



# CALIFORNIA GRAPE & TREE FRUIT LEAGUE

*ANNUAL REPORT*

*FY 2008/09*



**CGTFL**



*“To fulfill the needs of its membership while serving as the primary public policy organization advocating on behalf of the table grape and tree fruit communities in California.”*

*-California Grape & Tree Fruit League’s Mission Statement*

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## 2008/09 OFFICERS

John D. Zaninovich, Chairman  
Marko S. Zaninovich, First Vice Chairman  
David Marguleas, Second Vice Chairman  
Ken Enns, Secretary / Treasurer

## EXECUTIVE COMMITTEE

Marko S. Zaninovich, Chairman  
David Marguleas, Vice Chairman  
Jerry DiBuduo, Ex Officio  
Ken Enns  
Ron Frauenheim  
Steve Hash  
Louis Pandol, Ex Officio  
Dean Thonesen  
John D. Zaninovich  
Ryan Zaninovich

## 2008/09 BOARD OF DIRECTORS

Anthony Balakian – *Fruit Patch, Inc.*  
Robert O. Bianco – *Anthony Vineyards, Inc.*  
Steve Biswell – *Mt. Campbell Development*  
Nicholas Bozick – *R. Bagdasarian, Inc.*  
Wayne Brandt – *Brandt Farms, Inc.*  
Anton Caratan – *Anton Caratan & Son*  
Chris Caratan – *M. Caratan, Inc.*  
Kirk Cerniglia – *Royal Madera Vineyards*  
Carol Chandler – *Chandler Farms, LP*  
David Clyde – *Stevco, Inc.*  
Stan Cosart – *W.F. Cosart Packing Co.*  
Verne Crookshanks – *Venida Packing, Inc.*  
Jerry DiBuduo – *Sun Valley Farms*  
Nat DiBuduo Jr. – *Allied Grape Growers*  
Edge Dostal – *Chiquita Fresh North America*  
Richard Elliot – *David J. Elliot & Son*  
Ken Enns – *Enns Packing Co., Inc.*  
Tony Fazio – *Tri-Boro Fruit Co., Inc.*  
Ron Frauenheim – *Frauenheim Farms*  
Micky George – *George Bros., Inc.*  
Randy Giumarra – *Giumarra Vineyards Corporation*  
Steve Hash – *Steve Hash Farms*  
Doug Hemly – *Greene and Hemly, Inc.*  
Phil Herbig – *Enns Packing Co., Inc.*  
Robert Ikemiya – *Ito Packing Company, Inc.*

David Jackson – *Family Tree Farms*  
Casey Jones – *Sun Valley Packing*  
Herbert Kaprielian – *KCC Holding, LLC*  
David Marguleas – *Sun World International, LLC*  
Harold McClarty – *HMC Farms*  
George Nikolich – *Gerawan Farming, Inc.*  
Louis Pandol – *Pandol Bros., Inc.*  
Justin Parnagian – *Fowler Packing Company, Inc.*  
Pat Ricchiuti – *P-R Farms, Inc.*  
Cliff Rolland – *Abe-El Produce*  
Sarkis Sarabian – *Sarabian Farms*  
Tom Schultz – *Chase National Kiwi Farms*  
Toni Scully – *Scully Packing Co.*  
Jim Simonian – *Simonian Fruit Company*  
Brent Smittcamp – *Wawona Packing Co., LLC*  
Kent Stephens – *Marko Zaninovich, Inc.*  
Dean Thonesen – *Sunwest Fruit Company, Inc.*  
Jon Tos – *Tos Farms, Inc.*  
Stan Tufts – *Tufts Ranch LLC*  
Chiles Wilson – *All State Packers, Inc.*  
John D. Zaninovich – *Merritt Farms*  
Jon P. Zaninovich – *Jasmine Vineyards, Inc.*  
Marko S. Zaninovich – *Marko Zaninovich, Inc.*  
Ryan Zaninovich – *V.B. Zaninovich & Sons, Inc.*

## HONORARY LIFETIME MEMBERS

Louis S. Caric  
Charlene Corrin  
E. Alan Mills  
Ken Wiseman  
Anthony Zaninovich



Every January, the League staff polls the Board of Directors as to the most important issues in the coming year. This year, the Directors responses transmitted the need for a legal labor force at competitive prices, to avoid costly and unnecessary environmental regulations, common sense and reasonable food safety laws that will properly protect consumers, adequate water supplies and the availability of tools, whether its plant health materials or energy, at costs that would allow grape and tree fruit operations the ability to be sustainable.

I would like to highlight and emphasize some of those core issues. First and foremost, the agricultural community desperately continues to need comprehensive immigration reform in order to secure a legal workforce. The League will continue to take an active role, in conjunction with the Agricultural Coalition for Immigration Reform and the National Council of Agricultural Employers, to push for the passage of AgJOBS.

Second, we will lead the effort to defeat “card check” legislation at the state level as we have done for the past two years. The League will partner with like-minded regional and national agricultural organizations to prevent the “Employee Free Choice Act” at the federal level from becoming law. We recognize that the sanctity of the secret ballot is a fundamental cornerstone of our democratic process.

Our association will work hard to ensure that any new food safety laws are enacted at the federal, rather than state, level and recognize that one-size does not fit all. Lawmakers need to understand that food safety laws must be science based and commodity specific, and apply to imported as well as domestic production.

The League will continue to be actively involved with both the federal and state authorities to see that those who propose new environmental regulations understand the true impacts on our ability to produce wholesome fresh fruit on a long term basis. As the debate to define sustainability continues, we will constantly strive to ensure that decision makers understand that economic viability is just as important as being environmentally friendly and socially responsible. It really is about people, plants and profit.

During the past year in serving as your Chairman, my thoughts have turned to a person in my life who opened the door to my involvement with the California Grape & Tree Fruit League. It was almost 25 years ago, that my late father, Jack Zaninovich, signed me up for my first League committee and passed along his belief in this organization. My father believed that our industries were stronger working together than standing alone; although serving on various boards, including the League's, he could be known to cast a negative vote when the majority was in the affirmative. Recently, the Executive Committee had the occasion to reference a Board policy passed a number of years ago and learned that the motion was approved by the Board of Directors with two dissenting votes – one being my father's. Someone asked why he voted against the policy and, while I couldn't remember the specifics to his reasoning, I can be sure he had a strong reason for doing so.

There in lies one of the strengths of the League – the process of the standing committees, Executive Committee and Board. It is here, where discussion of the issues of the day take place – and occasionally a very lively debate – to formulate our position, stance or response. Sometimes the outcome isn't exactly what you would have liked but that doesn't mean you give up on the concept of the League. I believe my father held that belief and I have tried to follow in his footsteps.

I would like to thank you, the membership, for the opportunity to serve you as your Chairman this past year. Please be assured that this organization is well equipped for the challenges and tasks ahead given your continued support.

Sincerely,

A handwritten signature in black ink that reads "John D. Zaninovich". The signature is written in a cursive, slightly slanted style.

John D. Zaninovich  
Merritt Farms

# TOP TEN ISSUES

In January 2009, the California Grape & Tree Fruit League's Board of Directors ranked the top issues in order of priority for the current year. Here's this year's list along with brief explanations.

## **I** *Invasive Pest Issues/ Quarantines*

The potential impact that a quarantine pest would have on the San Joaquin Valley is unsettling because the ability to ship fruit outside of the region would cease or be severely limited. The League continues to work on the frontlines of the Light Brown Apple Moth infestation as well as the Mediterranean fruit fly situation.

## **II** *Water Supply Issues*

Media headlines are becoming more widespread about the plight of water availability which is the result of a statewide drought, inadequate aboveground water storage and the state's growing demand for water. Growers have voiced their concerns for years about this issue and now, action is vital in preserving what agricultural land remains in the state, although, fallow fields will not be uncommon this season.

## **III** *Labor Cost/Minimum Wage*

Labor continues to rank as the highest variable cost for League members and ranges from 50 percent to 70 percent of production costs.

## **IV** *Labor Laws and Regulations*

Year after year, labor activist groups push legislative efforts to sidestep the secret ballot process in unionization attempts. Despite an uphill battle, the League continues to lead the fight to defeat card check legislative efforts and protect the workplace and employees against narrow-sighted interest group attempts to strengthen political power.

## **V** *Food Safety Issues*

Despite the "clean" food safety record among fresh grape and tree fruit commodities, League members continue to engage the issue to ensure that their commodities arrive in the hands of the consumer with no food safety concerns. The League remains set that any regulatory requirements should be enacted at the federal level and not the state level.

## **VI** *Immigration Reform/AgJOBS*

This issue continues to rank on top for League members who rely on labor intensive practices to be able to bring high quality fruit to market. It is clear that there is unrest in the ag industry, with the judicial outcome pending on the Department of Homeland Security's no-match rule as to whether the regulation can be enforced, as well as the continued lack of movement on AgJOBS legislation.

## **VII** *Air Quality Regulations*

Air quality regulations continue to affect all agricultural operations in the state, and particularly in the San Joaquin Valley where federally-mandated requirements place overly burdensome requirements on the region's operators. The League works diligently at the regional, state and federal levels to ensure that sound science is used when such regulations are promulgated.

## **VIII** *Health Care Costs/Mandates*

The rising costs associated with healthcare coupled with political pressure for state managed health system provides for an increase to the subsidization burden onto the business community.

## **IX** *Water Quality Regulations*

The regional water quality control board staff is in the process of moving the current Irrigated Lands Regulatory Program plan into a long-term phase and will seek to add the responsibility of groundwater regulation into the surface water parameters of the program.

## **X** *Energy Costs*

Last year, the industry experienced an unprecedented series of spikes in energy costs as the energy markets grew unstable due to fluctuating demand and trading instability. Although energy costs have decreased in 2009 there remains concern that another rise in costs compounded with the economic slowdown could have a crippling effect on the movement of agricultural goods.



The 2008/09 fiscal year that ended this last February 28<sup>th</sup> for the California Grape & Tree Fruit League will most likely be remembered as the year that the great recession of the early 21<sup>st</sup> century demonstrated its full impact. And even though the recession officially began in December 2007, it was not universally announced and accepted until after the major stock market decline of September 2008. By that time, after another year where scores of tree fruit growers, packers, shippers and marketers found profitability to be an elusive goal, our organization bid farewell to a number of long time members as they ceased operation. The fresh grape community, on the other hand, put together record crop production at approximately 100 million boxes and despite a soft ending to the marketing season, remains poised for the future given consumer demand.

So how does this challenging economic climate leave the League as we begin another year? Lower stock prices and the mortgage meltdown unfortunately do not mean fewer pieces of adversarial legislation or decreased regulations. The need for our organization and representation on the vital issues that are important to tree fruit and fresh grape communities continues at an extreme and historically high level. While we continue to witness consolidation and contraction in the tree fruit sector, we have been able to grow our membership base with the addition of several high profile companies, particularly those in the fresh grape arena. Therefore, I am pleased to report that despite the dire financial situation facing so many in our industry and this country, your organization remains in a strong financial, as well as membership, position and poised to carry out its mission on behalf of our constituents.

With the dramatic economic downturn and the decline of revenue to state government, better known as taxes, this situation has also put increased pressure on elected representatives to come up with other funding sources in the way of "fees". At a time when growers, packers and shippers are struggling with shrinking margins given the overall cost increases in farming inputs, our membership certainly does not need inflated fees, which are really nothing more than taxes in disguise, adding to the challenge of remaining economically viable. The League will continue to work on these important issues as well as working on immigration reform, assuring the farmworker's right to a secret ballot, striving to assure a system for a fair and dependable water supply for all of the state's growers, making sure that environmental regulations for air and water are based on sound science, helping the general public understand the importance of dealing with invasive species in a timely manner and providing input to see that food safety laws are commodity specific and risk based.

Our responsibility and goal is to manage public policy issues so that our members can remain truly sustainable. Sustainability, as we have stated in year's past, must not only be environmentally friendly and socially responsible but economically viable. Each component must be equal or the concept is doomed to failure. Our objective remains focused on this concept and we are pleased to be able to represent you, our members, in this endeavor.

In closing, I would like to offer my sincere thanks to the Chairman of the League John D. Zaninovich for his year of outstanding and committed service and to the 2008/09 Executive Committee as chaired by Marko S. Zaninovich with David Marguleas as Vice Chair and Ken Enns as Secretary/Treasurer along with members Jerry DiBudo, Ron Frauenheim, Steve Hash, Louis Pandol, Dean Thonesen, and Ryan Zaninovich. Also I would like to express my appreciation to the staff, Marcy Martin, Gabrielle Kirkland, Christopher Valadez, Jaclyn Pack, Missy Fiske (best wishes on your retirement), Georgia Verduzco and Vicky Jones as well as the Committee chairs, Fred Berry, Robert Ikemiya, George Caratan, Micky George, Ryan Zaninovich, John Pandol, Louis Pandol and Dave Bryan for their continued efforts in support of the League and to all of the members for allowing me the opportunity to work for them and for California agriculture.

Sincerely,

A handwritten signature in black ink that reads "Barry Bedwell". The signature is written in a cursive, flowing style.

Barry J. Bedwell

*President*

# VALUE OF MEMBERSHIP

*The California Grape & Tree Fruit League has been an integral part of the agricultural community for 73 years; and continues to be a key player in state and federal public policy issues and the regulatory arena to advocate on behalf of its members. With the completion of 2008/09 fiscal year on February 28, 2009 the League staff has assembled a summary of the accomplishments to demonstrate the value of League membership. We hope to help answer those questions by providing the following information for the previous fiscal year.*

## AN ADVOCATE

The League led the successful effort to urge Governor Schwarzenegger to veto the “Card-Check” legislation, AB 2386 (Nunez D-Los Angeles), which would have denied farm workers the right to a secret ballot when choosing to be represented by a collective bargaining organization.

The League worked closely with key legislators on both sides of the aisle and the Schwarzenegger Administration to defeat or veto anti-business legislation during the 2008 legislative session.

The League worked actively at the federal level on such issues as immigration reform, food safety, trade barriers, nutrition promotion and resources for fresh fruit consumption.

The League was actively involved in the rule development related to on-road diesel trucks and was successful in obtaining an agreement with the California Air Resources Board to accept an alternative proposal.

The League was highly involved with the California Department of Pesticide Regulation (DPR) in connection with their efforts to reduce Volatile Organic Compound emissions.

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

The League continued to work with the USDA to create a table grape shatter allowance tolerance (only at destination point inspection) to properly reflect the evolution of consumer grape containers.

The League was a leading participant in several industry workgroups to address concerns with the San Joaquin Valley Air Pollution Control District’s air quality regulations.

The League was successful in working with USDA’s Risk Management Agency to create crop insurance coverage that was instituted in 2008 to separately cover early, mid and late season varieties of peaches and nectarines.

The League held its annual Government Relations Trip in February, during which League members and staff met with state legislators and officials to discuss issues that will impact the agricultural community.

## TECHNICAL EXPERTISE

The League remained the primary voice for maintaining vital chemical registrations at US Environmental Protection Agency (EPA) and DPR on pesticides for fresh grape and tree fruit growers.

The League was responsible for obtaining a Section 18 Emergency Use approval through the California EPA for the post-harvest use of Mentor (Propiconazole) to control sour rot on peaches and nectarines.

The League administered the Mexico Stone Fruit Export Program and last season a record volume of 3.6 million cartons of California peaches, plums, apricots and nectarines were exported to Mexico, compared to total volume in 2007 of 2.3 million cartons.



**PROACTIVE EFFORTS**

The League participated with more than 120 national and regional organizations as part of a specialty crop steering committee to identify and prioritize issues related to the 2008 Farm Bill.

The League took a leading role in support of food safety legislation based on proper risk-based analysis and specific commodity evaluations; that is, one size does not fit all.

The League stepped up its efforts with other state and national organizations and the Agricultural Coalition for Immigration Reform to create and promote legislation to address the need for comprehensive immigration reform (AgJOBS).

The League worked with local governments to create an inspection protocol which will serve as a template to minimize the risk of invasive pests and diseases due to direct international flights.

FruitPAC, the League's political action committee, provided financial support to knowledgeable political candidates at state and federal levels.

The League supported market expansion for stone fruit production in developing a Systems Approach as an alternative to fumigation and was awarded a grant through USDA's Foreign Agricultural Service for a pilot Systems Approach program to Australia.

**A RESOURCE**

The League held a produce inspection workshop in April to review state and federal rules.

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

The League continued to work with Pan American Insurance Agency to represent the health benefits program, to provide League members with affordable health benefit options.

The League's *On Target* bi-weekly newsletter kept members current on its activities and programs.



The League continued to provide members with comprehensive international requirements in all stone fruit export markets in the form of an export database for its members.

The League maintained the Critical Use Exemption for pre-plant use on tree fruit and fresh grapes for the continued availability of Methyl Bromide under the Montreal Protocol.

**How do you put a dollar value on League membership?**

The League is funded by voluntary membership assessments that are computed at 1.3 cents per carton with a maximum of 1.7 million cartons.

A "max shipper" member with 1.7 million boxes would equate to approximately 2,000 acres of production and approximately \$8 million in production costs, so the maximum assessment of \$22,100 per year (1.7 million boxes @ 1.3 cents) represents less than three-tenths of one percent of overall costs (.00276).

This percentage cost should be fairly consistent with growers and shippers of all sizes in that a shipper with 200,000 boxes (overall production costs of about \$1 million) would be paying an assessment of \$2,600 (.26 percent). Another way to look at the assessment is to say that 1.3 cents represents only about .10 percent of the average sales price of a carton of fruit.

Is League membership worthwhile when it is approximately one-third of one percent of your total costs and less than one-tenth of one percent of the sales price? Given the proposals that are originating out of Sacramento and Washington, D.C. relating to fees, taxes and regulations, the answer is that League membership may be the most effective dollars you can spend.



**CHAIRMAN: Robert Ikemiya, *Ito Packing Company, Inc.***

**VICE CHAIR:**

Sarkis Sarabian, *Sarabian Farms*

**COMMITTEE MEMBERS:**

Steve Hash, *Steve Hash Farms*  
 Jack Brandt, *Brandt Farms, Inc.*  
 Dave Bryan, *Pandol Bros., Inc.*  
 Nat DiBuduo Jr., *Allied Grape Growers*  
 Eugene Enns, *Wes Pak Sales, Inc.*  
 Steve Frauenheim, *Frauenheim Farms*  
 Micky George, *George Bros., Inc.*  
 Paul Giboney, *M. Caratan Inc.*

Virginia Hemly Chhabra, *Greene and Hemly, Inc.*  
 Keith Hennesay, *Floratine Ag Solutions*  
 Cheryl Herbig, *Enns Packing Co., Inc.*  
 Richard Machado, *Agrian*  
 Dave Morgan, *Tulare Ag Products*  
 Cliff Rolland, *Abe-El Produce*  
 Cliff Sadoian, *Fruit Dynamics Inc.*  
 Judy Stewart-Leslie,  
*CCV Table Grape Pest and Disease Control District*  
 Gary Van Sickle, *California Tree Fruit Agreement*  
 John D. Zaninovich, *Merritt Farms*  
 Ryan Zaninovich, *V.B. Zaninovich & Sons, Inc.*

**AVAILABILITY OF WATER**

The League conducted legislative visits and participated in public events at the State Capitol to encourage the Legislature to move forward on additional water storage proposals. The League worked in tandem with Governor Schwarzenegger’s office to move a water storage proposal forward.

**CRITICAL USE EXEMPTIONS**

The League submitted the annual Critical Use Exemption (CUE) to support available stocks of Methyl Bromide on behalf of California stone fruit and table grape producers. Nominations submitted to United States Environmental Protection Agency are included in the US re-nomination of exempt uses for the benefit of the orchard replant sectors; table/raisin grapes and stone fruit producers (peach/plum/nectarine/apricot/cherry). These nominations become part of the critical use nomination and are submitted annually by the US Department of State to the United Nations Environment Programme (UNEP) Ozone Secretariat.

**DEVELOPMENT OF TRACEABILITY EFFORT**

The League closely followed the development of the Produce Traceability Initiative, an effort sponsored by Canadian Produce Marketing Association, Produce Marketing Association and United Fresh Produce Association (UFPA), to help the industry maximize the effectiveness of current traceback procedures, while developing a standardized industry approach to enhance the speed and efficiency of traceability systems for the future.

**EMERGENCY EXEMPTIONS ISSUED FOR MENTOR**

The League secured a section 18 emergency exemption to permit the postharvest use of Mentor (Propiconazole) on nectarines and peaches. The League submitted an application on behalf of tree fruit growers so that they could use the material on postharvest applications to control sour rot.

**FOOD SAFETY**

The League continued to work with the United Fresh Produce Association to promote produce food safety standards in response to Congressional inquiries and legislative efforts.

**IRRIGATED LANDS PROGRAM LONG TERM DEVELOPMENTS**

The League represented its member’s interests as the Central Valley Regional Water Quality Control Board began the process of expanding the Irrigated Lands Regulatory Program to add the responsibility of ground-water regulation into the parameters of the program.

**LIGHT BROWN APPLE MOTH**

The League, part of the Invasive Species Coalition, worked with the US Department of Agriculture (USDA) and California Department of Food and Agriculture (CDFA) to support the eradication of the Light Brown Apple Moth and build a communications network between industry, federal and state agencies, and other affected stakeholders.

## PLANT HEALTH MATERIALS AVAILABILITY

The League addressed technical issues specific to plant health materials and continued to monitor, formulate and submit data to support field control and management practices for plant, pest and disease chemical uses. Pesticides reviewed in 2008 included: Chlorpyrifos, Diazinon, Endosulfan, Imidacloprid, and Methomyl; and soil fumigants reviewed in 2008 included: Chloropicrin, 1,3-D and Metam Sodium. The League continued to work with fresh grape growers in Tulare and Kern counties in regard to the Pest and Disease Control District which was created by League sponsored legislation.

- Chlorpyrifos: The League, as part of a coalition of agricultural organizations, submitted a comment letter to Office of Environmental Health Hazard Assessment (OEHHA) to request careful consideration of Chlorpyrifos, when determining if the material meets a standard to be a developmental or reproductive toxicant. OEHHA's identification committee released its decision that Chlorpyrifos did not meet the criteria to be listed under Proposition 65.
- Diazinon: The League requested to EPA that the tolerance for Diazinon use on table grapes be reinstated which would facilitate the depletion of remaining Diazinon stocks .
- Endosulfan: Comments were submitted on behalf of League members to request that EPA reverse its removal of table grapes from Endosulfan use.
- Imidacloprid: The League submitted comments supporting continued registration for fresh grape production as Imidacloprid is critically important within fresh grape integrated pest management practices, and in combination with its use in the prevention of the spread of disease.
- Methomyl: The League, supported by funding from the California Table Grape Commission had an independent review of the USDA's data to support the industry's request to move towards new data set with the goal to have EPA repeat the cumulative risk assessment for methomyl use on grapes.

## SOIL FUMIGANTS

The League combated attempts to impose unsubstantiated mitigation measures to current regulatory and label requirements which would impact pre-plant/re-plant soil treatments. The League co-sponsored, with several industry associations, an Agricultural Fumigant Discussion and Field Tour for visiting EPA and California Department of Pesticide Regulation officials in December 2008 to further discuss EPA's proposal which would severely impact California's agricultural industry.

## TREATED WOOD WASTE DISPOSAL

The League has been a resource as members transition to newly regulated procedures to properly remove and dispose of treated wood waste which resulted from the development of the Treated Wood Waste Alternative Management Standards regulation under the Department of Toxic Substances and Control.

## TRUCK RULE

The League continued its active role in the promulgation of the California Air Resources Board's (CARB) On-Road Heavy-Duty Diesel Vehicle Rule. Due to the efforts of an agricultural coalition that included the League, a special provision for agricultural trucks was included in the regulation which was approved by CARB on December 12, 2008.

## VOLATILE ORGANIC COMPOUND REGULATION

The League continued to work on the evolution of a regulation aimed at reducing the amount of volatile organic compound emissions. This issue has been a paramount concern for the membership because of the restrictions that were proposed by restricting the use of field fumigants in non-attainment areas in California during the "ozone period" (May to October).



**CHAIRMAN: Micky George, *George Bros., Inc.***

**FIRST VICE CHAIR:**

Rick Schellenberg, *Schellenberg Farms*

**COMMITTEE MEMBERS:**

Maria Alvarado, *Maria Alvarado*  
 Randy M. Ataide, *Mountain View Fruit Sales, Inc.*  
 Carol Chandler, *Chandler Farms, LP*  
 James Christie, *Bryant Christie Inc.*  
 John Forry, *Fruit Patch, Inc.*  
 Randy Giumarra, *Giumarra Vineyards Corporation*  
 Phil Herbig, *Enns Packing Co., Inc.*  
 David Jackson, *Family Tree Farms*  
 Herbert Kaprielian, *KCC Holding, Inc.*

James Kaprielian, *KCC Holding, Inc.*  
 David Krause, *Paramount Citrus*  
 Drake Larson, *Drake Larson Ranches*  
 David Marguleas, *Sun World International, LLC*  
 Pete Parson, *Stevco, Inc.*  
 Pat Ricchiuti, *P-R Farms, Inc.*  
 Cliff Rolland, *Abe-El Produce*  
 Cliff Sadoian, *Z & S Fresh, Inc.*  
 Todd Sanders, *California Apple Commission*  
 Tom Schultz, *Chase National Kiwi Farms*  
 Toni Scully, *Scully Packing Co.*  
 John Tos, *Tos Farms, Inc.*  
 Stan Tufts, *Tufts Ranch LLC*

**FRUIT DELIVERY**

On August 20, state lawmakers and regulatory agencies were presented with a variety of tree fruit and fresh grapes tucked inside of a gift box as a token of appreciation from the California Grape & Tree Fruit League membership. During the 2008 event, more than 100 boxes were hand-delivered to key legislators and regulatory officials. Several League members were instrumental in donating fruit, which resulted in a successful fruit delivery. Thank you to the following League members: Tri-Boro Fruit Co., Inc.; Greene and Hemly, Inc.; Ballantine Produce Co., Inc.; Ito Packing Company, Inc.; Family Tree Farms; Simonian Fruit Company; Jasmine Vineyards, Inc.; Pandol Bros., Inc.; Enns Packing Co., Inc.; Fowler Packing Company, Inc.; and Brandt Farms, Inc.



*From left: League President Barry Bedwell, Assemblymember Michael Villines (R-Clovis), and Board member Ken Enns of Enns Packing Co., Inc.*



*A beautiful assortment of peaches, nectarines, plums, pluots, grapes and pears were featured inside of a wooden gift box and presented to the legislators on August 20, 2008.*

**GOVERNMENT RELATIONS TRIP**

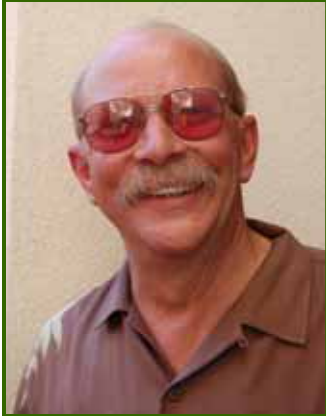
An annual group trip to the State Capitol proved to be a worthwhile experience for those League members in attendance, as well as, the legislative and regulatory leaders with whom the League delegation met with. Fourteen League members participated in the 2009 Government Relations Trip to Sacramento on February 17-18. During the two-day visit League members met with regulatory and elected officials to discuss the state's top issues, namely the state budget. The Government Relations Trip provided an up close setting for League members to freely discuss agricultural issues of concern. The following League members participated on the GR Trip: Maria Alvarado (Maria Alvarado), Guadalupe and Lorenza Alvarez (Maria Alvarado), Carol Chandler (Chandler Farms, LP), Richard Elliot (David J. Elliot & Son), Ken Enns (Enns Packing Co., Inc.), Randy Giumarra (Giumarra Vineyards Corporation), Steve Hash (Steve Hash Farms), Doug Hemly (Greene and Hemly, Inc.), George Nikolich (Gerawan Farming, Inc.), Dean Thonesen (Sunwest Fruit Company, Inc.), John Tos (Tos Farms), Stan Tufts (Tufts Ranch LLC) and Marko S. Zaninovich (Marko Zaninovich, Inc.).

**TREE & VINE BONUS DEPRECIATION**

The League advocated in support of the inclusion of 50 percent bonus depreciation for permanent crops as part of any new economic stimulus package that was under consideration in early 2009. The bonus depreciation would aid the ability to make additional capital investments because of the special 50 percent depreciation allowance.



*The Government Relations Trip participants are pictured on the Assembly Floor in the State Capitol.*



**CHAIRMAN: Ken Enns, Enns Packing Co., Inc.**

**VICE CHAIRMAN:**

Jason George, *George Bros., Inc.*

**COMMITTEE MEMBERS:**

Ed Bolger, *Alburger Basso de Grosz*

Jeff Boyle, *Buckman-Mitchell, Inc.*

Verne Crookshanks, *Venida Packing, Inc.*

Greg Gordon, *HRH Insurance*

Janet Kamada, *Ito Packing Company, Inc.*

Brian Laird, *Rain and Hail Insurance Service LLC*

Pete Parson, *Stevco, Inc.*

Lyle Willems, *Lyle & Becky Willems*



### CROP INSURANCE

November 2008, the Board of Directors voted to endorse Rain and Hail Insurance Service, L.L.C. based on the recommendation of the Insurance & Financial Benefits Committee. The League has endorsed Rain and Hail for the past 12 years.

### GROUP RETIREMENT PROGRAM

In 2008, 12 companies participated in the League's group retirement program which represented about 475 participants and approximately \$11.5 million worth of investments. It is the responsibility of the Insurance & Financial Benefits Committee to evaluate and select such group programs. In December 2008, the committee was approached by an outside company seeking the League's endorsement and it was due to this request that the committee decided to review the current endorsement program and its partner company. After this evaluation, the committee agreed that partner-company, Alerus Retirement Services, has continued to offer high value and exceptional service to League members and is competitively priced. The League has endorsed Alerus since 2003.

### PROPERTY INSURANCE

The League's Group Property Insurance program continued to be a valuable program for League members by providing competitively priced insurance premiums with full coverage and a high level of support. In 2008, 23 League shipper members participated in the general policy program, representing nearly \$300 million in insured values. The program continues to be exclusively available to League shipper members and includes a specifically designed manuscript policy form. Buckman-Mitchell, Inc. continued to market the program with Nationwide Agribusiness Insurance as the program underwriter. Buckman-Mitchell created the Group Property Insurance program for League members in 1993 to combine purchasing power of members.

### WORKERS COMPENSATION INSURANCE

The California Grape & Tree Fruit League/State Fund group insurance program continues to be a strong partnership that provides additional services plus a six percent premium discount to League members. The partnership program also provided and continues to provide valuable support to League services that benefit all grape, tree fruit, and packing house businesses. As a unique resource that serves all California businesses, State Fund insures nearly every type of business—whether large or small, new ventures or established corporations. California businesses recognize State Fund as strong and secure, and a market leader in workers' compensation insurance with a legacy of commitment to the state. State Fund offers competitive rates along with a full-slate of customer-focused services, including:

A variety of free industry-specific safety resources;

Expert claims-handling and medical-management programs; and

24-hour online access to policy information, including certificates of insurance and payroll reports.



**CHAIRMAN: Ryan Zaninovich, *V.B. Zaninovich & Sons, Inc.***

**FIRST VICE CHAIRMAN:**

Nicholas Bozick, *R. Bagdasarian, Inc.*

**SECOND VICE CHAIRMAN:**

Kerry Whitson, *Golden Maid Packers*

**COMMITTEE MEMBERS:**

Ron Barsamian, *Barsamian & Moody, Attorneys at Law*

Carol Chandler, *Chandler Farms, LP*

Greg Feaver, *Enns Packing Co., Inc.*

Dan Gallegos, *Marko Zaninovich, Inc.*

Micky George, *George Bros., Inc.*

Bob Greiner, *HMC Farms*

Walter Jones, *Sun Valley Packing*

Nelda Lewis, *Pan American Insurance Agency*

Rick Milton, *Rick Milton*

Cliff Rolland, *Abe-El Produce*

Michael Sarabian, *Sarabian Farms*

David Ysusi, *HRH Insurance*

John D. Zaninovich, *Merritt Farms*

Martin Zaninovich, *Jasmine Vineyards, Inc.*

**CARD CHECK VETO**

The League led a successful effort (for the second year in a row) to prevent legislation from becoming law that would authorize the use of card check as well as a substitute voting mechanism to replace the secret ballot system to establish union representation in the state's agricultural industry. The bill AB 2386 (Nunez, D-Los Angeles) was vetoed by Governor Schwarzenegger. The campaign against AB 2386, focused on convincing Governor Schwarzenegger that the legislation could lead to employee intimidation by the union along with the potential for fraud. The legislation would have changed the Agricultural Labor Relations Act to allow for "mediated elections" which is a form of card check disguised as absentee ballots. In March 2009, the League began its third opposition campaign against card check which was re-introduced in 2009 as SB 789.

**EMPLOYEE FREE CHOICE ACT**

The League partnered with other agricultural groups in February 2009 to establish a web site to serve as an information hub to use in opposing the proposed Employee Free Choice Act (EFCA), also known as the federal card check bill. The website

was designed to raise awareness about the danger of EFCA and to highlight its importance to industry as the proposal was expected to be a high priority during the 2009 Congressional session. In the effort to combat EFCA, Agriculture for a Democratic Workplace (ADW), a coalition of agricultural associations including the League, was formed to advocate on behalf of agriculture to protect private ballots in union organizing elections.

**HEAT ILLNESS PREVENTION**

The League performed outreach to ensure that industry members had the opportunity to learn about the new Heat Illness Policies and Procedures. From June to September 2008, the League along with other agricultural organizations offered 19 heat stress prevention training sessions in both English and Spanish. The League worked closely with the leadership at the Division of Occupational Safety and Health as consideration was made regarding the potential to revise the Heat Illness prevention regulation. In March 2009, the League was instrumental in offering additional heat stress seminars designed to train growers, farm labor contractors and field supervisors about the dan-

gers of heat-related injuries and prevention of such injuries.

**MINOR WORK HOURS**

League staff served as the liaison between members and the Division of Labor Standards Enforcement in managing the Minor Work Hours Program. This program has been and continues to be specifically for agricultural packing plants and allows approved facilities to permit its minor employees to work up to 10 hours per day but not more than 48 hours in a week (no more than 60 hours in a week in Lake County).

**SOCIAL SECURITY**

**NO-MATCH RULE**

The League argued in opposition of the release of the Social Security Administration's no-match letters. The League stressed the burden that would be placed on the employer to become directly involved in the work of federal law enforcement through mandated workplace self-auditing (ie. requiring an employer to verify no-match letters). These actions taken by an employer to initiate the audit process into employee records, without clear evidence to support legitimate record of no-match, would increase the potential for legal defense of anti-discrimination litigation.



**CHAIRMAN: John Pandol, Pandol Bros., Inc.**

**VICE CHAIRMAN:**

Harold McClarty, *HMC Farms*

**COMMITTEE MEMBERS:**

Gene Anderson, *Gene Anderson Farms*

David Berg, *David H. Berg & Co., Inc.*

Chris Caratan, *M. Caratan, Inc.*

Gino DiBuduo, *Ballantine Produce Co., Inc.*

Edge Dostal, *Chiquita Fresh North America*

Tony Fazio, *Tri-Boro Fruit Co., Inc.*

Mark Flaming, *Maxco Supply Inc.*

John Forry, *Fruit Patch, Inc.*

Darrel Fulmer, *Sun Fresh International LLC*

Chris George, *George Bros., Inc.*

Steve Hash, *Steve Hash Farms*

Charlene Hightower, *Marko Zaninovich, Inc.*

Brian Keavy, *Ballantine Produce Co., Inc.*

David Marguleas, *Sun World International, LLC*

Rodney L. Milton, *Rodney L. Milton*

Kathleen Nave, *California Table Grape Commission*

John Rast, *Rast Produce Company, Inc.*

Michael Reimer, *Brandt Farms, Inc.*

Pat Ricchiuti, *P-R Farms, Inc.*

Patricia Rynn, *Rynn & Janowsky, LLP*

Michael Sarabian, *Sarabian Farms*

Gordon Smith, *California Tree Fruit Agreement*

David Stone, *Valhalla Sales & Marketing Co.*

Marci Subedar, *Growers Marketing, Inc.*

Kerry Whitson, *Golden Maid Packers*

Jon P. Zaninovich, *Jasmine Vineyards, Inc.*

**AIR CARGO REGULATION**  
The League notified its members of the new air cargo screening regulation under the Transportation Security Administration (TSA) that went into effect no later than February 2009. The 9/11 Commission Act mandated 100 percent screening of air cargo originating in the US by piece level by August 2010 with the industry required to attain 50 percent screening by February 2009. TSA developed a Certified Cargo Screening Program (CCSP) to validate facilities to screen cargo. Packing facilities have the option to become CCSP certified, however an obstacle to the fresh fruit industry was that the facility employer would have to obtain security clearance on all employees of a facility.

**COOL REGULATION**  
The League maintained an active role in the development and passage of the 2008 Farm Bill which included mandatory Country of Origin Labeling (COOL). The League partnered with United Fresh Produce Association and other organizations to offer an online seminar on COOL compliance. COOL took effect September 30, 2008 and the League provided comments to USDA on behalf of its members. In general, the rule

was considered a great improvement over the regulations as proposed from the previous 2002 Farm Bill as the rule reduces concerns with fines, record keeping and confirms the use of "California" as an appropriate form of origin designation.

#### IMPORTED CHILEAN GRAPES

The League, on behalf of the fresh grape industry, was at the helm to express industry concerns regarding the proposed import systems approach for Chilean table grapes. League staff evaluated the proposed work plan and found that it greatly departed from the current import requirements for Chilean grapes into the US.

#### LABELING IN CANADIAN MARKETPLACE

The League provided information to members about the produce labeling requirements for fresh fruits destined for Canada. Enforcement of the labeling requirements became a top priority for Canadian officials in early 2009 and the League provided the regulatory requirements to members through two workshops.

**MEXICO EXPORT PROGRAM**  
Growth in the Stone Fruit Mexico Export Program continued,

marking the importance of this international market to the stone fruit industry. Record volumes of California peaches, plums, apricots and nectarines were exported to Mexico which totaled 3.6 million cartons in 2008. In 2007, 2.3 million boxes of these commodities were exported to Mexico through the program. The majority of the export shipments, during the 2007 and 2008 seasons, were under the Systems Approach program, which is an alternative to post-harvest fumigation treatments.

**TASC FUNDING PROPOSALS**  
The League sought funding to support the industry's marketing efforts and submitted three proposals for funding through the US Department of Agriculture's Foreign Agricultural Service Technical Assistance for Specialty Crops (TASC) program. Projects: (1) A stone fruit pilot program to develop a non-fumigation approach program for California stone fruit shipments to Australia. Status: *Awarded* (2) Expand the California stone fruit international regulatory database. Status: *Award pending*. (3) California stone fruit to Mexico market access improvements. Status: *Award pending*.



**CHAIRMAN: David Marguleas, *Sun World International, LLC***

**VICE CHAIRMAN:**

Marko S. Zaninovich, *Marko Zaninovich, Inc.*

Steve Martins, *United Wholesale Lumber Co.*

Louis Pandol, *Pandol Bros., Inc.*

Cliff Sadoian, *Z & S Fresh, Inc.*

**COMMITTEE MEMBERS:**

Nicholas Bozick, *R. Bagdasarian, Inc.*

Jim Simonian, *Simonian Fruit Company*

Anton Caratan, *Anton Caratan & Son*

John D. Zaninovich, *Merritt Farms*

Verne Crookshanks, *Venida Packing, Inc.*

Jon P. Zaninovich, *Jasmine Vineyards, Inc.*

Jerry DiBuduo, *Ballantine Produce Co., Inc.*

Ken Enns, *Enns Packing Co., Inc.*

Tony Fazio, *Tri-Boro Fruit Co., Inc.*

Jason George, *George Bros., Inc.*

Steve Hash, *Steve Hash Farms*

### BYLAWS

A Sub-Committee was created by the Membership Committee for the purpose to evaluate the League's By-laws. The evaluation was also to ensure that the dues and assessment structure would result in a continued sustainable financial future given the consolidation that has taken place in the tree fruit industry. The Sub-Committee reviewed trends among assessment paying members and found that shipping fees from "max shippers" accounted for an average of 55 to 67 percent of the League's total shipping assessment income during the past five years.

### NEW MEMBERS

The Membership Committee kept a steady pace to recruit new League members and communicate to current members about the many benefits associated with membership. The committee reported that the number of new members surpassed the total number of membership resignations and terminations. Overall, income received from membership dues exceeded the budgeted amount for the 2008/09 fiscal year. New Members:

Family Tree Farms (Reedley, CA)

SGS, LLC (Traver, CA)

B & W Refrigeration (Fresno, CA)

Pearson Realty (Fresno, CA)

Tahoe Food Technology, Inc. (Sparks, NV)

Jake J. Cesare & Sons, Inc. (Delano, CA)

Dayka and Hackett, LLC (Reedley, CA)

Surabian Packing Co., Inc. (Reedley, CA)

Arthur J. Gallagher & Co. (Fresno, CA)

CleanSource (Bakersfield, CA)

CCV Table Grape Pest and Disease Control District (Exeter, CA)

Brighton Distributing (Van Nuys, CA)

Arysta LifeScience North America, LLC (Cary, NC)

Western Shield Label Company (Rancho Dominguez, CA)

American Capital Energy, Inc. (Boston, MA)

The Peterson Family (Kingsburg, CA)

Val Print (Fresno, CA)

### OUTREACH

During the past year, the Membership Committee updated the outreach materials to include the new League logo and more accurately reflect the League's image as the primary public policy representative for the tree fruit and fresh grape communities.

### TRIAL GROWER MEMBERSHIP PROGRAM

Committee members took a creative approach to grow the League's membership base, particularly in the area of growers. As a result of this commitment, the committee recommended the Trial Grower Membership (TGM) program to the Board which was adopted in June 2008. The program made one-year "trial" memberships available at no cost to growers. TGMs were offered through League shipper and marketer members to present to their growers. Grower participation has long since been an area with growth opportunity which is tied to the League's history as a shipper organization.



**CHAIRMAN: Louis Pandol, Pandol Bros., Inc.**

**FIRST VICE CHAIR:**

Wayne Brandt, *Brandt Farms, Inc.*

**SECOND VICE CHAIR:**

Jon P. Zaninovich, *Jasmine Vineyards, Inc.*

**COMMITTEE MEMBERS:**

John Atwood, *Calpine Containers, Inc.*

Anthony Balakian, *Fruit Patch, Inc.*

Scott Boyajian, *Marko Zaninovich, Inc.*

Nicholas Bozick, *R. Bagdasarian, Inc.*

Dave Bryan, *Pandol Bros., Inc.*

Jim Bryan, *Jasmine Vineyards, Inc.*

Chris Caratan, *M. Caratan, Inc.*

George Caratan, *Anton Caratan & Son*

Robert Corsaro, *Giumarra Vineyards Corporation*

Stan Cosart, *W.F. Cosart Packing Co.*

Edge Dostal, *Chiquita Fresh North America*

John Forry, *Fruit Patch, Inc.*

Ron Frauenheim, *Frauenheim Farms*

Randy Giumarra, *Giumarra Vineyards Corporation*

Mark Hirni, *Rast Produce Company, Inc.*

Robert Ikemiya, *Ito Packing Company, Inc.*

Steven Karlsrud, *SMK Packaging*

Steve Martins, *United Wholesale Lumber Co.*

Kathleen Nave, *California Table Grape Commission*

Pete Parson, *Stevco, Inc.*

Doug Phillips, *Phillips Farms Marketing*

Pat Ricchiuti, *P-R Farms, Inc.*

David Sarabian, *Sarabian Farms*

John D. Zaninovich, *Merritt Farms*

### CODEX GRAPE STANDARDS

On behalf of the Standardization & Packaging Committee, the League supported domestic and international maturity standards for fresh grapes after the European Union proposed an amendment to the Codex Standard for table grapes. The request was formally made through the Codex Committee on Fresh Fruits and Vegetables. The League strongly urged the US Department of Agriculture's Agricultural Marketing Service (USDA/AMS) to oppose this proposal as this agency has the responsibility to represent the United State's interests through the Codex Committee.

### GRAPE SHATTER ALLOWANCE PROPOSAL

The League strongly advocated on behalf of the fresh grape community in support of the USDA proposal for the creation of a five percent allowance of grape shatter in bags or clamshells at the point of destination. The proposal was subsequently withdrawn in mid-2009 by USDA but the League will continue to seek a fair resolution to the issue of grape shatter.

### GSI DATABAR

The League worked with Produce Marketing Association to encourage the development of guidance for the fresh grape and tree fruit industries on item level marking. The guidance issued for the fresh grape industry was specific to item level marking for bags and clamshells and was centered on the use of the UPC-A barcode. For the tree fruit industry, guidance was issued to clarify that at the individual item level the GSI databar could the current PLU labeling.

### INDUSTRY WORKSHOP

Timely updates related to food safety, transportation and US grade standards were provided to League members during the Fresh Fruit Inspection Workshop which was coordinated by the Standardization & Packaging Committee and held on April 17, 2008 in Visalia. Speakers included: Dr. David Gombas, Sr. Vice President of Food Safety and Technology with United Fresh Produce Association, Anthony Souza, USDA Federal Program Manager, and Luke Gowdy the Sales Account Manager with C.H. Robinson Worldwide, Inc.

### INTERNATIONAL TREE FRUIT STANDARDS

The League worked to maintain the state's commodity standards for peaches and nectarines after an international standard was proposed by the United Nations Economic Commission for Europe (UNECE). The proposal would define quality requirements for peaches and nectarines at the export control stage following preparation and packaging. Working in concert with USDA/AMS, the League focused on the importance of maintaining the stone fruit marketing order standards within international standards.

## TRAFFIC



**CHAIRMAN:** Dave Bryan, *Pandol Bros., Inc.*

**COMMITTEE MEMBERS:**

David Berg, *David H. Berg & Co., Inc.*  
Jim Bryan, *Jasmine Vineyards, Inc.*  
Luke Gowdy, *C.H. Robinson Worldwide, Inc.*  
Drew Johns, *Marko Zaninovich, Inc.*  
William Johnson, *Johnson Orchards, Inc.*  
Michael Little, *V.B. Zaninovich & Sons, Inc.*  
Tina McAndrews, *Ballantine Produce Co., Inc.*  
Kris Mortensen, *Ballantine Produce Co., Inc.*  
John Rast, *Rast Produce Company, Inc.*  
Janice Simmons, *Sensitech, Inc.*  
John Sullivan, *Maersk Sealand*

### STRATEGIC PARTNERSHIP

The strategic partnership between the League and C.H. Robinson Worldwide, Inc., continued to provide important benefits to members who use the services of the leading third party logistics provider to secure their transportation needs. It was the first full season for the program during 2008 as the partnership kicked off in mid-2007. C.H. Robinson has made weekly transportation reports available to League members which provided a snapshot of the market conditions and pricing trends.

In wrapping up the 2008 season and in preparation for the 2009 season, C.H. Robinson continues to look for ways to maximize the service League members receive. Some of their efforts include:

- Expansion of grower/shipper partnerships with a commodity specific sales focus
- Continued focus on regional freight opportunities and expansion of modal diversity
- Enhancement of the CHR “Green” initiative
  - ◊ Modal diversity
  - ◊ Carbon emissions tracking
- Enhance reporting to shippers participating in program



## HEALTH BENEFITS TRUST



**CHAIRMAN:** George Caratan, *Anton Caratan & Son*

**TRUSTEES:**

Jim Bates, *Fowler Packing Company, Inc.*  
John Colbert, *Greenleaf Farms, Inc.*  
Phil Herbig, *Enns Packing, Co., Inc.*  
David Jackson, *Family Tree Farms*

Under the League’s Health Benefits Trust, a basic employee health plan designed for farm workers continues to be made available exclusively to League members. The California Grape & Tree Fruit League Health Benefits Trust (HBT) was created between the League, acting as the Trustor, and the Trustees in 1977. The health plan is administered by Pan American Insurance Agency with a program secured through United Agricultural Benefits Trust (UABT). Given the strong financial position of the League’s Health Benefit Trust, the rates offered through Pan American continued to be competitive. The new rates that took affect January 1, 2009 based the increase on the company’s loss history by using a weighted average which applied to medical and prescription costs. There were a total of 15 organizations participating in 2008.



**CHAIRMAN:** Robert Ikemiya, *Ito Packing Company, Inc.*  
**VICE CHAIRMAN:** Stan Tufts, *Tufts Ranch LLC*  
**SECRETARY:** David Marguleas, *Sun World International, LLC*

Micky George, *George Bros., Inc.*  
 David Jackson, *Family Tree Farms*  
 Herbert Kaprielian, *KCC Holding, LLC*  
 Louis Pandol, *Pandol Bros., Inc.*  
 Cliff Sadoian, *Z&S Fresh, Inc.*  
 John D. Zaninovich, *Merritt Farms*

During the 2008 calendar year, FruitPAC successfully raised approximately \$12,500 through the Annual Meeting Raffle, nearly \$14,000 through the Harvest Event, and netted roughly \$25,000 through the Positive Check-Off program which resulted in FruitPAC surpassing the \$50,000 annual fundraising goal. The 29<sup>th</sup> Annual FruitPAC Harvest Event was held on October 17 featuring a Reverse Raffle Drawing at The Vintage Press in Visalia. The Annual Meeting Raffle was held in conjunction with the 73<sup>rd</sup> Annual Meeting in San Diego on March 23, 2009.





From left: FruitPAC Chairman Robert Ikemiya, Former Assemblymember Nicole Parra and League President Barry Bedwell pictured at the 2008 Harvest Event where Ms. Parra was honored for her service to the agricultural community during while serving in office.



Pictured left, and middle: Doug and Caralee Phillips (Phillips Farms Marketing) split the \$5,000 Grand Prize with Monte Peckinpah (Valent USA Corporation), who was represented by George Zaninovich (Vincent V. Zaninovich & Sons), pictured at right.

## CGTFL FruitPAC Contributions

2008 Contributions	Federal	State
	<b>Total Federal Contributions:</b> \$10,500	<b>Total State Contributions</b> \$26,000
<b>Democrats</b>	\$2,000.00	\$6,500.00
	20%	31%
<b>Republican</b>	\$8,000.00	\$14,500.00
	80%	69%

# LEGISLATIVE REVIEW



## Environmental Resources – State Bills

AB 2760 – Oppose

*Asm. Mark Leno (D-San Francisco):* Establishes treatment methods for Light Brown Apple Moth (LBAM).

AB 2763 – Support

*Asm. John Laird (D-Santa Cruz):* Analysis of pest threats. This bill pertained to LBAM issues and created additional requirements for California Department of Food & Agriculture in dealing with invasive pests.

AB 2892 – Oppose

*Asm. Sandre Swanson, (D-Oakland):* Would have required voter approval to perform aerial applications.

AB 844 – Support

*Tom Berryhill (R-Modesto):* This created new requirements for metal recyclers and increases penalties to help reduce rural metal theft.

AB 2764 – Oppose

*Asm. Loni Hancock (D-Berkeley):* Emergency declaration requirement for aerial pesticide applications.

SCR 87 – Oppose

*Sen. Carol Migden (D-San Francisco):* Aerial application moratorium of pheromone treatments.

SB 1436 – Support

*Sen. Denise Ducheny (D-San Diego):* Permanently extend provisions of the California Endangered Species Act.

AB 877 – Support

*Asm. Nicole Parra (D-Hanford):* Economic impact study of water supply reductions in the San Joaquin Valley.

AB 2342 – Support

*Asm. Nicole Parra (D-Hanford):* Establishes California Partnership for the San Joaquin Valley.

AB 541 – Oppose

*Asm. Jared Huffman (D-San Rafael):* Crop sampling and testing to determine contract breach.

AB 2175 – Oppose

*Asm. John Laird (D-Santa Cruz):* Water conservation targets for urban and agricultural water use.

## Labor – State Bills

AB 2716 – Oppose

*Asm. Fiona Ma (D-San Francisco):* Paid sick leave for employees.

SB 1539 – Support

*Sen. Charles Calderon (D-Montebello):* Meal periods flexibility.

AB 2076 – Support

*Asm. Fuentes (D-Sylmar):* Prohibits the state, as an employer, from participating in any electronic employment verification system, unless otherwise required by federal law.

# LEAGUE POSITIONS

## Marketing – State Bill

SB 1576 – Oppose

*Sen. Dean Florez (D-Shafter):* This bill was signed into law and requires all retailers of beef, lamb, pork, chicken, fish and perishable agricultural products to identify country of origin at the point of sale. Violators are subject to a fine if not corrected within a specific time frame.

## Traffic – State Bill

SB 974 – Oppose

*Sen. Sandra Lowenthal (D-Long Beach):* This bill was vetoed and would have imposed a \$60 container fee on goods moving through California ports. The fee would go to regional air quality and transportation needs but did not include the San Joaquin Valley.



## Environmental Resources – Federal Bills

HR 2421 – Oppose

*Rep. Jim Oberstar (D-MN):* Unreasonably extend the federal Clean Water Act authority.

HR 2419/HR 6124 – Support

*Rep. Collin Peterson (D-MN):* Farm Bill.

HR 5577 – Oppose

*Rep. Bennie Thompson (D-MS):* Amends the Homeland Security Act of 2002.

S. 3036 – Oppose

*Sen. Barbara Boxer (D-CA):* Nationwide greenhouse emission reduction program.

## Labor – Federal Bills

HR 2831 – Oppose

*Rep. George Miller (D-CA):* Opens statute of limitations on cases of wage discrimination.

HR 5515 – Oppose

*Rep. Sam Johnson (R-TX):* require employers to verify employee identification and employment eligibility under the Electronic Employment Verification System (EEVS) or the Secure Employment Eligibility Verification System (SEEVs).



*From left: League President Barry Bedwell is pictured with former Congressman Charlie Stenholm and his wife Cynthia. Also pictured at the far right is Ray Prewett, President of Texas Citrus Mutual.*



*The following information serves as an overview to the coalition and group efforts that the California Grape & Tree Fruit League participated in for the 2008/09 fiscal year.*

**Name: Air Coalition Team (ACT)**

Purpose: To act as a legal intervener on behalf of agriculture in air quality litigation.

Members: California Cotton Ginners and Growers Association; California Citrus Mutual; California Grape & Tree Fruit League; Nisei Farmers League; Western Plant Health Association; JG Boswell Company; California Strawberry Commission; California Rice Commission; Fresno County Farm Bureau; Madera County Farm Bureau; Tulare County Farm Bureau; Kern County Farm Bureau; Merced County Farm Bureau; and Stanislaus County Farm Bureau.

*Annual Contribution: \$5,000 to \$10,000 (depending on level of legal activity).*

**Name: Alliance for Food and Farming (AFF)**

Purpose: Works in the areas of public relations, messaging and outreach related to food safety and pesticide use.

Members: California Farm Bureau Federation; California Grape & Tree Fruit League; Western Growers Association; Ag Issues Forum; California Dried Plum Board; California Fig Advisory Board; California Carrot Advisory Board; California Pear Advisory Board; California Plant Health Association; California Strawberry Commission; California Table Grape Commission; California Tree Fruit Agreement; California Association of Pest Control Advisors; Produce Marketing Association; and approximately 20 other private companies.

*Annual Contribution: \$5,000 to \$8,000 (based upon direct solicitation from League members).*

**Name: Crop Protection Coalition (CPC)**

Purpose: Coalition of national, regional and local agricultural organizations seeking to obtain critical use exemptions for Methyl Bromide, as well as, funding for alternatives research. Members: Florida Nursery, Growers & Landscape Association; Georgia Fruit and Vegetable Growers Association; American Farm Bureau Federation; Florida Farm Bureau; Produce Marketing Association; Western Growers Association; California Farm Bureau Federation; California Grape & Tree Fruit League; Florida Fruit & Vegetable Association; Florida Tomato Exchange; and Northwest Horticultural Council.

*Annual Contribution: \$3,000.*

**Name: Minor Crop Farmer Alliance (MCFA)**

Purpose: An alliance of agricultural organizations dedicated to addressing pesticide registrations.

Members: American Farm Bureau Federation; American Nursery & Landscape Association; Almond Board of California; California Citrus Quality Council; California Grape & Tree Fruit League; California Dried Plum Board; California Tree Fruit Agreement; Cherry Marketing Institute, Inc.; Florida Fruit & Vegetable Association; Florida Tomato Exchange; Michigan Vegetable Council; National Council of Farmer Cooperatives; National Potato Council; Northwest Horticultural Council; Produce Marketing Association; United Fresh Produce Association; US Apple Association; and Western Growers Association.

*Annual Contribution: \$5,000.*

**Name: Specialty Crop Farm Bill Alliance (SCFBA)**

Purpose: A broad alliance with the purpose of influencing the scope and efficiency of national agricultural policy.

Members: American Mushroom Institute; American Nursery and Landscape Association; Cherry Marketing Institute; National Onion Association; National Potato Council; Produce Marketing Association; Winegrape Growers of America; Blue Diamond Growers; California Association of Winegrape Growers; California Citrus Mutual; California Dried Plum Board; California Fig Institute; California Grape & Tree Fruit League; California Strawberry Commission; California Table Grape Commission; California Tree Fruit Agreement; Western Growers Association; Western Pistachio Association; Wine Institute; Florida Citrus Mutual; Florida Fruit and Vegetable Association; Florida Tomato Exchange; Georgia Fruit and Vegetable Growers Association; Georgia Watermelon Association; Idaho Grower Shippers Association; Minnesota Grape Growers Association; Missouri-Arkansas Watermelon Association; North Carolina Potato Association; Fruit Growers Marketing Association; Oregon Raspberry & Blackberry Commission; South Carolina Watermelon Association; Texas Citrus Mutual; Texas Produce Association; Virginia Wineries Association; Northwest Horticultural Council; Washington Apple Commission; and Wyoming Grape & Wine Association.

*Annual Contribution: \$2,500 (none expected in FY 2009/10).*

**Name: Agricultural Coalition for Immigration Reform (ACIR)**

Purpose: To serve as a lead advocate seeking legislative reform addressing the short and long-term labor needs of the nation's agricultural interests.

Members: Allied Grape Growers; American Frozen Foods Institute; American Mushroom Institute; American Nursery & Landscape Association; Council of Northeast Farmer Cooperatives; Dairy Farmers of America; Far West Equipment Dealers Association; Irrigation Association; National Association of State Departments of Agriculture; National Christmas Tree Association; National Cotton Ginners Association; National Council of Agricultural Employers; National Council of Farmer Cooperatives; National Farmers Union; National Milk Producers Federation; National Watermelon Association; New England Apple Council; Nisei Farmers League; Northwest Horticultural Council; Produce Marketing Association; Raisin Bargaining Association; Society of American Florists; United Agribusiness League; United Fresh Produce Association; US Apple Association; Western Growers Association; Western Plant Health Association; Western United Dairymen; Wine America; Wine Institute; Agricultural Council of California; Alabama Nursery & Landscape Association; Blue Diamond Growers; California Apple Commission; California Association of Winegrape Growers; California Citrus Mutual; California Farm Bureau Federation; California Fig Institute; California Grain and Feed Association; California Grape & Tree Fruit League; California League of Food Processors; California Pear Growers Association; California Strawberry Commission; Ventura County Agricultural Association; Connecticut Nursery & Landscape Association; Florida Citrus Mutual; Florida Fruit and Vegetable Association; Georgia Watermelon Association; Idaho Grower Shippers Association; Illinois Landscape Contractors Association; Iowa Nursery and Landscape Association; Kentucky Nursery & Landscape Association; Dairy Producers of New Mexico; New York Apple Association; North Carolina Farm Bureau Federation; Ohio Fruit Growers Society; Oregon Wine Board; South Carolina Greenhouse Growers Association; Texas Cotton Ginners Association; Virginia Nursery and Landscape Association; Washington Association of Winegrape Growers; and Wisconsin Sod Producers Association.

*Annual Contribution: \$10,000.*

**Name: Invasive Species Coalition (ISC)**

Purpose: This coalition is a successor to the Exotic Fruit Fly Coalition which was formed in the early 1990's in response to the Med fly crisis in Southern California. The ISC was reformed in 2008 in connection with the challenges of Light Brown Apple Moth (LBAM) and is designed to provide professional public relations response and outreach program in dealing with invasive plants and pests coming into California. The president of the California Grape & Tree Fruit League serves as co-chair.

Members: Agricultural Council of California; California Ag Issues Forum (commissions and marketing orders group); California Association of Winegrape Growers; California Certified Organic Farmers; California Citrus Mutual; California Citrus Research Board; California Grape & Tree Fruit League; California Farm Bureau Federation; California Table Grape Commission; California Pear Board; Western Growers; Wine Institute; California Tree Fruit Agreement; California Association of Nurseries and Garden Centers; and California Grain and Feed Association.

*Annual Contribution: \$5,000.*

**Name: Coalition Against Card Check**

Purpose: This coalition was originally formed under the leadership of the League to fight SB 180 (card check) in 2007 and then AB 2386 (modified card check and absentee ballot) in 2008. Members:

Agricultural Council of California; Allied Grape Growers; California Association of Winegrape Growers; California Chamber of Commerce; California Citrus Mutual; California Dairies, Inc.; California Farm Bureau Federation; Grower Shipper Association of Central California; California Grain and Feed Association; California Grape & Tree Fruit League; California Pear Growers Association; California Seed Association; California Women for Agriculture; Grower Shipper Association of Santa Barbara and San Luis Obispo Counties; Family Winemakers of California; Nisei Farms League; Ventura County Agricultural Association; California Farm Bureau Federation; Western United Dairymen; Western Growers Association; Wine Institute; and California Grain and Feed Association.

*Annual Contribution: \$850 (2008).*



73<sup>RD</sup> ANNUAL MEETING

More than 175 guests attended the 73rd Annual Meeting at the Rancho Bernardo Inn located in San Diego and hosted by Board Chairman John D. Zaninovich (Merritt Farms). Chairman Zaninovich kicked off the Annual Meeting on Sunday, March 22 during the Chairman’s Reception. On Monday, March 23 the League hosted two industry workshop sessions, the first of which featured Jim Prevor, a widely recognized leader in assessing the state of the perishable food industry, who discussed sustainability. Harold McClarty, Board member, principal at HMC Farms and fourth-generation grower, started off the second session with background information about the costs involved in bringing tree fruit to market. Then Bruce Peterson explained the difference between farm gate and retail pricing. Peterson is most known for his former position as the Senior Vice President and General Merchandise Manager of Perishables for Wal-Mart Stores, Inc., where he worked for more than 15 years. Mr. Peterson and Mr. McClarty, each produce industry veterans, drew on their experience from opposite sides of the production scale to provide a candid look at fresh produce pricing and the difference between what is paid at the grower/shipper level versus the price per pound at the retail store.



*Top Left:* League President Barry Bedwell is pictured with Board Chairman John D. Zaninovich of **Merritt Farms** at the 73<sup>rd</sup> Annual Meeting. *Top Center:* Director David Jackson of **Family Tree Farms** was the lucky winner of a red Cruiser Bicycle. Mr. Jackson purchased a FruitPAC Raffle ticket and he was one of many League members who supported FruitPAC by purchasing a raffle ticket. *Top Right:* Galen Van Aalsburg of **PPS Packaging Company** was named as the Supplier of the Year by Suppliers Committee Chairman John Atwood of **Specialty Bags, Inc.** during the Suppliers Party on Monday, March 24. Galen is pictured with his wife, Mary, and their children, Brett, Jordon and Lisa. *Bottom Center:* Pictured is one of the Tractor Safety Seminars that was held at Reedley College this past year.

TRACTOR SAFETY SEMINARS

The League, as part of a coalition of agricultural organizations, sponsored a series of tractor safety ‘train-the-trainer’ seminars throughout the San Joaquin Valley and Southern California that began in late January 2009. Ten seminars were held at various locations where the classes covered the most recent regulatory requirements, safety training principles, and provided hands-on equipment operation and maintenance overview. Participants received training materials as a simple – yet complete – resource for company trainers’ and/or field supervisors to use when performing instruction for on-site crews.



## CANADIAN MARKETPLACE SEMINARS

The League co-sponsored two workshops in January 2009 to provide the most up-to-date and relevant information related to the Canadian marketplace. The workshop sessions were sponsored by the California Grape & Tree Fruit League in partnership with Western Growers Association, the Grower-Shipper Association of Central California, California Citrus Mutual and the Canadian Produce Marketing Association.

## FORKLIFT "TRAIN THE TRAINER" WORKSHOPS

The California Grape & Tree Fruit League partnered with the California Cotton Ginners & Growers Associations, California Citrus Mutual, Nisei Farmers League, Almond Hullers and Processors Association and JM Equipment Co., Inc. to conduct a series of classroom and hands-on safety training workshops for supervisors and trainers responsible for forklift and front-end loader operations. A total of six workshops were held in different San Joaquin Valley locations throughout April 2008.



*The League co-sponsored one of six Forklift "Train the Trainer" sessions in the San Joaquin Valley in April 2008.*

## HEAT STRESS SEMINAR FOR FLCs

The California Grape & Tree Fruit League joined with other agricultural organizations and California's Division of Occupational Safety and Health (Cal/OSHA) to sponsor a training seminar titled "Heat Stress Prevention in Agriculture" designed specifically for the farm labor contractor (FLC) audience to educate them on the dangers of heat-related injuries and how heat injuries can be prevented. The goal of the seminar was to ensure that all FLCs understand heat stress regulations and the importance of properly trained crew leaders. Thirteen seminars were held in July and August 2008. Later that season the League partnered with California Citrus Mutual and Western Growers Association to offer three timely heat illness seminars throughout the Central Valley in June 2008.



*This vineyard is an excellent example of natural shade in a fresh grape vineyard located in Delano.*



*League Trade Director Marcy Martin is shown speaking with Brian Richardson of Garry Richardson Farms and James Christie of Bryant Christie, Inc. following the January 2009 Mexico Stone Fruit Export Program meeting in Tulare.*

## STONE FRUIT MEXICO EXPORT PROGRAM

Nearly 100 industry members attended the 2009 Stone Fruit Mexico Export Program meeting on January 20 at the Tulare County Agricultural Commissioner's office. Ty Hafner with the Fresno County Department of Agriculture, and Dr. Richard Rice of the UC Kearney Agricultural Center, provided the participants with a review of the work plan requirements. This program relies on the cooperation of industry participants, local County Agricultural Commissioners' offices, USDA Animal Plant Health Inspection Service representatives and the California Department of Food & Agriculture.

## League staff

Barry Bedwell, *President*

Gabrielle Kirkland, *Director of Membership*

Marcy Martin, *Director of Trade*

Christopher Valadez, *Director of Environmental & Regulatory Affairs*

Jaclyn Pack, *Office Coordinator*

Vicky Jones, *Bookkeeper*

Missy Fiske, *Bookkeeper\**

*\*Ms. Fiske retired June 10, 2009 after working at the League for nearly 25 years.*



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*“There in lies one of the strengths of the League –  
the process of the standing committees,  
Executive Committee and Board of Directors.*

*It is here, where discussion of the issues of the day takes place – and occasionally a  
very lively debate – to formulate our position, stance or response. Sometimes the  
outcome isn’t exactly what you would have liked but that doesn’t mean you give up  
on the concept of the League.”*

John D. Zaninovich  
Merritt Farms  
Chairman of the Board, 2008/09 FY



**CGTFL**



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