

## Oregon blueberry production going sky high

by Bend\_Weekly\_News\_Sources

### Heavy consumer demand increases prices and acreage

Consumers want them, Oregon growers are providing them. Blueberry harvest is underway with another year of expected good prices and record-breaking production putting a smile on the industry's face. How long will the good times last is anybody's guess, but the state's 300 or so blueberry producers are going to enjoy it while they can. "It means we can actually farm and make a profit," says St. Paul blueberry grower Doug Krahmer, a member of the State Board of Agriculture. "Because of that, we've been able to expand our operation and pay our employees better." Percentage-wise, no other Oregon agricultural commodity increased its value more last year than blueberries. Production value jumped from \$30 million in 2005 to \$53 million in 2006. The industry has experienced more than 100 percent growth in the past decade- from 20 million pounds of blueberries harvested to projections of nearly 40 million pounds in 2007. The number of acres planted in blueberries has increased accordingly, and it seems more growers are getting in on the action. "Existing blueberry growers continue to expand production and we have more individuals- perhaps a grass seed grower or a blackberry grower- deciding to either change crops or add blueberries to the mix," says Dave Brazelton of Fall Creek Nursery, located south of Eugene, which is a world leader in wholesale sales of blueberry nursery stock. "Our company has seen tremendous demand for nursery stock. With more plantings, blueberry volumes over the next five years will increase dramatically." Some Oregon growers are even looking to other blueberry-growing areas of the world in order to meet the increased demand. By expanding into the Southern Hemisphere regions of Central and South America, for instance, these local growers are able to extend their fresh blueberry season and keep consumers happy year around. It's the consumer that started this frenzy of activity for blueberry growers. Per capita consumption has increased in recent years not only in North America, but in Europe and Asia. Domestic demand is especially noticeable, and it is largely because of the health benefits provided by blueberries. "They're eating more fruit in New York City, they're eating more fruit in Denver, and they're eating more fruit in Portland, whether it is frozen, dried, or fresh," says Brazelton. The blueberry health message has been marketed successfully for years. That message is more than just kicking in these days- it has become nearly synonymous with nutritional living. In the 1990s, a Tufts University study showed blueberries to have higher antioxidant activity than all other fruits and vegetables. Antioxidants neutralize the effects of free radicals- those unstable compound molecules that can attack human cells and damage DNA. In addition to the health benefits, consumers have come to enjoy the taste of blueberries- and Oregon blueberries provide great flavor and overall quality. "It's part of that perfect storm for the industry," says Brazelton. "It's healthy, we don't peel it, there is very little preparation needed before consuming it, it has decent shelf life, and the packaging makes it convenient to the consumer. This is a crop that has been strategically positioned, but it also has had the good luck of being at the right place at the right time." Oregon is literally cashing in. The state's climate and soils make it a natural place to produce blueberries. At about 9,000 pounds per acre, no other state has a higher crop yield. The conditions also protect Oregon growers from the big swings seen in other states. The southeast is vulnerable to hard winter or early spring freezes that can cut a year's production 50 percent. In Oregon, a big production swing is about six percent. "Demand is ahead of supply and the blueberry producing world is responding," says Brazelton. "Oregon is in one of the strongest strategic places in the world to respond because of its natural advantages. Oregon is one of the best places in the world to grow blueberries for those who have suitable land and water." Brazelton also points to Oregon's heritage for overall berry production as an ace in the hole that can be played when boom times subside. "Oregon's name and image will become advantageous and we'll become a preferred provider when there are choices for blueberry buyers," says Brazelton. "The idea of a clean fruit and a healthy environment plays into it. Right now, buyers are just frantic to get product and are purchasing blueberries from anywhere in the world. Once supply catches up to demand and there are choices, Oregon will have the strategic cards to play. When push comes to shove,

Oregon growers will still make money when many others won't."Industry experts say last year's high price of \$1.44 per pound was an aberration- a function of an extreme worldwide shortage of blueberries. Although this year's price will remain strong, producers expect things to moderate in the coming years as production ramps up."We don't know where the supply-demand curve is going to end up," says Bryan Ostlund, administrator of the Oregon Blueberry Commission . "Will production go up 10 percent, 100 percent, 300 percent? We are in uncharted territory. That makes it a challenge for a producer considering whether to grow more blueberries. There has to be a ceiling at some point, we just don't know where it is. But we do know that Oregon is in an incredible driver's seat with all its strategic advantages."To the consumer, the message continues to be that blueberries are good for you. To the Oregon grower, the message continues to be that blueberries are good for you. It is entirely possible, given the meteoric growth of the industry, that blueberries could crack the top ten list of Oregon agricultural commodities in the near future if demand remains high locally, domestically, and internationally. Another good crop is on its way.

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