

Worker shortage derails USDA's hazelnut forecast

By **MATEUSZ PERKOWSKI**
Capital Press

A shortage of workers has derailed the USDA's annual hazelnut forecast this year, leaving the industry without a source of crop data that informs market strategies.

Usually, the agency's National Agricultural Statistics Service recruits at least 16 employees to head out to Oregon hazelnut orchards and collect samples for a state-wide production forecast that's released in late August.

Those numbers won't be available in 2021, since USDA wasn't able to recruit even half that number of workers despite raising their hourly wage from about \$14 to \$17, said Dave Losh, the agency's state statistician.

"We just couldn't get the people this year," he said. "This is the first time we've

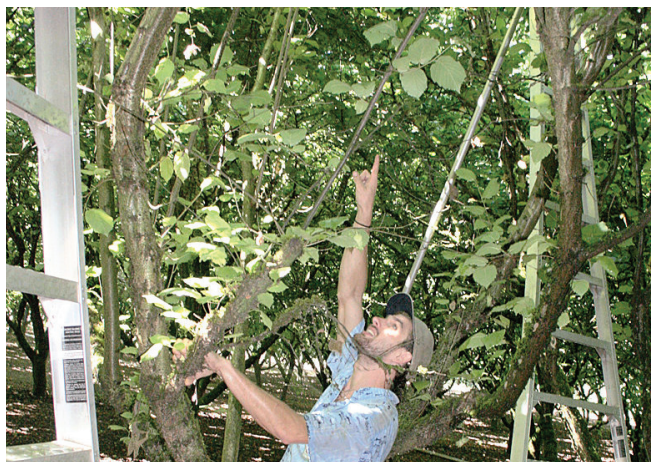
had this kind of problem."

Some people who've conducted the surveys in the past had already taken other jobs while others had moved away from the area due to reduced work opportunities during coronavirus restrictions, Losh said.

Though it's possible that extended unemployment benefits dissuaded people from returning to work, the USDA was still able to recruit enough workers last year when such financial assistance was also available, he said.

The agency has identified potential recruits who expressed interest in filling the positions next year, Losh said. "We're definitely going to start earlier."

The Oregon Hazelnut Marketing Board pays NASS to perform the forecast as an "objective yield survey" while processors also do sub-



Mateusz Perkowski/Capital Press File

Devon Johnson, a USDA employee hired to conduct a hazelnut survey, collects hazelnuts in this file photo. Due to the labor shortage, the agency's National Agricultural Statistics Service won't be issuing a hazelnut forecast this year.

jective surveys based on the "gut" feelings of growers, said Larry George, president of the George Packing Co.

"There's a lot of data points

we use," he said. The lack of a survey "doesn't completely turn us blind but it is the most public and important data point we use."

Oregon hazelnuts typically command a premium of 15-20% over global prices, which the industry tries to maintain by pacing shipments to buyers through the marketing year, George said.

The goal is to avoid surpluses that would depress prices as well as shortages that would leave demand unfulfilled, he said. "We need to have a really good idea when we start selling how much volume we have."

Without the USDA's objective survey forecast, the industry is anticipating a harvest of 65,000-70,000 tons, up from last year's crop of roughly 61,000 tons, George said.

Orchards seemed to have recovered well from recent heat waves and an ice storm earlier in the year, he said. "We're cautiously optimistic."

Last year, the USDA's survey overshot actual produc-

tion by forecasting a 71,000-ton crop, while subjective surveys were closer to the mark, said Terry Ross, executive director of the Hazelnut Growers Bargaining Association, which negotiates prices with processors.

Ross said he doesn't blame the USDA because farmers have planted a lot of new trees but the growth hasn't been consistent from year to year, making statistical surveys difficult.

"The industry's gone through fits and starts trying to get the acres in the ground," he said. "NASS has a hard job. This is not an issue with NASS."

The full impact of not having USDA's forecast available may not become clear until later, though it's not expected to have an impact on prices, Ross said. "We'll have to see if we miss it."



Matthew Weaver/Capital Press

Cattle at the Easterday feedlot near Pasco, Wash.

Tyson expected Easterday to sign over feedlot operation

By **DON JENKINS**
Capital Press

Tyson Fresh Meats provided details Friday to back claims that Cody Easterday piled on another layer of deceit by selling his cattle feedlot for \$16 million to competitor Agri Beef after defrauding Tyson.

Easterday told Tyson last December he could sign over the North Lot cattle operation in Pasco, Wash., to begin making amends for billing Tyson for cattle he never delivered, according to documents filed in the U.S. Bankruptcy Court for Eastern Washington.

Tyson said it was blindsided a month later by Easterday selling the lot to Agri Beef, which also has a processing plant nearby. Tyson said it never had a chance to top Agri Beef's offer.

A lawyer for bankrupt Easterday Ranches told a judge Aug. 18 that Tyson offered only \$10 million. Tyson calls the claim "a ruse."

"Tyson never offered to purchase the North Lot for



Shane Miller

has agreed to repay Tyson \$233 million and another company an additional \$11 million.

Tyson is asking a bankruptcy Judge Whitman Holt in Yakima to give it standing to challenge the sale to Agri Beef, which closed a week before Easterday filed for bankruptcy on the family's remaining farms.

Tyson calls the \$16 million paid by Agri Beef "woefully inadequate" and a fraud on creditors.

Pachulski Stang Ziehl & Jones, the Los Angeles law firm heading up the bankruptcy, defends the sale to Agri Beef.

A firm lawyer, Alan Kornfeld, told Holt that Tyson submitted a "soft" \$10 million offer last year.

Tyson fired back in the

\$10 million," the company states.

Cody Easterday

is due to be sentenced for fraud Oct. 5 and

new court filings. Tyson actually expected Easterday to sign over the feedlot once the fraud was uncovered.

"During our meeting last week you told us you could transfer the North Lot and the ER cattle brands as a first step to reimbursing Tyson," Shane Miller, Tyson's group president of fresh meats, said in a Dec. 12 email to Easterday.

Miller told Easterday the company was using \$10 million as a "place holder" in the transfer agreement to indicate the value of the land for tax purposes. Later in the month, the value was revised downward to \$2.9 million based on an appraisal.

By cutting out Tyson, Easterday Ranches "was free to dissipate well over 80% of the sale proceeds to insiders, affiliates and professionals," according to Tyson.

Some \$11.7 million went to Easterday Farms and the English Hay Co., both owned by Easterday family members.

WSDA finds Asian giant hornet nest

By **DON JENKINS**
Capital Press

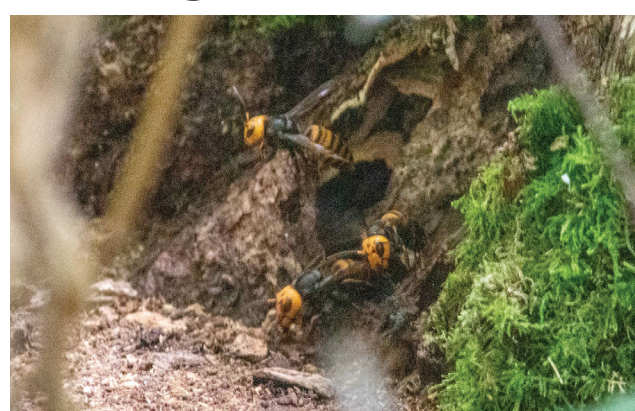
An Asian giant hornet nest was found Aug. 19 in Whatcom County, Wash., about a quarter mile from where a hornet was sighted earlier this month, according to the Washington State Department of Agriculture.

Department entomologists will develop a plan to eradicate the nest, which is in a rural area east of Blaine near the Canadian border. The eradication likely will be within a week, the department said.

The nest is at the base of a tree on private property, and entomologists will investigate whether the hornets are nesting in the tree or ground, department spokeswoman Karla Salp said.

At this time of the year, no new queens should be emerging, she said. The nest "should not be in a reproductive state," she said.

The department was more pressed to quickly eradicate the nest it found last October. At that time of year, queens were emerging. It was the first Asian



Karla Salp/WSDA

Asian giant hornets emerge from the nest that was found Aug. 19 near Blaine, Wash.

giant hornet nest destroyed in the U.S.

Live Asian giant hornets have been seen in Whatcom County and across the border in British Columbia, but nowhere else in North America.

The department focused its efforts east of Blaine in the past week after a resident submitted a photo of an Asian giant hornet attacking a paper wasp nest.

The department netted, tagged with electronic devices and released two hornets Aug. 11. Those hor-

nets eluded their followers. A third hornet netted Aug. 17 helped entomologists focus their search Aug. 19.

Department staff, joined by staff from the Oregon Department of Agriculture and USDA's Animal and Plant Health Inspection Service, started searching for the nest at 7:30 a.m. Thursday and spotted it at 9:15 a.m.

There may be more nests, according to the department, which asks the public to report suspect sightings at agr.wa.gov/hornets.



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