

# SUMMARY OF COMMODITY STATUS FOR 2005-2006

## THE GOOD...

### RELATIVELY GOOD PRICES OR MARKETS

**Nursery:** 2005-2006 was another record year for the nursery and greenhouse industry, up 4 percent overall, to \$870 million. Remains Oregon's number one ag sector.

**Beef cattle:** Domestic consumer demand stayed strong despite occasional BSE issues and export market jitters. Some softening, but still good prices. Remains Oregon's number two ag sector, at over \$530 million.

**Hay:** With strong demand from livestock markets and weather factors around the country affecting production, hay is at all-time high prices. At over one million acres in production (45 percent alfalfa), hay is the largest acreage of harvested cropland in Oregon; over \$380 million, number five.

**Christmas trees:** steady market and level prices; \$126 million, number eight.

**Pears:** Prices continue to rebound from 2002 crop year lows. Demand is increasing and is aligning with supply. Much more optimism in the industry. Number 10, at \$75 million.

**Wine grapes:** Steady increases in volume, acreage, and quality have helped growers move past the \$36 million mark. Regional and international attention to Oregon wines continues to grow. Number 14 crop.

**Blueberries:** Strong demand for fresh market berries and new plantings going in. Good prices; total output over \$33 million. Number 17 commodity.

**Cranberries:** 2006 was the first year, of many, where growers saw a good crop and good price at over 50 dollars per barrel; should push past \$20 million in sales, a 60 percent increase from previous years. Number 26 crop in 2005.

## THE MEDIOCRE...

### STRUGGLING OR HOLDING STEADY

**Grass seed:** Voles, rust, excessive moisture affected the 2005 crop. The 2006 harvest was a bit under average but prices were higher; however acreage was down and costs were up, leaving growers about neutral. Number three, at \$374 million.

**Dairy:** After banner years in 2003 and 2004, the trend in milk prices was down with costs for feed and other inputs going upward in 2005-06. Remains number four, at \$358 million.

**Potatoes:** After several years of surplus production, grower efforts of balancing output with demand are helping to bolster prices, but challenges remain. Number seven, \$130 million.

**Onions:** Recovering in acres, yields and prices. Number 9, \$124 million.

**Hazelnuts:** After a banner year in 2005 with the highest price in the history of production in Oregon at over one dollar per pound, the 2006 harvest was decent, but prices retreated to 56 cents per pound, due to a large crop in Turkey. Number 11, at \$57 million sales.

**Caneberries:** Weather related problems affected the 2006 crop. Acreage is flat for most caneberries and prices aren't improving as fast as costs. Number 28 at \$15 million in sales.

**Cherries:** Weather problems in 2005 and 2006 affected cherry crops. Prices were correspondingly high in 2005 but down in 2006 due to general lower quality of the crop and challenges with harvest. \$36 million. Ranked number 13.

**Sweet corn:** Acreage up in 2006 after several years of decline. Number 18, at \$30 million.

## THE UGLY...

### REALLY HURTING

**Peas:** Only one major pea processor remains in Eastern Oregon, leaving growers with few options for marketing their crop. Acreage has declined over 50 percent in the past few years.

**Wheat:** The cost of fuels and fertilizers have taken any profit out of wheat production. Acreage has fallen by nearly 100,000 acres, from 2005. Prices finally rebounding at the end of 2006, boosted by production of biofuels, but longer-term indication of profitability remains uncertain.

**Garlic:** Imports from China have depressed the market to such an extent that growers in Central Oregon are losing customers. White rot is also affecting fields and making garlic increasingly costly to grow.

**Strawberries:** 30 percent drop in production from 2004 to 2006. Less than 2,000 acres remain in production. Some fresh market and u-pick; most commercial production going away due to competition from California and Mexico.