

IDAHO POTATO PULSE



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President's Report

By Frank Muir

During the recent industry Potato Expo held in San Antonio, Texas, several speakers addressed the current economic situation facing our nation and its impact on potato sales. Drastic trend shifts are occurring and may continue to occur. For example, frozen potato trends had been positive but December was very disappointing to some companies. However, it is important to note that higher potato production costs have finally been reflected in pricing so although we are facing challenging times, the Idaho potato grower has a firm financial base to stand upon.

The key strategies to addressing these uncertain times are: 1) be alert to rapid trend shifts, 2) be proactive in anticipating these shifts (as the IPC did recently with a jumbo-size bin promotion to avoid backing up large sizes - and possibly force prices downward -- during February PLM), 3) stay on message - with our nutrition and value stories via advertising and publicity campaigns, 4) be responsible in planting plans for next season to maintain current stable prices, and 5) look for further export growth in all potato segments to increase strength of global portfolio to spread risk.

The IPC is working with the industry to address the above key strategies. We welcome your input as always. Working together, the Idaho potato industry is stronger than ever.

Government Affairs Report

By Pat Kole

There are two important issues gathering traction as the beginning of the new administration approaches, sustainability and food safety. Next week at the Potato School sustainability will be front and center as NPC's John Keeling will be joined by Dr. Joe Browde as keynote speakers on Wednesday, January 21, 2009. Mr Keeling will discuss current efforts by groups such as ANSI, Keystone and Stewardship Index to develop sustainability standards. Dr. Browde's presentation will focus on how the California wine industry met the challenge of implementing a sustainability standard and remained economically viable.

Food safety will be a major issue this year. The choice for the food industry is 1) self regulate through a meaningful self governing approach or 2) be prepared for federal legislation imposing a federal solution. Option one is the less burdensome approach because it allows for a produce category specific approach - potatoes do not need the same safeguards as leafy greens. Stay tuned for developments and keep in mind who's in charge now in DC.

Industry Relations Report

By Todd Cornelison

NPC Potato Expo and Annual Meeting Held in San Antonio, Texas

The NPC Potato Expo held in San Antonio, Texas, last week was a huge success! The number of registrants topped 750, approximately 250 more registrants than originally anticipated, with a huge number of exhibitors. The speakers included Senator Charlie Wilson of the movie "Charlie Wilson's War" fame and Mitch Smith, a top level executive of McDonalds. If you were unable to attend, don't miss next year's Expo - mark your calendar now. The Expo will be held December 2-4, 2009 in Orlando, Florida, at the Loews Royal Pacific Resort at Universal Orlando.

There were numerous issues discussed during the NPC Annual meetings. Here are just a few examples.

Immigration Reform: "Border Security and increased internal enforcement alone would cause American agriculture to lose much of its workforce. Imposing new burdens, fines and penalties on employers, while failing to provide labor-intensive agriculture access to a legal and stable workforce, would indirectly result in the loss of thousands of jobs that depend on America's agricultural productivity. Although U.S. Agriculture supports more enforcement and border security, enforcement alone would have serious unintended consequences for agriculture. NPC is a member of the Agriculture Coalition for Immigration Reform (ACIR) which supports comprehensive reform like Agjobs." This excerpt is taken from NPC annual meeting bulletin and tells us where NPC stands and what action it is taking on immigration reform. Agjobs is a band aid bill put forward by Senator Feinstein of California to help relieve the current pressure from loss of migratory labor in the Ag sector. It is a bill that has many positive attributes and the NPC backs it one hundred percent.

Transportation and Highway Reauthorization Bill: The major issue in this bill is the support for an increased overall gross vehicle weight not to exceed 97,000 pounds on federal interstate highways on vehicles equipped with an additional axle. The NPC is a member of the Agricultural Transportation Efficiency Coalition (AgTEC) and the Coalition for Transportation Productivity (CTP). Both of these coalitions are closely watching the formation of the bill. The bill promises to conserve fuel, reduce total emissions, reduce traffic congestion and increase safety. Most of these benefits would be due to fewer trucks on the road. The benefit to farmers would come in the form of decreased hauling costs.

Farm Bill: Yes, the farm bill continues to be a major focus for the NPC. To quote NPC President John Keeling, "Our (NPC) focus has gone from obtaining the money for the farm bill, to protecting the money that has been allocated." We aren't even in to the new administration yet and people are already trying to take the Ag bill money through a process called "chipping." This is a process where somebody attempts to obtain money that is allocated but not yet authorized. Apparently this is an emerging practice in D.C. Also NPC is working hard to make sure that specialty crops, i.e. potatoes, get their share of the grant monies that the farm bill authorizes.

I hope this gives you a taste of the work that the NPC does for us. They are truly an organization that protects our interests in Washington D.C.

IPC Ag Affairs Meeting and Dinner

Don't forget about the upcoming Ag Affairs meeting and IPC dinner being held at the Red Lion Inn in Pocatello. The day will begin with an OPEN Ag Affairs meeting running from approximately 2:00 to 5:00 pm. Come and let your voices be heard. Here is your chance to come and give the committee input. Following the meeting, a buffet style dinner will be served. PLEASE RSVP by Friday January 16th, if you plan on attending the dinner or we cannot guarantee you'll be fed. Thank you to everyone who has already confirmed.

Important Deadlines

USDA Reminds Producers of Upcoming Sales Closing Dates

SPOKANE, Wash., January 12, 2009 ---- **USDA's Risk Management Agency**

(RMA) reminds Pacific Northwest producers of the following 2009 Crop Year sales closing dates for Multi-Peril Crop Insurance (MPCI):

February 2, 2009: Final date to obtain or change Adjusted Gross Revenue Pilot (AGR) insurance in select counties in Idaho, Oregon and Washington. Final date to submit required documents to continue or change 2009 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for EXISTING POLICY HOLDERS in Alaska, Idaho, Oregon and Washington

February 2, 2009: Final date to obtain or change crop insurance coverage for Spring Planted Onions in Idaho, Oregon and Washington and Cabbage Pilot crops in Oregon and Washington.

March 16, 2009: Final date to obtain 2009 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for NEW APPLICATION/ENROLLMENT POLICIES in Alaska, Idaho, Oregon and Washington. Final date to obtain or change ALL OTHER Spring Seeded Crop insurance coverage (excluding wheat in counties with Fall and Spring planted types).

RMA also reminds producers of the important link between Federal crop insurance and Farm Service Agency (FSA) Disaster Assistance programs for the 2009 crop year. To maintain eligibility for FSA's disaster programs, producers must obtain a policy or plan of insurance of at least catastrophic (CAT) level coverage if available.

For those crops that are non-insurable, coverage under the Noninsured Crop Disaster Assistance Program must also be timely obtained.

Producers are encouraged to visit with their local FSA office to ensure they are in compliance with the new linkage requirements. If there is no coverage in a county for a specific crop under the traditional MPCI program, producers may ask a crop insurance agent whether they would be eligible for coverage under a written agreement.

Producers should contact a local MPCI agent to learn additional program details. A list of crop insurance agents is available at all USDA Service Centers throughout the U.S. or at the

Website address: <http://www3.rma.usda.gov/tools/agents/>

Calendar

January

- 15 Ag All Star Legislative Banquet (Historical Museum - Boise: 6:30 p.m. Reception, 7:30 p.m. Dinner) Contact Rick Waitley, 208-888-0988
- 20 Potato Seed seminar, Pocatello Idaho
- 20 IPC Cost of Production Committee meeting, Red Lion Inn, Pocatello, ID 2:00-4:00 p.m.
- 21-22 41st Annual Idaho Potato Conference and Eastern Idaho Ag Show, Pocatello, ID
- 22 IPC Ag Affairs meeting and Dinner, Red Lion Hotel, Pocatello, ID 2:00-7:00 p.m.
- 22 Potato Industry PAC auction, Red Lion Hotel, Pocatello, ID
- 29 Idaho Potato Commission Meeting, Boise, ID

February

- 9-10 UPGA Marketing Committee and Board of Directors meetings, Hard Rock Hotel, Las Vegas, NV
- 18 Miller Research Crop Pest Management Seminar, Burley Best Western, Burley, ID (9:00 a.m.- 12:00 pm RSVP required)
- 23 Ag Shippers Workshop, Boise ID, in conjunction with Ag Summit, 8:30 a.m. – 12:30 pm, Double Tree Riverside.
- 23 Ag Summit Strolling Dinner (Double Tree Riverside - Boise, 5:30 p.m.)
Contact Rick Waitley, 208-888-0988
- 23-24 Idaho Ag Summit (Double Tree Riverside - Boise)
Contact Rick Waitley, 208-888-0988 or www.idahoagsummit.org
- 25 Food Producers of Idaho Weekly Legislative Meeting (Idaho Ag & Grain Center - Boise: 9:00 a.m.)
Contact Rick Waitley, 208-888-0988
- 19-26 Potato Industry Leadership Institute