

FINGER LAKES VINEYARD NOTES



Newsletter 11

December 4, 2001

Cornell Cooperative Extension

Finger Lakes Grape Program

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UPDATE ON GRAPE CONVENTION

Timothy E. Martinson

Plans are underway for our annual convention and trade show, to be held February 22 and 23 at the Holiday Inn in Waterloo. The Grower Advisory Committee and my program have put together an exciting expanded program that includes a special workshop on Friday 22 as well as the regular convention

Saturday, February 23. ***The 53rd Annual Grape Growers Convention and Trade Show*** will feature talks on production issues, such as insect and disease management, sprayer technology, and nutrition. The 'question box' session following lunch will be expanded this year. Alice Wise, Grape Specialist for Suffolk County, will present an overview of the Long Island Industry. The trade show will feature 42 exhibits by industry suppliers. Pesticide recertification credits will be offered.

Friday, February 22 workshop, ***Retooling Your Vineyard for the 21st Century***. This workshop is designed to provide answers to growers wanting to increase long-range profitability by changing their varietal mix or growing for different markets. We will focus on what growers on cooler sites can plant, what processors want, how to maintain cash flow

while investing in new plantings, differences in growing techniques for premium varieties versus bulk varieties, and world/local market trends. We expect extensive participation by growers and industry leaders, and will feature several panel discussions.

Growers may register for either or both days. A full program and schedule will be mailed out in early January.

RISK MANAGEMENT SURVEY OF SPECIALTY CROP PRODUCERS

Jerry White

Department of Applied Economics and Management
Cornell University

Ed Note: This article describes a survey on crop insurance that will be distributed to specialty crop producers-including grape growers -by the New York Agricultural Statistics Service (NASS) this winter. Growers are encouraged to respond to this survey as well as to the important Vineyard Acreage Survey distributed by NASS this winter. -TEM.

The last few years have been challenging for specialty producers as well as for all farmers. Trade agreements such as NAFTA, globalization, weather events (hail, drought, and wind storms), and low prices have impacted New York growers and stimulated new interest in tools to help cope with the risk that is inherent in agriculture.

Specialty crop growers in New York State will soon be receiving a special survey of their risk management and cropping practices. The mail survey is a partnership endeavor among the USDA Risk Management Agency, New York Agricultural Statistics Service, and the Department of Applied Economics and Management at Cornell University. The survey will be mailed by the New York Agricultural Statistics Service during the first quarter

of 2002. Specialty crop producers include growers of fruit, vegetable, floriculture, nursery products, maple syrup, Christmas trees, turf, aquaculture, honey, and mushrooms.

Question: Why should specialty crop producers complete this survey?

Answer: To provide input that will be utilized to evaluate current risk management tools for producers, and to help design new and/or improved products.

The primary objective of the survey is to determine why federal crop insurance and other risk management products are utilized at the current level. New York is an underserved state in terms of farmers' use of crop insurance and other risk management products and tools, and growers of specialty crops in particular make less use of these tools than other farmers. New York producers are among a select group being asked to provide input. Other states involved in this survey are California, Florida, and Pennsylvania.

A second objective will be to determine how the design of crop insurance and other risk management tools could be improved to better meet the needs of producers. It is widely believed that many of the current crop insurance products will need to be redesigned as coverage is extended to specialty crops, and this survey will help to provide guidance to the Risk Management Agency about the particular needs of producers.

The survey asks for information about crops grown, marketing channels utilized, sources of risk in the commodities grown, use of risk management tools (including growers' recent experiences with crop insurance), and suggestions for improvement to the crop insurance program.

Researchers who will analyze the data are Dr. Jerry White and Dr. Wen-fei Uva. They specialize in the economics and marketing of horticultural crops. A report will be prepared in mid 2002 that will be used by RMA to assess the need for new risk management tools and revisions to the current crop insurance program for specialty crop producers. The Horticultural Business Management and Marketing Program web site for the researcher is <http://www.cals.cornell.edu/dept.arne/hortmgt/>.

CALIFORNIA CRUSH REPORT

Timothy E. Martinson

Production. Total production in California was estimated (October 16) at 5.9 million tons – down 16% over the record 2000 crop. Of this total acreage, raisins comprise 2.0 million tons (down 31%), table grapes are 800,000 tons (3% increase), and wine grapes are 3.1 million tons, down 8% from last year's crop.

Acreage. Winegrape acreage in 2000 was reported to total 458,000 acres of bearing grapes and 110,000 acres of nonbearing grapes (1 acre in 5 is nonbearing). The North coast region (including Napa and Sonoma) comprised 13% of the winegrape tonnage but 40% of the winegrape crop value, Central coast was 10% of acreage and 23% of the value; Lodi-Woodbridge was about 20% of the crop and 18% of the crop value. The Central and Southern San Joaquin Valley produced 54% of the wine grapes, but only 19% of the winegrape crop value. Not surprisingly, a large percentage of the newly planted (nonbearing) acreage is in the coastal regions, while Central and Southern valley growers are starting to rip out or abandon some acres.

Market activity. Many of California's wine grapes are on long term contracts, however uncontracted grapes sold on the spot market provide an indicator of market demand. Spot prices are dropping dramatically for some varieties. North Coast Chardonnay, for example dropped from \$1000-1500 range to \$500-800, from Lodi (north interior) to \$125-150 per ton, while Central and Southern Valley bulk Chardonnay saw spot prices of \$75-150 per ton. For Cabernet Sauvignon, prices remained high in coastal areas, but dropped in Central Valley areas to a range of \$100 - \$500 per ton.

Concentrate Market. High carryover and production in 2000 of concentrate – both in California and worldwide, led to low prices. White grape juice concentrate fell to \$4 per gallon, translating to a per-ton price of \$75 for Thompson seedless. For juice concentrate varieties overall, the range was \$75 to \$150 per ton. This gave growers returns of \$600 to \$1500 per acre, with production costs between \$1200 to 2000 per acre. While prices are expected to rebound, imports from countries such as Argentina are expected to capture more of the market.

Over the short term, its apparent that growers are in a down cycle where supply is temporarily overwhelming demand. Although sales of wine continue to increase, bulk producers in the Central valley are losing out, while even growers in coastal areas with higher quality are seeing prices soften. This should result in further shifts in grape acreage from traditional areas in the interior to the coastal appellations.

*Compiled from various trade publications, including **The Crush**, publication of the California Association of Winegrape Growers and **American Vineyard**, Malcolm Media, Inc.*

UPCOMING EVENTS

December 6, 2001. *Vineyard Mechanization Demonstration.* 1:00 PM, Jim Bedient Farm, Stever Hill Rd, Branchport. Come see Morris/Oldridge mechanical pruning machinery, and hear presentations by Terry Bates (Cornell University), Jay Hardenburg and Jim Joy (National Grape) and growers (Bob and Dawn Betts, Ernie Rammelt) who have used this system. Organized by National Grape Cooperative, in cooperation with the Finger Lakes Grape Program. No preregistration necessary.

January 11, 2002. *Long Island Agriculture Forum* presented by Cornell Cooperative Extension. Suffolk County Community College, Riverhead, NY. Grape section will focus on irrigation, entomology, vine vigor for the production of ultra premium wine grapes. Jeff Newton of Coastal Vineyard Care in Santa Barbara County and Kevin Ker from Ontario will be the main speakers. For information, please call Linda at 631-727-3595.

January 15 - 17 and 19 - 21, 2002 *Wine Business and Marketing Short Course* offered by Penn State Cooperative Extension, Pennsylvania Wine Association and Clover Hill Vineyards and Winery. Nittany Lion Inn in State College, PA. Registration is \$250. A comprehensive three day business and marketing short course led by two wine business faculty from the University of Adelaide in Australia. Call Kari Skrip for registration and information at 888 256-8374.

January 29, 2001 *Wine Grape Section* of the Mid Atlantic Fruit and Vegetable Convention in Hershey, PA. The theme for the meeting will be *Vine Decline in Eastern Vineyards*. Laura Mugnai from the University of Florence will be the keynote speaker. Other speakers include: Dr. Elwin Stewart, Ms.

Lucie Morton, Dr. Jim Travis and Ms. Carrie Mcmanaman. Dr. Tom Burr from Cornell will talk about his crown gall research and control strategies. Commercial nurserymen will offer their perspective on clean vine issues. Growers will present their experiences with vine decline in commercial vineyards. Call Mark Chien at 717 394-6851 for more information.

January 29, 30 & 31, 2002 *Unified Wine and Grape Symposium.* Sacramento Convention Center, Sacramento, California. Contact ASEV, P.O. Box 1855, Davis, CA 95617-1855 Telephone 530-753-3142; FAX 530-753-3318; www.unifiedsymposium.org

February 17-19, 2002 *Ohio Grape/Wine Short Course.* Wyndham Dublin Hotel, Dublin Ohio. For more information: 440-466-4417 or www.ohiowines.org

February 22, 2002. *Retooling your vineyard for the 21st Century Workshop.* This workshop, held in conjunction with the *Finger Lakes Grape Growers Convention*, will focus on changing the varietal mix, replanting, and variety selection with an emphasis on cooler sites in the Finger Lakes, and will feature extensive industry participation. Call 315-536-5134 or www.cce.cornell.edu/programs/finger-lakes-grape for more information.

February 23, 2002 *53rd Annual Finger Lakes Grape Growers Convention and Trade Show.* Waterloo Holiday Inn, Waterloo, NY. Look for details in upcoming Vineyard Notes. Program and schedule will be mailed out and posted in early January. Call 315-536-5134 or www.cce.cornell.edu/programs/finger-lakes-grape for more information.

March 9, 2002. *Grape Expectations*, annual meeting of the Garden State (New Jersey) Wine Growers Association. Forsgate Country Club in Jamesburg, NJ. Contact Gary Pavlis at Rutgers Cooperative Extension for information. 609 625-0056. <http://www.newjerseywines.com/growers.html>

March 10-12, 2002 *Wineries Unlimited.* Lancaster, PA. This will be the 26th annual trade show and seminar, organized by Vineyard and Winery Management. Call 800-535-5670 for more information or visit www.vvwm-online.com

March 26, 2002 Lake Erie Regional Grape Growers Convention. Fredonia State University, Fredonia,

NY Annual winter meeting of the Lake Erie Regional Grape Program. Note the change in date and location. Call 716-672-2191 or lenewa.netsync.net/public/lergphom.htm for more information.

April 3-5 31st Annual New York Wine Industry Workshop. Focus will include Riesling vinification, viticulture and marketing, update on ATA, and a Wine Sensory Workshop. For more information, please contact the Enology Program at 315-787-2277 or www.nysaes.cornell.edu/fst/faculty/henick/wiw

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