

WHOLE GRAIN



COOKING UP SUCCESS PAGE 4



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USA Rice 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.

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View from the Chairman's Farm: THE BEST IS YET TO COME

ENGLAND, AR — As I approach the halfway point of my term as chairman of USA Rice I'm struck by just how much is involved in making an organization like this run and run well on behalf of our industry. I think we all know there's work to be done — that's the definition of a job. But I am consistently impressed not just by the big things the folks at USA Rice accomplish for us, but by all the small details that go into our successes.

Out here in the country for example, we can talk about getting a meeting with U.S. Ambassador to Iraq Stuart Jones, but then it falls to USA Rice to make it happen. And the logistics, protocol, back-up plans, and details I probably don't even know about, are staggering. But they did it, and a few months ago I was part of a small group who met with the Ambassador in Washington to talk about just what's going on in Iraq with our rice, and what we can do, and what he can do, to get us selling there again.

That was just one of my trips to Washington since you elected me chairman last July. I've made at least seven others — to attend meetings with Members of Congress, officials from USDA, FDA, the State Department, the International Trade Commission, and to testify before the House Agriculture Committee. It's been time away from family and my farm, but I have loved every minute of it, and I thank you for allowing me to represent you.

Looking ahead to the next 12 months I have a check list of things I'd like the industry to achieve with whatever help I can provide.

On the government side, I'd like to see a TPP agreement in place that is good for rice; I'd like to see U.S. rice flowing into Iraq again on a regular basis; and I'd like our government to figure out how we can start selling rice to Cuba.

A lot of people have been working long and hard on these and other issues, and there's a lot more work to be done, but I have faith in our industry and USA Rice, that if there are accomplishments to be had, we've got the right team working on them.

On the industry side, I would like to see us all working together for the same goals — everyone pulling on the same oars at the same time.

To this end, I recently attended the Delta Council meeting in Mississippi and will visit California in August to talk with growers about the unique challenges they face. I'm looking forward to our Outlook Conference in Louisiana this December and plan on spending some time on farms there too.

Louisiana's John Owen has done a wonderful job as chairman of the USA Rice Producers' Group and the Government Affairs Committee, and when his term ends in July, Missouri's Blake Gerard is slated to take



"Looking ahead to the next 12 months I have a check list of things I'd like the industry to achieve with whatever help I can provide."

the helm. Blake and I have already talked about visiting all the rice communities in Missouri together to listen and to share with folks what USA Rice is all about.

And of course, there are our friends in Texas. Texas is going to host this year's USA Rice-Ducks Unlimited Media Camp, and while I won't be able to attend the hunt and camp, I will make it a point to get to Texas rice country as soon as possible.

So again, thank you for the opportunity to serve you, I look forward to the work still to be done, and am confident that with the continued support the industry shows for USA Rice, our best days lay ahead. 



USA RICE MERCHANTS' ASSOCIATION Celebrates 10th Anniversary

BY TRISH ALDERSON

ARLINGTON, VA—The USA Rice Merchants' Association, which represents rough and seed rice merchandisers and related businesses, was established in 2005 and joined the USA Rice Federation the same year.

"Our association was formed to bring together the merchant community and to give the merchant sector a voice in the U.S. rice industry," said founding Merchants' Chairman Randy McNeil, Poinsett Rice and Grain. "We came to the USA Rice Federation because we also wanted to work together with rice producers and millers for the benefit of the rice industry as a whole."

In the past decade, the group has grown from 16 to 29 merchant-member companies, representing all six major rice-growing states, and also has associate members.

"Congratulations to the USA Rice Merchants' Association on its growth and milestone tenth anniversary. The Merchants are a vital part of USA Rice and I thank them for their support and service," said USA Rice Federation President & CEO Betsy Ward.

The USA Rice Merchants' Association has representatives on the USA Rice Federation's board of

directors and on USA Rice committees.

"From the beginning, we felt it incumbent on our association to be an active participant in USA Rice and to contribute to the industry's dialogue on common issues," said current Merchants' Chairman Dick Ottis, Rice Belt Warehouse. "Each USA Rice member organization brings knowledge and perspective to the table, and we all — merchants, producers, millers — are strengthened through communication and collaboration."

Also reflecting on the 10-year anniversary, Brian King, Ritter Grain Services, a Merchants' board member and past chairman said, "It's rewarding to see how we've grown and where our association is today, which was made possible by Randy McNeil's vision and foresight to organize the Merchants, and to recognize the importance of joining USA Rice in order to be part of a unified mission and voice. The rice industry will always have challenges, but we are best equipped to address them when we all work together." 

Trish Alderson is the vice president of meetings and member services for USA Rice.



"Each USA Rice member organization brings knowledge and perspective to the table..."

— Chairman Dick Ottis, Rice Belt Warehouse (left)

WELCOME NEW MEMBERS

The USA Rice Merchants' Association welcomes these new members and their representatives.

Crop Production Services

Randy Ouzts
U. S. Rice Manager
Germantown, TN

Farmers Grain Terminal, Inc.

John C. Oakes
Vice President, Rice
Greenville, MS

For information on Merchant membership or other USA Rice membership opportunities, please contact Amy Doane, adoane@usarice.com (703) 236-1454.

SPEND SUMMER VACATION THE 'RICE' WAY — PLAN A PROMOTION TO EARN SCHOLARSHIP MONEY

BY AMY DOANE

ARLINGTON, VA – September is National Rice Month – a time for America to salute its rice farmers and everyone involved in the U.S. rice industry – and to help celebrate, Dow AgroSciences is sponsoring the USA Rice Federation National Rice Month Scholarship Program.

"We are thrilled Dow AgroSciences is supporting this scholarship program for the sixth year in a row and expanding the opportunity from students in U.S.-rice producing counties to students in all U.S. rice-producing states," said Darla Huff, rice product manager at Dow AgroSciences. "Supporting our youth and educating the public about agriculture is integral to the success of the rice industry."

High school graduates in the 2015-16 school year are encouraged to apply for scholarships totaling \$8,500. To apply, students must create a promotional program that highlights U.S.-grown rice for National Rice Month in September. Applicants can submit a synopsis of their promotion in a variety of ways, including in video format, which will be accepted this year for the first time.

The scholarship program is now open to students who live in any county in Arkansas, California, Louisiana, Mississippi, Missouri, and Texas. Entries will be judged on their creativity and impact in promoting U.S.-grown rice, National Rice Month, and the importance of rice in their state, and scholarships will be awarded based on originality and effectiveness.

Nicholas Schafer, a high school senior from Carlisle, Arkansas, was the grand-prize winner in 2014 for his promotion titled "Do you Know Where Your Rice Comes From?" The promotion educated children from his community about the origin of their food and the intricacies of farming.

"They need to understand all the hard work put into growing rice," Schafer said. "It's not just something you get from a grocery store. There's a lot behind it, and they need to understand the importance of where it comes from."

Promotions must be executed in September, and applications must be submitted by October 15, 2015. Scholarship forms and additional guidelines are available at the USA Rice website.

"USA Rice is proud to once again partner with Dow AgroSciences, which funds these three scholarship awards, to support the rice industry and education of our youth," says Betsy Ward, president and CEO of USA Rice. "Students who participate do an excellent job promoting the importance of U.S.-grown rice and its role in their home states. We encourage students to invest some of their summer vacation time in planning an innovative rice promotion campaign for a chance to win a scholarship."

The grand-prize winner will receive a \$4,000 scholarship and a trip with a chaperone this December to the award ceremony at the 2015 USA Rice Outlook Conference in New Orleans. The second-place winner will receive a \$3,000 scholarship, and the third-place winner will receive a \$1,500 scholarship. 

Amy Doane grew up on a wheat farm in Kansas so she's well aware of where her food comes from and who produces it.



The 2014 NRM Scholarship Grand Prize winner Nicholas Schafer flanked by Dow AgroSciences' Leslie Roberts (l) and USA Rice CEO Betsy Ward.

HOW TO COOK UP A SUCCESSFUL DOMESTIC PROMOTION PROGRAM

BY KATIE MAHER

FROM THE CLASSROOM TO THE GROCERY STORE, from chefs to bloggers, USA Rice's domestic promotion activities encourage everyone to Think Rice! Our primary goals are to: (1) position rice favorably in government food policy; and (2) create awareness for rice grown in the United States. Then, our rice marketing members leverage this positioning and awareness to sell U.S.-grown rice.

Here's some of what it takes to get cooking:

STEP 1: Conduct Nutrition Research

Thanks to the support of The Rice Foundation, USA Rice's nutrition research program has generated five studies by leading researchers demonstrating that people who eat rice have healthier diets and higher nutrient intake when compared with people who don't eat rice. USA Rice provides this research to the U.S. Department of Agriculture (USDA) and other agencies to justify critical support for rice in federal food policy initiatives (for more details, see *Whole Grain* Vol. 1 No. 2 Winter 2014).

Nutrition information is also a major driver of consumer food purchases, so USA Rice promotes the health benefits of U.S. rice to give consumers a very important reason to Think Rice.



ABOVE: Helping shoppers at Kings Food Market in Verona, New Jersey celebrate National Rice Month 2014.

This year, USA Rice unveiled Think Rice as the new face of USA Rice's domestic promotion programs. It's a strong call-to-action that resonates with Americans and helps support our goal of creating awareness for U.S.-grown rice.

For more information, see
Whole Grain Vol. 1 No. 2 Spring 2015.

THINK
RICE
U.S.-GROWN

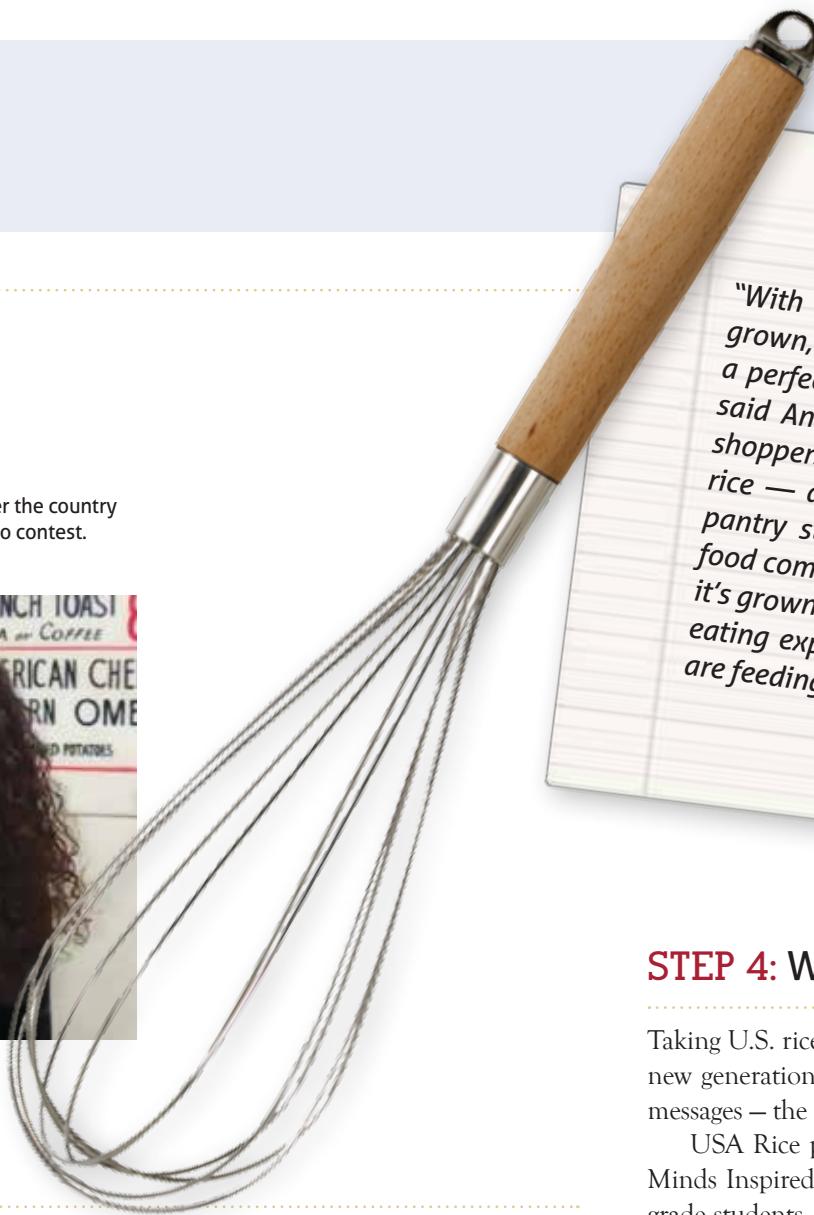
STEP 2: Roll Out Resources

Health experts and foodservice professionals look to USA Rice as the go-to source on all things rice. We target these influential audiences with materials, recipe ideas, and other information to encourage the use of U.S.-grown rice and help them spread our positive message.

We have rice nutrition teaching tools for registered dietitians (RDs) to use with clients, as well as healthy rice recipes for school foodservice operators. As consumer interest in nutrition continues to grow, we see not only RDs and schools wanting to know more about whole grain rice, but restaurants, too. Since 2010, brown rice has experienced 28 percent menu growth! Providing chefs and culinary professionals with nutrition information about rice as well as training guides, recipe concepts, and how-to videos is central to our efforts.

"With a growing trend toward sustainable, locally-grown, nutritious foods, a focus on U.S.-grown rice was a perfect fit for our January Winter Warm-Ups theme," said Andrea Luttrell, Big Y Registered Dietitian. "Our shoppers were very receptive to the messages about rice — after all, it's such an affordable and versatile pantry staple! So reminding them that this delicious food comes with a host of nutritional benefits, and that it's grown in the USA, allows our shoppers to enjoy their eating experience while feeling good about what they are feeding their families."

BELOW: Kids from all over the country entered the MyPlate video contest.



STEP 3: Add Partnerships

In the grocery store, we work with supermarket RDs helping them promote U.S. rice to shoppers through a variety of supermarket information channels. And during September National Rice Month, we partner with Advanced Fresh Concepts, the largest supermarket sushi distributor, to promote sushi made with U.S.-grown rice.

As a USDA MyPlate National Strategic Partner, USA Rice takes part in nutrition focused activities like the "Check Out MyPlate Video Search" for children ages 2 - 18. This contest received more than 100 video entries from students across the country. MyPlate and Let's Move! selected three Grand Prize winners and we were happy to see one Grand Prize winner featuring brown rice. Being part of a high visibility project like this, with such prestigious partners, is invaluable and helps us raise awareness about U.S. rice.

STEP 4: Whisk in Education

Taking U.S. rice into the classroom gives us an opportunity to cultivate a whole new generation of rice consumers and to enlist grassroots help spreading our messages — the kids themselves!

USA Rice partnered with the award-winning curriculum experts at Young Minds Inspired to develop the "Think Rice" education program for 3rd - 6th grade students. The program reached an estimated 9,000 teachers and 330,000 students and families; ninety-seven percent of teachers rated the program's educational effectiveness as "good-excellent."

USA Rice also goes directly into the classrooms - most recently in Missouri - where local growers brought rice plants and stories about what it takes to grow rice and help feed the world.

"I always enjoy showing students the rice growing process and teaching them about the benefits rice brings to Missouri," said Blake Gerard, a Cape Girardeau rice grower and vice chair of the USA Rice Producers' Group who toured several Missouri schools on behalf of the industry. "Too many people are detached from agriculture and the food supply, but activities like this let us tell our story and connect young people with locally-grown food."

STEP 5: Top with Unprecedented Support

These are just a few of the domestic promotion strategies USA Rice has employed to generate more than 25 million impressions this year, exposing consumers to the many benefits of rice grown in the USA. And none of this would be possible without the rice promotion check-off support generously invested by the U.S. rice industry. [we](#)

Katie Maher manages USA Rice domestic promotion programs for the retail, foodservice, and nutrition sectors.



Missouri rice farmer Blake Gerard (far right) and a dietetic intern with the Missouri Department of Health led assemblies at four elementary schools and one high school in rice growing areas. Younger students learned about the role rice plays in leading a healthy lifestyle and took home seasoned rice packets to prepare with their families. High school students took part in a "Build Your Own Healthy Rice Bowl" activity.



CONSUMER RESEARCH POINTS TO RICE OPPORTUNITIES AND CHALLENGES IN EQUAL MEASURE

BY MICHAEL KLEIN

ARLINGTON, VA — USA Rice's latest consumer research is a mixed bag for the industry — there's plenty of positive news, but it also flags areas ripe for improvement and shows significant regional differences in attitudes.

For example, when asked how important it is that meals they eat in restaurants are prepared with ingredients grown in the United States, 81 percent say it is very or somewhat important. But when push comes to shove — would they pay more for that U.S.-sourced meal? Well, 54 percent definitely or probably would, but almost 12 percent definitely would not.

This research project was part of USA Rice's continuing efforts to understand consumer attitudes towards rice, and messages around Grown in the USA and sustainability. And it extended beyond restaurants to patterns in grocery shopping.

Consumers were asked how important it was that food they buy in the supermarket be sustainably grown or produced; 78 percent said very or somewhat. But replace “sustainably grown or produced” with “grown or produced in an environmentally responsible way” and the number jumps to 84 percent — 86 percent for women. And the notion is most popular at both ends of the age spectrum.

Environmental responsibility is very or somewhat important to 87 percent of 18-34 year olds, and 88 percent of people over 65. The group for whom this is the most important? Hispanic shoppers — 93 percent. (Hispanics also topped the charts when using the word “sustainable” — 85 percent.)

So what about those areas that need improvement? Back to the restaurant.

Respondents were asked if they were in a restaurant and had a choice of a side dish of rice, potatoes, or pasta, which would they likely choose on average. Potatoes (50 percent) won hands down across all but two demographics (African-Americans and Hispanics preferred pasta) and rice came in last (22 percent) with two exceptions. Rice trounced pasta (21 to 15 percent) with diners older than 65, however potatoes still topped the demographic. Once again, Hispanic diners come to rice's rescue. Pasta and rice finish neck-in-neck (35 to 33 percent) with potatoes finally bringing up the rear at 32 percent.

Of course this question is a little less than scientific — what the person orders as the main dish will impact the side dish, and likely be the real driver in what is ordered. However, it was for the follow up question that we asked this question at all:

“If you knew the rice had been grown in the United States, would that change your mind?”



For 32 percent of respondents, the answer was “yes.” The greatest gains here were in the South (36 percent). It was also more important the more rice the respondents ate. Of those who ate rice less than once per month only 11 percent were moved by the notion of U.S.-grown rice. But 54 percent of those who ate rice more than once per week were moved.

The study, of more than 1,600 Americans, contains literally thousands of data points that USA Rice is continuing to analyze. The research will be used to inform messaging (“environmentally responsible” vs. “sustainable”), and to demonstrate to foodservice and retail outlets that there is value in partnering with, and promoting, U.S. rice — customers do care.

The research also demonstrates to the industry that more general outreach needs to be done. When asked what percentage of all the rice consumed in the United States they think is grown here, only 12 percent correctly said, “more than 75 percent.” The most popular answer? “Less than 25 percent,” chosen by 35 percent of respondents.

The good news is there are plenty of people for whom

the rice messages will be new and exciting information — so make sure you do your part to educate folks — because once they know where it comes from, they'll seek it out. [w3](#)

The only thing Michael Klein enjoys more than consumer research is writing about himself in the third person.

This research project was part of USA Rice's continuing efforts to understand consumer attitudes towards rice, and messages around Grown in the USA and sustainability.

THE CREED RICE MARKET REPORT

HAVING THE RIGHT INFORMATION

- MAKES FOR -

BETTER DECISIONS

CREED RICE Market Report									
August 30, 2010									
U.S.D.A. World Market (Please note, the chart below has been updated to the 2010 crop)									
World Market Price	This week	Last week	1 Year Ago	LDP	2010 Loan	WMP and Loan Rates			
Value Factors	8/24/10	7/28/10	8/05/09		Factors	'09 crop	1/2	M/G	
Long Grain	00.00	14.25	17.35	00.00	9.91	Yield	58.99/9.88	62.81/7.68	
Medium Grain	00.00	00.00	17.16	00.00	9.65	WMP	9.30	9.46	
Short Grain	00.00	00.00	17.16	00.00	9.65	Difference	(2.76)	(2.83)	

Posting: (July-August Shipment)			
Southern U.S. - Long Grain	Abbreviation	Quote	Basis
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	\$18.75	per cwt. sacked, F.A.S. U.S. Gulf
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	\$18.75	per cwt. BULK, FOB Vessel US Gulf
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	\$21.25	per cwt. containerized FOB US Gulf
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	\$455.00	per mt sacked delivered Laredo TX
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	\$22.25	per cwt. sacked delivered Miami FL
US #3 Long Grain, max. 15% Broken, Hard Milled	#3(1)	\$17.75	per cwt. sacked, F.A.S. U.S. Gulf
US #3 Long Grain, max. 15% Broken, Hard Milled	#3(1)	\$425.00	per mt sacked delivered Laredo TX
US #2 Long Grain Brown, max. 4% Broken, 75% yield	#2(4)B	\$17.70	per cwt. bulk FOB vessel NOLA
US #1 Parboiled L/G Brown, max. 4% Broken, 80% yield	#1(4)B	\$20.40	per cwt. bulk FOB vessel NOLA
US #1 Parboiled L/G Milled, max. 4% Broken	#1(4)P	\$25.00	per mt sacked FOB vessel NOLA
US #1 Parboiled L/G Milled, max. 4% Broken	#1(4)P	\$50.00	per mt bulk FOB vessel NOLA
US #2 Long Grain Parbo, 55/70 yield	#2(5)P	\$20.00	per mt bulk, F.O.B. vessel NOLA
Long Grain, max. 20% broken, Hard milled (China spec)	#4(20)hm	\$17.00	per cwt. sacked, F.A.S. U.S. Gulf
US #5 L/G, max. 20% broken, WELL MILLED	#5(20)wm	\$16.75	per cwt. sacked, F.A.S. U.S. Gulf
Southern U.S. - Medium Grain			
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(4)	no mkt	per cwt. sacked, F.A.S. U.S. Gulf
US #2 Long Grain, max. 4% Broken, Hard Milled	#2(5)B	no mkt	per cwt. sacked, F.A.S. U.S. Gulf
Southern U.S. - Package Quality			
Package Quality Parboiled L/G, max. 4% broken	Pkg. Parb.	\$22.50	per cwt. bulk FOB. mill
Package Quality Long Grain Milled, max. 4% broken	Pkg. L/G	\$19.00	per cwt. bulk FOB. mill
Package Quality Long Grain Brown Rice, max. 4% broken	Pkg. Br.	\$19.25	per cwt. bulk FOB. mill
Package Quality Medium Grain Milled, max. 4% broken	Pkg. M/G	\$27.50	per cwt. bulk FOB. mill
California - Medium Grain			
US #1 Medium Grain, max. 4% Broken	#1(4)	\$700.00	per mt sacked container FOB Mill
US #1 Medium Grain, max. 4% Broken	#1(4)	\$725.00	per mt sacked container FOB Oakland
US #1 Medium Grain milled rice, max. 4% Broken	#1(4)	\$740.00	per mt sacked in 30kg FOB vessel
US #1 Medium Grain Parbo, 55/70 yield	#1(5)P	\$480.00	per mt bulk ex-plant Sacramento CA
California - Package Quality			
Package Rice for Industrial Use and Repackers	#1(4)	\$31-\$32	per cwt. bulk FOB. Mill
U.S. South Broken:			
Flour Quality broken	Flour Qty	\$18.00	per cwt. bulk, F.O.B. rail
Pet Food Quality #4 Revers (milled)	Pet Food	\$16.75	per cwt. bulk, F.O.B. rail
U.S. California Broken:			
Flour Quality broken	Flour Qty	\$20.00	per cwt. bulk, F.O.B. mill
Pet Food Quality #4 Revers	Pet Food	\$17.75	per cwt. bulk, F.O.B. mill

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BLUNT TALK

THE PEOPLE OF MISSOURI are well-represented by Roy Blunt, and they have been for some time. Currently a U.S. Senator, Blunt was first elected to state-wide office in 1984 when he became the first Republican in 50 years to be elected Secretary of State. He held the post for eight years — and trivia note — his son, Matt Blunt, also held the post before himself being elected governor of Missouri. They are the only father and son team to both serve as Secretary of State in Missouri. In 1996, Roy Blunt ran for Congress in the 7th District and won. He would win reelection six more times until he finally decided to run for the Senate in 2010 — another race he won. Senator Blunt serves on the powerful Appropriations Committee and the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies; on the Committee on Commerce, Science, and Transportation; and is chairman of the Committee on Rules and Administration. Senator Blunt was kind enough to sit down with us recently to talk about some key rice issues.

Whole Grain: *If reports in the Japanese media about the details of the Trans Pacific Partnership (TPP) are accurate, then what Japan is offering is woefully inadequate in our opinion. Do you think it's right for rice — who was cut out of the Korea Free Trade agreement — to demand more of Japan, the third largest economy in the world?*

Senator Blunt: I think we should expect to see that economy open up in a significant way. When Prime Minister Abe was here and spoke to the joint session of Congress he said that agriculture barriers were among the principal barriers that they were willing to take down.

I had a chance to visit with the Deputy Prime Minister and Finance Minister, Mr. Aso, not too long ago in pursuing this topic. I told him that in my view, people resist change and they like established patterns of doing business. Clearly as world food needs double in the next few decades there'll be more competition for food, and Japan will be well served by already having those established trade patterns with countries like the United States that has such capacity and ability to produce food.

WG: *Once TPP is finalized, the negotiators will resume work with Europe and the Transatlantic Trade and Investment Partnership (TTIP). How do you think the American government should approach the negotiations?*

SB: What the negotiators need to understand is how important the agricultural marketplace is to us as we look at the next few decades. Frankly it should be equally important to our potential trading partners. There will be a level of competition for food that we haven't seen before and it's both a challenge and a great opportunity. I think we can meet that great opportunity, but opening up markets is every bit as important to those markets as it is to those of us who will be able to sell products in those markets.

Agricultural barriers are always among the most difficult barriers that trade negotiators need to deal with, but nobody has more to gain in trade than American agriculture, and you know both Asia and Europe are great opportunities for rice.

WG: *What are your thoughts on the sustainability and conservation record of the U.S. rice industry?*

SB: I think the conservation story is a good story. The story is one of the reasons that rice farmers and the rice industry generally see fewer community concerns than other agricultural pursuits. Conservation and sustainability are important side benefits — maybe even bigger than a side benefit — when you consider what it takes to grow rice.

WG: *What do you think are some of the biggest challenges facing the ag community today?*

SB: A challenge and opportunity is the future great increase in world food needs and not just because of population. It's because as economies begin to get better around the world, most people get better and better food and then they don't want the bad food again. When they get more choices, they don't want fewer choices again. By 2070 world food needs will basically double, so how we meet that challenge is important.

I'm fully supportive of products that are enhanced to meet the marketplace in a better way, but I'm also fully supportive of organic products if that's what people want to buy. Organics can be harder to grow and can cost a little more, but having food choices is fine.

My mom and dad were dairy farmers, and a couple of generations ago — even if your mom and dad weren't farmers — most Americans were pretty closely connected

to a farmer — your grandparents or an aunt and uncle. So you actually understood what it took to grow food and feed the world, and how many factors can disrupt what any farm family hopes to do in a given year. That's not the case today.

WG: *You were recently named one of the most bipartisan Members of the Senate by the Lugar Center and Georgetown University. What's your take on bipartisanship?*

SB: I think the Lugar standard was about finding people who are willing to find a bipartisan partner in legislation, it doesn't mean you're always voting in the middle. It means you can find people who are able to agree with you, even if it's only on a specific issue.

[Senator] Sherrod Brown (D-OH) and I were Secretaries of State together, in Missouri and Ohio. We seldom vote alike but we have found three or four things that we agree on and we usually are able to advance those issues as a fairly effective team because we bring a lot of different world views to the table. For example, last year we were able to get a bill passed on advanced manufacturing which helps create more opportunities to make more things in this country. You know, an economy that makes things and grows things is a lot stronger than an economy where people just trade services with each other.

So I think the key to that part of bipartisanship is finding maybe the only thing you agree with somebody on the other side of the aisle, but being able to focus on that one thing in a way that gets it done.

WG: *How is rice served and prepared in the Blunt household?*

SB: As I said, my mom and dad were dairy farmers so when we were little we would sometimes just have rice with sugar and cream — like a warm cereal. 



MISSOURI RICE: The Show Me State Shows Off



TRADE STUDY A “SMOKING GUN” ON RICE MARKET MANIPULATION

BY MICHAEL KLEIN

ARLINGTON, VA – The long-awaited study into global rice markets undertaken last year by the U.S. International Trade Commission (USITC) has been released, and the findings are consistent with what USA Rice suspected. Namely that the U.S. rice industry is at a competitive disadvantage because of trade distorting practices in competing nations such as Vietnam, India, Brazil, Thailand, and others. And that while support for U.S. farmers is decreasing, such supports are increasing in some other rice-producing countries.

Originally commissioned by the House Ways and Means Committee, the Section 332 study entitled “Rice: Global Competitiveness of the U.S. Industry” explored how rice from the United States fared in the global market compared to major rice exporting countries including those listed above and China and Uruguay.

“The global rice market is characterized by significant government intervention in both imports and exports,” the report reads. “Government intervention has affected trade and price trends in the world rice market more than it has for most other agricultural products...[because of]...the critical role that rice plays for both consumers and producers globally.”

“Particularly troubling, but not surprising, were the findings on tariffs and non-tariff barriers to trade,” said Betsy Ward, President & CEO of USA Rice who was briefed on the study by USITC staff. “The study found that if tariffs on rice in major consuming countries didn’t exist, U.S. production and exports would be 1.3 million metric tons higher on a milled basis.”

The report, that was researched and compiled over eleven months, with researchers logging nearly 45,000 miles in pursuit of the facts, found that while at home the U.S. rice industry faces little significant competition, it has been losing market share in key markets recently thanks to a variety of factors. These include weather, real or perceived quality problems with U.S. crops, improving quality in other regions, and price competitiveness that comes back to market manipulation.



ABOVE: The ITC research team presents their Section 332 study to the USA Rice staff.

COMPARISON OF FACTORS OF COMPETITIVENESS

Country	Delivered cost	Product differentiation (quality)		Reliability of supply	
		DOMESTIC	EXPORT	DOMESTIC	EXPORT
Brazil	HIGH	MEDIUM	MEDIUM	MEDIUM	LOW
Burma	LOW	LOW	LOW	HIGH	LOW
Cambodia	LOW	LOW	LOW	HIGH	LOW
China	HIGH	LOW	N/A	MEDIUM	N/A
India	LOW	MEDIUM	LOW	HIGH	LOW
Indonesia	HIGH	LOW	N/A	LOW	N/A
Pakistan	LOW	MEDIUM	LOW	HIGH	MEDIUM
Philippines	MEDIUM	LOW	N/A	LOW	N/A
Thailand	MEDIUM	MEDIUM	HIGH	HIGH	MEDIUM
Uruguay	LOW	HIGH	HIGH	HIGH	HIGH
United States	MEDIUM	HIGH	HIGH	HIGH	HIGH
Vietnam	LOW	LOW	LOW	HIGH	MEDIUM

“Consumption support and government support for inputs amongst our key competitors are taking their toll on U.S. producers,” Ward said. “We’ve said for years that competing farmer against farmer is one thing, but competing farmer against government-backed support is another. Offenders can spin the facts and manipulate their reporting, but now we have a smoking gun.”

Ward said USA Rice would continue to work with allies to determine the next best action, which could include encouraging the United States to bring a trade case to the WTO against the most egregious actors. 

MORE STEPS ON THE PATH TO TRADE WITH CUBA

BY DEBORAH WILLENBORG

WASHINGTON, DC — There's a sizeable rice market just off our southern shores, but the obstacles to accessing it are varied and many. From official U.S. government policies and laws, to the weak Cuban economy, the prospect of tapping into this once number-one market for U.S. rice is fraught with pitfalls. However, ever since the major policy shift on Cuba announced by President Obama last December, several steps have been taken to normalize diplomatic and commercial relations between Cuba and the United States and reopen the market.

A boon for U.S. rice is a reasonable expectation. But where are we?

In January, the Office of Foreign Assets Control (OFAC) — the arm of the U.S. Treasury that administers and enforces economic and trade sanctions for the United States — issued a series of regulatory amendments to the sanctions against Cuba. Licensed travel to the island was made easier, and the definition of “cash in advance” — an important trade-financing term for exporters of food and medicine to Cuba — was clarified to “cash before transfer of title and control of exported goods.”

Then, in May, the State Department removed Cuba from the list of states considered to be sponsors of terrorism, making Cuba eligible for aid under the Foreign Assistance Act (FAA).

Earlier this year, the Senate Finance Committee requested the U.S. International Trade Commission (USITC) undertake a Section 332 study to examine trends in Cuban imports and provide analysis on how U.S. policy has impacted Cuban trade. As part of that study, on June 2nd, USITC held a public hearing here in Washington.

Terry Harris of Riceland Foods, Inc. represented USA Rice and testified that the U.S. is in a “position to serve the rice needs of the Cuban people.” He presented the benefits to Cuba of importing U.S. rice, which includes a high quality and low transit cost and time.

While the U.S. trade embargo remains in place, bills in the House and the Senate have been introduced that range in action from removing specific U.S. restrictions on travel and financial relations with Cuba to a full repeal of the embargo. USA Rice supports legislative efforts to restore normal commercial relations between Cuba and the United States, and is a founding member of the U.S. Agriculture for Cuba Coalition.



ABOVE: Riceland Foods' Terry Harris (second from left) puts a price tag on trade with Cuba when testifying before the Senate Ag Committee earlier this year.



LEFT: Missouri rice farmer Rance Daniels (far left) makes contacts while on a trip to Cuba last March.

“Cuba and the United States are steadily moving towards normalized relations and full and open trade, but it still will be some time before U.S. rice once again fills shelves, plates, and stomachs in Cuba,” said Bob Cummings, COO of USA Rice. “[Cuba] is still a cash-poor economy that needs to be allowed to grow before they’ll have the resources to buy what they need, including U.S. rice.” [wca](#)

Deborah Willenborg has a Cohiba cigar at the ready to celebrate if/when the U.S. normalizes trade relations with Cuba.

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BACK IN BUSINESS: U.S. RICE RETURNS TO UK RETAIL SHELVES

BY ESZTER SOMOGYI

LONDON, UNITED KINGDOM – In a major victory for the rice industry, U.S. rice has reemerged on mainstream UK retail shelves for the first time since 2006.

“The reappearance of U.S. rice in UK retail stores comes after years of campaigning and promotional efforts by USA Rice to assure suppliers that U.S.-grown rice is a high quality, competitive crop free of GMO traits,” said Hartwig Schmidt, USA Rice regional director, international market development.

Last October, a USA Rice trade delegation traveled to the UK to meet with major retailers, UK rice importers, millers, and selected wholesalers. During that successful trip, the team met with USDA Foreign Agricultural Service representatives from London, and Jim Higgiston, the Agricultural Minister Counselor at the United States Mission to the EU.

“We had an excellent and worthwhile dialogue with UK importers that has apparently paid off,” said Bastiaan de Zeeuw, president and CEO of Riviana Foods who participated in the delegation trip.

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– Hartwig Schmidt, USA Rice regional director, international market development.



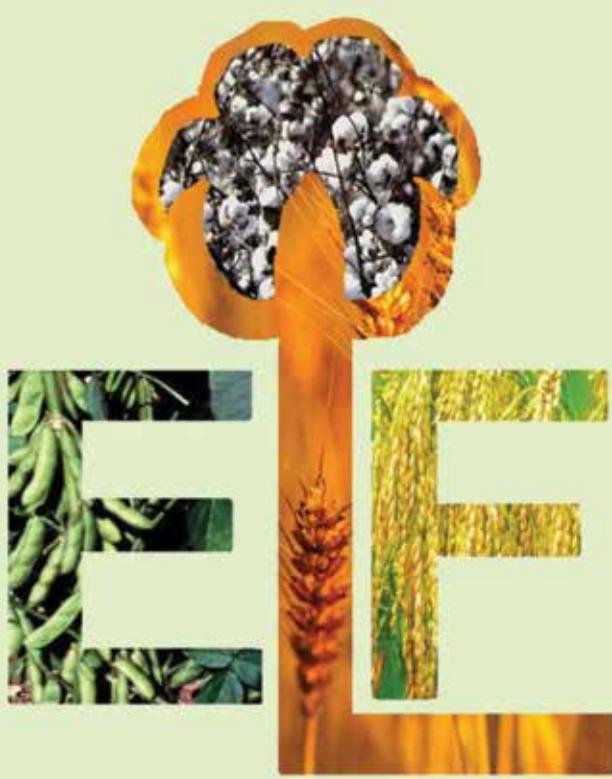
For the past several years, U.S. long grain rice in the UK had only been present in the ethnic segment of the market, targeting mainly Chinese, as well as the Afro-Caribbean and Bangladeshi populations, a loyal consumer base who appreciate U.S. long grain's high quality characteristics.

However, thanks to the continuous joint effort by USA Rice and UK importers, U.S. rice can now be enjoyed by a much wider audience.

The umbrella brand carrying U.S. rice, Tolly Boy, is a well-known and trusted brand in the UK market, carrying different high quality rice varieties. The identified U.S. rice brand is available in select Asda stores in 5 kg and 10 kg packaging and its presence in mainstream retail stores has the potential to expand the consumer base substantially, offering higher sales volumes for U.S. long grain rice.

"This is an exciting development for the U.S. rice industry. The UK has the potential to grow into a significant market again and perhaps signal our imminent return to the continent as well," said de Zeeuw. 

Eszter Somogyi is based in Hamburg, Germany, and has worked for USA Rice international promotion for 12 years.

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USA RICE AT THE WORLD'S LARGEST FOOD SHOW

BY KATIE MAHER

DUBAI, UAE – This year marked the 20th edition of Gulfood, the world's largest annual food and hospitality show, and USA Rice was on the show floor to meet with companies conducting business in the Middle East, Turkey, and Africa. Gulfood attracts importers, manufacturers, distributors, wholesalers, retailers, and government officials from around the world, making it a central place for USA Rice to tout the quality of U.S.-grown rice and network with potential traders on behalf of the industry.

“This event brings together nearly 5,000 exhibitors from more than 120 countries,” said Hartwig Schmidt, USA Rice regional director, international market development. “Gulfood is one of the most coveted shows for exporters, and this year more than 600 companies were on the exhibit waiting list; this confirms that our

presence here is invaluable for the U.S. rice industry.”

USA Rice's booth was inside the USA Pavilion, one of the largest national pavilions in the food section of the show, featuring more than 150 exhibitors. USA Rice displayed various types of rice including long grain, medium grain, parboiled, and wild rice to attract show attendees and help educate those unfamiliar with U.S. rice. Brochures highlighting U.S. rice facts, recipes, and nutritional information were exhibited in both English and Arabic.

Six USA Rice members representing American Commodity Company, ADM Rice, Farmers' Rice Cooperative, Riceland Foods, and Sun Valley Rice joined USA Rice staff and consultants at the booth to meet with existing trade partners and speak with interested importers.

“As a result of contacts we made at this year's Gulfood show, we started doing business with four new customers in Palestine, Jordan, Saudi Arabia, and the UAE, bringing our sales total from new business to around \$450,000,” said Steve Vargas, with Sun Valley Rice. “We were also able to reengage with some of our existing customers there and those meetings generated more than \$4 million in sales. Participation in the Gulfood show is obviously a fruitful enterprise for us.”

“The Middle East is a key emerging market for U.S. rice,” said Schmidt. “Major markets in the region include Saudi Arabia and Jordan where 2014 U.S. rice exports totalled 101,000 MT and 88,000 MT respectively.”

“This trade show is not only a place to collect more than one hundred potential trade leads for our members, but also a place to meet with Foreign Agricultural



“Gulfood is one of the most coveted shows for exporters, and this year more than 600 companies were on the exhibit waiting list; this confirms that our presence here is invaluable for the U.S. rice industry.”

— Hartwig Schmidt, USA Rice regional director, international market development.

Service representatives from Africa and the Middle East,” said Eszter Somogyi, USA Rice international program director of marketing. “It is also important to meet up with our existing trade partners in the region to maintain our relationships.”

USA Rice will continue to attend the Gulfood show, and members interested in participating should contact Schmidt or Somogyi. 

- 1: The crowd at this year’s Gulfood show in Dubai.
- 2: USA Rice’s Eszter Somogyi shows off samples of U.S.-grown product.
- 3: Katie Maher takes in the scene in Dubai after a long day at the Gulfood show.
- 4: Steve Vargas, Sun Valley Rice, meets a potential customer in the USA Rice booth.



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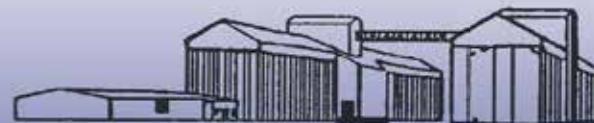
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UPCOMING RICE FIELD DAYS:

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EVENT IN YOUR AREA

JULY 1: LSU AgCenter Rice Field Day
7:30-9:15 a.m. Field Tours; program at 10:45 a.m.
LSU AgCenter Rice Research Station
Contact: Dr. Steve Linscombe, slinscombe@agcenter.lsu.edu

JULY 9: 68th Annual Beaumont Rice Field Day
8 a.m. - Texas AgriLife Research and Extension Center
1509 Aggie Drive, Beaumont, Texas
Contact: Dr. Ted Wilson, lt-wilson@aesrg.tamu.edu

JULY 21: Northeast Louisiana Rice Field Day
9 a.m. - Research Plot Tours, Woodland Plantation
11 a.m. - Program, Rayville Community Center
Contact: Keith Collins, kcollins@agctr.lsu.edu

JULY 30: MSU-DREC Rice Producer Field Day
3:30 p.m. - Caps Center, Stoneville, MS
Contact: Dr. Bobby Golden, bgolden@drec.msstate.edu

AUG. 7: Arkansas AgExpo (Rice Field Day)
University of Arkansas Rice Research and Extension Center
2900 Hwy. 130 East, Stuttgart, AR
Contact: Dr. Chuck Wilson, cwilson@uaex.edu

AUG. 18: Rice Tec Arkansas field Day
15329 Hwy. 1, Harrisburg, AR
Contact: Dr. Brian Ottis, bottis@ricetec.com

AUG. 20: Arkansas Horizon Ag Field Day
Mark Wimpy Farm, Jonesboro, AR
Contact: Dr. Tim Walker, twalker@horizonseed.com

AUG. 26: California Rice Field Day
California Rice Experiment Station, 955 Butte City Hwy., Biggs, CA
Contact: Dr. Kent McKenzie, ksmckenzie@crrf.org

SEPT. 2: Missouri Rice Field Day
Jake Fisher Delta Research Center, Portageville, MO
Contact: Tina Clark, clarktr@missouri.edu