



ALMOND BOARD OF CALIFORNIA
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November 12, 2002

Dear Handlers,

I felt that an additional note was in order concerning the recent revisions to the October position report. We committed two inexcusable errors and we apologize. You can rest assured that staff and I are correcting the causes of these mistakes and are working towards the minimization of the potential for human error in the report preparation process.

First of all, how is the report prepared?

Basically, the report preparation currently has two phases: 1) Manual data input, into an Access data base, of the information received from the industry's 121 handlers on forms 1 and 25 (the number of individual data input items is in excess of 3,500 each month). Arithmetic programs within the Access software process these numbers to produce the summary data that goes into the final report. 2) The summary data is manually transposed from the Access spreadsheets to the final report format, which resides in Excel software.

Secondly, what happened?

a) The October position report was originally issued the morning of November 8th. The arithmetic formula, which executes the simple calculation of deducting the 4% Loss and Exempt from the total Crop Receipts to Date, inexplicably was altered and an enormous error resulted in the New Crop Marketable, Computed Inventory and Uncommitted Inventory numbers. We should have caught this glaring error but did not. The formula was subsequently corrected and a revised report was issued the afternoon of the same day.

b) The morning of November 11th it was brought to our attention that the domestic and export commitment numbers were the same numbers which we reported in August. Indeed, in transposing the commitment numbers from the Access database to the Excel final report form we accidentally transposed the August commitment numbers instead of October's. We should have had a better verification system in place to flag this type of error but did not.

Computerized and manual checks and balances, with significant redundancy, are in place throughout the report preparation process. Several staff members are involved and a very high sense of responsibility

exists at the Almond Board in the preparation of this report so that it is always on time and 100% accurate.

What are we doing about it?

This morning I convened the key staff members that are involved in the preparation of the report and we reviewed the report preparation process and how it can be improved in order to assure statistical integrity. Some of the action items, which were identified, are as follows:

- We are conducting a thorough review of existing checks and balances. This review will result in additions, eliminations, and modifications to the existing process.
- We will automate the system to the fullest degree possible, thereby minimizing the opportunity for human error. For instance, we will eliminate manual transposition of the final report numbers by electronically linking the Excel final report form to the Access data base or by setting up the final report form within Access software.
- We have already eliminated a parallel database, which increased the likelihood for human error.
- We will manually check all final report calculations.
- We will uniquely identify old databases within the system so that, to the user, they are instantly recognizable as non-current data.
- In future I will be signing off on the report before it is "blast faxed" to the industry.

Our commitment

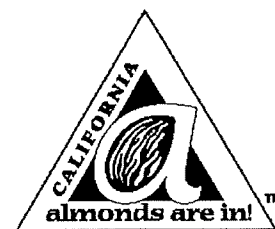
All ABC staff involved in the preparation of the monthly position report are fully committed to assuring that the report is prepared with the highest level of statistical accuracy and integrity. We all understand the importance of this document and the negative commercial impact that errors in the report can cause in the industry. We will give a report at the December 4th board meeting on the improvements we have adopted in the report preparation process.

Please feel free to call me at any time concerning this matter.

Sincerely yours,

Richard Waycott

Revised



Almond Industry Position Report

October 2002

2002-2003 Crop Year

	Forecast mil lbs.	2002-2003 8/1 - 10/31 Kernel Wt.	2001-2002 8/1 - 10/31 Kernel Wt.	% Change
Salable				
1. Carryin August 1, 2002	80.9	80,922,480 *	107,265,860	-24.56%
2. Crop Receipts To Date	980.0	770,751,349	671,414,570	14.80%
3. [4% Loss & Exempt]	39.2	(30,830,053)	(26,856,583)	
4. New Crop Marketable (2-3)	940.8	739,921,296	644,557,987	
5. [Reserve]	n/a	0	0	
6. Total Supply (1+4-5)	1021.7	820,843,776	751,823,847	9.18%
Shipments by Handlers				
7. Domestic	245.0	79,010,335	64,575,222	22.35%
8. Export	620.0	214,970,595	215,476,282	-0.23%
9. Total	865.0	293,980,930	280,051,504	
10. Forecasted Carryout	156.7			
11. Computed Inventory (6-9)		526,862,846	471,772,343	11.68%
Commitments (sold, not delivered)**				
12. Domestic		117,689,467	119,104,931	-1.19%
13. Export		156,004,576	116,329,722	34.11%
14. Total		273,694,043	235,434,653	
15. Uncommitted Inventory (11 - 14)		253,168,803	236,337,690	7.12%

* Subject to verification through handler audits.

** 78% of handlers reported commitments on their Form 25. Those handlers reporting committed inventory handled 92% of last year's crop.

MONTHLY REPORT OF SALABLE HANDLER SHIPMENTS

	2002-2003 Crop Year		2001-2002 Crop Year		
	10/1 - 10/31	8/1 - 10/31	10/1 - 10/31	8/1 - 10/31	
DOMESTIC					
Shelled	28,587,244	65,482,346	22,372,298	56,237,524	
Manufactured	9,109,853	22,671,541	8,180,867	22,621,394	
Products	272,258	756,131	208,579	516,514	
Inshell	2,136,340	2,792,599	1,490,796	3,455,017	
[Interhandler Transfers]	(3,134,613)	(6,166,037)	(4,091,322)	(7,649,217)	
[Industry Purchases]	(4,199,789)	(6,526,245)	(1,537,916)	(10,606,010)	
TOTAL	32,771,293	79,010,335	26,623,302	64,575,222	23%
EXPORT					
Shelled	75,068,893	164,416,991	67,866,886	153,725,104	
Manufactured	10,615,586	26,428,028	13,229,147	34,157,324	
Inshell	9,226,876	24,125,576	11,388,403	27,593,854	
TOTAL	94,911,355	214,970,595	92,484,436	215,476,282	77%
NET SHIPMENTS	127,682,648	293,980,930	119,107,738	280,051,504	100%
EXEMPT/INEDIBLE SHIPMENTS	1,189,496	3,883,211	1,221,293	3,977,668	

EXPORT DELIVERIES BY DESTINATION

(Kernel Weight)

		Crop Year 2002-2003				Crop Year 2001-2002				
		08/01/02 through 10/31/02				08/01/01 through 10/31/01				
	Country	Shelled	Inshell	%	Country	Shelled	Inshell	%		
North America	Canada	9,100,057	128,923	4.29%	Canada	7,228,156	203,933	3.45%		
	Mexico	3,204,744	0	1.49%	Mexico	3,168,540	0	1.47%		
	Total	12,304,801	128,923		Total	10,394,696	203,933			
Central America	Costa Rica	60,950	0	0.00%	Costa Rica	40,250	573			
	Others	36,000	420	0.00%	Others	8,260	578	0.00%		
	Total	96,950	420	0	Total	48,510	1,151			
Caribbean	Others	3,581	10,150	0.01%	Others	4,391	0	0.00%		
	Total	3,581	10,150		Total	4,391	0			
South America	Argentina	0	0	0.00%	Argentina	58,520	108,850	0.08%		
	Brazil	37,800	43,010	0.04%	Brazil	50,938	91,100	0.07%		
	Chile	289,185	0	0.13%	Chile	***	0	0.00%		
	Colombia	***	0	0.00%	Colombia	***	0	0.00%		
	Ecuador	***	0	0.00%	Ecuador	***	0	0.00%		
	Venezuela	284,190	0	0.13%	Venezuela	395,702	0	0.18%		
	Others	61,787	0	0.03%	Others	261,854	0	0.12%		
	Total	672,962	43,010		Total	767,014	199,950			
	Western Europe	Austria	472,660	0	0.22%	Austria	268,638	0	0.12%	
Belgium		8,246,840	0	3.84%	Belgium	14,142,775	0	6.56%		
Denmark		3,258,440	0	1.52%	Denmark	3,941,544	0	1.83%		
Finland		363,050	0	0.17%	Finland	464,025	0	0.22%		
France		10,429,314	40,691	4.87%	France	8,591,436	34,499	4.00%		
Germany		33,200,242	58,700	15.47%	Germany	36,348,168	36,189	16.89%		
Greece		3,287,050	66,116	1.56%	Greece	1,561,400	17,738	0.73%		
Holland		***	0	0.00%	Holland	0	0	0.00%		
Ireland		***	0	0.00%	Ireland	***	0	0.00%		
Italy		11,237,834	732,801	5.57%	Italy	8,831,483	67,416	4.13%		
Maltz & Gozo					Maltz & Gozo	***	0			
Netherlands		9,441,309	144	4.39%	Netherlands	10,112,679	0	4.69%		
Norway		2,577,125	0	1.20%	Norway	2,082,649	7,350	0.97%		
Portugal		0	0	0.00%	Portugal	308,000	0	0.14%		
Spain		35,351,475	0	16.44%	Spain	31,888,255	0	14.80%		
Sweden		2,232,150	0	1.04%	Sweden	2,765,200	0	1.28%		
Switzerland		799,150	0	0.37%	Switzerland	2,015,005	0	0.94%		
United Kingdom		5,787,440	0	2.69%	United Kingdom	6,638,234	0	3.08%		
Others		86,048	0	0.04%	Others	74,250	0	0.03%		
Total		126,770,127	898,452		Total	130,033,741	163,192			
Eastern Europe	Bulgaria	269,350	187	0.13%	Bulgaria	***	0	0.00%		
	Croatia		0	0.00%	Croatia	124,000	0	0.00%		
	Czech Republic	2,513,075	0	1.17%	Czech Republic	856,704	0	0.00%		
	Estonia	***	0	0.00%	Estonia	***	0	0.00%		
	Hungary	***	0	0.00%	Hungary	***	0	0.00%		
	Latvia	328,000	0	0.15%	Latvia	413,000	0	0.19%		
	Lithuania	304,000	0	0.14%	Lithuania	0	0	0.00%		
	Poland	373,458	0	0.17%	Poland	391,000	0	0.18%		
	Russia	2,653,850	32,184	1.25%	Russia	3,433,550	0	1.59%		
	Others	212,000	0	0.10%	Others	293,000	0	0.14%		
	Total	6,653,733	32,371		Total	5,511,254	0			
	Middle East	Afghanistan	0	***	0.00%	Afghanistan	0	***	0.00%	
Bahrain		***	0	0.00%	Bahrain	167,525	1,750	0.08%		
Cyprus		398,044	17,633	0.19%	Cyprus	0	0	0.00%		
Israel		1,409,975	297,460	0.79%	Israel	1,342,900	369,250	0.79%		
Jordan		1,022,025	232,376	0.58%	Jordan	1,102,700	141,306	0.58%		
Kuwait		132,125	0	0.06%	Kuwait	501,825	1,800	0.23%		
Lebanon		812,225	35,733	0.39%	Lebanon	722,050	8,750	0.34%		
Qatar		***	0	0.00%	Qatar	146,500	0	0.07%		
Saudi Arabia		2,435,150	142,354	1.20%	Saudi Arabia	3,323,650	94,669	1.59%		
Turkey		408,050	30,800	0.20%	Turkey	250,700	648,000	0.42%		
United Arab Emirates		7,417,400	1,161,355	3.99%	United Arab Emirates	6,751,850	430,865	3.33%		
Others		158,875	50,234	0.10%	Others	0	0	0.00%		
Total		14,193,869	1,967,945		Total	14,309,700	1,696,390			
Asia	Bangladesh	***	0	0.00%	Bangladesh	***	0	0.00%		
	China	3,619,438	3,278,613	3.21%	China	4,069,990	2,850,524	3.21%		
	Guam	0	0	0.00%	Guam	***	0	0.00%		
	India	942,887	17,625,430	8.64%	India	168,400	21,890,980	10.24%		
	Indonesia	159,200	0	0.07%	Indonesia	147,575	0	0.07%		
	Japan	13,713,764	34,235	6.40%	Japan	13,014,369	350	6.04%		
	Malaysia	1,230,500	0	0.57%	Malaysia	760,175	0	0.35%		
	Nepal	0	0	0.00%	Nepal	182,500	0	0.08%		
	Philippines	12,150	0	0.01%	Philippines	104,625	0	0.05%		
	Singapore	701,550	0	0.33%	Singapore	731,900	0	0.34%		
	South Korea	4,271,150	0	1.99%	South Korea	3,123,375	0	1.45%		
	Taiwan	642,599	64,809	0.33%	Taiwan	1,246,330	525,094	0.82%		
	Thailand	212,250	0	0.10%	Thailand	291,500	0	0.14%		
	Others	79,992	40,868	0.06%	Others	75,600	0	0.04%		
	Total	25,585,480	21,043,955		Total	23,916,339	25,266,948			
New Zealand	New Zealand	Total	500,275	0	0.23%	New Zealand	Total	293,275	0	0.14%
	Australia	Total	1,507,956	0	0.70%	Australia	Total	329,000	0	0.15%
Africa	Algeria	494,700	0	0.23%	Algeria	0	0	0.00%		
	Canary Islands	***	0	0.00%	Canary Islands	190,925	0	0.09%		
	Egypt	1,477,250	0	0.69%	Egypt	1,255,250	62,020	0.61%		
	South Africa	466,835	350	0.22%	South Africa	514,483	0	0.24%		
	Tunisia	0	0	0.00%	Tunisia	299,000	0	0.14%		
	Others	116,500	0	0.05%	Others	14,850	0	0.01%		
Total	2,555,285	350		Total	2,274,508	62,020				
Other	Others	Total	0	0	0.00%	Others	Total	0	0	0.00%
	TOTAL DELIVERIES	190,845,019	24,125,576	100.00%	TOTAL DELIVERIES	187,882,428	27,593,584	99.53%		

***In Others (Named Countries Received Almonds From Three or More Handlers)

Almond Board of California
Quality Control Report
Industry Summary
August 1, 2002 - October 31, 2002

Variety Name	From ABC Form 1	From USDA Inspection Certificates		% Total Receipts	% Rejects
	Total Receipts	Total Receipts	Total Inedibles		
Aldrich	10,750,239	10,328,017	50,452	1.39%	0.49%
Aurora	-	-	-	0.00%	0.00%
Avalon	134,772	128,763	2,070	0.02%	1.61%
Ballico	8,567	8,567	68	0.00%	0.00%
Bonita	-	-	-	0.00%	0.00%
Butte	81,388,293	74,559,986	339,102	10.56%	0.45%
California	13,389,495	11,532,238	88,539	1.74%	0.77%
Carmel	121,237,967	111,212,523	655,494	15.73%	0.59%
Carrion	100,981	192,809	1,121	0.01%	0.58%
Chips Special	41,717	41,717	526	0.01%	0.00%
Cruz	4,210	3,304	7	0.00%	0.00%
Davey	8,876	8,876	54	0.00%	0.00%
Dotty One	17,374	17,374	22	0.00%	0.00%
Drake	64,834	53,411	848	0.01%	1.59%
Fritz	22,737,773	17,153,021	104,591	2.95%	0.61%
Harvey	754,502	686,825	13,262	0.10%	1.93%
Hashem	524,570	501,390	5,675	0.07%	1.13%
IXL	-	-	-	0.00%	0.00%
Jeffries	27,561	36,667	68	0.00%	0.19%
Jordanolo	6,134	6,134	6	0.00%	0.10%
Kapareil	-	-	-	0.00%	0.00%
Le Grand	439,474	404,481	10,761	0.06%	2.66%
Livingston	2,737,417	2,671,898	28,692	0.36%	1.07%
Marchini	97,800	97,800	1,056	0.01%	1.08%
Merced	759,538	749,392	18,469	0.10%	2.46%
Milo	14,583	14,583	122	0.00%	0.84%
Mission	17,485,753	13,701,891	50,286	2.27%	0.37%
Mixed & Unknown	19,769,144	20,282,384	188,662	2.56%	0.93%
Mono	811,188	754,988	15,059	0.11%	1.99%
Monterey	33,287,657	29,289,202	245,665	4.32%	0.84%
Morley	161,588	161,588	800	0.02%	0.50%
N43	-	-	-	0.00%	0.00%
Neplus	4,059,003	3,887,869	46,678	0.53%	1.20%
Nonpareil	347,608,773	340,590,030	3,221,319	45.10%	0.95%
Norman	186,434	186,469	1,827	0.02%	0.98%
Padre	24,729,883	23,248,669	71,894	3.21%	0.31%
Peerless	7,474,464	7,082,934	21,648	0.97%	0.31%
Price	26,638,360	25,941,556	138,148	3.46%	0.53%
Ripon	1,124	1,124	20	0.00%	0.00%
Rosetta	17,485	22,253	1,591	0.00%	0.00%
Royal Kern	2,735	-	-	0.00%	0.00%
Ruby	3,811,280	3,239,241	18,517	0.49%	0.57%
Sauret	397,054	384,830	10,011	0.05%	2.60%
Savana	108,564	104,691	328	0.01%	0.31%
Seedling	7,498	7,498	64	0.00%	0.85%
Sonora	18,448,887	18,131,939	164,920	2.39%	0.91%
Texas	-	-	-	0.00%	0.00%
Thompson	2,093,221	2,067,921	38,605	0.27%	1.87%
Tioga	9,908	9,908	113	0.00%	1.14%
Tokyo	477,821	476,065	3,610	0.06%	0.76%
Valencia	29,259	14,810	51	0.00%	0.34%
Wood Colony	7,882,806	8,024,754	44,232	1.02%	0.55%
Yosemite	4,783	4,783	49	0.00%	1.02%
GRAND TOTAL RECEIPTS	770,751,349	728,027,173	5,605,102	100.00%	0.77%

This report is subject to further verification of handler's receipts and further reconciliation of USDA incoming certificates.



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November 11, 2002

TO: ALL HANDLERS

RE: OCTOBER POSITION REPORT REVISION

Today, it was brought to our attention that the commitment numbers reflected in the October Position Report were identical to those on the August report. While the initial error in commitments was thought to be immaterial, upon rebuilding the commitment portion of the position report database to ensure its accuracy, it was determined that other reporting errors existed.

Accordingly the revised October Position Report front page attached to this memo reflects the correct commitment position as of October 31, 2002.