

Ag export trade to trend upward

By LEN RICHARDSON

A NEW report analyzing international air cargo transport trends outlines several reasons to expect growth in California airborne agricultural exports. At the same time, the report's authors caution that rising fuel costs and world terrorism have the potential to ground some export flights.

California airborne food export trade was 24.5% higher in 2006 than 10 years earlier, despite recent declines. Updating a larger 2005 study, the report tracks the types and values of the state's airborne ag exports from 1996-2006. Records show export values grew from \$396 million in 1996 to a high of \$669 million in 2004 before falling to \$644 million in 2005 and \$579 million in 2006.

"The Role of Air Cargo in California's Agricultural Export Trade: A 2007 Update" is available at the Center for Agricultural Business Web site, www.cati.csufresno.edu/cab/; click on "Research Publications." The report was completed through a study led by Bert Mason, professor and chairman of Fresno State's Agricultural Economics Department. Co-author is Jock O'Connell, a Sacramento-based international trade consultant.

Key Points

- Food exports via the air were 24.5% higher in 2006 than 10 years earlier.
- In 2006, 77.6% of California's \$60 million in fresh cherry exports traveled by air.
- Rising fuel costs, risk of terrorism could become barriers for air trade growth.

"One purpose of this study was to draw attention to the unique role of air cargo in reaching lucrative and expanding overseas markets that would be otherwise inaccessible to specialty-crop growers in this state," Mason says.

Specialty growers need air cargo

For growers of certain high-value specialty crops such as cherries, strawberries, asparagus and organically produced perishables, the ability to ship to distant markets by air is immensely important, if not indispensable, O'Connell says. In 2006, for example, 77.6% of California's \$60 million in fresh cherry exports traveled by air.

Seeds for growing fruits, vegetables and flowers ranked at the top of the value list, with air exports totaling \$114.3 million. Other important airborne exports in 2006 included wine



AIR DEPENDANCE: In 2006, seeds for growing fruits, vegetables and flowers ranked at the top of the value list, with air exports totaling \$114.3 million.

(valued at \$21.8 million), various food preparations (\$41.6 million), purebred breeding animals (\$38.3 million) and bovine semen (\$18.5 million).

The principal destinations of California's airborne agricultural export trade are in the Far East, with Japan ranking as the single largest market over the past three years, the authors found. South Korea, China and Taiwan all currently number among the top 10 overseas markets. The second and third largest customers are the United Kingdom and Australia. A more limited airborne agricultural export trade is conducted with continental Europe and Latin America.

Potential problems

However, current and potential exporters should guard their optimism in the face of challenges that could be

difficult to overcome, the authors note. For example, until very recently, jet fuel prices had been rising precipitously, a serious development for all transportation industries, but especially for one in which fuel costs represent a disproportionately large share of operating expenses.

Also, ground access to California's principal international air cargo gateways — Los Angeles International and San Francisco International — is becoming increasingly problematic for all exporters, but especially for shippers of perishable products.

Should terrorists succeed in planting an explosive device in the cargo hold of a passenger airliner anywhere in the world, the U.S. Congress may act to either ban third-party freight from passenger aircraft or make shipping perishable produce impossible.

SIMPLE PERFECTION!



Plain and simple, you'll build the perfect seedbed with the Perfecta® II field cultivator. Save fuel and time by tilling, leveling and finishing in a single pass.

Three rows of staggered, high-clearance S-tines till and penetrate. The heavy-duty leveling bar knocks down ridges and breaks clods. Aggressive Rolling Harrow® baskets complete the job by knocking soil from weed roots leaving them to wilt and die. And it's available in working widths from 4' to 28'.

Perfection *is* possible. See your nearest Unverferth dealer today for complete details, check our web site or call 1-800-322-6301.



Unverferth
Manufacturing Company, Inc.
P.O. Box 357 • Kalida, Ohio 45853
(419) 532-3121 • FAX (419) 532-2468
unverferth.com
1-800-322-6301

Eurodrip U.S.A., Inc.
Quality. Value. People.

Eurodrip USA, located in Madera, California, is a premier manufacturer of drip irrigation tape, tubing and related accessories. Our products help increase crop yields and reduce costs through efficient delivery of water, chemicals, and nutrients. Eurodrip USA is committed to providing only the highest quality and most reliable drip products that represent the industry's best value. We are committed to industry-leading warranties and knowledgeable, personal customer service.

- Seamless Drip Tape
- PC Dripline
- Inline Emitter Dripline
- Polyethylene Tubing
- PC Button Emitters

www.EurodripUSA.com

1850 West Almond Avenue, Madera, CA 93637
(888) 387-6374 • Fax (559) 673-9200