U.S.—MEXICO BILATERAL FRESH POTATO ENCOUNTER

U.S. Grower-Shippers and Mexican importers and distributors converged on Mexico City May 6, 2014 for the U.S.-Mexico Bilateral Potato Encounter. The meeting room was filled beyond capacity with over 200 participants. There were 64 participants from the U.S. industry; 48 grower/shipper representatives from 28 companies, one exporter/broker, three state managers, and two allied industries companies. There were 115 participants from the Mexican retail sector, snack manufacturers, importers, wholesalers and trade associations. USDA was also well represented with staff from the APHIS office, Agricultural Trade Office and Agricultural Affairs Office.

The Bilateral Potato Encounter included the following presentations: U.S. – Mexico Agricultural Trade Overview by Peter Olson, U.S. Agricultural Attaché; The Potato Market in Mexico and Opportunities for Increased Demand by Luis Moreno, Grupo PM; Status of Notice of Budget Hearing 15% Crop Donation Tax Credit Elmer Spud Goes to Washington

Why the Change?
The Northwest Potato Research Consortium (NPRC), managed by Andy Jensen, has been organizing potato research amongst ID, WA and OR researchers for two years. Members from all three states reviewed projects and agreed on research that would benefit the entire Pacific Northwest territory. This has eliminated duplicate research and encouraged better collaboration amongst the researchers. Representing Oregon on the NPRC are Bill Brewer, Lon Baley and Greg Harris.

2013-2014 RESEARCH PROGRESS REPORTS AND 2014-2015 RESEARCH PROPOSALS ARE AVAILABLE TO OREGON GROWERS

The past couple of years, OPC has mailed out spiral bound Research Progress Reports and Proposal Requests to all the Growers. Before that, OPC would hand out the reports at the annual Potato Conference held late January. Now OPC is encouraging Growers to request an electronic version of these annual reports by emailing jennifer@oregonspuds.com. If you are not an internet/web user kind of person, OPC will print out the reports two-sided and mail them to you. Call us Mon-Fri 8:00-4:00 (503)239-4763.

In this issue...
Notice of Budget Hearing 15% Crop Donation Tax Credit Elmer Spud Goes to Washington

June 2014
PC members and other potato industry representatives recognized the decreases in Federal, State and County contributions to maintain research and extension programs over the last several years. OPC has more than tripled its contribution to OSU Potato Research since 2005, but more needed to be done.

Endowments are ways to ensure research personnel are available and provide long term security to highly qualified people. OSU is one of the top tier institutes in potato research and variety development in the United States and the entire world. With OSU’s goal to recruit and retain world class faculty the security of endowed positions is needed to show long term support.

The Provost Faculty Match is only applicable for funds established by a maximum of 5 entities or individuals. Funds need to be “committed” through a formal pledge of up to 5 years prior to spendable funds distribution. In situations such as a Commission, the Commission can act as a single “entity” so that multiple grower/industry gifts could be combined to meet this stipulation. OPC has made the formal pledge and is continuing to add donors to grow the fund.

**DONATE CROPS AND EARN A 15% TAX CREDIT**

As of June 2014, new Oregon legislation (Bill 1541) allows farmers and producers to claim a 15% tax credit on the wholesale price of donated food. Farmers who plan now for crop donations from increased planting or second harvests in the fall will benefit from this new tax credit. An unused tax credit can be carried forward up to three years and the tax credit can be applied for annually.

Whether planting or harvesting, the Oregon Food Bank is asking that producers and consider the tax credit for a return of 15% on crops donated to help hungry Oregonians. Oregon Food Bank’s vision is that everyone shall have ready access to an ample, nutritious and affordable food supply.

Since Oregon Food Bank’s founding in 1982, the primary activity is the collection and distribution of food assistance through a statewide network of 21 regional food banks, four operated directly by Oregon Food Bank, and over 950 local hunger-relief agencies.

For more information contact Dan Crunican, Food Resource Developer at Oregon Food Bank. (503) 972-2994

*Courtesy Oregon Food Bank*

---

**US Mexico Bilateral continued**

Potato Imports into Mexico and Regulatory History by Fernando Contreras, Trade Consultant; Import Requirements for U.S. Potatoes by Nick Gutierrez, USDA-APHIS; Trade Process for Table-Stock and Chip-Stock Potatoes by Sarah Reece, United States Potato Board (USPB); and Next Steps and New Challenges by Luis Moreno and John Toaspern, USPB.

The Mexican importers and distributors and U.S. grower -shippers mingled and interacted during lunch and continued their interactions during a networking event that followed. This event was extremely valuable in establishing connections and creating mutually beneficial relationships to increase and develop the market for potatoes in Mexico.

The National Potato Council (NPC) and the United States Potato Board (USPB) are pleased that effective May 19, 2014; the Mexican government has implemented its final rule to allow U.S. fresh potatoes to enter all of Mexico. This action is part of a bi-lateral agreement that facilitates trade in fresh potatoes between the two countries.

The NPC and USPB support this bi-lateral trade agreement as it will benefit potato growers in Mexico and the United States, as well as the processing industries and consumers in both countries. Per capita potato consumption in Mexico is lower than the United States, so there is room for this market to grow. The USPB will conduct market development programs in Mexico which will be designed to increase consumption of all potatoes in Mexico.

Questions on the requirements for shipping to Mexico should be directed to the NPC or USPB.

*Courtesy of USPB*

---

Oregon has one of four (three year term) positions open starting in 2015 on the United States Potato Board (USPB). If you have any interest please contact Bill Brewer. (503)239-4763 OPC will conduct a search and if more than one person is interested we will vote. USDA asks us to give priority to women and minorities.
ELMER SPUD GOES TO WASHINGTON

Elmer Spud is packed and ready for Washington D.C. He’s going to plead his case to be included in the WIC program.

OPC and the National Potato Council (NPC) has sent Elmer Spud and Jim & Darla Baggenstos to meet with Senators Merkley and Wyden to present more evidence against the exclusion of white potatoes.

Jim Baggenstos brought to OPC’s attention, last February, that he sells the exact same potatoes to a retail store that he sold at the farmers’ market; the potatoes at the store could not be purchased with WIC vouchers but the same potatoes at the farmers’ market could. There was clearly no reasoning to this.

Bill Brewer repeated the story to John Keeling at NPC, and the idea to send the Baggenstos’ to talk with House and Senate members was developed.

The USDA is obligated to base federal nutrition programs on sound science and the latest nutritional data, which are the 2010 Dietary Guidelines for Americans. The rules, written by the USDA, state that the dietary intake of potassium, dietary fiber, calcium and Vitamin D are “low enough to be of public health concern for both adults and children.”

The potato industry has been asking the USDA to recognize that excluding potatoes is inconsistent with its dietary guidelines. Now the Baggenstos have revealed another inconsistency with the WIC program language.

Darla Baggenstos created Elmer. She intended to photograph images of the trip to Washington to show school kids how the whole process works. Local schools bring children to Baggenstos Farms annually for a class fieldtrip. Elmer’s journey was an educational opportunity. OPC thought he was a great way to publicly tell the potato political story.

May 20, 2014 the House Agriculture Appropriations Subcommittee began its hearing on the FY 2015 Agriculture Appropriations Bill, which contains language that would require USDA to permit the purchase of “all fresh fruits and vegetables” clearly removing the language excluding white potatoes. Hearings were still taking place at the publication of this article.

PROPOSED 2014-2015 BUDGET POSTED FOR PUBLIC VIEW AT WWW.OREGONSPUDS.COM

NOTICE OF BUDGET HEARING

Notice is hereby given that the Oregon Potato Commission will hold a public budget hearing at 8:30 a.m. on Friday, June 6, 2014. The regular quarterly Commission meeting will begin at 8:00 a.m. These meetings will be held at the Sunriver Resort

17600 Center Dr.
Sunriver, OR 97707

The purpose of the public budget hearing is to receive testimony and evidence on the proposed budget for operation of the Oregon Potato Commission during fiscal year July 1, 2014 to June 30, 2015.

Any person desiring to submit facts or data, orally or in writing, may do so by attending the public hearing or by contacting the Commission Executive Director before the hearing date.

Bill Brewer, Executive Director
Oregon Potato Commission
9320 SW Barbur Blvd., Suite 130
Portland, Oregon 97219
Phone: (503) 239-4763
Email: brewer@oregonspuds.com

A copy of the proposed budget is posted on the Oregon Potato Commission website www.oregonspuds.com and may be obtained by writing to the Commission.

Northwest Potato Research reports continued

This efficient research management has also resulted in a much more bulky annual report (about two inches thick) making the printing and mailing much more costly.

Each state also has projects being conducted outside the scope of the NPRC selections. OPC’s Research Committee, co-chaired by Lon Baley and Dan Walchli made funding recommendations for next years budget at the OPC third quarterly meeting held in March. So you have an option, you can receive reports just about what is being recommended to fund solely by OPC or what is being funded by NPRC as a collaborative group.

No matter which format you prefer, OPC is ready to accommodate Oregon Potato Growers, Shippers and Processors.
Oregon Potato Commission

Members:

Chairman Marty Myers, Boardman
Vice Chairman Dan Chin, Klamath Falls
Jeff Urbach, Handler Member
Lon Baley, Grower Malin
Leif Eric Benson, Public Member
Mike Macy, Grower Culver
Nels Iverson, Grower Jefferson
Rob Wagstaff, Grower Nyssa
Dan Walchli, Grower Hermiston
Mark Ward, Grower Member at Large Baker

Staff:

Bill Brewer, President and CEO
Jennifer Fletcher, Administrative Director
Judy Schwartz, Administrative Assistant

~Please email judy@oregonspuds.com for address updates or to be removed from this mailing.~