

## Change in dairy landscape prompts CDI, NMPF reunion

As the second largest dairy cooperative in the United States, California Dairies Inc's decision to rejoin the National Milk Producers Federation is a sign the dairy industry is healing some of the divisions that marred the sector in 2007 — the year CDI pulled out of NMPF.

**“Whatever issues led to us not continuing our membership 12 years ago, which was before my time, we are a more national industry now,”** Rob Vandenheugel, vice president of industry and member relations for CDI, said in an interview with *Agri-Pulse*.

National Milk's board of directors accepted CDI's membership in June, giving the co-op five seats on NMPF's 53-seat board of directors. The NMPF board then created a 14-seat executive committee, which includes CDI Chairman Simon Vander Woude.

NMPF President and CEO Jim Mulhern said **CDI's addition to their ranks “bolsters the nationwide reach and diversity of our organization and strengthens our ability as farmer-owned cooperatives to tackle a wide array of challenges.”**

CDI, based in Visalia, was created by the 1999 merger of San Joaquin Valley Dairymen, Danish Cooperative Creamery, and California Milk Producers and now represents 40 percent of California's milk production and about 8 percent of the U.S. milk supply.

CDI's 370 dairy producers ship 16 billion pounds of milk annually and make butter, fluid milk products, and milk powders. The co-op sells its products in all 50 states and more than 50 countries.



*Rob Vandenheugel, CDI*

The reunion of the California co-op and National Milk is linked to California joining the Federal Milk Marketing Order program last fall after a California order was approved by a supermajority of the state's dairy producers.

Land O'Lakes, Dairy Farmers of America, and CDI led the multi-year effort to establish a federal order for California as a way to improve the state's milk prices for producers — often the lowest in the nation. Milk marketing orders are regional programs run by USDA for regulating minimum milk prices.

Becoming part of the FMMO system helped convince CDI's board to rejoin NMPF.

“Joining the federal milk marketing order puts us on a level playing field with those who operate under the same system,” Vandenneuvel said.

As part of the federal order system, CDI now has an active role to play in future FMMO hearings and decisions, he added.

**Vandenneuvel notes that during the period when CDI was not a member of NMPF, the co-op continued to advocate for its members in Washington, D.C.,** by supporting a full-time employee in Washington, flying members in to advocate for CDI on various issues, and donating to political action committees.

According to an *Agri-Pulse* analysis of PAC giving during the 2018 election cycle, based on FEC data from Open Secrets, CDI gave \$668,500 to PACs, mostly to House and Senate GOP members and leadership PACs, compared to NMPF's \$140,250. **CDI's PAC donations during the last election cycle were more than any other dairy coop and eclipsed those of Dairy Farmers of America and Land O'Lakes combined,** according to the data.

Some of the issues that spurred CDI to leave the NMPF fold 12 years ago no longer exist now that California has joined the Federal Milk Marketing Order System and the United States is now a net exporter of dairy products. Trade is a major issue for all U.S. dairy producers, but particularly for California farms.

“Trade is our highest priority,” says Vandenneuvel. “We export 60 percent of our milk powder. Six out of every 10 pounds of CDI milk powder is sold to other countries. Access to Mexico, Southeast Asia, and the Pacific Rim is hugely important to us.”

Fluid milk standards, another issue important to CDI members and all California dairy producers, could now become a national issue. California's longstanding enhanced fluid milk standards require lower-fat milks — 1 percent and 2 percent — to include added solids. “We think that should be looked at nationally,” says Vandenneuvel.

Adding solids to milk not only serves to increase the protein, calcium, and potassium levels in milk, it also prevents those solids from going into surplus dairy products, such as nonfat dry milk. Since CDI joined NMPF's membership, NMPF passed a motion supporting CDI's position on fluid milk standards.

With CDI once again a member of NMPF, the co-op's membership should benefit. "You are always more effective as an advocate if you are part of a coalition," Vandenheovel says. And with CDI's clout added to NMPF's membership, producers throughout the country should benefit when it comes to common-ground issues like trade and enhanced fluid milk standards. At the same time, Vandenheovel notes that CDI's individual policies on advocacy and PAC activity will not change.

## Six questions for the legislature's top farmer

Bieber Republican Brian Dahle is the only member of the legislature to balance a full-time job in farming with his governing responsibilities. Earlier this month, the Assembly member since 2012 won a special election to switch over to the Senate.

For the last seven years, Dahle has bounced between meetings in Sacramento and trips to his family farm in Lassen County, where he was previously on the local county board of supervisors for 16 years. There, he also runs a seed and trucking business.

Dahle's Assembly District 1 is the largest in California. From the Cascade volcanoes and most of the Oregon border, it stretches south to Lake Tahoe, running through the Sierra counties of Placer, El Dorado and Alpine, and touching into Sacramento County. His new seat in Senate District 1 covers a similar territory.

Dahle spoke with *Agri-Pulse* about applying the perspective of a farmer and small business owner to lawmaking at the state capitol.



State Senator Brian Dahle

### Describe your background as a farmer.

My family homesteaded in California in 1930. I'm a seed farmer, raising cereal grains for seed. We take wheat, barley, oats, rye, peas, and then run it through a mill and sell the seed to the farmers. We also have a trucking business; we've been doing for about 25 years.

I have always continued to farm ever since I've served in public office. It's unique because it keeps you grounded in the challenges that it takes to run a business in California ... with the regulatory environment, labor laws, the costs of our products, higher priced fuel. Our trucking costs us more than it does in other states. I also have employees and make a payroll every two weeks.

I actually think the legislature was set up by farmers. We have a month off during the summer, which will start this year in the middle of July, which is right when we harvest. We harvest when I'm home and then we put it the bins. And then we get out in September, which is the time we start selling our product and planting it back for winter crops.

**In your experience as a legislator, what have you seen come out of Sacramento that has impacted your agriculture operation?**

Ag overtime. Regulations in labor laws. Minimum wage, though we pay more than minimum wage. But we have a lot of part-time and “intro,” or what I call the introductory time for a long-term job, which starts out at minimum wage. When the minimum wage goes up, I'm not going to train somebody. I'm going to try to find a skilled worker and not put that intro person on, because it's too expensive.

I voted against all those.

And then there's the cost of business. Fuel and energy are expensive in California due to the regulatory environment on clean air standards for our power plants and carbon offset taxes. The Air Resources Board has impacted our trucking business. We have to roll out our stock and buy newer equipment that meets the standards. We weren't expecting to do that and it's been a big impact on us as well.

**What's it like working with colleagues in the legislature who come from urban districts and aren't familiar with these issues?**



*Assembly District 1*

A lot of people don't understand the district. Assembly District 1 is 25,000 square miles. There's a lot of legislators who can drive across their district in 15 minutes in traffic. It's a five-hour trip, or longer, to get across my district.

I put together trips and bring legislators out. I teach them about why we need to do thinning of fuels so we don't have catastrophic wildfires, where we should store water, how we can thin the forest and actually sequester carbon by keeping it “fire safe.” I've had 120 legislators over the last six years out to my district. I take them to my farm and show them what I'm doing, like spraying or planting. I tell them all the regulatory things I have to jump through in California, which a few miles across the border they don't have to do in Oregon. I'm competing against those companies from out of state.

When I'm in committee, I bring that business mindset. I have been effective with keeping some of our biomass plants running. I did a lot for our healthcare delivery system out here and was able to keep our long-term care facilities in place.

I'm successful as a Republican, probably more than most. But it's still a struggle to be in business in California. That's why I ran for the Senate, to be able to educate the senators on the difficulties of the business.

**You were hesitant about adding a tax for clean drinking water. Why was that?**

We have \$22 billion more in revenue coming in than what we thought. First of all, we should give back to the taxpayers. We're overcharging them and they're getting the raw end of the deal. But [the Democratic leadership] still wants to do taxes.

We did convince them to fix the [drinking] water. Only 133 communities out of tens of thousands were impaired. They did do it out of the General Fund (instead of a tax), which is the right thing to do to fix those communities.

No matter what happens — whether it's a tax on fuel, a tax on energy, you name it — it gets passed on to the consumers. That's why you can't afford to live in California. It's too expensive to live here. There's no middle class left in California. And that's who I am; I'm middle class. I want a strong economy for working people. And I want them to be able to afford to live in California. We have to drive the costs down.

### **Now that you're in the Senate, what are your top priorities?**

I'll continue advocating for the small business owners. I want good schools for my kids to go to. My kids are all in public schools. I want good roads to drive on. But I want the money to be spent where it's supposed to be spent.

I'll give you an example. We own trucks and we pay a heavyweight use tax. That's about a billion dollars collected every year (across the state) and it has been put in the General Fund every year since 2011. Then they put a tax on our fuel to fix the roads. It's hard to trust the legislators when they keep diverting the funds to other things.

### **Any other messages for California's farmers?**

Continue to watch the regulations. I encourage them to be part of their associations.

We need more farmers [in the capitol]. I'm really the only farmer that farms every day in the whole legislature, between the Assembly and the Senate. We need people like that representing us so we can tell our story.

It's tough. You've got to take the time away from your family and your business and your farm. But somebody's got to do it. These people are going to run us out of state.

### **Trump looks to G-20 for trade progress on China, Japan**

The Trump administration is eyeing next week's Group of 20 summit in Japan to jump-start negotiations with China and make continued progress toward a deal with the Japanese to reduce barriers to beef, pork and other U.S. farm commodities.

On Tuesday, President Donald Trump announced on Twitter that he would have an "extended meeting" with Chinese President Xi Jinping during the G-20, and U.S. Trade Representative Robert Lighthizer told the Senate Finance Committee that U.S. and Japanese officials would resume discussions on an agricultural trade deal.

**The next few weeks also could be critical for the U.S.-Mexico-Canada trade agreement: Lighthizer said he hopes to make “substantial progress” in discussions with House Democrats to address their concerns about the USMCA.** “I believe we’re on track.” He didn’t say when the trade pact’s implementing legislation would actually be submitted to Congress for approval.

Lighthizer, who is scheduled to testify before the House Ways and Means Committee on Wednesday morning, told the senators he hopes to have an agreement with Japan “in the next few months.” **He reiterated that the goal of the talks is to reach agreement on agricultural trade before moving on to other issues. He said the talks “are making headway.”**

Lighthizer offered no timetable for concluding the U.S.-China negotiations, but defended the president’s use of tariffs to apply pressure.

“I know that one thing that won’t work is talking to them, because we’ve done that for 20 years,” Lighthizer told Sen. Sherrod Brown, D-Ohio. He added, “If there’s a better idea than tariffs then I want to hear it. I haven’t heard it.”



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

At the outset of the hearing, Finance Chairman Charles Grassley, R-Iowa, told Lighthizer that tariffs should be used only as a “last resort option,” because taking money “out of the pockets of hardworking Americans is not in our national best interest.”

At the White House, Trump’s national economic adviser, Larry Kudlow, told reporters there were “no guarantees” that the Xi-Trump meeting would result in progress.

“Our position will continue to be we want structural changes here. We want structural changes on all the items — theft of IP (intellectual property), forced transfer of technology, cyber hacking, of course, trade barriers. We’ve got to have something that’s enforceable,” Kudlow said.

As far as the USMCA, Lighthizer said his discussions with House Democrats about approving the USMCA legislation had been helped by the appointment of a small group of House Ways and Means members to lead negotiations with the White House. Democrats themselves had conceded that it was difficult for Lighthizer to figure out how to address the disparate concerns they had raised.

“I need someone to sit down on the other side and say ‘Yes, this is enough,’” Lighthizer told Texas GOP Sen. John Cornyn, praising House Speaker Nancy Pelosi’s willingness to work with him. **“The speaker has been absolutely, as far as I’m concerned, exactly as you would hope she would be,” Lighthizer said.**

Speaking to reporters before the hearing, Grassley offered similarly complimentary remarks for Pelosi. He said the two recently met, and he didn't feel like she was misleading him about the status of the House's consideration of the deal.



*U.S. Trade Representative  
Robert Lighthizer*

**“There is a lot of new members that are very anxious to be heard,” Grassley said. “There is a lot of hand-holding that has to be done with these new members and we just have to be patient.”**

Grassley went as far as to say he thought the deal could be passed through Congress prior to the August recess under the rules of Trade Promotion Authority, so he hoped to see passage by then or shortly after Congress returns to Washington in September.

Speaking for many Democrats on both sides of Capitol Hill, Sen. Debbie Stabenow, D-Mich., raised a concern with Lighthizer that the agreement could limit congressional efforts to reduce pharmaceutical prices. Lighthizer stopped short of saying how the concern would be addressed but expressed agreement with her goal.

He said the USMCA would make no change in U.S. law, but he went on to say that “if the U.S. Congress decides on changing these rules in some way, because you think it’s good for getting prices down. ... We should not be in a position where it’s more difficult or precluded.” he said.

Several Democrats, including Brown, pressed Lighthizer to consider a side agreement aimed at ensuring that companies in Mexico comply with labor rules. The proposal by Brown and the committee’s ranking Democrat, Ron Wyden, D-Ore., would provide additional labor enforcement personnel, require compliance audits and raise tariffs on companies that violate collective bargaining rights.

Lighthizer didn’t endorse the proposal, but he told Sen. Catherine Cortez Masto, D-Nev., that he has “every expectation that we will come to a conclusion that will be satisfactory with you.”

## **US wants EU ag talks, but are they worth the trouble?**

The Trump administration is adamant that agriculture and all of the divisive policies and regulations that go along with it should be included in trade talks with the Europeans, but success could mean a long and arduous battle at a time when a trade war with China is being fought and other potentially lucrative trade pacts are being negotiated.

The political call to get the EU to come to the table on agriculture has only increased since negotiations on the Transatlantic Trade and Investment Partnership (T-TIP) fell apart, but some in the industry are beginning to question if it’s worth the trouble.

Getting the EU to negotiate its tariff and non-tariff barriers would be a win, but the Trump administration should focus its resources on efforts that are more likely to succeed and result in major windfalls for U.S. farmers and ranchers, said Maria Zieba, director of international affairs at the National Pork Producers Council.

“Are we going to go through that exercise again?” she said **“All that effort again? I think that we’re just tired in the ag industry. I’m not rushing to that [EU] agreement. I’m rushing to finish [the U.S.-Mexico-Canada Agreement] and get back to some kind of normal trade relationship with China or Japan or some of these other markets that have potential.”**

Just getting the Europeans to negotiate ag policy will require extraordinary efforts, said Jaime Castaneda, senior vice president for trade policy of the U.S. Dairy Export Council.

“We probably won’t have any negotiation until there is that real, real threat of the imposition of auto tariffs,” he said. “The Europeans have no interest in negotiating [agriculture].”

Threatening auto tariffs on Europe would be drastic, but it’s a gambit President Donald Trump has said he already used on Japan to get the country to agree to trade talks.

But even if Trump were to use that threat and it worked, the U.S.-EU divides over issues such as ractopamine in pork production, chlorine rinses for poultry and geographic indications remain as deep as ever.



*Maria Zieba, NPPC*

“When we did T-TIP, we tried,” said Zieba, who spoke at an Atlantic Council event last week. “We met with them before the negotiations and during the negotiations. ... We offered compromises — ways in which everyone could win — and they just shot them down.”

While European officials are still certain there can be no free trade agreement if agriculture is included in FTA talks — at least not one in the foreseeable future — officials like Gregg Doud, the top ag negotiator for the U.S. Trade Representative, can’t imagine a pact without agriculture.

“With the EU, I will tell you that they’ve been very frank in ... saying ‘no agriculture’ and our point has been very simple. There is no way to come to Congress with a deal that doesn’t include agriculture.”

**The U.S. exports roughly \$12 billion worth of food and ag products yearly to the EU, while the Europeans sell about \$20 billion to the U.S.**

Prominent senators like John Thune, R-S.D., and Chuck Grassley, R-Iowa, have echoed that sentiment, but not addressed the sheer difficulty of getting the Europeans to change their ways on issues like the EU’s deliberately sluggish biotech approval process that can take up to four years for any one trait.

The EU protected its regulations and tariffs on ag policy during T-TIP talks, and nothing has changed.

“It became clear for a number of reasons ... that Europe could not talk about their most sensitive agricultural market access questions,” Michael Froman, President Barack Obama’s U.S. Trade Representative, said in early 2017 when it became clear talks on the FTA had bogged down and pessimism for an FTA was growing.



But it's not just the Europeans who do not want to negotiate sensitive issues. Throughout T-TIP, U.S. negotiators stressed they were not willing to even talk to their European counterparts about demands that the U.S. recognize geographic indications. That likely has not changed.

"We of course will defend our interests when it comes to Europe," said Castaneda, a fervent opponent of EU desires to protect the use of food names like black forest ham, feta, gorgonzola, fontina, roquefort and asiago cheese.

North Dakota Republican Sen. John Hoeven says EU concerns are even bigger and based on the very survival of the trade bloc's ag sector.

"At the end of the day no one can compete with our farmers and ranchers if we get a fair shake," he said. "I gotta say the EU is going to be a tough nut to crack."

Doud, sitting before Hoeven, Thune and others in the Senate Agriculture Committee last Thursday, recognized both lawmakers' demand for an EU ag deal and European intransigence on the issue.

"So how are we going to rectify this?" he asked, without giving or getting an answer.

## **Egg industry struggles to meet 'cage-free' demands**

Two years ago, Chad Gregory thought it inevitable that his industry would transition to cage-free production by the 2025 goal set by its major customers.

Today, after extensive conversations with both producers and buyers, he's not so certain.

**"There's so much uncertainty about what the customer actually wants, what the consumer actually wants,"** Gregory, president of the United Egg Producers told *Agri-Pulse*. "The consumer will say one thing and do another. **You cannot invest in a large-scale farm with such an uncertain future.**"

These "really uncertain times in the U.S. egg industry" are the result of an organized campaign by nongovernment organizations (NGOs) and "animal rights" activists targeting egg production, Gregory said. "It has caused an amazing amount of uncertainty in my industry."

The "small minority yelling about one thing" has persuaded some food processors and grocery chains to make policy decisions to buy only cage-free eggs by 2025, he said, aspirations that are "impossible to do financially and impossible to do physically by 2025."

Gregory said it is possible that "a good deal of manufacturers" will be able to follow through on their commitments but grocery stores are "a completely different deal. Although some food retailers have made the commitment, he added, "they are now having second thoughts and trying to figure out how to get off of that list."

Although projections are difficult, he speculated 95 to 100 percent of the egg products industry will be able to buy cage-free eggs by the deadline. However, only "only 30 or 40 or 45 percent of

shell eggs” will bear a cage-free label “because consumers really want affordable food, they really want cheap eggs.”

**USDA's Agricultural Marketing Service (AMS) estimated about 66.4 million cage-free hens in the United States in April, producing nearly 1 million 360-egg cases weekly.** The cage-free layers represent 19.6 percent of the table egg laying flock. Watt Ag Net, a poultry industry trade news site, calculated that **it would require 225 million cage-free hens to meet the 2025 target.**

Gregory’s reassessment of the likelihood of transition to cage-free flocks is based on experiences of his member companies. It also is consistent with a January Watt Ag Net poll of egg producers who expect that 55 percent of laying hens will remain in conventional cages by 2025, with 43 percent cage-free and 2 percent in “enriched colony” cages.

“Their customers are giving their egg suppliers mixed signals,” Gregory told *Agri-Pulse* in an interview. Most major buyers — food service companies, food manufacturers and large restaurant and retail chains — “all went on that list to be 100 percent cage-free by 2025,” he said. “That happened in 2015 and 2016 and as the deadline of 2024 or 2025 approaches, customers recognize how complicated that is and realize that the consumer shopping in their store doesn’t really want to pay more for eggs. They are sharing their concerns with suppliers.”



Chad Gregory, UEP

Gregory anticipates that a “real large percentage of manufacturers and restaurants will switch to cage-free and meet their deadlines.” It is easier to switch for those buyers because not many consumers are asking for cage-free eggs in noodles or other processed food products. The higher cost of cage-free eggs will be less important to such buyers — who represent about one-third of the market for eggs — because eggs constitute only one of many ingredients in their finished products and any increase in the price to the consumer will be minimal, he said.

“The other two thirds [of the industry’s production] is dedicated to shell eggs in grocery stores,” Gregory explained. “That’s the one that’s complicated. The retail store doesn’t know how to replace conventional eggs with more expensive eggs.”

Josh Balk, vice president of the farm animal protection team at the Humane Society of the United States, is optimistic that major retailers will meet their 2025 target for all cage-free eggs. “It’s still five years before the phase-in date,” he told *Agri-Pulse*. **“There is a steady increase across the nation and we’re getting close to 20 percent” of laying hens in cage-free systems, he said, compared to the “low single digits 10 years ago.”** Balk noted that Whole Foods has been cage-free for nearly a decade and Costco is “very close to cage-free right now.”

Although the price of cage-free eggs may decline if their adoption becomes more widespread, today the gap is considerable. USDA data for the week ending May 24 shows the average



Jayson Lusk, Purdue

supermarket advertised price of conventional grade AA large eggs at \$0.90 per dozen and that of the same grade of cage-free white eggs at \$1.53 per dozen and brown eggs at \$2.96 per dozen.

The impact of higher prices on consumer behavior could be dramatic, according to a study by Jayson Lusk, head of agricultural economics at Purdue, for the Food Marketing Institute (FMI). His survey of more than 2,000 consumers, released last year, found that “more than half of egg shoppers are price sensitive, with limited willingness to pay more for cage-free eggs.” Only 16% said they

normally buy cage-free eggs and 17% would not buy eggs if lower-priced conventional eggs were no longer available.

The price differential is explained by the higher costs of production. Gregory pointed out that a study by the Coalition for Sustainable Egg Supply — which included major egg producers and consumers such as McDonald’s and Cracker Barrel — enumerated higher costs of capital, feed and labor and higher death losses of hens in concluding that a cage-free system was 36 percent more expensive to produce eggs than the conventional cage system.

Gregory estimated that the transition to cage-free production from conventional cages would require a \$10-11 billion investment. In addition, it would take time. Building a large-scale cage-free egg operation would require 3-4 years, he said, including the time to obtain regulatory permits and obtain the manufactured metal materials for the barns.

Adoption of cage-free production may be higher in states where ballot initiatives or legislative action require it. California’s Proposition 12 — which also dictates raising conditions for hogs and veal calves — would require cage-free supplies effective next January. Similar conditions will follow in the state of Washington and likely Oregon, Gregory noted.

The renewed push by animal rights organizations for state legislative restrictions likely is a realization that food retailers are having difficulty meeting the pledges — made largely because of pressure from animal rights activists — and may not be able to fulfill their commitments, he said. The activists now “are trying to figure out another way to force retailers and consumers to be cage-free only,” he added. “They are hedging their bets.”

## News Briefs:

**CDPR: California pesticide use dropped in 2017.** Agricultural pesticide use in California declined 1.9 percent in 2017 — or about 3.7 million pounds — according to the California Department of Pesticide Regulation. In its report for 2017, CDPR said the decrease included big drops in the most hazardous chemicals, including a decrease in the use of pesticides classified as carcinogens from 44.2 million pounds in 2016 to 41.7 million pounds in 2017. Pesticides considered toxic air contaminants (TACs) also fell, from 45.9 million pounds in 2016 to 43 million pounds, a 6.4 percent decline. CDPR said usage of the insecticide chlorpyrifos went up 5

percent in 2017, to 946,000 pounds. The state, however, has announced plans to cancel use of the chemical because it is considered a TAC. “The use of pesticides with the potential to contaminate ground water decreased by 25.3 percent to 0.4 million pounds, compared to 0.5 million pounds in 2016,” CDPR said, while the use of biopesticides, “which have been identified as likely to be low risk to human health and the environment, increased to approximately 8.1 million pounds,” a 5.5 percent increase from 7.7 million pounds used in 2016. “This report demonstrates that California’s farmers continue to lead the way when it comes to using more sustainable pest management tools and techniques,” said Val Dolcini, Acting Director of DPR. “DPR looks forward to continuing its collaboration with growers, community groups and other interested citizens to ensure that these pesticides are used in the safest manner possible.”

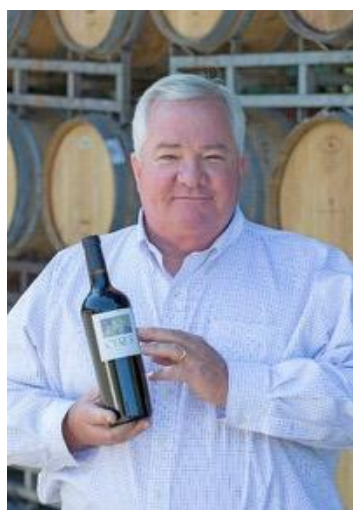
**CDFA seeks additional comment on climate smart grants.** The California Department of Food and Agriculture has opened a new comment period on the 2019 Climate Smart Agriculture Technical Assistance Grant Program. The previous comment period ended May 24, but CDFA said revisions were made to the Request for Proposals and application materials “in response to comments received.” The grants provide technical assistance funds to aid applicants of the Alternative Manure Management Program (AMMP), the Healthy Soils Program (HSP), and the State Water Efficiency and Enhancement Program (SWEEP). According to CDFA, funds awarded through this competitive grant process will be distributed to technical assistance providers from Resource Conservation Districts, the University of California Cooperative Extension, and nonprofit organizations with demonstrated technical expertise in designing and implementing agricultural management practices to support CDFA’s 2019 CSA incentive programs. The comment period on the new application materials closes June 28.

**FDA won't require amount of 'added sugars' on syrup, honey labels.** Maple syrup and honey won't need to note the amount of added sugars on their packaging under new guidance issued by the Food and Drug Administration. Those products, and other single-ingredient sugars and syrups, will still have to include the percent Daily Value for added sugars “to ensure that consumers have information about how a serving of these products contributes to their total diet,” FDA said. Daily Values are the amounts in grams, milligrams, or micrograms recommended for certain nutrients, or recommended not to exceed for certain other nutrients, for Americans 4 years of age and older. For certain dried cranberry products and cranberry beverage products, FDA says labels “must still declare added sugars in grams and declare the percent Daily Value for added sugars.” But FDA said it will use “enforcement discretion” for these products, allowing a statement outside the Nutrition Facts label explaining sugars are added to improve the palatability of naturally tart cranberries. Courtney Gaine, president and CEO of The Sugar Association, which refers to itself as the “scientific voice of the sugar industry,” said she was generally pleased with the guidance. “We are certainly pleased FDA updated this guidance to reflect that there is no sugar added to real sugar and that the inclusion of an added sugars line for sugar would have misled consumers. “We are certainly pleased FDA updated this guidance to reflect that there is no sugar added to real sugar and that the inclusion of an added sugars line for sugar would have misled consumers.” However, Gaine added, “We are concerned that the percent daily value declaration for single-ingredient sweeteners may be confusing and should have been consumer-tested before finalizing this guidance. We have no idea if this information serves as a constructive tool that enables people to follow the Dietary Guidelines and is not information that is misleading.”

## Farm Hands West...

President and CEO of Sunkist Growers Inc., **Russ Hanlin**, announced his plan to retire on Oct. 31. **Jim Phillips**, president of Porterville Citrus, will succeed him. Hanlin began his career with Sunkist in 1978 as a buyer for Fruit Growers Supply Co., Sunkist's manufacturing and supply division. Phillips has served on Sunkist's and Fruit Growers' supply boards, as well as the California Citrus Mutual board.

Harris Farms appointed **James Beecher** to serve as its new president and CEO. Beecher currently serves as president of Farming D Logistical Support and president of Beecher/Ryan Harvesting. He will take over as president and CEO of Harris Farms in late summer and will oversee Harris' operations, including the farming, hospitality and thoroughbred horse divisions, and will be reporting directly to **John Harris**, chairman of Harris Farms Inc.



*Hank Wetzel*

The Next Big Thing Growers' Cooperative has hired **Jennifer Parkhill** as its new executive director. She most recently served as the Northeast region category manager of produce at US Foods. She joined US Foods in 2000 as director of marketing.

**Hank Wetzel** has been elected to serve as the chairman of the board for the Wine Institute for the 2019-2020 year. Wetzel is a founder and family partner of Alexander Valley Vineyards in Healdsburg. The election took place at the Wine Institute's 85<sup>th</sup> annual meeting. Other board officers elected include: **John Sutton** of The Wine Group, first vice chairman; **Suzanne Groth** of Groth Vineyards & Winery, second vice chairman; **Rick Tigner** of Jackson Family Wines, treasurer; and **Randall Lange** of LangeTwins Vineyards and Winery, secretary. **Bobby Koch** is President and CEO of Wine Institute.

**Jeff Huckaby**, president of Grimmway Farms received The Packer's Produce Man of the Year award at the United Fresh Produce Association conference and expo. Huckaby serves as a member of the USDA Fruit and Vegetable Industry Advisory Committee, the California State board of Food and Agriculture, the United Fresh board of directors and the College of Agriculture Advisory Council at California Polytechnic State University in San Luis Obispo.



*Sarah Hackney*

The National Sustainable Agriculture Coalition (NSAC) tapped **Sarah Hackney** to serve as the new coalition director. Hackney will begin in the new role in mid-July. She started at NSAC in 2011 where she served as the grassroots director.

**John Phipps** has been named the new deputy chief of the USDA Forest Service's State and Private Forestry programs. He most recently served as the station director for the service's Rocky

Mountain Research Station in Colorado. Before that he served as the senior adviser to the deputy chief of State and Private Forestry.

The U.S. Wheat Associates board of directors installed new officers at its annual meeting in Whitefish, Mont. The officers serving in the 2019-2020 year were elected in January 2019 at the board of directors meeting. They are: chairman **Doug Goyings**; vice chairman **Darren Padget**; secretary-treasurer **Rhonda Larson**; and past chairman **Chris Kolstad**.

**Dave Kuntz** is the new communications manager for the Environmental Defense Fund. He previously worked for Sen. **Jon Tester**, D-Mont., as the deputy communications director.

Michigan Democrat **Debbie Stabenow** hired **Adam Tarr** to work on the Senate Committee on Agriculture, Nutrition, & Forestry's staff as a senior professional staff member managing conservation issues. He most recently handled the portfolios of agriculture, environment and energy issues as a senior policy adviser for Sen. **Bob Casey**, D-Pa. Before that, Tarr worked at USDA, where he was a senior adviser to Secretary **Tom Vilsack**. Tarr joins **Rosalyn Brummette**, policy analyst, in covering conservation issues. **Sean Babington**, senior professional staff, will take on a new role managing climate change policy across the committee's jurisdiction, while continuing to handle forestry and pesticide issues.

**Bryan Doyle** is now the communications director for Rep. **Pramila Jayapal**, D-Wash. In his last job, he served as the communications director for Rep. **Antonio Cárdenas**, D-Calif. Doyle replaces **Vedant Patel**, who left the office to become the Nevada communications director for the Biden for President campaign.

**Best regards,**

**Sara Wyant**

**Editor**

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