



Aflatoxin:

As almond growers, you realize the business of growing and selling almonds from California has been a huge success story. To maintain the growth necessary to keep the industry profitable, we must continue to produce and export the highest quality product possible.

Recently the European Union (EU) regulators have become concerned about the amount of Aflatoxin they have found in California almonds. Aflatoxin is naturally occurring and is considered to be carcinogenic in high doses. It is born from molds and is prevalent in low quality almonds. In response to these food safety concerns, they are proposing to the EU government a new set of testing requirements to ensure food safety as it pertains to California almonds.

It is in regard to this food safety issue in the EU and the goals of our industry, that your Almond Board has instituted new rules as it pertains to the amount of disposition of inedible almonds that will be required now and in the future. With approximately 55% of exported almonds being sold to EU countries, these new regulations will have a great impact on both growers and processors.

At Panoche Creek we are working to implement these new Almond Board and EU requirements. In doing so it has become evident that we will have to handle low quality almonds that are delivered to our plants differently. You as a grower are probably asking how is this going to affect me? The answer is "It depends". If you deliver high quality almonds you will continue to receive the great returns that Panoche Creek has paid over the years and will experience no change. On the other hand, due to the extra cost that has now become associated with almonds with a high inedible percentage, deliveries that create these additional costs will be faced with a new penalty schedule.

Market News:

Supplies on 2006 crop remain tight and sales still come easily. At least they are easy relative to forward contracting 2007 crop. The perfect bloom weather has buyers convinced that they will be paying less as we enter the 2007 crop harvest. Last year the same strategy failed the buyers, but this year they seem very, very confident that a new record will be easily achieved in production. Thus caution is prevalent.

Farming News by Barry Watts:

We would like to introduce Barry Watts as a contributor to our newsletter. Prior to coming to work for Panoche Creek Packing, Barry was an accomplished PCA and farm manager. We have asked Barry to write an article for our newsletter that pertains to current concerns associated with growing almonds. Barry will also be assisting in estimating crops for our seasonal pool.

Spider Mites on the Rise

The post bloom weather we have received could not be better for our almond set, but with these above average temperatures we are seeing early mite infestations in our orchards. Some growers have already made applications to help knock down early mite populations.

Last year's extreme summer heat brought on a mite problem few could avoid. The female adult mite overwinters in the rough bark of the tree, in ground trash and in winter weeds. As the tree pushes leaves and temperatures rise, the mites make their way out to the leaves to begin feeding. As the mites suck the cell contents out of the foliage, the leaves begin to turn yellow and fall off. Crop and foliage reduction may be apparent the following year. Early in the season, mites can be found near the lower to central areas of the tree.

Many practices must be considered when trying to prevent a mite problem. Below are some prevention ideas: Water stressed trees will almost always have mites on them. Avoid stressing trees whether it is from insufficient irrigation or uneven distribution within the orchard. Do cultural practices such as discing, mowing and landplaning early in the season while temperatures are mild. Oiling and watering roadways will reduce dust around the orchard. Maintain predator insects that will help control mites. This can be accomplished by choosing "soft" or selective chemicals for in-season sprays to prevent killing the natural predators within your orchard, or by releasing additional mite predators. Chemical applications control mite very well if applied correctly. Systemic and residual chemicals usually have to be applied while the leaf tissue is tender (early season) and mite populations are not significant. Mites must be present to use a contact material (*consult your pest control advisor for a recommendation*). On both types of action it is important to get great coverage.

Crop Estimate Contest:

Crop receipts through March 31, 2006 are 1,107,395,776 making the 2006 crop the largest crop ever and also making Darrell Vincent \$2,500 richer as the winner of the 2006 crop estimate contest with his guess of 1,113,230,000. The 2006 contest was valued at \$2,500 to commemorate our 25th year as California's leading almond handler.

This year's rules follow:

1. The closest guess to the receipts of the 2007 crop as shown on the March 2008 position report published by the Almond Board of California will be the winner. The winner will be rewarded with a \$1,000 cash prize.
2. One entry per farm organization. Multiple entities or partners do not entitle you to multiple entries. In the event of a tie, the proceeds will be split. All guesses will be published in the May newsletter.
3. All entries must be mailed or faxed to Panoche Creek Packing prior to May 1, 2007. Mail to 3611 W. Beechwood Ave. Suite 101, Fresno, CA 93711 or Fax to 559-449-9970.

2007 Crop Estimate Contest Entry

Grower Name _____

Crop Estimate _____