Hop supply catching up to demand

By DAN WHEAT
Capital Press

Dan Wheat/Capital Press File
Hops are harvested at Roy Farms near Moxee, Wash., in 2013. Harvest is wrapping up this year and inventories show supply catching up to demand.

YAKIMA, Wash. — Pacific Northwest hop growers are wrapping up nearly two months of harvest of a good crop with minimal mildew and pre-harvest stocks at just 2 percent ahead of last year.

That shows supply is closer to equilibrium with demand after years of lagging behind, says Pete Mahony, director of supply chain management and purchasing for John I. Haas, Yakima, a leader in hop production, processing, research and development.

Growers, dealers and brewers held 85 million pounds of hops on Sept. 1 from prior seasons, 2 percent more than 83 million pounds a year earlier, the National Agricultural Statistics Service reported Sept. 22.

The amount held by brewers, 36 million pounds, was down 3 percent from last year while the 49 million pounds held by dealers and growers was up 7 percent, NASS said.

In March, hop stocks were up 10 percent from a year earlier. At that time, Mahony said production was doing better toward meeting demand but desired breathing room in supply was still lacking.

Now Mahony says he's encouraged that inventory is only 2 percent ahead of last year, at this time, and that he thought it would be more.

U.S. growers produced 71 million pounds in 2014 and 79 million pounds in 2015, an increase of 8 million pounds.

"So to see inventory up only 2 percent tells me we're still close to being in balance, but I do feel we are getting breathing room in several varieties," he said.

At one point it looked like this year's crop would be 97 million or 98 million pounds but now it looks closer to the forecast of 92 million, up 13 million or 17 percent from 2015, Mahony said.

"That's still a sizable increase so going forward we will have some breathing room in some aroma varieties," he said.

Growth in the craft brewing industry has created demand for aroma hops in recent years.

Some aroma varieties still will be behind demand, and growers will adjust accordingly, said Jaki Brophy, spokeswoman for the Washington Hop Commission and Hop Growers of America in Moxee.

The harvest began in August and will finish the first week of October, she said.

Some new plantings are outperforming established yards in rare cases and late rain caused mildew on some alpha variety cones in the Yakima Valley, Brophy said.

"There was some cone damage, but the lupulin (inner part of the cone containing the oil) was fine so it didn't affect quality a lot," she said.

The mildew damage occurred with some CTZ-group alpha varieties in the Yakima Valley, Mahony said.

"It's been a really good harvest from the weather standpoint," he said. "No real extremes. Few hot days, cool nights and little rain. Good weather allows hop cones to finish off and size up."

More than 70 percent of U.S. hop acreage is in Washington's Yakima Valley. Oregon and Idaho account for most of the rest of production with minor amounts in Michigan and other states.

Heavy rains a mixed blessing for Idaho growers

By JOHN O'CONNELL
Capital Press

John O'Connell/Capital Press
Arbon Valley, Idaho, dryland grower Jeff Campbell, son of Ken Campbell, loads fertilizer into his planter Sept. 27 before planting fall grain.

ARBON VALLEY, Idaho — Recent heavy rainstorms throughout Idaho have stretched the irrigation supply for some growers, following a dry summer, and supplied the necessary soil moisture for dryland farmers to plant fall grains.

The return of moisture to the state has been a mixed blessing for other growers, however, delaying potato harvest and the planting of fall grain in fields coming out of spuds, and damaging some fourth-cutting alfalfa.

Ken Campbell, a dryland farmer in southeastern Idaho's Arbon Valley, normally likes to plant his fall wheat in late August or early September. This fall, however, he was forced to wait until the end of September to start planting, during a break in the storms that supplied him with enough soil moisture to germinate his fall wheat seeds.

"We have 3 inches of rain here over the last 10 days. It's the first rains we've had since early June," Campbell said, adding that more rain was in the forecast for the weekend. "Unfortunately, we're still trying to get safflower harvested, and now we're trying to plant at the same time."

Before the storms arrived, however, Campbell worried about a mid-October insurance deadline, when he'd be forced to plant, even if the soil remained dry.

"We all felt like we'd probably get (rain), and we did, so I'm glad of it," Campbell said.

Sid Cellan, a dryland grower in Caribou County, said grain harvest and fall grain planting are mostly complete in his area — though the majority of the barley has remained in farm storage as the malting companies are still working through last year's crop.

Cellan still has 50 acres of barley left to harvest but emphasized, "I don't care if I get it in or not. It's much-needed moisture."

His region received 2.7 inches of moisture within the span of a week, and recently planted fall wheat has already begun to sprout. He said the moisture has also "mellowed" the soil and made his fall tillage much easier.

"There was some uncertainty at planting, but now we've got plenty of rain to get the grain up," Cellan said.

Steve Howser, general manager of Aberdeen Springfield Canal Co., ran out of water and had to shut off his canal system a few weeks early. The recent rains have brought his natural flow water rights back in priority, and he's reopened his gates, hoping to resume deliveries for sugar beet growers who moisten fields before harvesting. He said some growers have already started harvesting beets along the canal, benefiting from the rain.

"It'll be very comforting if I can have water in the canal for them if they need it," Howser said.

John O'Connell/Capital Press
Arbon Valley, Idaho, grower Jeff Campbell, son of Ken Campbell, plants fall wheat, benefiting from recent moisture.

For other growers, the timing made the rainfall mostly a nuisance. According to a USDA crop progress report for the week ending Sept. 25, moisture damaged cut beans and alfalfa in Jerome and Twin Falls counties.

Caribou County potato farmers have had their spud harvests delayed by more than a week already, said Grace seed grower Marc Gibbs. Gibbs must harvest spuds before he can plant fall wheat in the same fields and noted his fall grain yields tend to drop by 10 to 15 percent when he plants after Oct. 10.

"The further we get behind we see reduced yields in this valley," Gibbs said. "We can't handle a lot more storms."

Pacific port parties to talk contract

By DAN WHEAT
Capital Press

The Pacific Maritime Association and the International Longshore and Warehouse Union have agreed to talk about extending their contract that expires July 1, 2019.

Inability of the two parties to reach an agreement two years ago led to a union slowdown of work for months at 29 West Coast ports that cost farmers, manufacturers and retailers across the western U.S. hundreds of millions of dollars in losses because they could not get goods to market.

In a joint news release Sept. 27, the PMA and ILWU said they have agreed to discuss the idea of a contract extension and have tentatively scheduled talks for Nov. 1 and 2. Neither side will make any additional comments prior to the talks, the release states.

At a February conference in Long Beach, Calif., the presidents of ILWU and PMA said they were willing to raise the possibility extending the contract.

In light of that, nine members of Congress, led by Washington Republican Reps. Dan Newhouse and Dave Reichert, sent both parties a letter urging them to find ways to prevent future port disruptions. Members of Congress from Washington, Oregon, Idaho, California, Colorado and American Samoa signed the letter.

The PMA represents 78 shippers and terminal operators in negotiating and administering maritime labor agreements with the ILWU. The ILWU represents about 14,200 workers at the 29 ports. Both organizations are headquartered in San Francisco.

Don Jenkins/Capital Press File
Containers are stacked Jan. 28 at the Port of Tacoma. The Pacific Maritime Association and the International Longshore and Warehouse Union have agreed to discuss the idea of a contract extension and have tentatively scheduled talks for Nov. 1 and 2.

Washington watchdog gives What's Upstream more time

By DON JENKINS
Capital Press

Courtesy of U.S. House of Representatives
U.S. Rep. Dan Newhouse, R-Wash., gives a speech Sept. 14 on the House floor.

What's Upstream has until Oct. 17 to answer allegations that the federally funded campaign for new limits on Washington agriculture should have registered as a grass-roots lobbying organization, a spokeswoman for the Washington Public Disclosure Commission said Tuesday.

The PDC originally gave lead organizer Larry Wasserman, the Swinomish Indian tribe's environmental policy director, one week to respond to the complaint filed Sept. 19 by Save Family Farming, a group formed to counter claims by What's Upstream.

The PDC grants extensions at the requests of respondents, the spokeswoman said.

Save Family Farming accused Wasserman, the Environmental Protection Agency and Seattle lobbying firm Strategies 360 of waging a campaign to influence Washington legislators.

Organizations that present information calculated to shape state legislation must register and report their sources of money and expenditures. The PDC can levy fines of up to $10,000.

"We're eager to hear from the PDC, but Mr. Wasserman should have the time to respond appropriately," Save Family Farming director Gerald Baron said.

Wasserman declined to comment.

The Northwest Indian Fisheries Commission passed along to the Swinomish tribe some $655,000 in EPA grants between 2011 and 2015, ostensibly to educate the public about water-quality issues in the north Puget Sound.

The tribe hired Strategies 360 to poll voters, test campaign messages and develop an advertising campaign. A website and billboards accused farmers of being unregulated polluters of water.

The website encouraged residents to ask legislators to mandate 100-foot buffers between farm fields and drainage ditches.

Six U.S. House members last week wrote EPA Administrator Gina McCarthy, following up on comments she made five months ago distancing her agency from What's Upstream. McCarthy told a Senate committee that the campaign's tone "distressed" the EPA and that the agency had cut off funding.

The congressmen, including Washington Republican Dan Newhouse, asked for a briefing from McCarthy on what the EPA has done since then to ensure the agency isn't funding attacks on agriculture.

A Newhouse spokesman said McCarthy has not yet responded.

An EPA spokesman said the agency is working to schedule a briefing.

"We will be working on our response and will share it once the congressmen have received it," the spokesman said in an email.

Newhouse recently used the What's Upstream website as a backdrop for a House floor speech condemning the campaign.

An image taken from the website pictured a spawned-out salmon, purportedly linking farmers to dead fish.

"I'd like to point your attention to this poster," Newhouse said. "Through this broad and unfair ad campaign, all farmers were demonized as careless polluters."

Courtesy USDA
The U.S. Fish and Wildlife Service has listed slickspot peppergrass as threatened under the Endangered Species Act.

Idaho mulling options following listing of tiny desert plant

By SEAN ELLIS
Capital Press

BOISE — It's unclear if Idaho's long-running battle with the U.S. Fish and Wildlife Service over a tiny desert flower will continue.

Gov. Butch Otter's office is weighing its options after the USFWS again listed the slickspot peppergrass as threatened under the Endangered Species Act.

Otter, a rancher, has fought a listing since 2003, when he was a member of Congress and helped develop a state conservation plan aimed at preventing the need for a listing.

"I wouldn't say it's over. We're not going to roll over," Sam Eaton, deputy administrator and legal counsel for the Governor's Office of Species Conservation, said about the USFWS decision, which took effect Sept. 16.

The governor's office is discussing options with affected stakeholders, he said.

Idaho's livestock industry worries a listing could have a major impact on some ranchers because grazing could be restricted in areas where the plant's habitat is found.

Slickspot peppergrass is a desert plant with tiny white flowers that is found in Ada, Canyon, Elmore, Gem, Owyhee and Payette counties in southwestern Idaho. It gets its name from the alkalized slick spots in desert areas where small pools of water form.

The impact of a threatened listing would be limited to those areas where the plant is found but it could be severe to those ranchers who live there, said Lt. Gov. Brad Little, a Republican rancher from Emmett.

"It's a huge concern for some of those ranchers," he said.

The USFWS proposed to list the plant as endangered in 2002, before proposing to withdraw that decision in 2007. But a lawsuit by Idaho-based Western Watersheds Project, which opposes livestock grazing on public lands, resulted in the agency proposing to list the plant as threatened in 2009.

After Otter and the state challenged that decision in court, it was overturned by a district judge who ruled the agency didn't adequately define when in the foreseeable future the plant was likely to become threatened.

In its recent final rule published in the Federal Register, the USFWS said the soonest the plant was likely to become threatened is at least 50 years.

The agency considers wildfires and invasive species to be the primary threats to slickspot peppergrass and in a small victory for ranchers, it declined to upgrade livestock grazing to a primary threat to the plant, as some people who commented on the rule suggested.

In its final rule, the agency said any potential threats by livestock grazing are essentially nullified by potential benefits, such as reducing fuel loads.

"If you lessen grazing, it will increase the fuel load and fire is the plant's main threat," Little said. "If you look at all the empirical evidence, it looks like that's the wrong thing to do."

The rule states that the "evidence of the direct and indirect potential impacts to (the plant) ... from livestock use is still relatively limited."

Eaton said the listing's effect on ranchers will depend on what federal regulators ultimately decide livestock's impact on the plant is.