Processed Sweet Corn in Selected Countries

U.S. sweet corn production for processing in Calendar Year (CY) 2001 is estimated at 2.76 million metric tons, down 4 percent from 2000, due mainly to a decline in contracted acreage and low wholesale prices. U.S. canned sweet corn (CSC) exports during the first 9 months of 2001 totaled 107,152 tons, down 18 percent from the same period in 2000. U.S. exports of CSC to Asia during the first 9 months of 2001 dropped to 74,343 tons, down 13 percent as compared to the same period last year. On the other hand, U.S. exports of frozen sweet corn to Asia are up 18 percent. The United States has also seen a major drop in CSC exports to the European Union (EU). During the first 9 months of 2001, U.S. exports to the EU totaled only 13,405 tons, down 51 percent from the same period in 2000. However, U.S. frozen sweet corn exports to the EU more than doubled in volume as compared to the same period in 2000. U.S. exports of CSC for CY 2001 are forecast at 149,174 tons, down 19 percent from 2000. U.S. exports of frozen sweet corn for CY 2001 are forecast at 51,211 tons, up 11 percent from the same period last year.

United States

Production of sweet corn for processing in the United States in Calendar Year 2001 is estimated at 2.76 million tons, down 4 percent from 2000. A 3-percent decrease in contracted harvested acreage accompanies a 0.15 ton per hectare decrease in yield when comparing 2001 to 2000. Minnesota, which accounts for over a fourth of the U.S. sweet corn crop for processing, had a wet spring followed by several weeks of hot and dry conditions causing the crop to mature unevenly. New York's yield is low because of drought conditions. Oregon's yield is above average this year due to ideal weather conditions in the Willamette Valley, where most vegetables are grown. In western Washington, harvest was expected to be a week to ten days behind normal. In the Quincy area, winds have been prevalent this year, challenging crop development. According to the Economic Research Service (ERS), U.S. production of sweet corn for canning in 2001 is estimated at 1.40 million tons (567,654 tons, net product weight), down 15 percent from 2000. Production of sweet corn for freezing for the same period is estimated at 1.36 million tons (367,784 tons, net product weight), up 2 percent from 2000.

Thailand

Production of CSC in Thailand in 2001 is estimated at 28,000 tons, up 8 percent from the previous year. This increase in output is attributed mainly to an expansion in planted area of sweet corn. Most sweet corn packers have increased their contracts of fresh production with farmers in response to strong export demand for CSC in 2001. Production of fresh sweet corn in MY 2001/02 is forecast to be close to the 120,000 tons of the previous year. About 60 percent of total production will be delivered for CSC production, while the balance will be used for fresh consumption and frozen sweet corn production. Prices for fresh sweet corn are favorable in MY 2001/02 due to increased buying competition among canneries.

Regarding CSC exports, Thailand has benefitted from reduced supplies in France and the United States, and the relatively strong U.S. dollar in 2001. Thailand's CSC exports grew sharply in the first seven months of 2001 to 20,814 tons, up 31 percent from the same period in 2000. In addition to increased exports to such traditional destinations as South Korea, Taiwan, and Japan, there has been a sharp increase in new markets such as the United States and the Russian Federation. Due to its relatively cheaper prices against U.S. domestic supplies, exports to the United States have jumped from only 194 tons in the first seven months of 2000 to 1,001 tons in 2001. Meanwhile, exports to the Russian Federation grew from less than 100 tons during January-July 2000 to 1,115 tons in 2001.

Thailand has been successful in promoting exports of CSC in the past decade, from less than 500 tons in 1992 to an estimated 30,000 tons in 2001. Thailand's export markets now cover more than 60 countries, mainly in Asia and Europe. This development reflects Thailand's advantage in year-round fresh production, cheap labor costs, relative proximity to buying destination, and the strong effort by Thai entrepreneurs to improve the quality of sweet corn products. Although packers admit that it would be difficult to compete in quality with the United States, Thailand is likely to pose some threat to the United States in Asian markets in the near future. This is because continued unfavorable economic conditions may induce Asian consumers to look for acceptable-quality products with cheaper prices.

The frozen sweet corn industry in Thailand is still vulnerable due to its relative high cost operations and a lack of domestic consumption. Production of frozen sweet corn has become a profitable side line for a few prevailing frozen vegetable operators. After a sharp reduction in MY 2000/01, exports of frozen sweet corn in MY 2001/02 may recover somewhat due mainly to decreased worldwide supplies.

Thailand remains the world's largest supplier of canned baby corn. Production of canned baby corn in Thailand in 2001 is estimated at 56,000 tons, down 3 percent from the revised level in 2000, due mainly to lowering world prices as financial weakness continues among Thai packers who compete to sell their product. Fierce competition among Thai packers prevents Thailand from controlling global prices. Exports account for nearly all of Thailand's canned baby corn production. According to trade sources, the average f.o.b. export prices for Thai canned baby corn dropped from US$ 8-13 per case in 2000 to US$6-11 per case. In 2001, the United States continued to be Thailand's best customer for canned baby corn, followed by the Netherlands, Japan, and Germany.

France

France is the leading European producer of processed sweet corn, with 85 percent of EU CSC production and 70 percent of EU frozen sweet corn production. After a number of years of expanding production in response to increasing consumer demand, French production stabilized in 1998, due to declining consumption. This was considered due to consumer concerns regarding biotechnology.

In France, sweet corn production for processing includes canned and frozen product. In 2001, production of CSC is estimated at 243,000 tons (gross weight), nearly unchanged from the revised total of 243,800 tons in 2000. A large portion of the bulk of France's sweet corn output is slated for the export market. In 2000, the EU countries accounted for approximately 85 percent of the CSC output and 70 percent of frozen output. The decline in French domestic demand for CSC recorded in 1999 and 2000 was mainly due to French consumers' fears that sweet corn products contained genetically-modified corn. As a result, French sweet corn growers launched an educational campaign informing the public of the absence of genetically engineered corn in their production or imports into France or Europe, in hopes of raising consumption levels. Current evidence shows that French consumers remain skeptical and have reduced their purchases of processed sweet corn.

France is a net exporter of canned and frozen sweet corn, but imports products from the United States, Thailand, and Italy. In Marketing Year 2000/01, these suppliers accounted for 40, 23 and 11 percent of the French CSC market, respectively. French imports of CSC declined by 41 percent in 2000 from 1999, and shipments were reduced from each supplying country. Reportedly, French domestic demand for U.S. sweet corn is likely to grow when it is certified non-GMO. During this same period French exports totaled 104,780 tons, up 20 percent from the previous year. Germany, the United Kingdom and Spain accounted for 63 percent of total exports.

Germany

As Germany's generally cold weather is not optimal for the production of sweet corn, the country produces only small amounts, which are primarily consumed fresh. Imports account for the bulk of Germany's domestic sweet corn consumption. In CY 2000, Germany imported 66,475 tons of CSC (unchanged from the previous year) and 11,637 tons of frozen sweet corn (down 4.3 percent from 1999). France continued to be the biggest supplier of CSC, although in recent years it has lost market share. In contrast, Hungary, the second most important supplier to the German market, has increased its share from 17 percent in CY 1999 to 23 percent in 2000.

In CY 2000, the United States has been able to increase its exports of CSC to Germany by 11.2 percent to 7,420 tons, which makes it the fifth largest supplier of preserved sweet corn. This is especially remarkable given the unfavorable DM/US$ exchange rate in CY 2000. On the other hand, U.S. exports of frozen sweet corn to Germany dropped dramatically from 296 tons in CY 1999 to 51 tons in 2000, which is a decline of 83 percent.

(The FAS Attache Report engine contains reports on processed sweet corn for 4 countries, including the United States, Thailand, France and Germany. For information on production and trade, contact Erik Hansen at 202-720-0875. For information on marketing contact Elizabeth Mello at 202-720-9903. For additional information on sweet corn, please visit our processed vegetables web page at: http://www.fas.usda.gov/htp/horticulture/Proc_Veg.html)

United States: Production, Supply and Utilization of Sweet Corn
Metric tons

Calendar Year	1997	1998	1999	2000	2001 F
Canned, Net Product Weight:					
Beginning Stocks	362,981	285,471	250,240	254,218	250,203
Production 1/	593,179	611,181	643,391	661,807	567,654
Imports 2/	5,290	8,525	11,365	12,000	16,575
Total Supply	961,450	905,177	904,996	928,025	834,432
Exports 2/	193,667	187,827	184,681	185,000	149,174
Ending Stocks	285,471	250,240	254,218	250,203	211,643
Domestic Utilization	767,783	467,110	466,097	492,822	473,615
Frozen, Net Product Weight:					
Beginning Stocks	222,395	241,606	240,674	213,437	164,899
Production 3/	415,616	391,009	380,190	361,648	367,784
Imports 2/	12,372	13,987	11,051	12,260	8,582
Total Supply	650,383	646,602	631,915	587,345	541,265
Exports 2/	72,257	73,814	73,557	70,000	70,615
Ending Stocks	241,606	240,674	213,437	164,899	185,486
Domestic Utilization	336,520	332,114	344,921	352,446	285,164
Fresh, Farm Weight:					
Beginning Stocks	0	0	0	0	0
Production	1,072,356	1,193,467	1,169,653	1,175,777	1,170,288
Imports	10,433	18,143	24,086	23,451	23,134
Total Supply	1,082,789	1,211,610	1,193,739	1,199,228	1,193,422
Exports	56,519	42,457	40,416	46,131	51,211
Ending Stocks	0	0	0	0	0
Domestic Utilization	1,026,270	1,169,153	1,153,323	1,153,097	1,142,211

Source: Economic Research Service (ERS).

1/ Converted from farm weight equivalent to net product weight by using a factor of 2.463.

2/ U.S. Department of Commerce, Bureau of the Census.

3/ Converted from farm weight equivalent to net weight by using a factor of 3.7.

United States: Exports of Fresh, Canned and Frozen Sweet Corn
Calendar Year: 1997-2000

Commodity/ Destination	1997	1998	1999	2000	(January -September) 2000	2001
		(Metric tons)				
Fresh:						
Canada	34,075	32,357	37,459	39,084	37,136	36,338
Japan	207	380	207	71	31	130
United Kingdom	2,339	1,920	1,265	3,422	2,911	2,477
Mexico	495	1,835	431	443	98	497
Switzerland	96	0	48	16	16	27
Others	15,192	5,972	1,042	3,102	873	6,091
Total	52,404	42,464	40,452	46,138	41,065	45,560
Canned:						
Asia:	128,471	113,460	113,480	116,099	84,978	74,340
Japan	60,220	61,213	60,395	56,660	39,601	39,813
Korea	19,795	11,944	19,655	28,498	23,585	13,133
Taiwan	24,101	27,331	22,598	23,538	16,019	16,286
Canada	2,173	2,162	2,020	2,283	1,465	3,012
Germany	14,472	12,813	2,729	2,111	1,395	3,098
Mexico	3,516	5,145	5,239	5,421	3,993	3,507
Netherlands	4,434	16,960	17,533	18,304	14,667	3,228
Norway	6,545	5,842	7,276	7,705	6,204	4,953
Sweden	3,759	3,646	3,851	2,754	2,101	2,012
United Kingdom	13,210	11,867	15,826	9,707	7,611	3,328
Others	41,442	28,904	27,559	18,421	13,444	14,782
Total	193,667	187,827	184,681	175,402	130,085	107,152
Total Frozen:						
Asia:	54,582	54,054	54,651	49,130	36,235	34,847
Japan	44,923	44,329	41,838	40,035	29,129	29,098
Taiwan	1,870	1,279	1,378	828	521	393
Hong Kong	5,237	5,134	4,897	2,701	1,890	1,433
Australia	759	2,483	2,226	1,636	1,524	223
Canada	4,788	3,044	3,606	7,288	3,796	5,509
Mexico	3,017	3,017	3,017	3,017	1,293	1,870
EU	3,355	4,789	4,235	4,346	2,518	4,021
Others	8,308	9,739	12,070	10,081	8,619	7,586
Total	72,257	73,814	73,267	69,932	49,290	50,133

Source:U.S. Department of Commerce, Bureau of the Census.

United States: Imports of Fresh, Canned and Frozen Sweet Corn
Calendar Year: 1997-2000
Metric Tons

Commodity/ Origin	1997	1998	1999	2000	(January - September) 2000	2001
Fresh:						
Mexico	9,492	15,690	22,308	22,129	17,523	16,656
Canada	737	2,415	1,773	1,256	1,238	1,706
Others	225	38	27	66	58	71
Total	10,454	18,143	24,108	23,451	18,819	18,433
Canned:						
Thailand	1,642	1,561	1,477	3,266	2,652	4,677
Canada	3,565	6,935	9,829	8,063	4,415	6,531
Indonesia	31	26	0	20	20	12
Others	52	3	59	729	727	112
Total	5,290	8,525	11,365	12,078	7,814	11,332
Frozen:						
Canada	11,753	13,231	10,624	8,850	6,564	5,516
Mexico	350	114	275	260	241	277
Others	269	642	152	311	233	270
Total	12,372	13,987	11,051	9,421	7,038	6,063

Source:U.S. Department of Commerce, Bureau of the Census.