table 1a: Comparison of 2006 and 2009 pricing for NYS Strawberries, \$/lb.

	Minimum ¹		Average ¹		Maximum ¹	
	2006	2009	2006	2009	2006	2009
PYO	\$ 0.75	\$ 0.83	\$ 1.31	\$ 1.76	\$ 2.80	\$ 3.99
Wholesale	\$ 1.17	\$ 1.50	\$ 2.00	\$ 2.30	\$ 1.60	\$ 6.00
Retail	\$ 1.66	\$ 1.80	\$ 2.38	\$ 3.40	\$ 3.33	\$ 7.50

¹ Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Table 1b. "Top Five" Average Strawberry Prices by County, 2009

PYO	Wholesale	Retail
Orange, (\$3.99)	Chenango (\$6.00)	Chenango (\$7.50)
Chemung (\$3.99)	Montgomery (\$4.00)	Clinton (\$5.00)
Rensselaer (\$3.00)	Orleans (\$2.88)	Montgomery (\$5.00)
Saratoga (\$2.99)	Ulster (\$2.59)	Suffolk (\$4.42)
Suffolk (\$2.72)	Genesee (\$2.50)	Chemung (\$4.00)

Table 1c. "Low Five" Average Strawberry Prices by County, 2009

PYO	Wholesale	Retail
Yates (\$1.10)	Wayne (\$1.73)	Jefferson (\$2.15)
Steuben (\$1.10)	Madison (\$1.75)	Steuben (\$2.50)
Cortland (\$1.25)	Jefferson (\$1.75)	St. Lawrence (\$2.66)
St. Lawrence (\$1.33)	Erie (\$1.85)	Oswego (\$2.68)
Jefferson (\$1.38)	Onondaga (\$1.95)	Yates (\$2.75)

Strawberries

Ninety-four growers from 37 counties reported strawberry pricing with Onondaga, Monroe, and Wayne Counties having the highest number of respondents. Most growers marketed their strawberries through retail (60%) and/or PYO operations (40%). Strawberries held a smaller wholesale market share (24%). Average prices for the 3 marketing venues showed modest gains from 2006 to 2009 (Table 1a). The greatest increases were observed in retail prices between 2006 and 2009. PYO prices showed a slight increase. Prices ranged from \$0.83/lb PYO to \$7.50/lb retail.

Two growers reported pricing for day neutral strawberries with wholesale pricing at \$3.33/lb and retail pricing at an average of \$4.26/lb. Interest in day neutral strawberry production in NY is increasing as improved varieties become more readily available. Use of season extension techniques (floating row cover, low and high tunnels), and day neutral varieties has made three season strawberry production a reality in NY. The challenge now is to educate consumers on strawberry availability and quality outside the traditional NY strawberry season. While customers are used to purchasing supermarket strawberries year round, they are not yet accustomed to purchasing them locally over an extended period.

The 2009 survey results clearly demonstrate considerable variation in berry prices charged to consumers. Previously, these differences were accounted for by the premise that counties with sizeable urban/suburban centers or proximity to such areas were able to command and receive higher prices for their berry crops than those counties with primarily rural populations. While farms in more urban areas tended to have higher prices it becomes apparent in reviewing the 2009 county level data for strawberries (Table 1b) as well as the other berry crops (data not shown), this dynamic is not always the case. In many instances, counties with rural populations are able to command and receive similar if not higher prices for their berry crops than those near urban/suburban centers. This trend suggests, even in light of recent

Table 2: NYS Strawberries: Yield, Production, and Value, 2006-2009¹

Crop Year	Planted Acres	Harvested Acres	Production Thous. cwt	Marketing Year average price \$/lb	Value of utilized production 1,000 dollars
2006	1500	1500	44	1.70	7480
2007	1500	1500	46	1.65	7590
2008	1400	1400	45	1.65	7425
2009	1400	1400	44	2.05	9020

¹NY National Agricultural Statistics Service.

economic downturns, that quality and marketing, rather than price, motivate NY berry consumers..

On the other end of the spectrum, there are growers charging considerably below average prices for their strawberries (Table 1c) and other berry crops (data not shown). County average prices collected suggest that price increases are warranted so long as fruit quality is high. Charging low prices makes it difficult for other farms to charge fair prices. Low pricing also reduces return on investment.

Data provided by the NY National Agricultural Statistics Service (NY NASS) mirrors pricing trends observed in the 2009 survey. Average price remained relatively stable between 2006 and 2008, price showed a 20% increase between 2008 and 2009. Value of utilized production increased accordingly for the corresponding period while there was a 6.7% reduction in strawberry acreage from 2006 to 2009 (Table 2).

Raspberries

Eighty-one raspberry growers representing 40 counties responded to the 2009 survey, more than double the number reporting in 2006 (34). Suffolk, Monroe, and Onondaga counties had the most respondents. Raspberries were divided into summer and fall-fruiting types. Of the 81 growers reporting, 19 exclusively grew summer-fruiting varieties, 11 exclusively grew fall-fruiting varieties, and 51 grew both types.

Summer-fruiting Raspberries Sixty-eight individuals from 39 counties grew summer-fruiting raspberries. The vast majority of summer raspberry growers marketed their crops retail (71%) in 2009. Forty-one percent marketed through PYO; 28% marketed wholesale. Average PYO prices for raspberries increased between 2006 and 2009, but wholesale and retail prices fell. Prices for summer raspberries ranged from \$1.50/lb (retail) to \$15.33/lb PYO for the 2009 season (Table 3a).

There was some variation in pricing for the various types of summer raspberries (Table 3b). Purple raspberries were priced less for all three marketing venues as compared to red and black raspberries. Red raspberry prices ranged from \$1.50 (retail) to \$15.33 (retail). Black raspberry prices ranges from \$0.75 whole sale to \$13.51, retail. Purple raspberry prices ranged from \$1.50 (retail) to \$8.00 (retail).

Fall-fruiting Raspberries Sixty growers from 33 counties grew fall-fruiting raspberries. Sixty-eight percent of growers re-tailed their fall raspberries; 62% sold via PYO and 33% wholesaled in 2009. Minimum prices for fall raspberries dropped between 2006 and 2009 for all three marketing venues (Table 4). Reasons for this downturn are unknown. Average PYO prices increased for the same period; wholesale and retail prices fell slightly. Maximum prices also increased for all three categories between 2006 and 2009.

NY NASS data for raspberries for the period between 2006 and 2009 showed an 11.1% increase in raspberry acreage (Table 5). Average price per pound varied slightly from year to year but seemed to remain relatively steady around the \$3/lb.

Blackberries

Forty growers reported pricing for blackberries from 25 counties across the state. Suffolk, Monroe and Washington counties had the highest number of county blackberry growers. Sixty-five percent of growers reporting marketed their blackberries retail; 35% through PYO, and 25% wholesale. Data for this crop was not collected in 2006. Prices for blackberries in 2009 ranged from \$1.77 wholesale to \$13.51 retail (Table 6). Acreage and pricing for this berry crop are not yet collected by NY NASS.

Hybrid blackberries have traditionally been at the limit of their northern most range in NY State. However, the release of new primocane-fruiting varieties from the University of Arkansas breeding program, along with season extension techniques such as high tunnels and winter protection using Rotating Cross Arm (RCA) trellis systems has renewed interest in this crop. Anecdotal reports indicate raspberry growers as well as other NYS berry growers are adding small acreages of this crop to their berry operations. Production in regions of the state, where winter temperatures fall below 0 °F, however, is still limited without the use of season extension techniques.

Blueberries

Ninety-five growers from 36 counties reported pricing for blueberries. Chautauqua, Onondaga, and Washington counties had the highest number of respondents. Marketing was split fairly evenly between PYO (53%) and retail (57%). Thirty-three percent of growers wholesale marketed. One grower reported winery pricing at \$1.40/lb. Average blueberry prices made modest gains across marketing venues between 2006 and 2009. (Table 7). In contrast, maximum price/lb increased dramatically across all three marketing venues. Surprisingly, minimum pricing consistently decreased.

NY NASS blueberry data indicated areas of bearing age and harvested acres remained unchanged for the period between 2006 and 2009 (Table 8). Utilized production fluctuated slightly but also remained relatively stable. Price per pound showed a \$0.07 increase between 2006 and 2007 followed by \$0.32 and \$0.38 increases in 2008 and 2009, respectively. Interest in blueberry production has been strong; anecdotal accounts note numerous plantings being established in the period between 2008 and 2009, ranging in size from 0.1 to 10 acres. These will not reach full production for at least another 5-7 years. Growers report good blueberry sales, often mentioning they run out of berries before they run out of buyers.

Table 3a: Comparison of 2006 and 2009 pricing for NYS summer raspberries, \$/lb.

	Minimum ¹		Average ¹		Maximum ¹	
	2006	2009	2006	2009	2006	2009
PYO	\$ 2.00	\$ 1.67	\$ 2.72	\$ 4.12	\$ 3.64	\$15.33
Wholesale	\$ 2.44	\$ 2.00	\$ 5.04	\$ 4.33	\$ 7.11	\$12.00
Retail	\$ 2.00	\$ 1.50	\$ 7.09	\$ 5.31	\$13.33	\$13.51

¹Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Table 3b: 2009 pricing for NYS red, black, and purple raspberries, \$/lb.

(raspberry type)	Minimum ¹			Average ¹			Maximum ¹		
	Red	Black	Purple	Red	Black	Purple	Red	Black	Purple
PYO	\$ 2.25	\$ 2.25	\$ 2.66	\$ 3.91	\$ 4.14	\$ 2.98	\$ 8.99	\$12.00	\$ 3.50
Wholesale	\$ 2.50	\$ 3.33	\$ 2.50	\$ 4.36	\$ 4.30	\$ 3.43	\$ 8.00	\$ 8.00	\$ 4.11
Retail	\$ 1.50	\$ 0.75	\$ 1.50	\$ 6.20	\$ 5.72	\$ 5.09	\$15.33	\$13.51	\$ 8.00

¹ Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Table 4: Comparison of 2006 and 2009 pricing for NYS fall raspberries, \$/lb

	Minimum ¹		Average ¹		Maximum ¹	
	2006	2009	2006	2009	2006	2009
PYO	\$ 2.00	\$ 1.67	\$ 2.99	\$ 3.88	\$ 5.82	\$ 8.99
Wholesale	\$ 2.44	\$ 1.77	\$ 5.21	\$ 4.79	\$ 8.00	\$12.00
Retail	\$ 2.00	\$ 1.50	\$ 6.93	\$ 6.54	\$12.00	\$13.51

¹ Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Table 5: NYS Raspberries: Yield, Production, and Value, 2006-2009¹

Crop Year	Acres of Bearing Age	Harvested Acres	Production Total Thous. lb	Production Utilized Thous. lb	Marketing Year wtd. average price \$/lb	Value of utilized production \$,000
2006	450	450	1,600	1,500	3.20	4,797
2007	500	500	1,750	1,750	3.27	5,723
2008	500	500	1,800	1,350	2.91	3,928
2009	500	500	1,500	1,300	3.12	4,052

¹NY National Agricultural Statistics Service.

Table 6: Comparison of 2006 and 2009 pricing for NYS blackberries, \$/lb.

	Minimum ¹		Average ¹		Maximum ¹	
	2006	2009	2006	2009	2006	2009
PYO	--	\$ 2.33	--	\$ 3.89	--	\$ 6.67
Wholesale	--	\$ 1.77	--	\$ 4.69	--	\$12.00
Retail	--	\$ 0.93	--	\$ 6.26	--	\$13.51

¹ Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Table 7: Comparison of 2006 and 2009 pricing for NYS blueberries, \$/lb.

	Minimum ¹		Average ¹		Maximum ¹	
	2006	2009	2006	2009	2006	2009
PYO	\$ 1.00	\$ 0.99	\$ 1.49	\$ 2.21	\$ 2.25	\$10.00
Wholesale	\$ 1.75	\$ 1.30	\$ 2.39	\$ 2.99	\$ 3.00	\$ 8.00
Retail	\$ 2.17	\$ 0.75	\$ 3.88	\$ 4.21	\$ 5.33	\$12.00

¹ Note: Minimum and maximum price is affected by the report of a single farm, whereas the average price includes all farms in the survey.

Currants, Gooseberries and Elderberries

Currants Ten growers from 10 different counties reported pricing for currants (Table 9). Pricing was widely distributed with ranges from a minimum of \$1.00/lb wholesale to a maximum of \$10.66/lb retail (a ten-fold difference).

Red currants averaged \$3.07, \$4.00 and \$3.33/lb for PYO, wholesale, and retail, respectively. Black currants averaged \$2.80, \$2.50 and \$3.57/lb for PYO, wholesale, and retail, respectively. One grower reported pricing for pink currants at \$3.00/lb for PYO and \$4.00/lb retail.

Gooseberries Nine growers from nine different counties, reported pricing for gooseberries (Table 10). Both green and red varieties were mentioned as being produced (one pricing was listed for both).

Gooseberries also enjoyed a wide distribution in pricing with ranges from a minimum of \$1.67/lb wholesale to a maximum of \$10.66/lb retail.

Elderberries One grower reported retail pricing for elderberries at \$2.50/lb. Interestingly this was the only berry crop reported for this grower. Numerous extension inquiries have been received in the past year on elderberry production. New acreage was planted in 2009 and more is planned for 2010. Several inquiries were received from local wineries, looking to buy commercial volumes of elderberry fruit for wine-making.

Acreage and pricing for currants, gooseberries and elderberries remains relatively small, and data are not yet collected by NY NASS for these crops. Interest in "alternative" berry crops remains high and acreage for all three continues to increase slowly across the state.

Conclusions

The typical NY berry farm has about three acres of berries. Berries are grown throughout the state and they bring a very high price per pound. Although some predicted that the recession would impact berry sales in 2009, this was apparently not the case. Average prices increased for most berries between 2006 and 2009, especially for PYO berries, suggesting that the market still has room for growth. The exception to this trend was wholesale raspberries.

One thing that has not changed between 2006 and 2009 is the considerable variation in berry prices charged to consumers. While farms in more urban areas tended to have higher prices, this was not always the case. Often farms in rural areas were able to charge among the highest prices, suggesting that attention to quality and marketing has a high value to all consumers, irrespective of location.

Growers charging prices considerably below the average ought to consider raising their prices. These data suggest that price increases are warranted so long as fruit quality is high. Charging low prices makes it difficult for other farms to charge fair prices.

Data from this survey indicate that the berry industry is very healthy and that there is room for further growth in both acreage and price.

Participation in the survey was excellent this year, and we are grateful to all who reported their prices. We hope this information is valuable to you as you set your prices for the 2010 season.

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