

# The State of the Washington Blueberry Industry

Alan Schreiber, Executive Director,  
WBC, Eltopia, Washington





# Washington Blueberry Commission

- Brenton Roy, Prosser, Organic fresh and processed
- Leif Olsen, Prosser, Organic fresh and processed
- Marvin Record, Selah, Organic fresh
- Bryan Sakuma, Burlington, Organic and conventional, fresh and processed
- Andy Enfield, Lynden, Conventional processed
- Todd Vanmersbergen, Lynden, Conventional processed
- Rebecca Weber, WSDA

We have a good set of board members who are trying their best to represent the interests of the blueberry industry.

# So how much did Washington produce this year?

- In 2018 we collected assessments on a little over 128 million pounds.
- So far in 2019, we have collected assessments on 142.5 million pounds, but some have not paid their assessments yet.
- If the handlers and growers who have not yet paid their assessment, produced the same pounds as they did last year, it would be 150 million. If they produce more than they did last year, it will be over 150 million pounds for 2020.
- We do not have the final, final number.



# N. A. Highbush Blueberry Production

Region	millions of pounds													
	06	07	08	09	10	11	12	13	14	15	16	17	18	19
Michigan	88	91	110	100	107	71	87	115	97	72	100	88	66	
B.C.	62	73	75	89	90	95	115	105	152	152	160	135	155	195
Oregon	34	44	44	47	50	65	75	80	86	90	100	89	134	154
<b>Washington</b>	<b>18</b>	<b>28</b>	<b>29</b>	<b>38</b>	<b>39</b>	<b>60</b>	<b>70</b>	<b>80</b>	<b>96</b>	<b>104</b>	<b>120</b>	<b>116</b>	<b>128</b>	<b>153</b>
Georgia	21	11	31	39	56	59	71	68	96	85	67	26	50	
New Jersey	50	50	53	47	40	61	51	65	55	45	35	38	42	
North Caroli	25	14	28	34	42	37	40	39	48	48	45	25	32	
California	10	16	14	24	25	42	43	51	55	60	58	57	58	
Florida									17	25	13	20	20	
Mexico									23	27	35	46	65	
Other states	<u>24</u>	<u>27</u>	<u>27</u>	<u>32</u>	<u>36</u>	<u>69</u>	<u>36</u>	<u>38</u>	<u>23</u>	<u>38</u>	<u>15.8</u>	<u>13</u>	<u>13</u>	
Total	334	356	413	450	488	559	589	640	674	723	748	657	763	

More than 60% of blueberries were produced along the West Coast; this percentage will increase over time.



# Washington processed a lot of blueberries. (millions of pounds)

	06	07	08	09	10	11	12	13	14	15	16	17	18	19
Fresh	4.5	5.5	4.9	10.0	16.0	16	18	20	29	26	30	34	40	48
Processed	<u>13.9</u>	<u>22.8</u>	<u>24.1</u>	<u>28.0</u>	<u>18.8</u>	<u>44</u>	<u>52</u>	<u>60</u>	<u>67</u>	<u>78</u>	<u>90</u>	<u>82</u>	<u>90</u>	<u>105</u>
Totals	18.4	28.3	29.0	38.0	34.8	60	70	80	96	104	120	116	128	153

In 2019, 31% of our fruit was fresh, 69% was processed.

WA produced 105 million lbs and B.C. produced 120 million pounds of processed blueberries in 2019. The B.C., OR and WA accounted for most of the processed blueberry industry.

# British Columbia is having a big impact.

	2014	2015	2016	2017	2018	2019
Fresh	60	66	50	75	70	75
Processed	<u>92</u>	<u>104</u>	<u>110</u>	<u>60</u>	<u>85</u>	<u>120</u>
Total	152	170	160	135	155	195

(The above information was provided by the British Columbia Blueberry Council to the North American Blueberry Council.)



# Production estimate for 2020

- Who knows. Foolish to predict next year's yield.
- However,....
- Assuming minimal winter injury, normal pollination, no drought, no excessive temperatures.
- If 153 million pounds in 2019
- If established fields produce similar or likely a little less than 2019 levels and there will be increased production in young fields in all growing regions, then WA could have an 8% increase in overall production.
- 165 million pounds in 2020.

# The future of the Washington blueberry industry.

- Whatcom County is the leading producer of blueberries; the county has at over 7,500 acres of blueberries, a record number; 15% not yet fully bearing. About 76 million pounds, up from 60 million pounds in 2018.
- Whatcom is planting a lot of blueberries. So are Franklin, Benton and Lewis counties.
- Skagit is currently the third biggest blueberry producing county but is a distant third to Whatcom and Benton counties. Franklin County will be third.
- 25% of acreage in eastern Washington was not at full capacity by the end of 2019. Yields are 20,000 to 25,000 pounds per acre at maturity, even for organic fields.
- Washington is the leading producer of organic blueberries. This sector is still growing significantly. One new farm in eastern Washington claims it will produce 32 million pounds of organic blueberries.
- Planting has accelerated in the past two years with over 1,000 acres a year going in, and this will continue for at least two more years. Blueberry production in Washington will increase for years to come.



# Washington blueberry production by Eastern and Western growing regions and number of growers

Eastern Washington      0.43 (30)

Western Washington      0.57 (200)

60% of Washington growers are in Whatcom County.

Projected production in 2026, assuming all plantings planted as of 2019 are fully bearing.

### Estimated Washington Blueberry Production in 2025

Location	Planted Acres	Estimated Yield/acre	Estimated Production	Fresh	Processed
E. Washington	6500	15000	97,500,000	52,125,000	45,375,000
Whatcom	7800	10000	78,000,000	14,600,000	63,500,000
Skagit	3100	10000	31,000,000	9,300,000	21,700,000
Lewis	1800	10000	18,000,000	16,000,000	2,000,000
Snohomish	1500	10000	15,000,000	9,000,000	13,500,000
Other	1500	8000	12,000,000	4,800,000	7,200,000
	22300	12,000	257,500,000	105,825,000	151,275,000

This assumes full production at maturity, which would be defined at 2026. These are projections and assume somewhat ideal conditions and that no fields are removed from production.

Does not include production from post 2019 plantings.



## 14 Year History of Washington Blueberry Production

Year	Production	% change	Assessments	
2019	150,000,000	0.146	\$	600,000
2018	128,092,188	0.099	\$	512,369
2017	115,443,941	(0.038)	\$	461,776
2016	119,825,576	0.141	\$	479,302
2015	102,901,500	0.090	\$	411,606
2014	93,652,750	0.152	\$	374,611
2013	79,462,000	0.153	\$	317,848
2012	67,274,750	0.115	\$	269,099
2011	59,511,500	0.416	\$	238,046
2010	34,736,420	(0.001)	\$	138,946
2009	34,775,868	0.163	\$	139,103
2008	29,100,000	0.026	\$	116,400
2007	28,350,250	0.365	\$	113,401
2006	18,000,000		\$	72,000

0.141 Ave rate of increase

## Six Years of Futuring of WA Blueberries

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Year	Production (est.)	% change	Assessments	
2020	165,000,000	0.1	\$	660,000
2021	183,150,000	0.1	\$	732,600
2022	201,465,000	0.1	\$	805,860
2023	221,611,500	0.1	\$	886,446
2024	243,772,650	0.1	\$	975,091
2025	268,149,915	0.1	\$	1,072,600



## Washington Blueberry Production Projection



What will this supply of blueberries do to demand and more importantly, what will it do to price?

Things are going to be challenging particularly in the conventional processed market sector. Unfortunately, the Washington Blueberry Commission can only influence the marketplace to a small degree.



- Prepared for the Washington Blueberry Council
  - December 5, 2019



- It's a New Day
- at the North American Blueberry Council and
- the U.S. Highbush Blueberry Council



## New USHBC & NABC Leadership

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- Kasey Cronquist hired as new President
- Alicia Adler hired as Vice President



# New Initiatives

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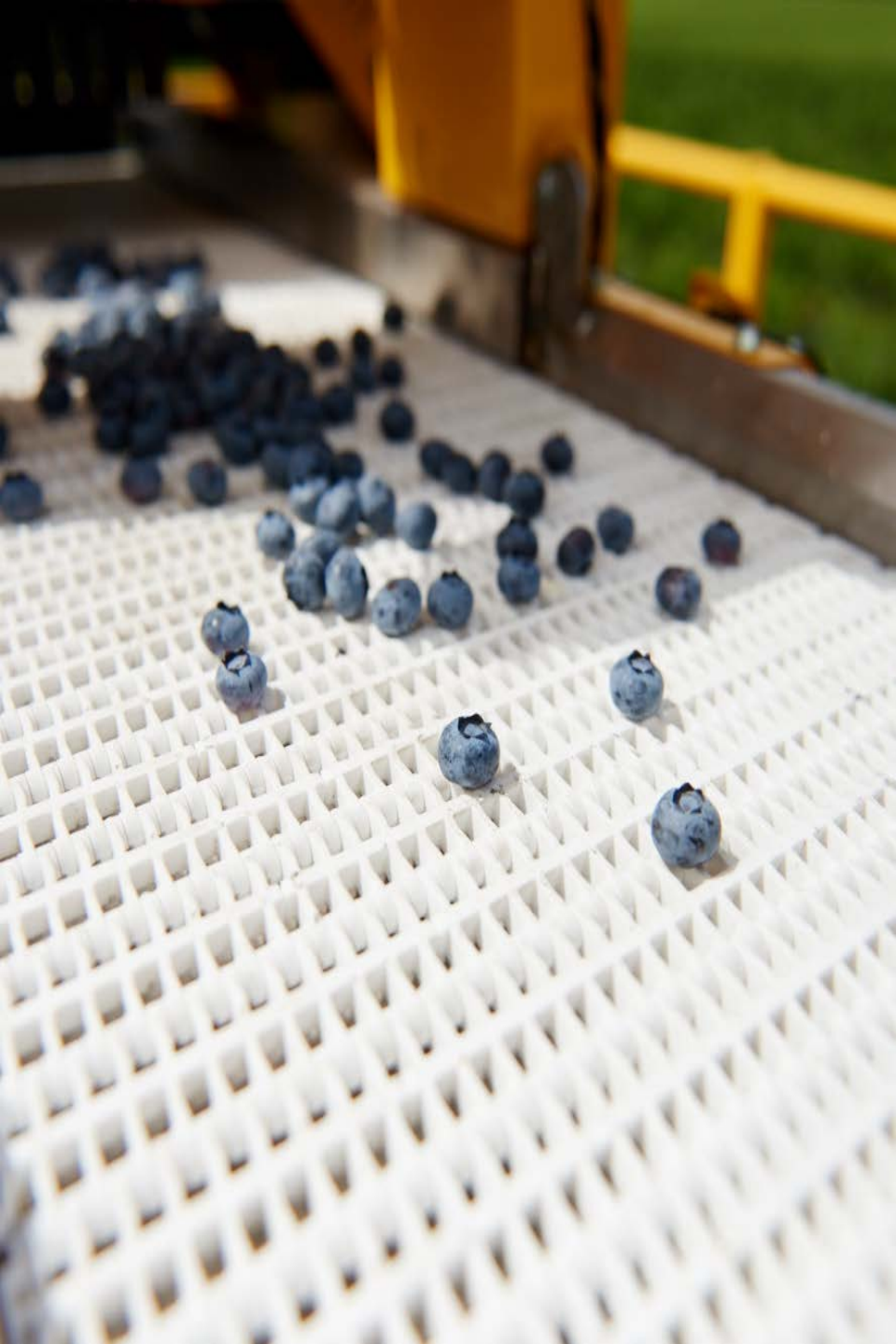
- NABC:
  1. New Strategic Plan
  2. Growing NABC membership and industry engagement
  3. Raising the blueberry voice in Washington, D.C.
- USHBC:
  1. Launching new promotional campaigns to MOVE VOLUME
  2. Deliver actionable research and data analysis to industry



# USHBC's 2020 Promotional Campaigns

- **USHBC will spend \$7 million on domestic and export promotion** (direct consumer marketing, food service and food manufacturer sector)
- Launch a **new \$500,000 food service program** in 2020
- **Expand retail partnerships** in emerging export markets throughout North and Southeast Asia





## New Data and Analysis on the Way

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- NABC will implement a new North American Crop Estimation System
- USHBC will better track production, imports and exports by state, region and country

Please Join Us In Washington, D.C.

- NABC Fly-in: March 3-4, 2020
  - Trade Policy Forum
  - Hill Climb
- USHBC & NABC Board Meetings:  
March 5-6, 2020
- Online Registration Opening Soon!

March 3-6, 2020







NORTH AMERICAN BLUEBERRY COUNCIL

Prepared for the Washington Blueberry Commission

December 5, 2019

# Thank You

Please contact Kasey Cronquist for more information.

Phone: (916) 893-0111

Email: [kcronquist@nabcbldes.org](mailto:kcronquist@nabcbldes.org)



There is a Washington process handler looking to significantly expand their blueberry purchases.

If you are looking to sell some extra blueberries, let me know.



The WBC board feels that it is time to reexamine its purpose and is planning a strategic planning meeting.

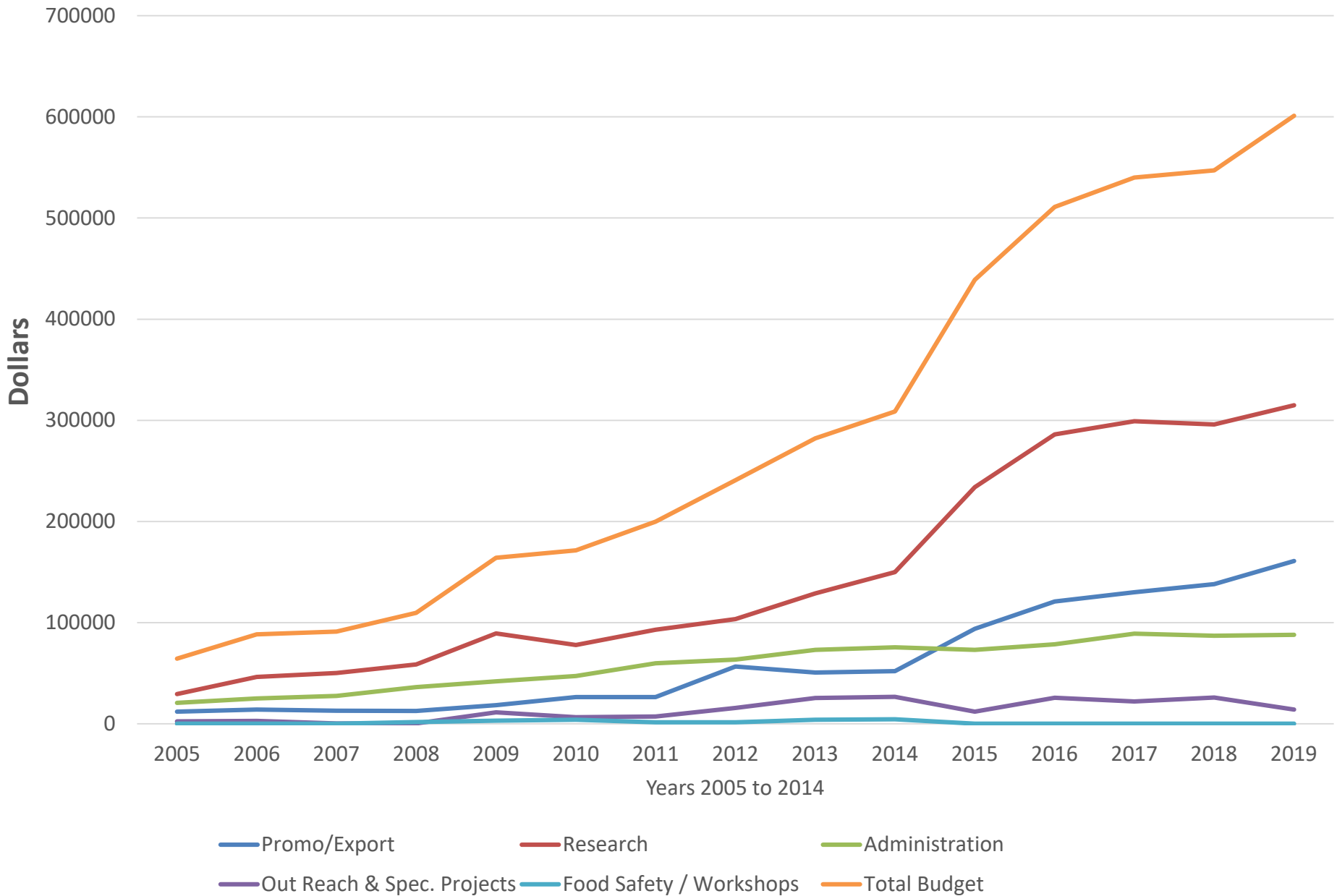
We are looking for recommendations of growers to assist with this effort.

# What is the WBC doing with your assessments?

- Our assessment is \$8 per ton or .4 cents per pound, by the way, one of the lowest blueberry assessments in the U.S.. (one fifth the size of WRRC.)
- The Washington blueberry industry is expanding, and the Commission is expanding commensurately. We are looking for ways to better help the industry.
- We have standing committees for Research, Promotions and Export and Food Safety and Labor.
- We have a small, in-state fresh promotion program.
- Research will continue to be the leading focus; about 42% of assessment dollars go to research.
- Rapidly expanding export market development.



WBC Budget By Category 2005 to 2019



## Washington Blueberry Commission - 2020 Proposed Budget

	2020 Budget
<b>Promotions/Export</b>	
Washington Promotion	\$ 31,000
BCI - Market Access	\$ 40,000
Philippines	\$ 15,000
Vietnam	\$ 30,000
Singapore/Malaysia Market Promotion	\$ 50,000
<b>Total Promotion</b>	<b>\$ 166,000</b>
<b>Research</b>	
2020	\$ 250,000
NW Berry Foundation	\$ 4,000
NWSF Research	\$ 2,000
<b>Total Research</b>	<b>\$ 256,000</b>
<b>Total Administration</b>	<b>\$ 98,825</b>
<b>Contingency</b>	<b>\$ 5,000</b>
<b>Outreach</b>	<b>\$ 14,400</b>
<b>Grand Total</b>	<b>\$ 535,225</b>



WBC administrative costs declined from 19% in 2016 to 14.7% in 2019 and are increasing at less than half the rate of assessment growth.

Supplies, Postage, & Copies	3,000
Dept. of Ag. (Nominations)	1,000
Travel/Meetings	6,000
Administrative Service (ADG)	70,000
Financial Review	2,000
NABC Dues	2,000
Conference Calls	1,000
Attorney General	1,500
WSDA (1/2 FTE)	1,200
State Auditor	-
OFM (Fidelity Bond)	25
OFM (self-ins prem)	500
<b>Total Administration</b>	<b>88,225</b>

# Promotions

- Bear in mind that the U.S. Highbush Blueberry Council has THE money and is THE entity to handle national and international marketing, promotions and generic research. Their promotion budget is \$7 million.
- We switched marketing companies in 2018 to Evado PR.
- The Commission's focus has been on promoting fresh, in-season blueberries, but in 2019 we starting promoting frozen blueberries.
- Increasing our focus on frozen blueberries
- \$30,000 budget.

# 2019 PR + Marketing Recap

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# Media Coverage

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**2019 earned media results for outreach to local media and bloggers:**

- **Total Impressions = 307,043,078**  
*(295 million increase over 2018)*
- **Total AD Value = \$81,146,73**  
*(nearly \$15,000 increase from 2018)*
- **PR Value = \$243,440.19**  
*(over \$44,000 increase from 2018)*

Seattle'sChild **1889**  
Washington's Magazine

**the Stranger** **425** MAGAZINE



# Full Tilt Ice Cream Partnership

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**Partnered with all 5 locations of Full Tilt Ice Cream in the Seattle area**

- Weekly changing Fresh Washington Blueberry Themed Ice Cream
- Offered in stores from July 1– August 3

**Results:** Increased exposure of Washington Blueberries to Full Tilt customers through:

- Social media network
- In-store visitors
- Prominently displayed in-store signage
- Event Partnerships
- Creative Blueberry Flavors





# Trophy Cupcakes Partnership

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**Partnered with all 5 locations of Trophy Cupcakes in Seattle and Bellevue**

- July featured Washington Blueberry Pie Cupcake
- August featured Washington Blueberry Cheesecake Macaron

**Results:** Increased exposure of Washington Blueberries to Trophy customers through:

- Social media network
- Video featuring owner promoting Washington Blueberries
- In-store visitors
- Compelling in-store signage
- Event Partnerships





# Events

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Selected four event opportunities to feature Fresh Washington Blueberries:

- **Ballard Seafood Fest** – with partner Full Tilt Ice Cream featuring Washington Blueberry Ice Cream (75,000 people over three days)
- **South Lake Union Block Party** – with partner Trophy Cupcakes featuring Washington Blueberry Cheesecake Macarons (3,000 people)
- **South Lake Union Block Party** – handed out free samples of fresh Washington Blueberries to event attendees (3,000 people)
- **CHOMP at Marymoor Park** – partnered with Kringles Bakery in Redmond to feature Fresh Washington Blueberry Crisp (6,000 people)

**Results:** Reached over 87,000 people with the combined events in Seattle and the Eastside



# Social Media Campaign

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Bolstered social media presence on **Instagram, Facebook and Pinterest** with frequent posts and enhanced engagement designed to drive awareness and consumer demand and purchasing

- Expanded online advertising and geo-targeting with monetarily boosted posts
- Generated social media ads, boosted select posts and strategically placed “dark ads” for specific markets
- Posts, stories and ads were populated with newly sourced photos and information on the growing season, U-pick Farms, recipes, health benefits, Washington Blueberry products, retail partners and economic impact

**Results:** Organic and paid Social Media Impressions **totaled 696,910** (June – September 2019)



wablueberries • [Follow](#)





The WBC provided \$8,750 to support the Costco publicity campaign to support the Kirkland brand Triple Berry Blend









# Research

- Roughly 42% of WBC funds support research.
- The WBC was formed in 1969, in part, to fund research (mummy berry) and it has largely been a research funding commission ever since.
- The Research Committee sets priorities, ranks proposals and makes recommendations to the full Commission.
- 2019 funded 13 projects for \$252,204 (\$19,400)
- 2018 funded 14 projects for \$ 241,000 (\$16k each)
- 2017 funded 16 projects for \$236,000. (\$14.7 k each)
- 2016 funded 15 projects for \$206,000. (\$13.7 k each)
- 2015 15 projects were funded for \$185,000. (\$12.3k each)
- 2006 4 projects were funded for \$17,000. (\$4.25k each)
- Leighton Overson is the Chair of the Research Committee.

Title	Researcher	Award
Modeling Blueberry Cold Hardiness in Washington	Hoheisel/WSU	37637
Developing Organic Controls for SWD in Blueberries	Schreiber/ADG	16300
Enhancing Blueberry Pollination through an Improved Understanding of Pollen Biology and Implementation of In-Field Practices in Western Washington	DeVetter/WSU	15532
Impacts of Post-Harvest Nitrogen Cut-Off Times in 'Duke' Blueberry	DeVetter/WSU	17,638
A New Strategy for SWD Control in Blueberries; Attract and Kill	Schreiber/ADG	10000
Control of Mummy Berry and Botrytis in Organic and Conventional Blueberries	Schreiber/ADG	16500
Managing SWD in Blueberries without MRL Violative Insecticide Residues	Schreiber/ADG	17750
Valuing nitrogen release from high organic matter soils	LaHue/WSU	15739
Mite Management in Blueberries	Schreiber/ADG	18000
Development of Biologically-based RNAi Insecticide to Control Spotted Wing Drosophila	Choi/USDA	10000
Mummy Berry Updates, Validation of Initial Inoculum Prediction Model and Forsythia as a Prediction Tool	Peever/WSU	17000
Leafrollers in WA Blueberry	Gerdeman/WSU	15,000
BC Blueberry Breeding Program	Dossett/BCBC	30000
Developing commercial blueberry cultivars adapted to the Pacific Northwest with an emphasis on tolerance of Blueberry shock virus (BShV)	Finn/USDA	15108
		252204



The WBC, in cooperation with the Washington State Potato Commission, have an agreement with WSU to create a Blueberry Potato Pathology position, which will be located at WSU Mt Vernon.

We will contribute \$200,000 from our reserve fund in 2020 and \$33,000 a year in 2021, 2022 and 2023.



# New Berry Positions at WSU

## Blueberry & Potato pathology

- Focus on disease control blueberries, western WA potato, seed potato
- Support from Blueberry & Potato Commissions, NWREC, CAHNRS, Plant Path dept.
- Search Committee established



## Raspberry breeding program

- Focus on variety release, regional collaborations
- Other specialties: germplasm, quality traits, pathology, other berries?
- Support from Raspberry Commission (future endowed chair), NWREC, CAHNRS, Royalties (fruit-breeding programs)
- 2021 hiring plan



# Developing export markets for Washington blueberries.

- Washington has teamed up with California and Oregon on a joint project to get into South Korea, Vietnam, Philippines, China, New Zealand and Australia early.
- Will expand to Indonesia and Thailand.
- We just obtained access to Vietnam on February 15, 2019.
- Will have access to Philippines before the 2020 harvest season.
- In year two of working to get 44% tariff on blueberries in India reduced to something more reasonable.
- The WBC has made up export market development as one of its top priorities.
- We are drafting a preliminary budget right now and we are increasing funds that will be spent in 2020 on promoting Washington blueberry in foreign markets.



# Proposed plan for 2020 for export market promotions

- Philippines - \$60,000 SCBG to promote organic and conventional fresh blueberries.
- Malaysia – processed conventional, very specific halal certification.
- Singapore – fresh and frozen.
- Vietnam – processed, using cooking schools to introduce chefs to frozen blueberries and teach them how to use the product.
- Have asked the Oregon and California blueberry commissions to cooperate. They have expressed interest in cooperating but are trying to determine at what level, what markets and how.
- WBC, OBC and CBC have submitted parallel SCBGs to do a three-year southeast Asia blueberry promotion effort.

Our biggest export activity in 2019 was a marketing effort in Vietnam in cooperation with Oregon.

This effort was wildly successful and resulted in over 1,000,000 pounds of blueberries being sold. We expect sales to more than double in 2020.



# *Partnership in Blueberries*





# Meetings- Ho Chi Minh City



















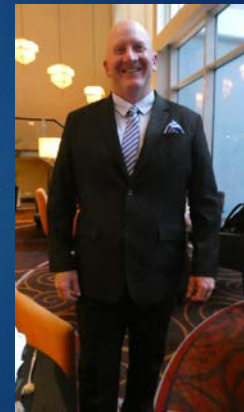


















# Meetings - Hanoi





















# Cooperation is important and valuable to us.

- Washington Red Raspberry Commission (Henry Bierlink)
- Oregon Blueberry Commission
- California Blueberry Commission
- British Columbia Blueberry Council
- North America Blueberry Council
- U.S Highbush Blueberry Council



A photograph of a person with brown hair tied in a bun, wearing a white shirt and yellow safety vest, standing in a field of dense green bushes. The person is holding a long metal pole. In the background, there are several tall, thin trees and a building. The text "The End" is overlaid in large white letters.

# The End