

# Rice For The World

Conference Focuses On Building Markets To Support Rice Industry

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Recently, USA Rice Federation hosted its annual USA Rice Outlook Conference, which brings together rice farmers and others to discuss issues critical to the U.S. rice industry. More than 700 attendees – mostly rice producers from the six-major rice-growing states of Arkansas, California, Louisiana, Mississippi, Missouri and Texas – gathered for the event, which included a wide-ranging educational program with sessions on topics including sustainability, international and domestic rice market prospects, and the upcoming farm bill.

Paul “Jackie” Loewer, a rice producer from Branch, La., is Chairman of USA Rice Federation. Loewer, a third-generation farmer, works with a brother and his son, growing 1,400 acres of rice and 1,500 acres of soybeans. Loewer served as past chairman of the Louisiana Rice Producers’ Group and has been active in parish, state and national rice-producing organizations for several years.

During the USA Rice Outlook Conference, Loewer observed that the people in the industry really care about the industry and want to advance it. Although Loewer was not a speaker during the meeting, he opened the conference and introduced the program.

Near the top of the list of concerns for rice farmers during the meeting was the next farm bill.

Betsy Ward, President and CEO of the USA Rice Federation, said a farm bill panel discussion held during the conference focused on potential options for the 2012 Farm Bill. Ward said given the budget deficit and the situation in Congress, rice farmers are concerned about the outlook for farm programs.

“We heard from an economist who was bullish about commodity prices over the next couple of years, which is a positive,” Ward said. “Then there was a presentation on rice’s sustainability; also the economic impact study conducted by Joe Outlaw at Texas A & M University, which outlines the economic benefits for the rice industry in all the six states and nationally. This is an important piece of our work going forward in the farm bill. It demonstrates how critical it is to keep rice producers farming.”

One issue that got attention was the trade outlook for rice. U.S. rice exports rose quite a bit in 2010, and Mexico continues to be the number one rice export market.

“We have a very robust program in Mexico, and we keep seeing gains in that market,” Ward continued. “We also discussed other key markets around the globe and what the issues and barriers are. There’s obviously some hope now that maybe there will be a Korean Free Trade Agreement; we don’t benefit from that in the rice industry, but it may garner some momentum for trade with the other countries such as Columbia and Panama. So there was some optimism in that sense.”

One negative, unfortunately, given the new makeup in Congress, is the lack of momentum to pass wholesale legislation to open trade with Cuba.

“Some in congressional leadership oppose the effort to open the Cuban market, so that is not likely to come up this year,” Ward said. “However, we will continue to plug away on that and maybe we can get some changes around the margins in terms of how exports are funded, or the cash payment in advance stipulation will be changed; but the wholesale open travel to Cuba may be unlikely in the next two years.”

In a six-state producer meeting, the main topic was the 2012 Farm Bill and what is

needed to get the industry ready. Presently, there’s a huge challenge just to educate more than 90 new members of Congress and some new senators on the rice industry and why the farm bill is so important to rice farmers.

“We’re facing folks who were elected because they’re fiscally conservative and tea party candidates, so they’re going to be looking to cut programs,” she noted. “So we, as an industry I believe, need to be united as we go forward; we need to put aside any of the differences there may be in the industry and work together because this is our livelihood and it means everything to our membership.”

With that new political layout, there are con-



Paul “Jackie” Loewer (left) Chairman of USA Rice Federation and Betsy Ward, President and CEO of the USA Rice Federation, were on hand at the USA Rice Outlook Conference recently to discuss issues critical to the U.S. rice industry.

gressional members who don’t understand rice industry issues.

“That’s why I think it’s important that we show the economic benefits of the rice industry, not just in the rice states but nationally; and how important we are to this economy,” Ward stressed. “We just need to be armed with facts and we need to do a lot of education and that’s the big challenge ahead for us.”

While Mexico has been the top export country, the rice industry had some sales to Iraq this year. Sales to the Far East are actually going fairly well. In addition, a lot of rice has been going to Venezuela.

“There was a gentleman at the conference who’s a buyer and seller for Venezuela; he said that’s going to continue so that’s a positive,” she said. “Canada is still a great market for us too. It’s not so positive in Europe though. We still face the barriers to market access due to the GE rice problems that started in 2006.”

With many pressing issues confronting the U.S. rice industry, the USA Rice Outlook Conference provides an excellent opportunity for farmers to get an update on promotional, legislative and regulatory, trade and research developments each year.

The conference location is rotated throughout the six rice-producing states. Next year it will be held in Austin, Texas. And while the program is geared toward producers, what is important to producers is important to the rest of the industry – the suppliers, the brokers, the merchants, the millers, the end users, and all who work with such a big network.

Ward said she feels privileged to work for the rice industry and USA Rice.

“All of the members who serve on our committees are volunteers and they really work hard. Some of these folks were presenters and we appreciate the support that they give us; and the guidance that we get from our growers and others in the industry who help us focus on what we should be doing. That is what we are here for, to help them. It’s very gratifying.”

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