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## Ailing Chief Wenatchee typifies industry ills



**Fruit-packing co-op searches for ways out — short of bankruptcy**

By PEGGY STEWARD  
Capital Press Staff Writer

Chief Wenatchee is ailing, and company officials are searching for a way to stop the hemorrhaging that could topple one of north-central Washington's major fruit-packing cooperatives.

Observers say the troubles facing Chief Wenatchee are typical of the ills facing much of agriculture. The re-

cession in the tree fruit industry and continued low prices paid to growers have dealt the co-op a staggering blow, said Brian Birdsall, Chief Wenatchee chief executive officer and president in Wenatchee.

Chief Wenatchee will finish packing the 2000 apple crop and will run one line of cherries at its Wenatchee warehouse, he said. After that, the co-op's future is uncertain.

Founded in 1945 by a small group of growers, Chief Wenatchee today counts between 100 and 120 grower-owners, Birdsall said. The company serves between 150 and 160 growers.

It handles about 3.5 million packs each year under the Chief Wenatchee,

Chief Chelan, Chief Supreme and Wenatchee Gold labels. The company owns a warehouse and headquarters in Wenatchee, a leased plant near Palisades and has a cherry packing line in Pasco. Birdsall declined to list the value of the co-op's assets or the company's net worth.

Chief Wenatchee growers have been paid for the 2000 crop, Birdsall said. But any profit or loss on the co-op's equity are separate. He did not elaborate.

Chief Wenatchee's lender, Denver-based CoBank, would like to see the co-op liquidate, Birdsall said. That would mean closing down and turning the keys over to CoBank.

FILE PHOTO/Capital Press  
Chief Wenatchee executives are hoping to keep the co-op's packing line, pictured here during a tour last year, in operation in the face of a tree-fruit industry recession.