



CALIFORNIA  
TABLE GRAPE  
COMMISSION

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February 14, 2024

**Testimony Presented to the California State Board of Food and Agriculture  
by California Table Grape Commission Incoming President Ian LeMay**

Good morning Secretary Karen Ross, Board Chair Don Cameron, and distinguished members of the California State Board of Food and Agriculture.

My name is Ian LeMay, and I currently serve as the Incoming President for the California Table Grape Commission. The Commission was established by state legislation in 1967 to support and promote the California table grape industry as a way to bolster the state's economy. With an annual operating budget of approximately \$20 million, the commission fields a global marketing campaign; runs a worldwide grape licensing program; funds a four-pronged, multi-million dollar research effort focusing on consumers, the health benefits of grape consumption, mechanization and advanced automation, and viticulture production; and manages a wide range of market-impacting issues. California produces 99 percent of the commercially grown tables in the U.S.

What follows are suggestions for ways to enhance the competitiveness of table grape growers and others in the specialty crop sector. We'd like to begin with the question asked about ways that USDA can administratively support specialty crop producers to enhance domestic marketing and increase consumption of domestically grown specialty crops.

Having USDA support a recommendation from the Specialty Crop Farm Bill Alliance to create a dedicated domestic promotion program, modeled after the successful Market Access Program (MAP) would be of significant help. The idea behind this program is that it would allow specialty crop producer organizations to apply for funding to promote their products to consumers within the U.S. By structuring it similarly to MAP, it can leverage proven methodologies to motivate consumers to buy U.S. homegrown produce.

Helping USDA provide food to those in need has become an area of pride for table grape growers. Growers were grateful for the help provided through Section 32 funding and pleased to have been moved to the TEFAP program which is demand driven. Taking fruit off the market through a commitment to USDA does strengthen the domestic market for producers. Accordingly, increasing the annual financial commitment for buying fruits and vegetable for those in need is an administrative action USDA could take that would benefit the producing industries, those in need, and society as a whole.

Along similar lines, the commission has worked with retailers for a number of years to better reach SNAP shoppers. In so doing, it has become clear that there are some impediments that retailers face when seeking to provide discounts to this important customer base. A communicated concern from

retailers has been the prospect of being accused of advertising discrimination. Opportunities exist for additional SNAP promotions if retailer concerns can be allayed and if the process for them to participate is simplified. These types of administrative fixes could lead to increased retail participation in promotions targeting SNAP consumers, which in turn could get more healthy food to SNAP recipients. Stronger communication efforts to educate consumers on the health benefits of fresh fruits and vegetables would be helpful as well. One suggestion is to bring the producer community together with USDA to explore innovative strategies to extend consumer education and assist retailers in promoting to SNAP recipients.

The impact on domestic producers from granting foreign competitors access to the U.S. market is significant. Understanding there are trade laws, it is nonetheless true that every time a new table grape producing country is granted access to the U.S., the strength of the domestic market for domestic producers is weakened. Prioritizing stronger and more robust economic impact evaluations when considering foreign market access requests would be an important step forward.

Three types of economic evaluations are sought:

- 1) A thorough calculation of the risks associated with potential introduction of invasive pests and diseases from requesting trading partners.
- 2) An economic analysis of the loss of producer revenue that would occur if there was an infestation and states or countries closed their borders, and an analysis of the cost to the U.S. government to eradicate or control.
- 3) An analysis of the loss a U.S. producer might face due to an influx of imported product entering the market during, or on the shoulders of, the domestic season should be considered.

By quantifying the potential losses that U.S. domestic producers could face in such scenarios, negotiators can make more informed decisions about the pros, cons, and potential impact of granting access.

Related is the fact that the limited authority to secure new Free Trade Agreements (FTAs) and the influx of lower-priced imported fruit present formidable challenges to the competitiveness of many specialty crop industries. To mitigate the adverse impacts of imported competition, in addition to focused work by USDA to expand both domestic and foreign markets, providing a financial remedy for seasonal and perishable producers who bear the brunt of imported fruit competition is critically important. Having USDA communicate its ability to manage the analysis needed for the remedy calculations would be helpful should such legislation end up in the Farm Bill.

Moving to administrative ways to increase competitiveness in the export arena begins with a request for full-throated support for an expansion of MAP and TASC funding in the next Farm Bill and with our thanks for the recently developed RAPP. MAP and TASC have been hugely helpful to the table grape industry for many years. We expect RAPP will be as well.

There is a relatively small administrative change that could be made in how MAP funds are allowed to be used that would be helpful. Currently couponing is not allowed nor is support for advertising in which the retailer offers a discount. Both are standard tools with proven track records of triggering sales. If a retailer is going to run an ad, more volume is needed in-store and typically there is a sale price that motivates shoppers. Coupons are an ongoing incentive to shoppers in markets around the world. We believe that allowing the use of both would increase export sales.

Opening export markets and keeping them open are key to the economic viability of the table grape industry. With thanks for the work done by APHIS staff in Shafter, Sacramento, and Riverdale, increasing support for PIM is a priority. Focusing on additional staff and funding and travel would bolster the work underway now and build for the future in ways that will enhance efforts to overcome barriers hindering table grape exports. Adding money for personnel is an administrative fix that USDA could undertake.

Additionally, tracking trade barriers is a critical part of managing export markets so the establishment of a comprehensive specialty crop trade barrier database is essential. Such a database would provide invaluable insights into existing trade barriers and challenges, enabling development of more targeted and effective strategies to address them while helping producers better navigate foreign markets and enhance their competitiveness.

Focusing now on the question asked about research needs, let me simply say that the viability of the table grape industry relies heavily on research and innovation. First and foremost, the implementation of precision agriculture techniques holds immense potential for optimizing resource use, improving farm management, and improving the environment and opportunity for farm employees. By embracing mechanization and automation, production costs can be reduced while efficiency and productivity are increased. The federal government has a role not only in the research and innovation piece of this equation but also in supporting and expediting the market adoption of these new technologies. Accordingly, as an initial step USDA can offer its full administrative support to two Specialty Crop Farm Bill Alliance proposals, one for an allocation for mechanization research focus on the sector and one on development of a grant program that will help growers adopt new technology.

At a more fundamental level is the need for new and improved table grape cultivars. The traditional grape varieties of years past are no longer economically viable for a host of reasons. Accordingly, investing in the USDA table grape breeding program based in Parlier is critically important to the future of the industry. The commission has requested an additional \$1.5 million allocation for the program beginning with the 2025 budget. New varieties must be resilient to current diseases, pests, and changing climate conditions. They must meet consumer expectations. And they must be affordable for growers to produce and hardy enough to ship long distances. It is ongoing, complicated, time consuming, expensive work that cannot be done solely by growers. Government resources in terms of expertise, staffing, labs, and fields are required. ARS support for this work and a willingness to partner with the industries involved and to protect the resulting intellectual property are all administrative matters.

There are several measures USDA can implement to support specialty crop producers in combating pests and diseases. Facilitating priority review and approval of alternative pre and post-harvest compounds and treatments by the EPA is paramount. Furthermore, enhancing the flexibility of USDA agencies to collaborate closely with state agencies, like the CDFA and Department of Pesticide Regulations (DPR), and swiftly mobilize resources to prevent and control invasive pest outbreaks is critical.

Similarly, investment in research on alternatives to plastic packaging is imperative to address concerns regarding food safety, quality control, and postharvest decay. The global trend toward reducing the use of plastic packaging poses a multifaceted challenge for specialty crop producers. While sustainability is paramount, navigating this trend requires innovative solutions to minimize environmental impact without compromising product quality or safety. Having USDA support for research into packaging and related matters would be helpful.

The vitality of the specialty crop industry hinges not only on a strong domestic market, access to export markets, and research and innovation in multiple categories, but also on the strategic adaptation of existing USDA programs as has been outlined throughout my remarks this morning.

USDA food buying programs are critically important and are well run. However, there are several key adjustments that could be made to improve the process and ensure it is as fair and equitable as envisioned. Mandating that letters from suppliers and shippers include specific volumes for specified delivery dates would prevent manipulation of the system and ensure transparency in bidding processes. Additionally, increasing fines for delayed deliveries and implementing a tiered offeror and awardee system would incentivize timely deliveries and elevate the quality of suppliers. Also, requiring a "best value determination" in award decisions and establishing a "qualified bidders" standard for fresh fruit and vegetable products would prioritize quality and reliability over lowest price, thereby safeguarding the integrity of procurement practices.

Expanding procurement to include fresh fruits and vegetables in international food aid programs represents a significant opportunity to support both humanitarian efforts and specialty crop producers. Initiating a pilot program to incorporate fresh produce into international food aid purchases would not only provide nutritious options to those in need but also create new market opportunities for specialty crop producers, leveraging existing infrastructure and supply chains to maximize impact.

In conclusion, addressing these opportunities and challenges comprehensively will not only strengthen the table grape industry and the larger specialty crops sector of which it is a part, but will also contribute to the resilience and sustainability of California's agricultural landscape.

We look forward to further discussions and collaboration on these vital issues.