

**United Fresh Produce Association  
Government Relations Council Meeting Summary**

2011 Winter Meeting

The Renaissance Hotel Dupont Circle Washington, D.C.

February 15-16, 2011

**Council Members Present**

Jim Allen, New York Apple Association, Inc.  
Barry Bedwell, California Grape & Tree Fruit League  
Travis Blacker, Idaho Grower Shippers Association, Inc.  
Jason Craig, C.H. Robinson Worldwide, Inc.  
Nancy Foster, U.S. Apple Association  
Charles Hall, Georgia Fruit & Vegetable Growers Association  
Jamey Higham, Potandon Produce, LLC  
Lance Jungmeyer, Fresh Produce Association of the Americas  
Doug Kling, Village Farms  
Pat Kole, Idaho Potato Commission  
John McClung, Texas Produce Association  
Bruce McEvoy, Seald-Sweet LLC/Uni-Veg Group  
Bob Morrissey, National Watermelon Association, Inc.  
Joel Nelsen, California Citrus Mutual  
Lee Anne Oxford, L & M Companies  
Ray Prewett, Texas Citrus Mutual  
Chris Schlect, Northwest Horticultural Council  
Mike Stuart, Florida Fruit & Vegetable Association  
Rick Tomlinson, California Strawberry Commission  
Mike Wootton, Sunkist Growers, Inc.

**Council Members Unable to Attend**

Jim Bogart, Grower-Shipper Association of Central California  
Bill Brim, Lewis Taylor Farms  
Reggie Brown, Florida Tomato Exchange  
Brendan Comito, Capital City Fruit Company, Inc.  
Bil Goldfield, Dole Fresh Fruit, Inc.  
John Keeling, National Potato Council  
Tom Nassif, Western Growers  
Laura Phelps, American Mushroom Institute  
Fred Recchiuti, Basciani Mushroom Farms  
Manuel Rodriguez, Chiquita Brands  
Alan Siger, Consumers Produce Company, Inc.  
Charles Wingard, Walter P. Rawl & Sons, Inc.

**Guests**

Ken Barbic, Western Growers  
Becky Bonham, B & B Enterprises (Texas Citrus Mutual, Board Chairwoman)  
Jim Bryan, Western Growers  
Cathy Enright, Western Growers  
Jim Griffin, Walter P. Rawl & Sons, Inc.  
Chris Valadez, California Grape & Tree Fruit League

Tom Wollenman, Lobue Bros., Inc., (California Citrus Mutual, Board Chairman)

### **Legislative Counsel**

Randy Russell, Russell & Barron  
Tyson Redpath, Russell & Barron

### **United Fresh Staff**

Angela Bezon Tiwari  
Lorelei DiSogra  
Erin Grether  
Robert Guenther  
Julie Manes  
Andrew Marshall  
Tom Stenzel

## **Meeting Summary**

On February 15, 2011 Barry Bedwell, Chairman of the Government Relations Council called the meeting to order and welcomed guests and members of the council to the 2011 winter meeting at the Renaissance Dupont Circle Hotel in Washington, D.C. and asked for self introductions around the room. Barry Bedwell turned the floor over to Robert Guenther who outlined the goals for the meeting and provided a brief update of recent events and the changes in the congressional environment since the November 2010 mid-term elections. Guenther outlined key issues to discuss for the meeting, including the upcoming 2012 Farm Bill, nutrition, the regulatory environment on Capitol Hill and broad issues impacting the produce industry.

## **2011 United Fresh Congressional and Regulatory Agenda**

### **2011 Government Relations Priorities**

The 2011 government relations priorities include over 30 specific recommendations for United Fresh to focus on this year, highlighting policy and regulatory activities which include the implementation of new food safety law; nutrition policy that increases fruit & vegetable consumption; agriculture policy to support fresh produce competitiveness; sound environmental regulatory and legislative policy; enhancing a business environment that supports competitiveness of produce companies. Guenther reported the United Fresh Board of Directors reviewed the 2011 Government Relations Priorities at their annual meeting in January 2011 (Sonoma, CA) with no disagreement or changes. Joel Nelson, California Citrus Mutual made a motion to approve the current version of the 2011 Government Relations Priorities and this was seconded by Charles Hall, Georgia Fruit and Vegetable Growers Association and the motion was passed with unanimous consent by the council.

### **2011 Congressional Environment**

Randy Russell, Russell & Barron updated the council on the political environment on Capitol Hill and major changes that have taken places in Congress since the 2010 midterm elections. Russell highlighted that there are 93 new representatives in the House of Representatives, 16 of which are freshman representatives serving on the House Committee on Agriculture. He discussed leadership within the committee including Rep. Jean Schmidt, Chairwoman of the Subcommittee on Nutrition and ranking member Joe Bacca who should be our allies moving forward. In the Senate, Sen. Debbie Stabenow is the new Chairwoman of the Senate Agriculture Committee, who is up for reelection in 2012 but can help us with many of our issues moving

forward. Russell discussed the budget crisis as the House is looking to cut 1.6 trillion from the deficit. Tom Stenzel added that we need to position our agenda to fit into the climate of budget cutting by investing in the future for agriculture jobs, specialty crops, block grants and nutrition; by focusing on the creation of agriculture jobs as investments this will save money in the long term along with investing in nutrition to lower health care costs. Russell closed the discussion, describing Congress as divided during a challenging time, but he was still hopeful we can move our policy objectives forward, collectively and as associations to influence Congressional actions.

## **Major Policy Regulatory Initiatives for 2011**

### Implementation of the Food Safety Modernization Act

The Food Safety Modernization Act was passed by Congress on January 4, 2011, which Guenther described as the most sweeping overhaul of the food safety system since 1938. Guenther discussed the implementation of the law which will be phased in over the next three years, requires at least 12 new regulations from FDA and 10 new guidance documents. Guenther explained the law puts emphasis on prevention, rather than after-the-fact investigations following a recall and supports a risk-based approach to regulation. Under the new regulations, U.S. processors, wholesalers, and distributors will be required, at minimum, to develop a food safety plan, with hazard analysis and preventive controls. FDA will continue to do inspections, mainly within fresh cut operations. Also, importers will be required to verify that food products are grown or manufactured in accordance with relevant FDA regulations at the border. However, there will not be much change in the U.S retail and food service sectors; primary regulation will still be overseen at the state level, yet recalled products at the retail level must be reported under the Reportable Food Registry.

Guenther stated the bill passed with the Tester Amendment included, which United Fresh fought hard to eliminate. The Tester Amendment allows small facilities and farms with annual sales less than \$500,000 with at least half direct to consumers through farm markets, retailers, restaurants (not distributors) and those farms 275 acres or less, are not be subject to this law.

Also, Nega Beru, Director of Food Safety, FDA Center for Food Safety and Applied Nutrition spoke about the new law and where FDA is at with the implementation process. Beru said that at FDA had created small working groups to develop concept papers for direction and timelines for the implementation of different aspects of the law. Also, Beru discussed that FDA asked for comments ahead of the actual regulation of the produce rule to gain insight and help from industry.

### Preparing for the 2012 Farm Bill

It is clear that the 2008 Farm Bill brought great success for the produce industry including the implementation of state block grants that provided funding for research programs, increased access for fresh produce in federal nutrition programs and state block grants attacking pest and disease control. With the 112<sup>th</sup> Congress underway, discussions are now beginning to take place regarding the 2012 Farm Bill. United Fresh and many other allied organizations will continue to drive efforts of the Farm Bill Alliance. Guenther highlighted that 140 organizations are represented, with a 30-member steering committee, requiring a \$5,000 commitment. United Fresh serves as Secretariat and Co-chair of Legislative Committee. Currently there are nine policy working groups developing recommendations for The Steering Committee to review in March. With many new members in the 112<sup>th</sup> Congress including new

leadership on key committees, this will not only bring new opportunities, but also some challenges. Guenther closed this discussion by mentioning that more outside players are looking to benefit from the 2012 Farm Bill including those from the public health sector and the local, sustainable movement, so we must act as a team moving forward with a collective and powerful voice. Russell added that hopefully by the end of this year, the Senate will begin markups on the bill and that the produce industry is well-positioned in the Senate with Sen. Stabenow serving as the chairwoman of the committee.

#### Federal Nutrition Programs Focus on Fruits and Vegetables

Guenther discussed nutrition programs such as the Fruit and Vegetable Snack Program that was implemented with \$1.1 billion over 10 years serving 3 million students. Also, the WIC Program is given \$750 million annually to introduce produce to kids from birth to school age. Guenther discussed that we need to take advantage of the policy changes set forth by the new 2010 dietary guidelines that have come out doubling the serving of fruits and vegetables at breakfast and lunch. Members of the council thought doing an economic study would be helpful to see whether this will increase the return on investment for fruits and vegetables sales, not just in theory.

#### Regulatory Environment

Julie Manes, discussed issues impacting regulatory programs within the produce industry. First, the Department of Transportation and the Mexican Trucking issue continues as the United States and Mexican governments continue to meet regarding negotiations over a concept paper. The Mexican government has stated they would like to see negotiations completed within 3-4 months of first meeting. Manes reported on hours of service and that FMCSA held a roundtable discussion in DC and will be holding a listening session on February 17; comments will be due by February 28 and United Fresh is reaching out to association members to develop these comments. Manes also discussed that OSHA withdrew their proposal for rules on noise standards in the work place. Lastly Manes reported on the status of immigration legislation and that the AgJOBS legislation has not been reintroduced and it might be not be. Manes expressed that we need to work with congressional offices regarding the dependence agriculture has on seasonal labor.

The meeting concluded for the day and Guenther reminded everyone about the reception and dinner at Carmines that evening and noted that Rep. Sam Farr would be joining them with his staffer Troy Phillips.

The final day of the meeting began with Chairman Barry Bedwell calling the meeting to order and introducing new members that were unable to attend the previous day. He then turned it over to Robert Guenther who took a closer look at issues impacting the produce industry.

#### Locally Grown Impact

Guenther opened up discussion with the council regarding the "locally grown" issue and how its impact has affected the industry. Because the locally grown phenomenon has gained much momentum in the last couple of years, there are many different perceptions and definitions of what local actually means to the consumer. The council would like to get a formal definition of "local" in the 2012 Farm Bill. Also the council is opposed to locally grown when federal funding favors local operations.

### Sustainability

Sustainability continues to be a focal point for the produce industry. Guenther discussed the four key areas of sustainability including the Stewardship Index, Keystone, ANSI, and Sustainability Consortium. Tom Stenzel reminded the Council of the United Fresh policy not supporting for a government definition of sustainability and also noted that Costco has taken an active role in corporate responsibility.

### Member Issues

Guenther asked council members to discuss any issues pertaining to their business that they would like United Fresh to direct their efforts toward in 2011. Lance Jungmeyer discussed the FDA test and hold at the border issues and how they are holding product even though it might not be positive for pathogens; this is holding up product to the market place and causing a real issue at the border. John McClung reaffirmed that the Mexican Truck issue is still affecting him down in Texas. Lastly, the council discussed they would like to plan a meeting at the United Fresh Convention in May for 3-4 hours to discuss new issues that will arise between now and then. Guenther reminded the council that our monthly conference calls will continue on the third Thursday of every month and Erin Grether will be sending out the information for the calls.

### Action Items

The council would like to reemphasize PTI issues and simplify the traceability process; they would like to support the G-10 process and focus on regulatory issues on the traceability side. As far as nutrition the council would like to maintain the "status quo" and use the 2012 Farm Bill as a way to incorporate nutrition. Also, they would like to defend the funding that is currently in place as not to lose funding over budget cuts.

Bedwell concluded the meeting and thanked the council members for attending. Guenther reminded that for those that could attend, they would be going to the Hill to meet with congressional offices.