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Opinion

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OUR VIEW

New effort gives 'Ag of the Middle' a boost

The Northwest is blessed with a diverse agriculture sector, both in terms of the crops and livestock that are produced and the scale of the operations that produce them.

Large, commercial-scale farms generally feed sophisticated supply chains with mature systems that take their raw commodities, deliver them to processors and turn them into numerous finished products that are marketed and sent on to retailers. Their business depends on economy of scale.

The growing number of small-scale farmers, mostly part-timers, produce for retail consumers. They market to the final user through a simple, direct supply chain —

farmers' markets or CSAs. Not very complicated, no need for extensive infrastructure or sophisticated marketing plans because the business rests on one-on-one relationships.

But what of the medium-sized farmer and the artisan producers? They may raise too much to sell on the farmers' market circuit, too little or are too specialized for the mass market. They need more distribution infrastructure and marketing support than smaller operations, but lack the scale to participate in established supply chains. Some have their own brands and don't want to throw in with others in a regional or national effort.

A study produced last month by

Ecotrust explores the opportunities and challenges of those producers — what it calls the "Ag of the Middle."

"In slightly abstracted terms, Ag of the Middle producers are those too small to compete in commodity markets, and too big to participate exclusively in direct to consumer channels such as farmers' markets; what we now describe as 'local values, wholesale volume,'" the report says.

It's an interesting read. Though focused on the needs of Oregon producers, it advances ideas that could significantly increase the viability of these operations throughout the Northwest and expand the regional economy.

The 250-page study describes

a haphazard system in which growers and other food producers spend too much time on the supply chain instead of developing their product. They must cobble together outlets, pick, pack and store things themselves and deliver small amounts to multiple buyers.

The report says Ag of the Middle producers often lack branding or marketing strategy and do without communications and strategic planning. The result is a system that is "highly fragmented, lacking consistent data and information, and dependent on personal relationships," according to the study.

Simply put, among the things producers need to do are establish

shared infrastructure — processing, storage, distribution and marketing; promote interdependencies between diverse producer sectors that could expand everyone's business; and find ways to get or appear bigger to take advantage of scale.

To that end, Ecotrust is retrofitting a Portland industrial building to be a food development, storage and distribution hub that will put some of the ideas to the test. It will have 16,000 square feet of development, incubator or processing space for meat, grain and greens.

This is one of the more exciting concepts we've seen to expand the ag economy. We wish them well, and hope a working example of the concept will lead to imitation.



Rik Dalvit/For the Capital Press

OUR VIEW

Research will help ag survive droughts

California water regulators last Friday accepted an offer from farmers with the state's most senior water rights to reduce their water use.

Those farmers, who hold riparian water rights in the Sacramento-San Joaquin River Delta, told state officials they would voluntarily reduce their consumption by 25 percent.

By doing that, the farmers demonstrated to their fellow Californians that the burden created by four years of drought needs to be shared.

It is an attitude that others around the West would do well to emulate.

It's dry in California — and much of the West. Parts of Oregon and Idaho are parched, and drought has been declared across all of Washington state. Making matters worse — much worse — is the fact that most of the scant mountain snowpacks melted during abnormally warm winter and spring weather. Some reservoirs are starting the irrigation season well below their normal levels, and forecasters are reminding irrigators that they will not be replenished by snow melt, as they normally are.

Irrigation districts are making the difficult choices between shutting down for part of the season to conserve water, pumping groundwater, fallowing land or carrying on and hoping for the best.

In Washington state, some irrigators have offered other farmers \$500 an acre to use their water just to get through the growing season.

More than anything, the Big Dry of 2015 points out the desperate need for more water storage around the West. A glance at the USDA Drought Monitor shows that only a few areas west of the Rocky Mountains have escaped the drought. Storing the water that does fall would go a long way toward getting farmers through the driest parts of the year.

But construction of new reservoirs, dams, lake taps and other storage projects will take years, if not decades. Californians have already approved borrowing billions of dollars to build two more reservoirs, but the start of construction is nowhere in sight.

Other projects will rely on federal and state backing. Considering that the federal treasury has been running in the red since the 1990s and most states

are tapped out, financial help for these projects may not be forthcoming.

In the meantime, farmers and others in agriculture need to ponder their future. Innovation, efficiency and rethinking cropping systems need to be a part of the overall conversation.

In Idaho, for example, University of Idaho Extension irrigation specialist Howard Neibling is helping farmers avoid a water call by reducing their consumption. He said in some irrigation systems 16 percent of water losses are due to leaks. In others, worn nozzles, evaporation and uneven distribution waste water.

Researchers are developing low-water techniques for irrigation, breeding drought-resistant crops and building high-tech monitors to determine which plants need moisture. Some in California have developed ways to save as much as 50 percent of water use.

Before, such research was interesting. Now, it's vital.

This drought will eventually give way to a more normal precipitation pattern. But there will be other droughts. They are an unfortunate part of Western agriculture.

Big picture — Marketing orders have grower support

By MADILYNNE CLARK
For the Capital Press

Guest
comment
Madilynne Clark



Generalizations so often lead to a gross overreach of conclusions. Recent editorials have grouped federal marketing orders into one category of governmental control without grower support. Yet the fact is simple, all marketing orders are different and function with diverse regulations in order to protect the grower and the industry.

Horne v. Department of Agriculture is again putting a spotlight on the alleged unfairness of this type of government control, but this is a case of governmental taking, not arguing the legality or relevance of all marketing orders.

Recent events involving the Raisin Administrative Committee and farmer Marvin Horne of Kerman, Calif., have brought differing opinions to light involving this volume control program. It must be noted that the raisin marketing order functions differently than the 20 commodities protected nationwide.

Marketing orders are essentially designed to protect the market, the growers and the buyers. Protection procedures governing the marketing orders range from quality protection to volume control. Before the existence of these programs, growers were faced with volatile prices and the handlers with unreliable supplies.

Kim Mills, chairwoman of the Far West Spearmint Marketing Order, says, "Marketing orders are designed to keep the market stable and to do whatever is needed to protect the market, whether that be stabilizing prices, creating a consistent supply, and/or guarding against monopolies."

The raisin marketing order was established in 1949 as the country came out of the New Deal Era driven by the need for central planning. Other marketing orders came into effect decades later, including the Far West Spearmint Marketing Order that was organized and passed into federal regulation during 1979 and implemented in 1980.

Mills stated, "If our industry didn't have the marketing order we would have one person raising spearmint. The market would be a monopoly and the small family farmers would no longer be participating and no one knows what the

price of spearmint oil would be."

In regards to marketing orders, it is easy to get up in arms at the thought of government control, as many still fear the central planning of Russia and the associated failure of the economy, as Justice Antonin Scalia remarked. However, not all marketing orders are created equal, as is the case of other volume regulated commodities including Far West spearmint oil, tart cherries, California dried prunes and walnuts. "This marketing order keeps us in business and allows us to continue to produce spearmint by providing a stable and decent price and continuing a steady supply to the end-users," Mills said.

For growers, buyers and consumers, marketing orders can be equated to market stability. The stabilization of prices, quality, and supply has led to industries that are protected and secure. Spearmint grower Gary Christensen remarked, "The spearmint marketing order is a lifesaver and has functioned very well for over thirty years. It is beneficial to the current grower and the next generation of growers."

Yes, there is a new paradigm coming for raisins, as this is the second time the case has been heard by the Supreme Court and rulings will be expected in July. Yet a possible paradigm shift for all marketing orders is unlikely. The court continues to uphold agricultural production limits and marketing regulations that originate from this New Deal Era and those implemented in later decades to revive struggling farm economies.

Those in favor of federal marketing orders can trust in Chief Justice John Roberts' statement, "For whatever reason in the history of the New Deal, this one (the Raisin Marketing Order) was set up differently and so we're here dealing with a classic, physical taking. We are not going to jeopardize the Agriculture Department's marketing order regime."

Madilynne Clark is the Far West Spearmint marketing order field representative. She works for Ag Association Management, manager of the marketing order.

Readers' views

Seals, sea lions eating endangered fish

During most of the 20th century seals and sea lions did not frequent the Columbia River because they would get shot if they did. When it was determined there were only a few thousand on the West Coast, the possibility of their extinction was real and the National Marine Protection Act (NMPA) was established in 1972. In 1973 the Endangered

Species Act (ESA) was established providing protection for any species facing extinction. Presently 13 Columbia River salmon and steelhead stocks are listed for protection under the ESA. The National Marine Fisheries Service (NMFS) administers these acts.

In the spring of 2014 NMFS conducted a study where they discovered 45 percent of salmon tagged at the mouth of the Columbia, and destined for streams above Bonneville Dam, were not accounted for at the dam 145 miles upriver. The logical an-

swer is, they were eaten by seals and sea lions.

Since 1972 NMFS has protected the sea lions. With a population of over 300,000 and a record pup die-off from starvation, it is obvious they no longer need protection of NMPA. However, the 13 listed fish stocks in the Columbia River do need protection and NMFS is required by the ESA to provide this protection. Since it must be assumed that the 45 percent listed fish have been eaten, NMFS is required to reduce or eliminate the seals and sea lions eating them.

It has been reported that billions of dollars have been spent to improve the salmon and steelhead runs in the Columbia River System. Most of these funds have been expended by governmental agencies. But, to bring these fish back to the desired levels, it will require the cooperation of private landowners. If there is something I know about farmers and forest landowners, they are not likely to cooperate if they know that 45 percent of the fish are being eaten by seals and sea lions.

Carlisle Harrison
Hermiston, Ore.

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