

Events raise hopes for cherry exports to China

By DAN WHEAT
Capital Press

WENATCHEE, Wash. — The president of Northwest Cherry Growers says he has new hope for cherry exports to China after U.S. President Donald Trump met recently with Chinese billionaire businessman Jack Ma.



B.J. Thurlby



Dan Wheat/Capital Press

The president of the Northwest Cherry Growers says he has increased hopes for cherry exports to China after President Trump met with a prominent Chinese businessman.

Trade Representative re-listed Alibaba as linked to significant infringement of American businesses' intellectual property rights.

B.J. Thurlby, president of Northwest Cherry Growers and the Washington State Fruit Commission, told growers in Wenatchee, on Jan. 17, that he's been worried about Trump "sharpening his horns

and putting his head down toward China" over that nation's piracy of U.S. products and ideas.

Thurlby said he doesn't like those practices either but doesn't want the cherry market derailed.

China bought about 1.7 million, 20-pound boxes of Northwest cherries last year, virtually tying with Canada

as the No. 1 export market for the fruit, and the Northwest needs those markets, Thurlby said.

"Two years ago, Ma got involved in fresh produce and the first thing he sold was cherries," Thurlby told several hundred growers at North-central Washington Stone Fruit Day at Wenatchee Convention Center.

"We heard he spent half his time (with Trump) talking about cherries. I'm feeling better now about our prospects in China. I have hope," Thurlby said.

Every market is important, he said, as the Northwest continues to expect 20-million-box cherry crops, a growth of 6.3 percent per year for the past 17 years.

Washington, Oregon, Idaho, Montana and Utah shipped 20.97 million, 20-pound boxes of fresh sweet cherries in 2016, making it the third largest crop in Pacific Northwest history.

A similar amount is likely in 2017, given bud sets growers and fieldmen are reporting, Thurlby said.

The region, with Washington leading, has long dominated sweet cherry production, which was 6 million boxes in 1999 but has been about 20 million boxes since 2009, with a record of 23.2 million in 2014.

That's a "brisk growth

pace" of 6.3 percent a year over the last 17 years, Thurlby said.

Prices from 2016 have not yet been released by USDA, but Washington's 2015 crop garnered \$436.9 million and averaged \$19.70 per box. Those were low values as prices tumbled due to harvest compression caused by hot weather.

A few years ago, harvest volume was lessening in May and June and increasing in July and August because of cooler springs.

That's been reversed the last three years because of warmer springs. That's a good thing, Thurlby said, because there's less fruit competition on produce shelves earlier in the season.

Records were set in 2016 of 700,000 boxes shipped in May and 12.3 million in June.

A daily record of 651,000 boxes shipped was set June 27. But shipments have compressed to 63 and 64 days the last four years.



Eric Mortenson/Capital Press

A mature juniper tree lies where it was cut. A Spray, Ore., landowner has been awarded the state's first loan under a program intended to jump-start the removal of Western juniper trees.

Oregon awards first juniper removal loan

By ERIC MORTENSON
Capital Press

A Spray, Ore., landowner was awarded the state's first loan under a program intended to jump-start the removal of Western juniper trees.

Jim Epley, who is restoring 1,500 acres of long-held family property to be a cattle operation, will use the \$39,000 loan to continue cutting and milling juniper trees. He's bought saws, a trailer, a portable mill and a skid-steer Bobcat to move logs. In addition, he's hired two people and had a third coming on before recent bad weather forced a temporary shutdown.

The state loan program, known as the Western Juniper Industry Fund, was established by the Oregon Legislature in 2015. Advocates have long held that removing intrusive juniper trees from Eastern Oregon rangeland has multiple benefits. Juniper is a "water thief," as one rancher called it, that can use up to 30 gallons or more of water a day and rob native grasses of moisture.

A study by Oregon State University showed that removing juniper almost instantly improved watersheds and stream flows, and Epley said he's seen that on his own property.

When he was growing up, the property had multiple springs that bubbled up to the surface in springtime. He left home to do other things, and

when he moved back in 1996, juniper trees had crowded in and the springs had dried up.

He decided to clear 10 to 15 acres around one of the springs, cutting the juniper trees and hauling them out.

"The next day, the ground was wet," he said. "In a week, water was running."

Stories like that are why researchers, politicians, various government agency experts and environmental groups have pushed for juniper removal. In addition to improving rangeland, they believe juniper logging and milling could revitalize the economy in parts of rural Oregon.

Believing it and making it come about are two different things, however. Juniper is gnarly wood that is tough to cut and mill into lumber, and requires extensive de-limbing.

Unlike fir and pine trees in national forests, it grows in areas of the state that often lack logging roads and other infrastructure. In the past, ranchers simply piled it and burned it, because doing more with it was time-consuming and expensive.

However, a small market has emerged for juniper landscape timbers and posts, and some furniture makers seek it out as well. Juniper posts are naturally rot-resistant and don't have to be treated with preservatives, making them attractive for use in organic vineyards, for example, and in playgrounds.

Government payments to Idaho farmers fell 25 percent in 2016

By SEAN ELLIS
Capital Press

BOISE — Federal government payments to Idaho farmers totaled an estimated \$64 million in fiscal year 2016, a 25 percent decrease from 2015.

According to University of Idaho agricultural economists Ben Eborn and Garth Taylor, federal government payments accounted for 4 percent of total net farm income in Idaho in fiscal 2016. They accounted for 19 percent of total U.S. net farm income.

"Idaho farmers do not farm the government," Taylor told Idaho lawmakers recently.

Government payments to Idaho farmers and ranchers totaled \$162 million in 2010 but have declined steadily since then and reached \$129 million in 2013, \$83 million in 2014 and \$85 million in 2015.

In Idaho, the majority of government payments comes from conservation programs, mainly the Conservation Reserve Program, a voluntary program that pays producers to set aside environmentally



Sean Ellis/Capital Press

Cattle graze in a field near Notus, Idaho, in October. Government payments to Idaho producers totaled an estimated \$64 million in fiscal year 2016, down 25 percent from fiscal 2015, according to University of Idaho agricultural economists.

sensitive farm land for conservation benefits.

Conservation program payments to Idaho producers totaled \$33.5 million in fiscal 2016, with \$32 million of that total going to farmers enrolled in the CRP program.

Disaster program payments to Idaho producers totaled \$15.9 million in 2016 and commodity program payments totaled \$13.6 million.

Most of the disaster program payments (\$14 million) came through the Livestock Forage Disaster Program, which compensates livestock

producers for grazing losses.

Most of the commodity program payments (\$12.7 million) came under the Agriculture Loss Coverage program, which provides revenue loss coverage at the county level.

A federal program that offers financial assistance when low yields or prevented planting occur due to natural disasters provided \$1.2 million to Idaho producers.

The federal Margin Protection Program for Dairy provided Idaho dairy producers \$161,000 in 2016.

MPP, which requires dairy-

men to pay a premium based on the amount of coverage they choose, offers protection when the difference between the all-milk price and the average feed cost dips below a certain amount.

Dairy is the state's top farm commodity in terms of cash receipts.

But participation in that program is minimal in Idaho because the calculations used to determine protection don't make sense for most producers in this state, said Idaho Dairywomen's Association Director of Operations Rick Naerebout.

Idaho's average milk price is below the national average milk price that the program uses and Idaho dairy producers also have a high feed basis relative to the average national feed price the program uses, he said.

"For the average Idaho dairyman, it does not provide much coverage," Naerebout said. Unless the program is changed to take into account Idaho's different price and feed situations, "you're not going to see much participation from Idaho dairymen."

Washington's small railroads seek relief from oil-spill rule

By DON JENKINS
Capital Press

OLYMPIA — Three small Eastern Washington railroads that transport vegetable oils are again hoping to be excused from a state law that mandates carriers drill for worst-case spills, a rule motivated by an influx of tanker cars carrying crude oil.

The state Department of Ecology says spilled vegetable oil damages the environment and that practicing a rapid and aggressive response will save on clean-up bills.

Others, however, complain the agency overreached. "It's a bureaucratic issue that requires common sense. We need more common sense," said Patrick Boss, a lobbyist for short-line railroads.

Canola and crude got mixed together after legislators passed a multi-part bill



Don Jenkins/Capital Press

Rail tankers sit idle on tracks in Washington state. Small railroads hope the Legislature will exempt carriers that transport only vegetable oils from planning requirements primarily aimed at responding to crude oil spills.

in 2015 to further regulate trains, vessels and pipelines moving oil. The law was motivated by more shipments of

crude oil from the Bakken fields to Washington refineries. Lawmakers said they feared fiery derailments.

BNSF Railway, Union Pacific Railroad and two smaller railroads that transport crude oil have submitted spill-response plans.

The Central Washington Railroad, Columbia Basin Railroad and Great Northwest Railroad have until March 30 to submit plans. None of them carry crude oil, but they do haul plant-based oils manufactured in Washington or used by food processors.

Plan requirements include twice-yearly deployment drills, plus additional tabletop drills. Railroads already are required to plan for spills under federal law.

Rep. Mary Dye, R-Pomeroy, and Sen. Judy Warnick, R-Moses Lake, have introduced bills that would exempt vegetable oils from the rule. Some Democratic have signed on as co-sponsors.

Sustainable farming consultants acquired by food verification firm

By TIM HEARDEN
Capital Press

SOQUEL, Calif. — A California consulting firm that advises growers on sustainable farming methods has been acquired by the largest independent verifier of food production practices in North America.

A majority interest in SureHarvest, which has offices in Soquel and Modesto, Calif., and works with groups such as the Almond Board of California and the California Sustainable Winegrowing Alliance, has been bought by the Colorado-based Where Food Comes From.

That organization verifies food production prac-



Courtesy of SureHarvest

Jeff Dlott, president and CEO of SureHarvest, says the company's acquisition by Colorado-based Where Food Comes From will enable more growers to tell their sustainability and production stories.

tics for more than 12,000 farmers, ranchers, vineyards, wineries and other

agriculture-related businesses, according to a news release.

The transaction was valued at about \$2.8 million, including \$1.1 million in cash and 850,852 shares of WFCF stock, according to a news release. In addition, WFCF has the right of first refusal on the remaining 40 percent interest in SureHarvest, a privately held company.

SureHarvest is expected to add about \$1.5 million in annual revenue to Where Food Comes From's portfolio with no long-term debt, according to the release.

The transaction expands WFCF's reach into high-value specialty crops such as wine grapes, almonds and strawberries, company representatives said. For SureHarvest's

clients, it increases access to expertise in production management.

"This acquisition essentially creates a one-stop shop for producers facing increased pressures to streamline operations with resource efficiency while meeting the needs of an ever-more-curious customer base," spokeswoman Katie Nieri said in an email.

SureHarvest president and chief executive officer Jeff Dlott said in a statement the deal will enable more growers to tell their sustainability and production stories. The added expertise in verification and traceability could help producers and distributors "be

better managers of natural resources and even achieve competitive differentiation," he said.

SureHarvest uses patented devices and systems for helping growers capture farm-level data, record chain of custody and guarantee production standards and methods to consumers, according to a news release. Its sustainability software supports more than 2,200 agri-food operations, including growers, packers, shippers, processors, wineries and trade associations.

The 18-year-old company has eight full-time employees who will continue to operate in their current offices.