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“Quote of the Week”

What lies before us and what lies behind us are tiny matters compared to what lies within us.

- Ralph Waldo Emerson

UNITED Fresh Potato Growers of Colorado

Fresh Facts

WANTED: growers & families to walk in the Stampede parade with Mr. Healthy Potato Head Friday and/or Saturday July 27/28.

UNITED and CPAC are sponsoring Mr. Healthy Potato Head in the parade. We need volunteers to had out rub-on tattoos to the kids watching the parade. Please contact the UNITED office or CPAC if you or your family members would like to participate. Thanks for promoting the industry!

UNITED of America Board Meeting Summary

A Board of Directors meeting was held June 20, and a strategy planning meeting was held June 21, both in Salt Lake City. This summary provides an overview. To protect confidential information, sensitive details have been omitted; feel free to contact your local UPGA Board member to learn more.

Regarding the crop transition period of July through August, a motion passed to modify the pack plan reducing Washington, Wisconsin, Colorado, and Klamath to 92 percent of the 2007 shipments proposed in Minneapolis at the United Crop Transition conference. Idaho will reduce shipments for weeks one through seven by a total of 420,000 cwt or an approximate 60,000 cwt per week during the crop transition period.

For calculating 2008 plantings, 2004 base acreage will continue to be used. Suggested 2008 volumes were discussed. Should consumer demand continue to decline, suggested plantings will be radically lowered.

A meeting will be held with Red River Valley growers in Grand Forks, North Dakota on July 10 to discuss their interest in joining United. The growers will vote on membership following the discussion.

The membership status of mid-Atlantic growers has not changed, but the region is watching with interest the success of the upcoming crop transition and the ongoing development of the United Potato Partners Program.

North Carolina growers are interested in United launching a red potato program that will be a factor in their decision to join. Growers in North Carolina, Florida, Red River Valley, the mid-Atlantic states, and Big Lakes in Minnesota produce about 50,000 acres annually of fresh potatoes.

The United Seed Division reported that most every region has reduced acreage and many have shifted acreage to specialty varieties. PVY in Norkotah and Shepody varieties is of critical concern. Seed growers are beginning to avoid Norkotahs and other crops that are more vulnerable to PVY. Canadian provinces report large overages of Russets. Cost inflation for seed producers is higher in proportion to commercial.

The United Potato Partners program is on course for technical trial testing. Data and software programming is taking place through August. We will complete legal documentation in September. Partner negotiations will be initiated this fall with an expectation that income will be generated autumn of 2008.

The United Fresh Market Report has been moved from the homepage of www.unitedpotatousa.com. It will be available on the member login section once programming of the secure site is completed and login capabilities are established.

The search for a Chief Executive Officer for United Potato Growers of America continues. (More on Page 2)

Region reports:

Colorado – Dave Warsh reported that the area endured late season frost and high winds. The unseasonable weather has delayed the crop growth. The co-op will report planted acreage soon. Some non-members have increased their acreage.

Idaho – Jerry Wright said that he is confident that United members have reduced plantings by 15 percent. Statewide increases are thought to be 15,000 acres total with 10,000 of that in contract dehy, and 5,000 in frozen. The current crop is average to slightly ahead of average. NASS underestimated the yield for 2006. It is expected to come in at more than 10 cwt at 381 cwt per acre—that's the second highest crop on record. As for the United II dehy consolidation, one third of non-member fresh acres have joined United. Now the Idaho co-op represents 85 percent of fresh acres, 92 percent of seed acres, and, with the SIPCO alliance, approximately 65 percent of frozen acres. The dehy consolidation company has been named North American Foods **Kern** – Tom Franconi relayed that the marketing window is much shorter and they are trying to pry the window open in terms of getting Russets that are now being harvested to market. Reds and yellows are nearly complete. Russets are three weeks into the season and portend a good crop. The co-op is expecting yields better than last year from Russets. The current pressure on the market will extend the season to the last week of July. All Russet growers except two are co-op members.

Klamath Basin – Ed Staunton stated that growers believe the 15 percent reduction goal has been achieved by all growers including non-members. Crop progress is average, but conditions are not ideal due to frost and rain. Fours sheds are still packing and will finish up mid-July except for a Burbank packer that will finish the end of July. Jerry Wright, CEO of Idaho, met with growers to present the United II membership opportunity. Large chip growers have joined Klamath's co-op due to the United II membership requirement. There is some skepticism about the crop transition market.

Montana – Dennis Day noted an increase of 200 acres due to an Alturas contract by a non-member grower. Overall, Montana members appear to be under 10,000 acres. Membership is around 65 percent but expected to increase over the next several months. Members appreciate United's value.

Red River Valley – Greg Stocker relayed that plantings may have dropped by five percent and another 5-7 percent has been lost due to rain. Growers are somewhat interested in joining United and will vote July 10.

Southwest – Cary Hoffman said that Texas will begin shipping reds the last week of June. Nebraska has had record rain. Nebraska Norkotahs will start around July 22-25. Kansas and Nebraska ship russets. Southwest growers are concerned about this year's crop transition plan. They have cut acreage as requested, and wonder if the other co-ops will do their part to protect the market. The guess is that the Southwest region has reduced plantings by 18 percent.

Washington/Oregon – Dave Long stated that this is looking to be the best crop ever is weather continues to cooperate. Fields are being audited now and the co-op expects a 15-18 percent decrease in plantings. Four large shippers are talking about discontinuing their membership if August is not successful for them. The co-op represents 75 percent of fresh acres.

Wisconsin – Russ Wysocki said that one grower has increased plantings, but other growers have decreased 10-15 percent with a net down of about 7-8 percent in fresh. McCain has increased processing acres and chip is down with processor cutbacks. He expects the overall acres to be down slightly. Their crop is coming along well. Members are satisfied with United's accomplishments.

Canada – Garry Sloik introduced Wayne Dorsey, new contractor who will coordinate the administrative work of United Potato Growers of Canada. Quebec is down in acres by about 7 percent; Ontario is down 5 percent; Manitoba up by about 10 percent in frozen contract increases; New Brunswick is down slightly; Prince Edward Island is flat; and Saskatchewan is down 10 percent. PEI is slightly late having just finished planting while Manitoba is a little early. Alberta is experiencing slightly cooler than normal weather and is behind Ottawa.