



# Industry Outlook & Global Crop Report

August 17, 2023

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Director, Industry Analytics



# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces



# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces

## U.S. Apple Production

According to a USApple analysis of USDA data, total U.S. apple production for the 2023/24 CY will be around 10.5 billion pounds or 250 million bushels.<sup>6</sup> This represents a 1.5% increase compared to last year's production figure and is 3.4% less than the five-year production average.

250

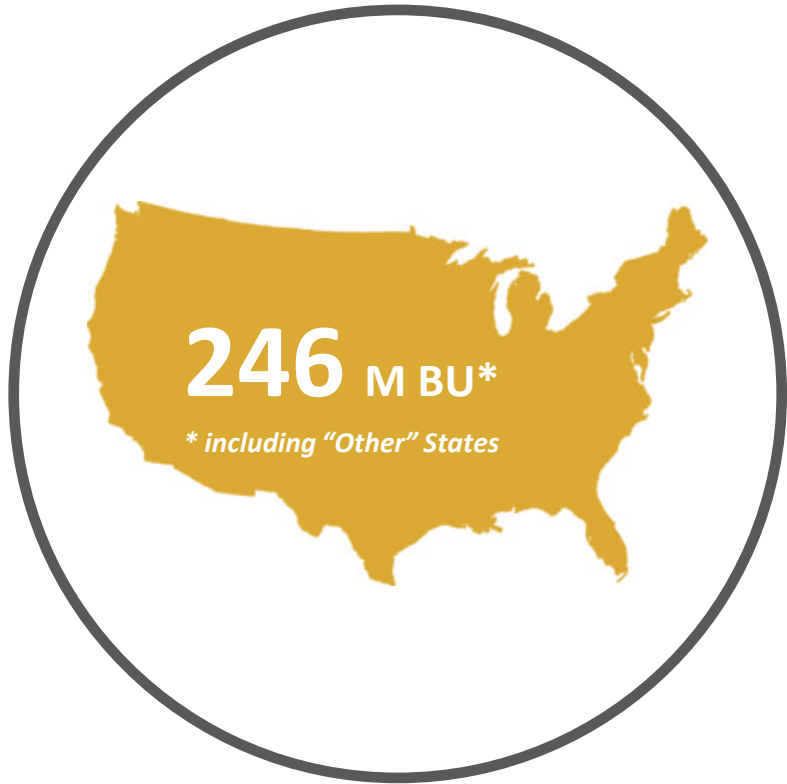
MILLION BUSHELS  
PRODUCED

<sup>6</sup> Each August, USDA releases an estimate of apple production by state for the coming crop year. In 2018, it limited the number of estimates to only the top seven apple producing states: California, Michigan, New York, Oregon, Pennsylvania, Virginia and Washington. This means that from 2018 onward, USDA's total national production figure only represents a sum of the seven states. Prior to 2018, USDA's total national production figure included data for a far greater number of states - 20 in 2017. In an effort to maintain continuity of the dataset, USApple has estimated production for the "Other" states from 2018-2023 and added it back to USDA's national production figures to arrive at a new, more comprehensive USApple production estimate.

USApple Industry Outlook 2023 - U.S. Apple Production

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# U.S. Apple Production: 2022/23 CY Review

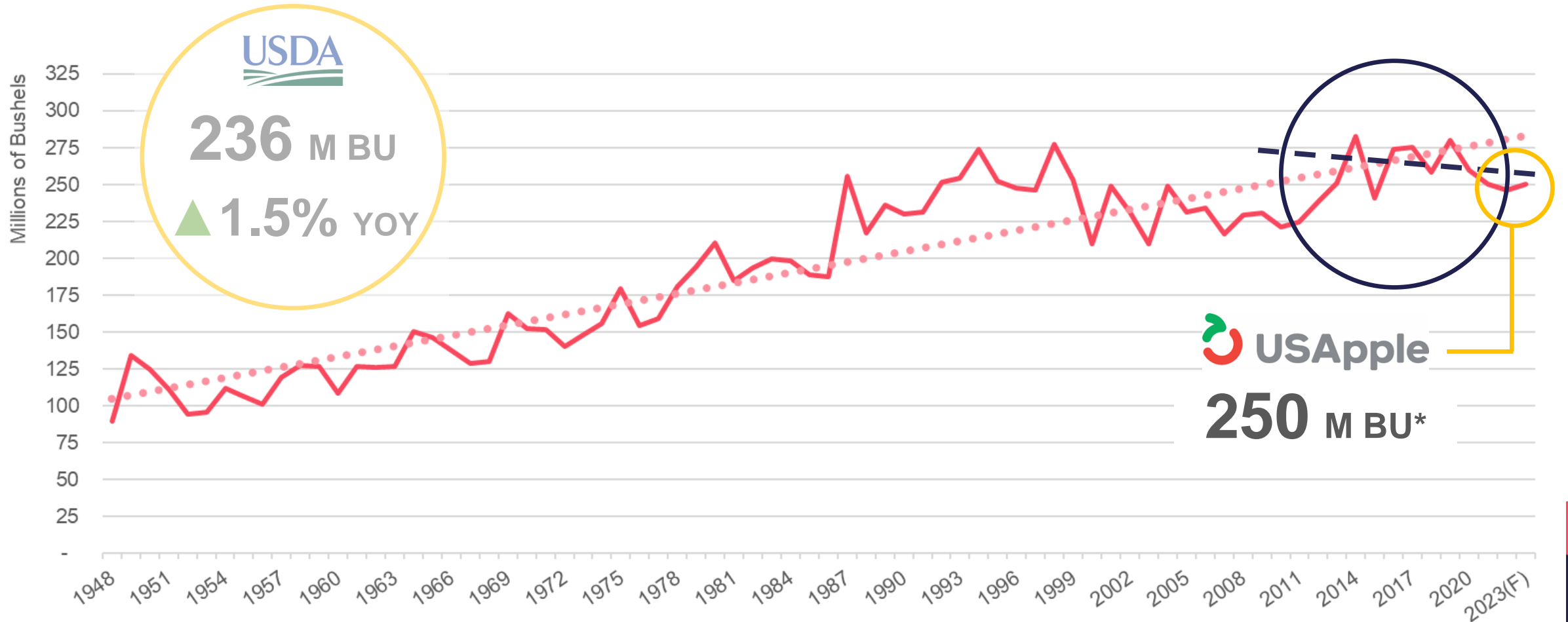


			<u>YOY</u>
AUG 2022	USDA 2022 Estimate	241 M BU	▲ 2%
	USApple 2022 Adjustment	230 M BU	▼ 3%
MAY 2023	USDA 2022 Final Revision	233 M BU	▼ 2%

Sources: USDA, NASS; USApple



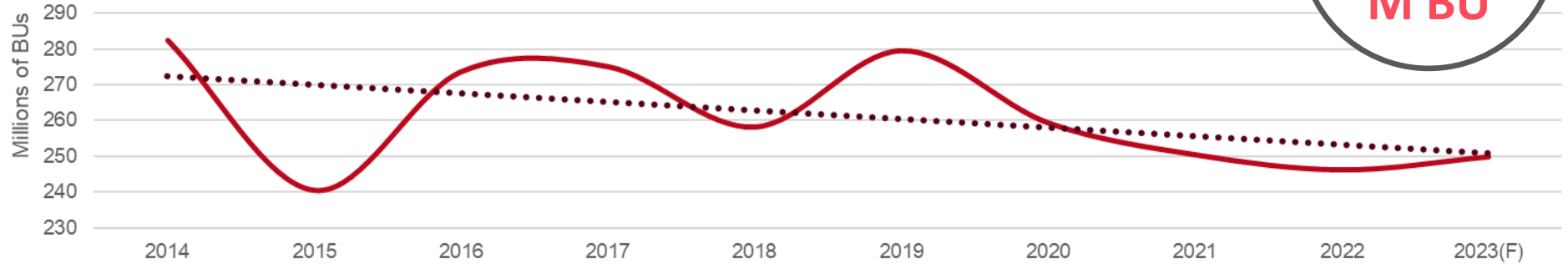
# U.S. Apple Production: 2023/24 CY Estimate



Sources: USDA, NASS; USApple

# U.S. Apple Production Trends

**250**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▲ 1.5%

Vs. 5-YR AVG ▼ 3.4%

Sources: USDA, NASS; USApple

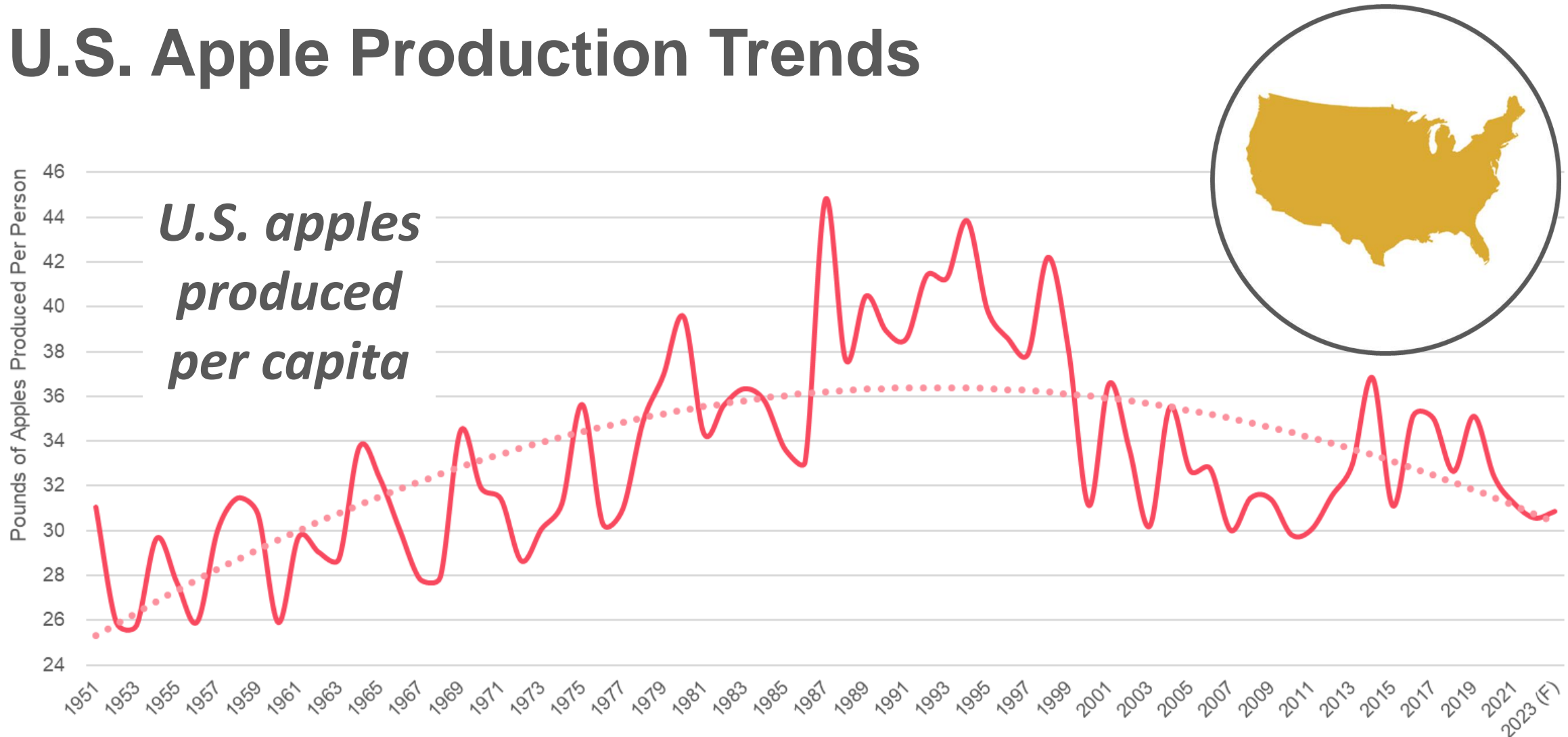
## 2019 - 2022

PRODUCTION ▼ 12%

ACRES ▼ 2%

YIELD ▼ 10%

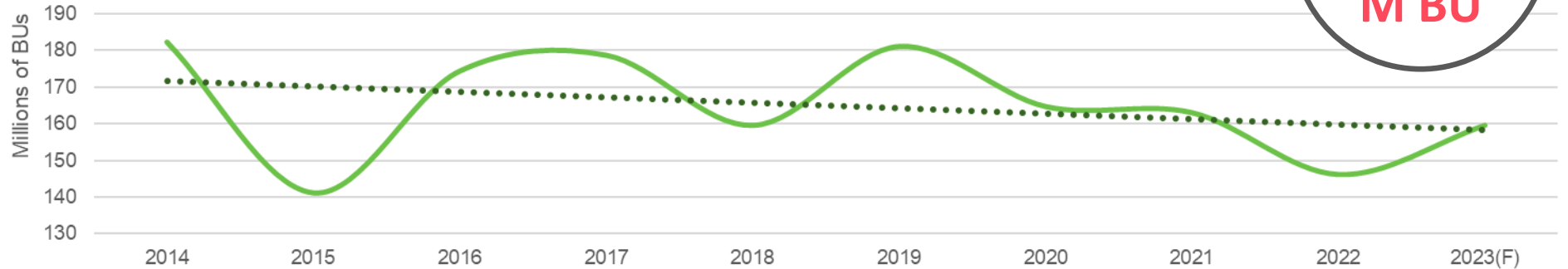
# U.S. Apple Production Trends



Sources: USDA, NASS; USApple

# Washington Apple Production Trends

**160**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▲ 9%

Vs. 5-YR AVG ▼ 2%

Sources: USDA, NASS; USApple

## 2019 - 2022

PRODUCTION ▼ 19%

ACRES ▲ 1%

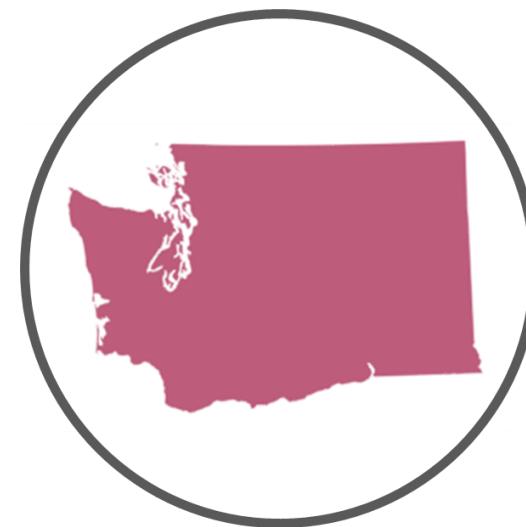
YIELD ▼ 20%



# Washington Apple Production Trends



2023/24 (F)



134 M Fresh 40-LB Boxes

▲ 29% YOY



128 M Fresh BUs



75% 5-YR Average Fresh Utilization



170 M BUs



160 M BUs 



**WSTFA\* vs. USDA:**

**+10.7 M BU**

**▲ 6.7%**

\* Implied total production.

Sources: USDA, NASS; WSTFA; USApple

# Washington Apple Production Trends



Washington State  
Tree Fruit Association

**Vs.**



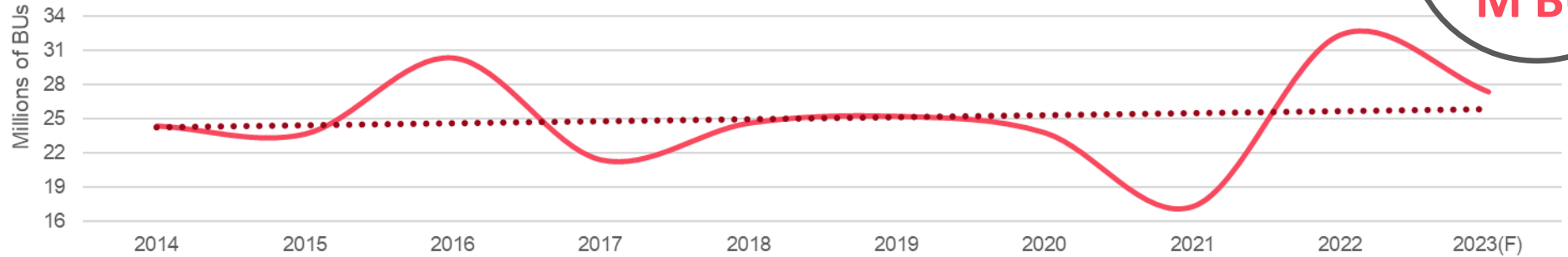
2018/19	112 M BU	▼ 6%	120 M BU	70%	<b>F R E S H</b>
2019/20	128 M BU	▼ 6%	136 M BU	71%	
2020/21	117 M BU	▼ 6%	123 M BU	71%	
2021/22	116 M BU	▼ 6%	124 M BU	72%	
2022/23*	99 M BU	▼ 9%	110 M BU	68%	

\* Subject to revision

Sources: USDA, NASS; WSTFA; USApple

# Michigan Apple Production Trends

**27.4**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▼ 15%

Vs. 5-YR AVG ▲ 11%

## 2019 - 2022

PRODUCTION ▲ 28%

ACRES — 0%

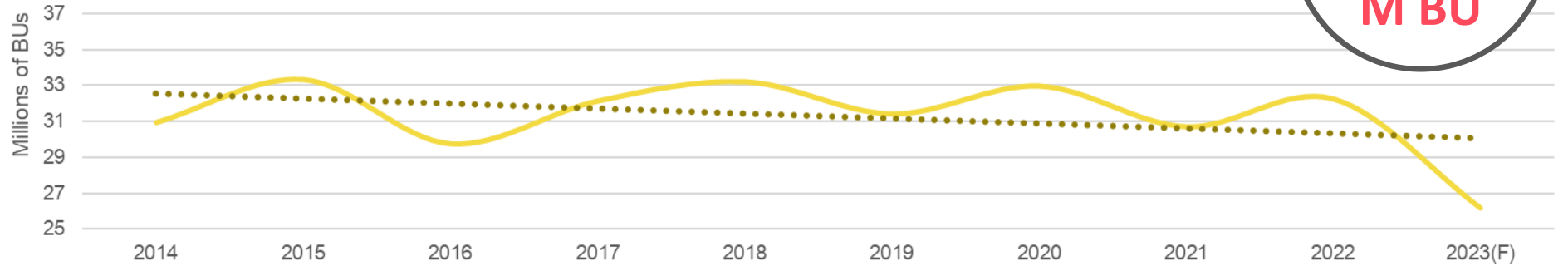
YIELD ▲ 28%

Sources: USDA, NASS; USApple

**PREMIER 32 M BU**

# New York Apple Production Trends

**26.2**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▼ 19%

Vs. 5-YR AVG ▼ 19%

Sources: USDA, NASS; USApple

## 2019 - 2022

PRODUCTION ▲ 3%

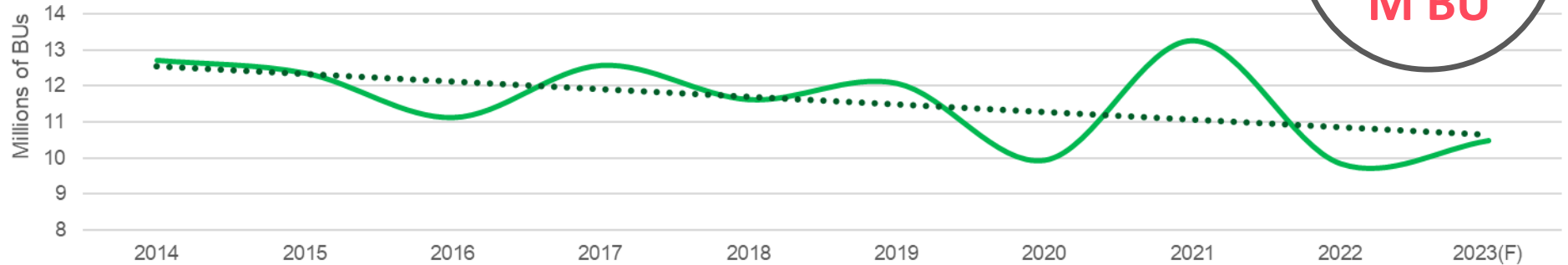
ACRES ▼ 2%

YIELD ▲ 5%

**PREMIER 29 M BU**

# Pennsylvania Apple Production Trends

**10.5**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▲ 7%

Vs. 5-YR AVG ▼ 8%

## 2019 - 2022

PRODUCTION ▼ 19%

ACRES ▼ 10%

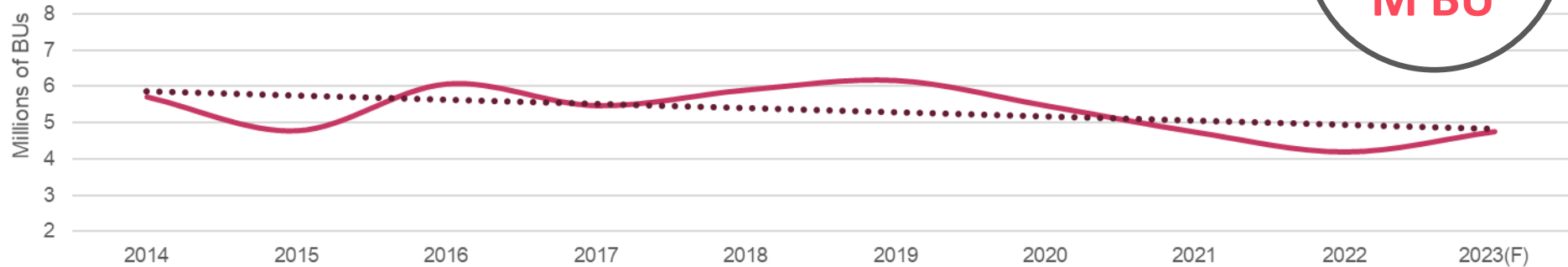
YIELD ▼ 9%

Sources: USDA, NASS; USApple

**PREMIER 10.8 M BU**

# California Apple Production Trends

**4.8**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▲ 13%

Vs. 5-YR AVG ▼ 10%

Sources: USDA, NASS; USApple

## 2019 - 2022

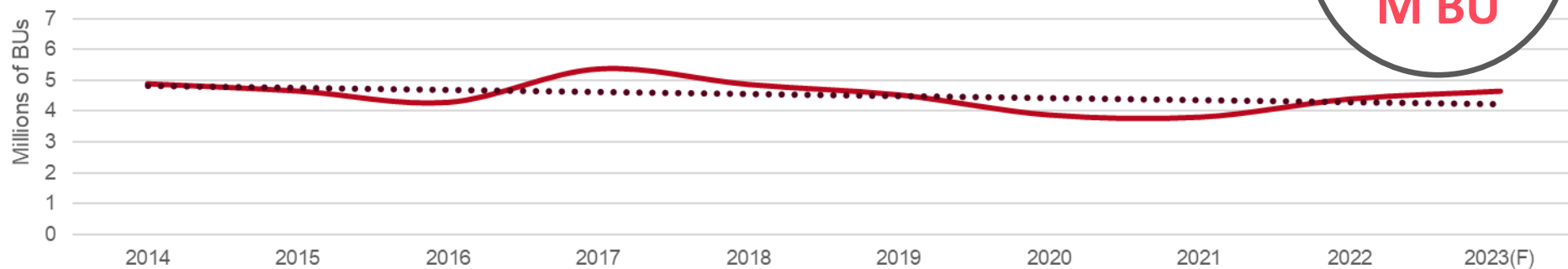
PRODUCTION ▼ 32%

ACRES ▼ 23%

YIELD ▼ 11%

# Virginia Apple Production Trends

**4.6**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▲ 6%

Vs. 5-YR AVG ▲ 8%

Sources: USDA, NASS; USApple

## 2019 - 2022

PRODUCTION ▼ 3%

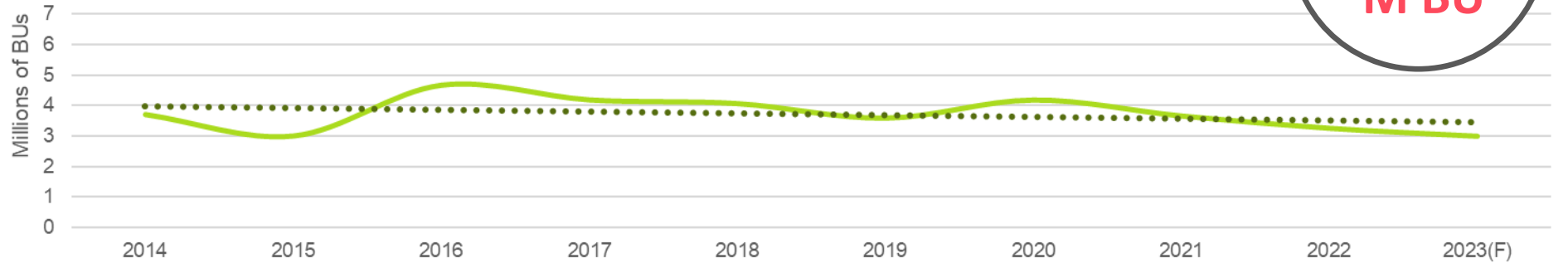
ACRES ▼ 14%

YIELD ▲ 13%

**PREMIER 4.3 M BU**

# Oregon Apple Production Trends

**3**  
M BU



## 2023/24 (F) Production

Vs. 2022 ▼ 8%  
Vs. 5-YR AVG ▼ 20%

## 2019 - 2022

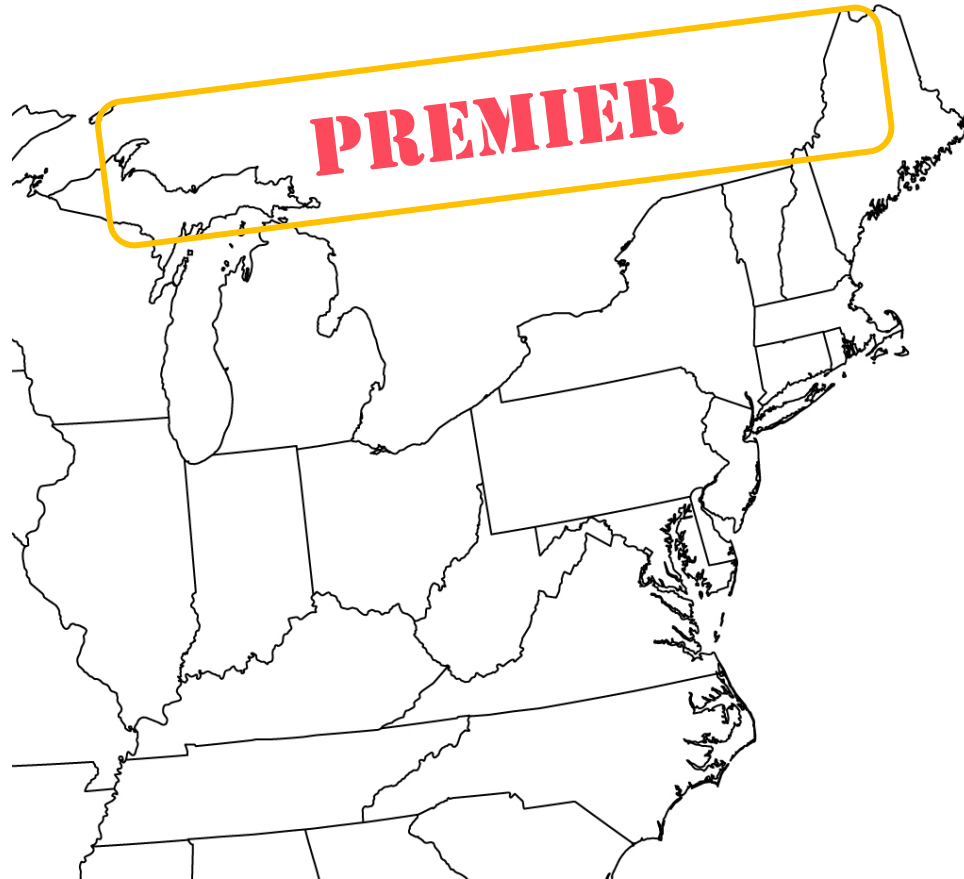
PRODUCTION ▼ 9%  
ACRES — 0%  
YIELD ▼ 9%

Sources: USDA, NASS; USApple



# “Other States” Apple Production Trends

**14**  
M BU



NORTH CAROLINA	2,500,000
WEST VIRGINIA	2,000,000
OHIO	1,100,000
MARYLAND	1,000,000
NEW JERSEY	889,000
MAINE	600,000
CONNECTICUT	375,000
MASSACHUSETTS	300,000
NEW HAMPSHIRE	150,000
VERMONT	150,000
RHODE ISLAND	25,000

**9.1** M BU

**▼ 24%**  
from  
2017/18

Sources: USDA, NASS; USApple; Premier

# “Other States” Apple Production Trends



1	WASHINGTON	22,166,593
2	CALIFORNIA	598,550
3	MICHIGAN	253,580
4	OREGON	68,653
5	NEW YORK	67,139
»»»	6 COLORADO	60,057
»»»	7 WISCONSIN	32,250
»»»	8 NEW MEXICO	13,148
»»»	9 KENTUCKY	13,125
»»»	10 MINNESOTA	12,970
	11 PENNSYLVANIA	10,097
	12 ILLINOIS	8,850
»»»	13 MAINE	8,684
»»»	14 VERMONT	3,905
	15 INDIANA	1,733
»»»	16 NORTH CAROLINA	1,307
	17 OKLAHOMA	807
	18 IOWA	657
	19 MONTANA	165
	20 CONNECTICUT	155

## Organic Production, 2021

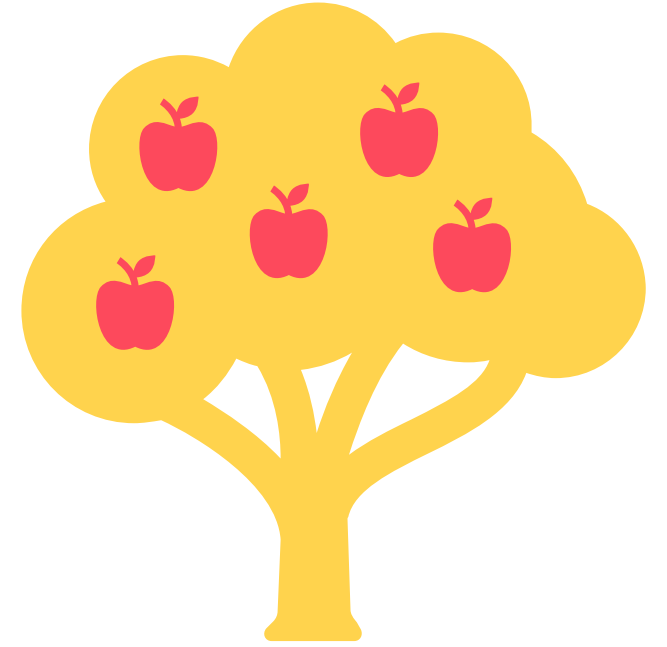
**U.S. Total**      **23.4** M BU  
**WA Share**      **95%**

ARIZONA	N/A
IDAHO	N/A
KANSAS	N/A
MARYLAND	N/A
MASSACHUSETTS	N/A
MISSOURI	N/A
NEVADA	N/A
OHIO	N/A
RHODE ISLAND	N/A
UTAH	N/A
VIRGINIA	N/A

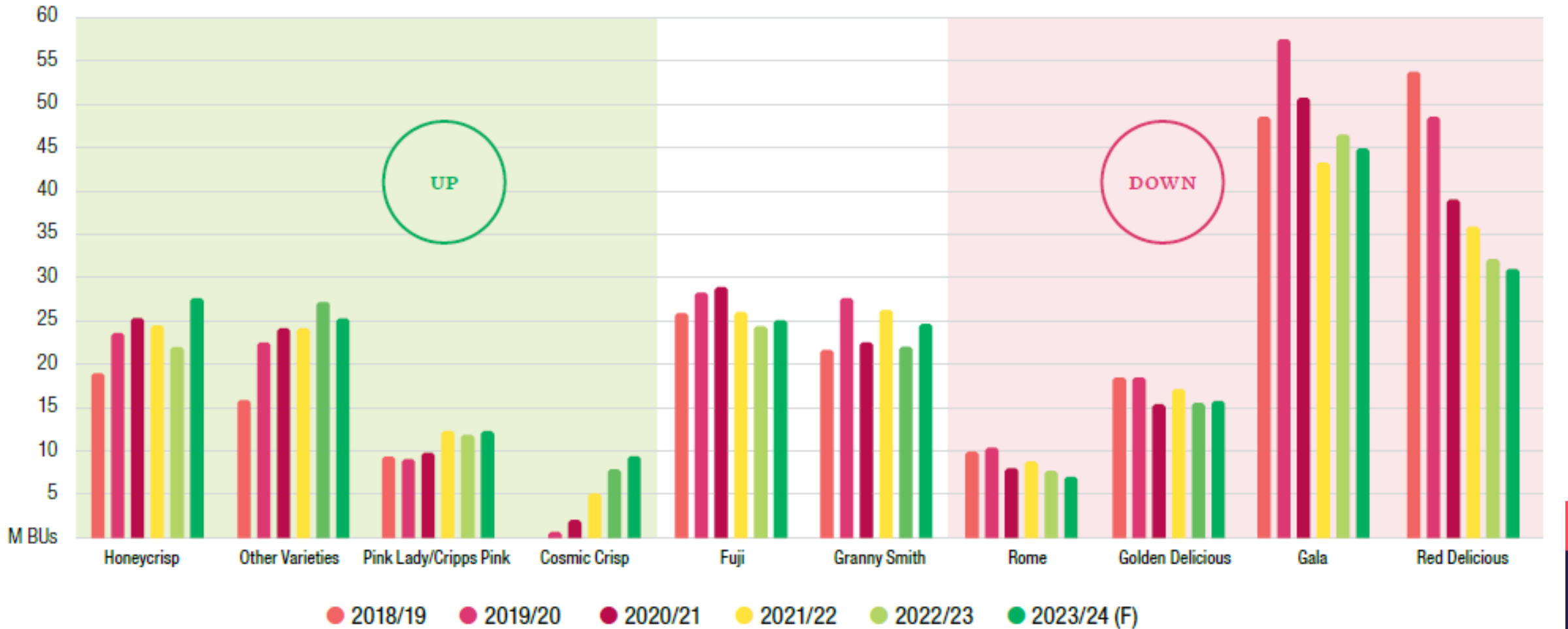
**104,000** BU

# U.S. Apple Production by Variety

1. Gala	18%	▼	3% YOY
2. Red Delicious	13%	▼	3% YOY
3. Honeycrisp	11%	▲	26% YOY
4. <i>Other Varieties</i>	10%	▼	7% YOY
5. Fuji	10%	▲	3% YOY
6. Granny Smith	10%	▲	12% YOY
7. Golden Delicious	6%	▲	2% YOY
8. Pink Lady / Cripps Pink	5%	▲	4% YOY
9. Cosmic Crisp	4%	▲	21% YOY
10. Rome	3%	▼	8% YOY



# U.S. Apple Production by Variety



Sources: USApple; WSTFA; CAC

# U.S. Apple Production: “Other” Varieties



**22 varieties and “Other”**

NOV 2018 **6%**

NOV 2022 **11%**

2018–2022 **▲ 77%**

Sources: USApple; Nielsen



## *Does not include ...*

- Envy
- Opal
- Autumn Glory
- Jazz
- Rockit
- SnapDragon
- SugarBee
- SweeTango
- Other Varieties

**7%** of U.S. 2022 apple sales

**6%** of U.S. 2022 apple sales

# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces

## U.S. Apple Utilization

The ratio of fresh to processing apples has remained remarkably consistent over the last decade (or more). In 2022, fresh apples made up around 66% of total apples produced while processing apples accounted for around 31%. The remaining 3% of apples produced went unsold.

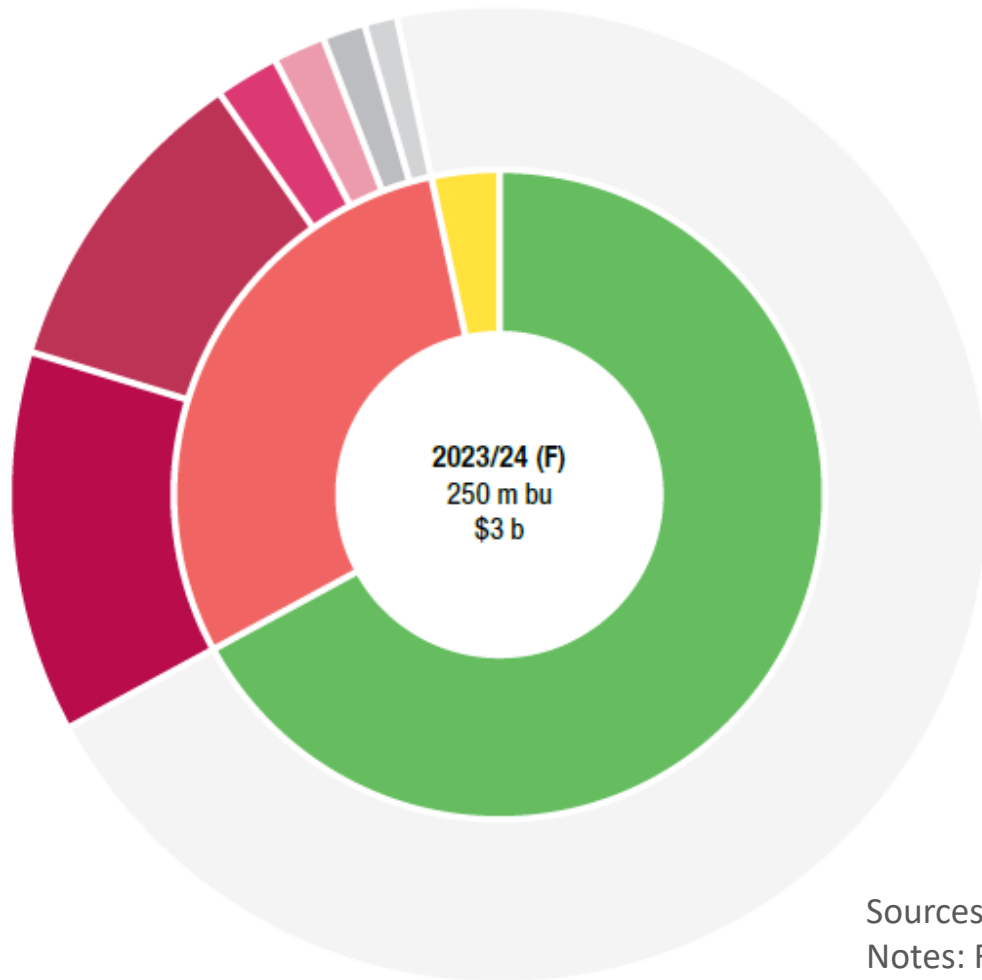


67%  
FRESH

USApple Industry Outlook 2023 - U.S. Apple Utilization

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# U.S. Apple Utilization



- **Fresh 67%** | 166.4 m bu | \$2.6 b
- **Not Sold 3%** | 8.2 m bu | \$0
- **Processing 30%** | 75.3 m bu | \$357.3 m
- **Juice & Cider 13%** | 32.2 m bu | \$116.5 m
- **Canned 11%** | 27 m bu | \$149.1 m
- **Dried 2%** | 5.5 m bu | \$24.9 m
- **Frozen 2%** | 4.3 m bu | \$26.1 m
- **Fresh Slices 2%** | 4 m bu | \$32.3 m
- **Other 1%** | 2.4 m bu | \$8.4 m



Sources: USDA, NASS; USApple  
 Notes: Fresh, processing and not sold utilization shares are based on five-year averages: 2018-2022.  
 Sub-processing utilization shares are based on five-year averages: 2013-2017.

# U.S. Apple Utilization





 **75%** |  **20%**



 **52%** |  **47%**



 **22%** |  **77%**

Sources: USDA, NASS; USApple

Notes: Fresh and processing production shares are based on five-year averages: 2018-2022.



# U.S. Apple Utilization

**2021**

By Weight

By Value

Organic **Fresh** Sales

**91%**

**96%**

Organic **Processing** Sales

**9%**

**4%**



## Organic **Processing** Sales: Top States / Varieties

Washington 55%

Golden Delicious 24%

California 27%

Granny Smith 10%

Michigan 6%

Honeycrisp 8%

Colorado 4%

Red Delicious 6%

Oregon 1%

Gala 5%

*(by weight)*

**Other Varieties 16%**

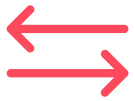
# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces

## U.S. Apple Trade

According to USDA trade data, fresh apple exports totaled 36.2 million bushels in 2022 – a 7% decline over 2021 levels. At the same time, fresh apple imports also decreased by nearly 13% to 5.3 million bushels. This resulted in a 2.1-million-bushel decrease in the year-over-year balance of trade.

While the U.S. still maintains a healthy net positive balance of trade, there is still much work needed to get back to the high-water mark set in 2018. In that year, total exports were 48.5 million bushels and the trade balance was 41.6 million bushels. That represents a decline in net exports of more than 10.6 million bushels in just four years with an estimated value of almost \$10 billion.

36.2

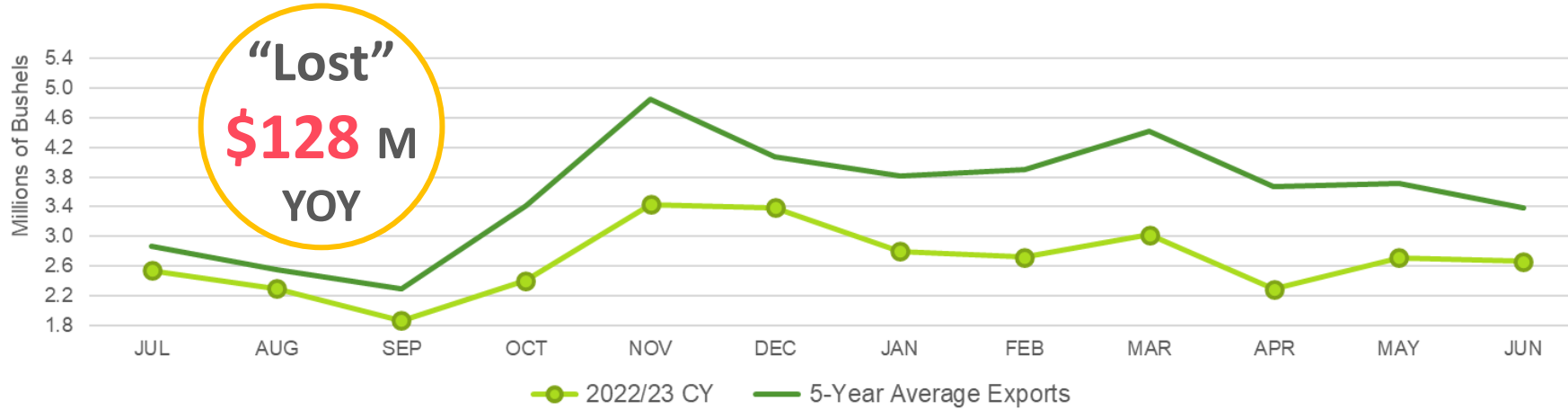
MILLION BUSHELS  
EXPORTED

USApple Industry Outlook 2023 - U.S. Apple Trade

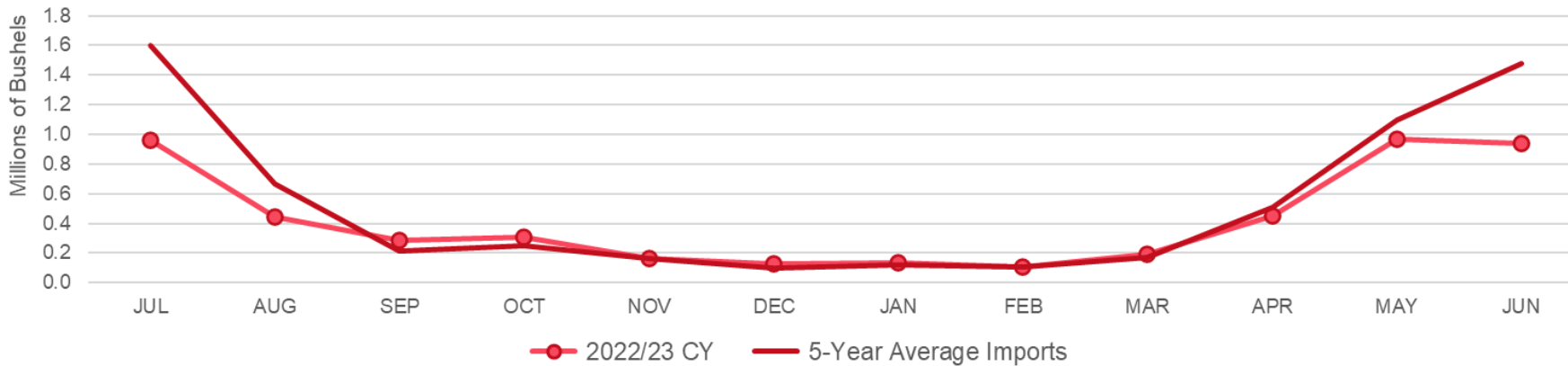
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# U.S. Fresh Apple Trade

EXPORTS



IMPORTS



Exports

**32** M BU

▼ 16% YOY

Net Trade

**27** M BU

▼ 16% YOY

Imports

**5** M BU

▼ 19% YOY

Sources: USDA, FAS; USApple

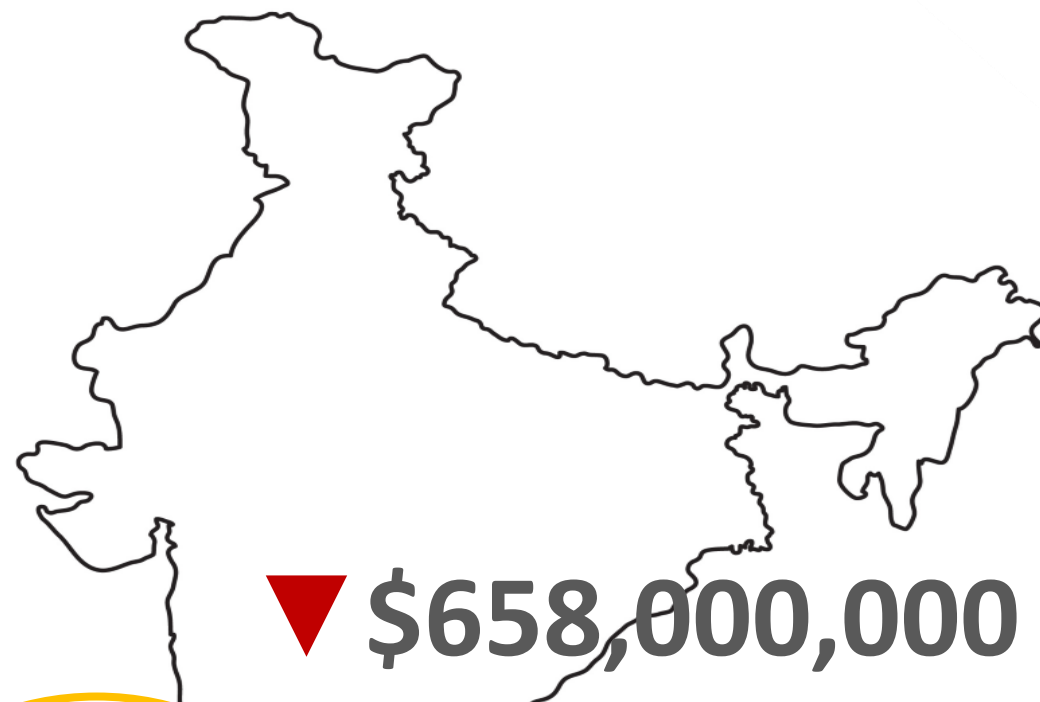
# U.S. Fresh Apple Trade

In **2018**, India became the #2 export market for U.S. fresh apples – 7.9 million bushels.

In **2022**, that figure was down to 203,000 bushels – an **97% decline**.

*Since 2018, the cumulative loss of the Indian market has cost U.S. growers more than a **half billion dollars**.*

Sources: USDA, FAS; USApple

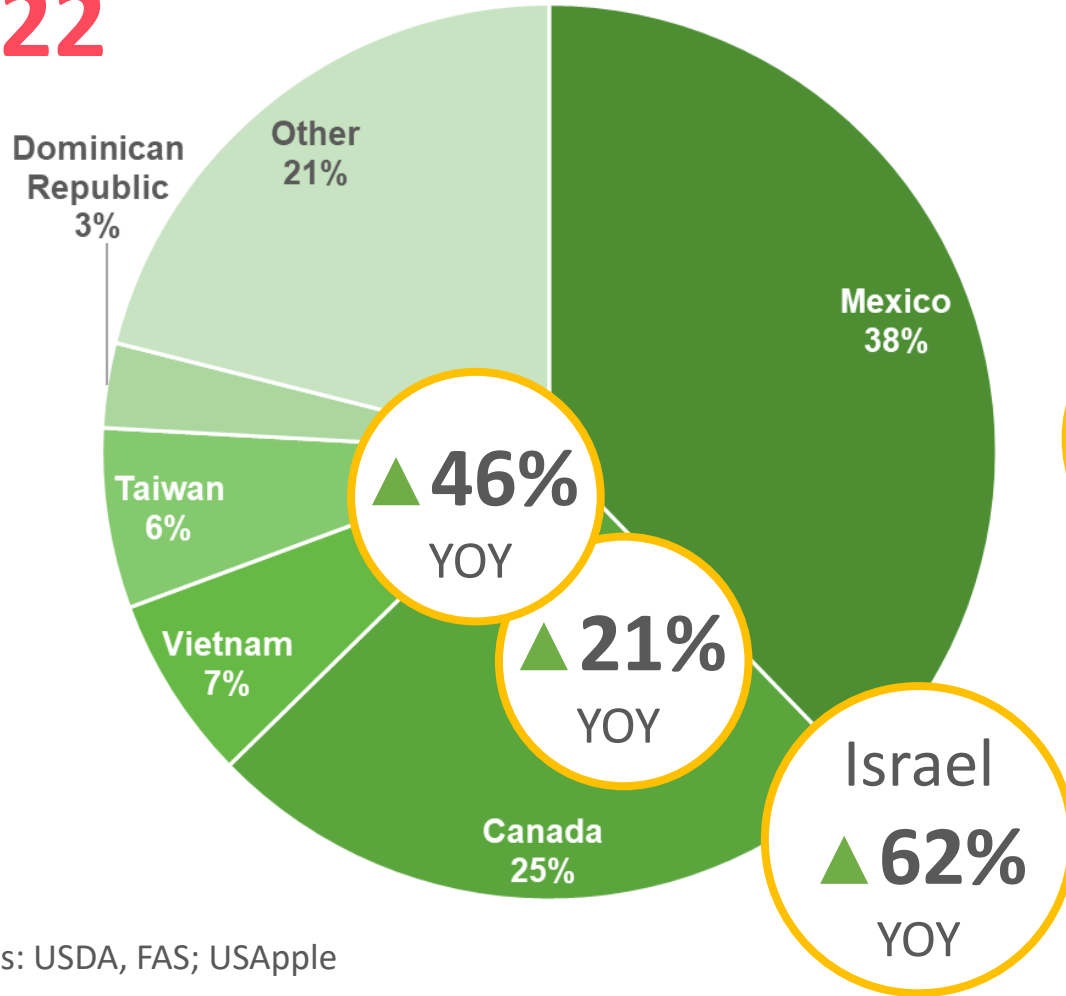


*June 2023, India agrees to remove retaliatory tariff within **90 days**.*

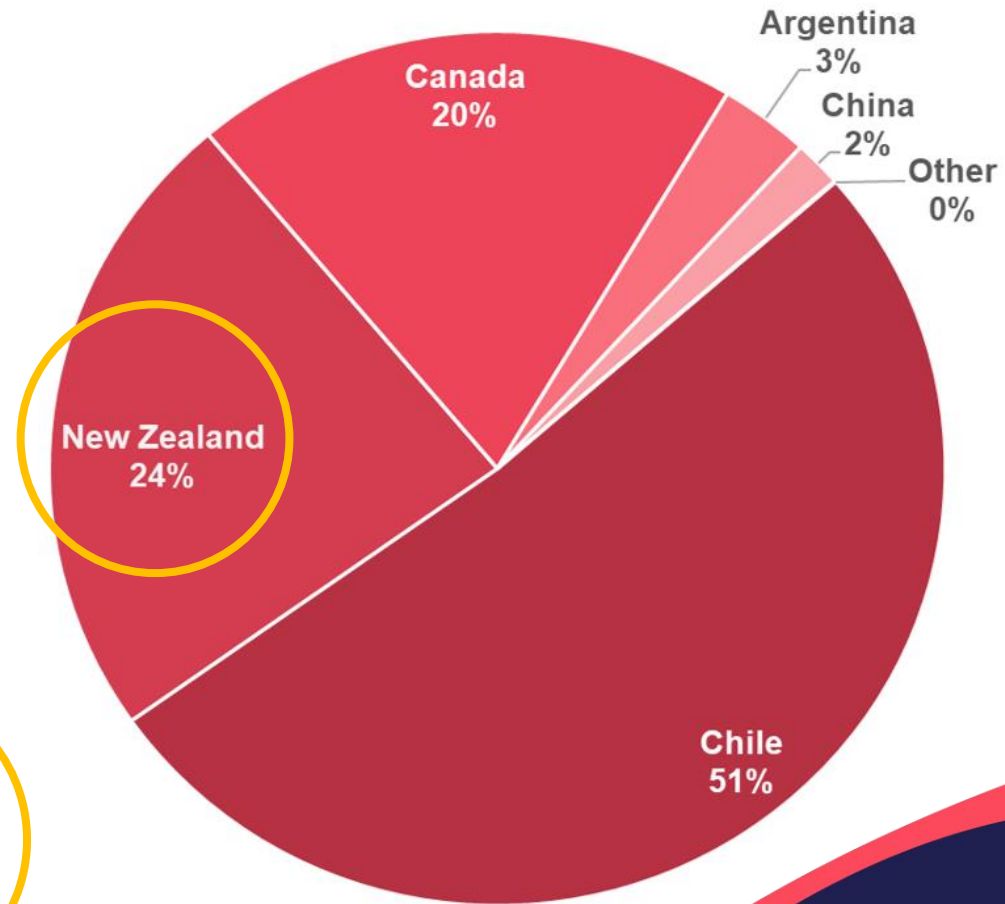
# U.S. Fresh Apple Trade

## 2022

E  
X  
P  
O  
R  
T  
S



I  
M  
P  
O  
R  
T  
S



Sources: USDA, FAS; USApple

# U.S. Apple Juice Concentrate Trade



## Imports

**\$683 M**  
▲ 33% YOY

## Net AJC Trade:

**-\$623 M**  
▲ 35% YOY



## Exports

**\$60 M**  
▲ 13% YOY

Sources: USDA, FAS; USApple

# U.S. Apple Juice Concentrate Trade

## Market Share of **Imports**, 2022

	By Weight		By Value
Turkey	32%	▶▶▶	35%
China	29%	▶▶▶	20%
Ukraine	10%	▶▶▶	12%
Poland	9%	▶▶▶	8%
Chile	5%		5%

Sources: USDA, FAS; USApple

# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces

## Global Apple Production

Global apple production has been steadily increasing since 1961. In 2021, the most recent year for which the UN has data, worldwide apple production totaled around 4.9 billion bushels. These apples were grown on slightly more than 11.9 million acres resulting in an average yield of about 410 bushels per acre.



4.9

BILLION BUSHELS  
PRODUCED

USApple Industry Outlook 2023 - U.S. Apple Trade

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# Global Apple Production



These *6 regions* account for *more than 73%* of total global production.

Sources: USDA, FAS; USApple; UN, FAO; WAPA, CHC

# Global Apple Production



China's **2023** production is estimated to be **2 billion bushels**.

An *increase* of **57 million bushels** from 2022 – *roughly equivalent to combined production of New York and Michigan.*

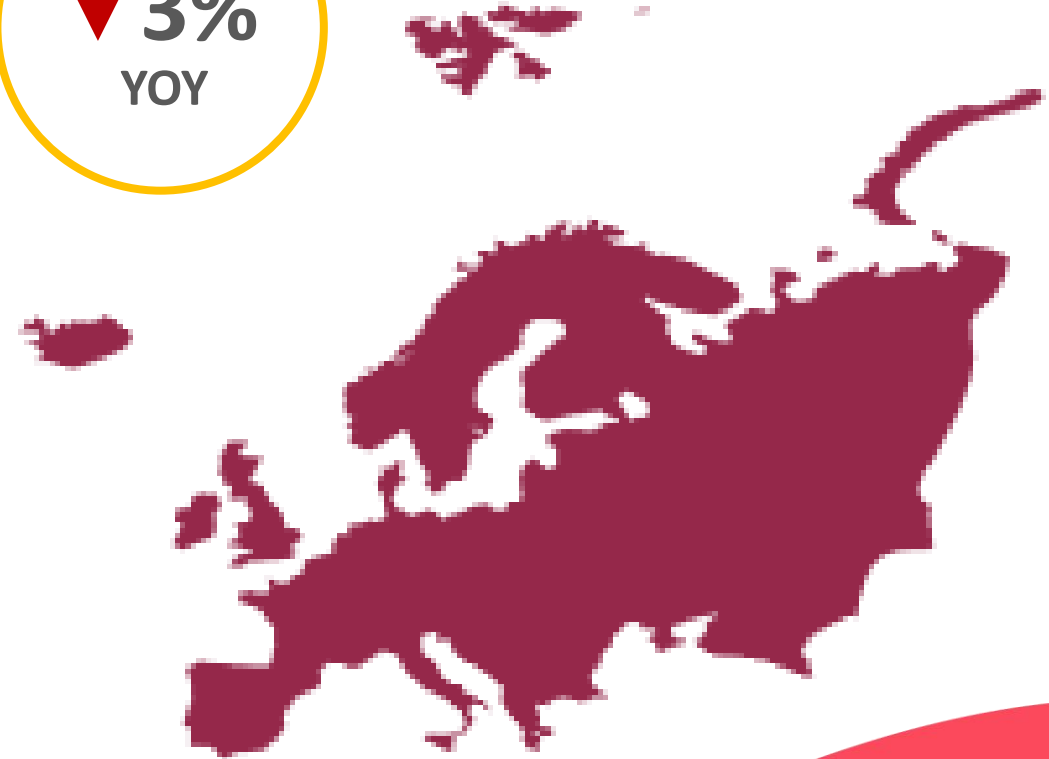
Sources: UN, FAO; WAPA; USApple

# Global Apple Production

European Production: **612** M BU

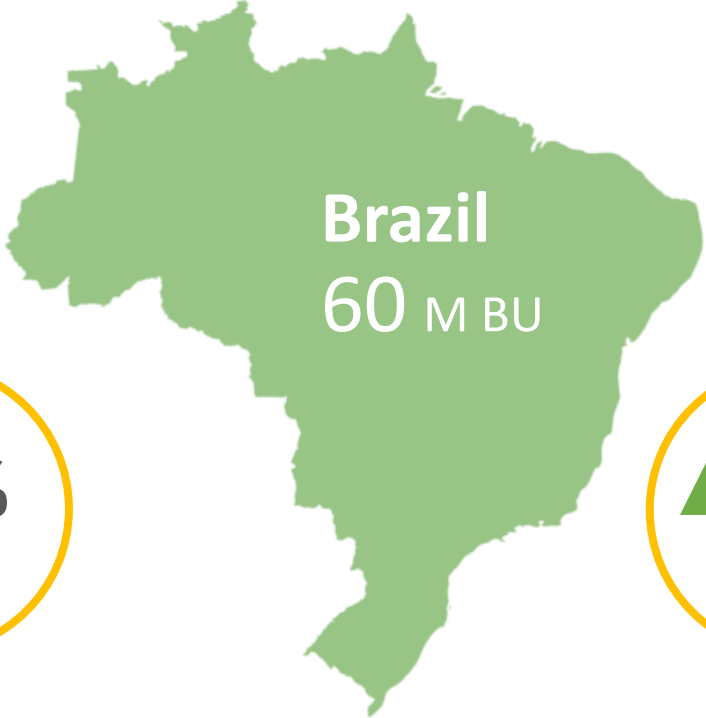
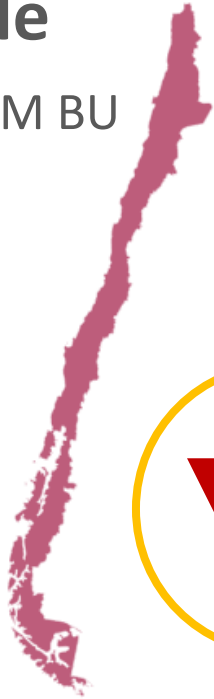
Poland	210 M BU	▼ 11% YOY
Italy	110 M BU	— 0% YOY
France	79 M BU	▲ 8% YOY
Germany	50 M BU	▼ 11% YOY
Turkey	241 M BU	▲ 2% YOY

Sources: WAPA; USApple



# Global Apple Production

**Chile**  
63 M BU



**Brazil**  
60 M BU



**Argentina**  
28 M BU



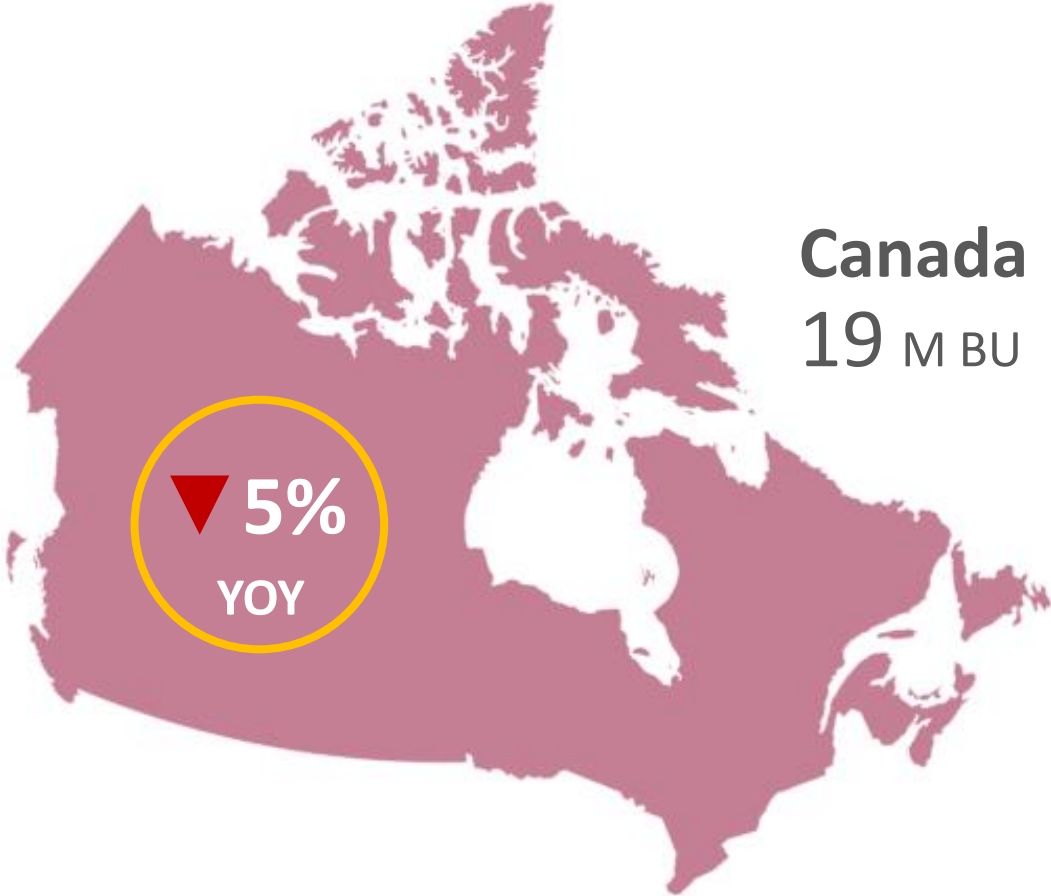
Sources: WAPA; USDA, FAS; USApple

# Global Apple Production



**Mexico**  
42 M BU

Sources: WAPA; USApple



**Canada**  
19 M BU

# Roadmap



U.S. Production



U.S. Utilization



U.S. Trade



Global Production



Other Trends & Forces

## Introduction

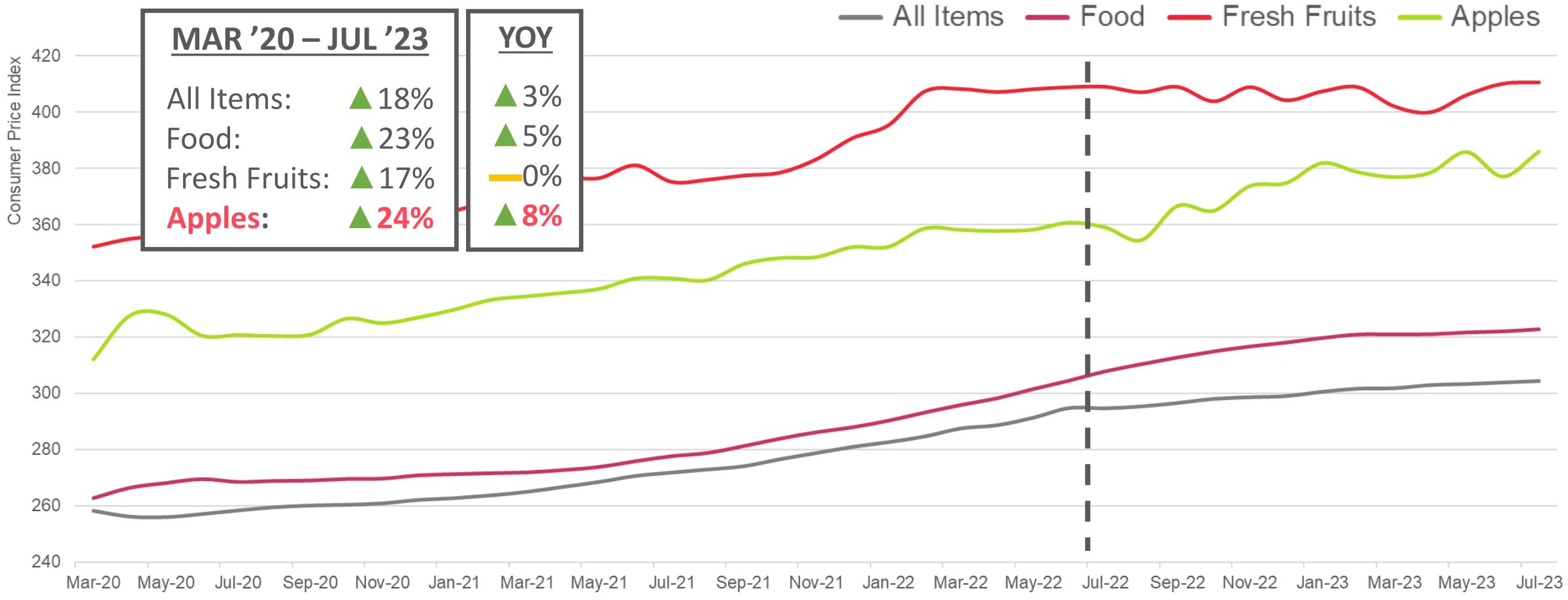
In 2023, the U.S. apple industry continued to perform well despite persistent and significant economic and political headwinds. The lingering effects of the COVID-19 pandemic, recession and recovery are still being felt three and a half years later, mostly in the form of higher interest rates and rapid inflation. Fortunately, the supply chain disruptions that characterized the post-pandemic era have largely abated and the country has, until now, avoided a follow-on recession. While these issues have put pressure on operating margins, the apple industry continues to adjust, learning from challenges and taking advantage of opportunities as they arise. To assist in that endeavor, the following report provides users with the most up-to-date data and analysis on U.S. and global apple production, utilization and trade. The remainder of this section is intended to provide those data and analyses with relevant context.



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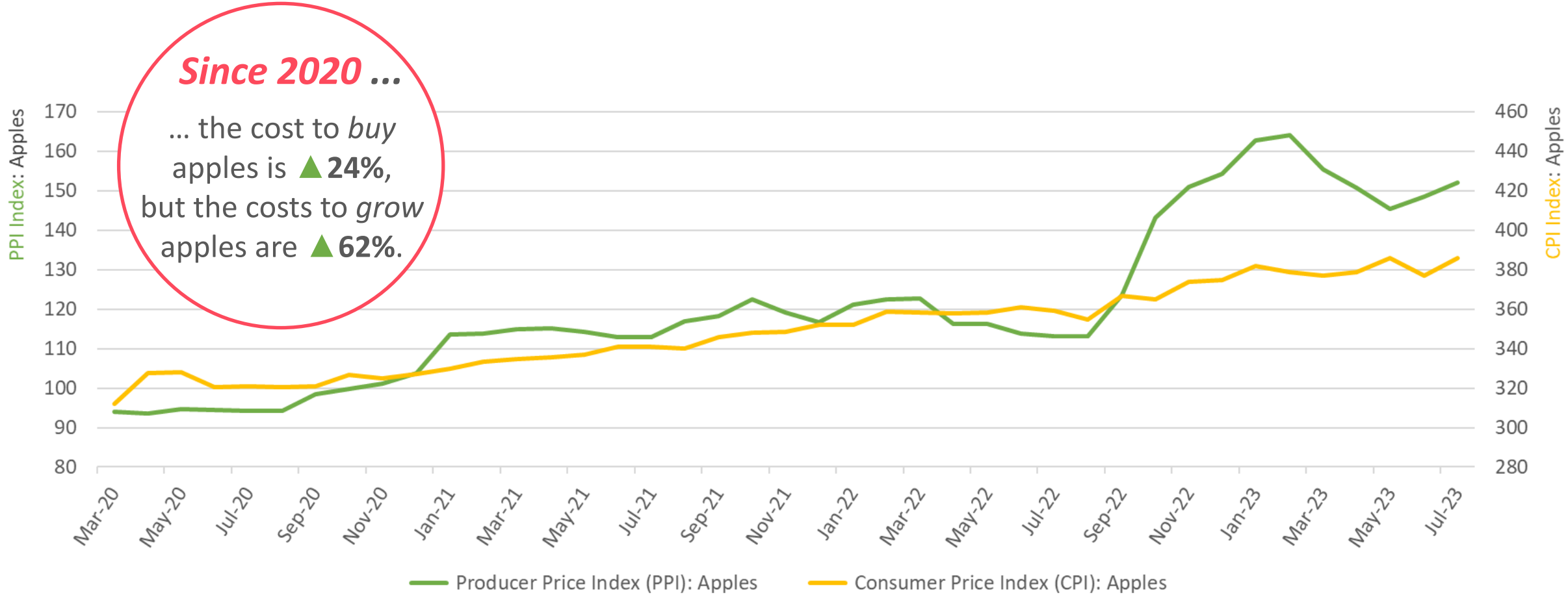
# Other Trends & Forces: Inflation



Sources: BLS; USApple



# Other Trends & Forces: Inflation



Sources: BLS; FRED; USApple





# Other Trends & Forces: Labor

## 2023 Adverse Effect Wage Rates (AEWR)


U.S. Average	\$16.17	▲ 7.6% YOY
Apple States	\$17.19	▲ 6.4% YOY



### Top 3 Highest AEWR Rates

California	\$18.65
Washington	\$17.97
Oregon	\$17.97

### Other Apple State Rates

 Michigan	\$17.34	▲ \$1.97 YOY	▲ 13% YOY
New York	\$16.95	▲ \$1.29 YOY	▲ 8% YOY
Pennsylvania	\$16.55	▲ \$1.01 YOY	▲ 6% YOY
Virginia	\$14.91	▲ \$0.75 YOY	▲ 5% YOY

Sources: US DOL; USApple

# Other Trends & Forces: Crop Insurance

The USDA's Risk Management Agency (RMA) has proposed several changes to the apple crop insurance program with an express intent to balance expenditures (indemnities) with revenues (premiums). *Two primary changes include:*

- The introduction of a **Fresh Fruit Factor (FFF)** to account for the salvage value of the fruit covered under a claim – *will be determined regionally with a **10% cap for the first year**.*
- Allowing producers to elect **different coverage levels by variety** and thus better manage risk – ***available only in WA/PNW (as of now)**.*

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**Target Publication Date:** *August 2024*  
**Effective Date:** *2025/26 Crop Year*



# Industry Collaboration

## *What's in it for you / your industry?*

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*Access to consistent, unbiased, up-to-date, convenient, value-added statistics and analysis for effective long-range strategic planning.*

## *Also, direct payments!*

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*USDA'S Coronavirus Food Assistance Program (CFAP)*

*Round 1: **\$79.54 M***

*Round 2: **\$ MILLIONS MORE***





*Better data,  
better decisions.*

## **Christopher Gerlach**

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U.S. Apple Association

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