



WASHINGTON BLUEBERRY COMMISSION

Serving the Blueberry Industry of Washington

WASHINGTON BLUEBERRY COMMISSION

March 13

Mt. Vernon, WA

Chair Brian Sakuma called the meeting to order at 10:30 AM

Introduction

Commissioners present: Bryan Sakuma, Rebecca Weber, Leif Olsen, Rob Dhaliwal and Adam Enfield, Todd Van Mersbergen and Brenton Roy

Administrative staff present: Alan Schreiber and Lori L. Anderson.

Guests – Nathan Sakuma, Bo Slack, Carl Koskela, Harley Soltes, Craig Ford, Harvey Krause and Henry Bierlink.

Bryan called for an introduction of board members and guests.

Approval of previous minutes

Alan has a question regarding the minutes from January, Rob had changed the amended motion regarding the funding that Tobin Peever had originally received, depending on the Red Raspberry Commission co-funding, the first motion was modified contingent on Chad Finn's funding.

Brian asked for a motion to approval amended minutes with the request that the November minutes be corrected.

Adam moved to approve the previous meeting's minutes as edited. Leif seconded the motion. Motion to approve previous meeting minutes passed. These minutes are from the meeting of January 20th, 2017.

Financial Report

Alan went over the first financial report. Tariff reduction went from \$30,000 to \$20,000. The WSU research bill just came in so that is not included in the budget. Alan then went over office supplies and the NABC/USHBC trip with the Commission. Alan goes over the budget with Brian, something did not get added in to the budget, so there might some changes to the Administrative Services, this is going up \$5,000.

We changed banks for the CD for \$10,000, in this process we found one of the CD's in the lost account with the State of Washington. Alan explained how this happened and that we have requested that the funds be returned. We have \$758,034 in the bank, of which, \$212,503 is in the reserve fund. Alan went over the check detail.

Brenton asked what the Atlanta trip was for, Alan explained that he is on an USDA advisory board regarding SWD research on organic blueberries. Bryan asked about our accounting review, if this is a self-imposed review. Rebecca asked about the budget changes, are we looking to have that approved later or right now. Alan and Bryan will do this towards the end of the meeting.

Executive Review

The Commission went over the amount of blueberries that are going to be produced for the upcoming year. Does anyone have a number, Alan would not put a lot of emphasis on this. Bo would like to stay the same as last year. Rob would like to say 140,000,000 pounds. Bryan asked when the numbers have to be in. May or June, Alan responds. Brenton wants to know why it is so important. Alan explains the importance of the numbers from Oregon, California, Georgia and Michigan, so if the production is high, then the price will be cheaper. Bo feels that by having a manageable market for sales versus pricing, than we can have a better idea of supply and demand. Bo wants growers to understand we want realistic numbers, let's not undercut numbers. Bryan would like a conservative, realistic number. If everyone is conservative, will this have a drastic effect on the price?

Can we stall as long as possible before giving a number? What does the board want to do?

Bryan would like to send out an email the first part of April asking for the numbers. We cannot ask unless the Chair makes the contacts and then tells Alan what to do. Alan heard that the number of Canadian berries is going to be down this year. Bo would like for Alan to find out where the new acres are being planted and how many pounds those acres are going to be producing in the future. Brian would like to put the executive review in front of New Business.

Bryant Christie sent a Report Pest risk assessment from the Philippines and Vietnam, to the USHBC. Alan received it and sent it around for review, these include pests that Alan had not heard of but sent back the necessary information. During a conference call, a pest risk assessment had not been sent out from the highbush office.

Rob would like to know why the UHBC does not hire an entomologist, Alan tells Rob the USHBC has \$40,000 to support this kind of activities so there are funds available to do this kind of work.

Export Market Development

Vietnam and Philippines

Oregon would like to join with Washington State on a trip to Vietnam and the Philippines. We need to make the arrangements now, there will be several stops and meet and greets along the way. Bryan thought that the only thing pending was who was giving us the tour. Alan sent the information to Oregon on Friday. Oregon has been recently, and they would like Washington to go this time, then get together to make further plans.

There is question regarding the board sending the right person over, Rebecca could go over earlier. Rob asked with TPP off the table will it make it harder to trade. Oregon has already gone, Rob and Brenton would like to save our trip until we have made more progress in opening both markets. Alan feels that by going we can show the countries that we feel they are important and we really want to sell to them

Brenton feels that when Oregon goes we should go with them, Rob agrees. Bryan asks the question, should we wait till we get all the information, or is the urgency to go to the earliest me trade show. Rob feels that if it makes the process go faster than we need to go. Brenton feels that we need to find out if Oregon is going to attend the conference, if so we need to go with Oregon. Rebecca asked if they had a good report from their last assessment. Alan feels that these are the next two markets that are going to open and we need to be there. Alan asked the Commission on how to proceed. Bryan asked about other comments or peoples thoughts, Brenton asked for Alan's opinion. We set the budget and made plans, but if no one wants to go Alan will go by himself and make as much noise as he can. Bryan would like to give everyone a back ground on this issue, but then it became a higher priority thinking this was already an organized trip.

Brenton's main concern is that we cannot miss the trip with Oregon. Bryan would like Alan to get more information regarding data from Tom Paine, and if there is enough business to make the trip worthwhile, or wait until October. Alan feels that we do not have enough money to go over there two times and pay Francis Lee as the contractor. Bryan would like to get more information from Oregon before we decide on the dates, if Bryan says go, then Alan goes, if Bryan says no then that is the last word.

South Korea and China

Our contractor is sending leads out for possible buyers, we need to have a teleconference or a survey to see if the Commission wants to continue with the contractor. We are applying for a SCBG proposal, we will be asking for a full grant instead of a partial grant. If we receive this Grant we can put it towards the tariff reductions that are going on in India and China.

Rob asked about the Dairy Commission going in with the Blueberry Commission through Delauney. Has anyone ever thought about putting these two Commissions together? Rob, Adam, and Todd all thought this is a good idea. Rob brought up the video for the promotion of

Washington blueberries, Alan told the Commission that this project was going to the promotion's committee.

Research

We have an existing Specialty Crop Grant dealing with pulse irrigation, but Alan has applied for a new grant along with the Red Raspberry Commission on RNI technology. Washington State Commission of Pesticide Registration funded five proposals from the blueberry group, this was a highest number of research projects than any other commodity.

Alan told the Commission about the contracts that we have received from WSU, they are on the way to DES. Gerdeman is still looking for a project topic to work on. The Commission wants to fund a berry entomology project but the one submitted was not of interest to the industry. Alan tells the Commission that DES has taken over the way contracts, including research contracts, have to be handled. This has extended the amount of paperwork that Lori and Alan have to deal with.

Food Safety

What are we going to be doing about food safety workshop; it has been three years since we have had a workshop. What issues or topics do the growers want workshops on? East side wants Food Safety, cleaning the mechanical harvesters for mycobacterial. This will be held in Prosser on April 20th in a video conference, there will be a \$20.00 fee. Alan then went over several other classes that will also be held at the same time. This will be cohosted by the Red Raspberry Commission. Both the Blueberry Commission and Red Raspberry Commission are putting in money to host this meeting for a total cost of \$8,500.

Outreach

There was a meeting on Berry Fungicide Resistance, this was for key players of the berry industry, and Alan thought this was a great meeting. On March 23rd, there will be a series of workshops on the West side of the state, this will be simulcast with several topics.

NABC & USHBC

Bo Slack gives a brief summary of the strategic planning meeting, all the chairs from these committees met and created a new mission statement, and this included an interactive meeting, resulting in three new goals. These are continuing the focus on the health aspects of blueberries, increasing export markets and promoting new blueberry processed products. A new goal they talked about was grower reach out and engagement. An upcoming meeting will have these goals and help create a new organization.

Industry Relations Committee received a budget increase, with an emphasis on grower out reach. They are hiring a new person to provide power point and video presentations to increase consumer demand. This committees goals are to reach out to the growers, starting with

Universities first, then down to other areas, they are trying to get a cost of doing business and production in the industry.

Nathan tells the Commissioners about this year's USHBC promotion's meeting. There was an attendance of 30 or more people up from 5 that attended last year. Promotions have been allocated more money this year towards the industry. Most of this is going towards the frozen products and how you balance the fresh and frozen blueberries. Creating a new demographic map of who buys the most blueberries, and trying to appeal to a broader audience. The Committee has researched options to use, including the Food Network Channel to promote the industry, along with a new spokesperson. Rob thinks it is a waste of money, people do not trust Hollywood, if you look at the way people buy food at this time, especially the millennials. Nathan argues that according to the data, money spent after these shows and after the spokesperson was on TV, the web spiked with people looking for blueberry recipes. Bo agrees with Nathan, social media has a huge impact on how people's perception interacts with how they do their shopping for dinner.

Washington DC - Nathan tied that in with the USHBC. At this time there is Federal freeze on hiring. The USDA berry pathology technician's position went away the money got absorbed into a cost of living increase instead of direct funds to one employee. Money is needed for the pathology and the breeding positions. If there should be one breeder in the United States, it should be from the Pacific Northwest. Nathan feels that the breeder program in New Jersey is not going to be renewed, so the committee is holding out for the breeding program in the Pacific Northwest.

Small Fruit Center is really not functioning much at this time. There is a small amount of money that the Center has access to for the faculty, but not for new proposals.

Alan would like to know why no one has talked about the most interesting part of the USHBC, and that is how unhappy everyone is with the low price of blueberries. Bryan and Alan talked about how there was an allegation that Canada has been dumping blueberries. Bo said he is on the Committee that received the letter contained the allegation about dumping and it included a number of concerns. Since this was not brought up in an executive meeting, Bo can talk about it. The Michigan Blueberry Council wrote a letter to USHBC regarding the price of blueberries direction the monies were being spent. Since that letter was written, a market order was approved in Michigan to begin a Blueberry Commission. Rob told about how growers from other states besides Michigan and Washington are concerned about whether Canadian growers are dumping blueberries. Nathan said the criticisms started because the head of the UHBC is Canadian, so the focus may be misconstrued by growers in the United States. Alan believes that the strength of the US dollar has a large impact on why this is happening in Canada.

Executive Session

Bryan has made the recommendation to increase the amount of the Administration Contract and approve the changes to the budget.

Todd made the motion to increase the administration contract by \$5,000, to lower the

funds for tariff reduction from \$30,000 to \$20,000. Change the Food Safety to \$4,610, with the remainder going back into the contingency fund. To amend the budget as Alan earlier explained. Brenton seconded the motion. The motion passed unanimously.

WSCPR Tour

The Washington State Commission on Pesticide Registration tour will be held in Western Washington this year and will include blueberries. Alan will be requesting the WBC be a sponsor's. The berry stop will be at Sakuma Brothers.

Other Business

While Alan was at the USHBC meeting, ICE came to the farm next to us in Eltopia and took out five people. ICE has stepped up policing in our area, while not going to the farm directly, they are going to places like WorkSource.

Alan just received an email from Bryon Ostlund, explaining about the new Director of Agriculture in Oregon. Rob thought that the USHBC hired a new person to deal with the promotions, but Alan and Bryan said she is only hired to work on MAP issues.

Bryan asked if there was any more other business; we need to work on a new RFQ for this year. Alan told Bryan told him it was for 2018, Rob reminded Alan that the Commission has to start in October.

Henry was asked if he has any new information, he stated that the next Red Raspberry Commission meeting is April 5, 2017.

Bryan asked for a motion to adjourn the meeting.

Rob made the motion to adjourn the meeting. Adam seconded the motion. All approved, Meeting adjourned.

Meeting adjourned.

1:15 pm

