The Annual Report provides an update of the League’s accomplishments and successes during the past year.
“To identify and address issues which directly impact the grape and tree fruit industries and to fulfill the needs of its membership while maintaining a viable organization in this endeavor.”

- California Grape & Tree Fruit League’s Mission Statement
EXECUTIVE COMMITTEE

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Ballantine Produce Co., Inc.

Ken Enns
Enns Packing Co., Inc.

Ron Frauenheim
Frauenheim Farms

Steve Hash
Steve Hash Farms

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Director, Trade Services
Marcy Martin

Director, Environmental & Regulatory Affairs
Gabrielle Kirkland

Director, Membership Services
Katherine Hanline

Bookkeeper
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Office Coordinator
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Administrative Assistant
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Merritt Farms

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Marko Zaninovich, Inc.

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Enns Packing Co., Inc.

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Ryan Zaninovich
V.B. Zaninovich & Sons, Inc.
CHAIRMAN’S MESSAGE

Reflecting on the past year it has been a rewarding experience to serve as chairman of the California Grape & Tree Fruit League which provided me with an even greater understanding of the commitment shared among League members to ensure that the state’s table grape and deciduous tree fruit communities remain viable.

With so many issues continuing to challenge the true sustainability of table grape and tree fruit growers, packers, and shippers, I want you, as League members, to know that the resources that you have voluntarily contributed to this association have been put to the best and most efficient use. I have witnessed the vital role that the League diligently fulfills as the primary and well-respected representative in the arena of public policy in Sacramento and Washington, D.C.

Your recognition of this role that the League fills is demonstrated by not only your financial commitment but by your active participation as well. It is evident that those grower and shipper members of the League that preceded us, showed the foresight and leadership to recognize the absolute importance of member involvement. This is clearly demonstrated by the 13 active committees that function to channel information to the Board of Directors who in turn direct League staff to address those issues of the greatest importance to the table grape and deciduous tree fruit communities. This type of grass roots organization also assures that members are made continually aware of legislation or regulation that could impact their business.

In order to carry out its mission, an association needs adequate resources as well as knowledgeable and competent staff, both of which are present within the League. We are fortunate to have financial stability as the League continues to be in an excellent financial state with reserves now exceeding previous goals. Additionally, one of the most important factors in determining success or failure on the part of the organization in managing the constant change that we all face is the involvement of its members. In that regard the League is truly fortunate to have that type of commitment from its member leaders and for that I say thank you.

Know that as we face the many challenges, whether it is working on immigration reform, preventing invasive pests, assuring water availability, or dealing with an over abundance of regulations, I can attest that the League will be there for you.

The last year as your chairman has gone by very quickly and it has been a great experience. It is an opportunity for which I am extremely grateful. Thank you for allowing me to be of service to you.

Sincerely,

Jerry DiBuduo
Ballantine Produce Co., Inc.
Chairman of the California Grape & Tree Fruit League Board 2007/08

“I want you, as League members, to know that the resources that you have voluntarily contributed to this association have been put to the best and most efficient use.”
The California Grape & Tree Fruit League has a long, distinguished history of its service to the industry. We always realize, first and foremost, that we are a voluntary organization and that the resources from our members must be used in the most effective and efficient ways possible. We are happy to report that once again this year the League has been able to provide real value to its members and California agriculture as a whole.

Given the economic challenges and the adverse political environment in California, we must continue to work together with our members to fight for the future of the industry and educate decision-makers about the absolute importance of maintaining a domestic food supply, including the production of healthy and nutritious table grapes and deciduous tree fruit. We continually work to identify issues that will be critical to the future of the tree fruit and table grape communities. Please be assured that you will have the League’s commitment to help solve these issues:

The availability of a legal labor supply is crucial to the future of agriculture. A comprehensive immigration reform package that contains a workable guest worker program as well as adjustment of status provisions is vital to our future. The League understands that without an adequate and legal work force, and the ability to grow our products, all the other issues become moot.

The addition of environmental and food safety regulations that are costly and a challenge the ability of a grower or shipper to make a profit must be avoided. The League will continue to partner with other agricultural groups to ensure that proposed remedies to environmental problems dealing with air or water quality put science before regulations and make sound economic and practical sense for growers.

As international trade and travel grows, there will be increased probabilities that invasive diseases and pests could be introduced in California. The League will continue to play a leading role in assuring that necessary and reasonable inspection procedures are instituted and adequate government resources are made available to do the job. In addition, the League will work to ensure the availability of necessary plant health materials to combat pests and diseases.

Labor unions and their supporters, particularly in the Legislature, continue making demands that challenge the long-term economic viability and sustainability of agriculture in California. However, without your farms and packinghouses, there would be no jobs, no workers, and no unions. The League, in conjunction with other groups, will continue to defend you from onerous and unfair labor regulations.

In an era of a growing number of “free trade” agreements, many nations use nontariff trade barriers, such as unfair phytosanitary requirements, to keep out the commodities of League members. Other nations will try to use unfair means to protect their own growers. The League will continue to support trade that is equitable and that makes economic sense to its members while combating unfair practices that restrict trade.

Legislators and regulators continue to pile on more and more taxes, usually disguised as fees, and regulations onto your business. The League will work to continue to raise the League’s profile and forge new alliances in an effort to strengthen agriculture’s political leverage. It will continue its efforts to ensure that the needs of agriculture are an integral part of the political equation in Sacramento and Washington, D.C.

Additional water supplies are needed for California and many people in this state simply do not understand the important role of agriculture. California agriculture is a critical component of the state’s economy that employs hundreds of thousands of people and provides many quality-of-life benefits to all citizens. Above ground water storage is just one critical component that must be added and not only for agriculture. The League will continue to send a strong and clear message to the media and to the citizens of California about the benefits that agriculture provides to all citizens in California.

As a current member of the League, we sincerely thank you for your support. If you are a prospective member, we encourage you to learn more and become a member. It will be a decision that you will not regret. Thank you.

Sincerely,

Barry Bedwell
President
THE VALUE OF MEMBERSHIP

“What has the League done for its members in the past year?”

To help answer this question please review the following information from this past year:

YOUR ADVOCATE

IN THE LEGISLATIVE ARENA

The League led the successful effort to get Governor Schwarzenegger to veto the “card-check” legislation, SB 180 – Migden (D-San Francisco) which would have denied farmworkers the right to a secret ballot when choosing if they wished to be represented by a collective bargaining organization.

The League worked closely with key legislators on both sides of the aisle and the Schwarzenegger Administration to defeat or veto anti-business legislation such as workers compensation reform rollbacks, fees on containers at California ports which would increase the costs for exports, and joint liability for growers with farm labor contractors.

IN THE REGULATORY ARENA

The League was involved in the rule development to the third phase of the Open Burning Rule (rule 4103) which banned the burning of orchard removal matter beginning June 2007. In meeting with San Joaquin Valley Air Pollution Control District (SJVAPCD) officials, the League negotiated the need to have an exemption for smaller plots of land where an orchard would be removed due to the economic constraints associated with the orchard removal process.

The League took an active role in interacting with the California Department of Pesticide Regulation (DPR) in connection with their Environmental Justice pilot project in Parlier to help assure that the measured results of airborne pesticide monitoring are properly interpreted for risk assessments of residents.

The League, in cooperation with sub-watershed coalitions and other agricultural organizations, continues to lobby the Regional Water Quality Control Board to implement reasonable and scientifically verifiable regulations related to the Irrigated Lands Waiver (ILW) program.

The League continues its efforts to work with the United States Department of Agriculture (USDA) to create a table grape shatter allowance tolerance (only at destination point inspection) to properly reflect the evolution of consumer table grape containers such as bags and clamshells.

The League has been a leading participant along with industry workgroups to address concerns with the SJVAPCD's rules concerning air quality that have a huge impact on the costs, both regulatory and for new equipment, for growers, shippers and packers.

The League remains the primary voice for maintaining vital chemical registrations at U.S. Environmental Protection Agency (EPA) and California Department of Pesticide Regulation (DPR) on pesticides for table grapes and tree fruit growers.

The League was successful in working with USDA’s Risk Management Agency to create crop insurance coverage separately for early, mid and late season peaches and nectarines.

For the past 72 years, the California Grape & Tree Fruit League has been an integral part of the agricultural community, and the organization continues to be a key player in California politics. With completion of the 2007/08 fiscal year on February 29, 2008, table grape and deciduous tree fruit growers and shippers continue to face greater economic and regulatory challenges, and therefore it is increasingly important to evaluate and assess the value of League membership.
The League participated with more than 120 other national and regional organizations as part of a specialty crop steering committee to begin the process of identifying and prioritizing issues related to the 2007 Farm Bill.

The League took a leading role, in its cooperative efforts with United Fresh Produce Association (UFPA) in that the League’s president sits on both the UFPA board and executive committee, on food safety issues and potential regulations. The League is a leading advocate for proper risk-based analysis based upon specific commodity evaluations; that is, one size should not fit all.

The League stepped up its efforts in working actively with other state and national organizations and the Agricultural Coalition for Immigration Reform (ACIR) to create and promote legislation to address the need for guest worker programs, while maintaining border security, as well as the adjustment of status for undocumented workers residing in the United States (AgJOBS).

The League worked with local governments to create an inspection protocol, which will serve as a template for all areas with susceptible fruit in the United States, to minimize the risk of invasive pests and diseases due to the introduction of direct international flights.

The League continues to work with table grape owners in Tulare and Kern counties in regard to the Pest and Disease Control District which was created through League sponsored legislation.

FruitPAC, the League’s political action committee, provided financial support to knowledgeable political candidates at the state and federal levels and hosted successful fundraisers through a Harvest Event in October and an Annual Meeting Raffle in March.

The League held its annual produce inspection workshop to review state and federal inspection procedures and rules. USDA, California Department of Food and Agriculture (CDFA) representatives, and county agricultural commissioners were among the workshop participants and speakers.

The League conducted its Annual Loading Guidelines Workshop in both English and Spanish. The objective was to review the handling procedures necessary to ensure that the fruit arrives at domestic and international destinations in the best possible condition.

The League continued to provide the most competitive group insurance programs and an attractive 401(k) program to participating members.

The League continues to work with Pan American Underwriters to represent the health benefits program, in order to expand the program and to provide League members with the most efficient and affordable health benefits options.

The League continued to keep members current on its activities and programs through the League’s On Target newsletter and by maintaining an up-to-date website, www.cgfl.com.

The League continues to provide members with comprehensive international requirements in all stone fruit export markets in the form of an export database for its members.
Each year the California Grape & Tree Fruit League’s Board of Directors ranks the top issues in order of priority for 2008. Here is this year’s list along with brief explanations.

1. **Availability of a Legal Workforce/AgJOBS**
   After the failure of AgJOBS in 2007, followed by the threatened enforcement of “no-match” letters, it’s no wonder this has remained a top concern. On the positive side, the current presidential candidates have strongly supported AgJOBS in the past.

2. **Cost of Labor/Minimum Wage Increase Impact**
   Labor is the highest variable cost for League members at about 50% to 70% of the cost of production. With the recent 50 cent increase in the minimum wage effective January 1, 2008, consumers must recognize that fruit prices need to rise.

3. **Water Supply/Above Ground Storage**
   Growers understand the reality that exists in the state regarding water supply and demand. The hefty Sierra snow pack during the winter served as a vivid reminder that additional storage is of paramount concern to ensure supplies are captured to serve the state’s growing needs.

4. **Air Quality Regulations**
   Growers and shippers can’t afford to change out their truck and tractor fleets to meet increasingly rigorous air quality standards; however air quality regulations continue to grow in number and stringency.

5. **Invasive Pests/Quarantines**
   This issue’s emergence reflects that of the Light Brown Apple Moth (LBAM), along with the Mediterranean fruit fly quarantines. The implications of a quarantine in the San Joaquin Valley are mind-boggling.

6. **Labor Regulations**
   The “card-check” legislation that would do away with the right to a secret ballot in union elections was vetoed by Governor Schwarzenegger the last go-round, but the issue is far from settled as the bill is expected to re-surface during the 2008 legislative session.

7. **Food Safety**
   League members are keeping a close eye on what happens with leafy greens while at the same time seeking recognition that their crops are different, i.e. not ground level. Any regulations should be at the federal level, not at the state.

8. **Water Quality Regulations**
   Landowners continue to face increasing regulatory oversight from the state and regional water quality control boards. This oversight is going beyond runoff and looking at ground water basins which will have disturbing implications for the industry.

9. **Availability of Plant Health Materials**
   While there is an evident move towards “softer materials” it is vital that growers have access to a full spectrum of plant health materials if there are changes in pest and disease issues. There is a rise in the priority this year driven by concern that pesticides necessary for export are increasingly at risk.

10. **Farm Bill/Investment in Specialty Crops**
    This appears on the list for the first time because fruit crops are part of the Farm Bill for this year.

The three issues from 2007 that were dropped off this year’s list were:

- Workers Compensation
- Energy
- International Trade

*NOTE: Portions of the summaries were from American/Western Fruit Grower magazine (April 2008) titled “Top Ten Issues”.*
FRUITPAC

FRUITPAC 2007/08

FruitPAC, the League’s political action committee, plays a vital role in voicing the needs of California agriculture to legislators at both state and national levels. It is through FruitPAC that contributions can be and are made to agriculturally-friendly lawmakers. Each year, FruitPAC raises funds through three avenues to pay for political contributions – the Annual Meeting Raffle, positive check-off program, and the Harvest Event Reverse Drawing.

FruitPAC’s fiscal year starts January 1 and ends December 31, and during the 2007 year FruitPAC contributed $16,500 to state and federal legislators. This is substantially lower than the prior year of $65,050 but was done for a good reason: to create reserves for the 2008 election year. Contribution requests are more frequent and greater in number during election years. The FruitPAC’s Board of Directors is provided notification before a contribution is made and given the opportunity to support or oppose the request. This is done to ensure that financial contributions are reflective of the Leagues membership.

During the League’s 2007 Annual Meeting Raffle more than $11,000 was netted from the event through ticket sales, sponsorships and donations. Jon P. Zaninovich (Jasmine Vineyards, Inc.) held the winning ticket to the Grand Prize of the FruitPAC Raffle during the Supplier’s Party on March 26 at Catal’s Restaurant in Downtown Disney®.

The 28th Annual Harvest Event on October 5, 2007, that was held Vintage Press in Visalia, resulted in more than $12,000 profit, all of which benefits FruitPAC. During the Harvest Event a Reverse Raffle was held with Louis Pandol (Pandol Bros., Inc.) as the emcee. The Grand Prize winner was Charles Alter (Marko Zaninovich, Inc.) who claimed $5,000. Steve Pandol III (Pandol Bros., Inc.) took the consolation prize of $1,000.

FruitPAC appreciates all who participated through the positive check-off program, Harvest Event and Annual Meeting Raffle including those who purchased a raffle ticket and event sponsors. FruitPAC’s success depends on this support and we thank you.
Health Benefits Trust

The California Grape & Tree Fruit League’s health benefits program, which is administered by United Agricultural Benefits Trust (UABT), experienced a rate increase at a fraction of industry-wide rate increases. Starting January 1, 2008, the overall program experienced a 6% rate increase for the medical coverage while the rates for life, vision, and dental remained the same. Additionally, slight changes were made to the prescription plan coverage.

UABT’s Oro and Plata health benefits plans are renewed annually and the renewal rate increased by 30% in 2007, and by 25% in 2006. The Health Benefits Trust explored other health plan options prior to the 2008 renewal period expecting a double-digit rate increase for the new year. Unexpectedly the increase was only 6%, this was welcomed. These plans offered by UABT, are made exclusively available to League members and represented by Pan American Insurance Agency.

COMMITTEE CHAIR:
George Caratan
(Anton Caratan & Son)

TRUSTEES:
- Jim Bates
  (Fowler Packing Company, Inc.)
- John Colbert
  (Greenleaf Farms, Inc.)
- Phil Herbig
  (Enns Packing Co., Inc.)
- David Jackson
  (David Jackson Farms)
MENTOR / PROPICONAZOLE SECTION 18 APPLICATION

On behalf of peach and nectarine producers, the League successfully obtained an emergency exemption for the use of propiconazole (Mentor) on post harvest applications for both the 2007 and 2008 harvest seasons. The 2008 season marked the third season that the product was made available through the California Department of Pesticide Regulation’s (DPR) emergency use exemption. The League collaborated with the California Tree Fruit Agreement (CTFA), Dr. J. Adaskaveg with University of California Riverside, and Syngenta Crop Protection, the Mentor manufacturer, to prepare the Section 18 application for Mentor which is used to treat the occurrence of sour rot. The emergency exemption is available to those operations located in Fresno, Kern, Kings, and Tulare counties.

RULE 4103 OPEN BURNING VARIANCE

Starting June 2007 orchard removal matter could no longer be burned in the San Joaquin Valley Air District as required by the District’s rule 4103. The League worked diligently with other agricultural organizations and the San Joaquin Valley Air Pollution Control District (SJVAPCD) to create a provision in the rule to provide an exemption for removals that were 20 acres or less per location. However, the dormant season brought an unforeseen situation as removal matter exceeded the capacity of what was available at biomass facilities.

Orchard growers experienced long delays to have their chipped material hauled away to a biomass facility. A temporary solution was created when the District granted a rule variance to allow sites with more than 20 acres to burn the orchard removal matter as long as criteria were met. The League will continue to work with the stakeholders and District to ensure that viable outlets are available for this newly created commodity.

ARB ON-ROAD TRUCK RULE

The League worked on and continues to work on resolving concerns with the California Air Resources Board’s (ARB) “Proposed Regulation for In-use On-road Heavy-Duty Diesel-Fueled Vehicles”. During the past year, the League collaborated with many other organizations to represent a broad cross-section of the agricultural industry to provide specific solutions to the overly burdensome proposed regulation. The options include: a mileage limitation threshold; field to first point of processing exemption; compliance deadline – “phase-in approach”; truck trade-down concept; and additional incentive funding. In December 2007, the League partnered with other agricultural organizations to hold an Ag Truck Show where dozens of diesel-powered trucks were on display to demonstrate, to ARB staff, the wide variety of specialized equipment that exists within the agricultural truck fleet. The League will continue to represent its members during the rulemaking process to ensure that ARB considers the economic hardship these regulations will impose and the subsequent potential damage to the agricultural industry.

AG PUMP ENGINE WORKSHOPS

More than 300 people attended one of the Ag Pump Engine Compliance Workshops that were held throughout the San Joaquin Valley in June 2007. The workshops detailed the specific requirements for agricultural pump engines, which are part of new emission standards that were adopted by the SJVAPCD. Rule 4702 applies to all internal combustion engines that are 50 horsepower in size or larger and operates with in the eight-county region which includes: Kern, Tulare, Kings, Fresno, Madera, Stanislaus, San Joaquin, and Merced counties.

The California Grape & Tree Fruit League coordinated the workshops in collaboration with the California Cotton Ginners & Growers Associations, Nisei Farmers League, and California Citrus Mutual. Speakers were from the District and utility providers, and highlighted the options available to assist the agricultural community with replacing or retrofitting stationary engines.
METHOMYL (LANNATE) TABLE GRAPE USE

An assessment of the cumulative risk associated with N-methyl carbamates was started in 2007 as required under the Food Quality Protection Act (FQPA). Following the Environmental Protection Agency (EPA) report of the results of the revised acute dietary exposure analyses for table grapes, DuPont Crop Protection, the manufacturer of the important table grape material methomyl (Lannate), was asked to consider a voluntarily cancellation for table grapes on methomyl. DuPont contacted the League to request assistance in maintaining the availability of this material. The League has held several meetings with the Environmental Resources Committee’s Pesticide Technical Workgroup, to begin drafting a rebuttal to the report’s findings. The League has scheduled a joint meeting with producers, UC researchers and DuPont to further identify data to respond to EPA’s federal register notice. The League and associate industry representatives have begun to communicate with EPA in an effort to reverse further negative impacts from FQPA risk assessments.

The League, through the support of funding from the California Table Grape Commission, (CTGC) is working with Dr. Robert Krieger, Extension Toxicologist, with the Personal Chemical Exposure Program, to assist League members in re-evaluating United States Department of Agriculture (USDA) residue testing data on all table grapes consumed in the U.S. The industry will need to continue to defend materials such as N-methyl carbamates and organophosphates, and work to maintain accurate information that correctly reflects the industry’s cultural practices to continue the ability to utilize these materials. DuPont is currently working to refine data on the additional labeled commodities, in an effort to make room within the “risk cup” for table grapes.

NORTH AMERICAN PLANT PROTECTION ORGANIZATIONS 2007 ANNUAL MEETING

The California Grape & Tree Fruit League participated in the annual North American Plant Protection Organization (NAPPO) symposium in November 2007, as one of the representatives for U.S. agriculture. The meetings underscored the international perspective in the North American partnership between the U.S., Canada and Mexico in discussing its ecological, cultural and political impacts to maintain a national plan to address the conventional and biological diversity for plant protection.

This season’s annual meeting addressed the three-country partnership in further developing the methodologies and assessments for standard setting measures to facilitate international trade, both within the continent and beyond.

The League, along with commodity partners, the CTFA, CTGC and commodity representative Bryant Christie, Inc., represented California’s agricultural industry in the NAPPO review panel meetings which involved current plant protection policy discussions in fruit, grapevines, fruit trees and invasive alien species issues affecting the North American continent. NAPPO is the critical link between national and international standards for securing common and effective actions to prevent the spread and introduction of pests of plants, plant products and identifying performance standards.

In 2006, the League and USDA were able to eliminate several pests from Mexico’s quarantine pest list for California stone fruit exports through NAPPO’s dispute resolution process; a dispute process standard developed by NAPPO’s member countries to resolve phytosanitary issue conflicts. California’s stone fruit industry was the first U.S. commodity to utilize the NAPPO dispute standard.

CHLORPYRIFOS & SULFUR DIOXIDE CONSIDERED FOR PROP 65 LISTING

The California Environmental Protection Agency’s Office of Environmental Health Hazard Assessment (OEHHHA) announced a list of chemicals identified through the prioritizing process, which have been listed for possible preparation of hazard identification materials for the Proposition 65 list. Two of these materials will be reviewed by the Developmental and Reproductive Toxicant Identification Committee (DARTIC) and are of importance to League members: chlorpyrifos and sulfur dioxide. A material, once included under the Prop 65 listing then triggers a posting and notification requirement. The League and other associations have formed a working group to jointly respond to OEHHHA’s regulatory review process. The League submitted comments in December 2007, and met with the Chief Deputy Director of OEHHHA in late January for further discussions.
DPR’S VOC FUMIGANT REGULATION UPDATE

The League took a leadership role during the rule making process of DPR’s new volatile organic compound (VOC) rule which went into effect January 25, 2008. DPR’s new regulation was developed under a court order to reduce the amount of VOCs that are emitted in the state by 20% using a benchmark from levels recorded in 1994. The League worked specifically to defend the needs of permanent crops by ensuring that the most frequently used application methods for fumigants were listed under the “low emission” methods. One of the most widely used methods is the deep-shank Telone application. DPR initially proposed that this method will only be permitted during the “ozone season” (May 1 to October 31) if three water treatments are applied following the Telone applications. The League argued that not only is the requirement impractical but pointed to the expertise of Michael McKenry, UC Nematologist, who says more water means loss in efficacy. Paul Giboney (M.Caratan, Inc.) who is the chair of the Pesticide Technical Workgroup brought first-hand experience about the reality that tree and vine growers work to combat pests and diseases.

PETITION TO CANCEL CHLORPYRIFOS TOLERANCES AND REGISTRATION

The League, along with numerous other commodity organizations, submitted comments in December 2007 to the U.S. EPA in response to a petition filed by two activist organizations to revoke all tolerances and cancel all registrations of chlorpyrifos (Lorsban). Chlorpyrifos is an important and beneficial management tool for table grape and tree fruit for the control of pests. Under the current regulatory review process, chlorpyrifos is scheduled to be reviewed in 2008 and therefore the industry does not support the petitioner’s request outside of the established schedule.

ENDOSULFAN USE

The League provided comments to the U.S. EPA federal register notice request in February 2008 regarding its updated assessment that identified the use of endosulfan to pose dietary, occupational and ecological risks of concern. The agency determined that these risks could be mitigated to levels below concern through the deletion of use on five crops, one being grapes. EPA and other regulatory bodies; Canada Pest Management Regulatory Agency (PMRA), and DPR are continuing with more detailed risk assessments. The European Commission (EC) has proposed all uses of endosulfan are to be cancelled in the European Union for environmental risk concerns.

The League has contacted Makhteshim-Agan of North America, Inc., to communicate the interests of table grape producers in maintaining registered use. The League continues to work with the ER Committee’s Pesticide Technical Workgroup to provide information regarding pesticides and the commodities representing our membership.

RULE 4682: POLYSTYRENE BOXES

The League was involved in the amendment promulgation of SJVAPCD adopted amendments to rule 4682: polystyrene foam, polyethylene and polypropylene manufacturing. The amendment was adopted by the District’s Governing Board on September 20, 2007, and was of importance to the League’s membership as most of the grape box manufacturers are also League members – Styrotek, Inc., Agri-Cel, Inc., Pregis, Inc., and TKV Containers, Inc. The League’s efforts focused on the symbiotic relationship that exists between the table grape industry and box manufacturers, in explaining the vehicle that the boxes provide to be able to export high quality table grapes.
**ENVIRO**

**ENVIRONMENTAL RESOURCES**

**OZONE PLAN APPROVED**

The League was represented at the SJVAPCD’s Governing Board meeting in April 2007, where board members decided whether to approve the 2007 Ozone Plan.

Public comment was made by 94 individuals with the majority of public comments made in opposition of the plan by environmental group representatives who claimed that it wasn’t necessary to extend the time in which the District must meet federal air quality standards.

At first inception, the League along with other agricultural organizations opposed the Ozone Plan because of the strict regulations proposed but given the unique circumstances of the San Joaquin Valley there was no other choice than to extend the attainment deadline and move into an “extreme” designation. If the District’s Governing Board did not approve the Ozone Plan then severe sanctions would have been taken against the District by the EPA.

**LEGISLATIVE REPORT**

**SB 719**  Machado (D- Linden)
Position: **Oppose**
San Joaquin Valley Unified Air Pollution Control District: district board membership – this bill would increase the membership of the district board to 15 members.
**Status- SIGNED INTO LAW**

**SB 240**  Florez (D-Shafter)
Position: **Oppose**
This bill would allow the San Joaquin Valley Air Pollution Control District to increase its fees, specifically up to $300 per year on all stationary, indirect, and area wide sources operating in the District. Annual audits would be required by the District and sent to the state Air Resources Board. Rules and regulations to reduce vehicle trips and air pollution from vehicular sources would be authorized. A condition would be made to appropriate $300 million to the District from Proposition 1B funds.
**Status- SUSPENSE FILE**

**AB 493**  –Ruskin (D- Redwood City)
Position: **Oppose**
Motor vehicle greenhouse gas (GHG) emissions –would impose a tax, but labeled as a surcharge, of up to $2,500 on new cars that emit a certain amount of GHG.
**Status- SUSPENSE FILE**

**SB 1001**  –Perata (D-Oakland)
Position: **Oppose**
Regional water board membership – this bill would require that the size of regional water boards to change from 9 members to 5 members. Board members would be required to possess specific experience and education, and a change would be made to the way, in which, board members are selected.
**Status- VETOED**
GOVERNMENT RELATIONS

2008 GOVERNMENT RELATIONS TRIP

Thirteen League members participated in the 2008 Government Relations (GR) Trip in Sacramento on February 19-20. During the two-day visit League members met with top regulatory officials and elected officials to discuss current issues of importance such as the state's efforts to control invasive species, an expansion of the water quality program to regulate groundwater, efforts to work with labor agencies in a proactive manner, and the Governor's view regarding water storage.

A pre-briefing session started the trip off at the offices of Kahn, Soares & Conway, LLP with representatives, George Soares and Louie Brown, to review the individuals and issues planned for the next day. This was followed by four select meetings with key agency officials which included: John Connell, California Department of Food and Agriculture Plant Health and Pest Prevention Services Director; Doug Hoffner, Labor & Workforce Development Agency Undersecretary; Robert Jones, Labor & Workforce Development Agency Deputy Secretary; Pamela Creedon, Central Valley Regional Water Quality Control Board Executive Officer; and John Moffatt, Office of Governor Arnold Schwarzenegger Deputy Legislative Secretary. These personal meetings provided participants time for question and answer sessions along with an update on the current issue the respective agency was working on.

The evening agenda included a reception and dinner where ten elected officials met with League participants in a bipartisan group. The following morning, a breakfast was held with agency officials in attendance. This session was followed by briefings by legislative leaders from both the Senate and Assembly, and included: Assembly Member Ed Hernandez (D-Baldwin Park); Assembly Member and Republican Leader Mike Villines (R-Clovis); Assembly Member Nicole Parra (D-Hanford); and Senator and Republican Leader Dave Cogdill (R-Modesto).

The following League members participated in the GR trip: Board Chairman Jerry DiBuduo (Ballantine Produce Co.), Carol Chandler (Chandler Farms), Ken Enns (Enns Packing Co., Inc.), Micky George (George Bros., Inc.), Doug Hemly (Greene and Hemly, Inc.), Steve Hash (Steve Hash Farms), Randy Giumarra (Giumarra Vineyards Corporation), Robert Ikemiya (Ito Packing Company, Inc.), David Marguleas (Sun World International, LLC), Pete Parson (Stevco, Inc.) Pat Ricchiuti (P-R Farms, Inc.), Toni Scully (Scully Packing Co.) and Marko S. Zaninovich (Marko Zaninovich, Inc.).

2007 SACRAMENTO FRUIT DELIVERY

In August 2007, state lawmakers and regulatory agencies were presented with variety of tree fruit and table grapes tucked inside of a wooden gift box as a token of the California Grape & Tree Fruit League’s appreciation for the efforts that have been made to benefit the agricultural community.

The deliveries were made on Wednesday, August 22, by League President Barry Bedwell, League Director Ken Enns (Enns Packing Co., Inc.), and League staff members Katherine Hanline and Gabrielle Kirkland. More than 100 boxes were hand-delivered to key legislators. Several League members were instrumental in donating their time and/or products, which resulted in a successful Fruit Delivery. Thank you to:

Ballantine Produce Co. Inc.
California Table Grape Commission
Enns Packing Co., Inc.
Jasmine Vineyards, Inc.
Pandol Bros., Inc.
Tri-Boro Fruit Co., Inc.
Brandt Farms, Inc.
California Tree Fruit Agreement
Fowler Packing Company, Inc.
PPS Packaging Company
Sun World International, LLC
The Insurance & Financial Benefits Committee was created to provide member input regarding the group insurance programs to ensure that the League is aligned with products and services that provide the highest value to its members.

There are many insurance choices on the market and this committee works to filter through the various opportunities and recommends programs and providers that are appropriate for table grape and deciduous tree fruit operations.

**GROUP PROPERTY INSURANCE**

The League’s Group Property Insurance program was created to increase coverage and benefits while keeping the costs competitive. Because the specialized program was set up as a group, participants experience an added level of support, and service when compared to using individualized insurance coverage.

This program has continued through 2007/08 to be marketed and administered by Buckman-Mitchell, Inc. in Visalia with Nationwide Agribusiness Insurance as the program underwriter.

**WORKERS’ COMPENSATION ENDORSEMENT**

The League’s State Compensation Insurance Fund Group Workers’ Compensation Insurance program was established to promote safe work practices and lower premium costs for members with good loss histories. The group functions as a sub-group of the California Farm Bureau Federation to offer discounted rates through State Fund to all League members. All League insurance brokers are able to market the program as long as they are State Fund certified.

**FORMAL ENDORSEMENT OF RAIN & HAIL INSURANCE**

For 12 years, the California Grape & Tree Fruit League has endorsed the crop insurance program provided by Rain and Hall Insurance Service, LLC. Although there are plenty of crop insurance providers to choose from, as insurance rates and procedures are the same among all providers, the League continues to recommend Rain and Hail Insurance to its members.

**LEAGUE 401(k) PROGRAM AVAILABLE TO ALL MEMBERS**

Alerus Retirement Solutions continues to offer superior service to the League by administering the California Grape & Tree Fruit League’s group 401(k) pension program. The League has partnered with Alerus for the past 10 years which in return Alerus extends special rates exclusive for League members.

As a League member, Alerus provides employers and their employees with a variety of investment options with comprehensive information to guide an investor through the investment process. Participation in this program continues to be strong which is due to combined buying power that comes from League membership.
**LABOR**

**CARD CHECK ISSUE**

The League took a leading role in defeating SB 180, also known as the “card check” bill, as authored by Senator Migden (D-San Francisco). The League's leadership effort included the formation of a coalition made up of 32 organizations, and included every major agricultural organization in the state. Key to the demise of the card check legislation was a public relations campaign that focused on the detrimental impact that the passage of SB 180 would have on the agricultural industry.

SB 180 was vetoed by Governor Schwarzenegger on the last day before the bill would have automatically become law after receiving approval in both the Senate and Assembly. A similar piece of legislation, SB 650, as authored by Senator Padilla (D-Pacoima), was amended to carry nearly the same consequence as SB 180 and also was vetoed by Schwarzenegger. While the vetoes were good news the reality is that proponents of a card check system in agriculture are pushing for a similar type of legislation during the 2008 legislative session.

The League’s Labor Committee has been working with the California Department of Labor to take a proactive approach to combating false claims made to the department about agricultural operations. The Labor Agency did state that based upon the Governor’s veto message of SB 180 whereby he directed his “Labor and Development Workforce Agency to work with the proponents of this bill to ensure that all labor laws and regulations are being vigorously enforced, and to make it absolutely clear to all concerned that my veto is premised on an expectation that agricultural workers receive the full protection of the law” that there would be targeted enforcement and that employers should be aware of that fact.

The Labor Agency has recommended that certain high profile growers and packers consider the use of Cal/OSHA Consultation Services as a means to counter the often misleading propaganda that comes from organized labor. In addition, the League and other agricultural organizations plan to take a more active role in a coordinated public relations effort to get true facts disseminated rather than the current misinformation.

**COMPREHENSIVE IMMIGRATION REFORM**

During the 2007 season the availability of labor was tight although industry members were able to squeak by in having their needs met it was all to evident that the shortage of labor is a problem that is not going away. This is why the League has taken an active roll in the immigration reform issue as the only true solution is comprehensive immigration reform. The League continues to work closely with the Agricultural Coalition for Immigration Reform (ACIR) who is based in Washington, D.C. and provides a daily presence in the nation’s Capitol.

**MINOR WORK HOUR PROGRAM**

The League facilitates the Minor Work Hour Extension program for its members throughout the state with packinghouses. During the 2007 season major changes were made by the Department of Industrial Relations and Department of Labor and Standards Enforcement in how the packinghouse inspections are administered. The League worked with the departments to resolve as many issues as possible regarding the increased scrutiny that is placed on participants.

Simultaneous to the 2007 harvest season was the introduction of SB 319: Wiggins (D-Santa Rosa) which was the League’s bill and was signed into law by Governor Schwarzenegger to allow Lake County 16 and 17 year-olds to work longer hours in local packinghouses during the summer harvest season.

A vital key to the Minor Work Hour program and SB 319 is providing local youth with work experience and job opportunities during the summer season. The situation is a “win-win” with the packinghouse having the local labor and the 16 and 17 year-olds workers having the opportunity to gain experience.
DEPARTMENT OF HOME LAND SECURITY NO-MATCH RULE

In late November 2007, the federal government announced that it will be rewriting the Social Security mismatch “safe harbor regulation” designed to penalize employers with unresolved mismatches in an attempt to satisfy a federal judge in San Francisco who put the original rule on hold. U.S. District Judge Charles Breyer stopped the Bush Administration in October 2007 from moving ahead with enforcement of regulations that required employers to fire employees if the employees Social Security numbers did not match records and the discrepancies could not be addressed in a 90-day time period. In giving reasons for granting the injunction, the judge said the Social Security database contained errors that would have cost many legal workers their jobs, and the government did not properly study the effect of the rule on business. Last September, a month after the plan was originally announced, the government had about 140,000 letters ready to be sent to employers, each identifying 10 or more employees with mismatches in their records.

This process put off the enforcement until the spring of this year (2008). The judge stayed proceedings until March 24, 2008, to allow the government time to prepare new rules on how to enforce immigration laws in the workplace, and how to use Social Security mismatches in the process. While there are indications that the government is concerned that it might not win the lawsuit, it also shows confidence in the ability to write regulations that can move forward.

Labor Committee
Listed below are the positions that the Board of Directors approved as recommended by the Labor Committee for the 2007 legislative session. The Labor Committee's position list included a total of 14 bills. The five bills listed are those that made it through the Senate and Assembly and were either vetoed or signed into law.

AB 377 - Arambula
Position - Oppose
Labor Contractors – would require an employer who is a farm labor contractor to disclose in the itemized statement the name and address of the legal entity that secured the employer's services.

Status - VETOED

AB 435 - Brownley
Position - Oppose
Wage Discrimination – would require employers to maintain the wage and job classification records for 10 years.

Status - VETOED

SB 180 - Migden
Position - Oppose
Card Check – would authorize a card check system to be used in place of a secret ballot election for employees to select a labor union to represent them for collective bargaining purposes. Such a system would allow signed representation cards to circumvent the election requirement that is currently in place in California. The bill would also increase penalties for employers on actions associated with the collective bargaining process.

Status - VETOED

SB 650 - Migden
Position - Oppose
Card Check with sunset provisions – this bill is identical to SB 180, but would have expired on January 1, 2013.

Status - VETOED

SB 319 - Wiggins
Position - Support

Status - SIGNED INTO LAW

CURRENT HOT TOPIC

HEAT ILLNESS PREVENTION REGULATION

Since Governor Schwarzenegger instituted a heat illness prevention regulation in 2005, heat stress inspections and citations have increased significantly. During the same timeframe worker deaths have decreased, however, the pressure on Cal/OSHA continues to mount.

Through September 2007, the state conducted 355 heat stress inspections and found 128 violations (36% violation rate). In 2006, there were 180 similar inspections, and 158 violations were found (88% violation rate). In 2005, the first year of the emergency regulations, there were a mere 37 inspections. The most inspected industry has been the construction industry, with agriculture as the second most inspected industry.

In 2007, there was only one heat stress death in California, an out of state long haul truck driver. In 2006, there were eight heat stress deaths, and in 2005 there were 12 during an intense heat wave. Given the increasing compliance rate and the lower numbers of deaths, it appears that the state and employers are both succeeding at implementing the regulations.
CALIFORNIA STONE FRUIT EXPORTS INTO MEXICO INCREASE

California stone fruit shippers experienced a successful Mexico export season with a 38% increase in total shipments in 2007 over 2006. During the season, more than 2.3 million cartons of apricots, peaches, plums, and nectarines were exported into Mexico which surpassed a record year in 2002 of 2 million cartons.

The League administers the Stone Fruit Mexico Export Program with the League’s Trade Director, Marcy Martin, managing the program. During the 2007 season there were 20 export participants that represented more than 10,000 acres of stone fruit certified for export into Mexico. For the 2008 season, 23 participants committed to the program.

A steady increase in exports into Mexico has been in large part due to the reduction of actionable quarantine pests, which the League obtained through the North American Plant Protection Organization.

The industry meeting for the 2008 season was held on January 17, 2008, in Tulare with more than 80 individuals in attendance. The 2008 coordinator, Fernando Marquez-Martinez, representing Mexico arrived in mid-April to conduct orchard visits and verify records at each participant’s facility, in preparation for the borders opening in early May.

FARM BILL UPDATE

After the passage of the 2007/08 Farm Bill, negotiations continue to take place and were not completed by the time this report went to print. Negotiations are necessary after the U.S. House of Representatives and U.S. Senate each passed a unique version of the new Farm Bill which means the differences – in programs and cost – has to be reconciled. The U.S. House of Representatives passed its version of the 2007 Farm Bill on July 27, 2007, on a vote of 231-191. After considerable delay and uncertainty, the U.S. Senate passed its bill on December 14, 2007, on a vote of 70-14.

The passage of the two versions of Farm Bills, although different, is historic because of the funding that is designated to specialty crops. The House-version of the Farm Bill contained approximately $1.6 billion in resources for specialty crops while the approved Senate version contained $2.2 billion.

The League is working closely with the Specialty Crop Farm Bill Alliance (SCFBA) as a member of that group’s steering committee in opposition to a general one or two year extension as well as making the length of the bill 10 years rather than the traditional five.

DEVELOPMENT OF STONE FRUIT EXPORT FOR INDUSTRIAL USE TO MEXICO

The League administered a first year program during the 2007 season, on behalf of Cleugh’s Frozen Foods, “A SunOpta Company” for bulk packed peaches with quarantine treatment from California into their facility in Irapuato, Mexico. The program ran between the months of August and October, and the participants shipped 712 bins of peaches.
**MARKETING**

**UPDATE MAXIMUM RESIDUE LEVELS (EUROPEAN UNION/JAPAN/TAIWAN/HONG KONG)**

**European Union:**
The European Union’s (EU) harmonization of pesticide policies has reached a final phase. The new framework is expected to be fully applicable by September 2008. From that time on, all EU maximum residue levels (MRL) will be harmonized at the EU level and national (member states) MRLs will no longer exist. The League commented to these changes on behalf of stone fruit production last year, and will analyze how the new MRLs compare to previous member state tolerances.

**Japan:**
Japan initially agreed to reduce its sanctions policy’s for pesticide violations to the individual violator, a step down from punishing the entire industry or a single violators actions. It appears that Japan may be backtracking on this agreement, and in March 2008 the U.S. Embassy in Tokyo met regarding this earlier agreement with the Japanese government.

**Taiwan:**
Taiwan’s most recent pesticide MRL proposal was to determine 200 MRL priorities, and to start establishing these levels during the next several years. The 200 would be determined among commodity groups, registrants and interested countries. The League and Bryant Christie Inc. (BCI) expressed concern to USDA over this type of proposal. Issues of MRLs not included within the priority listing, and the risks for commodities treated with non-priority chemicals. The League and BCI will continue to work with USDA to request that Taiwan maintain a provisional list, or allow for a deferral to the importing country’s MRLs or Codex. Additionally, the League will continue to provide the industry with feedback regarding discussions.

**Hong Kong:**
Hong Kong, an extremely important market destination for stone fruit producers, notified the World Trade Organization (WTO) Committee on Sanitary and Phytosanitary Measures in late 2007 regarding a proposed framework to address and regulate pesticide residues in foods. Currently, Hong Kong’s Centre for Food Safety follows the testing methods and standards recommended by Codex, which is established by both the Food and Agriculture Organization (FAO) and WTO. The League submitted on behalf of the stone fruit industry, and recommended the adoption of the current U.S. tolerances in the absence of a pesticide tolerance for stone fruit non-existing within the current tolerances within Codex.

**INVASIVE PESTS UPDATE – LBAM**

The League continues to be at the forefront of the Light Brown Apple Moth (LBAM) issue. This involvement has included active participation in the Invasive Pest Coalition, a successor organization to the Exotic Fruit Fly Coalition which was formed in the early 1990's. Ted Batkin from the Citrus Research Board is the coalition chairman while League President Barry Bedwell serves as Secretary/Treasurer.

The group met in March with California Secretary of Agriculture A.G. Kawamura and other high level officials from California Department of Food and Agriculture to confirm that the classification of LBAM as a “Class A” pest will not change and that the application by air of the pheromone is an absolutely essential element of the state’s eradication program. The League has advocated relentlessly using feasible methods to eradicate LBAM to ensure that the infestation doesn’t spread to the state’s interior region which brings the threat of quarantine from trading partners.
MEMBERSHIP COMMITTEE REPORT

During the 2007/08 fiscal year, the Membership Committee recommended 29 new members to the Board of Directors, all of which were subsequently approved (as listed below). It is due to member participation that the League has been able to maintain and expand its role as an effective advocate for the table grape and deciduous tree fruit communities for nearly a century. Historically, the League has been a shipper organization which is attributed to the League’s origins in negotiating railroad rates on behalf of its shippers. The Membership Committee has explored ideas to increase involvement from the grower community so that there is a broader representation of this category of members. The League strives to demonstrate the value that is realized through membership on a daily basis to communicate the purpose of the organization.

New Members 2007/08

- Albaugh Inc.
- Alliance Appraisal Company
- Bryant Christie Inc.
- C & C Ranches
- C.H. Robinson Worldwide, Inc.
- California Tree Fruit Agreement
- Chandler Farms
- Cleugh’s Frozen Foods, “A Sun Opta Company”
- Daniel Jackson Farms
- DiBuduo & DeFendis Insurance Brokers, LLC
- Floratine Ag Solutions
- Fruit Dynamics Inc.
- Gerry Lund Farms
- Golden State Crop & Insurance Services
- Ireland San Filippo, LLP
- Jaguar Labor Contracting
- Lyon Pomegranate Ranch
- Merritt Farms
- Monte N. Pinheiro
- National PolyGroup
- Paul B. O’Donnell
- Pacific Gas and Electric Company
- Rick Milton
- River Oak Ranch
- Rodney L. Milton
- S.K. Peters Family Farms
- Sierra Packaging Solutions
- United Valley Insurance Services
- Westbridge Agricultural Products

Types of Membership:

**Grower:** engaged in growing grapes, berries, and/or deciduous tree fruit but not shipping or marketing the same. Annual dues: $125.

**Shipper:** engaged in shipping as the person who pays the required assessments to the California Table Grape Commission, California Tree Fruit Agreement, California Kiwifruit Commission or similar organizations and/or who first puts grapes, berries, and/or deciduous tree fruit into commerce by loading in carlots, or the equivalent thereof, by other forms of transportation, irrespective of whether or not also engaged in the growing of same. Annual dues: $250.

**Marketer:** exclusively engaged in marketing grapes, berries, and/or deciduous tree fruit but not growing or shipping the same. Annual dues: $250.

**Associate:** not engaged in growing, shipping or marketing grapes, berries, and/or deciduous tree fruit but interested in the objectives and purposes of the League. Annual dues: $425.
PETITION TO REVISE GRADE STANDARDS FOR GRAPE SHATTER ALLOWANCE

The public comment period in regard to the U.S. Department of Agriculture (USDA) proposal to create a 5% allowance for table grape shatter in bags or clamshells at point of destination ended March 27, 2008. The League submitted comments in support of the proposal noting that the League views the proposed 5% allowance as a reasonable compromise, especially given the feeling that our previous proposal of a 10% allowance was valid.

The official comment period came after USDA through its Agricultural Marketing Service (AMS) branch decided to pull the original proposal for the establishment of a 10% allowance for shatter at point of destination in bags and clamshells in June 2007. The League along with a representative from Western Growers met with AMS officials in October 2007 to encourage USDA to move forward and once again emphasized that this was an issue of fairness that properly reflects the evolution of containers for table grapes. In July, the USDA sent a representative out to meet with League members in Delano and Coachella.

In November 2007, the League was contacted by AMS and notified that the agency expected a “Notice of Proposed Rulemaking” to be published in the Federal Register in the near future and that the issue was now officially in “ex-parte” status.

JUICE GRAPE BOX APPROVED

The League’s petition to the California Department of Food and Agriculture (CDFA) to amend regulations to allow recyclable plastic containers for juice grapes was approved. It was approved by the Office of Administrative Law, and became effective December 1, 2007. This action now allows the juice grape industry the option to utilize the XPO foldable container during the 2008 season.

CDFA STANDARDIZATION COMMITTEE AND SHIPPING POINT INSPECTION COMMITTEE

The League supported the re-appointment of Jim Simonian (Simonian Fruit Company), and Kerry Whitson (Golden Maid Packers) for an additional term on the CDFA’s Standardization Advisory Committee. The League is also represented by Trade Director, Marcy Martin, during committee meetings. CDFA’s standardization program works to ensure that California’s fresh fruit and vegetables meet the quality standards that consumers expect. Appointments to the Advisory Committee include: four fresh fruit representatives, four fresh vegetable representatives, one county agricultural representative and one alternate county agricultural representative. The term of office for committee members is two years.

The following League members serve on the Shipping Point Inspection Committee: Louis Pandol (Pandol Bros., Inc.), Steve Biswell (Mt. Campbell Development), Melvin Enns (Enns Packing Co., Inc.), and Dennis Parnagian (Fowler Packing Company, Inc.).

COMMITTEE CHAIR:
Louis Pandol  
(Pandol Bros., Inc.)

FIRST VICE CHAIR:
Wayne Brandt  
(Brandt Farms, Inc.)

SECOND VICE CHAIR:
Jon P. Zaninovich  
(Jasmine Vineyards, Inc.)

COMMITTEE MEMBERS:
- John Atwood  
(Calpine Containers, Inc.)
- Anthony Balakian  
(Fruit Patch, Inc.)
- Scott Boyajian  
(Marko Zaninovich, Inc.)
- Nicholas Bozick  
(R. Bagdasarian, Inc.)
- Dave Bryan  
(Pandol Bros., Inc.)
- Jim Bryan  
(Jasmine Vineyards, Inc.)
- Chris Caratan  
(M. Caratan, Inc.)
- George Caratan  
(Anton Caratan & Son)
- Robert Corsaro  
(Giumarra Vineyards Corporation)
- Stan Cosart  
(W.F. Cosart Packing Co.)
- Edge Dostal  
(Chiquita Fresh North America)
- John Forry  
(D.J. Forry Company, Inc.)

(Continued on next page)
The Annual Fresh Fruit Inspection Workshop has become a tradition as a pre-season refresher course for individuals working in the table grape and deciduous tree fruit industries.

In 2007 the Standardization & Packaging Committee held three Fruit Inspection Workshops. The workshop schedule was: April 17 in Visalia, May 2 in Coachella, and June 4 in Delano. These workshops covered the issues of inspections and standards, loading/transportation issues, food safety and security. Speakers included:

- Michael Morrelli
  (USDA)
- Michael Villaneva
  (CDFA and Western Institute for Food Safety and Security)
- James Thompson
  (University California, Davis)

In 2008, the 8th Annual Fresh Fruit Inspection Workshop was held on April 17 at the Visalia Convention Center. Growers, packers, shippers and marketers were provided with an overview of current issues and requirements in the areas of food safety, fruit inspection and transportation. Speakers for the event included:

- Anthony J. Souza
  (USDA)
- David E. Gombas
  (United Fresh Produce Association)
- Luke M. Gowdy
  (C.H. Robinson Worldwide, Inc.)

The workshops are designed to provide members with an overview of the issues that involve regulations and procedures associated with fresh fruit inspections and transportation, and the critical issues surrounding food safety and food defense.

**USDA/AMS TO MEET WITH UNECE FFV – PEACH & NECTARINE QUALITY STANDARDS**

USDA’s AMS notified the League in March 2008 of their participation in meeting with the United Nations Economic Commission for Europe (UNECE) regarding the commission’s recommendation concerning marketing and commercial quality control for peaches and nectarines. The UNECE has developed recommended provisions concerning minimum requirements for tolerances, maturity, and classification, sizing and master container markings. The League continues to work with USDA AMS to assist in developing a response to proposed international standards and address issues which may impact domestic and foreign trade of peaches and nectarines.
The League and C.H. Robinson Worldwide Inc. formed a strategic partnership in July 2007 in an effort to benefit League members by offering incentives that assist in the area of transportation management.

League members became eligible for this new service after the Board of Directors supported the endorsement as recommended by the Traffic Committee. C.H. Robinson is the League’s leading third party logistics provider that provides an added value to League members.

Options are key to C.H. Robinson’s grower-shipper program which is designed specifically to address the concerns of the table grape and deciduous tree fruit industries’ transportation needs. C.H. Robinson taps into a pool of 45,000 carriers of all types – rail, truck, air, etc. – and can service deliveries of any size or consistency.

C.H. Robinson maintains two offices – Monterey and Visalia – specifically to focus on the table grape and tree fruit programs. Weekly transportation updates are sent out to League members and provide a snapshot into market updates and pricing.

### Federal Regulations for Ag Handlers

The issue of federal regulations for ag handlers surfaced during the 2007/08 year and the League worked to minimize the impact to the agricultural industry stemming from the new regulations regarding the federal vehicular loading and restraint standards, which California adopted as of January 1, 2007.

A 45-day “education” period was established by the California Highway Patrol (CHP) on June 11, 2007. During this time, CHP officers have been instructed to be “reasonable” in the enforcement of the newly-adopted federal standards.

Additionally, individuals had the option to request an exemption and register it with the CHP, which was valid until December 1, 2007. The League sent out the exemption registration information to its members.

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**Committee Chair:**
Dave Bryan  
(Pandol Bros., Inc.)

**Committee Members:**
- David Berg  
  (David H. Berg & Co., Inc.)
- Jim Bryan  
  (Jasmine Vineyards, Inc.)
- Drew Johns  
  (Marko Zaninovich, Inc.)
- William Johnson  
  (Johnson Orchards, Inc.)
- Michael Little  
  (V.B. Zaninovich & Sons, Inc.)
- John Rast  
  (Rast Produce Company, Inc.)
- Janice Simmons  
  (Sensitech, Inc.)
- John Sullivan  
  (Maersk Sealand)
LEFT:
Jerry DiBuduo (Ballantine Produce Co., Inc.) is shown with John D. Zaninovich (Merritt Farms) at the 72nd Annual Meeting where the “chairman’s gavel” is passed from the outgoing chairman to the incoming chairman. DiBuduo served as chairman during the 2007/08 FY and Zaninovich is currently serving as chairman.

RIGHT:
Michael Sarabian (Sarabian Farms), and his father, Sarkis Sarabian, (middle) are pictured with League President Barry Bedwell. Bedwell is shown holding the Lifetime Achievement Award that was awarded to Sarkis Sarabian at the League’s Annual Meeting.

LEFT:
Former State Senator Chuck Poochigian pictured with Bedwell at a McCain fundraising event in Fresno.

RIGHT:
Bedwell is shown with League Director Randy Guarrerra (Giunarra Vineyards Corporation) during the 2008 Government Relations (GR) trip which was held in February.

BOTH PICTURES:
DiBuduo, is shown giving remarks at a community event where the League partnered with Assembly Member Nicole Parra (D-Hanford) in providing Thanksgiving turkeys to Central Valley families in November 2007. The pictured event, dubbed “Operation Gobble”, was held at Catholic Charities in Fresno. DiBuduo helped hand out bagged turkeys to non-profit organizations that cooked Thanksgiving meals for those in need.

LEFT:
During the 2008 GR trip participants met with John Moffatt, (center, right) Office of Governor Arnold Schwarzenegger Deputy Legislative Secretary. League members pictured (from left): Ken Enns (Enns Packing Co., Inc.), Toni Scully (Scully Packing Co.), and David Marguleas (Sun World International, LLC).

RIGHT:
League members: Micky George (George Bros., Inc.) and Cathy Hemly (Greene and Hemly, Inc.) are pictured speaking with Senator Richard Machado (D-Linden) at a dinner reception held during the 2008 GR trip
Tim George (George Bros., Inc.), Marcy Martin (League Director of Trade Services), and Michael Guidicipietro (deputy director, Phytosanitary Issues Management with USDA APHIS) are discussing trade issues during the annual industry meeting in preparation for the 2008 stone fruit Mexico export program.

Fernando Marquez-Martinez (export program coordinator from Mexico) and a pest control advisor are shown during a field inspection in late April of a peach orchard in Fresno County.

From left, Jim Lopes, (Central Valley manager Cal/OSHA Consultation Services), Len Welsh, (chief of the Division of Occupational Safety and Health), and League President Barry Bedwell are pictured at the League office.

Pictured are the participants in the 2008 Government Relations (GR) trip, from left: Ken Enns (Enns Packing Co., Inc), David Marguleas (Sun World International, LLC), Carol Chandler (Chandler Farms), Robert Ikemiya (Ito Packing Company, Inc), Pat Rachian (P-R Farms, Inc), Pete Passon (Stevco, Inc), Steve Hash (Steve Hash Farms), Randy Giannar (Giannar Vineyards Corporation), Tara Scully (Scully Packing Co), Micky George (George Bros., Inc), Board Chairman Jerry DiBudo (Ballantine Produce Co), Doug Hemeny (Greene and Hemeny), and Marko Zaninovich (Marko Zaninovich, Inc).

Ikemiya, and his wife, Susan, attended a fundraising event for Governor Arnold Schwarzenegger. James Belushi was a special guest of the event.

League members at the McCain event from left: Ikemiya, Craig Ito (Ito Packing Company, Inc), DiBudo, Herb Kapetian (KCC Holding, LLC), Martin Zaninovich (Jasmine Vineyards, Inc), Jon P. Zaninovich (Jasmine Vineyards, Inc), George Nikolich (Gerawan Farming), Bedwell, and David Jackson (David Jackson Farms).

David Marguleas (Sun World International, LLC), is pictured with Assembly Member Juan Arambula (D-Fresno) at the 2008 GR trip in Sacramento.

From left, DiBudo with his wife, Carol, Bedwell, wife his wife, Kim, and John D. Zaninovich (Merlit Farms).
Year in Pictures

BOTH PICTURES:
Left, Pat Ricchiuti (P-R Frams, Inc.) is shown with a diesel-powered truck that is used to bring fruit from the field to the packinghouse. This was an example of the type of equipment that will be required to be replaced under the Air Resources Board’s proposed diesel truck rule. Ricchiuti’s truck was one of about 30 trucks, along with the spray rig (at right) that were displayed for the ARB staff in December 2007 to demonstrate the specialized equipment that is used on a seasonal basis.

LEFT:
Julie Cirkl (Cirkl Specialized Training), third from left, was an instructor who led one of six training sessions during the Forklift Train-the-Trainer workshop series which was held at four locations in the San Joaquin Valley in April.

RIGHT:
Marcy Martin (the League’s Director of Trade Services) provided a review of the 2007 season Stone Fruit Mexico Export program at the annual industry meeting in preparation for the 2008 stone fruit Mexico export program in January.

LEFT:
Joe Horton (Quinn Catapillar) an instructor reviewed the “hands on” training and a front end loader demonstration during the forklift Train-the-Trainer workshop in Bakersfield on April 8, 2008.

RIGHT:
Workers are shown harvesting plums at a Dinuba-area orchard.
LEFT: A table grape vineyard in the Fresno area.

RIGHT: First of the season peaches being packed at a South Valley packing house in April.

LEFT: An Oriental fruit moth (OFM) trap is shown in a stone fruit orchard which is a vital element to the system approach available under the League’s Stone Fruit Mexico Export program.

RIGHT: The red pears shown are growing in an orchard located in the early district about a month before harvest. Orchards in this district are located along the banks of the Sacramento River Delta stretching north to the Upper Sacramento Valley.

LEFT: A worker is shown packing table grapes in clamsheels at the field level last season.

RIGHT: Orchard removals: June 2007 marked the ban on burning orchard removal matter which is part of a regulation that phases out all types of agricultural burning by 2010.