Winegrowers association announces new executive director

Change made to help clarify roles between wine groups

By GEORGE PLAVEN
Capital Press

Oregon Winegrowers Association

Jana McKamey has been named executive director of the Oregon Winegrowers Association, effective Jan. 1.

PORTLAND — The Oregon Winegrowers Association has named a new executive director heading into 2020, following a divisive year for the rapidly growing industry.

Jana McKamey, vice president of government affairs and operations for OWA, will take over the top job on Jan. 1. She replaces Tom Danowski, who is resigning after eight years leading the association.

OWA is the primary trade group representing Oregon wineries and vineyards, with more than 315 members across the state. It is separate from the Oregon Wine Board, a semi-independent government agency that promotes wine research and marketing.

Despite having different roles and responsibilities, both the OWA and OWB have shared the same administrator — Danowski — and the same nine-member board of directors, which some winemakers believed was creating confusion and conflict.

McKamey, who has spent seven years with OWA, will serve as executive director of the group going forward, while Danowski will remain as president of the OWB.

"This is a positive situation for both organizations," McKamey said. "It allows us to really focus and deliver results for this rapidly growing and more complex industry."

Kevin Chambers, incoming OWA president and owner of Koosah Farm in Amity, Ore., said McKamey is widely respected in the industry and was a natural choice to lead the group.

"She is a visionary and a diplomat who can harness the power of diverse voices and interests throughout the state," Chambers said.

Lawmakers established the Oregon Wine Board in 2003, funded by a $25-per-ton winegrape tax collected by the Oregon Liquor Control Commission. Board members are appointed by the governor.

The Oregon Winegrowers Association, on the other hand, is a nonprofit advocacy group that lobbies for its members at the state Capitol in Salem and in Washington, D.C. However, rather than electing its own board of directors, the association has simply chosen in its bylaws to adopt the governor's appointments to the OWB.

Chambers said this was done at the time because of the smaller size of the industry.

"We were having a hard time finding enough qualified, dedicated and capable industry volunteers to run these various boards," he said. "It was a bit of a stretch, I'm willing to admit."

Oregon now has 793 wineries compared to 275 a decade ago, and 1,165 vineyards compared to 835. McKamey said the OWA membership committee is currently evaluating its bylaws, and the group may consider changes within the next year to how it chooses its board members.

"We are evolving with the industry," McKamey said. "The expectation is that our board will look different sometime (next) year."

Industry growth has also revealed some cracks in unity over the past year, specifically over a proposal in the 2019 Oregon Legislature that some businesses felt put them at a competitive disadvantage.

Senate Bill 111 — which was sponsored by OWA — called for a review of enforcement measures for wine labeling standards, and increased maximum fines for violations from $5,000 to $25,000. Supporters of SB 111 claimed it was needed to protect the integrity and reputation of Oregon's high-value wine regions.

A coalition of wineries rallied to defeat the bill, arguing it would have deterred out-of-state wineries from buying their grapes and crippling their bottom line. The coalition formed its own trade group opposite the OWA in October, called the Oregon Wine Council.

The council has called for no new wine-specific bills during the 2020 short legislative session. McKamey said she does not expect a repeat of this year's contentious session.

Instead, McKamey said the group is focused on passing the Craft Beverage Modernization and Tax Reform Act, sponsored by U.S. Sen. Ron Wyden, D-Ore. The bill, in part, would expand tax credits for small wineries. OWA is also working with industry groups in Washington and California seeking funding to study the impacts of wildfire smoke on winegrapes.

While the Oregon wine industry is growing more diverse and complex, McKamey said it is imperative for winegrowers and winemakers to speak with one voice.

"We are really much stronger together," she said.

House passes farm labor bill

By DAN WHEAT
Capital Press

A farm labor bill passed the U.S. House, 260 to 165, on Dec. 11, with proponents calling it a victory for farmers desiring legal, reliable workers and opponents saying it could be abused as an avenue to amnesty for more than farmworkers.

Sponsored by Reps. Zoe Lofgren, D-Calif., and Dan Newhouse, R-Wash., the bill provides renewable visas for agricultural workers in the country illegally, phases in mandatory E-Verify — electronic verification of employment eligibility — caps escalating minimum wages for H-2A-visa agricultural foreign guestworkers, makes the H2A program more efficient and allows year-round foreign workers for dairy and ag industries that need it.

The Farm Workforce Modernization Act, H.R. 5038, was the first agriculture labor reform to pass the House since 1986. About 300 agricultural groups supported the bill but with many hoping for some corrections in the Senate.

Concerns include more relief from the escalating Adverse Effect Wage Rate (AEWR) and allowing growers to charge workers for housing.

Rep. Doug Collins, R-Ga., ranking member of the Judiciary Committee, has said the bill fails to provide long-term stability in setting the minimum wage and is a path to citizenship for an "unknown number of illegal immigrants (and families) who do some work in agriculture."

He also says the bill promotes fraudulent visa applications through extremely low document standards and the ability to withdraw a false application without prejudice.

The labor-intensive tree fruit industry in Washington state was largely supportive of the bill and many major companies worked with the Northwest Horticultural Council in Yakima to help craft the bill.

Last week, at the Washington State Tree Fruit Association annual meeting in Wenatchee, Jim Bair, president and CEO of U.S. Apple Association, said Newhouse was the only reason the bill made it so far and called him an "agricultural champion," not just in Washington state but nationally.

"We have a super-heated political environment in Washington (D.C.) right now with impeachment, so it's a miracle that a bipartisan ag labor bill is set to pass the House," Bair said. "It's only with the respect that Dan Newhouse enjoys in Washington, D.C."

Noting that Fox News Commentator Tucker Carlson disparaged the bill, Bair said the bill requires workers who have worked in U.S. agriculture for 10 years or more to work four more years in agriculture in exchange for legal status and eight more years if they've worked in agriculture less than 10 years.

At a Washington Apple Commission meeting Wednesday in Wenatchee, Kate Tynan, senior vice president of the Northwest Horticultural Council, said the bill is "the best opportunity in a long time to get something past the finish line." She said preliminary work is being done for the next phase in the Senate, likely to start in late January.

"We don't see the political environment changing on this anytime soon, so that's another reason to do it now," Tynan said.

She said there was "only so much room on wages" in dealing with United Farm Workers of America.

One Apple Commission board member, West Mathison, president of Stemilt Growers in Wenatchee, said he liked the way Tynan worked with UFW, which in the last three years has "developed a real collaborative spirit and mutual respect with growers" regarding wage and worker recruitment and training.

"If this passed it helps farmworkers in other states that aren't paying the same wages that we are. UFW has developed a different tune in their approach to this, which has been extremely helpful," Mathison said.

U.S. wheat growers encouraged by Phase One deal with China

Washington Grain CEO: Market has 'tremendous potential'

By MATTHEW WEAVER
Capital Press

Matthew Weaver/Capital Press File

Washington Grain Commission CEO Glen Squires says the new Phase One trade agreement with China could offer a big opportunity for the U.S. wheat industry.

The U.S. and China have agreed to a "Phase One" trade deal that American wheat growers hope will create "tremendous" potential to boost exports.

The agreement would roll back tariffs and re-open China's market to U.S. agricultural exports.

The National Association of Wheat Growers and U.S. Wheat Associates, the overseas marketing arm for the industry, welcomed the news that the two countries have "agreed on the text" of an agreement.

"It sounds like this is a great step forward," Glen Squires, CEO of the Washington Grain Commission, told the Capital Press.

According to the Office of the U.S. Trade Representative, the trade deal "requires structural reforms and other changes to China's economic and trade regime in the areas of intellectual property, technology transfer, agriculture, financial services, and currency and foreign exchange."

It also includes a commitment by China that it will make substantial additional purchases of U.S. goods and services in the coming years.

"President Trump has focused on concluding a Phase One agreement that achieves meaningful, fully enforceable structural changes and begins rebalancing the U.S.-China trade relationship," U.S. Trade Representative Robert Lighthizer said in a press release.

Before the trade war began, China's imports of soft white wheat — the type primarily grown in the Pacific Northwest — had increased to about 300,000 tons, Squires said. There are 36.74 bushels in a metric ton.

China was the fifth largest market for U.S. white wheat in the 2017-2018 marketing year, and could easily go "much higher," he said.

China does not produce a low-protein, weak-gluten wheat, so it has "tremendous potential" for soft white wheat, Squires said.

"More demand creates upward pressure on prices, and upward pressure on prices creates more plantings," Squires said. "Our production, instead of hovering around 300 million bushels in the PNW, it could go higher. We're really kind of talking down the road."

Phase One opens the door for trade to resume, Squires said.

"We just hope it continues and actually materializes into demand," he said.

U.S. Wheat has continued to work with millers in China. It held a crop quality seminar in November, Squires said.

"Despite all of this challenge over the last couple years, them not buying wheat, we (in) the U.S. wheat industry have continued to provide trade servicing, to interact, to bring Chinese teams ... to the states," Squires said. "We've been fully engaged with them, looking forward to the time we could return to the market."

In the meantime, China had switched to purchasing high-protein hard red spring wheat from Canada, he said.

"I think China would very much like to have another source to buy from, rather than just Canada," Squires said. "It's huge for hard red spring; it's good for hard red winter, soft white, soft red winter. I think this is a tremendous step forward."