

# Rabobank: Dairies need to prepare for stricter regulation

By CAROL RYAN DUMAS  
Capital Press

Looming regulations aimed at mitigating surface and ground water contamination and greenhouse gas emissions, as well as reducing water withdrawals, will require significant changes on California's dairy farms.

Dairies that invest in new technology and enhanced management strategies will be better positioned to succeed in the stricter regulatory climate, according to a new report by Rabobank's agribusiness research and advisory team.

The state's dairies are facing a lot of regulations that will come to fruition in the next 10 to 15 years, said James Williamson, an analyst with Rabobank.

Dairies will have to make



Tim Hearden/Capital Press File

Cows are milked at VanderWoude Dairy near Merced, Calif. Rabobank says California dairymen must begin planning now for new environmental regulations.

changes to continue operating, and it'll take significant capital expenditures, he said.

"The important thing to note is they have time before these regulations are implemented," he said.

Dairies have time to prepare and need to explore options and develop a comprehensive system that is environmentally and economically sustainable, according to the report — "Digesting Envi-

ronmental Policy: California Dairies are Swimming in It."

"By researching and planning now, California dairy owners can consider capital investments in solutions like subsurface drip irrigation for forage and croplands, anaerobic digesters that convert methane into energy and other options currently being explored," he said.

Digesters are costly — \$1,000 to \$2,000 per cow — and there are maintenance costs. But the costs could be offset by the electricity produced. In some cases, digesters have completely offset electricity costs in the milking parlor, he said.

There is also potential revenue of \$75 to \$500 per cow per year, depending on the style of digester, from selling excess electricity to the grid

or byproducts, such as soil amendments or organic fertilizer, he said.

For dairies to really be profitable at a level that offsets their electricity needs or produces excess electricity, they need to have at least 1,000 cows, he said.

While not every dairy is going to be able to afford a digester, there are less costly options. The state is exploring the potential for community cell digesters and trucking manure to those digesters. Dairies could also band together to install a digester and collect their manure at a central location.

"It's a cost-effective way, especially for smaller dairies, to reduce cost and methane emissions," he said.

Other options to reduce methane emissions include

manure separation and composting, he said.

Williamson said the dairy producers he's talked with are a bit overwhelmed about managing all the regulations that will be put in place, the expensive and the increase in their cost of production.

At the same time, some dairymen are already doing some of the things that will be needed, said Vernon Crowder, a senior analyst with the bank.

"So while it's a bit overwhelming and people would like to see the technology proven a little more, there are already dairies moving forward," he said.

"The biggest takeaway is that every dairy is going to have to make a change, but every dairy is not going to have to make the same change," Williamson said.



Courtesy of Calif. Olive Oil Council

Olive oil is tested during processing at ENZO Olive Oil in Madera, Calif. Growers report a down year for oil olives but say the quality and oil yield were good.

## Growers: Oil olive yields lighter but quality good

By TIM HEARDEN  
Capital Press

SACRAMENTO — Olive oil producers in California are wrapping up their harvest of a lighter crop than last year's but report good quality and oil content in the fruit.

The California Olive Oil Council estimates this year's extra-virgin olive oil production at 3.5 million gallons, down from last year's bumper crop of 4 million gallons but well above the 2.4 million gallons produced in 2014.

"To some extent, olive trees are alternate bearing," said Patricia Darragh, the Berkeley-based council's executive director. "So even though things are looking super-healthy, we had a little bit of a downturn. We expect next year ... to be well over the 4 million mark of last year's harvest."

This year's production was helped by the oil content, which can vary by year, amount of fruit on the tree and variety, according to the University of California Cooperative Extension.

"I think they are quite happy," Darragh said of producers. "Although the volume was down a bit, the oil content was quite good and quality appears to be very good this year."

More than 35,000 acres of oil olives are grown in California, according to the council. About 3,500 acres of new orchards are expected to go in this winter, Darragh said.

The harvest of oil olives proceeded as table olive growers were producing an anticipated 65,000-ton crop, down from the 78,000 tons

produced in 2015, according to the National Agricultural Statistics Service office in Sacramento.

Oil olives have become a lucrative crop for growers as the Golden State is becoming known for having top-quality extra-virgin oil.

California now provides nearly 6 percent of the olive oil consumed in the U.S., up from just 1 percent a few years ago, according to the COOC. The state is on track to see a sizable increase in market share again next year, the organization said.

Helping that effort is a \$357,000 grant the council received from the California Department of Food and Agriculture in October. The money was part of more than \$22.3 million for California in the USDA's Specialty Crop Block Grant Program.

The grant will enable the council, which represents more than 400 growers, to promote California olive oil by creating marketing materials and hosting food shows, growers' workshops and other events, according to the CDFA.

"We're going to be working with a number of partners on this including California Grown," a state-sponsored marketing program, Darragh said.

The council's hallmark is its 18-year-old certification seal program, which aims to assure retailers and consumers that the oil being sold has met certain grade standards. Each year, grower and producer members must submit their oils to the program for grading.

# WSU may soon hire tree fruit soil endowed chair

By DAN WHEAT  
Capital Press

WENATCHEE, Wash. — An expert in soil and rhizosphere ecology may be hired as the next tree fruit endowed chair at Washington State University within a few months.

The candidate is employed in an academic setting in the U.S. but was not looking for a job, so is being recruited, said Mike Willett, manager of the Washington Tree Fruit Research Commission in Wenatchee. He declined to identify the candidate.

"We have to convince them to come. It is an individual industry members on the committee think would make a great hire for the university and industry," Willett said.

He was referring to the WSU Tree Fruit Endowment Advisory Committee, which advises WSU on all facets of a \$32 million endowment the industry is providing to improve tree fruit research.

Endowed chair salaries are paid by the university but interest earnings on the endowment pay for support staff, equipment and research orchards.

In 2011 and 2013, growers approved assessments of \$1 per ton on apples, pears and stone fruit and \$4 per ton on cherries for eight years or until \$32 million is raised. Willett said annual crops have been larger than original conservative estimates so funding probably will be completed before eight years.

Rhizosphere is the region of soil in which the chemistry and microbiology of plant roots is influenced by growth, respiration and nutrient exchange. The importance of good soil for growing tree fruit has received more attention in recent years and the committee identified it as a category worthy of endowed chair status.

A search committee is writing a position description for a postharvest tree fruit endowed chair and for which there should be candidates by sum-



Dan Wheat/Capital Press File

mer, Willett said. Red d'Anjou pears at Arnold Orchard near Dryden, Wash. Washington tree fruit growers pay assessments to fund an endowment that pays for tree fruit research.

mer, Willett said.

"We're always trying to attract people whom we really want, not just those who are looking," he said.

That is because the industry and WSU goal is to make WSU one of the top three tree fruit research institutions in the world.

The two new endowed chair positions will be at the WSU Tree Fruit Research and Extension Center in Wenatchee or the WSU Irrigated Agriculture Research and Extension Center in Prosser.

Desmond Layne, a Clemson University fruit specialist, was the first person hired to one of the new endowed chairmanships, becoming WSU tree fruit extension program leader on Feb. 1, 2013. That August, Stefano Musacchi, an assistant professor in tree fruit at the University of Bologna, Italy, became WSU endowed chair in tree fruit physiology and management. Both positions were in Wenatchee.



Dan Wheat/Capital Press

Mike Willett, manager, Washington Tree Fruit Research Commission in Wenatchee.

Layne left his position to become WSU director of Agricultural and Food Systems and Integrated Plant Sciences degree programs in Pullman

on Sept. 1, 2015. Karen Lewis, WSU tree fruit specialist in Ephrata, took part of Layne's previous role, becoming tree fruit extension program leader. That position may be reactivated some day as an endowed chair, Willett said.

Crop protection, engineering and automation and molecular biology are subject matter of consideration for three final endowed chairs with searches tentatively scheduled for fiscal years 2017-18, 2018-19 and 2019-20. Willett said those areas are not final and that the committee would like to hear new ideas.

Each of the six endowed chairs eventually will be supported by \$2 million endowments.

Endowment investment earnings were used in August to hire Rob Blakey, a postharvest physiologist, as an extension faculty member at Prosser. A food safety position is open and five other extension-type positions are being considered, Willett said.



**KEITH WALKING FLOOR Unloaders**

**INTRODUCING THE "AG FLOOR"**

See Us at:  
World Ag Expo Booth:  
#T32 & U31



► Add the KEITH CleanSweep System for fast clean out between loads.



- Maximum load capacity
- Fast unloading
- Make the most of your payload, every load.

**KEITH MANUFACTURING CO**

53-17/15

1-800-547-6161





www.keithwalkingfloor.com

2016 KEITH Mfg. Co. KEITH, KEITH logo and WALKING FLOOR are registered trademarks of KEITH Mfg. Co. Manufactured under license.



swc.idaho.gov | 208-332-1790

## LOW INTEREST LOANS FOR IDAHO SOIL & WATER CONSERVATION

- Sprinkler Irrigation
- No-Till Drills
- Fences
- Livestock Feeding Operations
- Solar Stock Water Pump Systems

**2.5% - 3.25%**  
Terms 7-15 Years  
Up to \$200,000




swc.idaho.gov

208-332-1790