

November dairy exports dip

By CAROL RYAN DUMAS
Capital Press

While November dairy exports declined 5.1% in value year over year to \$509.7 million, January through November exports were up 10% to \$6.06 billion, according to the U.S. Dairy Export Council.

November's exports posted the first year-over-year decline in 2020. Despite a 27% increase in whey shipments, total volumes were down 0.2%. Shipments were down 8% for nonfat and skim milk powders, 16% for cheese and 14% for lactose.

As a higher value product, lower cheese exports contributed most to the decline in total value for the month, USDEC reported.

The decline in cheese exports was caused in part by high U.S. domestic prices in the summer and fall, which caused international buyers to delay purchases.

U.S. exports of cheese to Mexico in Novem-

U.S. dairy exports January through November

Product	(Metric Tons)		
	2019	2020	% change
NDM/SMP*	631,960	753,839	19.3
Dry whey products	407,467	503,574	23.6
Cheese	330,421	330,340	0.0
Lactose	348,341	350,218	0.5
WMP	33,984	35,461	4.3
Butterfat	22,621	22,217	-1.8
MPC	31,179	39,612	27
Infant formula	29,863	30,104	0.8
Evap/Cond Milk	15,814	9,598	-39.3
Casein	2,475	2,779	12.3
Milk/cream (liters)	120,975	119,020	-1.6
Total value** (million dollars)	5,495.0	6,059.4	10

*USDA data adjusted to reflect shipments to Mexico misclassified as WMP

** Total value does not include fluid milk but does include additional products to those listed

Source: U.S. Dairy Export Council and U.S. Census Bureau

ber declined 38% year over year. Reduced consumer demand due to the COVID-19 pandemic and Mexico's severe economic consequences likely contributed to the decline,

USDEC analysts said.

However, U.S. cheese volumes to Mexico January through November were down just 1% despite the pandemic, they said.

Mexico had also been

buying less nonfat and skim milk powder from the U.S. for most of the year. That trend abated in November, with shipments up 16% year over year, and it appears Mexico's powder demand may be on the road to recovery, the analysts said.

Total U.S. whey shipments were up 24% January through November, continuing to be driven by China as the country rebuilds its pig herd. China reported its pig herd had reached about 90% of normal levels at the end of November.

"But given that pork output is still far short of demand and dry whey pricing levels suggest strong Chinese buying activity, we expect whey import gains to persist into the new year," the analysts said.

They volumes to China demonstrate the market has moved from recovery to demand expansion, they said.

U.S. whey shipments to China more than doubled in

November and were up 111% January through November. That growth is due in large part to the retaliatory tariff exemption secured in 2019 and renewed for 2020, they said.

The U.S. also saw strong powder sales to Southeast Asia in 2020, with shipments up 50% year over year January through November. That acceleration was due primarily from U.S. market share growing from 31% of the market to 46% on an annualized basis.

But U.S. powder exports to the region slowed in November, despite a 22% increase in exports to Indonesia. Total exports to the region dropped 27%, likely due to multiple factors, the analysts said.

"A 46% share of trade for any suppliers is well above the norm in such a highly competitive region ... thus, some regression in market share or volume was to be expected," they said.

Latest COVID-aid package benefits potato, onion industries

By BRAD CARLSON
Capital Press

The coronavirus relief package approved at the end of the year includes aid for the potato and onion industries.

The \$900 billion package provides:

- \$1.5 billion for USDA food purchases for people in need.

- \$225 million for supplemental payments to specialty crop producers who had losses.

- An additional \$100 million for USDA's Specialty Crop Block Grant program.

- Funding for ag-worker protection.

It also directs \$75 million to the Gus Schumacher Nutri-

tion Incentive Program benefiting Supplemental Nutrition Assistance Program (SNAP) recipients who buy fresh fruits and vegetables, and increases maximum SNAP benefits by 15% through June 30.

National Potato Council CEO Kam Quarles said the additional block-grant funding will help back-fill costs associated with COVID-19, such as providing personal protective equipment for workers or retooling operations. The money will be distributed through the established Specialty Crop Block Grant program but is separate from regular grant funds.

USDA is yet to write regulations for the additional supplemental payments for crop

losses, he said.

"It took a while to get to this point, but it is very positive that we have certainty, both on federal funding for ag for the rest of the fiscal year and also on this version of COVID relief," Quarles said.

"It clearly is not enough," he said, "and Congress and the new administration are going to have to sit down and work out an additional package that will more fully address the ongoing challenges of COVID as we hopefully look to a reopening economy as the vaccine rolls out over these next six months."

Quarles also said the new federal budget maintains funding for National Institute

of Food and Agriculture potato-breeding research grants at \$2.75 million and for a third year keeps USDA from limiting access to potatoes in the school breakfast program.

National Onion Association Chief Executive Greg Yielding said funding for USDA food purchases is important because the program "has had a big impact and has been very successful."

He said USDA's Farmers to Families Food Box Program is supplying many people in need, helping ensure U.S.-grown produce is consumed rather than wasted, and is providing "somewhat of an alternative market" as the foodservice sector remains at least partly shut down.

Agriculture Secretary Sonny Perdue Jan. 4 announced USDA will buy an additional \$1.5 billion of food for nationwide distribution through the food-box program. USDA, which has distributed more than 132 million boxes since the pandemic began, will solicit 240 organizations that previously received Basic Ordering Agreements.

"The need remains out there with food-insecure Americans, so having additional resources going into that is a positive," Quarles said.

Yielding said SNAP enhancements will affect agriculture differently than USDA food purchases.

Washington farm groups anxious as lawmakers convene

By DON JENKINS
Capital Press

OLYMPIA — Absent the public and protected by National Guard troops, the Washington Legislature convened Monday for a session that Gov. Jay Inslee said will "impact our state for generations."

Inslee called out 750 guardsmen to ring the Legislative Building. A handful of people came at first light and demanded in. They were told firmly and politely to stay behind the yellow police line.

The state patrol reported two arrests by early afternoon. One crossed the police line, and one refused to move a vehicle blocking a road, troopers said.

The police presence came on the first day of a 105-day session. The governor issued a statement saying that after the pandemic was over Washington was "not going back to normal." He said he looked forward to a "better normal."

Inslee called for erasing "economic" and "racial disparities."

"We think of one another as equal because it is one of this nation's principles, but we can't be equal until we live as equals," he said.

Washington Farm Bureau CEO John Stuhlmiller said Monday the organization was still trying to figure out how to represent its members this session.

In the pre-COVID normal, farmers packed hearing rooms for bills



Don Jenkins/Capital Press

Tom Hughes, 30, of Everett calls out to National Guard troops Jan. 11 surrounding the Washington Legislative Building in Olympia. Hughes demanded to be allowed to witness lawmakers convene and was later arrested when he crossed the yellow police line.

most important to them. This year, they will have to testify remotely, hoping for a chance to speak and hoping to stay connected.

"Our members aren't the ones with high-speed internet. It's our members who can hardly get on the internet to read documents," Stuhlmiller said.

"We have to be really smart to have our members get heard," he said. "The public input to this session is going to be hugely restricted."

"The direct message is that there will be limited opportunity to speak to bills and that will kill us," Stuhlmiller said.

The House adopted rules Mon-

day that will be in effect until at least Jan. 29. The rules call for most legislators to participate remotely.

The House chamber was nearly empty for the opening session. In a floor speech, Rep. Tom Dent, R-Moses Lake, said he takes COVID-19 seriously. He had it and spent eight days in the hospital.

But he said constituents are questioning whether meeting remotely will work.

"I don't want to go to the grocery store, the farm store because they're going to ask me why we're doing this," Dent said. "And I have to agree. I don't see how it can work."

Washington State Dairy Federa-

tion policy director Jay Gordon said Monday he was apprehensive about the upcoming session.

"The legislative process is no different than farmers talking and making deals," he said. "It makes me sad we're not going to have those conversations where we can look at everybody in the eye."

Dressed in red tie, white shirt and blue suit and carrying an umbrella, Tom Hughes, 30, of Everett was the loudest and most persistent of the people demanding entry to the Legislative Building.

"They're coming here to have a session and keeping people out of it, and it's not right," Hughes said.

Later, he slowly crossed the police line, arms raised, and was arrested for failing to comply with a lawful order. He also will be charged with criminal trespassing in relation to breaching the Governor's Mansion on Jan. 6, troopers said.

Another protester, Tamara Smilanich, 42, of Seattle, said she comes to the first day of the session every year. She said that this year she won't have a chance to meet legislators.

"Politics is dirty, but this is really out of control. This is more than dirty," she said.

Lawmakers will plunge into hearings this week on major bills. The Senate Ways and Means Committee planned to hold a hearing Thursday on taxing income from capital gains.

U.S. blueberry industry spars at trade hearing

By DON JENKINS
Capital Press

Sectors of the U.S. blueberry industry clashed Tuesday at a daylong hearing before the U.S. International Trade Commission, offering competing explanations for declining farmer profits.

The American Blueberry Growers Alliance blamed rising Latin American imports in the spring and fall, robbing farmers of lucrative early- and late-season sales.

A rival group, the Blueberry Coalition for Progress and Health, said imports aren't hurting U.S. farmers. It attributed the low prices to a "massive increase in supply" from Washington and Oregon.

Growers alliance chairman, Georgia farmer Jerome Crosby,

called the claim that imports aren't dragging down prices "comical."

"The world I live in, it's a problem," he said.

The trade commission heard the conflicting testimony, as well as dueling legal and economic analyses, as part of its probe into whether foreign trading partners are seriously harming U.S. blueberry growers.

The Trump administration initiated the investigation at the request of blueberry growers. The commission will report its findings to the Biden White House. The Washington, Oregon and California blueberry commissions are helping fund the investigation.

The growers alliance argues that imports once complemented U.S. production by ensuring fresh blueberries were available in grocery



George Plaven/Capital Press File

An over-the-row mechanical blueberry harvester in action at Berries Northwest, north of Albany, Ore. The U.S. International Trade Commission is trying to determine why blueberry prices are dropping.

stores year-round, helping make the fruit popular with consumers.

However, over the past five years Mexico, Chile, Peru and

Argentina have started to encroach on the U.S. growing season, according to the alliance.

Traditionally, U.S. blueberry growers relied on early- and late-harvest sales to make up for low mid-summer prices. The growers alliance links the growing volume of "shoulder season" imports to declining spring and fall prices.

Representatives of the Latin American countries, as well as Canada, pushed back, saying their farmers aren't responsible for falling prices.

The trade commission also received a letter Tuesday signed by 18 federal lawmakers, 10 Democrats and eight Republicans, asking the commission to respect "cross-border trade and consumer preference."

The blueberry coalition, representing U.S.-based companies that grow or buy blueberries in other countries, pinned the blame for low prices on U.S. farmers competing with each other.

"Prices crater in the summer months when domestic production saturates the market," said Soren Bjorn, president of the Americas for Driscoll's, a fruit seller based in Watsonville, Calif.

Rutgers University economist Thomas Prusa said blueberry production and employment are growing, signs of a healthy industry, though prices for the industry deteriorate in the late summer.

"This is attributable to a massive increase in supply from their American growers in Oregon and Washington, not from import sources," he said.



Capital Press File

Bonneville Peak, the highest summit in the Portneuf Range in Idaho. Recent storms have increased the snowpack in much of the state.

Recent storms aid slow-starting Idaho snowpack

By BRAD CARLSON
Capital Press

Idaho snowpack totals got off to a slow start but have been boosted by recent storms.

The USDA Natural Resources Conservation Service in its Idaho Water Supply Outlook Report for Jan. 1 said snowpack and precipitation totals were below normal statewide. Northern Idaho river basins Clearwater, Coeur d'Alene-St. Joe and Pend Oreille-Kootenai were closest to normal.

But storms in early January increased total snowpack across all basins, NRCS Idaho Snow Survey staff said.

The snow-water equivalent Jan. 11 stood at 97% of normal in the state's northern panhandle and 70% in the state's southwestern and southeastern corners.

Basins held 79-89% of normal snowpack in central and northern regions, 80-88% in the southwest, 64-85% along the Nevada border, 76-84% in the east and 55-78% in the east-central mountains.

"With nearly three more months of the normal snow-accumulation season and the continued prediction for moderate La Nina conditions, the outlook looks promising for meeting this year's water-supply demands," Idaho Snow Survey hydrologist Erin Whorton said. "Historically, La Nina conditions have resulted in increased precipitation across Idaho."

Snow Survey officials said most of the state's reservoirs are expected to need less than 76% of average streamflow during the 2021 runoff season to meet downstream water-supply needs, including irrigation.

Water carried over after the 2020 irrigation season was adequate in many reservoirs, Whorton said. But in the east-central mountains, where snowpack was unusually low last year, Mackay and Magic reservoirs will require nearly normal streamflow volume to meet demand.

Below-normal fall precipitation in much of Idaho kept soils dry, which may delay peak streamflow.

"Typically, fall rainstorms increase soil moisture before the ground freezes and the snow starts piling up," the report said. "Once temperatures warm, a portion of the snowmelt water that would normally run off is captured and fills the 'soil reservoir' before contributing to increased streamflow."