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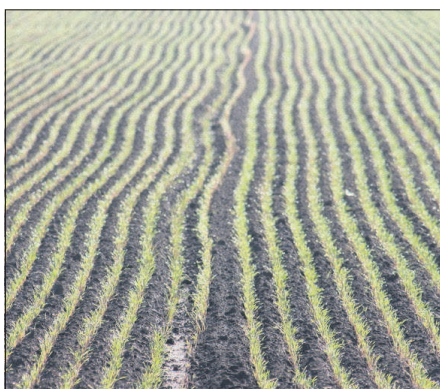
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Demand for government loans outpaces funds

Farm fields are planted for the coming growing season. The funding for federal farm loans is running low because of low crop prices this year.



Don Jenkins
Capital Press File

Lower commodity crop prices cause financial stress

By MATEUSZ PERKOWSKI
Capital Press

Demand for operating loans from USDA's Farm Service Agency is outpacing available funds, partly due to lower farm incomes, experts say.

Funds for the agency's direct operating loans and guaranteed operating loans are likely to run out in June, well ahead of the beginning of the next federal fis-

cal year in October. That's when the loan fund will be replenished.

The looming shortfall has prompted several agriculture and banking groups to ask Congress for more money for FSA loans to avoid an even greater shortfall later.

"Everybody is projecting another tough year in agriculture," said Todd Van Hoose, president and CEO of the Farm

Credit Council. "The need for the program is going to increase."

As commodity crop prices have dropped, the financial outlook for some farmers has deteriorated enough that they can't get regular operating loans from commercial banks, said Ferd Hoefner, policy director for the National Sustainable Agriculture Coalition.

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A LEGACY OF SWEETNESS

As Oregon's berry season unfolds, George Waldo's work is worth savoring

By ERIC MORTENSON
Capital Press

FOREST GROVE, Ore. — Jim Love can't help but admire the Marion blackberries now gaining color at Love Farms, which he owns with his brother, John. They planted this particular block in 1965 with their father, and it's the oldest remaining block among the 75 acres of Marions they tend and harvest.

Their dad, Melvin "Peck" Love, actually started the farm's transition to Marions in 1961 after visiting a neighbor who was growing a relatively new variety released by the USDA berry breeder stationed in Corvallis. "That thing is a really good berry," Peck Love announced when he returned. "I think we're going to plant some."



All these years later and Marion blackberries — also known as Marionberries — keep coming on: Good-sized, juicy, deep purple to intense black and better tasting than any other blackberry, before or since. A marketing campaign once described them as the "Cabernet of blackberries."

New varieties, thornless and more cold-hardy, may eventually surpass Marions, Jim Love said, but he suspects they will always retain a market niche among growers and consumers.

"George Waldo did a good job when he developed these originally," Love said. "Hoods were the same way. Golly, that was our main berry for a long time."

It is those two iconic varieties — Marion blackberries and Hood strawberries — that established Oregon as a premier berry state, today ranking first nationally in blackberry production, third in raspberries and strawberries and fourth in blueberries and cranberries.

And as the state harvests its array of berries this summer — crops with an annual farmgate value approaching \$200 million — it can give a tip of the field cap to that berry breeder, George Fordyce Waldo, a quiet man who worked with the straight-laced fervor of a berry evangelist.

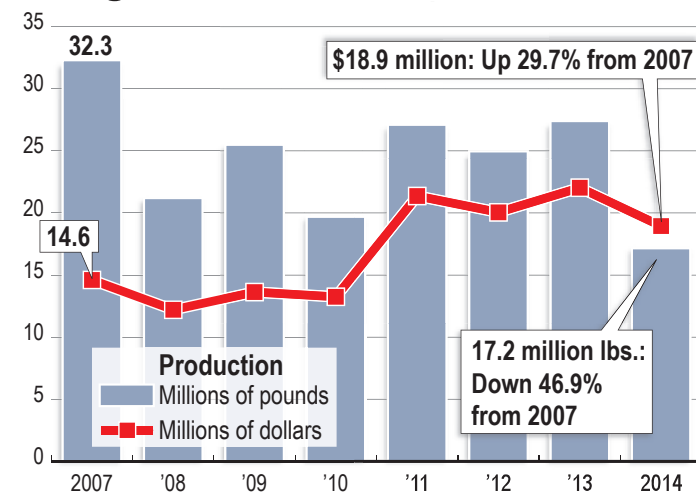
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Eric Mortenson/Capital Press

Jim Love, co-owner with his brother, John, of Love Farms near Forest Grove, Ore., shows Marion blackberries he planted in 1965 with his father, Melvin "Peck" Love. TOP PHOTO: Breeder George F. Waldo transformed Oregon's berry industry. Among other work, he developed the Hood strawberry and the Marion blackberry. Photo courtesy of USDA.

Oregon Marionberry production



Alan Kenaga/Capital Press



Courtesy of Oregon State University

George F. Waldo and his wife, Thelma Waldo, in a photograph dated 1938. Waldo was five years into his berry breeding work in Corvallis at the time.

Outlook good for Oregon nurseries, food processing

By ERIC MORTENSON
Capital Press

Oregon's food processing and beverage manufacturing industries are expected to perform well over the next decade, and the state's crop production and nurseries will gain as well, according to a new report from the Office of Economic Analysis.

While lacking details, the quarterly economic and revenue forecast by Senior Economist Josh Lehner predicts strong performance

by Oregon's agricultural segments and associated industries, bucking the trend in one case.

Lehner said most Oregon manufacturing will have "very minimal gains" in the coming years. He noted the recent downsizing of Intel, the computer chip manufacturing company and the state's largest employer, and said the manufacturing's "cyclical rebound" from the recession has run its course.

"What manufacturing gains are expected

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Courtesy of Bob's Red Mill

A view of a 5-pound flour line at Bob's Red Mill in Milwaukie, Ore. A report by the state economist says Oregon's food processing and beverage manufacturing industries are expected to perform well over the next decade.

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