

# WHOLE GRAIN



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## who we are:

**EDITOR:**

**Michael Klein**  
 mklein@usarice.com

**DEPUTY EDITOR:**

**Deborah Willenborg**  
 dwillenborg@usarice.com

**CONTRIBUTORS:**

**Rebecca Bratter, Bob Cummings,  
 Mark Isbell, Colleen Klemczewski,  
 Marvin Lehrer, Katie Maher,  
 Ben Mosely, Dave White**

**GRAPHIC DESIGN:**

**Dara Fowler**  
 dara@dfgraphics.com

**ADVERTISING:**

**Colleen Klemczewski**  
 cklem@usarice.com

**Dow Brantley**

USA RICE FEDERATION CHAIRMAN

**Betsy Ward**

USA RICE PRESIDENT & CEO

**Jeremy Baltz**

USA RICE FEDERATION COMMUNICATIONS  
 COMMITTEE CHAIRMAN

CIRCULATION: 24,000



The USA Rice Federation is the global advocate for all segments of the U.S. rice industry with a mission to promote and protect the interests of producers, millers, merchants, and allied businesses.

2101 Wilson Boulevard, Suite 610  
 Arlington, Virginia 22201

[www.usarice.com](http://www.usarice.com)  
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# From the Chairman: DOW BRANTLEY

EVERY FEBRUARY, THE USA RICE FEDERATION holds its Government Affairs Conference (GAC) in Washington, DC. Industry leaders, rookies and veterans, from every state and every segment of the industry stop what they are doing, leave the family farms or their jobs behind, and join together to speak on behalf of the entire U.S. rice industry.

It's impactful—not only to the Members of Congress, their staff, and the representatives of the various Federal agencies with whom we meet—but I think to fellow conference-goers. As I looked out around the room, I saw many familiar faces, like growers who live down the road from me, millers from California, and merchants from Texas, all of whom I work with from time to time. But I saw new faces too, like the proud graduating members of the Rice Leadership Program (see facing page).


And that's important.

It's important that we continue to meet with our representatives in Washington, but it's perhaps even more important that we make sure we're expanding our tent—bringing new people in our industry along, grooming the next generation of leaders, and sharing with Washington how deep our industry runs.

During GAC 2015 we conducted more than 53 Hill meetings, including with the Chairmen of the House Ag Committee, the Senate Ag Committee, and the Senate Ag Appropriations Committee. We also met with officials at

an alphabet soup of agencies: USDA, FAS, FSA, FDA, EPA, NRCS, USAID, USTR, and the State Department. We were fortunate enough to have Agriculture Secretary Tom Vilsack take time out of his schedule to address us one afternoon as well. We shared our message and our passion for the industry—about the jobs and safe, healthy food we provide, and about how important good trade deals are for our industry (see page 10).

I was happy so many made the trip, and I hope more will do so in the future.

You can see more of your industry's leaders in action on this page and on page 4-5—spend some time on it—they spent time in Washington for you. And maybe we'll see you in these pages next year. 



**LEFT:** Brantley (L.) and Rayne, LA rice producer John Owen at the GAC general session.

**RIGHT:** USA Rice President & CEO Betsy Ward with U.S. Secretary of Agriculture Tom Vilsack before he addresses the conference.

**BOTTOM:** USA Rice members and staff conduct a briefing with House Ways & Means Committee staff.



# Rice Leadership Development Program: A FRESH PERSPECTIVE

MARK ISBELL • FEB. 24, 2015

*The following is an excerpt of the speech written and delivered by Mark Isbell at the graduation of the 2013-15 Leadership Class at this year's GAC.*

THERE IS AN OLD SAYING: "If you are planning for a year, plant rice; If you are planning for a decade, plant trees; If you are planning for a lifetime, educate people."

I like that quote. But a big part of me wants to change it just a little bit.

What if we are planning *beyond* a lifetime?

What if we are planning for future generations?

What if we are planning for a world that will grow beyond nine billion people by 2050, all of whom will need more food?

What if we are planning for a world for whom one-fifth of their daily calories comes from rice?

I would say that in that world—our world—we should be more specific about the education mentioned in the quote above, and we should say that some of that education should be education in rice: how to best grow it, how to best mill it, how to distribute it, and how to innovate to ensure rice continues to do its part to feed our growing world.

For the past two years, seven of us have been a part of the Rice Leadership Development Program that does just that. The goal of this Rice Leadership program, as the name suggests, is to give its students the opportunity to gain a broader and more integrated perspective of the U.S. rice industry, to show how each part of the industry works together. But the goal of the program is not only to teach us about rice, but also about leadership.

The experience is both broad and deep. These trips hit all geographic rice-growing areas in the U.S. and all aspects of the industry—from cultivation to processing, to research, marketing, and beyond.

Over the course of our four sessions, we had more than 70 unique itinerary items, with more than 100 people actively engaged in hosting us, and many, many, more who showed us hospitality. We traveled hundreds of miles by van and thousands by plane, and took numerous tours of farms and mills and factories.

In addition to the opportunities available to our industry—and they are substantial—we also face a number of scarcities and constraints. Traveling with this class, we have seen some of these first-hand. From water shortages in the lower Colorado River to the Sacramento Valley to the aquifers of the Arkansas delta to the challenges in some of our markets, where the demand is not what it once was, where those whom we would think would buy our product instead turn their attentions elsewhere. But I am confident these challenges will be overcome.

Why this confidence?

**RIGHT:** Members of the 2013-15 Rice Leadership Class tour the barge loading facility at Russell Marine Group in New Orleans. From left: Robb Dedman, Steven Schuler, Wes Long, Mark Isbell, Joel Stevens, John Deere rep Joe Townsell, Seth Fiack, John Compton, and Chuck Wilson.

Because after meeting with those in our industry—farmers, millers, merchants – and seeing how all of the parts of our industry, and all of the people within our industry, work together, it has become very clear: One thing that is not scarce in our industry and one thing that does not constrain us, is **leadership**.

We have seen it from the fields of South Texas, across the farm country of Louisiana and on the banks of the Mississippi river. We have seen it in the engineering rooms, and maintenance rooms, and board rooms in the mills of central Arkansas, and in the depths of a factory, and illuminated by the arc of a welder in Moline, Illinois, and on the floor of the Chicago Board of Trade. Beneath the hum of the irrigation pumps on the Sacramento River, in the seat of a combine in the Sacramento Valley, and leaning against the bed of a pickup truck in the shadow of California's Coastal Mountains. We have seen it in our nation's capital.

We have seen leadership in all of these places. And we have learned that leadership is not about position; it is about affecting change and carrying your load wherever you are.

We now get to look for this leadership in one more place: ourselves.

This industry has opened itself to us and now we must ensure that the industry's investment in us pays dividends. The Rice Leadership Development Program has given us the foundation; it will now be our job to realize our potential in the various places we find ourselves.


One question that was asked of each of us during the program's selection process was what would we do differently after having this experience. It was a tough question, one that caused us to pause, and consider, and stumble, and stutter a bit as we tried to give answers. Now, having had the experience, I would answer the question this way:



*The Rice Leadership Development Program gives future leaders a comprehensive understanding of the rice industry, with an emphasis on personal development and communication skills. The class attends four one-week sessions over a two-year period that encompasses studies of all aspects of the rice industry through firsthand observations. They also attend seminars and workshops designed to strengthen leadership skills.*

*For more information, contact the Rice Foundation at (870) 673-7541.*

There is no one specific thing we will do differently. Everything we do and how we do it will be changed by this experience. Thank you for giving us this chance.

And, to everyone who played a role in this experience, we intend to pay it back and we intend to pay it forward. 

*Mark Isbell is part of a multi-generation rice farm in central Arkansas focused on zero-grade farming and rice behind rice rotation. He is married and a father of two. He holds a BA in Professional and Technical Writing and Speech Communication as well as an MA in Writing from the University of Arkansas at Little Rock, where he teaches part time.*



# 2015 Government Rice voices

## DONNER-PELTIER DISTILLERS Takes a Shot with Rice- Based Liquor BY COLLEEN KLEMCZEWSKI

THIBODAUX, LA — Born and raised in Louisiana, Tom Donner and Henry Peltier witnessed firsthand the prominence of sugar cane and rice in their community and were inspired to find an innovative way to support these industries. The lack of a locally-run distillery motivated Donner and Peltier to experiment with using sugar cane and rice to make liquor. Sugar cane was easy—it's traditionally the main ingredient used to make rum. Rice proved to be more of a challenge, but not one they were willing to walk away from.

Over the course of three months, Donner and Peltier utilized their backgrounds in chemistry (both are doctors) to figure the best way to incorporate rice into their products.

"I don't know if it's a unique idea that we had to use rice in our spirits, but we took the time to figure out how to make it work," Donner said. "We put some study into it because no one else really makes anything from long grain rice. It was difficult working with a process of breaking the rice down so it would ferment. We had to work on a method to get the starch to fall apart so the enzymes would work on it, and of all places we did that in my kitchen."

After a series of trial-and-error experiments, Donner and Peltier perfected the use of rice as an ingredient in their vodka, and then expanded to whiskey and gin. They opened Donner-Peltier Distillers in 2012 and have received positive feedback from their customers, especially in regard to their rice-based products. The spirits they make with rice include Oryza Vodka, Oryza Gin, and LA1 Whiskey. They also make several rum varieties using local sugar cane.

For Donner and Peltier, using rice in their products was well worth the challenges they initially faced.

"Rice is a little more difficult to deal with than if we were making vodka out of wheat, which is the most popular thing used to make vodka," said Donner. "Being a local company is kind of a big thing for us so we wanted to do the right thing by the people in our state, and we have been really well-received for that reason." [WGR](#)

*Colleen Klemczewski is USA Rice's Social Media and Domestic Promotions Coordinator and in the interest of accuracy, has taste tested all of the rice-based liquors written about here.*



# Affairs Conference



4



5



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7



8

1: USA Rice Producers' Group Chairman John Owen (l.) and GAC guest speaker Senate Ag Appropriations Chairman Jerry Moran (R-KS).

2: From left: USDA Under Secretary for Farm and Foreign Agricultural Services Michael Scuse chats with USA Rice's Ben Mosely and Betsy Ward.

3: Betsy Ward and Phil Karsting, administrator of USDA's Foreign Agricultural Service.

4: House Ag Committee leadership, Ranking Member Collin Peterson (D-MN) and Chairman Mike Conaway (R-TX) (r.), address GAC attendees.

5: Rep. Rick Crawford (R-AR) (second from left) and members of the Arkansas rice delegation.

6: It's all smiles for the Texas rice delegation and Rep. Bill Flores (R-TX) (center).

7: Rep. Ted Poe (R-TX) receives a Rice Industry Champion Award from El Campo, Texas, rice producer Linda Raun.

8: Senator Roy Blunt (R-MO) (center) entertains the Missouri rice delegation.

9: Senator Roger Wicker (R-MS) (second from left) visits with Mississippi rice producers.

10: Rep. Ralph Abraham (R-LA) (r.) meets with Louisiana members.



9



10

## **GROWER EDUCATION + LAWMAKER OUTREACH = SUCCESSFUL FARM BILL IMPLEMENTATION** BY BEN MOSELY

**ARLINGTON, VA** – More than a year has passed since the Agricultural Act of 2014 was signed into law by President Obama, and the Department of Agriculture is well into the implementation phase. We've learned many of the aspects about the new programs in the course of the year, but the education process continues and will for the foreseeable future.

The new commodity programs and crop insurance enhancements covering the 2014 – 2018 crops are designed to protect growers from multiyear price declines and other unavoidable risks that are inherent in farming. The USA Rice Federation has been involved in countless educational efforts geared towards rice producers and has continued to update and inform our members as regulations enacting the new programs are incrementally promulgated by the Department of Agriculture.

### **CONGRESS NEEDS EDUCATION TOO**

As regulations and program enrollments come and go, we will continue to provide as many resources as possible to rice producers and other industry members so they are informed and up to date on the status of implementation. However, with fewer voices representing rural America in Congress, it is important to highlight our efforts to educate Members of Congress and their staff on issues vital to rice farmers. This educational effort won't prove to be as simple as those in the past.

Our work here began immediately following the midterm elections, and in February kicked into high gear during USA Rice's annual Government Affairs Conference in Washington, DC (see pages 4-5).


Every segment of our industry and every rice state was represented, and while this conference provides an excellent organized grassroots, face-to-face outreach to our government officials, the power and effectiveness of grassroots advocacy is enhanced with year-round engagement. This will be the key to successfully maintaining a profitable and viable U.S. rice industry. It is incumbent upon our industry to speak up with a unified voice to protect our interests.

### **NEW FACES, NEW OPPORTUNITIES**

The rice industry has been blessed over the years to have unwavering advocates in Congress that know the importance of maintaining sound farm and trade policy to allow the U.S. rice industry to remain competitive in an increasingly global market. However, we must not become complacent.

There has been a 50 percent turnover in Congress over the last four years which means we have our work cut out for us to ensure these new Members of Congress and their staffs understand and appreciate the American rice farmer and the contributions they make to the U.S. economy, food security, and the job market.

As USA Rice looks forward to new relationships in Congress, education, outreach, and participation are key. On behalf of the U.S. rice industry, USA Rice works to educate through workshops and briefings; our outreach efforts include publications like this one, the *USA Rice Daily*, and the *Capital Update*; and we participate in everything from hearings to in-state events, and fundraisers.

As this newspaper goes out, you are likely out in your fields preparing for the next crop. We here in Washington are doing our part to make sure the government enacts good policies that help where they can, and stay out of the way when they should. 

*Ben Mosely is the vice president of government affairs for USA Rice and has worked at both the state and federal level on agriculture issues.*

## **NEW RICE-FOCUSED CONSERVATION PROGRAM SET TO LAUNCH THIS YEAR**

BY DAVE WHITE

**WASHINGTON, DC** – The \$10 million joint effort undertaken by the USA Rice Federation and Ducks Unlimited (DU) to create a new rice-focused conservation program will kick off this summer and offer rice producers several on-farm conservation options. The overall purpose of the project is to work with the Natural Resources Conservation Service (NRCS) to assist rice producers address water quantity, water quality, and wildlife habitat in Arkansas, California, Louisiana, Mississippi, Missouri, and Texas.

NRCS approved the proposal—Sustaining the Future of Rice—last January under the new Regional Conservation Partnership Program (RCPP). Since then, USA Rice and DU personnel have been meeting with NRCS to determine which conservation practices will be offered to growers. Final details have been sent to NRCS headquarters for approval and a decision is expected in April.

Of the \$10 million being provided by NRCS, \$7 million will be available through the Environmental Quality Incentives Program (EQIP) and \$3 million from the Conservation Stewardship Program (CSP). Each state will receive at least \$1 million in funding.

Partners in the project are contributing another \$6.8 million to support the overall project, with the bulk of that coming from the Lower Colorado River Authority.

While specific dates may vary from state to state, sign-ups for EQIP are expected to begin this summer and run through early fall. After the sign-up ends, applications will be ranked and contracts awarded. After the contracts are set, on-farm work will begin.

In order to ensure project funds go to rice growers, NRCS, USA Rice, and DU are developing screening and ranking criteria targeted to rice lands.

The project will offer rice producers several conservation practices to choose from in both the EQIP and the CSP and all the practices will be geared to rice production. Examples include drainage water management, irrigation land leveling, irrigation reservoir construction, irrigation system automation, and wetland wildlife management. The conservation practices offered will generally be the same in all states, but there may be some tweaks in certain states to make sure the practices fit local conditions.



While EQIP will be the first out of the gate, the CSP won't be far behind. Work is underway to develop a specific package of enhancements for rice lands and it is expected that the sign-up will occur early in 2016.

USA Rice, DU, NRCS, and partners will notify rice producers of the specific dates when the sign-ups start in their state. Interested rice growers will sign-up in local NRCS offices like normal and just inform NRCS that the application falls under the Sustaining the Future of Rice RCPP project. The RCPP funds are in addition to regular EQIP and CSP, and other funding may be available to growers as well.

Conservation planning is one of the cornerstones of the project and growers who are interested can begin reviewing their conservation plans to see what is needed on their operations. Partners believe that up to 63,000 acres will benefit from the project.

Competition for contracts is expected to be high and it is unclear how long the funding will last. If the project is oversubscribed, the partners plan to reapply to NRCS for additional funding.

The Rice RCPP effort represents a first of its kind project—it's totally focused on rice growers and what works best on rice-producing lands. And, it is the first time that an entire commodity crop worked to establish a conservation program. [WCS](#)

*Dave White is the former NRCS Chief and is currently a partner and co-founder of 9b Group.*



**ABOVE:** Rice farms provide multi-species habitats.

**LEFT:** Precision leveling enhances sustainability.

Photo Courtesy of LSU AgCenter

**THANK YOU!**

**USA Rice**  
and  
**DUCKS UNLIMITED**

**APPLAUD  
USDA and NRCS**  
for their  
VISIONARY SUPPORT  
of our joint proposal under the  
Regional Conservation  
Partnership Program

We look forward to collaborating as we work to maintain and enhance water quantity and quality, and much-needed waterfowl habitat.

**SAVE THE DATE**

**2015 USA RICE  
OUTLOOK CONFERENCE**

**DEC 9 - 11, 2015**

**NEW ORLEANS, LOUISIANA**

# RICE LEADERSHIP PROGRAM

## IN THEIR OWN WORDS

The Rice Leadership Program is generously sponsored by John Deere Company, RiceTec, Inc., and American Commodity Corporation through The Rice Foundation and managed by the USA Rice Federation.

### SESSION ONE GULF COAST

“One of the things I took away from the first session was how organizations are vertically integrated, like the USA Rice Federation. We looked at how it is organized and how every segment of the industry has a seat at the table. It is important, that even though each segment of the rice industry may have differences, that we work together to better the industry as a whole.”

– Rance Daniels, MO  
Class of 2012-14

“I have always heard that the LSU Rice Research Station was one of the best in the U.S. and after our visit, I would have to agree. There is an amazing history of great work there that has helped keep the rice industry in Louisiana and surrounding states viable.”

– John Munger, CA  
Class of 2014-16

**“The leadership class was able to see upcoming changes in the rice industry firsthand. Rivianna Foods showed the class the growth in prepared rice and their positioning for that growth. From a marketing perspective, it was fascinating to see the amount of information that Rivianna collects and analyzes to position itself for the future in the consumer rice market.”**

– Park Eldridge, AR  
Class of 2011-13



“One area that affected me more than all the other areas was Russell Marine Group. There is something about watching rice being offloaded from a barge and onto a large ship that gives you a sense of pride in our product. Physically seeing the rice destined to leave the country, knowing it is going to feed people, and knowing how much it is going to mean to the people receiving it, gives me an enormous sense of purpose. We are really making a difference. We are feeding people.”

– Brendan O'Donnell, CA  
Class of 2011-13



“Having never entered a mill, I truly didn't know what to expect. Listening to the millers and touring their plants allowed me to understand the need for quality rice for the milling process.”

– Scott Gairhan, AR  
Class of 2011-13

### SESSION TWO DELTA, CBOT & DEERE

“The overall theme of the second session could be summed up as 'customer satisfaction.' At every stop each individual we spoke with told us how they were trying to make their service or product better for the customer. This was noticeable at the large worldwide company of John Deere all the way to single rice producer George Dunklin, Jr.”

– Rance Daniels, MO  
Class of 2012-14

“We had a unique opportunity to be on the trading floor of the Chicago Mercantile Exchange as the bell went off to signal the start of trading for the day. As we walked through the floor looking at the different trading pits it put the rice industry into perspective compared to the other grain markets such as corn and soybeans.”

– Clint Roth, AR  
Class of 2012-14



**“We toured the John Deere Harvester Works, where over 2,700 people and numerous robots work in over 70 acres of enclosed space to manufacture combines. It was the biggest vat of John Deere Green paint I have ever seen!”**

– Mark Isbell, AR  
Class of 2013-15





SESSION THREE  
CALIFORNIA

“Our business environment is full of regulations and government bureaucracy along with sky rocketing land prices. We have to strive to be at the forefront of innovation and think outside of the box in order to be successful and sustainable. The California rice industry has been a leader in this department and that was continuously showcased throughout the week.”

– Marc Breckenridge, CA  
Class of 2011-13

“Before the program began I thought that the best soils in the U.S. were in the river bottoms of Texas. After our second session I thought that the best soils in the U.S. were in the Midwest. Now, after the California session, I have seen what rich and diverse soils California has.”

– Galen Franz, TX  
Class of 2011-13



“Although production cost may be 30-40 percent higher, California yields more than offset that. The big contrast came with the uncertainty of the weather patterns in the south versus almost perfect weather in California. The strangest thing that I noticed was the lack of tarps, combines, and trucks. We were told that the last measurable rainfall was one tenth of an inch in the last three months.”

– Paul Zaunbrecher, LA  
Class of 2011-13

SESSION FOUR  
GAC

“We got to visit the Cuban Embassy and meet with the Cuban Ambassador. The opportunity to visit an embassy was tremendous, but also meeting with the Cuban Ambassador really elevated the experience to one I will never forget. We discussed the country of Cuba – infrastructure, industry, and opportunities for interaction with the United States and the fact that the rice industry would like to see trade opened up with Cuba. I learned quite a bit about the relationship between the U.S. and Cuba and the importance of foreign policy and diplomacy.”

– Natalie Hummel, LA  
Class of 2012-14

“This week was all about seeing our industry in action. I have always known that the rice industry was a relatively small industry in the grand scheme of things, but this week seeing what our industry can do and how many people are willing to talk to us and truly hear what we are saying is amazing.”

– Clint Roth, AR  
Class of 2012-14

“The most eye opening part of the trip for me was visiting with the National Agricultural Statistics Service. For years I have reviewed their numbers and listened to others comment on them without ever knowing exactly how they were formulated. The big government black box was opened right up for all of us to look in and learn exactly how they obtain and process their data. I learned how important it is to respond accurately to surveys and phone calls from NASS, because that is their primary source for data.”

– Timothy Gertson, TX  
Class of 2012-14



OVERVIEW

“What really stands out to me, and what all the leaders we met have in common, is their commitment and sacrifice for the greater good of the industry.”

– Brice Lauppe, CA  
Class of 2012-14

“Finally, I can’t go without acknowledging Mr. Chuck Wilson who has done an outstanding job of scripting this program and making it work. He has the knack to take seven classmates from various backgrounds and expose them to industry aspects all in a friendly setting.”

– Mark Pousson, LA  
Class of 2011-13

**RIGHT:** Rice Foundation Director  
Chuck Wilson

“Besides my wife and kids, the Rice Leadership Program is the best thing that has ever happened to me. It’s changed me.”

– Christian Richard, LA  
Class of 2005-07



## TRADE AGREEMENTS MEAN A HEALTHY U.S. RICE BUSINESS

BY BOB CUMMINGS

*Trade agreements kill jobs. Trade agreements are the future for high paying jobs. Trade agreements mean U.S. leadership. Trade agreements surrender U.S. sovereignty.*

WASHINGTON, DC – The rhetoric and headlines can be shrill when trade is the topic, and the current debate about the Trans Pacific Partnership (TPP) and Trade Promotion Authority (TPA) is no exception. More about these two topics later.

When it comes to trade, there is no confusion for U.S. rice producers, millers, and exporters—trade agreements done right mean access to foreign rice consumers and additional demand for U.S. rice.

Exports are a big deal to the U.S. rice industry. Let's look at the facts. U.S. consumers use only about one half of the rice produced by U.S. growers each year. On top of that, about 12 percent of the rice we eat each year is imported. U.S. import duties have for many years been among the lowest in the world and farm bill support for rice producers, as for all of production agriculture, is continually under threat. Neither of these trends is likely to change soon. Keeping the rice industry we know today means getting and maintaining robust export sales.

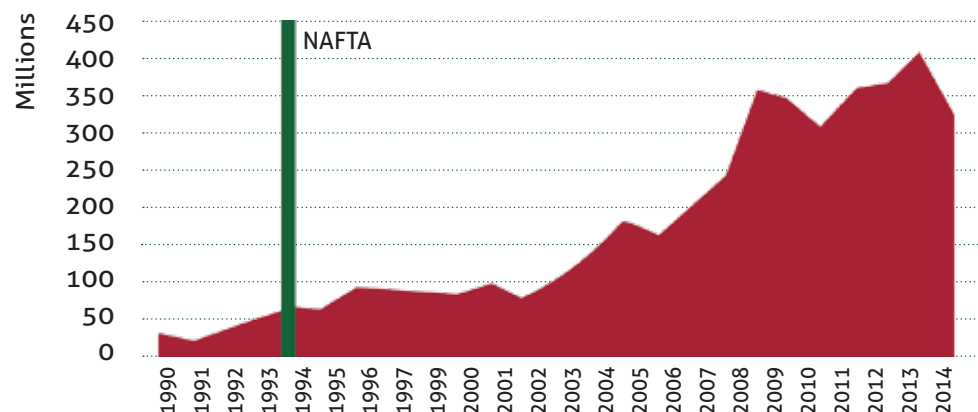
Rice is one of the most protected and managed agricultural commodities in the world. Governments either directly or indirectly control nearly 80 percent of global rice exports. The share of government influence in imports is about 30 percent.

Trade agreements are our most important tool to open new export markets and maintain existing ones. So, how do we counter widespread protectionism and foreign trading systems based on government policies versus market demand? Trade agreements are the answer and have been time-tested for more than two decades.

Many of today's top markets—Mexico, Japan, Korea, Taiwan, and Colombia—exist because of trade agreements. **Mexico** is the largest export market for U.S. rice, with sales averaging about 800,000 metric tons each year. This market is a direct result of the North America Free Trade Agreement (1994) or NAFTA.

**Japan** is the number three export market each year by volume and number two by value. This market did not exist on a consistent basis before the Uruguay Round Agreement on Agriculture (1994). This agreement, one of several which established the World Trade Organization (WTO), also opened a U.S. market in **Korea** and, several years later, in **Taiwan**. The

### U.S. RICE EXPORTS TO MEXICO (USD)



market position of U.S. rice in Korea was further strengthened in a follow-up 2004 agreement within the WTO.


In 2012, the U.S.-Colombia Trade Promotion Agreement opened up a completely new export market in **Colombia**. As an added bonus, each of the six rice state research stations is an annual recipient of funds that are generated by the management of access for U.S. rice into Colombia (see graphic below). The value of those funds was \$8.3 million last year.

All told, these four markets account for about one-third of U.S. rice exports currently, valued at some \$691 million this year.

Now, let's look at TPP and TPA. Trade agreements take time and effort and TPP is no exception. Rice market access is frequently one of the most sensitive negotiations for U.S. trade officials. Most global rice production is consumed where it is grown, and foreign governments find it very difficult to counter domestic interests that want to keep imports out. This is the situation our negotiators face with Japan, one of the 11 countries with which the United States is negotiating in TPP and the big prize for rice and much of U.S. agriculture.

Many believe that the TPP negotiations are coming to a close, and a success for our industry will be a substantial increase in the amount of U.S. rice that can be shipped to Japan and a significant decrease in the ability of Japan's government to manage imports and stand between customers in Japan and U.S. rice.

Every country in a trade negotiation, the United States included, wants to prevent hard fought agreements and compromises from becoming unraveled when congresses and parliaments back home review and implement an agreement. That's where TPA comes in. For the United States, TPA is legislation passed by Congress that contains explicit negotiating and consultation instructions to the administration in exchange for holding an "up or down" vote on a trade agreement that U.S. negotiators bring home.

It is very unlikely that the TPP negotiations will be completed without congressional passage of TPA. If trade agreements sustain the U.S. rice industry, then the conflicting sirens about trade are easily dismissed. Trade agreements mean more demand for U.S. rice and deserve our support and defense. 

*Bob Cummings is the Chief Operating Officer of USA Rice.*

### COLOMBIA – REVENUE FOR U.S. RICE RESEARCH

	2012	2013	2014
Arkansas	\$1,4M	\$3,004,050	\$3,713,187 ●
California	\$691k	\$1,420,702	\$2,048,282 ●
Louisiana	\$434k	\$866,386	\$1,185,497 ●
Mississippi	\$235k	\$410,080	\$412,225 ●
Texas	\$195k	\$369,811	\$501,255 ●
Missouri	\$187k	\$377,073	\$447,741 ●

# U.S. RICE IN FOOD AID PROGRAMS

BY REBECCA BRATTER

“... fortified rice is a game changer. It’s a superior, cost-effective food that is already well accepted by beneficiaries.”

— Jamie Warshaw  
Farmers Rice Milling Company and  
chairman of USA Rice’s Food Aid Subcommittee



**MIAMI, FL** – The U.S. rice industry should be proud of its long record of participating in U.S. government food assistance programs that provide relief from hunger and malnutrition, assist with food security in the developing world, and help in times of natural or man-made disasters. U.S. rice has consistently been one of the most utilized commodities in these programs, but, like your fields, our interests here need tending, especially if we expect them to grow.

USA Rice works with the USDA/Foreign Agricultural Service’s (FAS) and the U.S. Agency for International Development’s (USAID) feeding and agricultural development programs to provide critical aid around the world, and to bolster our global export strategy.

Today, food aid exports represent up to three percent of total rice exports, or just under 100,000 MT. However we are seeing a major challenge to the continued use of rice in food assistance from the Obama Administration’s policy shift away from donations of U.S. commodities to more reliance on local and regional purchase of food and/or the use of cash vouchers for local food purchase.

“While reasonable to embrace a food assistance policy that provides varied solutions to hunger, USA Rice does not support the elimination of in-kind food aid,” said Jim Guinn, USA Rice’s vice president of international promotion. “In fact our goal is to increase the tonnage of rice utilized in U.S. government feeding and nutrition programs.”

The legislative battle to keep food in food assistance is likely to continue for the long term and USA Rice will continue to be at the forefront of this dialogue, working in conjunction with other commodity groups and on Capitol Hill to prove that in-kind food aid is an essential piece of U.S. foreign policy.

## FORTIFICATION

One of the best future prospects for increasing rice tonnages in global food assistance programming is a U.S. government policy emphasizing the use of fortified foods to address persistent micronutrient deficiencies.

USAID worked with USDA to pilot test several newly formulated products. Based on successful results, fortified rice was the first new product added to the U.S. government commodity list.

In September, USA Rice participated in a Global Rice Fortification Conference in Thailand to ensure fortification technology available to the U.S. industry was accepted. It was a heavy lift, but we prevailed and now both extruded and rinse resistant coated fortified rice meet U.S. government criteria.

The United Nations’ World Food Programme (ultimately the largest user of food aid) is now undergoing a study of rinse resistant rice technology to ensure the rice will be an effective delivery mechanism for micronutrients. Once rice passes this test, which it surely will, the path will be clear for rinse resistant fortified rice to enter global and U.S. food aid programs.

Jamie Warshaw of Farmers Rice Milling Company and chairman of USA Rice’s Food Aid Subcommittee noted, “fortified rice is a game changer. It’s a superior, cost-effective food that is already well accepted by beneficiaries. We are excited to work with the U.S. government on this new initiative and given that this rice can address nutritional deficiencies, we expect that it will result in a significant increase in the amount of rice going into feeding programs.”

The first government purchases of fortified rice will likely occur in 2016, but in the meantime, USA Rice will work with USAID and USDA to ensure the continued use of milled rice for their programs.

In a recent meeting with USAID, Greg Olson, Office of Food For Peace director of operations, made it clear to USA Rice that once technical hurdles are cleared, “USAID will be placing an order for fortified rice for use in our emergency programming. Information gained from this first purchase will help inform our long term plans, which may include a switch to using all fortified rice in our programs.”

Paul Alberghine, health and nutrition specialist at FAS, noted that, “USDA is excited about this new development and we plan to encourage Private Voluntary Organizations (PVOs) to use this product for future feeding programs.”

Guinn anticipates a busy year ahead for USA Rice addressing challenges to keep in-kind food aid programs intact and to increase rice tonnages. But he also believes 2016 will bring many new opportunities for rice in global feeding programs.

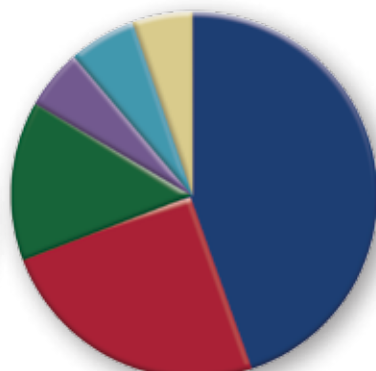
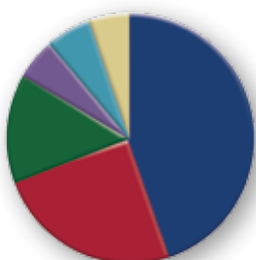
“These programs are good for our industry and they’re the right thing to do. I’m particularly proud of the work we do here, and look forward to expanding the reach and benefit offered by U.S.-grown rice.” 

Rebecca Bratter is a food security consultant to the U.S. rice industry with twenty years of experience in global ag markets. She is currently working to ensure maximum rice tonnage in USDA, USAID, and WFP programming.

2012 Revenue:  
**\$3.2 Million**

2013 Revenue:  
**\$6.4 million**

2014 Revenue:  
**\$8.3 million**



# RETURN TO CUBA? FIRST THINGS FIRST

BY **MARVIN LEHRER**

**HAVANA, CUBA** – On December 17, 2014 President Barack Obama and Cuba’s President Raúl Castro announced their intentions to begin conversations in opening embassies and re-establishing diplomatic relations. Many growers around the country may have thought: “well, the embargo is over—let’s ship rice.” Not quite yet, I’m afraid.

The President can only do so much here. The Cuban embargo was codified in U.S. law in the mid 1990’s, which means it will take Congressional action to bring about any change. No change in the embargo means little chance of selling U.S. rice to Cuba.

To date, there have been three rounds of talks between high level diplomats in each country covering the details of opening embassies and re-establishing formal relations. No progress has been announced other than reports that the talks have been “productive, cordial, and meaningful.”

To be sure, stumbling blocks remain—Cuba wants to be removed from the U.S. State Department’s terrorist nation list saying it is an insult and no longer relevant; Cuba needs guarantees that it can operate its embassy in Washington using a U.S. bank—the lack of which makes Embassy and consular affairs nearly impossible to carry-out. The U.S. wants to raise the number of diplomats in Havana and have freedom to travel throughout the country.

## IMPROVING RELATIONS

After an historic meeting with Castro at the 7th Summit of the Americas in mid-April, Obama

announced he would officially remove Cuba from the list of state sponsors of terrorism. The terror designation has been a major stumbling block for efforts to mend ties between Washington and Havana.

## EMBASSIES ARE NOT IMPORTERS

It is important to remember that the ongoing talks are about embassies and the establishment of diplomatic relations only. The talks will not bring about an end to the embargo. Nor will they tackle the myriad other difficult issues spawned by more than 50 years of virtual “cold war” between the parties.

The USA Rice Federation did work with the Cuban government to successfully facilitate the sale of U.S.-grown rice to Cuba between 2001 and 2008 when rules were more relaxed than they are today, but there have been no U.S. rice sales since.

## A GAMBLE THAT DIDN’T PAY OFF

Ten years ago, when Fidel Castro was still in power, he and some on his economic and political team calculated that increased purchases of all U.S. agricultural products would result in the U.S. agriculture lobby overcoming Congressional opposition to ending the embargo.

The gambit failed, the Cuban economy worsened, and credits began flowing in from a number of other countries betting that Cuba would rebound and “remember” their friends who were with them in the bad days.


## WHO SUFFERS?

The reality is that from a U.S. rice point of view, the U.S. embargo of Cuba is actually hurting the U.S. producers, merchants, millers, exporters, transport people, and everyone involved in producing rice here. The Cubans are getting their rice, albeit lesser quality, principally from Vietnam, but also Brazil, and here and there shipments from other origins—all offered on credit and for the most part tied to some type of government guarantee programs.

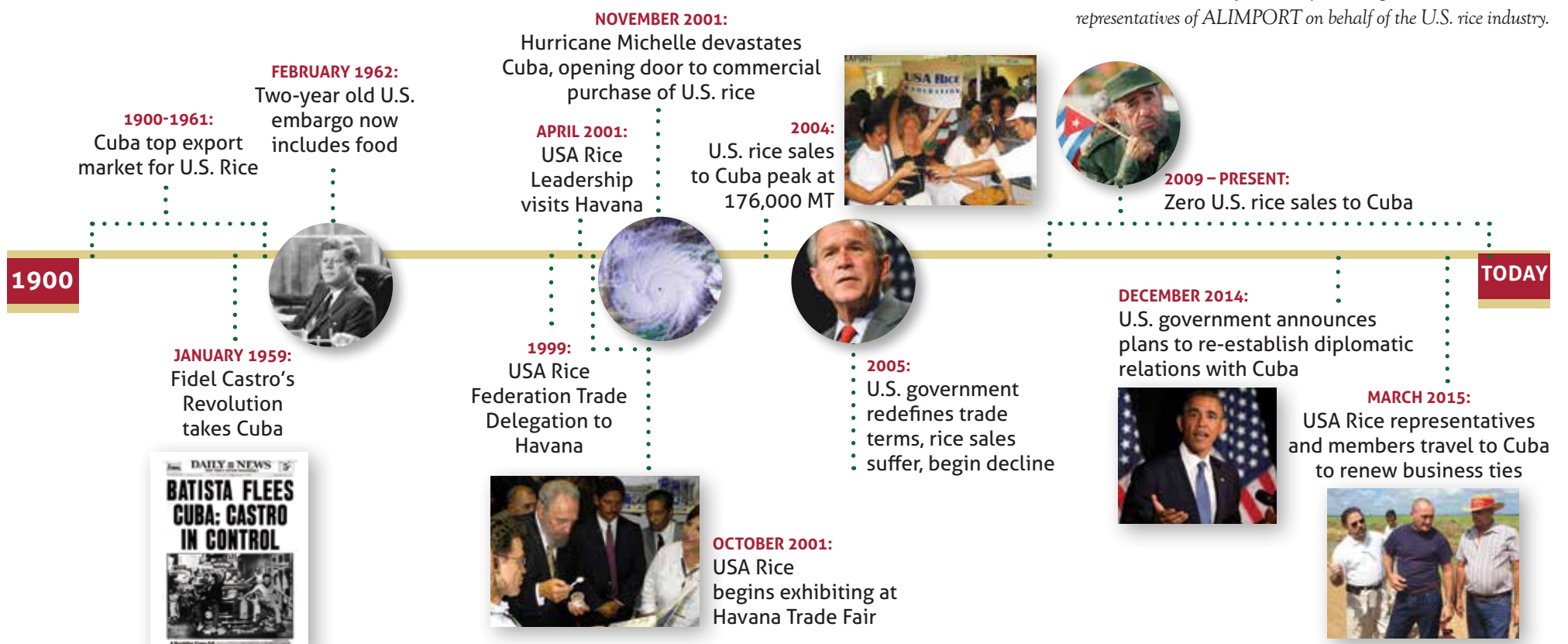
There is still only one buyer in Cuba—the government purchasing agency ALIMPORT and they are smart, experienced negotiators. They know well the logistic and quality (and in the end, the costs savings) of buying U.S. rice—but from a purely business point of view—why should they? We don’t allow U.S. tourists to spend money in Cuba, we can’t buy Cuban products, and we prohibit foreign entities of U.S. companies from dealing with Cuba.

How are they expected to generate the income needed to truly trade with us? Hard to blame them. How much rice would Mexico or Japan buy if the U.S. imposed the same embargo on these countries?

So, while all this new talk on Cuba is positive, and very necessary, and not to be understated, the talks are only a very beginning of what might turn out to be a long process for U.S. produced rice to appear in significant quantities on Cuban tables.

However, that is the goal of the USA Rice Federation, and it will one day be a reality. 

*Marvin Lehrer recently returned from a trip to Cuba to meet with representatives of ALIMPORT on behalf of the U.S. rice industry.*



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# USA RICE INSPIRES YOUNG MINDS TO 'THINK RICE'

BY KATIE MAHER

ARLINGTON, VA – In time for March National Nutrition Month, USA Rice sent teachers at more than 2,800 elementary schools in rice producing counties across the six states the new *Think Rice* educational lesson plan. Developed with the award-winning curriculum experts at Young Minds Inspired (YMI), this education kit is all about U.S.-grown rice and meets national standards for 3rd – 6th grade students in social studies, science, and nutrition.

“From the focus groups USA Rice conducted last spring, we learned that many people assume rice comes from Asia and they’re unaware of the connection between rice growing and conservation,” said Byron Holmes, an Arkansas rice farmer and chairman of the USA Rice Federation Nutrition Subcommittee. “The lesson plans address these areas and also reinforce how U.S. rice can help families meet MyPlate healthy eating guidelines.”

The *Think Rice* kit contains three student activities, a classroom poster, and a teacher’s guide. Students will learn how rice growing has contributed to American history since colonial times, and how today’s U.S. rice farmers not only help sustain wetland habitats, but also help reduce carbon emissions by providing a close-to-home source of good nutrition. There is also a recipe-building activity to demonstrate the versatility of U.S. rice and its role in a balanced diet.

“Through our school programs we actually enlist the kids to help us educate their parents about U.S.-grown rice,” Holmes added. “They are effective third party spokespeople, excited by what they have learned, and eager to teach their families. The children amplify our reach which is why it is so important that we continue to invest in the program.”

Teachers were encouraged to use the *Think Rice* education kit during March National Nutrition Month and complete a survey to measure use, effectiveness, and appeal of the program. Additionally, the materials will be available indefinitely on YMI’s website so teachers from all around the country can download and use the activities at any time. [WE](#)

Katie Maher is the voice of domestic promotion for the U.S. rice industry

See how you and your family stack up against this “Rice Sustains” activity!




## ACTIVITY 2

Reproducible Master

# RICE SUSTAINS

**Part 1:** The production of rice in the U.S. provides Americans with tasty nutrition, but it also helps the environment and wildlife through sustainable farming practices. Try this True/False quiz to learn about some of the different ways U.S. rice helps sustain both you and the environment!

1. American rice growers' use of the latest technology helps both conservation and wildlife protection efforts.
2. Periods of drought are good for rice farming, since rice requires dry growing conditions.
3. U.S. rice farmers use more water than rice farmers in other countries.
4. Most rice farmers till the land every year to help return oxygen to the soil for better rice harvests.
5. When you eat U.S.-grown rice, you reduce your carbon footprint — the amount of carbon dioxide produced by human activities like transportation.



6. Rice fields support biodiversity of wildlife in a wetland ecosystem.
7. During the winter, flooded rice fields provide food and habitat for ducks and geese along their migratory pathways.
8. Eating U.S.-grown rice helps support people and wildlife.

**Part 2:** When you eat rice grown in the U.S., you reduce your carbon footprint because your food travels less miles to get to your plate. More food miles means more carbon dioxide (CO<sub>2</sub>) emitted into the atmosphere by trucks and other forms of transportation that burn fossil fuels. Rice-growing nations like China, India, and Thailand are far from the United States. When rice from these countries is sold in the U.S., it must travel many more food miles than if it came from a rice-growing state in the U.S.

**It's in the Numbers**  
Suppose that a grocery chain in Connecticut needs 10,000 pounds of rice. How much CO<sub>2</sub> emissions would be saved if they purchased this amount of rice from growers in a U.S. state, compared to rice growers in the countries listed on this sign? Pick a rice-growing state and add it to the sign below.

**Distance to Connecticut from:**

China - 7,000 miles

India - 8,000 miles

Thailand - 9,000 miles

The state I chose - \_\_\_\_\_

1. First, figure out what the CO<sub>2</sub> emissions would be if 10,000 pounds of rice were shipped to Connecticut from each of the three countries on the sign above. Use the following to do the math:

**On average, transporting 1,000 pounds of rice over a distance of 1,000 miles generates 60 kilograms (kg) of carbon dioxide (CO<sub>2</sub>).**

CO<sub>2</sub> emissions from China →  kg

CO<sub>2</sub> emissions from India →  kg

CO<sub>2</sub> emissions from Thailand →  kg
2. Now, figure the distance from the state you chose to Connecticut using a map or an online resource such as [www.distancefromto.net](http://www.distancefromto.net). Round your figure to the nearest thousand.



The state I chose \_\_\_\_\_

Distance in miles to Connecticut \_\_\_\_\_
3. Do the same math as you did for the foreign countries to calculate the CO<sub>2</sub> emissions produced if the 10,000 pounds of rice were shipped to Connecticut from the state you chose \_\_\_\_\_ kg
4. Now subtract the CO<sub>2</sub> emissions produced by transporting U.S.-grown rice from the emissions you calculated. Use the back of this sheet to do the math, and write your answers in the spaces below.
5. How much more CO<sub>2</sub> is produced by transporting the 10,000 pounds of rice from each of these countries to Connecticut versus transporting it from the state you chose?

China \_\_\_\_\_ kg

India \_\_\_\_\_ kg

Thailand \_\_\_\_\_ kg

You've just figured the carbon footprint savings when Americans eat U.S.-grown rice!

USA Rice Federation | YMI

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Answers for CO<sub>2</sub> emissions to CT: from China - 4200kg; India - 4800kg; Thailand - 5400kg. Answers for distances and CO<sub>2</sub> emissions to CT: Missouri - 1,000 miles/600kg; Arkansas and Mississippi - 1,100 miles/660kg; Louisiana - 1,200 miles/720kg; Texas - 1,600 miles/960kg; California - 2,500 miles/1,500kg.

# 2015 DIETARY GUIDELINES REPORT STRESSES SUSTAINABILITY AND SHIFT TO PLANT-BASED DIET, RICE WELL-POSITIONED

BY KATIE MAHER

WASHINGTON, DC – Earlier this year, the U.S. Department of Agriculture (USDA) and Health and Human Services (HHS) released the Advisory Report of the 2015 Dietary Guidelines Advisory Committee (DGAC) for public comment and rice remains well-positioned thanks to the industry’s sustainability record and the committee’s grains recommendation.

The DGAC develops influential nutrition recommendations designed to reduce the risk of chronic disease while meeting nutrient requirements and promoting health of the U.S. population.

The 2015 Advisory Report identifies that a healthy dietary pattern is higher in vegetables, fruits, whole grains, low- or non-fat dairy, seafood, legumes, and nuts; lower in red and processed meats; and low in sugar-sweetened foods and drinks, as well as sodium, saturated fat, and refined grains – especially when refined grains are combined with added sugar, solid fat, and sodium.

“This report emphasizes increasing whole grain consumption, which is not new advice, but is good for rice,” said Byron Holmes, an Arkansas rice grower and chairman of the USA Rice Nutrition Subcommittee. “In fact, the 2015 report, in many ways, is similar to the 2010 guidelines that recommend half of American’s grain intake should come from whole grains and recognizes the important nutrient contribution of enriched, fortified grains to the diet.”

“The panel also supports a shift to a more plant-based diet and considered the composition of dietary patterns that were linked to health outcomes, such as the Mediterranean and vegetarian patterns,” said Fred Zaunbrecher, a Louisiana rice producer and chairman of the USA Rice Domestic Promotion Committee. “And this is beneficial for both whole grain rice and enriched white rice because they are a great base for the foods the DGAC recommends.”

New this year, the Advisory Report references the sustainability of foods and cites it as one of the benefits of a plant-based diet, saying Americans should take the sustainability of food production into consideration when making food choices.

“The U.S. rice industry’s nutrition and sustainability studies we provided to the DGAC, demonstrated both the nutritional benefits of rice and positive scientific data showing that rice farmers are producing more rice with less resources and that rice growing has a unique relationship to wetlands, habitat, and wildlife,” said USA Rice President & CEO Betsy Ward.

USA Rice has submitted comments to the Advisory Report through the Grain Industry and Grocery Manufacturers Association coalitions. USDA and HHS will finalize the *Dietary Guidelines for Americans, 2015* for release later this year. [w.c.](#)



Zaunbrecher (L) and Holmes track the 2015 Dietary Guidelines Advisory Report.

**“THIS REPORT EMPHASIZES INCREASING WHOLE GRAIN CONSUMPTION, WHICH IS NOT NEW ADVICE, BUT IS GOOD FOR RICE...”**

— Byron Holmes, an Arkansas rice grower and chairman of the USA Rice Nutrition Subcommittee.

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# USA RICE WANTS ALL CONSUMERS TO 'THINK RICE'

BY DEBORAH WILLENBORG

ARLINGTON, VA – Recently, USA Rice took the first step in launching its new consumer marketing campaign, *Think Rice*, by updating its social media handles and profile icons on Twitter, Facebook, Instagram, and Pinterest. *Think Rice* is the new face of domestic promotion programs and USA Rice consumer marketing initiatives.

“From the focus groups we conducted last year, we learned that the USA Rice logo does not resonant with the average consumer,” said Katie Maher, manager domestic promotion programs. “While the logo is great for our communications with members of Congress and government agencies, it does not clearly convey the messages we want to send to consumers.”

Maher said U.S.-grown rice is in a position to benefit from the trends that are driving consumer food decisions, and the catchy mantra and fun graphic can help. “*Think Rice* is a compelling call-to-action that will appeal to a broad demographic and strongly position rice as healthy, versatile, safe, sustainable, and locally-grown food choice,” she added.

“We’ve noticed that today’s chefs, health professionals, retailers, and consumers are all interested in the same types of information,” said Maher. “So, we saw an opportunity to revive domestic promotion messaging with *Think Rice*; we can use this theme across program platforms to leave a lasting impression on Americans and support our goal of creating awareness for U.S.-grown rice.”

*Think Rice* made its culinary debut at April’s Worlds of Flavor conference, hosted by the Culinary Institute of America (see below). Conference signage and an ad in the program featured the new logo. In the coming months, *Think Rice* will be seen on the USA Rice website, in educational materials, promotional items, informational videos, advertising, and more. [we](#)



Deborah Willenborg thinks rice every day, all day.

## CULINARY INSTITUTE OF AMERICA WORLDS OF FLAVOR CONFERENCE FEATURES U.S. RICE



CLOCKWISE FROM BOTTOM LEFT: Food paparazzi hone in on U.S. rice at the CIA's Worlds of Flavor conference; Korean Spicy Tuna Rice Bowl is a taste testing success; Chef Kimball Jones preps U.S. rice sample tastings; Flavor discovery urges everyone to Think Rice!; USA Rice at the Culinary Institute of America in Napa, CA.

