



Specialty Crops DIVISION



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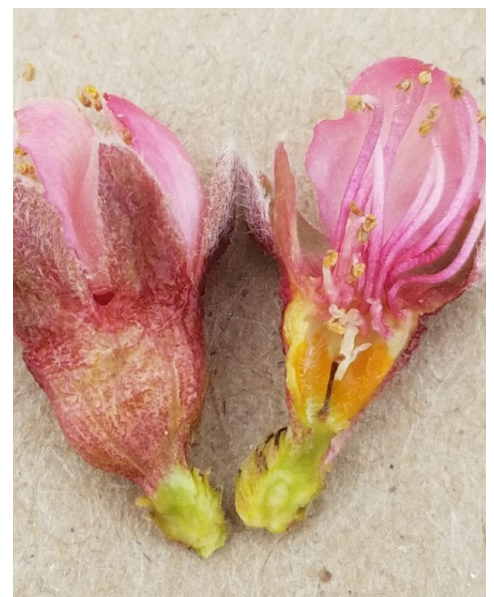
2023 Arkansas Peach Losses and the Potential Impact

As Spring comes around, Arkansans start thinking about putting fresh fruits and vegetables on the kitchen table. Peaches are one of the most popular fruits grown in the state, as is evident by the amount of foot traffic seen at “U-Pick” peach orchards across Arkansas. Orchards that allow customers to pick their own fruit or “U-Picks,” as they’re commonly known, are a great agritourism opportunity. They allow families to spend time together and learn more about how their food is grown while also having access to fresh, healthy fruit. “U-Picks” aren’t the only peach operations in the state though, many producers grow peaches for retail and wholesale markets such as farmers markets, grocery stores and large box stores. The sales from all these marketing types greatly contribute to the ever-growing local food industry in Arkansas.

Unfortunately, in the last 20 years, weather events such as winter temperature fluctuations, hailstorms and early Spring freezes have taken a toll on Arkansas peach production. In the latter parts of 2022 and continuing into early 2023, Arkansas peach producers dealt with every extreme weather event mentioned above. Although buds are dormant during the winter, low temperatures for extended periods of time caused severe damage to the crop, with hail storms adding to the damage in March of this year. Depending on the area of the state, losses are projected to be 80% or more. It is important to note that these losses will also vary from one variety to the next depending on how early or late they start to bud and blossom.

According to the USDA’s 2017 Ag Census, Arkansas has 102 farms with fruit bearing aged trees, totaling 525 acres. Without the 2023 Ag Census data being released at the time of this report, we rely on other information sources, such as industry specialists at the University of Arkansas Division of Agriculture. With that in mind, a more accurate and conservative representation is that Arkansas has 60 farms actively-engaged in peach production totaling around 250 acres of fruit bearing aged trees.

Average peach yield per acre can fluctuate based on several variables such as climate, soil and irrigated orchards vs. non-irrigated orchards. However,





Arkansas averages anywhere from 200-300 bushels an acre in a good year. Assuming that the state's average peach yield is around 250 bushels, or 12,000 lbs. per acre, we can estimate the total production of peaches in Arkansas at roughly 62,500 bushels or 3 million lbs.

With the Arkansas peach industry being a small one, relatively speaking, it can be difficult to get reliable production data for this sector of the ag industry. However, assumptions can be made to project the economic impact. Considering that retail prices from around the state vary from \$1.00 - \$3.00 lb, with an average price of \$2.00 lb, annual peach production is valued at \$6 million. By conservatively estimating an 80% yield loss, a \$4.8 million impact in the 2023 production year is forecasted. This type of loss is a major financial hit to the local food system, especially in a time when demand for local peaches is as high as it's ever been.

With all that in mind, peach production in Arkansas has had a tough go. Consequently, growers across the state have become accustomed to the difficulties severe weather patterns present to their orchards. Many peach operations across the state have relied on diversifying the products and/or livestock they raise in order to stay in business. Risk mitigation programs are an option but often fall short. Crop protection programs such as the Noninsured Crop Disaster Assistance Program (NAP) are available to specialty crop producers, but in most cases, those programs don't compensate enough to offset lost revenue. Crop insurance products are also available but tend to be too costly for small producers. Issues such as these are just an example of what the Specialty Crop Division at Arkansas Farm Bureau has been pushing to change. Small producers need access to more affordable risk management options that offer better protection for their crops.



Although it is certain that Arkansas will see a substantial decrease in peach production this year, the size of the decrease won't be fully understood until this summer's harvest. What we do know for certain is that the impact will be different across the state and not all orchards will see the same level of losses, allowing for peaches to be harvested and sold, albeit at less than desirable amounts.



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