

## Lancaster Farming – '12 maple overview

By Steve Taylor

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SWANTON, Vt. ---- Ground zero for the dramatic expansion in the Northeast's maple industry is here in Vermont's Franklin County, where all of the major manufacturers of maple equipment have their operations and where producers are expanding at a brisk pace, some with up to 20,000 new taps coming on line this year.

"The industry in the U.S. is as big as it's ever been, and it's growing all over," exclaims Brad Gillilan, an executive with Leader Evaporator, the nation's largest manufacturer of evaporators and supplier of a vast array maple gear .

Syrup production the United States has been expanding at the rate of 10 per cent per year over the past five years from new taps coming on line, and then there's another five percent increase in production coming from the aggressive adoption of new technologies, including improved tubing systems, higher vacuum, more powerful reverse osmosis equipment and new evaporators with far greater fuel efficiency.

Annual incremental growth of 15 percent is making some in the industry nervous about whether markets for syrup and other maple products can continue to absorb all the new output.

Driving the growth of production, of course, are strong prices for syrup, with those strong prices being buoyed by the actions of the Quebec provincial maple board, commonly called "The Federation" and which controls the pricing and sets quotas for how much all maple producers in the province can make.

Inasmuch as Quebec alone produces about 75 percent of all the syrup produced in North America, Federation edicts pretty much establish the floor price for the entire continent. The Federation price effectively sets the U.S. wholesale price, and so long as the current Federation level holds U.S. producers see profit potential and will likely keep expanding.

If U.S. production were to double and Quebec continued to hold its quotas steady the U.S. wouldn't come close to making 50 percent of the total North American volume.

"But if the Federation disappeared the bottom could fall out of the U.S. market," Gillilan says.

That's a concern shared by Bruce Bascom of Acworth, N.H., one of the largest producers, packers and distributors of maple products in the Northeast.

"So long as the Federation is buying Quebec's syrup and maintaining its current pricing, then U.S. production is going to rise. We have the freedom to produce here they don't have up there, so basically you can say the Federation is fueling our expansion," Bascom says.

U.S. production has doubled in the past decade, and if the Quebec marketing board continues on its present course U.S. output will double again in the next 10 years, Bascom predicts.

"I think the U.S. price will be pretty good for the next several years, but I'm betting the Federation will eventually be forced to cut the price it sets, and that will cut the price in the United States. It's just not sustainable for them unless they significantly expand their markets, which they're beginning to try to do, particularly in Asia and the Far East," Bascom says.

Bascom speaks of a brand new operation entering production this season in Vermont's Franklin County with 30,000 taps and plans on the drawing board to eventually hit 125,000 taps. And he says that, based on activity at his maple equipment dealership, there are probably several thousand new hobbyist maple producers with 200 taps or less joining the maple game this year.

Gillilan says every manufacturer of maple equipment serving the U.S. market is booked solid with orders and is struggling to keep up with demand. Swanton is home base for several of the largest of these enterprises, some of which are subsidiaries of Canadian companies.

This winter's strange weather pattern has oldtime maple producers scratching their heads, unable to recall an earlier full-throttle start to the sap flow. In some locales sap ran well during warm spells in January, and a tide of sap poured forth from suagrbushes that were tapped and ready by President's Day, two to three weeks ahead of the historic beginning of maple season over much of the Northeast.

Looming on the horizon is tightening of food safety laws, which could force many maple operations to upgrade their facilities. Vermont's new voluntary sugarhouse registration program points the way toward inspection requirements that will have to be met before a producer's crop will be accepted for purchase, Bascom believes.

"In five years it's likely the buyers will require syrup to come only from inspected facilities," he says.

