

Blueberry farmers face price stress, expert says

Low-cost producers best positioned to survive turmoil

By MATEUSZ PERKOWSKI
Capital Press

SALEM — With global blueberry production climbing, farmers should focus on improving efficiencies rather than hoping for prices to rise, according to an industry expert.

“If you’re the lowest-cost producer, you will survive whatever kind of price stress we have in this industry,” said John Shelford, strategic adviser to the Naturipe Farms food company, at the Jan. 16 Oregon Blueberry Conference.

Cold storage inventories of frozen blueberries have mounted in recent years, depressing prices for the processed crop, he said.

In 2016, the amount of frozen blueberries leftover from



Mateusz Perkowski/Capital Press
John Shelford, strategic adviser for Naturipe Farms.

the previous year’s harvest hit 145 million pounds in the U.S., up from 51 million pounds just five years earlier, according to USDA.

Frozen inventories will likely grow to 160 million pounds before this year’s blueberries enter cold storage, said Shelford. “I do not see any improvement in pricing for the 2017 harvest.”



Courtesy of Oregon State University

Blueberries ripen in the field. John Shelford, strategic adviser for Naturipe Farms, said farmers will need to produce blueberries more efficiently as rising production depresses prices. Shelford spoke at the Oregon Blueberry Conference in Salem, Ore., on Jan. 16.

Shelford projects that annual blueberry production in the U.S. and Canada will increase by roughly one-third, from 1.2 billion pounds to 1.6 billion pounds over the next decade.

Farmers can’t depend on domestic consumption of the crop to grow proportionate-

ly and will have to ship more blueberries overseas to keep prices stable, he said.

“We can’t take our eye off the export business,” he said.

Niche markets offer an opportunity for growers but they don’t have a lot of “elasticity,” Shelford said.

For example, the market for organic blueberries — a relatively large niche — can easily be overwhelmed by excessive tonnage, causing prices to collapse, he said.

Surplus organic blueberries are actually better off being sold in the conventional market to avoid affecting organic prices, he said.

The average number of calories consumed per capita in the U.S. is effectively flat at about 2,500 calories per day, and the share represented by whole fruits actually decreased in recent years across several demographics, Shelford said.

“If you eat more blueberries, you’re going to displace something else. It’s really a zero-sum game,” he said.

New blueberry plantings have slowed in North America and Chile, but farmers have still been enthusiastically committing new acreage to the crop in China, South Africa, Peru and Mexico, said Cort Brazelton,

who heads business development at Fall Creek Farm and Nursery and tracks global blueberry production.

Mexico is in a strong position to supply “counterseasonal” fresh blueberries to U.S. consumers, since the country can ship its crop to the U.S. much faster than Chile, a prominent counterseasonal producer, Brazelton said.

Expansion of blueberry acreage in Peru is occurring in conjunction with overall agricultural growth in that country, which is tied to the construction of major irrigation projects, he said.

“If it grows in Peru, they’re planting it like crazy,” Brazelton said.

While North America remains an important destination for South American blueberries, producers on that continent are increasingly shipping more fruit to European and Asian markets, he said.

Merkley: Owyhee Canyonland monument designation unlikely



Capital Press File

A sign posted in Jordan Valley opposes the Owyhee Canyonlands National Monument in Malheur County, Ore. Jordan Valley is nearly surrounded by the proposed monument. U.S. Sen. Jeff Merkley, D-Ore., says he’s been told President Barack Obama will not create the monument.

By ERIC MORTENSON
Capital Press

Oregon Sen. Jeff Merkley said he’s been told there are no plans to designate an Owyhee Canyonlands national monument in the remaining days of the Obama administration.

In an interview with Oregon Public Broadcasting, Merkley said Department of Interior Secretary Sally Jewell told him and fellow Oregon Sen. Ron Wyden that plans to designate a monument have been put aside.

“The secretary was very clear in the conversations that both Senator Wyden and I had that they were not prepared to act,” Merkley told OPB.

“So it was set aside,” he added, “and I have a feeling it will be set aside for quite a

Online

OPB’s report: <http://www.opb.org/news/article/owyhee-monument-no-monument-merkley/>

while.”

The Owyhee Basin Stewardship Coalition, a group of Malheur County residents organized to oppose the designation, reacted cautiously.

“While this news is promising, it doesn’t mean that it’s time to stop making our voice heard,” the group said in an email statement. “Until President Obama leaves office ... we’re in the danger zone for a monument declaration. Remember: President Clinton named eight new monuments in his final three days.”

The Bend-based environmental group Oregon Natural Desert Association, backed by the Keen Footwear company of Portland, proposed the 2.5 million-acre Owyhee Canyonlands wilderness and conservation area.

Ranchers and other Malheur County residents are dead set against it. “Not only no, but hell no,” as prominent rancher Bob Skinner told the Capital Press in 2016.

The proposed area was bigger than either the Yellowstone, Yosemite or Grand Canyon national parks, critics pointed out, and would cover 40 percent of Malheur County. Residents believe designation would be accompanied by restrictions and regulations that would prohibit or severely

complicate grazing, mining, hunting and recreation. Supporters of the monument said traditional activities would be allowed, but Skinner and others said they don’t believe environmentalists.

Presidents have authority under the federal Antiquities Act to unilaterally designate national monuments, and Obama has used it several times. Most recently, he added 48,000 acres to the Cascade-Siskiyou National Monument in Southern Oregon.

At the recent American Farm Bureau Federation annual convention, delegates voted in favor of revoking a president’s authority to designate such conservation areas. They said Congress should have that authority.

Ranchers dread effects of Cascade-Siskiyou monument expansion

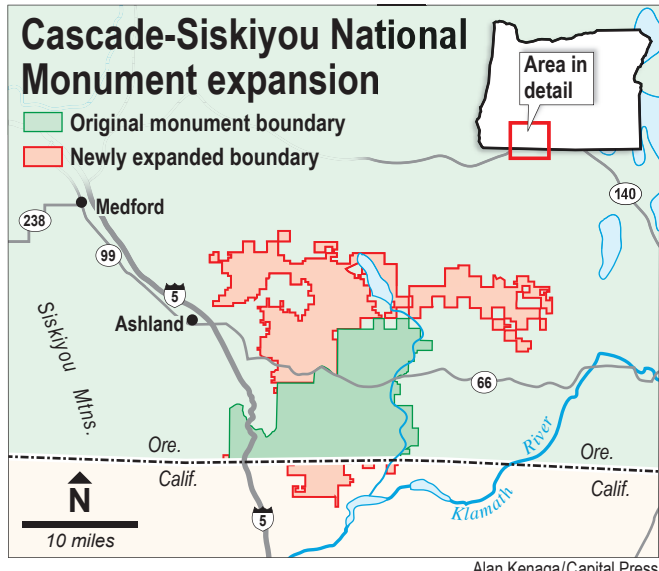
By MATEUSZ PERKOWSKI
Capital Press

Cattle groups reacted with dread at the expansion of the Cascade-Siskiyou National Monument in Oregon and California, which they fear will gradually eradicate ranching in the area.

The Obama administration announced Jan. 12 the monument will be increased by about 49,000 acres, up about 80 percent from its current 62,000 acres.

While the federal government touted the decision as improving “vital habitat connectivity, watershed protection, and landscape-scale resilience for the area’s unique biological values,” cattle groups fear it marks the beginning of the end of ranching in the expanded monument.

“They start out OK, but pretty soon the restrictions start coming in,” said Bob Skinner, an Oregon rancher and vice president of the Pub-



Alan Kenagal/Capital Press

lic Lands Council, which represents grazing interests.

Ranchers with grazing allotments aren’t allowed to properly maintain fences, water structures and other range improvements, diminishing the land’s suitability for grazing, Skinner said.

That dynamic has already been seen on the original portion of the Cascade-Siskiyou National Monument, which many ranchers have left since its designation in 2000, he said.

“You can’t bother anything, you have to leave it in

a natural state,” Skinner said.

As private ranch properties are sold or passed down to new generations, the federal government does not have to honor grazing agreements on adjacent public land, said Jerome Rosa, executive director of the Oregon Cattlemen’s Association.

“Over time, all the grazing is eliminated,” Rosa said.

As gates to public land are closed and roads fall into disrepair, private property surrounded by a national monument decreases in value until ranchers have little choice but to sell it to the federal government, he said.

“There’s no value anymore,” Rosa said, noting that as property is taken off local tax rolls, county services are also reduced. “It’s really an abuse of power.”

Not only does the land within the expanded monument offer excellent pastures for cattle, but it also contains

old growth forests and wildlife habitat, he said.

“Without it being grazed, it

will be just a lightning strike away from a huge fire,” Rosa said. “It’s really tragic.”

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