PMA, ILWU talk about contract extension in bid to avoid repeat of port slowdown

By DAN WHEAT
Capital Press

The Pacific Maritime Association and International Longshore and Warehouse Union have talked about a contract extension and agreed to meet again.

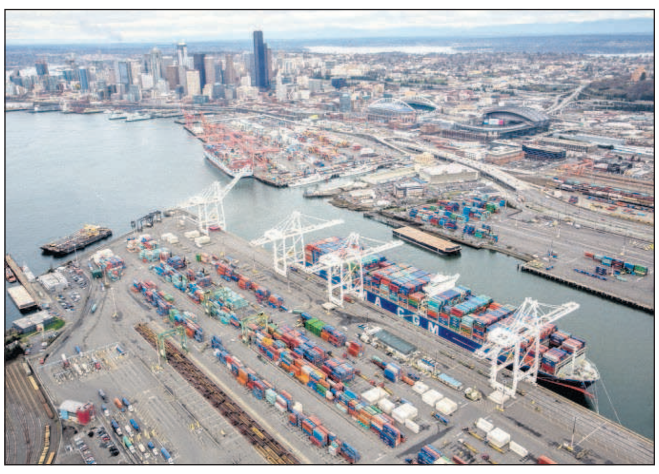
The parties met Nov. 1 in San Francisco and issued a joint statement afterward saying they will meet again at a date to be agreed upon.

They said they would make no further comments.

The current collective bargaining agreement covering 29 West Coast ports expires July 1, 2019.

The inability of the two sides to reach an agreement two years ago led to a union work slowdown for months at the container ports that cost farmers, manufacturers and retailers across the nation hundreds of millions of dollars in losses because they could not get their goods to market.

On the eve of the Nov. 1 meeting, U.S. Reps. Dave Reichert and Dan Newhouse, Washington Republicans, and Kurt Schrader, an Oregon Democrat, renewed their plea for the PMA and ILWU to work together to avoid another slowdown.



Don Wilson/Port of Seattle
The container ship Benjamin Franklin calls at Terminal 18 of the Port of Seattle. West Coast container port operators and the union representing longshoremen have agreed to hold further talks to extend their contract and avoid a work slowdown.

They said the 2014-2015 disruption cost the U.S. economy an estimated $7 billion. Growers were forced to dump spoiled produce, manufacturers were delayed in getting parts and retailers had empty shelves, the Congressmen wrote in a letter to the PMA and ILWU.

"The impact was not limited to the West Coast but ultimately was felt by communities across the country and the larger economy," they wrote.

Additionally, Newhouse and Reichert issued a statement commenting on a U.S. Government Accountability Office report titled, "Better Supply Chain Information Could Improve DOT's Freight Efforts."

The report recommends that in developing a freight data strategy the Department of Transportation identify supply chain information needed, potential sources of the information, data gaps and how to use the information to inform freight efforts.

Newhouse's Port Performance Program amendment signed into law in December 2015 also addresses that need.

It requires the Bureau of Transportation Statistics to collect and report port statistics to be published annually and used to keep supply chains stable.

The report lays out challenges facing ports and highlights the need for DOT port performance measures to improve port operations.

Clear baseline data on port performance "is an important step to ensure our ports are working effectively and we eagerly anticipate progress on upcoming recommendations from the department," Newhouse and Reichert said.

The report said some ports are addressing their lack of large enough cranes and other infrastructure to handle larger ships.

Thirteen of 21 selected industry groups representing shippers of some top commodities moving through West Coast ports said some of their members modified their supply chains and diverted to other ports because of the slowdown, the report said.

Courtesy of Idaho Wheat Commission
Idaho Gov. Butch Otter, second from left, presents a picture of an Idaho wheat field being harvested to officials from the China National Cereals, Oils and Foodstuffs Corp. during a trade mission to China. Otter said he expects to soon announce several deals resulting from the trade mission.

Idaho governor hopes to soon announce deals resulting from China trade mission

By SEAN ELLIS
Capital Press

BOISE — An Idaho trade mission to China is expected to pay off soon for the state's agricultural sector, according to participants.

The trip was led by Gov. Butch Otter, a Republican rancher and farmer who told Capital Press in a statement that the visit to the world's most populous nation will result in deals that benefit the state's agriculture.

"I'm looking forward to reporting on several success stories in the near future as the resulting deals are locked down," he said.

Seth Pemsler, vice president of the Idaho Potato Commission's retail and international divisions, said meetings with several large Chinese retail and food-service companies were promising.

He was particularly encouraged by a meeting with one large retailer the IPC is trying to convince to use Idaho-branded dehydrated potato products.

Another meeting with a major food-service company that is being encouraged to switch from Chinese to U.S. mashed potatoes was also promising, Pemsler said.

"It was a very worthwhile trade mission," he said.

Dr. Bill Barton, the state veterinarian who represented the Idaho State Department of Agriculture on the trip, told Capital Press in an email that the Idaho contingent "met with some important customers who have significant expansion plans and need Idaho products."

"The market is ripe with opportunity for Idaho agriculture," he said.

Eastern Idaho grain farmer Clark Hamilton, who represented the Idaho Wheat Commission on the trip, said it was a great opportunity to build relationships with current customers.

The discouraging part, he said, is that while China would like to buy more U.S. wheat, a strong U.S. dollar is currently a hurdle.

But the potential in China is enormous "and even a little shift in their (buying) trend can make a big difference," he said.

Michael Parrella, dean of the University of Idaho's College of Agricultural and Life Sciences, described the trip as spectacular and said the market potential in China, a nation of 1.4 billion people, is hard to grasp.

"The scale of the place is mind-boggling," he said. "You almost have to see it to believe it. There are huge opportunities for industries in Idaho to do well in that market."

Parrella and Bob Haggerty, CALS director of international programs, visited with officials from several education and research institutions.

During the trip, they were able to re-establish an existing but dormant agreement with China's Northwest Agriculture and Forestry University that allows the universities to share students and researchers.

Parrella said NAFU has sophisticated genomics and plant breeding programs.

"They are doing amazing things over there from a research perspective," he said. "We can definitely benefit from interaction with them."

UI is trying to develop similar agreements with other Chinese universities.

Parrella said the sharing of researchers and students "would add to the research capacity that we have" and UI researchers that go to China "would come back more informed and better able to tackle problems we have in Idaho."

PNW wheat growers work to maintain competitive edge overseas

By MATTHEW WEAVER
Capital Press

COEUR D'ALENE, Idaho — Pacific Northwest wheat leaders say they want to maintain their competitive edge in the global marketplace no matter what the future holds for the Trans-Pacific Partnership trade deal.

"The PNW positioned itself in a very solid spot with our overseas customers — we've been very transparent, have a lot of dialogues," said Mike Miller, chairman of the Washington Grain Commission and vice chairman of U.S. Wheat Associates. "The rest of the world is gunning for us right now. We have to be prepared."

The trade environment in the current marketing year will be critical to price both this year and next, said Randy Fortenbery, economics professor at Washington State University.

The 12-nation TPP, which President-elect Donald Trump said he would reject, was important for keeping the U.S. competitive with Australia in Asia, Fortenbery said.

"Even in the absence of TPP, the potential tariffs that can legally be imposed on us don't have to be," Fortenbery said. "Quality can still matter. If we can deliver the best product, then the buyers and traders may not impose the maximum tariff because they'd still like to have a quality product at a price that's reasonable for them.

Matthew Weaver/Capital Press
Darren Padgett of the Oregon Wheat Commission and Bill Flory of the Idaho Wheat Commission listen as Mike Miller of the Washington Grain Commission makes a point during a panel discussion at the Tri-State Grain Growers Convention Nov. 10 in Coeur d'Alene, Idaho. Moderator and retired Washington farmer Randy Suess is at right.

"The biggest danger is if we get aggressive in terms of trying to restrict trade, agriculture ... is the sector that will likely be punished," he said.

Miller recalled a conversation with buyers from the Philippines about how to maintain the region's trading position, and likened wheat farming to producing "widgets."

"You build a widget that nobody else can build, and you create the need for it," Miller said. "You don't jeopardize the integrity of the widget, you service the widget to where they continually need you to build upon, adapt, modify. Once you find a customer, make sure you understand exactly what he wants, then you service that need."

Darren Padget, chairman of the Oregon Wheat Commission, said the three commissions work together to maintain wheat quality. He spoke of a visit to Japan with other Northwest wheat producers and farmers from elsewhere in the U.S.

"They immediately looked at the three white wheat guys and said, 'We're good,' and all the eyes went down to the hard red spring guy and said, 'So, we've got a problem,'" Padget said.

Idaho hay crop good, but prices depressed

By CAROL RYAN DUMAS
Capital Press

Idaho hay growers had a good growing season overall, increasing production of alfalfa hay by 9 percent and other hay by an expected 5.3 percent.

But profits are slim.

Growing conditions were conducive to high yields this year, allowing a lot of growers in Eastern Idaho to get four cuttings. Not a lot of rain in the spring and nice weather in August made for a good crop, said Will Ricks, a Monteview, Idaho, grower and president of the Idaho Hay and Forage Association.

His second cutting was really nice, but some tough storms moved in on the third and fourth cuttings in September and October, he said.

"You'd get a little window, then it would rain some more," he said.

The growing season overall and 90,000 additional alfalfa acres and 20,000 additional acres in other hay pushed this year's production higher.

USDA forecasts an additional 378,000 tons of alfalfa year over year for a total of nearly 4.6 million tons and an added 35,000 tons of other hay for 805,000 tons.

The agency also forecasts higher alfalfa production in Washington, Oregon, Montana and Nevada.

Prices have been steady all summer with maybe an uptick midsummer, but they've backed off a little now, Ricks said.

Idaho hay acres, yield and production

Crop	Harvested (1,000 acres) 2015	2016	Yield (tons per acre) 2015	2016	Production (1,000 tons) 2015	2016
Alfalfa	1,000	1,090	4.2	4.2	4,200	4,578
Other	330	350	2	2.3	660	805

U.S. Hay acres, yield and production

Crop	Harvested (1,000 acres) 2015	2016	Yield (tons per acre) 2015	2016	Production (1,000 tons) 2015	2016
Alfalfa	17,778	18,065	3.3	3.5	58,974	62,817
Other	36,659	38,062	2.1	2.1	75,414	78,756
All	54,437	56,127	2.5	2.5	134,388	141,573

Source: USDA NASS Capital Press graphics

Idaho winegrape crop bounces back from small 2015 harvest

Sean Ellis/Capital Press
Winemaker Martin Fujishin sorts Sangiovese winegrapes Nov. 8 at Koenig Winery near Caldwell, Idaho. Growers say winegrape yields are up dramatically compared to last year and slightly above normal when compared to most years.

By SEAN ELLIS
Capital Press

CALDWELL, Idaho — Idaho's winegrape industry has rebounded from a November 2014 freeze that sharply reduced last year's crop.

With only a few acres left to pick, growers and vintners are reporting winegrape yields 50 to 100 percent higher than last year and slightly to well above normal.

"We had a super crop. We had a banner year," said Bill Ringert, owner of Cold Springs Winery in Hammett. "In fact, we're not even picking the end of the crop because everybody seems to have had a pretty good crop and outside sales are not exceptional."

Ron Bitner, owner of Bitner Vineyards in Caldwell, is also not picking some of his crop and will let 10-15 percent go to the birds.

"Most of the wineries ran out of tank space," he said. "I wish I could have got it all but I'm happy with what I got. I got more than I needed."

The November 2014 cold snap had a major impact on Idaho's 2015 winegrape crop, which was down 40-50 percent from normal.

But 2016 crop loads were up significantly from last year.

Dale Jeffers, manager of Skyline Vineyards near Nampa, said yields in his big vineyard are double last year's production while yields in his smaller vineyard are up 50 percent over 2015.

Compared with average years, "Crop yields are probably slightly above normal," said winemaker Martin Fujishin, owner of Fujishin Family Cellars in Caldwell.

It took a lot of work for growers to get vines retrained following the 2014 freeze but the vines seem to have rebounded nicely, he said.

"It looks like all the growers bounced back pretty well and all the vines are coming back healthy," Fujishin said. "This year, everything looks like it's pretty much back to normal."

Idaho Wine Commission Executive Director Moya Shatz-Dolsby said 2016 weather conditions were favorable for winegrapes.

Mike Williamson, manager of Williamson Orchards and Vineyards in Caldwell, said the weather was optimal in mid- to late July during "lag phase," a critical stage of winegrape development when rapid cell division occurs.

"It was a great growing season; we weren't hit with any sort of problems," Shatz-Dolsby said.

Growers are also reporting high quality.

"It was a pretty big crop and it looks very healthy," Williamson said.

"All the numbers were good: acids, sugars, flavors," Bitner said. "All the good things you want to have. It's one of the best vintages I've had personally."