



Washington State
Tree Fruit Association

The 2014-15 Port Strike:
A Demonstration of the Importance of
Transportation to Washington's Apple
Growers

The Case of the Missing Cases

- December 1, 2014 Washington growers projected that they had picked 150 million 40lb boxes.
- August 1, 2015 that number had shrunk to 140 million.
- How do you lose 400 million pounds of fruit?

Looking for Suspects



Not every apple variety saw the same changes.

Honeycrisp inventory was projected at 6.5m in December of 2014, ended at 6.6 million.

Cripps Pink (Pink Lady) was 4.2 million 12/14, now 4.5 million.

Variety, Decrease, % Export

Red Delicious	-3.6 million	49% Export
Gala	-1.9 million	18% Export
Golden	-1.2 million	12% Export
Granny Smith	-1.1 million	9% Export
Fuji	-1.6 million*	8.5% Export

*76% of Fuji exports are to Taiwan



Losses correlated with exports!

Price Changes

Percentage change in average season to date
(8/30) prices by variety from 13/14 to 14/15:

Red Delicious -25%

Gala -20%

Golden Delicious -29%

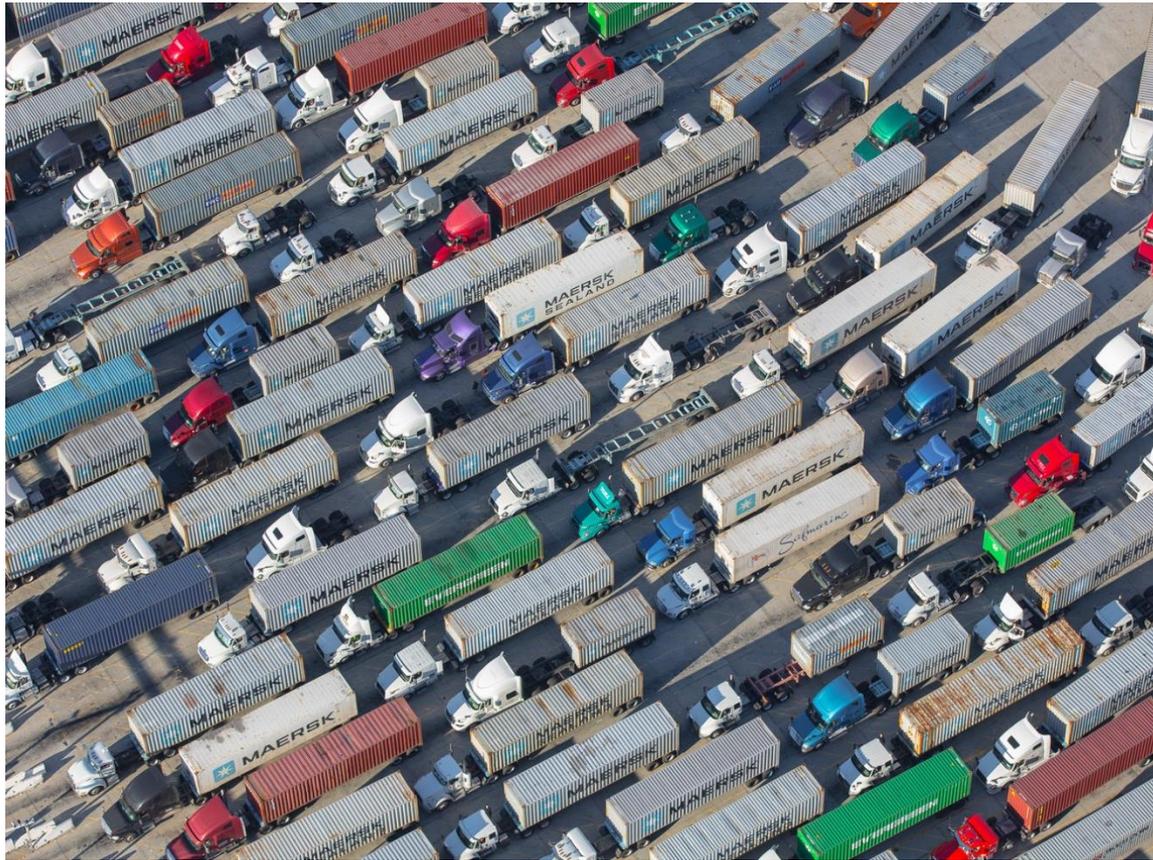
Granny Smith -16%

Fuji -27%

Honeycrisp -7%

Cripps Pink/Pink Lady -9%





The Perpetrator: The 2014-15 Port Strike, which began just as apple harvest completed and when peak Asian exports usually take place.

Where Did It Go?

- Fruit that would otherwise have been exported couldn't sell for enough to cover packing costs.
- The surplus was sold to processors, some for animal feed, and the rest was donated to food banks until they ran out of capacity.
- Much of the rest spoiled for want of anywhere to send it, and became compost.

Lessons

- Prices do fall during years with unusually large supply, but this is exacerbated by limited transportation to markets.
- This effect is more visible in the case of the port strike, but similar reductions in sales and price effects can be caused by shortages of truck and rail capacity.
- A reliable transportation system sustains the 60,000 jobs and more than \$7.5 billion in economic impact of the apple industry in WA.



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