

Easterdays move to reset bankruptcy cases

By **DON JENKINS**
Capital Press

The court battle over the fraud-forced sale of ex-cattlemaster Cody Easterday's bankrupt farming and ranching empire in Eastern Washington intensified Wednesday.

Lawyers for Easterday's wife and mother told U.S. Bankruptcy Judge Whitman Holt in Yakima that the attorneys and two creditor committees overseeing the liquidation of Easterday Farms and Easterday Ranches should be ousted.

Debby Easterday, Cody's wife, and Karen Easterday, whose late husband, Gale, started the Columbia Basin companies, claim the attorneys and committees are allowing the Ranches business to rob the Farms business.



Cody Easterday

ness. They are separate family businesses with different creditors.

Another difference is the Farms business expects to emerge from bankruptcy with between \$20.4 million and \$45 million left for the ex-owners, according to court records.

The Ranches business, weighed down by Cody Easterday's \$233 million debt to fraud victim Tyson Fresh Meats, will be broke. The Easterdays allege that money is improperly flowing from the solvent Farms to the insolvent Ranches, including about \$1.1 million for fuel, labor and hauling cattle

and feed last summer. "If that happened, it's problematic," Holt said.

Much bigger sums are at stake as the committees and Easterdays negotiate a settlement. Although the Farms and Ranches businesses filed for bankruptcy separately last year, the debts are intertwined.

Cody Easterday, due to be sentenced June 13 for wire fraud, pledged in a plea agreement last year to pay back Tyson. A judge has twice delayed sentencing to give him time to sell family property to raise money for restitution.

Tyson attorney Alan Smith told Holt that anything the Easterdays have after bankruptcy proceedings will be "fair game."

"They manage to go ahead and pooh-pooh, frankly, the

biggest breach of fiduciary duties here, which is the fact that Karen and Debby and Gale were all directors and were supposed to be supervising Cody as he committed his fraud," Smith said.

"Frankly, if there is equity in Farms, if there is equity in anything else, if there is equity in Karen's ranch that she has and lives on, all of these things are fair game," he said.

Before Wednesday's court hearing, the Easterdays demanded the Farms and Ranches committees resign and be replaced by new directors.

The committees are resisting the move. Holt did not rule Wednesday and set more hearings on whether there's a conflict of interest between the Farms and Ranches committees.

Easterdays base some of their claim for consideration on their work in the past year to maximize the value of their assets for creditors.

According to court records, a combine broke down during wheat harvest. Rather than waiting six weeks for a replacement part, Debby Easterday drove all night to pick one up in Nebraska and immediately drove back.

Lawyers submitted a seven-page memo on Cody Easterday's efforts last year, including his role in selling the family's farms to Farmland Reserve Inc. for \$209 million.

"Nobody has worked harder than the Easterdays to run assets into cash," said Jeffrey Misley, Cody and Debby Easterday's lawyer.

The Easterdays also are

trying to remove from the case Los Angeles attorney Richard Pachulski and other lawyers who work with both creditor committees.

The Easterdays claim that Pachulski and his firm can't represent both committees because the committees have conflicting interests.

In a court filing, Pachulski's firm said allowing the Easterdays to remove the committee would be "catastrophic" for everyone else.

The Easterdays are risking "destroying the recoveries for (creditors) because they are not getting as much as they want," the filing claims.

Tyson contracted with Cody Easterday to supply cattle for its beef plant in Eastern Washington. Easterday billed Tyson for cattle that didn't exist.

Oregon FFA elects 2022-23 state officer team

By **GEORGE PLAGEN**
Capital Press

REDMOND, Ore. — The dim of the lights, the roar of the crowd, the pulsing music and fog machine on stage created an air of tension and excitement in the moments before each new member of the Oregon FFA state officer team was announced last weekend.

After two years of going virtual, the Oregon FFA State Convention returned in-person March 17-20 to the Deschutes Fair & Expo Center in Redmond, culminating on the final morning with the highly anticipated election of state officers.

"It's been different, because we have all these members who have never been to an in-person state convention," said Lawson Setzer, who was chosen as the 2022-23 Oregon FFA president. "Trying to get that hype about Oregon FFA back installed within all of our members has been a huge deal for all of us."



George Plaven/Capital Press

The 2022-23 Oregon FFA state officer team. From left are Lawson Setzer, president; Grant Hills, vice president; Maddie Dollarhide, secretary; Brekkan Richardson, treasurer; Jessie Samarin, reporter; and Uriel Aguilar Torres, sentinel.

This year's six-member state officer team includes Setzer, from Santiam Christian FFA; Grant Hills, from Hermiston, as vice president; Maddie Dollarhide, from Dufur, as secretary; Brekkan Richardson, from Sandy, as treasurer; Jessie Samarin, from Canby, as reporter; and Uriel Aguilar Torres, from Gervais, as sentinel.

The lifting of COVID-19 restrictions means the team will once again be able to travel together and visit with

FFA members and industry partners from across the state.

"I'm confident we'll be one heck of a team because we are resilient," Dollarhide said. "We've gone through the heat of COVID, and virtual anything and everything. So we'll definitely be a team that can adapt as fast as possible to any situation thrown our way."

The year of service also means that each FFA officer will postpone the start of their college careers — a

difficult decision for Richardson, who plans to attend Oregon State University where she will double major in English literature and agricultural education.

Coming from a family of educators, Richardson said the importance of school is strongly emphasized at home. But after talking with her parents, they decided running for FFA state office

was a once-in-a-lifetime opportunity to affect Oregon agriculture and influence the next wave of leaders.

"It was give-and-take. I'm happy with my decision," Richardson said.

When discussing what they gained from their years in FFA, officers used words like "servant leadership," "inclusivity" and "self-confidence."

"You don't have to be scared to be yourself," Aguilar Torres said. "No matter who you're around, you don't have to put up a fake front."

The team described running for office as an intense process. The weekend began with 17 candidates for the six positions, enduring hours of interviews with the 11-member nominating committee. By the time the final day arrived, there were 10 finalists who made their case to the delegates.

"It's definitely an intense

process, but it needs to be because of how important it is that we have good people who are willing to serve our state and our organization," Richardson said.

Hills said his heart was in his throat while awaiting the final announcement, but at the same time he knew he would be happy no matter who won.

Samarin agreed, saying that all the candidates considered themselves to be a team even before reaching that eventual moment.

"We've all built each other up and built upon one another," Samarin said. "That's just been an amazing process."

Dollarhide said the rush of emotion as the officers were announced was indescribable.

"I think it's safe to say we're all definitely on top of the world," she said. "We're all really excited to be here together."

Ukraine situation heightens market volatility

By **CAROL RYAN DUMAS**
Capital Press

Disruptions in Ukraine's agricultural production and exports continue to send ripple effects around the world, a top agricultural economist says.

Ukraine is a powerhouse producer and exporter and a market mover in the crops and countries in which it trades, Veronica Nigh, senior economist with American Farm Bureau Federation, said in a new "Market Intel" report.

"The growing global concern is that the prolonged absence of Ukrainian products on the global market will lead to additional suffering in the form of food price crises in countries not directly involved in the conflict," she said.

Ukraine is the world's seventh-largest producer and fourth-largest exporter of corn. It was responsible for 13% of global exports in the 2020/21 trade year.

It is also the eighth-largest producer and sixth-largest exporter of wheat, responsible for 8.5% of global exports in 2020/21, she said.

Russia is an even larger supplier of wheat, with 20% of the world's wheat exports in 2020/21.

Ukraine is the largest producer and exporter of sunflower seed and its products, including oil. The nation was responsible for 47% of global exports in 2020/21.

Russia is also a significant supplier, with 29% of sunflower seed oil exports in 2020/21.

In addition, Russia is a major global player in all three nutrients in fertilizer: nitrogen, phosphate and potassium, she said.

Russia is the largest nitrogen exporter, supplying 16.5% of global exports in 2018, the most recent year for which data is available.

Russia is the third-largest phosphate exporter with a 12.7% share of global exports in 2018.



Veronica Nigh

And it is the third-largest potassium exporter as well, supplying 16.5% of global exports in 2018.

Russia is also the third-largest oil producer and the second-largest natural gas producer. Natural gas accounts for 70-90% of the cost of nitrogen fertilizer, she said.

"As the assault on Ukraine stretches on, the impacts to Ukraine's ability to produce the volume of tradable commodities the global market has grown to depend on will become more significant," she said.

Not only will an ongoing war likely lead to fewer planted acres, but it is also likely to change the mix of crops, she said.

"With a heightened focus on feeding the Ukrainian people, it is likely that farmers will be encouraged to plant and harvest crop cereals intended for local consumption, rather than corn, sunflower seed and rapeseed for export," she said.

In the case of crops yet to be planted, as well as the wheat and rapeseed crops already in the ground, farmers will be challenged to find fuel for their machinery and fertilizer for their fields, which will likely reduce the total harvest, she said.

Beyond production, a critical piece of the Ukraine puzzle will be the level of damage that its infrastructure sustains. Significant damage to roads, bridges, rail lines and ports will make moving people and products more time-consuming and more expensive, she said.

For more detail, visit: <https://www.fb.org>

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