



Oregon Potato Commission

Newsletter

OPC AT THE NPC DC FLY-IN

Oregon Potato Commission (OPC) representatives attending the National Potato Council (NPC) Washington DC Fly-In February 24-28, 2014. Oregonians attending included: Marty Myers, Mark Ward, Rob & Kim Wagstaff, Dan Chin, Nels & Patti Iverson, Dan Walchli, Jeff Urbach, Leif Benson, James Macy and Bill Brewer.

The week was filled with Potato Issue updates including: USDA update presented by Deputy Secretary Krysta Harden and Under Secretary Edward Avalos talked about the on-going Mexico Market Access for Fresh Potatoes. House Agriculture Chairman Frank Lucas (R-Oklahoma) and Ranking Member Collin Peterson (D-Minnesota) described the Farm Bill that was just passed. Senate Agriculture Committee Chairwoman Debbie Stabenow (D-Michigan) added the perspective of the Senate on the Farm Bill. Congressman Mike Simpson (R-Idaho) discussed the exclusion of “white potatoes” in the Women, Infant and Children (WIC) program. Congressman Reid Ribble (R-Wisconsin) discussed the Truck Weight Reform possibilities.

There were also several well-known dignitaries that provided insight into the DC atmosphere. Bob Beckel and Cal Thomas talked about the “Way out of Washington Dysfunction”. Both are well know right and left columnists. Charlie Cook presented a Politi-

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Above Nels Iverson serves Governor Kitzhaber a chili stuffed potato.

OPC AT THE STATE CAPITOL

March 6 OPC members met at the State Capitol for legislative issue updates and have the 2nd Potato Bar Promotion. We had a very nice dinner at the Flight Deck Restaurant. Barry Bowers the owner of the Flight Deck provided the baked potatoes and made chili for the potato bar and the Dairy Council provided all of the Dairy products. We did serve the Governor a Healthy Potato produced in Healthy Soil. March 7 OPC had their third quarterly Commission Meeting.



Rob & Kim Wagstaff, Governor Kitzhaber and Jeff Urbach at the Capitol



In this issue . . .

***Access for Fresh Potatoes in Mexico
Legislative Update on WIC***



**Proposed 2014-2015 Budget
posted for public view at
www.oregonspuds.com**

DC Fly-In continued

cal Update on his projections for congressional races across the US. Tucker Carlson was a Lunch Keynote Speaker with his views of our current political state. Between speakers potato position briefings were outlined and discussed.

Many agency off-sight visits were arranged for participants to meet with EPA in Arlington, Virginia, Trade meetings with FAS, APHIS and USTR at the US Department of Agriculture Building, AMS, NASS and ARS meeting also were arranged.

The final two days were spent with Capitol Hill visits. Senator Wyden, Senator Merkley, Representative Schrader, Representative Walden, Representative Blumenauer, Representative Bonamici and Representative DeFazio offices were all visited. The topics most important to the potato industry during these visits included: Potato Research Funding, WIC, Free Trade Agreements, Immigration Reform and Truck Weight Reform.

Potato Research Funding: Research has always been OPC's top priority in State, Federal and OPC requests. There are two National Federally funded potato research programs. A NIFA \$1.35 million program split between all US potato programs and an ARS \$1.3 million potato breeding program used at USDA facilities for potato pest and disease. We requested a funding increase to these programs.

WIC: Since the proposed WIC rule was released in 2007 which increased the SNAP food assistance to women and children for the purchase of fresh fruits and vegetables (except white potatoes) has been disputed by the potato industry. In the report language of the 2014 Appropriations Act it states "The agreement expects the Secretary to amend 7 CFR 246.10 in order for state agencies to include all varieties of fresh, whole, or cut vegetables, except for vegetables with added sugars, fats, oils; provided that inclusion of such vegetables contribute towards meeting special nutritional needs of program participants and increases the availability of low-cost, high nutrient alternatives for participants throughout the year". Potatoes meet these requirements, yet they are the only specific exclusion.

Free Trade Agreements: OPC supports FTA's. Two specific markets addressed are Korea and Vietnam. The Korean Free Trade Agreement has had a significant impact on US frozen fry

exports to the market. The majority of frozen fries exported to Korea come from Oregon and Washington.

In the Korea Free Trade Agreement, Korea agreed to immediately eliminate its 18% tariff on frozen fries. This tariff reduction went into effect on March 15, 2012.

In 2011, the year before the FTA, the US exported \$53 million worth of fries to Korea. In 2013, the first full year of the FTA being in effect, the US exported \$83 million worth of fries to Korea. An increase of 57%. Korea is now the fourth largest fry export market for the US.

This increase means economic development for Oregon. More potatoes planted, more support to produce those potatoes, more shifts in factories, more packaging needed, more transportation used, more tax revenue. In just two years, the Korea FTA is a success story for the Oregon potato industry.

Our second priority is Vietnam. Again, potato tariffs are the issue. Vietnam is a participating member of the Trans Pacific Partnership (TPP). Vietnam is a market of 92 million people. Consumers in Vietnam are young and eager for US products. KFC has over 100 outlets in Vietnam, and McDonalds just opened its first Vietnamese restaurant in February. Fry exports are expected to grow significantly as a result.

Vietnam currently charges 13% on fry imports. The Oregon Potato Commission would like to see this tariff immediately eliminated to take advantage of the growth of these restaurant chains. Vietnam also provides a unique opportunity for Oregon fresh potato exports.

In 2010, USDA opened the Vietnam market for US fresh potato exports. The Oregon Department of Agriculture has led two trade missions to Vietnam with OPC, and we have hosted a reverse trade mission of Vietnamese importers.

These trips have resulted in Oregon potato sales. In 2012, Oregon exported two containers of fresh potatoes to Vietnam, last year that number had increased to 14 containers from Oregon. One grower I spoke to in the Hermiston area said if he could get the 20% Vietnamese fresh potato tariff eliminated, he could export 100 containers a year due to high demand.

Immigration: The potato industry requested immigration reform that would include protection of workers already in the country and continued supply of agricultural workers in the future.

Truck Weight Reform: OPC and the potato industry are requesting during the next Highway Bill that an increase be made to the weight limits on interstate highways. We have suggested a minimum of 97,000 pounds be allowed on six axle vehicles.

By Bill Brewer

WIC UPDATE—WE LOST THE BATTLE BUT NOT THE WAR

Fresh white potatoes are currently the only fresh fruit or vegetable excluded from Women, Infants and Children (WIC) food packages. This sends a message to WIC participants that USDA believes potatoes are not healthy. The current regulations also confuse participants since WIC vouchers can be used at some farmers' markets to purchase fresh white potatoes but not in grocery stores.

The U.S. Potato Industry helped get congressional approval of the Consolidated Appropriations Act, 2014 (Public Law 113-76), which became law on January 17th, was accompanied by an unambiguous statement that it is the expectation of Congress that the United States Department of Agriculture (USDA) include all varieties of fresh vegetables, as long as they do not contain added sugars, fats, or oils, in the Special Supplemental Nutrition Program for WIC. Congress provided this directive in response to the unwarranted exclusion of fresh white potatoes from the WIC program.

USDA announced on Friday, February 28, 2014 as the final part of a process that began in 2007 to overhaul the WIC program and greatly expand the number of healthy foods offered. Changes announced that year and put in place in 2009 eliminated many fruit juices from infant food packages, reduced saturated fats the program covered and made buying fruits and vegetables easier. The only specific food excluded is the "White Potato".

OPC believes the USDA final rule that went into effect does not reflect the most recent recommendations for starchy vegetables that are included in the 2010 Dietary Guidelines for America (DGA). The exclusion of fresh potatoes is based on a 2006 National Academies' Institute of Medicine (IOM) report, which is based on the recommendations of the 2005 DGA and includes consumption data nearly 20 years old. The subsequently published 2010 DGA, however, recommended 5-6 cups of starchy vegetables per week for women with a daily caloric intake of 1,800-2,400 calories—an increase of 2-3 cups per week from the 2005 DGA. Unfortunately, USDA has yet to update the rule to reflect the most recent DGA.

OPC and the entire U.S. Potato Industry are committed to continue to correct the WIC language. March 14, 2014 another bipartisan letter to USDA Secretary Vilsack sponsored by U.S. House of Representatives Simpson (R-ID) and

Meeks (D-NY) and co-signed by 67 members, including Oregon's Walden, Schrader, DeFazio, Blumenauer and Bonamici requested:

The agreement expects the Secretary to amend 7 CFR 246.10 in order for state agencies to include all varieties of fresh, whole, or cut vegetables, except for vegetables with added sugars, fats, oils; provided that inclusion of such vegetables contributes towards meeting the special nutritional needs of program participants and increases the availability of low-cost, high nutrient alternatives for participants throughout the year.

OPC is very hopeful that "White Potatoes" will be included in the WIC Program once USDA reviews the **Healthy White Potato** nutritional value and uses their own 2010 DGA.

By Bill Brewer



March 12th OPC was presented with the ODA Outstanding Marketing Program Award at the 2014 Ag Progress Banquet. Leif & Shelby Benson, Nels & Patti Iverson, Jennifer Fletcher, and Bill & Renee Brewer attended. Bill Brewer attributed OPC's success to the wise leadership of OPC's commissioners past and present.

ACCESS FOR FRESH POTATOES IN MEXICO . . . COMING SOON . . .

Mexico published an order on March 7, 2014 that eliminates what is referred to as Nom-12, which regulated the import of fresh potatoes. **HOWEVER, this does not** in any way change access to the market, access for fresh potatoes is still controlled through the Federal Law for Plant Health and other general regulations. This has actually been the case for some time as importers had instituted legal challenges to NOM-12. What this does do is allow Mexico to now publish a new specific regulation for the import of fresh potatoes, which we hope will grant greater access to US potatoes. It is important to note that any new regulation will have a 60 day implementation period.

The US potato industry has been limited to the Northern 26 Kilometers for Fresh Table Stock potatoes since 2003. The US government and US potato industry have requested that Mexico cities larger than 100,000 populations be allowed access for fresh potatoes. It is hoped sometime in the near future we are able to ship into these cities.

Excerpts from the USPB and the NPC

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Upcoming Events

April 19, 2014	Oregon Women for Agriculture Oregon Agriculture Auction 4:30 p.m. Linn County Fair & Expo Center Albany OR
April 28 – May 1, 2014	NPC Manager's Meeting Washington DC
May 26, 2014	Memorial Day Holiday
June 6, 2014	Oregon Potato Commission Meeting Sun River Resort Bend OR
June 23-27, 2014	NPC Summer Meeting Sun Valley ID
July 4, 2014	Independence Day Holiday
September 5, 2014	Oregon Potato Commission Meeting Running Y Resort Klamath Falls OR

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
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