



# California Association of Wheat Growers

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## Newsletter

October 24, 2011

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### Upcoming EVENTS

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Thursday, December 8, **California Association of Wheat Growers and California Wheat Commission Board of Directors Meetings. Meetings are to start at 8:00 a.m.**

Location: California Wheat Commission office.

Address: 1240 Commerce Avenue, Suite A, Woodland CA 95776-2267

### Rep. CARDOZA to RETIRE

10/21/2011 12:10:10 PM

Tom Karst

### From the Packer - [See Story here](#)

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Rep. Dennis Cardoza, D-Calif., said he will not seek reelection in the U.S. House of Representatives in 2012.

Cardoza, a five-term moderate "Blue Dog" Democrat representing the 18th Congressional district in California, said in an Oct. 20 statement that he was proud of his work on agriculture issues important to growers in California's central valley.

Cardoza is a member of the House Agriculture Committee and his district includes Merced County and portions of San Joaquin, Stanislaus, Madera, and Fresno counties.

"The No.1 industry in the Valley is agriculture, and our work to eliminate the 'tractor tax' in California and write the 2008 farm bill will always stand out as major advances," he said. Because of new boundaries for Congressional districts drawn by California's independent redistricting commission, Cardoza would have had to run in 2012 in the same district as his friend and fellow Democrat Jim Costa. Cardoza's exit from the 2012 election clears the path for Costa in the redrawn central valley district, according to an online report in Roll Call.

Cardoza said in his statement that he was dismayed by the Obama Administration's failure to effective(ly) address the housing foreclosure crisis and the news media inattention to moderate members of Congress.

"For our country to change course, voters must aggressively punish extreme partisanship and rhetoric when they cast their ballots," he said.

Fresh produce industry leaders said Cardoza will be missed.

Tom Nassif, president of Irvine, Calif.-based Western Growers, praised Cardoza's help in achieving industry gains.

"He championed the specialty crop title in the 2008 Farm Bill and has worked to ensure Central Valley farmers have a secure and reliable supply of water," Nassif said in a statement.

"This is certainly a bittersweet day for those of us in the fresh produce industry fortunate enough to work alongside Rep. Cardoza," United Fresh Produce Association president Tom Stenzel said in a statement Oct. 20. "He has been a tireless champion for the fresh produce industry, and a great friend and ally, not just to the industry in California's Central Valley, but also nationwide."

## **Future of ADMINISTRATION Ethanol Infrastructure SPENDING Under Attack**

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Even as USDA announced it has approved more than \$27 million in loans and grants to more than 500 rural businesses and producers to put ethanol "flex fuel" pumps into their operations, a Senator took to the floor to try and block any further federal spending on ethanol infrastructure. The grants and loan guarantees are part of USDA's Rural Energy for America Program (REAP), authorized in the 2008 Farm Bill, which provides funds for farmers, ranchers and rural businesses to purchase and install green energy systems and to make efficiency improvements. This most current round of grants and loans funds 54 flex fuel pump projects that will lead to 200 more pumps, part of the Administration's goal of 10,000 new flex fuel pumps over the next five years. But during this week's Senate floor debate on HR 2112, the agriculture appropriations bill - which cuts REAP funding nearly in half from last year - Sen. John McCain (R, AZ) rose to oppose the

infrastructure spending, threatening an amendment to eliminate the program completely. The Renewable Fuels Assn. (RFA) said the amendment was a jobs creation move for oil producing countries, and the amendment was strongly opposed by the National Farmers Union (NFU). McCain withdrew the amendment after attacking the program.

## **U.S.-MEXICO Truck DEAL Continues to DRAW Fire**

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With the first Mexican truck getting ready to cross the border under the new U.S.-Mexico cross-border trucking agreement, the program continues to draw fire from U.S. trucking interests. The Owner-Operator Independent Drivers Assn. (OOIDA) this week said it continues to strongly oppose the trucking deal based on safety, homeland security and regulatory fairness grounds.

The group said the deal should not go into effect until Mexico has increased its safety standards, environmental protections and security regulations. The group is supported in their opposition by Rep. Duncan Hunter (D, CA) and Rep. Bob Filner (D, CA). With the onset of the program, Mexico will lift the remaining retaliatory tariffs on U.S. exports when Congress killed the program during the final years of the Bush Administration.

## **China looks to INCREASE U.S. WHEAT Imports From US Wheat Associates**

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A team of executives from Guangzhou Huaren Grain Trading Co., Ltd., in China will visit the United States Oct. 19 to 28, 2011, to gain an understanding of the U.S. wheat handling and export system. The team is sponsored by U.S. Wheat Associates (USW) and will meet with the Oregon Wheat Commission, the Wheat Marketing Center, the Washington Grain Commission, the Nebraska Wheat Board, the Chicago Board of Trade and U.S. grain trading companies during its visit.

"This organization holds import/export rights for cereal and feed grains," said USW People's Republic of China/Hong Kong Regional Vice President Matt Weimer, who will lead the team. "It is a purchasing agent for several Chinese flour millers that currently need imported, high-quality wheat to blend with domestic wheat to help meet increasing demand for premium wheat food products."

Weimar said to continue positioning U.S. wheat as the most valuable choice to meet that need, the team's visit will help demonstrate U.S. wheat crop quality and how the U.S. wheat supply system works to ensure specifications are met.

In China, USW also offers personalized consultation for flour millers and wheat food processors. For example, Dr. Gary Hou, technical director and Asian foods specialist with the Wheat Marketing Center, travelled to China last April as a USW whole grain products consultant. Hou presented technical aspects of using whole wheat flour versus refined flour presented to nearly 200 participants at the first ever Whole Grain Foods Development International Forum.

Following the conference, Hou and USW Country Director Andy Zhao, who is based in Beijing, visited flour mills to discuss the benefits of using U.S. wheat in whole grain products. For example,

they noted how U.S. soft white (SW) wheat could help maintain the bright white color preferred by Chinese consumers. Additionally, they showed how the stronger gluten in U.S. hard red winter (HRW) or hard red spring (HRS) wheat could address technical challenges with including the bran and germ in flour.

In just the first four months of the current marketing year, China has imported more than 11 million bushels of U.S. wheat including 5.3 million bushels of HRS, 2.6 million bushels of SW, and 3 million bushels of soft red winter (SRW) wheat. That is more than double what China imported in 2010/11 and more than it imported in 2009/10. COFCO, a diversified products and services supplier in agribusiness and food industries, is the largest importer of U.S. wheat in China.

Weimar said the team will also investigate opportunities to import U.S. wheat in containers, a delivery method preferred over bulk vessel shipments in many parts of China. Australia is currently meeting Chinese container load demand of as much as 18 million bushels per year.

USW is the wheat industry's market development organization working in more than 100 countries. Its mission is to "develop, maintain, and expand international markets to enhance the profitability of U.S. wheat producers." The activities of USW are made possible by producer checkoff dollars managed by 19 state wheat commissions and through cost-share funding provided by USDA's Foreign Agricultural Service. For more information, visit [www.uswheat.org](http://www.uswheat.org) or contact your state wheat commission [www.californiawheat.org](http://www.californiawheat.org).

## **NASS Announces REDUCED, Eliminated REPORTS Due to BUDGET**

USDA's National Agricultural Statistics Service (NASS) said Monday it will eliminate or reduce more than a dozen categories of reports due to budget cuts.

The agency said that in light of "funding reductions" in FY2011 and likely cuts in FY2012, it had reviewed all programs for potential savings.

As a result, while maintaining the goal of providing timely, accurate and useful data, the agency is "discontinuing or reducing a wide range of agricultural survey programs".

"The decision to eliminate or reduce these reports was not made lightly, but it was nevertheless necessary, given the funding situation," said USDA's Agricultural Statistics Board, the group that oversees NASS reports, in a statement.

Reports to be eliminated are on topics including farm numbers, land in farms and livestock operations; catfish and trout; floriculture; sheep and goats; cattle; distiller co-products; bees and honey; hops; and milk.

Reports will continue to be issued, though with less frequency, on topics including chemical use; potato stocks; fruit and vegetable forecasts; and rice stocks.

NASS said data similar to the information that would have been included in the reduced or eliminated reports will be available, but with less frequency or only within the Census of Agriculture, which is done every five years. The next Ag Census is scheduled to begin in January

2013.

NASS data is widely used by government, non-profit and market-based organizations. In general, USDA data is considered the gold standard for information about U.S. agricultural and food production. In some cases, the data collected, analyzed and disseminated by USDA agencies is not replicated in private industry at all.

While none of the reports included in the recent announcement directly involve wheat or flour, the industry is being affected by budget cuts that have necessitated reducing other reports, including one from the Census Bureau on wheat flour. The industry has recently urged that the flour report and others eliminated by the Bureau be moved to USDA.

NAWG and the wheat industry have remained engaged with NASS as the agency faces budget concerns that will force it to reduce services.

To read the full NASS release, please visit

[http://www.nass.usda.gov/Newsroom/Notices/10\\_17\\_2011.asp](http://www.nass.usda.gov/Newsroom/Notices/10_17_2011.asp)