

USRPA Encourages Good Nutrition While Promoting U.S. Rice Around The World

Part 2 of 2

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Editor's Note: In the February 13, 2009 issue an indepth interview with Thomas Wynn, director of market development for the US Rice Producers Association addressed their marketing programs in Central America.

In this issue we are reporting on their programs



Thomas Wynn, Director of Market Development for the US Rice Producers Association discusses The School Nutrition Programs in Mexico and Central America, now in its fifth year. Photo by John LaRose

in Mexico, South America and Emerging Markets. "In Mexico, it is very much the same. We have a School Nutrition Training Program in place in Mexico. It's active in five states, all in the south and all in the poorer regions of the nation. It is modeled very closely after the Central American program. We're trying to leverage some of the successes and lessons learned in that region and take it into some other areas.

"Also in Mexico, we have what we call the Maspormenos, it translates into More For Less," he said. "It is a program where we go out and do community training work, again with the poorer groups, to teach them how to prepare rice economically, using local ingredients, and local methods. Often the preparation is over a wood fire, a piece of tin, cinder blocks, very rudimentary cooking methods, and we feel it is important to make sure that the women can prepare food using tools that they have at hand."

This program focuses on the different community gatherings where women meet, in an effort to reach all the women in the community who make the household buying decisions. Most of the little communities have a weekly meeting or daily meeting where they'll communally wash clothes or prepare food. There are six teams in the Maspormenos program.

"In Mexico, I would say, we have touched cumulatively about 700,000 or 800,000 people," Wynn related.

Two other programs are underway in Mexico and the total numbers include these also. One is called Diconsa and the other is called Unkilodeayuda which translates into a kilo of help.

The Diconsa program is a program that focuses on the Diconsas stores, which is a governmental, social welfare type of a store. It's a store where people can take coupons and receive discounted commodities, discounted food.

"We work with the governmental organization to target communities who would most benefit by our programs," Wynn said. "We utilize their infrastructure to get in contact with the community leaders, to go in and conduct the programs, and then the Diconsas organization is helpful to us by providing point of sale data to evaluate the effectiveness in the communities where we have been.

"Unkilodeayuda is very similar," he added. "It is a non-governmental organization which also has been very helpful in working with us and coordinating where we would go next and it follows the same pattern of entering into the communities and teaching the people how to cook and prepare rice."

The programs are well accepted by the people, who often ask that a follow-up program be presented.

"They seem to understand the nutritional, economic and health benefits of eating rice as opposed to some of the other fast foods," Wynn said. "We have identified many competitors in that market, noodles, like the Ramen noodles you can buy in the store; but they don't really have the health, nutritional benefits associated with them that rice does, so that's been one of our powerful selling points."

South America Programs

South America has not been a major importer of U.S. rice in recent years as a whole. Back in 1998 Brazil was one of the major importers of U.S. rice but since then they are not importing that much. Brazil has the highest per capita consumption rate, 96 kilos per capita annually compared to 15 kilos in U.S.

"We do have a program that encompasses the entirety of South America which allows us to go down and conduct market research in different countries to determine what might or might not be a potential market and different methods that we could use to target that," Wynn said. "This coming year we have two new programs in the South American region, both of which are school nutrition programs patterned very closely after the successful one in Central America. What sets these two in South America aside and above the other programs is that they were actually requested by the countries themselves. The rice industries in each country is very enthusiastic about having us there. They are looking forward to working with us to conduct these

programs. Pending receipt of funding from the U.S. government, we anticipate conducting them in both Columbia and Peru. The embassy staff in the countries, as well as the local trade, are very supportive. Again these programs will be focused on schools and will be promoting non-branded rice as a commodity."

South America is a very large rice producing

and rice consuming country. Most of the time, Brazil is self-sufficient and in the years they are not they do import heavily from Paraguay and Uruguay who are also major rice growers. The Columbians have a very strong rice industry as well as a very high per-capita consumption rate. The Peruvians have historically brought in a lot of Asian rice, and that is a market US Rice Producers would like to capture. In fact, the goal of US Rice Producers is to replace some of the Asian rice.

"While the program is the same for both Columbia and Peru, the proposed strategies are slightly different for each country," Wynn said. "In Columbia it is to increase U.S. rice exports to that country as a result of the recent free trade agreement. In Peru it is to carve out a place for U.S. rice and offset some of the Asian rice that is coming in there."

Goals, Benefits And Successes

Wynn said it's easy to measure the actual increases in rice consumption since these programs have begun, however, it's difficult to attribute any major increases to a particular program, action or other market dynamics.

"In the areas that we have been collecting data and conducting our program we have increased rice by as little as 6 percent to 8 percent in the higher consuming countries," he said. "It's difficult, once you reach a critical mass, to increase it much more. However in some of the other countries, for instance in Nicaragua and Honduras, we have seen increases of 30 percent and 40 percent in areas where we have been."

Wynn said the success rate in Central America is substantial.

"The last time I looked at the report, there was roughly a 10 percent to 12 percent a year increase in market growth there and so we feel we have been very successful in that market," he said.

In the last 10 years, Mexico has emerged as the largest importer of U.S. rice. Mexico imported 500,000-600,600 tons 10 years ago, now they're importing 800,000-900,000 tons, almost double.

Still Mexico's per-capita consumption is small. The country is still a corn and bean culture, especially in areas of the densest population.

The US Rice Producers is also working on an emerging markets program in China and hopes to move into Kazakhstan as well.

Dwight Roberts, president and CEO of US Rice Producers, commented about all the organization's programs:

"The bottom line is increasing exports of U.S. rice to these markets," he said. "However, of equal importance are the great humanitarian gestures to the people of those countries, to the school children. It builds good relationships and promotes a good image for the United States with these countries and we believe those two aspects, the humanitarian aspect and country to country relationship building, are equally as important as the other benefit of increasing U.S. exports."

Emerging Markets:

In China, USRPA is conducting an Emerging Markets Program for the first time this year. The goal was to determine the viability of the Chinese market for U.S. rice. The pilot program focused on putting packaged milled rice in supermarkets and a double-blind taste survey at the point of sale was conducted. Results were very positive, showing Chinese liked the taste of U.S. rice. However, most importantly, they really appreciated the food safety associated with U.S. products.

In recent weeks, USRPA did a follow up program, with the results were very much the same. USRPA is working with some supermarkets there to bring in some U.S. rice and working with them to evaluate the cost benefit of it.

USRPA represents the producer, and the organization feels that any rice of U.S. origin that leaves the country is a positive for the producers.

Some fido-sanitary concerns exist between the U.S. and Chinese governments and these hurdles need to be overcome, so the program is beginning with milled rice, then if interest develops in paddy rice efforts will be made to pursue that as well. Δ



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