

## Trump-Xi showdown may be turning point for US-China trade

President Donald Trump says he's still confident the U.S. and China can reach a deal to end the trade war, but talks have all but collapsed, both sides are threatening even more or steeper tariffs and the U.S. is scrambling to protect farmers with more aid.

Much may hinge on a scheduled meeting between Trump and Chinese President Xi Jinping when



*Trump and Chinese President Xi Jinping meet at the G-20 Summit in 2017.*

the two leaders attend a G-20 summit in Osaka, Japan on June 28-29. No new negotiating rounds have yet been scheduled before Trump and Xi are scheduled to meet.

**“I think it's going to turn out extremely well,”** Trump said Tuesday about the talks in general with China. “We're at a very strong position.”

But it doesn't feel that way for many in the U.S. ag sector, especially the farmers and ranchers who have been hit the hardest by China's retaliatory tariffs.

**“The U.S. has been at the table with China eleven times now and still has not closed the deal,”** says American Soybean Association President Davie Stephens. “What that means for soybean growers is that we're losing. Losing a valuable market, losing stable pricing, losing an opportunity to support our families and our communities. These trade negotiations are serious for us. Farming is our livelihood.”

U.S. soybean exports to China virtually halted last year after the Chinese hit them with a 25 percent tariff, just part of the country's retaliation that also drastically curtailed U.S. shipments of sorghum, pork, oranges, apples and almonds, just to name a few.

The U.S. exported \$3.1 billion worth of soybeans to Chinese importers in the 2018 calendar year, about a quarter of the \$12.3 billion it sold to them in 2017, according to USDA data.

**American Farm Bureau Federation President Zippy Duvall on Tuesday made a plea directly to Trump to end the trade war with China. Farmers, Duvall said, are frustrated and some are just giving up.**

"I am hearing anecdotal reports of farmers, particularly those who are dealing with planting delays due to weather, deciding not to plant a crop this year because there's just no market for it," Duvall said in a letter to Trump dated May 14, a copy of which was obtained by *Agri-Pulse*. "We ask that your trade negotiators make a deal as soon as possible to end the tariffs that are slashing our exports, destroying a once-promising market for agriculture, worsening the farm economy, and contributing to high levels of stress and uncertainty for many farm and ranch families and other Americans whose jobs are connected to agricultural production."

**California farmers saw their orange exports to China drop by 75 percent this year because of import taxes as high as 51 percent, Joel Nelsen, strategic adviser and past president of California Citrus Mutual, told *Agri-Pulse*.**

Trump continues to say that China is desperate for a deal to end the trade war — and he's still confident he has the upper hand - but the two countries are further apart than they have been since December when a Trump-Xi meeting in Argentina appeared to revitalize talks.

"But we had a deal that was very close, and then they broke it," Trump said Tuesday. "They really did. I mean ... more than renegotiate, they really broke it. So we can't have that happen."

U.S. Trade Representative Robert Lighthizer announced the breakdown in talks on May 6, just after he and Treasury Secretary Steven Mnuchin returned from trade negotiations in Beijing. China, he said, had reneged on several major promises. That same day, he announced the U.S. would increase the tariff rate on \$200 billion worth of Chinese goods. Soon after, China responded by announcing it would raise the tariff rates on \$60 billion of U.S. products.

It could get worse.

Trump has threatened to hit China with a 25 tariff on another \$300 billion worth of its products. That, together with the existing tariffs on about \$250 billion of goods, would cover all of what the U.S. imports from the Chinese.

China has threatened to retaliate again.

Lighthizer didn't go into detail about China's broken promises, but USDA Trade Undersecretary Ted McKinney told reporters Tuesday that ag policy was impacted by China's alleged backsliding on agreements.

**“The discussions on ag had gone well,” McKinney explained. “We were pleased, but ... we were on a digital video conference (with the Chinese) and I looked at (USTR Chief Agricultural Negotiator Gregg) Doud and he looked at me and we said, 'this is different,' and we sensed the backsliding starting ... There was distinctly a change of views by (the Chinese negotiators).”**

Beyond the requests for China to simply make massive purchases of U.S. farm commodities, the U.S. has also been pressing the country to change policies that restrict U.S. exports. U.S. negotiators have asked China to remove bans on ractopamine and growth hormones, overhaul its biotech approval system, enact grain quotas and end domestic price subsidies.

But all of that is in doubt, and farmers are increasingly expressing frustration.

**“We’ve been understanding during this negotiation process, but we cannot withstand another year in which our most important foreign market continues to slip away and soybean prices are 20 to 25 percent, or even more, below pre-tariff levels,”** said ASA Chairman John Heisdorffer. “The sentiment out in farm country is getting grimmer by the day. Our patience is waning, our finances are suffering, and the stress from months of living with the consequences of these tariffs is mounting.”



*USDA Trade Undersecretary Ted McKinney*

That sense of frustration from America’s heartland is loud and clear to the White House. It’s also a major reason the Trump administration is pressing USDA to quickly put together a massive new assistance package for farmers and ranchers. (See *Agri-Pulse* story on trade aid here.)

**The message to farmers, McKinney said Tuesday, is “we’ve got your back.”**

“In truth, do we want that?” McKinney said about more assistance after the first \$12 billion package that was unveiled last year. “Do farmers and ranchers want that? No. None of us want it, but we’re grateful that it’s there as a way of saying, ‘Until we straighten out some of these ... unfair trading practices, we’re at least going to give our farmers and ranchers a backstop.’”

**Farmers are hurting even with government aid, Duvall said in his letter to Trump.**

**“In 2018, U.S. agricultural exports to China declined \$10 billion—about a 50 percent loss,” Duvall wrote. “This is a drastic reversal for what had been a growing market.”**

But Doug Schroeder, a soybean farmer and Vice Chairman of the Illinois Soybean Association, just wants the trade war to end.

“That’s no long-term way to run a business, Schroeder told *Agri-Pulse*. “We want to thrive as an industry and ... We need the ability to do what we do: Put beans in the ground and grow that competitive crop the world needs ... We don’t want the bailout.”

USDA hopes the timing of the assistance package – something McKinney said could be released in “days, not weeks” – will not change the minds of local farmers or global grain buyers. Despite Trump’s tweets and their heavy emphasis on global food aid, McKinney said **“we do not want to do anything that would hurt possible, potential commercial sales.”**

Bill Northey, the undersecretary charged with leading USDA’s farm programs, said one of USDA’s principles in developing the package is **“not to influence planting decisions for producers.”** That may be a tough goal to achieve given the timing of announcement; producers across the country are battling wet conditions that are delaying their fieldwork, so any program announced in the next few weeks may well hit the news before planters hit the storage sheds.

**“Plant for the market, don’t plant for a package that’s yet to be decided what it is; Don’t try and guess what it’s going to be,”** Northey cautioned. **“I don’t know exactly what it’s going to end up being.”**

According to USDA’s weekly Crop Progress Report, only 30 percent of the nation’s corn crop is in the ground (less than half of the 66 percent five-year average) and a mere 9 percent of soybeans are planted (about a third of the 29 percent five-year average).

## **The almond industry’s secret to weathering a storm of tariffs**

As trade tensions ratchet up with China, the growing almond industry is becoming a larger target for tariffs. Along with China, Turkey and India have raised tariffs, while the Australian almond industry is rapidly expanding into the China space and inspection costs take a toll on the Japanese market.

**“There are a number of different factors that are going to get in the way of business and get in the way of trade really happening for agriculture in California,”** said Julie Adams, vice president of global technical, regulatory and government affairs for the Almond Board of California, while presenting to the California State Board of Food and Agriculture last week.

About 70 percent of the almonds grown in California are exported to more than 100 countries worldwide, accounting for 80 percent of the global supply. China, India and Turkey account for more than \$1 billion in annual sales, according to the Almond Alliance of California. The supply



is also growing. The U.S. Department of Agriculture National Agricultural Statistics Service released a report last week predicting a nine percent increase in California production this year, following a seven percent increase last year.

California almond exports remain strong and continue expanding globally, but the strength of that market is now being tested.

When President Trump levied Section 232 tariffs on steel and aluminum imports, China responded in April 2018 with tariffs on farm goods worth \$3 billion. Almonds and other specialty crops were included in that “first wave.” The second wave came after the U.S. levied 301 tariffs on China. While the focus was on soybeans, almonds were again included.

In total, China has levied a 50 percent tariff on shelled and in-shell almonds. From August to March, almond shipments to China plunged by 31 percent in response, affecting \$135 million-worth of goods.

Now as the Almond Board prepares to move forward on a proposal with the Chinese government to access a new market for almond hulls, the Trump administration is raising and expanding tariffs on Chinese products. The latest response from China, however, is impacting only sweetened almonds.

**“I would say that we’ve been lost in the conversation,” said Adams. “But the problem is that agriculture to a large extent – and specialty crops – have almost become collateral damage in some of these conversations.”**

With U.S. shipments to China down, Australia ramped up its almond exports to the country by 1,800 percent in 2018, to \$75 million annually. Adams attributes that to a free trade agreement between the two countries that fell to nearly zero percent for tariffs at the start of 2019. Australia also increased its almond exports to Asia overall by 40 percent during that time.

Japan has been hitting California almonds with added costs as well. In most global markets, the industry has established a pre-export program for testing aflatoxins. That has led to less than one percent of the shipped products being tested in those countries. Yet Japan has set different standards, which require testing 100 percent on a number of products going into the country, including almonds. If rejected, those shipments are sent back to the U.S. and face what Adams referred to as its own set of challenges with the U.S. Food and Drug Administration’s goods return program. European countries, in contrast, allow for appeals and reprocessing, in order to move the products forward.

Meanwhile, almonds are now the number one agricultural export to India, with shipments increasing by 20 percent from 2017 to 2018. The tariffs, however, have been rising as well, from 35 to 42 rupees per kilogram for inshell almonds, according to the Almond Alliance.

Turkey also has a 35-percent tariff on almonds.

As it did during California’s extreme drought, the industry has been weathering the difficult conditions by balancing investments across a diversity of products and markets.

Blue Diamond is now the nation’s fastest growing mid-sized food company, according to President and CEO Mark Jansen. During a meeting with the company’s almond growers, Jansen also said the global market is the fastest growing part of the business, as well as the most profitable and the least pricey.

The almond processor and marketing company has been playing it safe by investing a third of its products into the global consumer market, a third in ingredients for food companies and a third in commodities.

**“Sometimes one is going up and one is going down,” said Jansen. “I use the analogy of a stock portfolio. Having multiple stocks is a lot like having multiple markets and products. Your ability to weather storms is much better.**



## Land values swing under speculative impacts of SGMA

Sale prices are favoring properties with reliable surface water access, while land reliant on groundwater continued to drop in value last year. The trends reflect buyer concerns over the implementation of the Sustainable Groundwater Management Act (SGMA) that begins next year. For economists, the numbers are surprising, since the state has yet to enforce SGMA and laws over groundwater rights and water trading are years away from being determined.

The sales price trends are part of an annual report released recently by the California Chapter of the American Society of Farm Managers and Rural Appraisers (ASFMRA).

Land appraiser Janie Gatzman, who co-chaired the report committee, notes in the report summary that most ag land overall showed stable values in 2018. **But she points to the central and southern San Joaquin Valley, where buyers are well aware of SGMA and “the water source uncertainties it poses to these areas.”**

**Gatzman found that sale prices for Fresno County farmland that was completely reliant on well water fell by a mean decrease of 20 percent over the past year. Neighboring land in eastern Fresno County with surface water, meanwhile, increased by a mean of eight percent.** Madera County had a similar situation. Farmland with only well water dropped by 41 percent from a peak value in 2015. Districts in the valley with reliable water delivery have been seeing stable growth in land values.

By contrast, the Napa Valley has seen steady upward growth in sales prices. Sonoma County premium vineyard values increased by 17 percent over the prior year. These vineyards were selling for around \$140,000 per acre, with one well-established outlier selling at \$310,000 per acre. Central Valley vineyards, however, have seen a steady decline, with the Lodi area experiencing a 14 percent drop in from its peak value in 2017.



UC Davis Prof. Daniel Sumner

Along the Central Coast, the Paso Robles Groundwater Basin is experiencing unprecedented issues as well. The local water district recently began restricting new wells for vineyard plantings. Sale prices for vested land, which had existing well water rights, increased by 17 percent over the prior year, while other sale prices fell to just 40 percent of the average vested land value.

Daniel Sumner, an agricultural economics professor at the University of California, Davis, cautions that these land values cannot accurately reflect the actual value groundwater access would have for a property.

**“You can't sell something unless you can measure it and you know who owns it,” he said. “The groundwater situation is risky, because land buyers really do not know what the SGMA policy will bring.”**

Some farmers may not be allowed to pump at all in dry years, he added. Other landowners may fallow their land in order to store groundwater and sell it at exorbitant rates during dry years.

State agencies are just beginning to explore ideas for potential water trading markets. Last month, Governor Gavin Newsom tasked the Department of Food and Agriculture, the Natural Resources Agency and the California Environmental Protection Agency with developing a

“water resistance portfolio” that would potentially address water trading under SGMA along many other climate-related water challenges across the state.

The Public Policy Institute of California (PPIC) has also shown the need for water trading rules. It released a [report](#) in February pointing to the need for a portfolio approach toward relieving the water issues in the San Joaquin Valley and minimizing the amount of farmland to be fallowed under SGMA. During a presentation on that report, Ellen Hanak, director of the PPIC Water Policy Center, said water trading among farmers would reduce losses by nearly half.

Secretary Karen Ross of the Department of Food and Agriculture agreed:

“The sooner we can better identify the legal rights aspect,” she said, “will really help drive this and make our trading system much more robust.”

## **Bayer vows to keep fighting Roundup cases after \$2B verdict**

Bayer is not backing down from its defense of glyphosate following a jury’s award of more than \$2 billion to a California couple who allege their use of Roundup over about 30 years caused their non-Hodgkin’s lymphoma.

The verdict in Alameda County Superior Court in California came after a five-week trial that included 17 days of testimony, 16 witnesses, and a trial transcript of more than 5,000 pages. In the end, jurors found Monsanto, now owned by Bayer, was negligent in failing to adequately warn Alberta and Alva Pilliod of the risks of using Roundup, and that the company should have known of the risks. In calculating the punitive damages, the jurors found one or more Monsanto officials had acted with “malice, oppression, or fraud.”

It was the third trial in a row to go the plaintiffs’ way: Dewayne Johnson won \$289 million in state court last year; his award was pared down to \$78.5 million by the trial judge in that case, and Bayer is now appealing that decision. In federal court, Edwin Hardeman was awarded about \$80 million, and Bayer has vowed to appeal that verdict, as well.

Each of the Pilliods received different amounts in compensatory damages that together total \$55 million. But it was the \$1 billion each in punitive damages that caught people’s attention.

**“That’s a huge verdict,” said attorney Clay Massey, who specializes in toxic tort cases for the law firm Alston & Bird. “It’s eye-popping.”**

Calls for Bayer to settle are increasing, most notably by plaintiffs’ lawyer Brent Wisner of Baum, Hedlund, Aristei & Goldman, who said at a post-trial [news conference](#) that “financial people in Germany” had told him Bayer could take a \$22 billion write-off and pay existing claims. “We’ve been willing to talk to them; we’re always willing to talk to them,” he said.

Massey, however, said it doesn’t make sense at this point for Bayer to start settling cases, because the dollar amount of settlement demands and the number of cases — 13,400 by Bayer’s own estimate — are so large.

“With that many cases, and these cases setting the tone ... there’s likely not a scenario where they can start settling,” he said.

Instead, echoing Bayer's stated strategy, he said, **"They need to win in the courts of appeals on these cases."** In addition, "They need to try cases they can win and win them."



Clay Massey, Alston & Bird

**Bayer says there are many issues on appeal that need to be decided. "None of our verdicts have been subject to appeal and there are several critical legal issues that must be assessed at the appellate level that cover causation, failure to warn, punitive damages and even whether cases based on state law claims are preempted by federal law," Bayer spokesman Chris Loder said.**

In the Pilliod case, he said Bayer has not decided on specific argument for appeal, "but it could potentially cover that the scientific evidence presented at trial failed to prove that Roundup caused plaintiffs' cancer, that there is no basis for a different warning given the international consensus that Roundup is safe, and that the claims in this case are preempted by federal law."

The issue of causation — whether exposure to Roundup contributed substantially to plaintiffs' non-Hodgkin lymphoma — will be critical on appeal, Massey said.

"The trial courts have allowed into evidence causation opinions by plaintiffs' experts that are subject to challenge" under the *Daubert* standard, named for a Supreme Court decision laying out guidelines for when expert witness testimony can be admitted, Massey said. "They need to raise these challenges for review in the courts of appeals." Bayer may be helped by U.S. District Judge Vincent Chhabria's characterization of plaintiffs' experts' opinions as "shaky" in the Hardeman case.

**The punitive damages award in the Pilliods' case is vulnerable because of limits set by the U.S. Supreme Court on the amount of punitive damages state courts can award. "If it's too large, it can be seen as excessive," Massey said.**

Bayer spokesman Loder also went after what he called the "cherry-picked" toxicological and epidemiological studies presented by the Pilliods' lawyers. "In our appeals and in future cases we are going to continue our efforts to exclude, limit, or if necessary, help juries see past this cherry-picked and unreliable science," he said.

But lawyers for the plaintiffs were defiant. One of them, Mike Miller of the Miller Law Firm, said flatly at the news conference, "The appeals will not go Monsanto's way."

The verdict comes at a difficult time for Bayer, whose stock price has lost almost half its publicly traded value since the purchase of Monsanto for \$63 billion about a year ago.

Bayer CEO Werner Baumann and the rest of his leadership team received a vote of no confidence from shareholders late last month at their annual meeting in Germany. Though symbolic, the 55-45 percent margin was a clear signal that shareholders are not happy with the direction of the company, which has lost almost half its publicly traded value since the purchase 11 months ago.





“The major factor weighing on the share price is the product liability litigation concerning glyphosate in the United States,” Baumann told shareholders April 26. “The lawsuits and the first verdicts concerning glyphosate are placing a heavy burden on our company and worrying many people.”

But, he added, **“We are working relentlessly to successfully defend ourselves in the appeal proceedings and the coming trials.”**

On Tuesday, the company’s share price started at \$15.48, close to its 52-week low, before closing virtually unchanged for the day at \$15.55. That price, however, was still down 2.3 percent from the Monday close of \$15.91/share.

## **Candidates use ag merger concerns in rural appeal**

Democratic presidential candidates are trying to make agribusiness mergers into a campaign issue, and some Republicans — as well as farmers — also worry the industry’s recent consolidation trend is increasingly making it harder for growers to make a profit.

Several Democratic candidates, including Vermont Sen. Bernie Sanders, have proposed putting a moratorium on agribusiness mergers.

**“If Teddy Roosevelt were alive today, you know what he would say to these behemoth agribusiness companies: He would say, ‘break them up’.** And, working together, that is exactly what we are going to do,” Sanders wrote on his presidential campaign website.

Sens. Elizabeth Warren of Massachusetts and Cory Booker of New Jersey have also expressed support for a moratorium.

Roger Johnson, president of the National Farmers Union, told *Agri-Pulse* agribusiness consolidation has **“resulted in increased costs for farmers, narrowed profit margins, [offered] less choice for inputs, and reduced innovation.”**

A recent report from the left-leaning Center for American Progress provides some analysis to bolster the case Democratic candidates are making.

“When you put your competitors out of business, you are able to really have a much bigger size compared to your suppliers,” said Andy Green, director of economic policy for CAP. “You are able to raise the prices for those buying your products and lower your products from those you buy from.” The report frequently cites the Obama administration’s Department of Justice field hearings which were held around the country in 2010 but did not result in any crackdown on mergers and acquisitions.

The report says the divestitures the Justice Department required in the recent mergers of Bayer and Monsanto and of Dow and DuPont did not go far enough to limit the impact on farmers.

But the Department of Justice - which required Bayer to divest businesses and assets worth about \$9 billion in order to acquire Monsanto for \$63 billion - **argued that selling assets to BASF would "fully resolve all horizontal and vertical competition concerns."** In a competitive impact statement, DOJ noted that the divestitures will "ensure that BASF replaces Bayer as an independent and vigorous competitor in each of the markets in which the proposed merger would otherwise lessen competition."



*NFU President Roger Johnson*

**“This comprehensive structural solution to significant horizontal and vertical competition concerns—the largest negotiated merger divestiture ever required by the United States—preserves competition in the sale of these critical agricultural products and protects American farmers and consumers,”** said Assistant Attorney General Makan Delrahim of the Antitrust Division in a statement last year announcing the deal.

Bayer was required to divest its businesses that competed with Monsanto. Those included Bayer’s cotton, canola, soybean, and vegetable seed businesses, as well as Bayer’s Liberty herbicide. Dow and DuPont were also required to divest multiple crop protection products. In 2017 FMC acquired the portion of DuPont's Crop Protection business that the European Commission required it to divest- expanding that firm to the fifth largest crop protection chemical company in the world by revenue.

Since 1988, the market share of the largest companies in the corn seed industry has risen from 50 percent to 85 percent in 2018, according to the CAP report.

A 2017 report by University of Illinois economist Gary Schnitkey said the relative stability of corn prices had left seed companies with few options for increasing profitability other than to seek mergers that could potentially make it easier for the combined companies to develop new technologies.

“The resulting new technologies could offer farmer additional value opportunities for which those farmers would be willing to pay a higher price, resulting in revenue growth to the merged company,” he wrote.

He said that corn seed costs were unlikely to decrease significantly until acreage declined, and that farmers were reluctant to shift from corn because of its profitability.

A recent analysis by Farmers Business Network, an independent farmer-member company, showed the price of corn seed has remained relatively flat the last five years at an average of \$315 per bag.



Rep. Rick Crawford, R-Ark.

Reports by USDA's Economic Research Service point to market forces and the emergence of new technologies as the reasons driving industry consolidation, but a presentation last year by James McDonald, questions whether more recent merger policies are the correct strategy.

Concerns aren't limited to Democrats. Rep. Rick Crawford, R- Ark. told *Agri-Pulse* the topic of agribusiness consolidation comes up all the time when he visits with farmers back in his district.

**“Fifty percent of the inputs for U.S. agriculture are going to be in the hands of very few people and potentially foreign-owned entities, which presents a national security challenge,” Crawford said.**

Crawford has heard consolidation concerns from small seed dealers specifically. He said it puts an “enormous amount of pressure” on them when you talk about their ability to compete.

Texas cotton producer Matt Huie told a House Agriculture subcommittee recently that consolidations of major ag companies have taken competition out of the marketplace for technology and seed.

“They’re all selling the same products and that is part of what has held our input costs high, because there isn’t really a great option out there to lower our input costs,” Huie said.

**NFU’s Johnson said there should be a publicly funded independent study on consolidation and mergers moving forward.**

“We should be making policy decisions about whether we should allow continued consolidation or whether we ought to be able to make changes to the law to prevent mergers,” he said.

In some cases, Johnson said the government also may need to reverse some of the mergers that have already taken place.

## **USDA resets garden to focus on innovation**

If you visit USDA this summer and fall, or stop by the Farmers Market on Fridays, you’ll have a chance to learn a bit more about modern farming and ranching – both conventional and organic.

**“The garden is going to highlight some of the innovation in agriculture from a precision perspective,”** noted Greg Ibach, USDA's undersecretary for Marketing and Regulatory Programs, during an interview with *Agri-Pulse*. “We are going to use the garden as an opportunity to highlight some of the things farmers and ranchers do every day - all year long - to be able to produce food for consumers.”

The effort is part of a two-year cooperative agreement with the Farm Journal Foundation (FJF) and USDA's Agricultural Marketing Service (AMS) to share the story of how food travels from seed to table through a new Modern Ag Garden.

Ibach says we “**already have 8 different iPads set up to help educate consumers about how food is produced**” but other displays will showcase soil moisture monitors to inform how farmers only irrigate when they really need to provide water to the crops and “**how we are trying to get more crop per drop of water.**” Another exhibit will focus on how farmers scout for pests before applying pesticides.



*USDA gardens as they appeared in 2018.*

Ibach said the effort got off to “a bit of a late start,” but crops and displays will rotate throughout the year and there will be a lot of educational

opportunities on Friday during the Farmers Market – which is co-located next to the garden on the east side of USDA's Whitten building – to “expand the garden's reach.”

He says the gardens will occupy the same amount of space as in the past but will no longer be solely organic. “We're going to be able to tell the stories about both production methods.”

“Each summer hundreds of thousands of Americans travel to Washington, D.C., to learn about our history as a nation,” said Tricia Beal, CEO of Farm Journal Foundation. She says a central component of the visitor experience in the Modern Ag Garden will be the video-based “Voice of the Farmer,” which shares the story of agriculture through the “authentic and relatable voices of working farmers and ranchers.” A mobile phone-based walking tour of the Modern Ag Garden – narrated by farmers and ranchers — will be available 24/7.

Farm Journal's Trust in Food platform and The National Corn Growers Association are partners, directly supporting FJF in this program.

## **News Briefs:**

**EPA to expedite chlorpyrifos registration review.** The Environmental Protection Agency has until 2022 to reevaluate the registration for chlorpyrifos, but the leader of the agency's Office of Chemical Safety and Pollution Prevention doesn't expect it to take that long. Speaking Tuesday to members of the National Association of Farm Broadcasting, OCSPP Assistant Administrator Alexandra Dunn said the EPA will expedite the review of chlorpyrifos and hopes to complete their work prior to the 2022 deadline because “we recognize that certainty around the future of chlorpyrifos as well as the other organophosphates is very important to the growers.” The agency is also working to comply with a court order to address concerns stemming from a denied 2007 petition from the Pesticide Action Network North America and the Natural Resources Defense Council. The 9<sup>th</sup> Circuit Court of Appeals has ordered the EPA to

respond to objections to that denial by July, but Dunn said, “the action you see us take July will probably not completely resolve the agency’s standing on chlorpyrifos at this time.”

**Today is Citrus Stride Day.** “Hunger is an issue affecting too many Californians,” according to a resolution passed this week by the state Senate. Citrus Stride Day addresses this challenge by donating to food banks 1,000 pounds of citrus for every lawmaker who participates in the one-mile walk around the capitol. During the vote, 72 senators joined the resolution as coauthors. Government representatives and staff are invited to take part in the event which is expected to raise over 300,000 pounds of fresh citrus for community food banks across the state. The Citrus Stride will kick-off at 12:00 p.m. with brief remarks by CCM President/CEO Casey Creamer and special guest Senate Pro Tempore Toni Atkins. More details at California Citrus Mutual.

**Cargill expands investments in cultured meat.** Cargill announced that it will join other partners in investing \$11.65 million in Aleph Farms, an Israeli food tech incubator focused on growing complex meat varieties like steak. Aleph Farms grows meat directly from beef cells using a 3D tissue engineering platform. In December 2018, it achieved a world-first by demonstrating it could grow a steak directly from bovine cells, according to Cargill. Aleph Farms plans to begin building bio-farms and move toward a limited consumer product launch with steak grown under controlled conditions within three-to-five years "Cargill is committed to innovation and we are delighted to be a part of Aleph's accelerated growth," said Sonya Roberts, managing director of growth ventures and strategic pricing for Cargill Protein North America. "This partnership connects new frontiers in cell-based technology with insights in the global food system and supply chains to meet future customer and consumer needs." While cultured proteins represent a relatively small portion of Cargill's \$1.5 billion traditional animal protein portfolio, the company says it sees value in investments in innovators like Aleph Farms. "Consumer demand for protein continues to be very strong. That means there's an opportunity for plant and cultured protein growth to complement our traditional animal protein portfolio," said Roberts. The investment in Aleph Farms builds on Cargill’s other partnerships in alternative protein. In 2017, Cargill was an early investor in Memphis Meats, a company leading the way in development of cultured meat. Cargill also is an investor in plant-based protein through Puris, a firm that has launched a new pea-based protein that is non-GMO, organic and allergen-friendly.

**Maui County files Supreme Court brief in CWA case.** Wastewater from a Maui County treatment plant that ends up in the Pacific Ocean after traveling through groundwater should not be regulated under the Clean Water Act, the county argued in a brief filed in the Supreme Court Thursday. “Every tool of statutory interpretation confirms a bright-line and common sense reading of the CWA,” the brief says. “A point source permit is only required for the delivery of pollutants to navigable waters by means of a point source or series of point sources.” The CWA’s state nonpoint source management programs, and other state and federal laws, “apply where pollutants are being delivered to navigable waters by nonpoint sources,” the county said. The case is being closely followed by ag interests who are worried nonpoint source discharges such as manure could be regulated. The case could go away: Some Maui County council members are concerned about how it looks for Maui County to be involved in a case that could result in a Supreme Court decision limiting the scope of the Clean Water Act, and have proposed settling the matter.



## Farm Hands: Unable to solve California water issues, Pope resigns

**Dan Pope** announced his retirement from the Westlands Water District where he served as the special projects manager. Pope joined the District in March 2014 as its COO. Before that, Pope served as the general manager of the Tri-Dam Project and Tri-Dam Power Authority, general manager of Merced Irrigation District, and worked for 26 years in various positions at Pacific Gas & Electric, beginning as a field engineer at the Helms Pumped Storage Project.

Walmart has tapped a Land O' Lakes executive to serve as its new vice president for global food safety compliance. **Sara Mortimore** began her duties on Monday and fills the shoes of **Frank Yiannas**, who left to serve as deputy commissioner for food policy and response at the FDA in December 2018. At Land O'Lakes, Mortimore was vice president of product safety, quality and regulatory affairs. Mortimore studied food science and technology at Seale-Hayne Agriculture College and earned her master's from Leicester University, both in the UK.

The Senate Agriculture Committee advanced three USDA nominations who were originally named in 2018 but never confirmed by the Senate before the last Congress adjourned. The committee approved **Naomi Earp** for assistant secretary for civil rights, **Scott Hutchins** for USDA's undersecretary for research, education and economics and the department's chief scientist, and **Mindy Brashears**, who was named to be undersecretary for food safety. To read more on the advancement, click [here](#).

Last week the U.S. Senate confirmed the appointment of **Kimberly Reed**, **Judith Delzoppo Pryor**, and **Spencer Bachus** to serve on the board of directors of the Export-Import Bank of the United States.

CropLife America (CLA) hired **Manojit Basu** to serve as its managing director of science policy beginning May 28. Before CLA, Basu served as the vice president of regulatory affairs at the Grocery Manufacturers Association (GMA). In this new role, Basu will lead research and advocate to promote the solutions CLA members created, as well as implement and manage science and regulatory policy strategies.

**Jay Vroom** has been named chair of Farm Journal's Trust In Food advisory board. His main responsibilities will be to help Farm Journal launch the largest public-private conservation partnership in the history of American agriculture. Vroom retired in 2018 after 29 years as



Jay Vroom

president and CEO of CropLife America. He serves as chairman of the National FFA Foundation's Individual Giving Council and sits on the boards of the Soil Health Institute and National Wheat Foundation.

The California Fresh Fruit Association (CFFA) selected **Ian Lemay** to serve as its new president, effective June 1. He succeeds **George Radanovich**, who has served in the position since 2016 and will be leaving CFFA to promote Ag labor policy in Washington, D.C. Lemay has served as CFFA's director of member relations and communications since 2015. Before that, he was the district director for Rep. **Jim Costa**, D-Calif.

Rep. **Doug LaMalfa**, R-Calif., promoted **Jack Lincoln** to legislative director from legislative assistant. He will cover the portfolio for agriculture

and food, energy, environmental protection, and natural resources. He succeeds **Colleen McGowan**, who left the office.

**Matt Weisman** is now with the House Transportation and Infrastructure Committee as a counsel for Chairman **Peter DeFazio**, D-Ore. He previously served on the staff of Rep. **Steve Cohen**, D-Tenn., as his legislative director.

**Keane Bhatt** is the new communications director for Sen. **Bernie Sanders**, I-Vt. Bhatt comes to the office from the Congressional Progressive Caucus, where he served as a fellow for Rep. **Raúl Grijalva**, D-Ariz.

**Marty Boughton** is the new communications director for Sen. **Jim Risch**, R-Idaho. She was serving as his communications aide and previously worked for the House Education and Labor Committee as its press secretary.

**Rebekah Rodriguez** joins the staff of Rep. **John Curtis**, R-Utah, as his new legislative aide and correspondent. Rodriguez previously worked in the Office of the Undersecretary for Natural Resources and Environment at the USDA as a staff assistant. Before that, she worked on the subcommittee for national parks, forests, and public lands for the House Natural Resources Committee as a clerk under Rep. **Tom McClintock**, R-Calif.



Andrei Mikhalevsky

**Yianni Varonis** is now serving as the communications director for Rep. **Zoe Lofgren**, D-Calif. Before coming to Lofgren's office, Varonis served in the office of Sen. **Sherrod Brown**, D-Ohio, as his press secretary.

**Elaina Houser** has left the office of Rep. **Bill Pascrell**, D-N.J., where she served as his legislative director. She moved west to become the legislative director of the City of Los Angeles.

California Dairies Inc. President and CEO **Andrei Mikhalevsky** announced he plans to retire at the end of the year. CDI's board of directors have begun the search for the new successor and both the board and Mikhalevsky stated they are committed to ensuring a smooth transition to a new president and CEO.

**Best regards,**

**Sara Wyant**

**Editor**

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