

Vast Di Giorgio Farm Empire Nearing End After Many Woes

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BAKERSFIELD, Calif., Dec. 24—The Di Giorgio Corporation, in a recent announcement, disclosed its intention to abandon a once-flourishing agriculture empire in California's land-rich southern San Joaquin Valley.

J. Max O'Neill, president of the Di Giorgio Fruit Corporation, a division of the Di Giorgio Corporation, announced in San Francisco that Di Giorgio had begun negotiations for the sale of 6,117 acres, the remaining unsold portion of Di Giorgio Farms.

The acreage includes the community of Di Giorgio, once the heart of a verdant, 18-square-mile expanse of farmland on which were grown table grapes, plums, cotton, potatoes, asparagus,

wheat and peanuts. This was the largest parcel of the company's nationwide acreage.

To hundreds of families who have lived and worked in Di Giorgio since 1920, the announcement meant the death of a community, the dissolution of a family.

The farm in its peak years of the nineteen-fifties had a year-round population of some 800. Di Giorgio still has its own post office, fire department, medical center and school district. The permanent population has dwindled today to 62 hourly and 53 salaried employees, according to Mr. O'Neill.

The remaining employees persist in loyalty to the company, despite their days of

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employment with Di Giorgio being numbered. They say nothing of the current negotiations or of the past. They are pledged to silence.

J. A. Di Giorgio, corporation vice president in charge of the farm, refers all inquiries to the San Francisco headquarters.

The history of this agriculture empire had its beginnings on a lemon farm in Sicily. There, Giuseppe "Joe" Di Giorgio was born in 1874.

At the age of 14, Peppino, as he was called by his parents, left the seminary where he was enrolled and came to America. His first job was with a fruit jobber in New York City at a salary of \$8 a week.

After a few years he moved to Baltimore, where he went into the jobbing business himself. He managed to get a \$5,000 loan from the Maryland National Bank, for which institution he was to become a director at 21.

In 1904, Mr. Di Giorgio founded the Baltimore Fruit Exchange. He went into the shipping and commission business on a transcontinental scale with his purchase in 1911 of the Earl Fruit Company, a long-established California shipper. Through Earl, he was to acquire a thorough knowledge of California growing.

Land Purchased

In 1919 he started a land-buying venture in California, acquiring extensive acreage in the San Joaquin Valley. The following year, Di Giorgio purchased about 3,000 acres near Arvin, the future site of the community of Di Giorgio.

At its peak operation in 1959, Di Giorgio Farms spanned 10,581 acres. Of this, 5,553 acres were planted in market and wine variety grapes, 1,043 acres in plums, 166 acres of asparagus and 1,369 acres planted to potatoes, peanuts, cotton and grain. Some 400 miles of concrete pipe were used to distribute the 60,000 acre-feet of water needed annually to irrigate the property.

Most of the older employes at Di Giorgio arrived from Texas and Oklahoma, driven out by the Dust Bowl siege that ravaged those states during the Depression days.

As the farm grew and prospered, Di Giorgio provided dwellings for his permanent employes.

Robert Di Giorgio has been vice president since 1949 and

financial vice president since 1955. J. A. Di Giorgio was elected a vice president in 1948 and placed in charge of Di Giorgio Farm.

Beginning of the End

The beginning of the end for Di Giorgio Farm started when the United States Bureau of Reclamation enforced its 160-acre limitation on the Di Giorgio holdings in the southern San Joaquin Valley. Di Giorgio had been under contract for water from the Federally owned Central Valley Project.

The Federal edict stipulates that growers who use Federally financed water must limit acreage to 160 acres. Under the contract, the Secretary of the Interior is given the power to sell the acreage covered, after the expiration date of 10 years, at price not less than the appraised value unless Di Giorgio consents to a lower price. During the first 10 years of the contract, Di Giorgio has the right to sell the acreage at prices not in excess of the appraised value. Di Giorgio sold about 900 acres in 1967. The remaining acreage is now being negotiated for sale.

Another factor that hastened the end of Di Giorgio Farm was the farm labor movement of Cesar Chavez. In 1966, after the union boycotted Di Giorgio grapes and allied products, the corporation recognized the United Farm Workers Organizing Committee and negotiated a contract.

The following year, Di Giorgio eliminated its table grape production and shifted entirely to wine grapes, an operation that requires significantly fewer field workers.

An additional factor in the elimination of Di Giorgio Farm is the corporation's expansion into other fields. From modest beginnings in agriculture, Di Giorgio Corporation has become broadly based in processing, distributing and marketing of foods and other consumer goods, distribution and manufacture of drugs and cosmetics, timber products for the construction and wood pulp industries, land development for shopping centers, condominium apartments, recreational areas and mobile home parks and production and marketing of citrus juice products in the United States and Western Europe.

"Less than 2 per cent of our total revenue in 1967 came from agriculture," Mr. O'Neill observed.