

**MINUTES
CALIFORNIA PEAR ADVISORY BOARD**

March 9, 2006
Williams, CA

The meeting of the California Pear Advisory Board was called to order by Chairman David Weiss at 9:05am.

I. **Roll Call** – There was a quorum.

Members in attendance:

John Callis

Wally Chan

Chris Frieders

Russell van Loben Sels

Phil Scully

Larry Thornton

David Weiss

Broc Zoller

Richard Elliot

Sydney Stokes

Chiles Wilson

Patrick Archibeque

Randy Ruddick

Members absent:

Tom Thomas

Other attendees:

Doug Hemly, Greene & Hemly

Pat Scully, Scully Packing

Aaron Smith, Del Monte

Brad Lawley, Signature Fruit

Barry Bedwell, CGTFL

Janyce Wong, CDFA

Wendy Buckley Stokes, David Elliot & Son

Chris Zanobini, CPAB

Bob McClain, CPAB

James Christie, BCI

Jerry Cordy, PCP

Tim Norgard, Norgard Farms

Michael Hildreth, Hildreth Farms

Michael Davis, CDFA –SPI

II. **Approval of December 5, 2005 meeting minutes**

It was moved, seconded and unanimously approved to approve the minutes of the December 5, 2005 meeting as presented. {05-17}

III. **Research and Field Director's Report**

Research Committee Chairman John Callis reported on the recent activities of the research committee. The committee had a meeting on February 2, 2006 to review and recommend projects for funding in the 2006-07 year. It was stated because of last years short crop and budget concerns the committee recommended only funding continuing projects and would consider new projects in next years funding. The committee recommended funding four projects and a research budget of \$72,846 ,

It was moved, seconded and unanimously approved to approve a research budget of \$72,846. {05-18}

Mr. Cordy, Chairman of the PPMRF provided an update on the research projects funded through PPMRF.

Mr. Hemly discussed the current activities in respect to a robotic harvester being researched and developed by the Citrus Industry and a robotics company in San Diego. He recommended that the pear industry should further explore this development and consider development of a pear specific hand for the harvester. Mr. Zanobini indicated that a presentation from the citrus industry on the status of the harvester will be arranged in the coming months.

Mr. McClain reported on an effort by several commodities to fill the vacant position at the University left open by Steve Southwick's leaving. It was discussed on how to proceed with filling the positions and a rough proposal by the Cherry, Peach, Prune and Pear industries in funding this position for three years. It was recommended by the board that we determine the direction of the position, exact funding by each group and then determine whether the pear industry can justify this expense.

Mr. McClain reported on a number of pest control products, the EPA registration review of Antibiotics, new regulations on worker safety from DPR as well as the makeup of the Pest Management Advisory Committee (PMAC).

IV. Board Nominations and Elections

Chris Zanobini informed the Board that nomination forms for open seats will be distributed on March 13. He indicated that there are 2 seats open for the early district and 1 seat open in the late district. Nominations will be accepted until March 20th. Ballots will be sent out March 27th for return by April 12th to CDFA.

V. Grade and Inspection

Mr. Zanobini reported that there were discussions within the pear industry about the future of mandatory fresh inspection. The issue is the potential increase in inspection costs if the tree fruit industry moves forward on the elimination of mandatory inspection.

Mr. Davis from SPI indicated that the fees would not increase this year and that SPI is taking measures to reduce overhead cost in the future. He also indicated that they felt that up to 80% of the tree fruit industry would continue to use inspection even if the mandatory inspection was eliminated.

After further discussion and input from the cannery representatives about pear inspection the following motion was made.

It was moved, seconded and approved (Mr Callis voted no) to maintain fresh inspection assuming there is no increase in fees from SPI. In the meantime it is recommended that staff look into an alternative proposal for checking maturity in the absence of fresh inspection. {05-19}

VI. **Executive Director's Report**

Buy California Program: Mr. Zanobini reported that the CEO of CA Grown has taken a new position and that as Chairman he will be handling some of the activities while a search is conducted for a new CEO. The Board is still working to get funding from the Specialty Crops Act as well other sources but currently has funding for activities through September 2006. Mr. Zanobini noted that the CA Grown report on its impact was included in the board book, and listed all programs successes, activities and results.

WAPA: Minutes from February meeting in Germany were provided in the board book. Mr. Zanobini reviewed the highlights of the meeting: discussion the apple situation in Europe which could impact pear imports to the US , presentation on recent consumer press articles about the use of Smart Fresh on apples and a link to cancer, Southern Hemisphere crop outlook and worldwide promotional efforts. As part of the meeting, China's involvement in WAPA was discussed, but it was reported that it is extremely difficult to find an organization to represent the entire country. Election of officers also occurred at the meeting, with Chris Zanobini elected as president.

Updated Budget: Mr. Zanobini outlined the budget 2005-06 as of Feb 28, 2006. As of February 28th, income was \$1,692,913 and expenses were \$1,255,370, with carryover \$437,542. He reported that the 2005 estimated income at \$2,809,211, estimated expenses at \$1,521,878, with a carryover of \$287,333.

Mr. Scully questioned about how the income from handling the cherry promotion program was reported and Mr. Zanobini indicated that the fee that CPAB charges for program is included in the Other Income line item. Mr. Zanobini also indicated that any expenses directly related to cherries that CPAB encumbers and logged as cherry expense and the cherry industry reimburses those expenses. Those reimbursements zero out the expenses so it does not impact the CPAB budget.

VII. **Discussion on Labor Issues**

Barry Bedwell from the California Grape and Tree Fruit League provided an update to the industry on the current situation with border security, immigration reform and the crisis situation in labor availability.

He stressed the importance of grower participation on the March on the Capital on March 15 to make the labor and immigration situation a top issue with Congress. He indicated that Mr. Hemly was participating and that there is still time for additional growers to participate.

Mr. Bedwell also provided an update on HR 4437 which has to do with border security, and an update on Senator Feinstein's support for an Ag Jobs bill along with immigration reform. He stressed that the time is now for the Ag Industry to get together and push hard for a solution that Ag can work with. This requires letters, visits and calls to your members of congress.

Chairman Weiss thanked Mr. Bedwell for attending and presenting at the meeting and for the great work that California Grape and Tree Fruit League is doing on behalf of pears and other tree fruits.

VIII. **Trade Policy**

James Christie provided an overview on trade policy issues.

Mr. Christie provided an update on the CAFTA agreement as well as the free trade agreements with Peru and Columbia. He also indicated that several new FTA's were being considered with Korea, Malaysia, Egypt and Switzerland. Finally he discussed the FTA being developed with Thailand and the ongoing efforts to insure that product repackaged in Thailand from other countries does not enter the US tariff free.

Mr. Christie reminded the Board that IMOS issues monitoring reports are available on the CPAB website. He also provided an update on WTO negotiations – negotiations are proceeding slowly.

Mr. Hemly raised the question of changes with Mexico, Mr. Christie responded that Mexico was status quo and that pears were currently not included in any discussions. It was also indicated that the pear industry remain diligent about the requirements in sending fruit to Mexico. An update to the industry will be provided before the start of the season.

IX. **20/20 Committee Update**

Mr. Weiss indicated that the 20/20 committee had meet recently and discussed issues of importance to the future of the pear industry and the organizations that represents the industry. The result of the meeting was a direction and cooperation from Mr. Zanobini to develop up to 5 different scenarios for an industry organization in the future. These scenarios are to be completed in rough form at the end of March with a formal presentation at the next 20/20 meeting sometime in mid-April.

X. **Domestic and Export Promotion**

Mr. Zanobini reported on the results of the fresh promotion and trade committee meeting held on February 22nd in Sacramento. The fresh domestic and export programs were presented and discussed in detail at that meeting. The committee unanimously recommended to the board to approve the Domestic Promotion program and budget of \$950,000 and the Export Promotion program and budget of \$400,500 with \$250,000 coming from the MAP program and \$150,500 from industry funds.

It was moved by, seconded and unanimously approved to accept the recommendations of the promotion and trade committee. {05-20}

XI. **Other Business**

NW Report – Prices and movement has been steady and movement is ahead of last year at this time. Import Reports – It was noted that updated import reports were

included in the board book and are available on the CPAB website. Also an update of canned fruit promotion and articles of interest were discussed.

There being no further business, the meeting was adjourned to executive session at 11:35am.

I, Chris Zanobini do hereby certify that, to the best of my knowledge, the foregoing is a true and correct copy of the minutes of the California Advisory Board meeting held on March 29, 2006.

Chris A Zanobini
Executive Director