UNITED
FRESH POTATO GROWERS OF COLORADO

October 13, 2006 Dwight Freeman, CEO **Fresh Facts** Editor: Lyla Davis Volume 1 No. 35

* * * * *ATTENTION BULK SHIPPERS* * * * *

The Bulk Conference call will resume on Wednesday, October 18th, at 1:00 p.m. Current market conditions, pricing, inventories and movement will be among the topics discussed. All interested growers are encouraged to contact the office and have your name listed to receive the conference call information. There is an open invitation at the United office to listen in on the weekly National and/or any Local conference calls.

The Mood of the Market this Week
October 12, 2006
The potato market remains in nearly the same shape this week as last week. Some increased demand is coming to the carton market, prices are showing support, and beginning to increase. Poly prices are finding support at their present level and should soon begin their increase.
The nation's shipments read like this:

Last week	1.760 million cwt.
Same week last year	1.847 million cwt.
3 year average	2.009 million cwt.
5 year average	1.968 million cwt.

Colorado shipments read like this:

Last week	228,000 cwt.
Same week last year	267,000 cwt.
3 year average	295,000 cwt.
5 year average	290,000 cwt.

Although the nation and Colorado shipped less last week than a year ago and less than the 3 and 5 year averages, one should be cautious to draw too many conclusions based on the first week of the month. First of the month can be a "little goofy" in the potato market and the reported shipments.

We are just now ready to begin a seasonally increasing time for shipments with Thanksgiving on the horizon, so the movement picture should improve.

The current price situation was best described, on the conference call, as perplexing. Read any price chart you want, our website or market news, and you will find both poly prices and carton prices generally in the $6 - $7 per 50# range. #2's are not lagging too far behind that figure. And there is little difference across the nation.

It begs for answers to several questions such as: What happened to the carton price premium over strippers? Why are the #2s priced so close to the #1s? What happened to the normal regional price differences? If anyone has the answers, please share them.

The exact reasons for the present situation are probably not worth the effort. The nation's harvest is wrapping up with all those regional and individual farmer differences. The summer crop is still not completely done. Some fall crop warehouses are just now beginning to start. And everyone at this point is just estimating on the actual amount of fall harvest. Plenty of reasons for confused movement and prices. Perplexing!

We need two very important things to help get the market back on a normal track.
#1 is patience for a week or two. Do not add an over-supply to the already confused movement and price situation. Movement will improve with Thanksgiving. Fall harvest will end by then. Summer crop will eventually get out of the way.

#2 is to please report your harvest yield figures to the United office. The sooner we know a figure more precise than anybody's estimate, the better off we will be. Some sense of stability, based on known data and proper planning, will prevail in the market place.

We need to be cautious to not have a repeat of the 2001 market season (pre-United). That year saw prices too low for the first 2/3 of the market year. Well over ½ the crop was sold in the low part of the market. Only to be followed by a price spike in the last 1/3 of the market year. That year's situation was caused by low knowledge, or no knowledge, in the beginning and an over- reaction by the time the information was evident. That is not the way to higher annual gross returns.

As always, communicate any questions, comments, or concerns.
Dwight

Potato harvest nears end

October 9, 2006

ST. AGATHA, Maine --Maine's potato harvest is winding down. Thankfully, for some growers.

Rain and frost have prolonged work. Most Aroostook County schools have reopened from harvest break or will this week.

A few more days of mild weather may speed things along.

The North American Potato Market News, an industry newsletter, said last month that Maine had 59,000 acres of potatoes in the ground, up from 57,500 acres last year.

A yield estimate called for 295 hundredweight an acre.

Over the weekend, mounds of potatoes grew quickly as truckloads of fresh spuds were put into storage at an Edwin Pelletier and Sons Inc. facility along Long Lake.

Across the lake, two company harvesters were digging the last of many fields after three weeks of work.

The Pelletiers grow tablestock potatoes, round whites only, and depend on the open market for prices.

"We harvested a nice crop," Jim Pelletier said while watching his crew at the storage facility. "Hopefully, we will get decent prices.

"These are nice," he said. taking a handful of spuds off the growing pile. "We had no blight, no disease. We had a good spraying program."

While Jim Pelletier was at the storage facility, brothers Phil and Danny were in the fields.

Shipping could start two weeks after the harvest is completed.

At the outset of the harvest last month, Don Flannery, executive director of the Maine Potato Board, said he did not see the market as "overburdened with supply."

In 2005, the Maine potato industry had the smallest acreage it has had since the late 1880s, just more than 57,000 acres.

The Aroostook County industry has had some late blight, but Flannery said growers "did a great job" with their spraying programs.

The North American Potato Market News has forecast lower production nationwide.■

THERE ARE APPROXIMATELY
5,500 POTATO GROWERS
IN THE UNITED STATES

POTATO QUICK FACTS

UTILIZATION, 2003

33% Frozen Potato Products (such as frozen fries, Tater tots, spiral fries, homefries, wedges, and frozen whole potatoes)
30% Fresh (such as baked, boiled, or mashed)
11% Chips (including shoestrings)
11% Dehydrated (for products such as extruded potato chips, mashed potatoes, potato pancake mix, and some canned stews)
9% Non-sales (used on farm, shrinkage/loss)
5% Livestock Feed, Seed
1% Canned (such as small whole potatoes, corned beef hash, various stews, soups, chowders and commercial potato salad)

Source: National Agricultural Statistics Service, USDA.