

Apple industry adjusts

(Continued from Page E12)

Carolina. In Pennsylvania, about 40 percent of all apples grown are sold to processors of canned slices and sauce.

The declining use of canned slices and sauce has been partially offset by population growth. As the population has increased, the demand for these products has required about the same quantity of apples. However, if consumption declines much further, growers will probably be unable to sell the same quantity to processors of canned slices and sauce. Many of the varieties produced for sauce or slices are considered low quality for the fresh-apple market. As a result, peeler apples marketed fresh must often be sold at prices

substantially lower than those of the premium fresh-market varieties. Moreover, growers typically receive lower prices for juice apples than for fresh or peeler apples. In short, growers of peeler apples face both a shrinking existing market and weak alternative markets.

The International Market

Although U.S. apple growers are concerned about the drop in consumption of some apple products, they are also enjoying greater sales opportunities on the international market. At the same time, our domestic fresh-apple market is being tapped by foreign growers, particularly those in the southern hemisphere, who harvest their crop during our spring. Sales

to countries in the Pacific account for most of the growth in U.S. exports of fresh-market apples. Exports are made to many other areas as well, including Scandinavia and the Middle East. Apple packers, together with state departments of agriculture, have worked hard to promote exports of fresh and processed apples.

The role of apple juice in international trade and its impact on the U.S. apple industry is interesting and, to some, alarming. Substantial volumes of concentrated apple juice have been imported into the United States during the last few years. In fact, we now import more apple juice than we produce from domestically grown apples. Countries of western Europe and the southern hemisphere are the biggest sellers in the U.S. market.

The recent surge in exports of

apple juice to the United States has been attributed to the strength and stability of our currency. Some countries, it is argued, need a sound currency to pay off their international debts. Others, because of the strength of our dollar as compared with their own currencies, find that they reap greater profits by selling apple juice to America than they would by selling it at home. If this is the case, then imports of foreign-made apple juice will likely decrease when the dollar weakens. In the meantime, U.S. apple growers tend to view imports of concentrated juice as price depressors in the domestic market. They are no doubt right; they probably would get higher returns if imports were reduced. Domestic producers will enjoy a much stronger market for their juice apples if and when America becomes a less attractive

place for foreign producers.

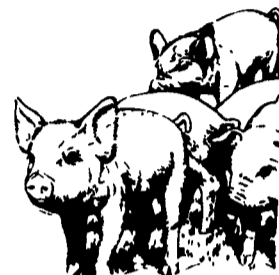
While considered troublesome by some, the influx of foreign-made juice may actually be a blessing in disguise. In fact, it may have helped to develop a much larger market for apple juice than would have existed had the United States depended solely on domestic supplies. The current volume of canned apple juice is large enough to require a generous allocation of shelf space in virtually every supermarket. Most supermarkets carry frozen concentrated apple juice in frozen food cases, cider in produce departments, and apple juice in dairy cases. Consumers attracted by the increased visibility and convenience of apple juice are buying more of it.

Changing Markets

The market for the American

(Turn to Page E14)

Visit Our Display At The
PA FARM SHOW, Booth #L7

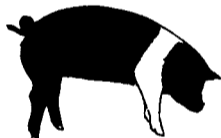


FARMER BOY AG, INC.

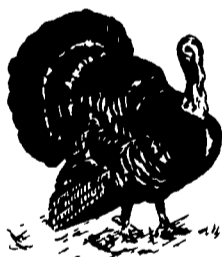
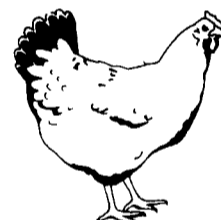
Myerstown, PA

THE SYSTEMS SPECIALIST

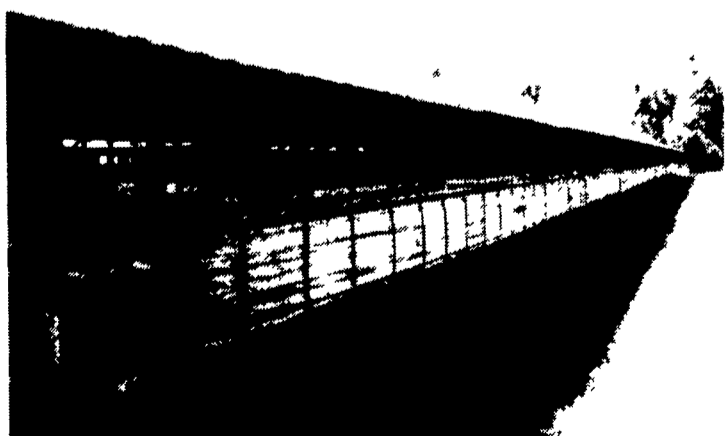
Buildings And Equipment For:



- SWINE SYSTEMS
- POULTRY LAYER & PULLET SYSTEMS
- TURKEY & BROILER SYSTEMS
- VEAL SYSTEMS
- SHEEP SYSTEMS
- ALL TYPES OF VENTILATION SYSTEMS
- ALL TYPES OF FEEDING SYSTEMS
- ALL TYPES OF WATERING SYSTEMS
- ALL TYPES OF MANURE SYSTEMS
- ALL TYPES OF CAGE & PENNING SYSTEMS



Ask Us WHO'S WHO In Contracting Growers For Any Of The Above Systems. We Will Put You In Touch With The Local Feed Mills That Can Help You To Decide Which System Is Best For Your Farming Operation.



This Curtain Will Pay For Itself
On Winter Fuel Cost Savings.

Check Our Payment Plan:

Partial Payment Now, Balance Due July 31, 1986

Place Your Order, Limited Time Offer

See Us About The All New
INSULATED CURTAIN

A Representative Will Be On Hand
At The PA FARM SHOW

