USDA allows dairymen to opt out of MPP

By CAROL RYAN DUMAS
Capital Press

USDA Secretary Sonny Perdue has responded to requests by the dairy industry and program participants to allow dairy farmers enrolled in the Margin Protection Program to opt out for 2018.

Producers who enrolled in the program for the life of the 2014 Farm Bill are required to pay an annual $100 administrative fee for coverage that guarantees a $4 per hundredweight margin between the price of milk and the cost of feed. Both are calculated on a national basis.

Farmers can also purchase buy-up coverage up to an $8 guaranteed margin and can change their level of coverage each year.

But the program has not performed as anticipated. Buy-up coverage has dwindled with each annual enrollment, but producers were locked into participation for the life of the farm bill.

Carol Ryan Dumas/Capital Press File
USDA will allow dairy operators to opt out of the Margin Protection Program next year, a signal that it is due for an overhaul in the new farm bill.

National Milk Producers Federation — which developed the program that was later changed by Congress — released a statement on Aug. 31 saying the opt-out allowance is a welcome development, "in that it acknowledges the widespread dissatisfaction among farmers enrolled in the program."

"Simply put, the way the program was enacted in the 2014 Farm Bill, it does not meet the needs of America's dairy farmers today, and declining participation levels amply illustrate farmers' disenchantment...."

Dairy farmers have complained USDA's margin calculations for the program don't reflect reality and overstate the margins dairy farmers actually see. The program failed to protect them when milk prices collapsed in 2015 and fell farther in 2016.

About half of the nation's dairy farmers signed up for the program, representing about 80 percent of U.S. milk production. In 2015, 56 percent purchased buy-up coverage on 88 percent of the milk in the program.

In 2016, only 23 percent of participating farms purchased buy-up coverage representing 12 percent of insured milk.

For 2017, only 8 percent of participating producers purchased buy-up coverage on only 2 percent of the insured milk.

The program has been a disappointment to many dairy farmers, which is why NMPF has been working with USDA and Congress to make significant improvements, NMPF stated.

Given the level of disappointment, the organization had suggested to USDA that one option would be to allow dairy farmers to opt out in 2018.

Farmers who do choose to opt out will then be able to enroll in the Livestock Gross Margin program, another federal risk-management program. Participation in both is currently prohibited, an issue NMPF is working to change.

Other changes the organization is recommending for MPP are the farm bill budget for the program, using more precise data to calculate feed costs, improving the affordability of premiums, greater sign-up flexibility and expanding the use of other risk-management tools in conjunction with the program.

Nick Myatt/Oregon Dept. of Fish and Wildlife
A University of Wyoming research team is working with Western ranchers to develop a model to calculate the economic impacts of sage grouse conservation on ranchers.

Researchers study economic impacts of sage grouse conservation

By JOHN O'CONNELL
Capital Press

Volumes have been published on conservation approaches to benefit embattled Western sage grouse populations, but economist John Tanaka believes researchers have largely overlooked how such strategies affect ranchers' bottom lines.

Tanaka, associate director of the Wyoming Agricultural Experiment Station, and his research team have started working on a model to estimate the economic impacts of sage grouse management practices on ranches of varying sizes and distributions of public and private grazing land.

The model will be used to develop at least 36 enterprise budgets covering hypothetical ranches in Idaho, Oregon, Washington, Wyoming, Montana and Nevada.

"From an economic standpoint, nobody has ever looked at if what we're proposing ranchers do to enhance sage grouse habitat is going to enhance their bottom line," Tanaka said, adding the data should help guide decisions of land managers and ranchers.

Local USDA offices will help Tanaka's team recruit ranchers to serve on small focus groups and provide baseline data on regional industry practices. To model likely outcomes of management practices, Tanaka's team will interview scientists, land managers and ranchers.

"We're trying to find a representative response, not a specific ranch response," Tanaka said. "We'll use expert opinion and anecdotal evidence where we need to."

Tanaka's team also includes principal researchers Kristie Maczko, director of the Sustainable Rangelands Roundtable, and University of Wyoming agricultural economist John Ritten. Their work is funded by a nearly $500,000 grant from USDA Natural Resources Conservation Service, and they expect to complete the model by next May.

They'll be improving upon a previous ranch-management model Tanaka developed with retired University of Idaho economist Neil Rimbey and New Mexico State University emeritus economist Allen Torell. Rimbey believes the economic data will help land managers address a common void in their environmental reviews.

Rimbey said concerns about sage grouse sometimes lead land managers to implement grazing permits requiring ranchers to delay grazing by a month, or to remove cattle a month early, "with no idea of the economic impact, and they can have very dramatic impacts at the ranch level."

Tanaka anticipates the project will show economic benefits resulting from some common sage grouse conservation practices, such as adding off-stream watering, thereby dispersing cattle to graze land more evenly, or removal of junipers to improve both sage grouse habitat and livestock forage.

John Peavey, who has implemented conservation practices on rangeland near Carey, Idaho, believes practices that reduce the risk of wildfire provide the greatest benefit for both cattle and grouse.

Wheat experts weigh in on fall planting outlook

By MATTHEW WEAVER
Capital Press

When farmers ask Ryan Higginbotham which wheat variety they should plant, he asks, "What are the things that worry you?"

"There isn't a variety out there that's going to satisfy all your needs or give you protection from every stress or disease that's out there," said Higginbotham, director of Washington State University's cereal variety testing program.

Some farmers likely have already finished planting in the area near Waterville and Mansfield in Central Washington. Planting work moves across the state, finishing in the Palouse in October, Higginbotham said.

Yield is still the most significant consideration, Higginbotham said. After that, farmers should consider a variety's susceptibility to a disease of concern. They should also consider availability of the variety in their area.

"If they've been burned by a certain disease in the past, try and find a variety that has genetic resistance," Higginbotham said. "That's your best bet."

Early planters need to worry about the green bridge effect, when diseases such as stripe rust move into the fall-planted wheat from weeds or last year's crop, particularly if the fall is warm and moist, said Mike Flowers, outgoing extension cereals specialist at Oregon State University. He will take a position with Limagrain Cereal Seeds in mid-September.

Matthew Weaver/Capital Press
Field day attendees line up on one side of the test plots as Ryan Higginbotham, director of Washington State University's cereal variety testing program, talks about the performance of wheat varieties in Lamont, Wash., on July 6. In recommending varieties to a farmer for planting, Higginbotham typically asks what the grower is most worried about.

"Later plantings aren't necessarily going to not have those issues, but the earlier you go, the more likely you are to run into some of those issues," Flowers said.

He advises farmers plant a resistant variety and watch throughout the winter into spring. Delayed planting helps, although it may not be possible, depending on a farmer's location or cropping system.

This is the first big commercial production year for several varieties, including WSU's Jasper, Norwest Duet from OSU and Limagrain; WestBred 1783 and Syngenta varieties SY Banks, SY Dayton, SY Raptor and SY Command.

Higginbotham encourages farmers to look at all available information about such varieties to see if they fit in their area. If so, they should try it, in small amounts.

"I wouldn't recommend anybody plant their whole farm to a new variety," he said.

Dana Herron, a member of the Washington Grain Commission and co-owner of Tri-State Seed in Connell, Wash., recommends farmers think about whether they need a Clearfield wheat variety, which is resistant to Beyond herbicide, allowing farmers to remove grassy weeds in the field without hurting the wheat, or if they have a problem with strawbreaker foot rot, also known as sharp eyespot disease. Genetic resistance to it is available in some varieties.

Sometimes the disease can be evident and sometimes it's difficult to diagnose, Herron said. A background infection can reduce yield by three to five bushels per acre without a farmer knowing.

"If you want to know for sure, spray half a field," Herron said. "I'll guarantee you you'll never not spray the other half again."

Herron said moisture levels are average to good and disease pressure is normal. Aphid pressure should be high due to high corn production in the Columbia Basin, he said. The aphids themselves don't eat much, but are a vector for barley yellowdwarf virus. Herron recommends insecticide seed treatments.

Falling number wasn't a widespread problem this year. If it's a big concern, Higginbotham recommends looking at variety performance information on USDA researcher Camille Steber's website.

Idaho Wine Commission gets grant to boost marketing

By SEAN ELLIS
Capital Press

CALDWELL, Idaho — The Idaho Wine Commission will use a $138,000 specialty crop grant to boost awareness of the state's fast-growing wine industry.

The grant, provided by the Idaho State Department of Agriculture, will allow the IWC to continue its ongoing and strategic marketing and promotion efforts, said Michael Williamson, an IWC board member and manager of Williamson Orchards and Vineyards.

"Other than the growing part, marketing is just about the most important part of the wine industry," he said. "If you can't sell it, it's just a fun hobby and you won't be around for long."

Idaho's 52 wineries and 56 wine grape growers have proven that good wine grapes can be grown here, Williamson said.

Sean Ellis/Capital Press
The Idaho Wine Commission will use a $138,000 grant to promote the state's wines.

"That's where marketing comes in — letting other people know that," he said.

The IWC has received several marketing related specialty crop grants over the past seven years and they have allowed the commission, which has an annual budget of about $500,000, to stretch its limited dollars, Williamson said.

"For a little industry, we're able to make a pretty big splash" because of the grants, he said.

Telaya Wine Co. winemaker Earl Sullivan, an IWC board member, said that for Idaho's emerging wine industry to continue to grow, it needs to be able to get its name in front of people on a large scale, and that's what the grants are helping accomplish.

"Great wine is being made in Idaho," he said. "We just have to get some brand awareness. The specialty crop grants are pretty important and provide a lot of opportunity for getting our wine in front of people."

This year's grant will allow the commission to expand its ongoing promotion and marketing efforts, said IWC Executive Director Moya Shatz-Dolsby.

For example, while the commission will continue its wine country tours for journalists, this year's grant money will be used to also provide individual tours for seven targeted journalists.

The commission hired the public relations firm Fahlgren Mortine to coordinate those tours.

"We're finding that some journalists don't want to go on a group trip; they want to go by themselves," Shatz-Dolsby said. "It takes a lot of manpower to get the logistics of that figured out, and the cultivation of the relationships, so that's why we have hired a PR firm to help with that."

The grant provides $40,000 for media tours, which the IWC's grant application said resulted in 29 favorable articles in the past year alone from journalists who have attended them.

"The media tours are expensive but we are finding that we have a lot of success with them," Shatz-Dolsby said.

Fahlgren Mortine will also coordinate a major social media advertising campaign that will use the IWC's existing video, "The Story of Idaho Wines."

The commission will use some of the grant money to completely redo its website, including adding a designated education section for industry members.

U.S. potato exports break records for value, volume

By JOHN O'CONNELL
Capital Press

DENVER — International exports of U.S. fresh potatoes and potato products set records for both value and volume during the marketing year that ended in June 2017, according to the USDA.

The combined value of all of the U.S. potato categories exported reached more than $1.758 billion, according to a new USDA report.

By volume, the U.S. exported potatoes and potato products with a fresh weight equivalent of nearly 72 million hundredweight — representing roughly 20 percent of the total U.S. potato production for the marketing year.

Seed potato exports made the largest gains, up 97 percent. Fresh potato exports, at nearly 492,000 metric tons, were up 9 percent while chip potato exports, at 52,000 metric tons, were up 5 percent. Frozen product exports, at more than 1.026 million metric tons, were up 3 percent.

The only category to drop was dehydrated spud exports, which decreased 10 percent at just above 122,000 metric tons. The top export markets by value were Japan, at $363 million; Canada, at $298 million; Mexico, at $237 million; South Korea, at $109 million; and China, at $107 million.

Officials with Potatoes USA have marketing programs to drive exports in a dozen foreign markets, funded with grower checkoff dollars and USDA export development funds, according to a Potatoes USA press release.

"Future growth challenges include the strong U.S. dollar, increasing competition from the European Union and the lack of new trade deals for U.S. products," officials with Potatoes USA said in their press release. "However, prospects still look good for U.S. exports as the dollar has weakened over the past six months and U.S. processors are expanding capacity while ongoing efforts could increase access for U.S. fresh potatoes to a number of markets."

Potatoes USA made its most recent market-access gain in Myanmar, where the nation's Ministry of Agriculture approved U.S. seed and fresh potato importation effective Aug. 21. U.S. potatoes are the first approved horticultural product to complete a pest risk assessment process Myanmar enacted at the start of the year, according to the press release. Potatoes USA officials said they completed paperwork on pests and attended meetings with Myanmar officials.

Potatoes USA officials said a container of chipping potato samples they sent for Myanmar chip manufacturers to evaluate had been sent before Myanmar's new pest assessment protocols were known and were detained. Those samples have now been released.