

Calif. Citrus Crop Impacted by Deep Freeze, Drought

PASADENA, Calif. (PRNewswire) — It has been a tough season for California citrus. Freezing temperatures in December wiped out a quarter of California's mandarins, navel oranges and lemons, according to industry group California Citrus Mutual. Estimates indicate a \$441 million loss for the \$2 billion California citrus industry. Now, California is suffering from a drought that may impact next year's citrus crop.

But, despite the gloom and doom presented by Mother Nature, there is some sunny news. The mandarin category actually grew by +12% season-to-date through December 28th, according to Nielsen Perishables Group.

Mandarins drive the \$2.5 Billion citrus category growth. In 2013, the Citrus category grew 12%. Mandarins, the number 2 citrus crop with sales of \$792MM, contributed to that growth with a +31% increase vs. YA. Oranges, the number one citrus crop, with sales of \$872MM, grew 3%. Mandarins are extremely important in the produce mix, and carrying the consumer preferred brand makes a big difference in sales.

How much of a difference? Retailers carrying CUTIES®, the company taking the number one dollar share position during clementine season, would sell north of \$1100 per store per week, while competitors were selling \$890 or less during the same time period. In other words, CUTIES velocity measured in dollars per store per week was 26% higher than any other mandarin competitor, according to Nielsen Perishable Group, giving those accounts that carried CUTIES a competitive advantage over the rest of the market.

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