

# Grape growers spur investigation

By **MATEUSZ PERKOWSKI**  
Capital Press

A California farmers cooperative has complained that Argentina exports grape juice concentrate at artificially depressed prices, triggering a federal trade investigation into U.S. market impacts.

Delano Growers Grape Products claims the Argentinian government stabilizes its wine industry by diverting much of its grape crop into juice, then exporting the concentrate at price levels with which U.S. producers can't compete.

Due to its location in the Southern Hemisphere, the country is further able to exploit its advantage over the U.S. grape industry, the company's petition said. "Because of the reverse seasons of Argentina and the U.S., Argentina can price their exports after seeing the price of U.S. producers, causing U.S. producers to lose contracts and additional business."

The U.S. International Trade Administration has

initiated an investigation into whether Argentinian white grape juice concentrate, or WGJC, is being dumped onto the American market at unfair prices that injure the domestic industry.

The cooperative alleges that Argentinian juice concentrate has eaten into U.S. market share to the point that most other American producers have been driven out of the business.

"Further, over the last 20 years, the U.S. domestic producers have seen their market share reduced by 89% and the Argentinian market share increase by 73%," the petition said. "This overtaking of the domestic market has caused multiple producers to exit the industry over the last 20 years, leaving only the petitioner and a few other domestic producers."

In the early 2000s, American grape growers annually produced about 30 million gallons of the product, which is made from fruit that doesn't meet grade standards for table grapes, wine or raisins.



Kent Porter/Associated Press File

**White grape juice concentrate is produced from fruit that fails to meet grade standards for wine, raisins and table grapes. U.S. trade authorities have started an investigation into whether Argentinian white grape juice concentrate is hurting the domestic industry.**

The company claims that U.S. production of the juice concentrate has since fallen to about 7 million gallons a year as "cheap imports from Argentina erode domestic market share."

The high-sugar juice concentrate is mostly used as a natural sweetener in jams, jellies, candy, syrup and pharmaceuticals, as well as being added to other fruit juices or made into wines

and brandies.

The Argentinian government exports the juice concentrate to prevent wine surpluses, deciding each year how much grape production will be redirected into the ordinarily less-profitable juice market, the petition said.

A gallon of Argentinian juice concentrate is sold in the U.S. for roughly \$2 less than the American-produced

product, a discount of 25%, the cooperative said.

"Unfortunately, due to the nature of the business, the U.S. domestic producers of WGJC cannot fully ascertain when a contract was lost to Argentina until a buyer comes back after a shortage of imported WGJC leaves them in need of a domestically produced product that does not have any shipping restrictions," the petition said.

The Argentinian government wants to make its wine "more exclusive," which led it to establish the quota system that restricts the amount of grapes crushed for wine-making, the company said. Grape growers are paid subsidies for crops that are directed toward juice concentrate.

"Thus, it is not a situation where Argentina's natural production costs are simply lower, or their production levels are simply increasing," the petition said.

The U.S. is the biggest importer of Argentina's white grape juice concentrate, fol-

lowed by Japan, Canada and China — collectively representing three-fourths of that country's exports of the product, the petition said.

The grape juice concentrate is an "extremely low-margin product" for which the "difference between viability and loss is measured in pennies per unit," so Argentina's market manipulation has allowed the country to devastate the competition, the cooperative said.

Though U.S. producers generate a fraction of the juice concentrate they once did, the federal government can mitigate their losses by imposing tariffs on the Argentinian product, the petition said.

"The loss of sales and loss of market share in the U.S. need not be permanent, however," the company said. "Corrective measures to restore the market to competitive balance would allow U.S. grape growers to take the grapes that were once used for U.S.-made WGJC and are now going to waste and rebuild the U.S. WGJC industry."

## April storms delay some sugar beet planting activity around Northwest

By **BRAD CARLSON**  
Capital Press

Unusually heavy mid-April snow and rain have slowed sugar beet planting in Idaho and Oregon, but farmers say it gave the long-season crop a better chance to thrive through this year's continuing drought.

Boise-based Amalgamated Sugar anticipates its approximately 700 grower-owners will plant about 180,000 acres to sugar beets, similar to 2021, public affairs manager Jessica Anderson said.

Brodie Griffin, Amalgamated vice president of agriculture, said April 13 that planted acres so far totaled around 53,000.

"It's a good place to be," he said. "We're kind of in a holding pattern waiting for this cold and wetter weather to leave."

Planting is a bit behind schedule, but Griffin is not concerned.

"Depending on what the rest of the month gives us, we may be able to make it up" as conditions dry and planters restart, he said. "It would be nice to get more (water) out of this. We'll take whatever we can get."

Chris Payne, who farms in the Ontario-Vale, Ore., area, finished planting this week.

He said he had "extremely dry" planting conditions. A cover crop he planted last fall helped keep expensive beet seed in the ground despite high winds early in the month.



Courtesy of Brad Griff

**Southeast Oregon farmer Chris Payne fills a planter with sugar beet seed.**

"It has been so dry that a lot of beets were in dry dirt waiting for water," Payne said. "They haven't sprouted yet, so frost is not going to hurt them. So I guess it's a small blessing."

He farms in three irrigation districts, one of which faces an especially low supply.

"I basically planted beets where I have water in the district or auxiliary water to help supply" such as wells and drainage ditches, Payne said. His acreage total is similar to 2021.

"I think we'll be able to have a crop if we can have moisture at the end to finish," he said. If supply is low heading into August, "finishing out could be a challenge."

Brad Griff, executive director of the Snake River Sugarbeet Growers Association, said growers and irrigation companies know how

much water the crop will need through the season. Recent heavy precipitation helps save water for when it's needed most.

Association President Randy Grant, who farms in the Eden-Hazelton area of south-central Idaho, finished planting April 8, about 12 days before many neighbors will start. Finishing early leaves more time to prepare for planting a sizable potato crop.

He said he had good soil and other planting conditions for beets.

Farmers are concerned about moisture and irrigation water amounts this season, Grant said.

"It's too early to tell," he said. "Obviously this storm system is putting moisture into the watershed."

Western Idaho farmer Galen Lee on April 14 was waiting for drier conditions to plant the quarter of his beet crop that remained. Earlier, some growers in the area replanted following wind and frost.

"I'm fortunate I have enough water," he said. "It might shut off a little early. We need good yield and a good return to cover higher input costs."

Amalgamated, whose acres are represented by shares growers can transfer among themselves, "knows there are growers in some areas who are going to have a difficult time getting water for the whole season, and we are working through that internally with those growers," Anderson said.

## Agency forecasts high diesel prices; war roils supply lines

By **DON JENKINS**  
Capital Press

The inflation-adjusted price of diesel will be at its highest summer level since 2014, as the Russian invasion of Ukraine upsets the global flow of fuel for trucks and tractors, the U.S. Energy Information Administration predicts.

On-highway diesel will cost an average of \$4.57 a gallon between April and September, up from last summer's \$3.28 and the five-year summer average of \$2.92, according to the EIA forecast.

The EIA does not predict diesel prices by region. West Coast diesel prices typically are higher than the national average.

While diesel was \$5.07 a gallon nationwide on April 11, it was \$6.22 in California and \$5.23 in several other Western states, including Oregon and Washington. It was lower, \$4.14, in Idaho and other Rocky Mountain states.

The EIA predicted that gasoline will average \$3.84 a gallon nationally, up from \$3.06 last summer. West Coast gasoline prices are expected to be \$4.67 a gallon.

Although EIA's forecast calls for fuel prices to mod-



Don Jenkins/Capital Press

**The U.S. Energy Information Administration forecasts inflation-adjusted summer diesel prices will be the highest since 2014.**

erate from the recent spikes, COVID and Russia's war on Ukraine likely will keep petroleum costs volatile, according to the agency.

"The ultimate price U.S. consumers pay for gasoline and diesel this summer will depend on the course of global oil supply and demand in the coming months, which are very uncertain," the agency stated in its outlook.

Russia's war on Ukraine caused a jump in crude oil prices, the primary driver of fuel prices. But prices already were being pushed up by increasing consumption and low inventories, according to the EIA.

U.S. diesel consumption is expected to nearly return to pre-pandemic summer 2019 levels. The sea-

son, however, will start with a low inventory. From mid-2020 to this February, global petroleum production was below consumption.

U.S. refineries are expected to increase diesel production this summer, but the EIA anticipates more than half the increased output will be exported, likely effecting prices in the U.S.

The top export markets for U.S. diesel are in the Americas, while Russia exports a substantial volume of diesel to Europe. If sanctions and private company divestitures reduce Russian imports, the U.S. may send more diesel to Europe, the EIA said.

The demand for diesel likely will make diesel production attractive to U.S. refineries, according to EIA.

## New settlement deal struck in \$2.2 million hemp seed lawsuit

By **MATEUSZ PERKOWSKI**  
Capital Press

An Oregon hemp company has struck a settlement deal with a Nevada farm it had accused of wrongly rejecting \$2.2 million worth of hemp seed.

Earlier this year, Phyllos Bioscience in Portland, Ore., filed a federal complaint alleging that Silver Lion Farms of Ely, Nev., breached a hemp seed contract.

The Oregon plaintiff claimed the Nevada company agreed to buy 23 million hemp seeds in 2020 for about \$3 million.

The shipment was to include two varieties of hemp seed that would be

enough to plant nearly 1,000 acres upon delivery in 2021.

Silver Lion Farms paid for 25% of the contract price and received about 4 million seeds of one variety but refused to accept or pay for the remainder of the seeds it had ordered, the complaint said.

Phyllos Bioscience claimed it had relied on the agreement to purchase seed from another hemp farm in Oregon and accused the defendant of fraud, contract breach and plant patent infringement.

The lawsuit sought three times the amount of damages and compensation for litigation costs.

However, earlier this month, the parties notified the judge overseeing the case that they'd reached a

settlement under which Silver Lion Farms would pay the remaining money owed to Phyllos Bioscience over the next two years.

U.S. Magistrate Judge Jolie Russo in Portland has now agreed to conditionally dismiss the lawsuit, contingent on the defendant living up to the terms of the settlement.

Until the dismissal is final, the case will remain inactive so that Phyllos Bioscience can move to enforce the deal, should that become necessary, the judge said.

Similar disputes in the hemp industry have erupted due to the drop in prices for biomass and extracts from the crop, which has suffered from an oversupply after a planting surge in 2019.

### LEGAL

#### PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/25/2022. The sale will be held at 10:00am by

COPART OF WASHINGTON INC  
2885 NATIONAL WAY WOODBURN, OR 97149

VIN = 4T9AT1215MH049153  
Amount due on lien \$1995.00  
Reputed owner(s)  
JUSTIN STONE

### LEGAL

#### PUBLIC NOTICE OREGON WHEAT COMMISSION BUDGET HEARING MAY 9, 2022, 10:15 AM

As required by ORS 578.151, the Oregon Wheat Commission will accept public comments on its fiscal year 2022-23 budget at the above date and time. Access the meeting at the Fairfield Inn, 2014 W. 7th Street, The Dalles, Oregon or via videoconference at <http://www.zoom.us/join> or phone at 1-253-215-8782 with Meeting ID 871 3498 5151 and Passcode 792954.

Copies of the Commission's Proposed 2022-23 budget are available online at <https://www.owgl.org/owbudget>. Public comment related to the proposed budget may also be submitted via email to [tsimpson@oregonwheat.org](mailto:tsimpson@oregonwheat.org) by May 5, 2022.

For accommodations for persons with disabilities, make a request at least 48 hours (Monday-Friday) before the meeting by contacting the Commission at (503) 467-2161.

### LEGAL

#### PURSUANT TO ORS CHAPTER 819

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 04/27/2022. The sale will be held at 10:00am by

PREMIER TOWING & RECOVERY  
305 JEFFERSON ST SILVERTON, OR 97151

VIN = 5S5WVF4J2GU121087  
Amount due on lien \$3712.00  
Reputed owner(s)  
PAUL JOSEPH RUGGLES  
ONPOINT COMM CU

### LEGAL

The Soil and Water Conservation Commission (SWCC) will hold its regular quarterly meeting from 8:30 a.m. to 4:30 p.m. on Tuesday, May 17, 2022, at Willow Lake Wastewater Pollution Control Facility, 5915 Windsor Island Road N, Keizer, OR 97303. Virtual attendance also is available. Information on how to attend virtually can be found at: <https://oda.direct/Meetings>. The regular quarterly meeting agenda covers SWCC reports, advisor reports, Soil and Water Conservation District programs and funding, Agriculture Water Quality Management Program updates, and other agenda items. The Oregon Department of Agriculture complies with the Americans with Disabilities Act (ADA). If you need special accommodations to participate in this meeting, please contact Sandi Hiatt at (503) 986-4704, at least 72 hours prior to the meeting.

### LEGAL

#### NOTICE OF RYEGRASS GROWERS SEED COMMISSION BUDGET HEARING

TO: ALL OREGON RYEGRASS GROWERS  
Notice is hereby given that a public hearing will be held pursuant to ORS 576.416 (5), on Tuesday, May 17, 2022, at 6:00 p.m., at the Cascade Grill Restaurant, 110 Opal St. NE, Albany, Oregon, upon a proposed budget for operation of the Ryegrass Growers Seed Commission during the fiscal year July 1, 2022 through June 30, 2023. At this hearing any producer of Oregon-grown Ryegrass seed has a right to be heard with respect to the proposed budget, a copy of which is available for public inspection, under reasonable circumstances, in the office of each County Extension Agent in Oregon. For further information, contact the Oregon Ryegrass Growers Seed Commission business office, P.O. Box 3366, Salem, Oregon 97302, telephone 503-364-2944. The meeting location is accessible to persons with disabilities. Please make any request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities at least 48 hours before the meeting by contacting the Commission office at 503-364-2944.

### LEGAL

#### PURSUANT TO ORS CHAPTER 98

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/06/2022. The sale will be held at 10:00am by

BAKER & BAKER TOWING & CRANE  
2874 NEWBERG HWY WOODBURN, OR 97149

VIN = 3H3V532COET198009  
Amount due on lien \$10707.50  
Reputed owner(s)  
> NTS TRAILER SERVICES INC

### LEGAL

#### PURSUANT TO ORS CHAPTER 87

Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/02/2022. The sale will be held at 10:00am by

COPART OF WASHINGTON INC  
2885 NATIONAL WAY WOODBURN, OR 97149

VIN = JF1GD296746506692  
Amount due on lien \$1775.00  
Reputed owner(s)  
JOSHUA BRADLEY BULL  
CLACKAMAS FEDERAL CREDIT UNION