

Bargaining Groups Team Up in Bid for Funds for California Producers

YUBA CITY, CA, August 30, 2006 – The Prune Bargaining Association, the Walnut Bargaining Association, and the National Agricultural Bargaining Council recently teamed up to underwrite the cost of developing a grant proposal in order to apply to a competitive USDA risk management education program and win a share of the available funding for California specialty crop producers. The USDA will announce successful bids at the end of September.

During the last farm bill debate in Congress, California representatives worked on getting recognition for the many specialty crops that are grown in the state. Numerous farm experts in California feel that the needs of specialty crop or ‘minor crop’ producers have been overlooked in the past. Many specialty crop farmers are small to medium family operations without the resources to adapt to rapidly changing market structures, production cost increases, and buyer consolidation.

Steve Blank, an economist for the University of California Cooperative Extension, is one expert who worked to get California specialty crops included in farm bill programs. In particular, his work helped insure that specialty crops are included in all of the USDA Risk Management Agency programs. His efforts have helped expand crop insurance coverage to more specialty crops. And he has also helped ensure that specialty crops are eligible for risk management education (RME) grants.

RME grants provide training and information opportunities for producers through the formation of partnerships with public and private organizations. The purpose of the program is to promote sound risk management solutions to improve the economic stability of American agriculture.

In order to apply to the program, the bargaining groups have secured support for the project from experts in economics and agronomy, and a wide range of farm organizations including commodity boards, cooperatives, and agricultural lenders and suppliers. Supporters include the Almond Board of California, Butte County Farm Bureau, California Canning Peach Association, California Dried Plum Board, California Farm

Bureau Federation, California Tomato Growers Association, Dried Fruit Association of California, Gold Country Bank, Olive Growers Council of California, Prune Bargaining Association, Raisin Bargaining Association, Sacramento Valley Farm Credit, Sierra Gold Nurseries, Sun Maid Growers of California, Tri-Counties Bank, Umpqua Bank, Walnut Bargaining Association, and the Yuba-Sutter Economic Development Corporation.

The UC Fruit & Nut Research & Information Center has agreed to facilitate the project if the bid is successful. Louise Ferguson, Ph.D, Extension Specialist and Director, F&NRIC, will act as the project director. Economists and instructors who have offered to assist with the project include Steve Blank, Ph.D, U.C. Extension Economist, Shermain Hardesty, Ph.D., Director U.C. Cooperative Center, Karen Klonsky, Ph.D., U.C. Extension Economist, Rich Sexton, Ph.D. Professor, U.C. Department of Agricultural and Resource Economics, Dan Sumner, Ph.D., U.C. Ag Issues Center, and Dave Westerholm, Seminar Leader, Karrass Effective Negotiating, Karrass USA Ltd.

The bargaining groups' proposal targets 5 areas of concern to help California producers manage risk and adapt to changing markets and market structures: 1) Impacts of globalization or 'free trade,' and buyer consolidation, vertical integration, and contract farming, 2) Collective bargaining of agricultural commodities and how agricultural bargaining associations are adapting to changing markets, 3) Price trends in California specialty crops, 4) Cost of production trends, and 5) Effective 'win-win' negotiation for achieving positive results for growers and processors.

If the bid is successful, several one-day symposiums are planned for various regions of the state in 2007. The symposiums will be similar in format to the successful Tree Crops Conference held in Yuba City in May 2004. Educational information and training will also be made available through cooperative extension meetings and small 'tailgate' presentations to provide producers an opportunity to learn about the latest trends in markets and risk management. A two-day seminar on effective 'win-win' negotiation would also be provided for board members of bargaining associations.