

December 15, 2020

Dear CTGA Member:

In order to bring price clarity to our members this season, the CTGA has asked each of the processors to provide us with an offer for the 2021 crop that could be shared with our members. The following are the offers in their entirety as we received them:

ConAgra Brands, Inc. price offer for the 2021 tomato needs:

\$80 per paid ton

2020 Late Season Premiums

Deducts same as 2020, except add Blossom End Rot deduct: 0%-2%, 1x, >2%, 2x

Stanislaus Food Products offer for the 2021 tomato pack is as follows:

\$80.50 per paid ton

Same late season premiums as the CTGA established last year

Same VIP program as last year

Los Gatos Tomato Products:

Thank you for the opportunity to share our thoughts regarding tomato pricing for the 2021 crop year. Through the years we have consistently thought that for California's tomato processors to succeed long term, the average tomato grower must be able to, as a minimum, cover his fully loaded cost and make a small profit. Most of our ownership have been growing tomatoes for over half a century and believe the fully loaded cost to grow an acre of tomatoes is over \$4,150/ac. We also note, relative to many other crops, tomatoes are not only more costly, but riskier as well.

Considering concerns over a dry year and continued increases in minimum wage, costs will continue to rise. In addition, tighter inventory and a weaker dollar merit a price increase.

The average yield in the state is approximately 49.5 tons. As such, we believe a "fair" field price for 2021 is \$85 with standard late season premiums to apply.

Campbell Soup Company:

Base Price:	\$80.50	Per Net Ton
Late Season Premiums*:	Sept. 15-21	\$0.00
	Sept. 22-28	\$4.00
	Sept. 29-Oct. 5	\$8.00
	Oct. 6-Oct.12	\$12.00
	Oct 12-finish	\$13.00

*All late season premiums will be paid on a delivered basis.

Solids: Per the 2020 Master Agreement

Deductions: Per the 2020 Master Agreement

All other terms: Per the 2020 Master Agreement

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- **2021 Processor Offers**

Questions or comments?

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TOMATO BULLETIN

Ingomar Packing Company:

In the spirit of providing transparency, while trying to establish a price before growers commit to seed, transplant costs, etc., the following is Ingomar’s offer for the upcoming 2021 season:

Roadside Price:	\$82.00/paid ton	
Late Season Premiums:	9/15-9/21	\$0.00/ paid ton
	9/22-9/28	\$4.00/paid ton
	9/29- (end of season)	\$8.00/paid ton

Del Monte:

Base Price: \$78.50/paid ton
 All other terms same as 2020.

Escalon Premier:

\$79 per paid ton
 No change in late season premiums.

CTGA 2021 Price Offer:

Base Price:	\$85.00		Per Net Ton
Late Season Premiums*:	Sept. 22-28	\$4.00	“ “
	Sept. 29- Oct 5	\$8.00	“ “
	Oct. 6- Oct 12	\$12.00	“ “
	Oct. 13- Finish	\$16.00	“ “

*All Late Season Premiums will be paid on a delivered basis.

Solids:	No Solids Programs
Deductions:	Per the 2020 Master Agreement
All other Terms:	Per the 2020 Master Agreement

The CTGA reserves the right to represent the growers in order to address issues of concern, including, but not limited to water supplements and harvest rates.

As we know, with the continued pressure on growing costs and tighter margins our intention is to provide CTGA members with more information prior to planting on what the raw product price thoughts are. Seven of the nine processors participated. Our objective is to reach an industry price that is fair and reasonable to both sides as soon as possible in 2021.

Please contact me if you have any questions or comments.

Mike Montna
 President/CEO