



EO file photo

PGG announced Monday it lost \$7.9 million in 2014 and has consolidated its debt with the U.S. Farm Credit System.

Growers staff up for cherry harvest

Light cherry crop may help, but industry anxious over labor

By **DAN WHEAT**
Capital Press

WENATCHEE, Wash. — A total of 682 people applied for cherry sorting and packing jobs in association with Stemilt Growers' 12th annual job fair on May 2, as Pacific Northwest growers and packers hire workers for the 2016 cherry crop.

That's shy of the 750 people Stemilt needs and indicates a tight labor supply, but the company figures to make up the difference in the next few weeks.

Many packers and growers think they'll get by, but some are more worried than others.

They will be helped by a light crop, believed to be

about 19 million 20-pound boxes, which is the same as last year, versus the record 23.2 million of 2014. Harvest will start early again, likely in late May, and finish in August.

"I think we're getting more and more concerned every year as labor seems

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Margarito Cabrera, state Work-Source employee, watches Maria Rodriguez sign a job application at Stemilt Growers' annual job fair at the Wenatchee, Wash., convention center, May 2.

Dan Wheat
Capital Press

PGG members vote to dissolve co-op

Process could take several years

By **GEORGE PLAVERN**
EO Media Group

PENDLETON, Ore. — Pendleton Grain Growers, the longtime farmers' co-op that formed out of the Great Depression, is finished. Members present at a special meeting Monday voted overwhelmingly to dissolve PGG, authorizing the board of directors to sell off all property and assets.

That process could take several years before any left-over equity is returned to the co-op's 1,850 members. About 200 members attended Monday's meeting, and 186 cast their votes, about 95 percent, in favor of dissolution. At least 50 members were required for a quorum. A two-thirds majority was needed to pass the resolution.

PGG is continuing to work with United Grain Corporation, based in Vancouver, Wash., to sell off its upcountry elevators and McNary Terminal along the Columbia River. A deal could be done by June, in time for this year's winter wheat harvest. The business lines at PGG will remain open until further notice.

PGG was incorporated on March 31, 1930, and soon established itself as a local institution. For 86 years, PGG Country was the signature brand of hometown farms, offering grain, seed, agronomy, energy and irrigation services.

But recent years saw the co-op's finances plummet into the red ink. The co-op overstated its earnings by \$1.8 million in 2010 and \$5.7 million in 2011. In 2012 the U.S. Department of Agriculture suspended PGG's warehouse license for 44 days, citing audit discrepancies.

As PGG tried to restructure its business model — selling off retail stores and agronomy in the process — the co-op continued to hemorrhage money. While the co-op did net a profit of \$434,681 in 2012, financial statements

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When it comes to

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it's all about

QUALITY



“We can't compete with freight costs and price. (Quality) is all we've got. That's our true advantage.”

Mike Miller, farmer

Matthew Weaver/Capital Press

Farmer Mike Miller examines his wheat April 20 on farm property near Ralston, Wash. Wheat farmers in the region and across the country promote the quality of their crop when selling it to customers overseas.

Pacific Northwest farmers work to provide overseas buyers with the attributes they seek

By **MATTHEW WEAVER**
Capital Press

RALSTON, Wash. — Mike Miller knelt in a field to inspect his wheat crop on a recent April morning.

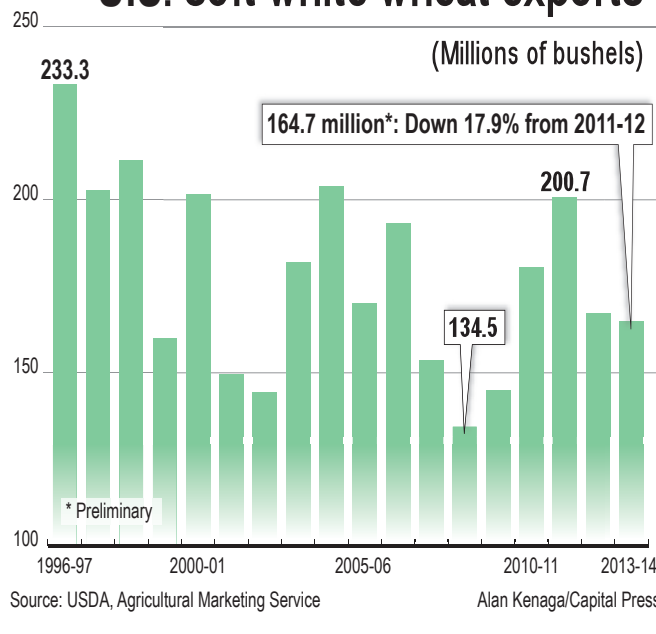
After two years of drought followed by a wet winter, moisture levels in the field were near average, and an early streak of warm weather had the crop looking good.

Miller was pleased. Miller raises hard red winter wheat, soft white wheat and dark northern spring wheat under irrigation and dryland dark northern spring wheat and club wheat in addition to potatoes, alfalfa and oilseed crops.

Like other wheat farmers in the Pacific Northwest, most of his crop will go to customers in Asia and South and Central America, where it will be milled and turned into bread, noodles, crackers, cookies, cakes and other products. The quality of that wheat and how well it meets

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U.S. soft white wheat exports



Matthew Weaver/Capital Press
Craig Morris, director of the USDA Agricultural Research Service Western Wheat Quality Laboratory, holds up a sample of wheat flour from the 2015 crop that will be tested for quality April 8 in Pullman, Wash.

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