

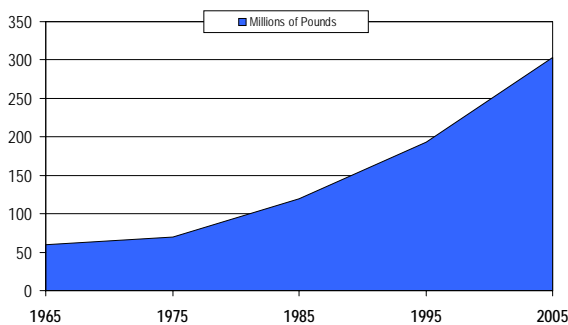
North American Highbush Blueberry Market Situation

Two types of blueberries are grown in North America, the highbush and the lowbush. The highbush blueberry, also known as a cultivated blueberry, is grown in 35 states and two Canadian provinces. The berry was developed from wild highbush blueberry species and is the large blueberry you see sold as both fresh and frozen blueberries. The lowbush blueberry, also known as the wild blueberry, is grown in Maine and Eastern Canada and is primarily sold as a frozen blueberry. Information for this report focuses on the highbush blueberry industry. Fall 2006

Highbush blueberries are harvested from April to early October with the majority of the berries picked from mid June to mid August. Highbush blueberries are marketed as both fresh and frozen. Fresh blueberries are harvested by hand. Blueberries for the frozen market, also known as process blueberries, are machine harvested. Last year 302 million pounds of highbush blueberries were produced in North America, 246 million pounds in the U.S. and 56 million pounds in Canada.

Though highbush blueberries are grown in 35 states, ten states account for 97% of production. Michigan is the leading producer of frozen blueberries and New Jersey is the leading fresh blueberry producer. British Columbia accounts for the majority of Canadian highbush blueberries.

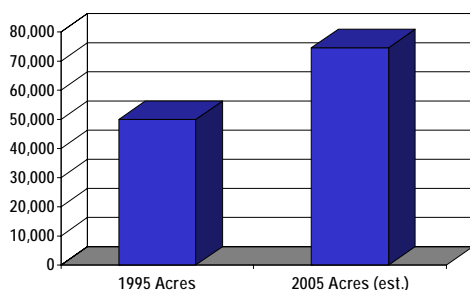
North American Highbush Blueberry Production 1965 to 2005



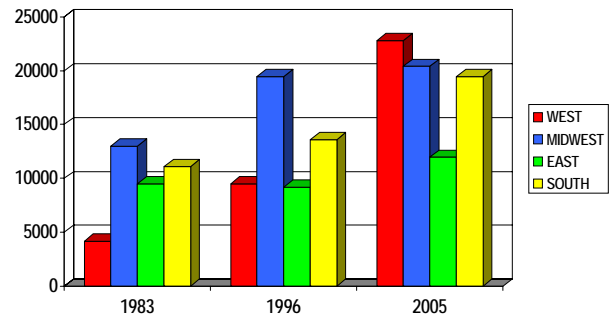
Increased Production and Acreage

North American production has increased at a steady rate increasing five fold over the past 40 years from 9.5 million pounds in 1965 to 302.1 million pounds in 2005. Given recent blueberry interest and the amount of new plantings in the U.S. and Canada, more blueberries are on the way. As expected with increased production, acreage is also on the rise, an estimated 49% increase from 1995 to 2005.

North American Highbush Blueberry Acreage Up +49% from 1995 to 2005 From 50,000 to 74,585 Acres



North American Highbush Blueberry Acreage Estimates 1983 to 2005

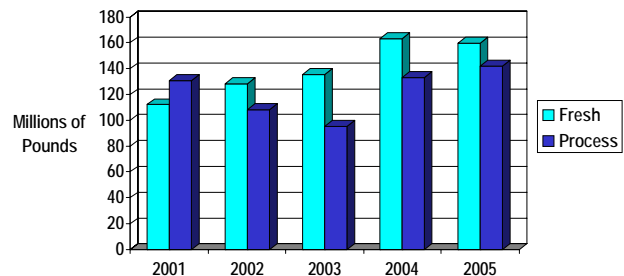


Export Market Demand for Blueberries

Though a great amount of US highbush blueberries are consumed at home, an increasing percentage of the crop is entering the export market. Last year exports accounted for 12% of our shipments with 18 million pounds exported fresh and nearly 12 million pounds exported frozen.

INCREASED PERCENTAGE OF CROP NOW SOLD AS FRESH

NORTH AMERICAN Highbush Blueberry Production Fresh Versus Process 2001 to 2005



Fresh and Frozen Blueberry Markets

Traditionally the blueberry crop was sold mostly into the frozen market. With growing awareness of the healthfulness of blueberries, there is increased interest in fresh blueberries and a greater amount of crop is now going to the fresh market. Fresh production surpassed process production in 2002 and has continued to outpace process in each of the last four seasons. And this interest is also being seen in export markets as well.

Per Capita Blueberry Consumption

US per capita consumption shows total blueberry consumption increased by 47% from 13 ounces per person in 1994/95 to 20.0 ounces in 2004/05. Most of this increase has been in the fresh market with a doubling in fresh consumption over this period from 4.3 ounces per person to 8.7 ounces.

US Highbush Blueberry Council

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