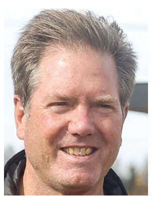
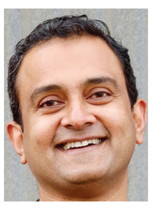
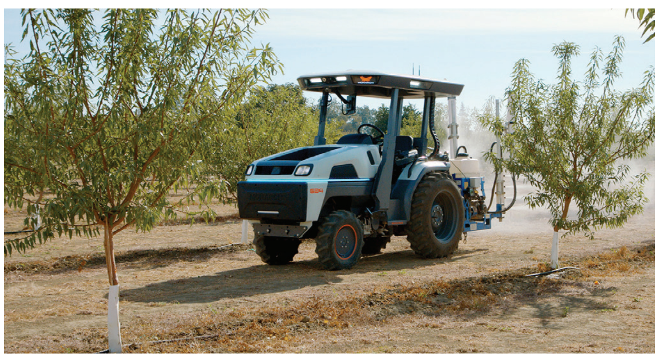
Blueberry grower tests self-driving electric tractor

By SIERRA DAWN McCLAIN
Capital Press


Jim Hoffmann


Praveen Penmetsa


Monarch Tractor

A Monarch electric self-driving tractor drives between rows of trees and sprays them.

CLATSKANIE, Ore. — California-based Monarch Tractor will begin field trials in Oregon this year of its new electric, driver-optional "smart" tractor.

Electric tractors are a new frontier in U.S. agriculture, so researchers, farmers and Monarch Tractor staff will be teaming up to test the new vehicle across California, Washington and Oregon with USDA Conservation Innovation Grant funding.

The Oregon portion of the pilot project will take place at Hopville Farms, with sites in Clatskanie and Independence. Jim Hoffmann, farm owner, plans to test the tractor on hundreds of acres of blueberries.

Hoffmann estimated he will decrease air pollution on-site, reduce noise, save about 1,500 gallons of diesel per year and, because the tractor has a self-driving option, potentially save thousands of hours of employee labor.

"Like all farms, I'm constantly looking at how to do things better," said Hoffmann.

He plans to use the tractor for many tasks, including mowing between blueberry rows.

Hoffmann said he's also excited the tractor carries multiple sensors and has ports for more sensors so Hoffmann can track data on pest pressure, plant health and productivity.

While moving through fields, the electric tractor can simultaneously collect data from "root to fruit" — from ground floor to fruit level — said Scott Fairbanks, an independent researcher and computer science expert at Oregon State University.

This September, Fairbanks plans to assign several of his engineering students to do capstone senior projects related to this electric tractor's data-collecting capacities.

"I think what Monarch has done is really powerful," said Fairbanks. "It'll be almost like a goldrush: for (OSU) students to go in and figure out what data is valuable."

The e-tractor, according to Monarch Tractor co-founder and CEO Praveen Penmetsa, can be programmed once for a particular field and will then "know" that route. The tractor also uses an artificial intelligence visual system to "see" each field and relies on a backup GPS system.

The tractor can be recharged at any standard 220-volt outlet.

One of the downsides of the e-tractor is that, compared to a diesel tractor that can quickly be refueled, the e-tractor's battery life is expected to be only 6 to 10 hours.

Another obstacle to adoption is the up-front investment; the base price for a Monarch self-driving e-tractor is $58,000.

Long-term maintenance, too, may present challenges. If an e-tractor breaks down, a farmer may need to call in specialty repair experts who understand software and electrical engineering.

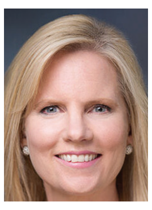
However, Penmetsa, the CEO, said Monarch anticipated this challenge. Rather than commingling traditional mechanical, electrical and software systems, Monarch kept each system as separate as possible so a farmer could repair a basic mechanical problem without needing a software expert if a problem was purely mechanical.

Despite these drawbacks, Hoffmann, the blueberry grower, said he thinks the tractor will be well worth the investment.

"There's no question that an electric tractor costs more up-front and possibly in repairs than a comparable horsepower vehicle," he said. "But all the benefits make it totally appealing from an economic standpoint."

Audit recommends changing OFRI's governing statute

By MATEUSZ PERKOWSKI
Capital Press


Erin Isselmann

SALEM — Lawmakers should overhaul the Oregon Forest Resources Institute's governing statute to improve the agency's objectivity, according to state auditors.

Specifically, an "oversight function" should verify the agency's forestry information is even-handed and its board should include non-timber industry representatives "to ensure a balance of public views," the audit by the Oregon Audits Division said. Secretary of State Shemia Fagan oversees the division.

The prohibition against OFRI influencing legislation should be clarified to "reduce the risk of conflict or confusion" and its governing statute should provide "greater specificity and direction" regarding the institute's purpose and authority, the audit said.

Thirty years ago, lawmakers created the agency to educate the public and landowners about forest management, with timber harvest taxes generating about $4 million in annual funding.

Last year, OFRI came under media scrutiny for its alleged attempts to manipulate legislation, scientific reports and public perceptions to benefit the timber industry, which prompted Gov. Kate Brown to request the audit.

In addition to calling for revisions to OFRI's governing statute, the audit also makes several recommendations for the agency:

- Enact a policy to steer the agency's board and staff away from prohibited activities, such as instructing them when to seek "legal or ethical advice."
- Improve the agency's internal controls by implementing a mission statement that's in line with OFRI's statutory requirements, updating the agency's strategic plan with "a clear mission" and adopting quality standards for the information put out by the institute.
- Enhance OFRI's "transparency" by getting input from environmental groups and others about the agency's work and including the agency's "statutory mandate" in its educational materials, among other steps.
- Consult with the state's Department of Justice and Department of Administrative Services as part of a "comprehensive review" of its governing statute and statewide policies.

The auditors made these recommendations after faulting OFRI for depicting itself as an "objective, educational entity" without being clear that it's required by statute to support the forest products industry.

"The agency's public opinion research and advertising efforts suggest the agency may be working to shift public attitudes and opinions to favor the industry, rather than providing objective information," the audit said.

There is "ongoing confusion" about OFRI's role as a public entity while the institute has "broad authority" but "limited oversight," providing few "guard rails" for how the agency pursues its goals, the audit said.

All of the institute's board members are associated with the timber industry, which is inconsistent with "good governance practices" and tends to undermine the objectivity of its educational information, the audit said.

Auditors also argue that OFRI has "made some misleading statements" about the state's forestry laws by oversimplifying the "positive aspects of forestry" without delving into adverse environmental impacts.

"By avoiding the inclusion of opposing viewpoints, OFRI's portrayal omits information important for understanding the complexities of forest management and forest practice law in Oregon and therefore risks misleading the public," the audit said.

In a response letter to the audit, OFRI pointed out that it's funded entirely by taxes on timber companies. It would be unfair to deny the industry "the right to determine how these funds should be spent," the letter said.

Erin Isselmann, OFRI's executive director, said the agency has been transparent, since its website explains how the agency is funded and who sits on its board.

While the agency didn't agree with some of the auditor's characterizations, OFRI has agreed to implement the audit's recommendations by next fall, the letter said.

Investigation into fertilizer sparks price fears

By MATEUSZ PERKOWSKI
Capital Press

U.S. trade regulators are investigating whether fertilizer manufacturers in Russia and Trinidad are "dumping" urea ammonium nitrate fertilizer, or UAN, onto the domestic market at less-than fair value.

The U.S. International Trade Commission has launched the investigation at the behest of CF Industries, a major U.S. nitrogen manufacturer, which claims it's being hurt by subsidized UAN imports that depress domestic prices.

Fertilizer producers in Russia and Trinidad have "targeted the U.S. market" with increased shipments of UAN because the European Union has restricted imports due to dumping concerns, according to the company's petition.

"These increased volumes of subject imports oversupplied the U.S. market, swelled U.S. inventories, and forced U.S. producers to lower their prices to remain competitive," the petition said.

Based on the subsidies to foreign manufacturers, duties of nearly 400% on UAN from Russia and 160% from Trinidad may be justified, the petition said.

The demand for tariffs on imported UAN has sparked fears that farmers will be forced to pay more for the product at a time fertilizer prices are already rising.

CF Industries claims Russia and Trinidad provide manufacturers with natural gas, a major input that accounts for one-third of UAN's cost, at below-market prices, in addition to tax incentives.

Imports of UAN from Russia and Trinidad grew from about 2 million short tons in 2018 to 2.65 million short tons in 2019 before dropping to 2.2 million short tons in 2020, the petition said.

The domestic industry was able to "recapture" market share last year "but only by dropping prices in order to remain competitive," according to CF Industries.

Domestic UAN manufacturers should be able to realize higher prices because domestic consumption of the fertilizer rose 5% in 2019 and 3% in 2020, the petition said.

The U.S. industry cannot interrupt UAN production because idling factories is expensive, the petition said. "The result was that domestic production, capacity utilization and employment remained essentially flat, while income, profitability, returns on assets and capital expenditures fell dramatically."

Fertilizer distributors have come out against new tariffs on UAN, claiming higher prices would have "a devastating impact on U.S. farmers."

CF Industries, the petitioner, is the "clear price leader" and the "dominant supplier in the U.S. market" whose own expansion has caused larger domestic UAN supplies — especially after European antidumping restrictions on the company limited exports to that continent, according to the Gavilon agribusiness firm.

CF Industries is an "unreliable supplier" that purposely undersells UAN in certain markets to avoid logistics and transportation costs, which forces distributors to rely on imports, said Brent Hardlander, Gavilon's president, in submitted testimony.

The company "gets away" with missed deliveries and "leaving customers in the lurch because of its outsized market power," he said.


Capital Press File

Wine grapes grow on a vine. A federal judge has refused to dismiss a lawsuit claiming that a California winery mislabeled its Elouan wine as coming from Oregon.

Federal judge refuses to dismiss lawsuit alleging mislabeled wine

By MATEUSZ PERKOWSKI
Capital Press

A federal judge has refused to dismiss a lawsuit that alleges a California company deceived consumers by misrepresenting its wine as coming from Oregon.

The complaint, which seeks class action status to allow other consumers to join the litigation, claims the Copper Cane winery of Rutherford, Calif., mislabeled its Elouan wine as "Oregon Pinot Noir," among other claims, even though it was actually made in California.

The lawsuit contends that Copper Cane violated California laws against unfair competition, false advertising and unjust enrichment, among others.

However, Copper Cane claimed to have "safe harbor" from the lawsuit because its wine labels had all been approved by the federal Alcohol and Tobacco Tax and Trade Bureau, or TTB, and thus had the force of federal law.

Though the grapes were grown in Oregon and shipped to California, the TTB required previously-approved Elouan labels to be changed in 2018. New labels that omit references to Oregon and the Willamette, Umpqua and Rogue valleys were then re-approved by the agency.

Chief U.S. District Judge Richard Seaborg in San Francisco said he can't determine at "this juncture" whether TTB's approvals provided the winery with safe harbor and refused to throw out the complaint on those grounds.

There's no evidence the TTB specifically investigated the winery's labels for falsity and the information of the approval process indicates it "likely" can't provide safe harbor, he said.

Under some case law, the agency's label approval process is considered too "informal" to have the force of federal law, since it only reflects the alcohol distributor's representations and "hinges on self-reporting," the judge said.

Copper Cane also argued the lawsuit's misrepresentation allegation should be dismissed because the Elouan label stated the wine was bottled in California, but Seaborg rejected this argument as well.

It's not clear that two lines of text — "Vinted & Bottled" above "Napa, CA" — would be "sufficiently clear" to prevent the deception of reasonable consumers, he said.

"Furthermore, whether the reference to California on the back-left corner of the label would clarify a consumer's misunderstanding is too close a call at this stage," he said.

Seeborg also disagreed with Copper Cane's argument the complaint should be dismissed because the label lacked "actionable affirmative misrepresentations," since it didn't specifically say the wine was solely produced in Oregon.

"This argument ignores the widely understood fact that the location where a wine is produced has special significance," the judge said.