

FEELING THE **CRUNCH**

RUSSIAN IMPORT BAN WREAKS HAVOC ON WORLD APPLE MARKET

Producers scramble for alternative buyers

By DAN WHEAT
Capital Press

Russian President Vladimir Putin's decision to slap a two-year embargo on the importation of apples and other fresh fruits and vegetables from the European Union and the U.S. is still reverberating through global markets.

Putin announced the ban Aug. 7, 2014, in retaliation for Western economic sanctions against Russia for its seizure of Crimea and aggression in Ukraine. On June 29, he extended the embargo through next year.

Before the embargo, Russia was the world's leading importer of fresh apples. Now its apple purchases

— from growers in non-embargoed nations — have plummeted by nearly half.

Within the apple industry, the embargo has wreaked havoc on exports and created an oversupply of apples worldwide that's pressuring growers, packers and marketers, particularly in Eastern Europe.

"It's like a little wart on our finger, one more thing to deal with. But for Poland it's a dagger in the heart," said Desmond O'Rourke, owner of the consulting firm Belrose Inc. in Pullman, Wash. He's a retired Washington State University agricultural economist with 40-plus years of experience tracking the world apple industry.

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Dan Wheat/Capital Press
Workers thin Gala apples July 14 at a Zirkle Fruit Co.'s orchard near Rock Island, Wash.



Illustration by Alan Kenaga/Capital Press

"It took us 10 years of pain to reduce our industry from the Asian crisis. Grower-by-grower and packer-by-packer decisions. Europe and Poland will go through the same painful process."

Desmond O'Rourke, owner of Belrose Inc.

Japan, S. Korea suspend U.S. wheat until new test in place

By MATTHEW WEAVER
Capital Press

Japan and South Korea will defer new purchases of U.S. wheat until they can implement a new test for genetically engineered wheat, a U.S. Wheat Associates spokesman says.

Twenty-two genetically engineered wheat plants were found in a fallow Washington state field. The discovery is under investigation by the USDA Animal and Plant Health Inspection Service.

Japan's Ministry of Agriculture, Forestry and Fisheries deferred new purchases

of Western white wheat — a blend of soft white wheat and subclass club wheat produced in the Pacific Northwest for customers in Japan and Taiwan — until the new test could be put into place. It should take two to three weeks for Japan to implement the test, according to U.S. Wheat.

The South Korean government is holding any U.S. wheat from mills until it can implement the new test.

With the test materials already in the country, the South Korean government is expected to start testing U.S. wheat as soon as this week,



AP Photo/James A. Finley, File
The entrance to the Monsanto Co. headquarters in St. Louis is seen in a file photo. Twenty-two plants of a variety of genetically modified wheat developed by the company have been found in a fallow field in Washington state.

said Steve Mercer, vice president of communications for U.S. Wheat Associates.

The next ships carrying U.S. wheat will arrive in South Korea in the second

half of August and are expected to be unloaded and distributed under normal conditions.

There have been no additional restrictions or requests for testing from other countries, Mercer said.

Different variety

APHIS announced the discovery of the genetically engineered wheat plants on July 29. The wheat was developed by the Monsanto Co. and called MON 71700. It was evaluated in a limited number of field trials in the Pacific Northwest from 1998 to 2001 but never commercialized, according to Monsanto.

"Any answer to how these plants got into a fallow field would be speculative at this point," said Charla Lord, spokesperson for Monsanto. "The USDA requested Monsanto's technical support in this matter and we will continue to help them as needed."

MON 71700 contains the same inserted DNA as MON 71800, which was found in an Eastern Oregon field in the spring of 2013. An APHIS investigation was unable to pinpoint the source of that wheat. The DNA is in a different genomic position, according to Monsanto.

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Publicity sank What's Upstream plan to tap social media

Organizers planned petition to regulate farmers

By DON JENKINS
Capital Press

A Seattle lobbying firm was poised to tap social media to rally grass-roots support for new restrictions on Washington farmers when the Environmental Protection Agency pulled back its support of the advocacy campaign, according to newly released EPA records.

The records, obtained through

a Freedom of Information Act request, also disclose that the EPA purportedly spent \$655,529 over five years on What's Upstream, a bid by the Swinomish Indian tribe and several environmental groups to impose mandatory 100-foot buffers between farm fields and waterways.

The EPA disowned the campaign in April after some federal lawmakers condemned its tone and purpose.

Most of the EPA money went to Strategies 360, which was hired by the tribe with a federal grant originally awarded to the Northwest Indian Fisheries Commission.

The firm crafted a media campaign beginning in 2011. In late March, it recommended posting a petition on change.org to obtain contact information of people likely to support mandatory buffers.

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Courtesy of Save Family Farming

This billboard, since removed, near Bellingham, Wash., was part of the What's Upstream campaign funded by the Environmental Protection Agency. News stories about its involvement in the campaign caused the EPA to nix a plan to tap social media to further its objectives.

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