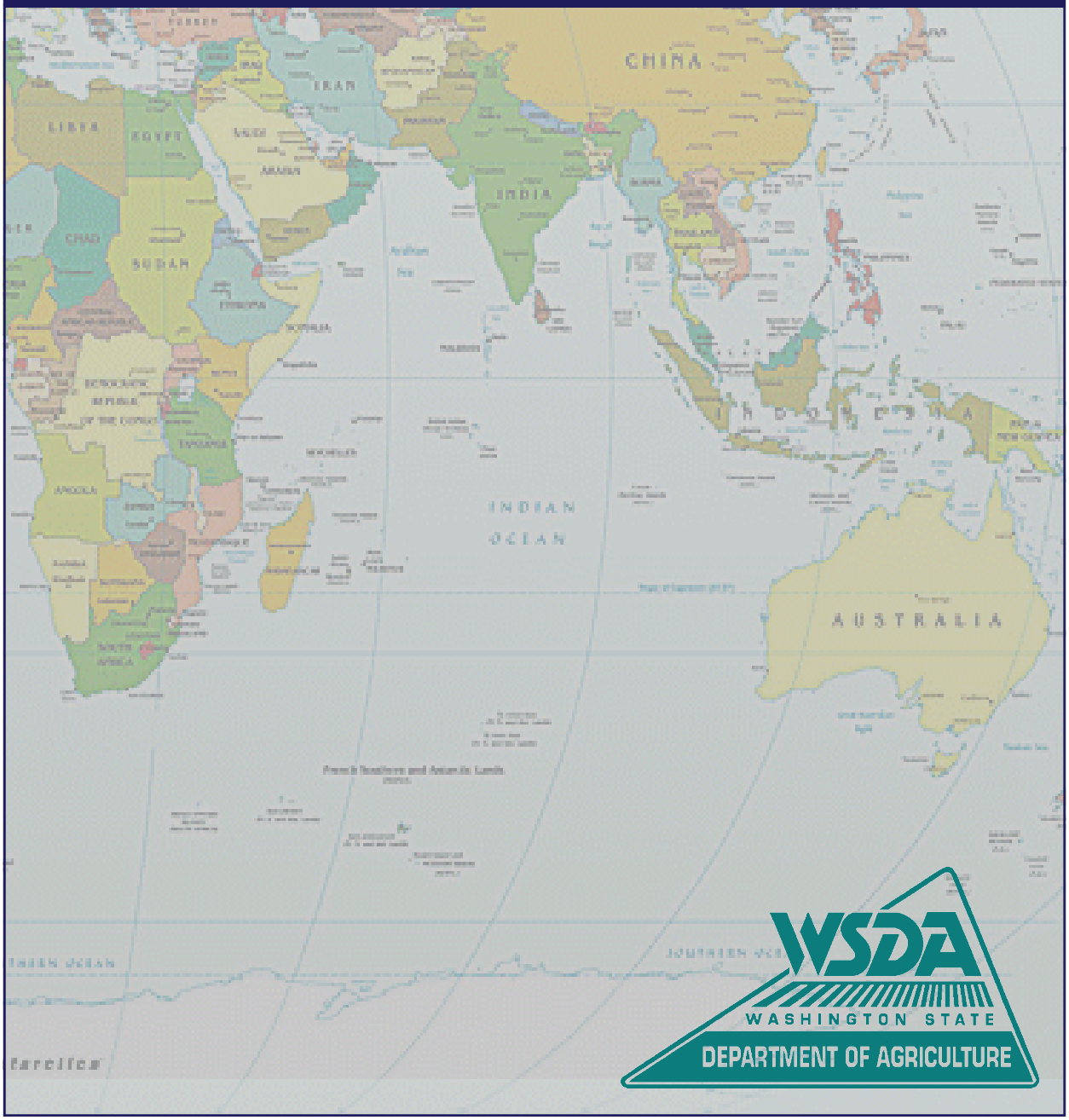
# International Marketing Program

## FY 2007 Annual Report



# Washington State Department of Agriculture

# International Marketing Program
# Annual Report

## State Fiscal Year 2007

(July 2006 – June 2007)

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# Table of Contents


A Message from Governor Chris Gregoire ..... 2

A Message from Director Valoria Loveland ..... 4

Executive Summary ..... 5

Continued Sales Success ..... 6

Accelerating Emerging Opportunities, Sustaining Mature Markets ..... 7

In Memoriam — Hui Cheng Chen ..... 14

How We Help Washington Companies Expand Exports ..... 15

Washington — Dependent on Trade ..... 19

The Challenges Ahead ..... 21

Notes and References ..... 23

Appendix A — Program Contacts ..... 24

Appendix B — Export Promotion Activities ..... 25

Appendix C — Advisory Committee Members ..... 28

Appendix D — Agricultural Commodity Commissions ..... 29

# A Message from Governor Chris Gregoire

Agriculture is one of Washington's most important industries, and we lead the world in quality. The export of this bounty is critical to the vitality of our state's economy. In 2006, agricultural exports from Washington reached $6.72 billion.

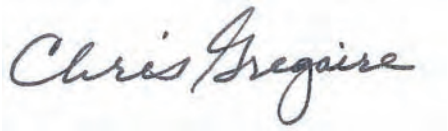
This ongoing success results from the tremendous work of growers, processors, exporters and commodity commissions, as well as key partners such as the Washington State Department of Agriculture (WSDA). Since 1998, the WSDA International Marketing program has assisted hundreds of Washington companies in exporting nearly $550 million of food and agricultural products.

Expanding agricultural sales contributes enormously to a strong economic future for Washington, and my Administration continues to work hard to strengthen our state's food industry. I lead trade missions that include agricultural leaders to develop opportunities that will make Washington more competitive in the global market. I also welcome foreign dignitaries to our state to highlight our quality crops and products and build long-term relationships.

Our strategy must take into consideration both the potential opportunities and the real challenges faced by the agricultural industry. In order to be globally competitive, we must think of Washington not as a state, but as a small nation. Everywhere in the world, Washington agricultural products are known for their quality. We need to capitalize on that international awareness and do what's necessary to get agricultural products through our transportation system and into the homes of the world.

Washington has long been a leader in international trade. Export sales not only bring direct revenue to producers and processors, but also support and stabilize prices for those who market domestically. When the agriculture and food industry prospers, so do our workers and communities. We are optimistic that through the efforts of our dedicated farm families and food producers, agriculture will continue to be one of the strongest and most productive industries in our state.

Sincerely,



Chris Gregoire
Governor

# A Message from Director Valoria Loveland

It is my great pleasure to present the fiscal year 2007 Annual Report of the Washington State Department of Agriculture's (WSDA) International Marketing program. Washington's food and agriculture industry contributes over $34 billion to the state's economy. Agriculture is the state's largest employer with workers employed on farms and ranches or in processing plants, fruit packing warehouses, fertilizer manufacturers and many other related businesses.

WSDA's International Marketing program helps our food and agricultural companies — large and small — find new markets and opportunities in the increasingly globalized economy. Our efforts particularly benefit rural Washington where food and agriculture are the core private-sector employers. We work in close partnership with companies and industry associations to uncover, engage and make the most of market opportunities worldwide.

The International Marketing program has trade specialists in Yakima, Kennewick and Olympia who directly assist individual companies and work with industry organizations. We also have contract representatives in Japan, Taiwan and China who are experts in the export and marketing of our food products in those markets.

This marketing program is part of WSDA's broader efforts to strengthen and nurture Washington's economy. Our goal is to ensure a safe, wholesome and high-quality food supply and to create and foster opportunities that strengthen Washington's farming communities.

This report summarizes the accomplishments of WSDA's International Marketing program and its staff over the past fiscal year (July 2006 – June 2007). After reviewing this report, I hope that you will agree that our state receives a significant return on its investment in the WSDA International Marketing program.

Sincerely

Valoria Loveland
Director

# Executive Summary

Washington's vast food industry is a vital element of the state's economy. Approximately 12% of the gross state product comes from the food and agriculture industry. Agriculture has an estimated annual economic impact of $34 billion and supports an estimated 160,000 jobs, mostly in rural communities.

**For every $1 spent on the program, $2.50 are returned to the General Fund**

| | |
|---|---|
| Program Budget (State General Fund) | $985,312 |
| WSDA Assisted Sales | $62,458,177 |
| Tax Revenue Generated by Sales | $2,504,573 |
| Net Income to State General Fund | $1,519,261 |
| Estimated Jobs Supported | 931 |

Exports are critical to this industry and to the state of Washington. In 2007 Washington was the third largest exporter of food products in the US. Based on per capita exports, Washington is among the most trade dependent US states.[1] The Washington State Department of Agriculture's (WSDA) International Marketing program works in partnership with Washington's food and agriculture industry to assist producers and companies to sell their products internationally. To accomplish this, WSDA partners with individual companies, the state's agricultural commodity commissions, the US Department of Agriculture (USDA), the Western US Agricultural Trade Association (WUSATA) and other states.

During fiscal year 2007 (July 2006 – June 2007), the International Marketing program consisted of a program manager, program assistant, four trade specialists and contract representatives in Japan, Taiwan and China. Program staff and core operations are supported by a FY 2007 state general fund appropriation of $985,312.

The program's success is measured by the export sales in which WSDA's assistance is essential, referred to as *assisted sales*. In the 12-month FY 2007 period, the program reported $62.5 million of assisted sales. FY 2007 assisted sales generated an estimated $2.5 million in tax revenue[2] to Washington state – a profit of $1.5 million after deducting program costs.[3] These sales also supported an estimated 931 jobs.[4]

Since 1998, WSDA has assisted with export sales exceeding $550 million.[5] These sales generated an estimated $22 million in state tax revenue.[6] The larger, long-term value of the program's work is not fully reported because higher-value repeat sales usually occur well after an activity.

In FY 2007 the program also assisted in the acquisition of nearly $1.9 million of federal funds[7] on behalf of Washington companies and industry organizations. Some of these funds allowed program staff to conduct 36 market promotion activities in 11 countries during the fiscal year to the benefit of hundreds of Washington exporters.

**SUCCESS STORIES**

**One trade lead results in ongoing sales success.** In many instances the full impact program efforts is not obvious. Three years ago, staff received a request from Taiwan for several containers of feed barley. After some creative research, an eastern Washington grain supplier was located. Based upon the lead, the grain company began filling sizeable orders and has since shipped several million dollars of feed barley, corn, wheat and malting barley to the Taiwanese customer! That initial trade even led to a change in the company's business plan. They now use exports to grow the company and are looking for additional opportunities in the international marketplace.

[1] See endnotes on page 23 for details.

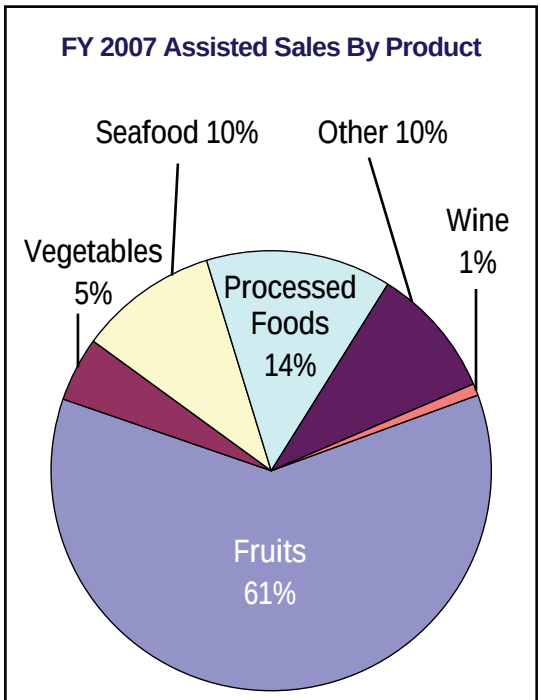
# Continued Sales Success

WSDA's export promotion activities are designed to increase income and employment for Washington companies and thereby increase revenue to the state. The International Marketing program measures its performance through *assisted sales*, as reported to us by customers. Assisted sales are those in which WSDA's assistance is essential. Each December and June, staff conducts telephone interviews to collect sales data (which is aggregated to ensure confidentiality). Significant and consistent sales may occur many months or years after a promotion. These larger, longer-term sales have the greatest benefit to the state and the food industry. Because program efforts are concentrated in the early stages of market development, results generally *underestimate* the value of assisted sales and their benefits to the Washington economy.

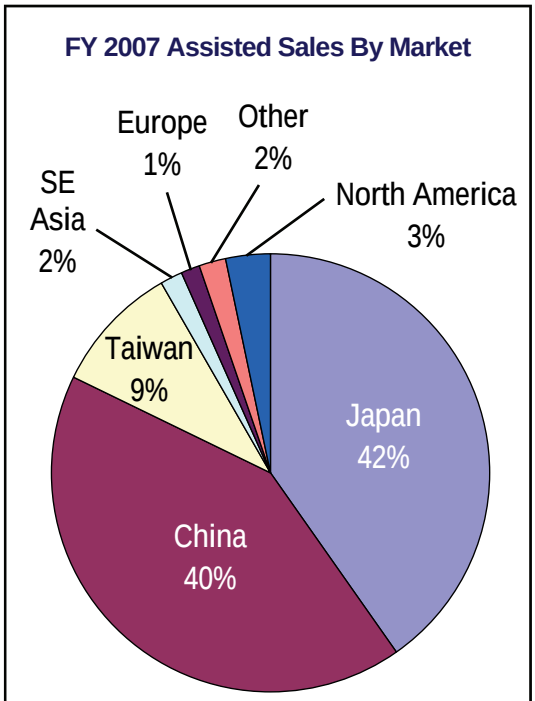
Because program efforts are concentrated in the early stages of market development, surveys generally underestimate the value of sales and their benefits to Washington's economy.

## Export Sales Results

In FY 2007, WSDA assisted in $62.5 million of export sales. WSDA staff and representatives worked with several hundred Washington companies. Of these, 65 reported sales totaling $59.7 million. An additional $2.7 million in sales resulted from WSDA-administered grant programs. The median transaction value per company sale was $60,000. Most sales were of fresh and frozen fruits and vegetables, seafood, processed foods and food ingredients. Most sales occurred in markets with in-country representatives: Japan, China and Taiwan. In addition, in those markets where WSDA and Washington commodity commissions share representation, commissions reported an additional $38 million in sales.




WSDA primarily assisted sales of fruits, processed foods, seafood and vegetables. These products comprise the largest export categories for the state.




Most WSDA assisted sales occurred in markets with an in-country contract representative: Japan, China and Taiwan.

# Accelerating Emerging Opportunities, Sustaining Mature Markets

**This is an overview of program strategies and significant program activities. See Appendix B for a complete list of export activities undertaken in FY 2007.**

## China

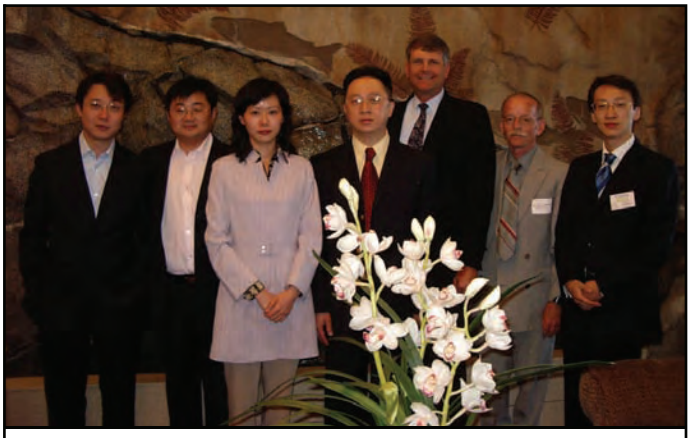
**Building on Success —** FY 2007 marked the transition in China from foodservice programs to a new emphasis on retail products. This shift followed the completion of key infrastructure projects in transportation and food warehousing in Shanghai, Beijing and several "second-tier" cities such as Hangzhou, Ningbo and Nanjing. The new emphasis on retail products also resulted from successes during retail inbound missions last year.

**Retail Inbound Missions Bring Sales Success —** In August and October 2006 and again in October and December 2007, major retail chain executives visited Washington to meet with exporters. Their interest in both high-end and low-priced products varied by target market. Purchasing interest soon became sales commitment as the buyers recognized Washington as a source for high quality and competitively priced retail products. As a result of the sales success, MAP funding has been secured to organize a specialized inbound trade mission and a retail promotion in the Shanghai area following the 2008 Olympics.

WSDA WASHINGTON STATE DEPARTMENT OF AGRICULTURE

**SUCCESS STORIES**

**As a result of MAP-funded menu promotions conducted in China in Summer 2006, Washington oysters continue to be featured at four and five star hotels in Shanghai.** Thanks to the promotion and the corresponding chef seminars, Pacific oysters from Washington maintain a firm position on buffet tables in hotel restaurants and have been added to menus of many surrounding hotels. Monthly sales have averaged $30,000. During the seminar for chefs, a US guest chef discussed handling, preparation and presentation methods for a variety of US seafood. Opportunities for Washington seafood expand as participating chefs move to new locations throughout China.



Collaboration with Beijing-based importer Sheng Yan Yi Mei led to profitable sales for Washington exporters.

**Strong Foodservice Projects Led the Way —** In November 2006, a successful restaurant menu promotion, chef seminar, chef competition and media event were held at Shanghai's Le Meridien Hotel. The events were patterned on an earlier menu promotion and chef-related activities at Guangzhou's White Swan Hotel and Shanghai's Westin Hotel the previous summer. The events, which paired Washington wines and food products, created strong interest for both chefs and general public. The resulting sales were primarily of oysters and wine. Twelve other product groups received strong publicity and generated some sales. These included Red Delicious and Golden Delicious apples, frozen blueberries, sweet corn, frozen asparagus, sockeye salmon, salmon caviar, black cod, Pacific cod and Dungeness crab.

Washington beer, wine, coffee and beef producers as well as restaurants and retail locations participated in a Northwest media tour by two elite Japanese food lifestyle magazines.

## Japan

**Extensive Company Assistance in Japan Keeps Trade Flowing —** Japan has long been one of Washington's premier trading partners. Because Japan's mature market demands very high quality and has strict health and safety standards, individual company assistance is one of the most valuable services WSDA provides. Unexpected customs, inspection and trade barrier issues can slow or stop the timely movement of Washington food exports to Japan. Domestic and international staff can provide discreet, timely support and access to foreign government officials. Both existing producers (of onions, hay, vegetables and bakery ingredients, for example) and emerging exporters (of supplements, nutraceuticals and natural products) benefited from WSDA's assistance in FY 2007.

**Inbound Missions for Buyers of Food Ingredients Create Sales—** Japan's high-income, aging population is attuned to food's functional properties and willing to pay a premium for quality, efficacy and safety. In FY 2007, two groups of food ingredients buyers from Japan met with 20 Washington companies. Inbound missions like this are an integral part of WSDA's Japan food ingredients project, which generated over $1.3 million in sales for Washington companies in FY 2007. A food ingredients technical seminar in Tokyo and a Japanese-language berry ingredients book also helped inform and educate the trade about the health benefits, safety and quality of Washington-produced food ingredients.

**Highlighting Healthy and Natural Washington —** WSDA hosted a media mission for two elite food and lifestyle magazines from Japan: *Dancyu* and *Kindai Shokudo.* The resulting articles promoted the clean, natural food production of the Pacific Northwest. Washington wine, beef, coffee and beer producers participated, as did Washington restaurants and retail locations.

**Maintaining Exports to Japan Following New Chemical Residue Regulations —** In May 2006, the Japanese Ministry of Health instituted strict new maximum residue limits (MRLs) for several thousand agricultural chemicals. Violations for a product can invoke draconian testing require-

ments that in effect close Japan's lucrative market. WSDA's Japan representative was instrumental in maintaining a steady flow of products from Washington to Japan. Significant sales of Washington products have been maintained, including an estimated $10.1 million in fresh cherry sales and more than $4 million for a food ingredients manufacturer in FY 2007.

## Korea

**Foodservice Leads the Way** — Korea remains a challenging market for Washington exporters. High tariffs, complex and confusing customs and inspection regimes, and lingering skepticism about foreign foods mean companies must take a long-term approach. Prospects continue to improve as younger Koreans adopt a more global outlook and because of the proposed US-Korea free trade agreement. Program activities have focused on foodservice importers, who are often able to overcome market entry roadblocks.

Events such as this product preparation seminar in Seoul, Korea are used to influence key decision makers in the Korean foodservice industry, such as buyers, importers, chefs, distributors and media.

In FY 2007, the Seoul Food & Hotel trade show, Governor's mission and two inbound trade missions all targeted the Korean market. Sales from these activities totaled $450,000, with more expected in subsequent years. These efforts help strengthen knowledge of and affinity toward Washington food products in Korea. The weakening dollar and the free trade agreement would be of particular benefit as Korean buyers are often price-sensitive.

## Mexico and Latin America

**Expanding Direct Sales** — Supermarkets in Mexico traditionally source their imported produce through central wholesale markets. If instead Washington produce could be directly sold to supermarkets, the middleman could be eliminated, the cost to the consumer could be reduced, and sales would increase. WSDA used this strategy several years ago and more than a million dollars in sales resulted.

Building on this strategy by using a two-pronged approach, WSDA hosted inbound missions targeting supermarket produce buyers. First, staff worked to strengthen existing close relationships with the original two supermarkets. A buyers' tour with produce managers in 2007 resulted in a sales increase of $480,000 in Red Delicious apples. Due to WSDA's efforts, a large portion of supermarket-destined apples are now shipped directly to distribution centers instead of via central markets.

Second, produce buyers at smaller regional supermarket chains were targeted. As a result of program efforts, Washington packer/shippers have begun direct exports of onions, apples and pears. After just four months, shipments were valued at $350,000. In 2008, this effort will expand to several more regional supermarket chains.

**Outbound Missions Build Upon FTAs and Target Food Manufacturers in South America** — WSDA led a food ingredients trade mission to Lima, Peru and Colombia's three industrial cities. With new or pending free trade agreements and a cheaper US dollar, food processors in both countries are keen to import US food ingredients. As a result of this mission, a participating Washington company re-formulated their products to the region's needs and shipped samples for trial runs.

A seafood importer from Russia learns the basics of harvest practices for live Dungeness crab.

## Russia

**A Tested Strategy in a New Market** — On the recommendation of WSDA's Advisory Committee, the program engaged the Russian market for the first time. In early 2007, a group of seafood executives was pre-qualified and brought to Washington for individual meetings with twelve companies. Foreign buyers may be first pre-qualified at a trade show and then brought to Washington or vice versa. The Russian delegation toured plants to examine product processing and learn about operational specifications first-hand. In late 2007, a delegation from Washington attended the World Food Moscow trade show.

This strategy of organizing inbound missions and trade show delegations has been utilized in other markets with strong results. Russia was no exception — within the first month $201,000 in sales were posted. During this visit, the buyers traveled to production facilities, which can make a big difference in a buyer's decision making. From this trip, several orders for low-grade salmon caviar, pink salmon and chum salmon were contracted. The concept of low-grade caviar was new and of great interest to several of the Washington processors because they had not previously considered recovering or selling it. Program efforts in Russia are the beginning of a long-term strategy since this market is complex and often difficult to penetrate.

WSDA WASHINGTON STATE DEPARTMENT OF AGRICULTURE

S U C C E S S
S T O R I E S

**Purple potatoes and pumpkins were shipped for the first time to Singapore as a result of a WSDA-led inbound mission in August 2006.** Five buyers from Singapore met with exporters, producers and packer/shippers throughout the state. In Skagit Valley, they were introduced to specialty varieties of potatoes and pumpkins. The importers were so intrigued by the early-season purple potatoes that they asked a chef to prepare them during lunch the following day. Impressed by the potatoes' unique appearance, the importers ordered purple potatoes upon return to Singapore. They also ordered pumpkins for a special Halloween promotion, as well as red, yellow, white and fingerling potatoes. In addition, buyers were introduced to a cross section of specialty fruits and vegetables including potatoes, apples, stone fruit, pumpkins and onions, both conventional and organic.

## Southeast Asia

The Southeast Asia region is defined as Singapore, Malaysia, Philippines, Thailand, Indonesia and Vietnam. Staff worked to accelerate opportunities for fresh and processed foods and beverages in the retail sector to capitalize upon continued income growth, retail outlet growth and Washington's strength as a supplier of high quality products.

**Inbound Mission Leads to Specialized Produce Purchases** — Five fresh produce importers visited Washington in August 2006. They wanted fresh fruits and vegetables that could compete in the Singapore market on quality and other characteristics beyond price. The delegation traveled across the state to meet with exporters, producers and packer/shippers. They saw a cross section of specialty fruits and vegetables including potatoes, apples, stone fruit, pumpkins and onions, both conventional and organic. As a result of contacts made during this visit, the Singaporean importers purchased a variety of colored potatoes, including red and purple, as well as onions and pumpkins.

**Malaysian Buyers Seek Retail and Foodservice Items —** An eleven-member buyers' delegation from Malaysia traveled to Washington following the FMI trade show in Chicago. The visit allowed the delegates to continue conversations with northwest companies they met during FMI. In addition, they met potential suppliers of shelf-stable and frozen items for retail and foodservice applications. Items of particular interest included sauces, snack foods, beverages and organic and natural items.

Impressed by the unique appearance of Skagit Valley purple potatoes, importers brought them to the Singapore market for the first time following a WSDA-led inbound mission.

## Taiwan

**Focus Shifts to Foodservice —** Traditionally, in Taiwan WSDA has supported marketing fresh produce at the consumer level through in-store promotions. In 2005, the program began to target the Taiwan food processing and foodservice sectors by promoting food ingredients. As this initiative evolved, more market potential was found in the foodservice sector. Activities in FY 2007 reflected this change.

**Inbound Missions Introduce New Products —** In March, staff organized and conducted an inbound buying mission where three important food importers met with nine Washington companies. One unexpected outcome was a long-term project to start shipping beefalo to Taiwan. Though shipments are pending, the fact that such a market exists in Taiwan points to a new health-consciousness among consumers there. Another benefit of this mission was that the in-house SYSCO Seattle show was included in a buying mission for the first time. This vendors' show proved to be the perfect one-stop shopping place for foodservice importers.

**Chef's Competition Brings Washington Products to Taiwanese Restaurants** — In October, staff conducted a chef's competition in conjunction with a menu promotion. The synergies derived from these activities resulted in new menu items and recipes reaching 80 restaurants, where Washington seafood, beef, fresh potatoes and other items found new end-users.

WSDA led a chef's competition in Taiwan that brought extensive television coverage for high-quality Washington foods products.

## Governor's Mission to Mexico

In July 2007, Governor Gregoire and Director Loveland led a successful mission to Mexico. Washington agriculture was well represented by leaders of food companies and producer groups. Through in-store and restaurant promotions, the governor highlighted Washington French fried potatoes, cherries, apples, beef, wine and more.

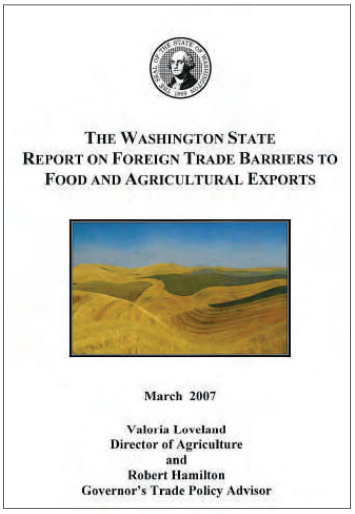
Through in-store promotions like this one at Costco, the governor highlighted Washington, cherries, apples, beef, wine and much more.

The delegation advocated for the resolution of apple issues at the ministerial level. Delegates helped strengthen relationships with Mexican phytosanitation officials and invited them to visit agricultural areas, with a view to speed the pending protocol for peaches and nectarines. With Washington's sister state, Jalisco, the delegation established relations with a newly appointed working committee for potatoes at Guadalajara's central market.

One significant result of this mission was that key officials from Mexico's Ministry of Agriculture later traveled to eastern Washington to inspect peach and nectarine orchards, potato fields, and packing and shipping houses for both products. During this visit, the Mexican officials learned of the stone fruit protocol between Washington and British Colombia. Mexican officials will further explore this protocol option, which would allow Washington peaches and nectarines into Mexico without having a Mexican inspector in Washington. The meetings were very successful, with the Mexican officials gaining a better understanding of Washington's safe, high-quality production and shipping practices.

Washington apples, cherries, processed foods, seafood, juices, spices, potatoes, berries and other food and agricultural products were highlighted during the Governor's mission to Mexico.

High-level officials from SAGARPA (Mexico's Department of Agriculture) traveled to Washington and toured potato and onion fields, storage and packing facilities.



THE WASHINGTON STATE
REPORT ON FOREIGN TRADE BARRIERS TO
FOOD AND AGRICULTURAL EXPORTS

March 2007

Valoria Loveland
Director of Agriculture
and
Robert Hamilton
Governor's Trade Policy Advisor

The Washington State Report on Foreign Trade Barriers to Food and Agricultural Exports summarizes over 280 measures maintained by 41 countries to prevent or limit the import of agricultural products.

## Trade Policy and Trade Barrier Assistance

**WSDA's Trade Access Assistance —** WSDA staff assists companies on a wide variety of trade access issues. For example, staff coordinated efforts to resolve export problems for oysters to Taiwan and Malaysia and also partnered with WSDA's Pesticide Management Division on residue limits for animal feed for export to Japan. Staff assisted a Washington company with dried fruit exports to Mexico and worked on labeling issues for a packaged foods manufacturer to Korea.

**Report Outlines Trade Barriers —** In March 2007, the Governor's Advisor on Trade Policy wrote, with WSDA International Marketing program input, the annual Washington State Report on Foreign Trade Barriers to Food and Agricultural Exports. The report was submitted to USDA, USTR and the Washington congressional delegation. USDA officials have been particularly appreciative of the report, which helps them better communicate the challenges facing Washington exporters to federal trade officials.

## WSDA Grant Programs

**WSDA Awards 14 Market Promotion and Trade Barrier Grants —** WSDA administers $250,000 in matching grant funds to enhance access to markets that are growth sales areas for the industry's product. The goal of the program is to expose buyers to Washington's diverse agricultural products. In FY 2007, 14 grants were awarded. Projects benefited the wine, nursery, beef, raspberry, potato, hop and beefalo industries. Grants also supported farmers' markets, sustainable agriculture and efforts to connect local farmers with local purchasers such as chefs and schools.

**WSDA Administers Federal FSMIP Grants —** WSDA administers the Federal-State Marketing Improvement Program (FSMIP) in Washington. This highly competitive grant program funds a wide range of applied research projects that address barriers, challenges, and opportunities in marketing, transportation, and distribution of US food and agricultural products domestically and internationally. Using a $53,600 FSMIP grant, staff supported ongoing efforts to expand potato access in South America in FY 2007, while also successfully applying for two future projects for the raspberry and cranberry industries.

A WSDA trade barrier grant allowed the Washington Cattleman's Association to promote Washington beef in Taiwan. The market opportunity was uncovered during a 2006 Governor's mission to Taiwan.

# In Memoriam — Hui Cheng Chen

In February 2007, we lost a dear friend and colleague — Hui Cheng Chen, WSDA's representative in Southeast Asia.

We knew Cheng as a vibrant and caring person who helped get many Washington food and agricultural products into the Southeast Asian markets. Her dedication and professional expertise helped to ensure success for the Washington food and agricultural industry in Southeast Asia.

Cheng coordinated many trade visits to Washington, and worked personally with Washington companies providing individualized assistance in Malaysia and Singapore. Her work resulted in stronger business, fond memories and enduring friendships.

Those of us fortunate to work with Cheng knew her as a true professional. But more importantly, we knew Cheng as a friend for whom we cared dearly. She was a wonderful individual who personified integrity, energy, creativity and compassion.

We are all grateful for the opportunity to know and work with Cheng. She touched our lives in many ways, and will be long remembered and missed by us all.

# How We Help Washington Companies Expand Food and Agricultural Exports

WSDA's International Marketing program works with Washington's food and agriculture industry to increase export sales by:

- Matching sellers with qualified buyers
- Removing market access barriers to open or expand a market
- Partnering on Governor's trade missions to promote Washington agriculture and advocate for open markets

**International Marketing partners with Washington's food and agriculture industry to help producers and companies sell their products internationally.**

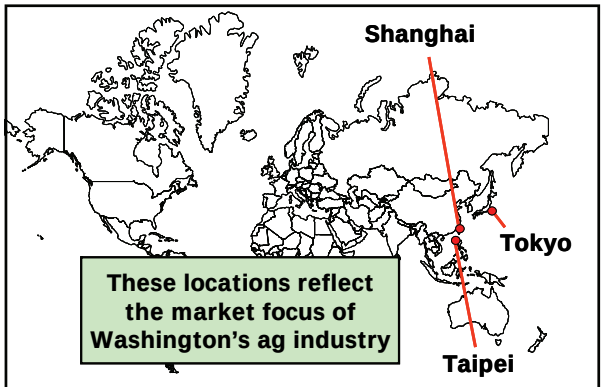
As recommended by industry, the program targets markets where Washington producers have competitive advantages and where the resources of other organizations with similar goals can be leveraged. To maximize the effectiveness of scarce resources, the program focuses on industries and product sectors:

- That are vital to the state's economy
- Where the program can have an impact
- Where industry needs and requests our assistance

The International Marketing program seeks to balance the need for short-term sales results with longer-term market development efforts that will lead to larger, enduring sales. Staff works closely with partners such as the state's agricultural commodity commissions, industry organizations, other states, the US Department of Agriculture (USDA) and the Western US Agricultural Trade Association (WUSATA).

## Key Services We Provide

- Introducing Washington companies to qualified foreign buyers through trade missions, trade shows, trade leads, in-store promotions and showcases of Washington products.
- Connecting companies to USDA's export assistance resources, including Agricultural Trade Offices worldwide, Market Access Program (MAP) funding and other export finance and marketing resources.
- Providing timely market intelligence, introductions to local buyers and government officials and other in-country assistance when Washington sellers travel to export markets.
- Assisting companies with the many detailed documents required for export transactions that are unique to agriculture. For food products, the importing country often requires special documents regarding the origin, safety or content of the product.
- Organizing export readiness consultations for agricultural firms that are new to exporting or looking to enter a new export market.
- Resolving trade barrier and phytosanitary issues, in partnership with the Governor's Office, commodity commissions, industry organizations, federal agencies and foreign officials.
- Maintaining a searchable database of Washington food and agricultural suppliers to help connect buyers and sellers, as pictured. Website address: *www.impact.wsu.edu/WAsuppliers/*




WSDA maintains three overseas contractors whose locations reflect the market focus of Washington's ag industry and where industry has asked for help.

## Program Resources

**Trade Specialists —** Program staff is balanced between eastern and western Washington. Eastern Washington is covered by one trade specialist in Yakima and one in Kennewick, while two trade specialists responsible for western Washington are based in Olympia. By maintaining staff near growing centers and companies, the program remains responsive to the unique needs and challenges facing agricultural exporters.

On the recommendation of companies, each staff member is responsible for specific industry sectors. This allows them to build relationships with industry leaders and companies and focus on industry-specific trade issues. To further tailor program services, trade specialists are also assigned to specific country or regional markets as well as key USDA trade programs.

**International Contract Representatives —** WSDA has in-country contract representatives in Japan, Taiwan and China. These representatives work closely with domestic staff to assist Washington food and agriculture companies in their respective markets. They do so by:

- Arranging and accompanying Washington companies on in-country appointments
- Bringing buyers from their country markets to Washington on inbound buying missions
- Hosting outbound sales missions of Washington companies in their country markets
- Organizing trade shows and seminars
- Assisting with shipments that encounter problems after arriving at their destination
- Providing market intelligence and timely information on changes to import procedures

To maximize promotional resources, each international representative may also contract separately with Washington agricultural commodity commissions or associations. For example, WSDA's contractor in Japan contracts with the Washington State Fruit Commission to conduct cherry promotions in Japan. These connections provide strong, ongoing industry links and are practical mechanisms for cross-selling Washington products abroad.

## Program Funding

Primary funding for the International Marketing program comes from the state general fund. WSDA also pursues funds to provide expanded activities and enhanced services to Washington companies. In FY 2007, WSDA leveraged about $1.9 million in federal funds (as detailed below) to help Washington companies and associations promote food and agricultural exports.

**State General Fund —** In FY 2007, the program budget was $985,312. These funds support WSDA staff, overseas representatives and basic program costs. The Washington constitution forbids lending state funds for the direct benefit of private companies and individuals, so WSDA relies on federal funds to conduct most of its promotional activities.

**MAP Generic Program —** In 2007, WSDA administered $364,380 in USDA Market Access Program (MAP) project funding. These funds provide for extensive promotional activities and some overseas travel. These funds can not be used for WSDA staff salaries or benefits. WSDA participates with other states on a variety of activities.

**MAP Branded Program —** Because of WSDA's participation in WUSATA, Washington companies are eligible for funds to help offset some of their export marketing costs. In 2007, 35 Washington companies received $1.41 million in Branded Program funds. These funds can be used to defray export expenses including overseas trade show fees, international travel, foreign language labeling costs and other promotional expenses.

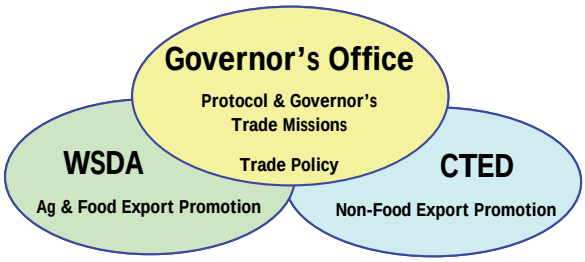
**Other USDA Funds —** The USDA's Federal-State Marketing Improvement Program (FSMIP) provides grants to states to improve the marketing and distribution of agricultural products. In 2007 WSDA supported $120,000 in FSMIP projects. The grants were awarded to the Washington Red Raspberry Commission ($55,000) and the Cranberry Marketing Committee ($65,000).

## Washington's International Trade Team

WSDA's International Marketing program is a key part of Washington's international trade team. As illustrated below, each partner has different responsibilities with occasional overlap. The Governor's Office is responsible for protocol, trade policy and trade missions, with the support of WSDA and CTED, the Department of Community, Trade and Economic Development. CTED undertakes, among other responsibilities, all non-food related export promotion.

WSDA's International Marketing program is part of an integrated international system for food export promotion. Food and ag promotion is distinct from promotion of other exports because:

- Food products are perishable
- Complex transport and inspection systems are required
- Ag markets can be highly volatile
- Ag exports are critical to the state's economy




WSDA's International Marketing Program is a key part of Washington's international trade team.

## Key Stakeholders

WSDA works closely with the food and agriculture industry to identify priorities and targets. Key stakeholders include:

**International Marketing Program Advisory Committee —** Consisting of food exporters and industry representatives, the Advisory Committee makes certain that the International Marketing program addresses industry marketing needs and emerging opportunities. Committee members bring intimate market and industry knowledge. They help clarify market trends, guide promotional efforts and recommend the location of contract representatives. Their advice ensures that limited resources are efficiently and effectively utilized. See Appendix C for a list of Advisory Committee members.

**Agricultural Commodity Commissions —** The state's 25 agricultural commodity commissions are self-funded state agencies. Generally speaking, WSDA funds multi-product promotions while commissions fund commodity-specific education and promotional activities. Many commissions manage complex export promotion programs and work closely with WSDA. The Apple, Fruit, Potato and Wine Commissions are particularly active in joint promotional efforts. Program staff represents the department at the Asparagus, Red Raspberry, Fruit, Apple, Potato and Beer Commissions. See Appendix D for a complete list of Washington agricultural commodity commissions.

The program works with a variety of industry and government partners to leverage resources and provide synergy to the program's activities.

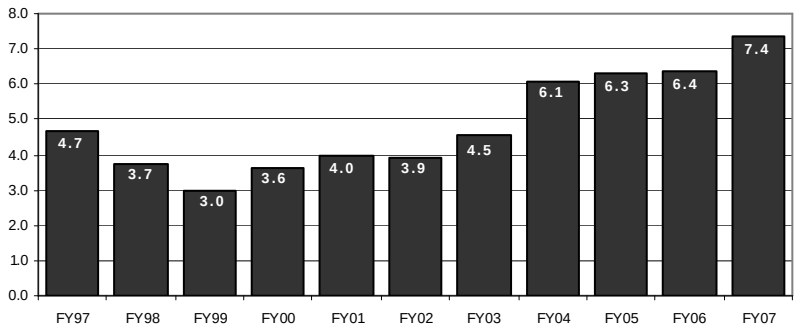
**WUSATA —** The Western United States Agricultural Trade Association, known as WUSATA, administers the USDA's Market Access Program for western US states. This program annually distributes federal funds for both branded and generic agricultural export promotions and activities. Washington companies may use Branded Program funds to support their individual marketing efforts and participate in WSDA-led Generic Program promotions such as trade shows, buying missions and menu promotions.

**United States Department of Agriculture —** The USDA's Foreign Agricultural Service has many export promotion programs and resources. Their extensive network of overseas offices expands WSDA's access to markets, and their export promotion grant programs are available to Washington companies. WSDA's International Marketing program leads many promotions funded by USDA.

# Washington — Dependent on Trade

## Food and Agricultural Exports Top $7.3 Billion in FY 2007

Washington is one of the most trade dependent states in the nation. In FY 2007 (July 2006 – June 2007) Washington exported $7.36 billion in food and agricultural products. This is the third largest total in the US. This record amount represented a nearly 15% increase over FY 2006 exports. Strong export levels stemmed from continued economic growth in Asia and a weak US dollar which made US products more affordable overseas. An ongoing drought in Australia and poor growing seasons in Europe and parts of the US contributed to higher prices for some Washington commodities.




Washington state's total food and agricultural exports grew to a record $7.36 billion in FY 2007.

## Exports by Product

Many products which are exported via Washington's dynamic port system do not originate here. While not grown or produced locally, these exports nonetheless benefit the economy in terms of transportation and port jobs. These "pass-through" products (mostly corn, soybeans and rice) represent roughly 40% of all Washington food and agricultural exports. When pass-through products are excluded, exports of food products that originated in Washington were $4.59 billion in FY 2007.

Wheat, fresh fruit and seafood were the state's three largest Washington-originated commodities. Ninety percent of Washington's wheat crop is exported. Exports of fresh fruit (including apples, cherries and pears) topped $746 million. Washington fresh and frozen fish and seafood remain popular, with exports of $588 million. Many key export products are higher-value processed foods, most of which are branded products. These include frozen French fries, grocery items, processed vegetables and meats, bakery ingredients and specialty foods.

## Exports by Country and Region

Japan remained the single largest buyer of Washington food and agricultural exports, followed by Canada, the Philippines, Mexico and Taiwan. Japan purchased over one-fifth of Washington ag exports. Consequently, Washington exporters are particularly sensitive to changes in consumption patterns and economic policy in Japan. Despite a rapidly aging and shrinking population in

Japan, the overall value of Washington exports to Japan rose 8%.

Signs point to a recovery of the long stagnant Japanese economy. Growing consumer spending and a continued desire for western products has helped create new market opportunities for Washington products. However, growing competition from Chinese fruitS and vegetables is making this market more challenging. Washington wheat, seafood, processed foods, vegetables and fresh cherries are top sellers in Japan.

**Top Ten Food and Agricultural Exports of Washington Origin, FY 2007**

| Rank | Description | US$ millions | Change FY06 to FY 07 |
|---|---|---|---|
| 1 | Wheat and Meslin | 1,049 | +59% |
| 2 | Edible Fruit and Nuts | 746 | +19% |
| 3 | Fish and Seafood | 588 | -2% |
| 4 | Processed Food | 489 | +22% |
| 5 | Dairy, Eggs, Honey | 245 | +30% |
| 6 | Forage Products | 274 | +9% |
| 7 | Vegetables | 210 | +18% |
| 8 | Processed Meat and Fish | 201 | -2% |
| 9 | Meat | 111 | 0% |
| 10 | Baking Related | 102 | -5% |

Canada is Washington's second largest ag export market, thanks in part to strong economic growth, a strengthening Canadian dollar and the impact of NAFTA. Exports have increased 22% in the last two years, especially sales of fresh fruit, seafood, vegetables and bakery ingredients. Though geography and long-standing cooperation benefit Washington exporters, obstacles to increased trade remain. These include similar products and growing seasons as well as strict Canadian market entry barriers such as bilingual labeling requirements.

Washington's third largest market in FY 2007 was the Philippines, traditionally a very large importer of US wheat. Wheat represented more than 70% of Washington food and agricultural exports there. Other products include dairy products, processed foods and meat.

**Top Ten Buyers of Food and Agricultural Products of Washington Origin, FY 2007**

| Rank | Country | US$ millions | Change FY06 to FY 07 |
|---|---|---|---|
| 1 | Japan | 993 | +8% |
| 2 | Canada | 882 | +11% |
| 3 | Philippines | 257 | -5% |
| 4 | Mexico | 229 | +1% |
| 5 | Taiwan | 212 | +17% |
| 6 | Indonesia | 187 | +52% |
| 7 | Korea | 186 | +28% |
| 8 | China | 168 | +9% |
| 9 | United Kingdom | 120 | +10% |
| 10 | Guatemala | 115 | +50% |

Washington's fourth largest buyer, Mexico, relies on Washington for dairy products, tree fruit, processed foods and a host of other products. Economic liberalization, retail consolidation and NAFTA have helped make Mexico an accessible and profitable market for Washington exporters.

Taiwan was the fifth largest buyer of Washington-originated ag exports in FY 2007. Taiwan has long been a leading market for Washington's high-quality, high-value products.

# The Challenges Ahead

Washington agriculture faces fierce competition at home and abroad. Rising input costs, farm consolidation, trade barriers which limit market access and changing consumer preferences are just a few of the forces at work. With these challenges in mind, WSDA's International Marketing program strives to help producers find profitable new opportunities to sell their products and be more competitive in the international marketplace.

## Program Challenges and Opportunities

**Federal Funding Changes Limit Program Activities —** The International Marketing program maximizes scarce resources by utilizing federal funding for export promotions and activities. Beginning in FY 2005, restrictive guidelines that limit the flexible usage of such funding were established. These guidelines limit the program's ability to undertake certain overseas promotions and buyers missions and further increase the administrative burdens of export promotion.

In effect, export promotion of two of Washington's largest product categories – seafood and produce – was all but eliminated. The result was lower assisted sales in FY 2006 for Washington companies due to the cancellation of proven promotions. Staff adapted to the changes and sales rebounded in FY 2007. Nonetheless, the volatile federal funding climate may impact sales going forward.

**WSDA Closes Southeast Asia Office —** Following the passing of the program's Southeast Asia representative (see page 14) and after consultation with WSDA's International Advisory Committee, WSDA chose to close its regional office in Kuala Lumpur, Malaysia. The countries in Southeast Asia will continue to be serviced by domestic staff.

## Market Challenges and Opportunities

**Slowing US Growth —** The global economy remained buoyant in 2007, with activity in most regions meeting or exceeding expectations. US economic growth is expected to slow in the coming year, with recent turbulence in financial markets triggered by the US housing market slump and declining domestic consumption. Rapid growth in emerging markets may counterbalance continued moderate growth in developed markets.

**Higher Energy Prices —** Higher energy costs will result in higher production costs, lower margins and lower profitability for Washington farmers, processors and exporters alike.

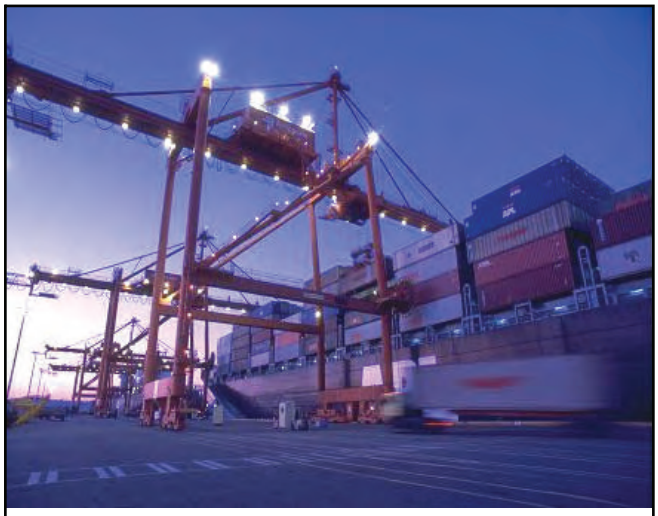
**Short-term Fads vs. Long-term Trends —** Consumer demands add pressure on producers. How durable is the current interest in sustainable agriculture, biofuels, fair trade, local production, traceability, country of origin labeling, food safety, and technology? Which are merely passing fads, and which are likely to persist? The ability to make such distinctions is critical for setting strategy and priorities, and helps firms identify the best opportunities for climbing the value chain to offer higher-margin products.

**Increasingly Complex Global Supply Chains —** Companies operating (or seeking to operate) across multiple markets and regions often must coordinate complicated and far-flung supply chains. In itself, this task poses formidable management challenges for current and potential exporters.

**Recovery in Japan —** With unemployment at its lowest level in a decade, it appears Japan's era of

deflation has finally ended. GDP in Japan is expected to grow in 2007 for the sixth consecutive year. Despite Japan's low degree of openness to foreign trade, it remains Washington's largest market. Unfortunately, the improving Japanese economy can not offset the economic reality of the country's rapidly aging and shrinking population. Though Japan will remain a key market for Washington's agricultural exports (purchasing more than one-fifth of all Washington ag exports) for most companies it is now a maintenance market rather than a growth market.

**Growth in China and India —** China and India are well on their way to becoming classic growth markets for food. This growth model has been the dominant push behind US agriculture's export success over the past 50 years. In most developing economies, improving diets is the number one priority of consumers. As incomes rise, an increasing share of every new dollar of income is spent on better food. This typically means buying more processed foods and substituting meat products for cereal-based subsistence foods.



Washington's vibrant port system has made it an ideal gateway for exports, particularly to Asia.

Due to government restrictions, India's food imports have been modest and trade tends to be limited to selected commodities. Recent trade liberalization measures in India, however, will ultimately benefit US food exporters.

Demand in China is already spurring increases in food imports. Washington value-added producers will certainly find opportunities to export to these growing markets, especially in China. Conversely, Washington commodity producers will face mounting competition from countries with lower production costs.

**Globalization and Retail Consolidation —** Consolidation within the food industry is reducing the number of exporters that have headquarters in Washington. WSDA undertakes promotions that help small- and medium-sized Washington producers access distribution through multinational retailers.

**Challenges Facing "Brand America" —** For decades, American products have benefited from a generally favorable perception of the United States. Some observers believe that opposition to US foreign policy in some foreign markets may influence buying decisions. It remains to be seen whether or not Washington businesses will see long-term negative impacts in global markets.

# Notes and References

1 Among US states, Washington consistently has one of the highest levels of exports per capita. For example in 2005, Washington exported $6,035 per person, second only to Vermont. Source: FTDWebMaster, Foreign Trade Division, U.S. Census Bureau, Washington, D.C. 20233 via StateMaster <http://www.statemaster.com/graph/tra_exp_tot_ove_val_percap-totals-overall-value-per-capita>

2 According to the Washington State Department of Revenue, the total state sales tax on food and agricultural exports is 4.01% (2004). Therefore export sales of $62,458,177 generated $2,504,573 in general fund tax revenue.

3 The net income of $1,519.261 to the state is calculated by subtracting the program budget ($985,312) from the tax revenue generated ($2,504,573).

4 According to the United States Department of Agriculture, $1 million of food and agricultural sales represents 14.9 jobs (2002). Therefore exports sales of $62,458,177 supported 931 jobs in Washington.

5 The International Marketing program has tracked assisted sales since FY 1998. Including FY 2007, cumulative assisted sales were $553,969,138.

6 According to the Washington State Department of Revenue, the total state sales tax on food and agricultural exports is 4.01% (2004). Therefore assisted sales from FY 1998 to FY 2007 of $553,969,138 generated $22,214,162 in general fund tax revenue.

7 Washington companies were allotted $1,413,000 in the MAP Branded Program. WSDA utilized $364,380 in WUSATA Generic Program promotional funds and FSMIP grant funds valued at $120,000. All these programs require the participation of a state department of agriculture for eligibility.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Callen, Tim, "World Economic Outlook: IMF Forecasts Slower World Growth in 2008", IMF Research Department, October 17, 2007 <http://www.imf.org/external/pubs/ft/survey/so/2007/RES1017B.htm>

Drabenstott, Mark and Nancy Novack, "Roar of the dragon: The Asian upside for U.S. agriculture commentary on the rural economy", Center for the Study of Rural America, Federal Reserve Bank of Kansas City, AgDM newsletter article, November/December 2004, <http://www.extension.iastate.edu/AGDM/articles/others/DraNovDec04.htm>

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"The dollar and the world economy" Economist Intelligence Unit ViewsWire, December 19, 2007 <http://www.economist.com/agenda/displaystory.cfm?story_id=10342265>

# Appendix A — Program Contacts

Washington State Department of Agriculture
International Marketing Program
PO Box 42560, Olympia, WA 98504-2560
Email: ag-export@agr.wa.gov

Website: http://agr.wa.gov/Marketing Suppliers Database: www.impact.wsu.edu/wasuppliers

For updated contact information, please phone Leisa Schumaker at 360-902-1926

| Administration | |
|---|---|
| Janet LEISTER, Managing Director<br>Ph: 360-902-1931<br>Fax: 360-902-2089<br>Mobile: 360-561-4521<br>Email: jleister@agr.wa.gov | Leisa SCHUMAKER, Program Assistant<br>Ph: 360-902-1926<br>Fax: 360-902-2089<br>Mobile: 360-481-7141<br>Email: lschumaker@agr.wa.gov |

| International Trade Specialists | |
|---|---|
| Bill DALLAS – Olympia, WA<br>Ph: 360-902-1925<br>Fax: 360-902-2089<br>Mobile: 360-561-1456<br>Email: bdallas@agr.wa.gov | David MUDD - Olympia, WA<br>Ph: 360-902-2164<br>Fax: 360-902-2089<br>Mobile: 360-951-6453<br>Email: dmudd@agr.wa.gov |
| Jon SONEN – Yakima, WA<br>Ph: 509-457-7137<br>Fax: 509-453-4880<br>Mobile: 509-952-0617<br>Email: jsonen@agr.wa.gov | Rebecca WEBER – Kennewick, WA<br>Ph: 509-735-3666<br>Fax: 509-735-6609<br>Mobile: 509-727-8302<br>Email: rweber@agr.wa.gov |

| Overseas Contract Representatives | |
|---|---|
| **Japan**<br><br>Mr. Scott HITCHMAN<br>9F Moto Akasaka Building<br>1-7-10 Moto Akasaka<br>Minato-ku, Tokyo 107-0051, Japan<br>Ph: (011-81-3) 5770-7533<br>Fax: (011-81-3) 5770-7534<br>Email: sch@gol.com | **Taiwan**<br><br>Mr. LIN Gau-Shieng (Chris)<br>F3, #12, Lane 147, Hsiu-Shan Rd, Si-Jhih City<br>Taipei County 22199, Taiwan<br>Ph: (011-886-2) 2691-2360<br>Fax: (011-886-2) 2691-2357<br>Email: charityc@tpts5.seed.net.tw |
| **China**<br><br>Mr. LI Haidong<br>Room 2301, Building No. 4, No. 588<br>Jiao Zhou Road, Shanghai 200040 China<br>Ph: (011-86-21) 5228-0659<br>Fax: (011-86-21) 6217-9038<br>Cell Phone: 86-137-0186-9509<br>Email: lhaidong@163.net | |

# Appendix B — Export Promotion Activities

## Trade Shows, Product Showcases, In-Store Promotions

China Hotel Restaurant Menu Promotion/Chef Training, July 2006

Mexico Cooking Show, November 2006

Food Ingredients Seminar in Japan, December 2006

China Seafood Show, Qingdao, December 2006

Food and Hotel China, Shanghai, December 2006

China Hotel Restaurant Menu Promotion/Chef Training, December 2006

Seoul Food & Hotel Trade Show, April 2007

Mexico In-store Promotion, May 2007

FMI Trade Show, Chicago, May 2007

Washington State Wine Experience, May 2007

## Outbound Sales Missions, Inbound Buyers Missions

China Supermarket Buyers Inbound Mission, July 2006

Japan Food Ingredients Inbound Mission, July 2006

Mexico Buyers Inbound Mission, July 2006

Thailand Retail Buyer, July 2006

China Nursery Trade Inbound Mission using Cochran Program funds, August 2006

Southeast Asia Baking Ingredients Inbound Mission, August 2006

Southeast Asia Fresh Retail Inbound Mission, August 2006

Mexico Inbound Buying Mission, September 2006

Outbound Trade Mission to Taiwan, September 2006

China Media and Chef Group Inbound Mission, September 2006

Japan Media Tour, September 2006

Japan Food Ingredients Buyers Inbound Mission, September 2006

China Retail Buyers Inbound Mission, October 2006

Malaysia Produce Buyer Inbound Mission, October 2006

Taiwan Retail and HRI Inbound Mission, October 2006

Latin America and Thailand Cochran Fresh Fruit Inbound Mission, October 2006

China Media / Produce Inbound Mission, October 2006

Taiwan Food Ingredients Inbound Mission, November 2006

Malaysia Giant Supermarket Buyers, November 2006

Korea Foodservice Inbound Mission, November 2006

Ningbo and Hangzhou China Outbound Mission, December 2006

India Apple Buyer, December 2006

Korean Dairy Buyer, February 2007

Taiwan Food Ingredients/Foodservice Buying Mission, March 2007

Malaysia Inbound Mission in conjunction with FMI trade show, May 2007

Taiwan FMI Buyers Inbound Mission, May 2007

Guangzhou Retail Inbound Mission, May 2007

Beijing ATO Media Tour, May 2007

Shandong Province Delegation, May 2007

China Seafood Buyers Inbound Mission, June 2007

China Retail Trade Inbound Mission, June 2007

## Government Delegations

Governor's Mission to Korea and Taiwan, October 2006

Governor's Mission to Mexico, July 2007

## Agricultural Commodity Commissions

IM staff participated in a variety of agricultural commission meetings and events, including those for the Fruit, Asparagus, Potato, Apple, Beer and Red Raspberry Commissions.

Joined Asparagus Commission Field Day, August 2006

Coordinated Beer Commission rulemaking process, April 2007

## Trade Barrier Assistance

Coordinated efforts to resolve export problems for oysters to Taiwan and Malaysia, August 2006

Worked with company to determine whether their product could be shipped to Japan, October 2006

Partnered with WSDA's Pesticide Management Division on residue limits for animal feed for export to Japan, December 2006

Assisted company with dried fruit exports to Mexico, January 2007

Worked with Mexico supermarket chain to source nematode-free fresh potatoes, January 2007

Assisted with producer on labeling problems in Korea, March 2007

Worked on maximum residue level issues in Japan for products including cherries, frozen vegetables and bakery ingredients, 2006-07

## Trade Leads

Disseminated 80+ trade leads during FY 2007

## Presentations, Publications, Export Seminars

Presented IM program export activities to Senate International Trade and Economic Development Committee, December 2006

Published FY06 IM Annual Report, December 2007

Participated in Export Marketing Panel at the Pasco Ag Show, January 2007

Spoke at Washington Association of Wine Grape Growers Conference, February 2007

Presented to House Agriculture and Natural Resources Committee and to Senate Community, Economic Development and Trade Committee, March 2007

Organized Doing Business in Japan Seminar for World Trade Club, April 2007

## Outreach to Stakeholders

Connected companies in Yakima and Seattle with WSDA Japan overseas contractor, July 2006

Port of Benton outreach visit, August 2006

Invited to participate in World Trade Club as a board member, August 2006

Attended US-Korea FTA Reception and Luncheons, September 2006

Met with USDA Emerging Markets Program Staff, September 2006

Initiated Cochran Program Fellowship Meeting, September 2006

Participated in US Potato Board's Dehy Industry Meeting, November 2006

Updated program suppliers database, November 2006

Met with Prosser Economic Development Council, December 2006

Worked with WSDA's Organic Program to distribute an OTA industry survey, December 2006

Attended the annual Horticultural Association convention, December 2006

Participated in Northwest Food Processors Annual Conference, January 2007

Met with Spokane International Trade Alliance, January 2007

Met with Washington Apple Commission Singapore/ Malaysia Contractor, January 2007

Distributed wine export survey with Prosser Economic Development Council to determine wine exporters needs, February 2007

Attended Northwest Fruit Exporters Meeting, February 2007

Partnered in CTED's trade week, March 2007

Conducted trade outreach program in Eastern and Western Washington, March 2007

Introduced dozens of companies in Yakima and Seattle to program staff and international contractors, March 2007

Joined Tri-City Development Council Annual Meeting, March 2007

Attended Sysco Foodservice Buyers Show, March 2007

Participated in the Washington Beefalo Association Annual Meeting, May 2007

Attended the Northwest Pear Bureau Annual Meeting, May 2007

Participated in Health Berry Benefits Symposium, June 2007

# Appendix C — Advisory Committee Members

Ron Anderson, Chairman

Anderson Hay & Grain Co., Inc.

Bill Bryant, Chairman

Bryant Christie Inc.

Dave Carlson, President

Washington Apple Commission

Susan Hannah, Vice President, Marketing

Pacific Valley Foods

Michael McGinley, Export Sales

Ocean Beauty Seafoods

Robin Pollard, Executive Director

Washington Wine Commission

Mark Powers, Vice President

Northwest Horticultural Council

BJ Thurlby, Executive Director

Washington State Fruit Commission

Chris Voigt, Executive Director

Washington State Potato Commission

Charles Witzleben, President

SUPERVALU International

# Appendix D — Agricultural Commodity Commissions

**Alfalfa Seed Commission (RCW 15.65)**
Rod Christensen, Executive Director
100 N Fruitland, Suite B, Kennewick WA 99336
Phone: (509) 585-5460 / Fax: (509) 585-2671
E-mail: agmgt@agmgt.com

**Apple Commission (RCW 15.24)**
Dave Carlson, Manager
PO Box 18, Wenatchee, WA 98807
Phone: (509) 663-9600 / Fax: (509) 662-5824
E-mail: laverne.bergstrom@waapple.org

**Asparagus Commission (RCW 15.65)**
Alan Schreiber, Administrator
2621 Ringold Rd, Eltopia, WA 99330
Phone: (509) 266-4303 / Fax: (509) 266-4317
E-mail: aschreib@centurytel.net

**Barley Commission (RCW 15.66)**
Mary Palmer Sullivan, Administrator
W 907 Riverside, Spokane, WA 99201
Phone: (509) 456-4400 / Fax: (509) 456-2807
E-mail: mary@washingtonbarley.org

**Beef Commission (RCW 16.67)**
Patti Brumbach, Executive Director
14240 Interurban Ave. S #224, Seattle, WA 98168
Phone: (206) 444-2902 / Fax: (206) 444-2910
E-mail: pbrumbach@wabeef.org

**Beer Commission (RCW 15.89)**
Arlen Harris, Executive Director
2323 9th Ave SW #2-103, Olympia WA 98502
Phone: (360) 391-1232
E-mail: arlen@washingtonbeer.com

**Blueberry Commission (RCW 15.65)**
Dorothy Anderson, Secy./Treasurer
15903 Bow Hill Road, Bow, WA 98232
Phone (360) 766-6150 / Fax: (360) 766-4001
E-Mail: abfi@earthlink.net

**Bulb Commission (RCW 15.66)**
Mike Shelby, Manager
2017 Continental Pl #6, Mt. Vernon, WA 98273
Phone: (360) 424-7327 / Fax: (360) 424-9343
E-mail: mshelby@fidalgo.net

**Canola Commission (RCW 15.65)**
Dan Ollero, Administrator
PO Box 2128, Pasco, WA 99302
Phone: (509) 783-4676 / Fax: (509) 783-4674
E-mail: dan@maurergroup.com

**Cranberry Commission (RCW 15.65)**
Glen Thompson, Chair
PO Box 597, Grayland, WA 98547
Phone: (360) 532-4527
E-mail: cranbear@techline.com

**Dairy Products Commission (RCW 15.44)**
Steve Matzen, Gen. Manager
4201 198th St SW #101, Lynnwood, WA 98036
Phone: (425) 672-0687 / Fax: (425) 672-0674
E-mail: smatzen@havemilk.com

**Dry Pea & Lentil Commission (RCW 15.65)**
Tim McGreevy, Administrator
2780 W Pullman Road, Moscow, ID 83843
Phone: (208) 882-3023 / Fax: (208) 882-6406
E-mail: pulse@pea-lentil.com

**Fruit Commission (RCW 15.28)**
B.J. Thurlby, President
105 S 18th St #205, Yakima, WA 98901-2149
Phone: (509) 453-4837 / Fax: (509) 453-4880
E-mail: bj@wastatefruit.com

**Fryer Commission (RCW 15.66)**
JoAnne Naganawa, Administrator
2003 Maple Valley Highway #212,
Renton, WA 98055
Phone: (425) 226-6125 / Fax: (425) 226-8238
E-mail: joanne@cluckcluck.org

**Hop Commission (RCW 15.65)**
Ann George, Administrator
301 West Prospect Place, PO Box 1207,
Moxee, WA 98936
Phone: (509) 453-4749 / Fax: (509) 457-8561
E-mail: ageorge@wahops.org

**Mint Commission (RCW 15.65)**
Rod Christensen, Executive Director
100 N Fruitland, Suite B, Kennewick, WA 99336
Phone: (509) 585-5460 / Fax: (509) 585-2671
E-mail: agmgt@agmgt.com

**Potato Commission (RCW 15.66)**
Chris Voigt, Executive Director
108 Interlake Road, Moses Lake, WA 98837
Phone: (509) 765-8845 / Fax: (509) 765-4853
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**Puget Sound Salmon Commission (RCW 15.65)**
David Harsila
1900 West Nickerson St, #116, PMB 210,
Seattle, WA 98119
Phone: (206) 595-8734 / Fax: (206) 542-3930
E-mail: soundcatch@seanet.com

**Red Raspberry Commission (RCW 15.65)**
Henry Bierlink, Executive Director
1796 Front St, Lynden, WA 98264-1260
Phone: (360) 354-8767 / Fax: (360) 354-0948
E-mail: waredberry@verizon.net

**Seed Potato Commission (RCW 15.66)**
Gloria Lagerwey, Secretary
400 Fifth Street, Lynden, WA 98264
Phone: (360) 354-5545 / Fax: (360) 354-1951
E-mail: glorial@nas.com

**Strawberry Commission (RCW 15.65)**
Norval Johanson, Manager
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