



California Walnut Industry Update

As I write this update, I am in New Delhi, India for the MEWA Dried Fruit and Nut Tradeshow. This the premier show for the nut industry in India and all significant customers will be in attendance. The California Walnut Commission (CWC) has a strong presence at this event, highlighting the importance of this market to our industry. We will have meetings with current and prospective customers and trade members. There is a lot to discuss: finalizing a trade agreement and reducing the 100% tariff on walnuts, ensuring shipments are cleared from the India ports, California's larger crop size, and already they are asking about next year's crop.

Pam Graviet, VP of Integrated Marketing and myself, met with the Senior Agricultural Attache, U.S. Embassy - India to discuss these topics and more. The new U.S. Ambassador to India arrived a few weeks ago and has energized the U.S. mission in India with a strong focus on business building activities. While they cannot predict when a final agreement will be reached, they are optimistic that there will be one in the months ahead.

Following MEWA, we will be in Dubai, U.A.E. for Gulfood, the major annual food tradeshow in the Middle East region.

Clouding our conversations and the export market picture, is the evolving geopolitical discussions in the European Union (EU). The EU parliament has issued a statement reversing the previously announced suspension of a proposed increase in tariffs on U.S. tree nuts. If that sound convoluted, it is. Simply said, at the moment California walnuts have a tariff of 4% on inshell and 5% on kernels, and that will not change in the near future. (The discussion had been to reduce it to 0%). Anti-U.S. sentiment is growing, and we recently had to cancel some in-store sampling demos due to negative comments from customers. There is also an App and social media push to boycott any U.S. product. All of this gives importers reasons to slow down ordering new loads until some clarity and confidence is brought back into the market.

The final 2025 crop numbers are almost completed, we are at 805,000 tons with two outstanding handlers yet to report. Below you will see that inventories levels for December are in line with previous years with a similar size crop. Shipments in December were very strong after a slow start. The CWC has a working group that will review the current crop estimating methods and review and recommend alternatives to the overall program. While we are not unique in having inaccurate crop estimates, we simply have to demand better

WINTER 2026

estimates in order to drive higher grower returns. This year's slow start for shipments in September to December was directly related to the handlers and buyer working under a USDA NASS estimate of 710,000 tons, which has a different market strategy than the current number of 805,000 tons.

Despite these challenging time, we continue to work on repositioning California walnuts. In the following pages, you will read about some of the new programs we are implementing to expand our consumer outreach in all markets, to verify that products labeled California walnuts are in fact from California, and in the U.S. are performing quality testing on retail packs to measure the quality of walnuts that consumers are buying and then providing scorecards to handlers.

Finally, please consider attending the Walnut Conference on February 19 in Turlock, CA at the Stanislaus County Fairgrounds. To facilitate greater grower access, the conference will now alternate between the Northern and Southern growing regions. Sessions will cover topics including production and postharvest research, Produce Food Safety Rule, global marketing dynamics and a 2025 crop update panel with DFA, growers and handlers discussing current market conditions and what handlers are doing to maximize grower returns. The CWC will have an educational booth with interactive displays showcasing walnuts products from around the globe, a taste experience with Chef Robert Danhi, Meet the Researchers (Production and Postharvest) and examples of global marketing programs. More information on the event is available on included flyer.

As always, if you have any questions please feel free to contact me rverloop@walnuts.org or 916-932-7070.

Best,
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California Walnut Board and Commission

JANUARY SHIPMENT REPORT

The following is a snapshot of the January Shipment Report. For the full report that shows shipments to individual markets, please visit the reports section on walnuts.org.

Inshell (1000 pounds)

| | <u>2024/25 Marketing Year</u> | | <u>2025/26 Marketing Year</u> | |
|--------------|-------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
| | <u>December 2024</u> | <u>9/1/2024 to 12/31/2024</u> | <u>December 2025</u> | <u>9/1/2025 to 12/31/2025</u> |
| Domestic | 1,380 | 6,142 | 425 | 6,268 |
| Export | <u>21,830</u> | <u>102,160</u> | <u>43,477</u> | <u>147,784</u> |
| Total | 23,210 | 108,302 | 43,902 | 154,052 |

Kernel (1000 pounds)

| | <u>2024/25 Marketing Year</u> | | <u>2025/26 Marketing Year</u> | |
|--------------|-------------------------------|-----------------------------------|-------------------------------|-----------------------------------|
| | <u>December 2024</u> | <u>9/1/2024 to 12/31/2024</u> | <u>December 2025</u> | <u>9/1/2025 to 12/31/2025</u> |
| Domestic | 13,891 | 71,252 | 16,886 | 65,789 |
| Export | <u>31,533</u> | <u>94,786</u> | <u>44,187</u> | <u>106,005</u> |
| Total | 45,424 | 166,038 | 61,073 | 171,794 |

December 2025 Purchase Commitments

Inshell Conventional: 43,586,968 pounds Kernel Conventional: 178,312,059 pounds
 Inshell Organic: 0 pounds Kernel Organic: 8,937,103 pounds

Walnut Receipts as of December 31st, 2025

Conventional: 783,714 tons
 Organic: 17,718 tons

DECEMBER INVENTORY & ACQUISITIONS REPORT

The following is a snapshot of the December Inventory & Acquisitions Report. For the full report that shows production by county, variety and more, please visit the reports section on walnuts.org.

Inshell (1,000 pounds)

| <u>Crop Year</u> | <u>Conventional</u> | <u>Organic</u> | <u>December 31 Inventory</u> |
|------------------|---------------------|----------------|------------------------------|
| 2023 | 420,832 | 8,720 | 429,552 |
| 2024 | 361,169 | 11,979 | 373,148 |
| 2025* | 787,679 | 24,970 | 812,649 |

Kernel (1,000 pounds)

| <u>Crop Year</u> | <u>Conventional</u> | <u>Organic</u> | <u>December 31 Inventory</u> |
|------------------|---------------------|----------------|------------------------------|
| 2023 | 349,740 | 9,252 | 358,992 |
| 2024 | 221,494 | 5,169 | 226,663 |
| 2025* | 166,122 | 2,938 | 169,060 |

**Crop Acquisitions as reported by handlers as of
December 31, 2025: 804,984 tons**

Organic: 19,532 tons

Conventional: 785,452 tons

Note: Beginning in 2024, a reporting change was implemented where handlers now report inventory based on actual quantities on hand rather than how the product is planned to be sold (inshell or kernel). Additionally, two handlers have not yet submitted their Crop Acquisition forms as of this report's date. If received in time, the Crop Acquisition total will be updated on the upcoming shipment report.

ACREAGE REPORT

The 2025 California Walnut Standing Acreage Final report, conducted by Land IQ, as of August 31, 2025, indicated total producing bearing acreage of 370,963. The industry added 8,471 new producing acres and the removal of 10,114 acres with older trees, less desirable varieties, SGMA-impacted regions and low production. Based on nursery tree sales, we expect the next three to four years to see limited new acres coming into production. While there is still some decline, acreage numbers are stabilizing with 75% percent of orchards being 24 years or younger and with higher-density plantings and higher yields, allowing for production volumes that will satisfy global demand while being manageable for the industry.

Below is a summary chart for your quick reference. The full report has been posted to our website and can be found [here](#).

We will conduct another acreage survey next April which will capture removals after last year’s harvest.

| 2025 Final Estimate (as of August 31) | | Description |
|--|----------------|---|
| 2025 Removals (Initial: September 2024 through April 2025, Final: September through August 2025) | 10,114 | Removals mapped between September 1, 2024 and August 30, 2025. (Initial estimate from September 2024 through April 2025 was 7,486 acres.) |
| 2025 New Bearing Acreage Coming into Production | 8,471 | Previous non-bearing acreage (planted 2021) newly coming into production. (Initial estimate identified 8,538 acres coming into production.) |
| 2025 Total Standing Acreage | 394,305 | Total standing acreage; includes current 2025 mapping after removals and new estimated non-bearing acreage and inter-year adjustments (1,994 acres). |
| 2025 Non-Bearing Estimate | 14,100 | Includes mapped non-bearing orchards from 1 to 4 years old, plus an estimate of very young orchards that have not been detected due to immature status. This estimate is developed using mapping, ground truth data and statistical analysis. |
| 2025 Bearing Age Acreage | 380,205 | Total acreage standing with a bearing age inclusive of stressed and abandoned acreage outlined below. |
| 2025 High Stress, Likely Abandoned Acreage | 9,242 | High levels of stress over current or multiple water years. Less likely to be in production and were removed from "Producing Bearing Acreage Estimate." |
| 2025 Final Producing Bearing Acreage Estimate | 370,963 | Estimate of bearing acreage likely in production, omitting higher confidence abandoned and stressed acreage. |

GROWER RESOURCES & UPDATES

Walnut Days

In February and March, University of California Cooperative Extension (UCCE) and farm advisors put on Walnut Days throughout the state to share updates on the latest production research and tools, led by experts and researchers in walnut production. In addition, the California Walnut Board and Commission provide industry updates on interests and other topics of importance. Growers, CCAs, PCAs, and other agricultural professionals who work with California walnuts are encouraged to attend.

- **Tri-County Walnut Day** – February 5, 2026, Tulare, California
- **Sutter-Yuba Walnut Day** – March 4, 2026, Yuba City, California
- **North Sac Valley Walnut Day** – March 5, 2026, Red Bluff, California
- **Quad-County Walnut Institute** – March 6, 2026, Yuba City, California
- **Lake County Walnut Meeting** – March 12, 2026, Lake County, California

More information on each event and how to register can be found [here](#).

Agricultural Water Requirements - The Food Safety Modernization Act (FSMA) Produce Safety Rule (PSR) sets minimum food safety standards for the production of tree nuts, fruits, and vegetables. In 2024, FDA published a final rule that revised certain requirements for pre-harvest agricultural water for covered produce including walnuts. As of last October, new FAQs were developed to provide information about the agricultural water requirements based on topics covered in the final rules:

- Inspection and maintenance of agricultural water systems.
- Pre-harvest agricultural water assessments (including testing as part of an assessment and assessment outcomes).
- Harvest and post-harvest agricultural water requirements.
- Corrective and mitigation measures.
- Agricultural water treatment.

To review the newly developed FAQs visit FDA website <https://www.fda.gov/food/food-safety-modernization-act-fsma/frequently-asked-questions-agricultural-water-requirements-under-fsma-produce-safety-rule> or call 1-888-463-6332.

Nematode Summit - Working group members including growers, CWC staff, and a CWC political consultant met on November 13, 2025, to discuss strategies to identify action items to manage the

political, scientific and financial realities of nematode infestations for walnut production. Discussions focused on current restriction on fumigant 1,3-D use under DPR initiated regulations in 2024 regarding exposure mitigation measures and non-occupational bystanders, as well as 2025 regulations that began for occupational bystanders. Since there is currently no direct replacement of 1,3-D as effective to manage nematode population, the group has identified a three-prong approach:

1. **Educational outreach** - a legislative field tour to demonstrate the nematode issues and how it could negatively impact the industry.
2. **Expanding research opportunities and grant resources** - Identify what current research shows, known research gaps, and funding opportunities to build knowledge around alternatives, practices, and educational opportunities.
3. **Economic Analysis** - Conduct analysis to gain critical insights into the scale and impact of these pests on crop productivity, tree health, and long-term orchard viability, provide results to Legislators, State and Federal government to encourage continued 1,3-D use until alternatives being discovered.

Growers are encouraged to share their experience and concern to the CWC on nematode mitigation management to help the industry on this critical matter. For more information or updates on these topics, please reach out to Billy Ng at bng@walnuts.org.

WALNUT QUALITY IMPROVEMENT

As part of our commitment to delivering the best quality California walnuts, we are conducting three targeted studies to guide quality-driven decisions.

Retail Products for Quality Assessment – The California Walnut Board has collected random retail products in major U.S. cities to prepare for the first nationwide quality review. Collected samples will be evaluated by a third-party lab for overall product appearance, packaging integrity, color, Peroxide Value (PV) / Free Fatty Acid (FFA) and shelf-life (best-by-date). An industry quality scorecard will then be generated, and each handler shall have its own data set to compare against the overall industry result. We are aiming to have the data presented in the next Grades and Standards Committee meeting.

Walnut Nutrition Analysis - The California Walnut Board has collected samples of raw and processed walnuts, as well as major varieties comprehensive nutritional data analysis to update nutritional accuracy. A third-party nutrition lab will conduct the analysis and results will be available in Q2 2026.

Walnut Origin Testing - There have been reports of blending of origins, mislabeling of origin, and misrepresentation (B2B) of origin in walnuts. In response, the California Walnut Commission has engaged Oritain, a global leader in forensic origin verification, to provide the industry with a scientific walnut origin verification program to verify the origin of California walnuts in the domestic and international markets. CWC has collected suspicious products that will be verified in Oritain's approved lab. We are aiming to have the result presented in the next Grades and Standards Committee meeting.

For more information or updates on these topics, please reach out to Billy Ng at bng@walnuts.org.

GLOBAL MARKETING UPDATES

The California Walnut Commission (CWC) and California Walnut Board (CWB) conduct marketing and trade promotion programs in the U.S. and key export markets, with a focus on building consumer demand and driving trade engagement and involvement to expand market development and generate sales. The following are some recent activities to promote California walnuts.

Morocco Trade Mission - In 2024, the CWC participated in the USDA Trade Mission to Morocco and subsequently secured a Trade Representative agency to help the industry develop the Moroccan market. Over the past few months, webinars have provided valuable information on Global Trade Finance and Risk Solutions and freight forwarder connections operating in the region.



From December 7-12, 2025, the CWC, along with five handlers, visited Morocco during a walnut-centric trade mission made possible through USDA funding from the Regional Agricultural Promotion Program (RAPP). Attendees visited El Kelaa, where walnuts and other nuts are processed for distribution and sale, retail operations in Marrakesh and Casablanca, and participated in one-to-one meetings with importers, distributors, and other key trade contacts. This trade mission is an important first step in developing relationships between California sellers and Moroccan buyers.



MEWA India 2026 - MEWA India 2026 presented an engaging three-day affair, creating a golden opportunity to interact with industry pioneers, buyers, sellers, and international delegates, and spotlighted the dynamic facets of the Indian nuts industry. The CWC promoted California walnuts with a booth at the expo and sponsorship the Cultural Night event.

Gulfood 2026 - For the first time, Gulfood will take place at the Dubai World Trade Centre and Dubai Exhibition Centre 26 – 30 January. This year is expected to be the biggest year with over 8,500+ exhibitors from over 195 countries. The CWC will have a booth at the expo, which attracts hundreds of visitors interested in exploring business opportunities and learning about California walnuts.

Natural Products Expo West 2026 - Natural Products Expo West, March 3 – 6, is the premier event for the natural, organic, and healthy lifestyle market to network with retailers, distributors, health practitioners, and food service professionals. Once again, the CWB will be exhibiting at the show, highlighting how walnuts can assist in closing the innovation gap as a +1 ingredient in line extensions or as a new product platform. The CWB team will be on hand to answer questions and demonstrate how walnuts can help food brands with new product development.

Ask Shelly.



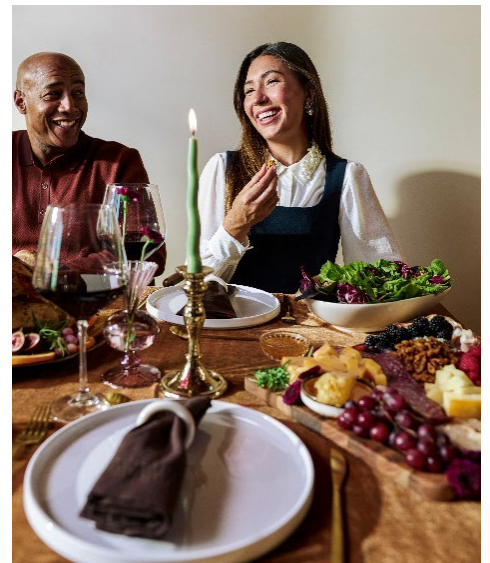


2025-2030 Dietary Guidelines for Americans (DGAs)

– In January, the Departments of Health and Human Service (HHS) and Agriculture (USDA) released the 2025-2030 Dietary Guidelines for Americans (DGA). The DGAs are the federal nutrition policy that informs school meals, food assistance programs, military feeding plans and health professional recommendations. This dietary guideline emphasizes eating real, nutrient-dense foods, including nuts, as a foundation of a healthy diet. Walnuts are pictured in the new food pyramid, as well as recognized as a source of plant-based protein, and healthy fats. Further, within a 2,000-calorie diet, the DGAs identify serving size examples of 1 oz nuts or seeds; or 2 tbsp

nut or seed butter to help meet the recommended 3-4 daily servings of protein foods¹. The DGAs also recommend introducing potentially allergenic foods—including nut butters—with other complementary foods to infants at about 6 months.

Be Merry. Feel Good. – US Holiday Campaign In spring 2025, California Walnuts launched a new "Feel Good" integrated marketing program in the U.S. market, focused on attracting younger consumers with significant purchasing power to the walnut category. To support sales in Q4, the primary sales period for walnuts, a new holiday themed campaign was launched utilizing digital and social media channels, influencer partnerships, paid streaming, retailer-tagged advertising, instore retail promotions, shopper marketing and sampling events targeting Gen Z and Millennials, and existing consumers with ways California walnuts can easily fit into holiday meals, entertaining and more. A cornerstone of the campaign is collaborations with more than 20 cooking, wellness, lifestyle and hosting influencers who reached millions of these potential buyers, with new, fresh ways to use walnuts during the holidays as well as every day throughout the year.



To see how we are bringing the campaign to life, follow us on Instagram or TikTok @CAWalnuts.

¹ <https://cdn.realfood.gov/Daily%20Serving%20Sizes.pdf>



California **WALNUT** CONFERENCE

February 19, 2026
Turlock, CA

BROUGHT TO YOU BY
WEST COAST NUT

In collaboration with



FREE to Attend!

**Growers, Applicators, PCAs, CCAs,
and Processors Welcome!**

- ✓ Networking and Industry Mixer
- ✓ Exhibits
- ✓ Coffee, Donuts, and Industry Lunch
- ✓ CEUs, Seminars, and Workshops

Please refer to the CEU tables for final approved DPR and CCA credits.

TENTATIVE AGENDA

7:00 AM Registration / Trade Show

8:00 AM State of the Industry:

*Introduction by Jason Scott, CEO, JCS Marketing;
Robert Verloop, CEO, California Walnut Board and
Commission*

8:30 AM Mold Management in Walnuts

*Themis Michailides, UC Davis Plant Pathologist,
Kearney Ag Research and Extension; Kent
Brockner, Owner, Brockner Agriculture Consulting*

9:00 AM Developing an IPM Approach for Managing
Squirrels and Roof Rats in Walnuts

*Roger Baldwin, UCCE Specialist,
Human-Wildlife Conflict Resolution*

9:30 AM Getting More Walnuts on the Menu -
A New Approach to Increase California
Walnuts in Food Service

Robert Danhi, Chef-in-Residence

10:00 AM Break/Trade Show and Walnut Research
Poster Sessions

11:00 AM Complexities of the Global Marketplace

*Moderator and Introduction: Robert Verloop, CEO,
California Walnut Board and Commission*

Panelists: Anna Boulova, Secretary General,

*Frucom; Arjun Chakravarti, Managing Partner,
Cogkognition Analytics; Pam Graviet, Vice President
of Integrated Marketing, California Walnut Board
and Commission*

12:00 PM Lunch

12:45 PM CDFA Produce Safety Rule - What Growers
Need to Know

*Trevor Goldsberry, Environmental Scientist,
CDFA Produce Safety Program*

1:15 PM Managing Nematodes in Walnuts in a New
Regulatory World

*Moderator: Abby Taylor, Managing Director of
Regulatory Affairs, Kahn, Soares & Conway*

*Panelists: Brent Barton, Barton Ranch; Andreas
Westphal, CE Nematologist, UC Riverside*

1:45 PM 2025 Crop Insights

*Moderator: Robert Verloop, CEO, California
Walnut Board and Commission*

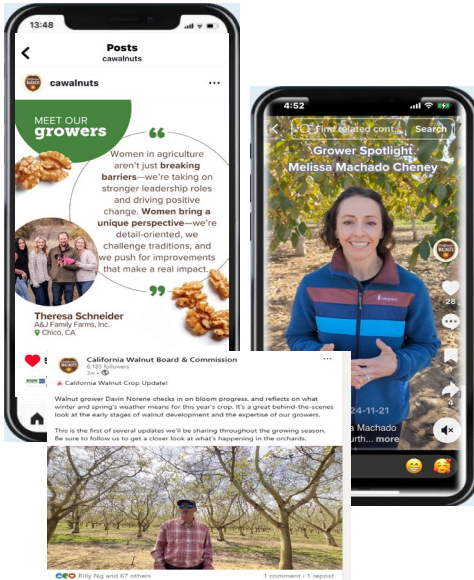
*Panelists: Brendan O'Donnell, President and CEO,
DFA of California; Growers (2); and Handlers (2)*

3:00 PM Industry Mixer

4:00 PM Adjourn

1.5 hours DPR and 4 hours CCA Units Pending Approval

GROWER AMBASSADOR PROGRAM



Now more than ever, consumers want to know more about where their food comes from and who is growing it. Help promote the California walnut industry and share your stories by joining the Grower Ambassador program. We are working to identify the next generation of growers to be able to share their experiences while highlighting the rich history of multi-generational family farms. We want to showcase the unique and innovative approaches being undertaken within walnut operations while highlighting the passion and commitment that is in every walnut produced. Areas of participation include social media content, online blog, consumer PR and events.

If you are interested in learning more, please contact Christine Lott at clott@walnuts.org or at 916-932-7070.

RECEIVE THE LATEST INDUSTRY NEWS DIRECTLY TO YOUR IN-BOX - SIGN UP TODAY!

A new Industry e-Newsletter, The Walnut Wire, is available for growers and handlers to keep you informed and connected to the latest developments shaping the California walnut industry. The monthly digest will feature timely updates on industry news, initiatives, and upcoming events direct to your inbox.

Subscribe today for our monthly e-Newsletter by scanning the QR code or visiting <https://walnuts.org/industry-subscribe/>



UPCOMING EVENTS:

- April 14 or 15, 2016** - Joint CWB/CWC Board Meeting
- August 6, 2026** - Joint CWB/CWC Board Meeting
- November 3, 4, 5 or 12, 2026** - Joint CWB/CWC Board Meeting



California Walnut Board and Commission
110 Woodmere Rd. Suite 250
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MARK YOUR CALENDAR TO ATTEND!

California
WALNUT
CONFERENCE

Thursday, February 19, 2026
Stanislaus County Fairgrounds
Turlock, CA



Register Here