Salmonella outbreak may affect eastern New Mexico peanuts

In 2008, the U.S. had a bumper peanut crop resulting in 2.57 million tons of peanuts. Timely rain and less disease pressure resulted in high yields in the Southeast and the Carolinas. Cool weather and high winds had resulted in just an average crop for the Southwest where peanuts are grown (Oklahoma, Texas and New Mexico).

U.S. acreage was up 25 percent in 2008 compared to 2007 resulting in a 38 percent increase over 2007. What this translates to is that 2009 would leave an excess 500,000 tons of peanuts, and the industry must find a market for this overproduction. The good side of the story is that as exports increased so has the consumption.

The bad side of the story is that an outbreak of salmonella in January can have an impact on U.S. consumption. Although peanut snacks are down by only 15 percent, it accounts for one-third of the total volume. Now let’s see how these national figures can impact the eastern New Mexico growers and processors.

Valencia peanuts are grown within a 150-mile radius of Portales in Roosevelt County, New Mexico. New Mexico peanut processors contract between 18,000 to 20,000 acres of peanuts with growers producing over 45 million pounds. New Mexico is the capital of Valencia peanuts producing more than 90 percent of Valencia-type peanuts in the country.

Sunland Peanut is the only processor that produces peanut butter in the state. However peanut butter accounts for 60 percent of the U.S. market. Fortunately, Valencia peanuts have their own niche market making them very competitive both nationally and internationally.

Our average yields were just 2,500 pounds per acre in 2008 compared to 3,500 pounds per acre in 2007, mainly due to cooler temperatures and high winds after planting resulting in late maturity. This has resulted in 25 percent fewer peanuts compared to 2007.

So our demand for Valencia may go up or, in the worst case, it may remain the same. With cotton prices set at a record lows and already acreage in 2008 was down 20 percent, there would be a shift in preference from cotton to peanuts. So more growers will be interested in growing Valencia peanuts in eastern New Mexico and west Texas, resulting in limited contracts and a drop in price from $685 per ton to $625 per ton to be realistic.

The outbreak of salmonella may play an important role at present but may fade out of consumers’ minds by the time we start harvesting our 2009 crop. It all depends on how the federal and state inspectors will be inspecting the plants and how strict the laws may be enforced.

It all boils down to more cost on the operating plants to improve the hygienic standards in order to provide safe and healthy peanut products to our consumers.

There are two main types of bacteria: Salmonella typhimurium and Salmonella enteritidis that are the most common types in the United States. The salmonella outbreak in recent peanut butter that has been genetically fingerprinted and identified as the Typhimurium type strain is the most common type of salmonella food poisoning that has been reported by the U.S. Center for Disease Control and Prevention.

Salmonella is spread through fecal contamination of food, water and surfaces. Most people who fall sick by salmonella food poisoning develop diarrhea, fever and abdominal cramps 12 to 72 hours after infection. The symptoms lasts for four to seven days and most people can recover without any treatment.

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