

With yields down, ginseng growers eye higher prices

Brantford Expositor - Ontario
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October 25, 2010

The proof of a difficult two summers of growing is in the digging as Ontario ginseng farmers bring in a harvest with lower yields.

Growers are digging substantially fewer acres of both three-and four-year root, says Doug Bradley, president of the Ontario Ginseng Growers Association.

In 2009, growers across Brant, Norfolk, Oxford and Elgin counties harvested 1,190 acres of four-year root. They left some in the ground for an extra year to make up for heavy frosts that May and disease pressures throughout the summer.

Still, this year they dug only 830 acres, after a second bout of frost in May.

The same pattern has befallen three-year root. In 2009, growers dug 1,618 acres. This year, it is about 1,386, with many beds left untouched due to the second year's frost.

"I have not talked to a grower yet who has said he is digging more," observed Bradley.

Indications are that about 35 more acres of five-year root are being dug -the result of a decision last year to leave four-year root in the ground for another season to plump it up.

The yields per acre also are generally down. Bradley estimates that growers are bringing in an average 15% to 20% less per acre.

Growers normally dig about 50% of the anticipated harvest, take a break for a few weeks to dry and prepare that amount for market, and then return to do the rest.

When the harvest is done, Bradley estimates that a \$3-million pound crop will be headed to the international market from Canada.

"It's been a long time since it's been that low," he said.

Bradley holds out hope that Ontario growers could still make up the volume shortfall in higher prices. The association is receiving information that mainland China growers, who generally harvest earlier in September, are also encountering lower yields. Partly because of that, prices are beginning to climb.

"We are getting more calls and emails from there enquiring about our harvest," Bradley recounted.

"When you take the demand that comes from a market with 1.5 billion people into consideration, you can see how prices would rise. There are chain stores that have more than a thousand outlets over there looking for supply. Holy cow, that's a lot of ginseng. If the prices are rising over there, we can piggyback on it"

The Chinese are also buying a lot of the Ontario crop and seeds because they recognize it as a premium brand of panax quinquefolius. They also are trying to build their own industry on the brand and one day replace the Ontario import.

The OGGGA sees that eventuality looming on the horizon, and is researching possibilities of developing new products and markets, but for now it continues to keep its eye on the world's oldest, largest market.