

DECEMBER 2019

OREGON WHEAT

An Official Publication of the Oregon Wheat Industry

3

Reflections and Legacies

4

This CAT Isn't Warm and Fuzzy

6

Suspenders and Trade Deals

16

OWGL Members Reach Century Farm Status

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An Official Publication of the Oregon Wheat Industry



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IN THIS ISSUE

- 3 President's Half Acre
- 4 This CAT Isn't Warm and Fuzzy
- 6 Suspenders and Trade Deals
- 10 Oregon Wheat Photo Contest Recap
- 11 USW Video Team Focuses on Supply Chain and Soft White Wheat Seeding in Oregon
- 12 Drug Stores, Tariffs, and the Chance to Eat Crow
- 14 Control of Glyphosate-Resistant Russian Thistle in No-Till Fallow
- 16 2019 OWGL Members Reach Century Farm Status
- 17 Louis Carlson Memorial
- 18 Recipe: Whole Wheat Butterhorns

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Reflections and Legacies

It is October 30th and Shanna is anxiously waiting for my final president's article. Winter has arrived early as temps have been in the teens at night and freezing during the day. The lawn is full of leaves and I realize that another year on the farm is coming to a close. It's a time to reflect on our accomplishments of this year and plan for the next.

Looking back on my year as OWGL President, your organization has accomplished many things. On the national level, we got cover crops approved for summer fallow areas that were burned by wildfires and an APH yield substitute for those fire damaged areas. We also finally got RMA to allow cover crops on summer fallow without affecting the summer fallow yield. We effectively lobbied, with the help of Senators Merkley and Wyden and Representative Walden for a \$2 million appropriation for ARS-Pendleton to launch the Resilient Dryland Farming Initiative. We met with agency heads and staff of NRCS, FSA, RMA and USDA while in DC. Clint, Brent and I gave input on the new farm bill language and implementation at the fall, winter and spring NAWG meetings and through emails and conference calls.

On the state level, we were very involved in the fall out from the wildfires of the summer of 2018. We met with OR-OSHA several times and greatly influenced their decisions for farmers and fire safety training. I would like to acknowledge what a great team OR-OSHA put together and how good they were to work with. We also worked with Senator Hansell to help get the Good Samaritan Fire Bill passed. OWGL had the only ag voice on the Suppression Subcommittee of Governor Brown's Wildfire Response Council. Thank you, Blake, for taking the extra time to attend these meetings and represent us. We testified against bills to ban or severely restrict pesticides containing neonicotinoids and chlorpyrifos. We gave input on Cap and Trade, the Clean Diesel bill and the Corporate Activities Tax, which will impact our farms, grain handling co-ops, supply chains and exporters. Our lobbyist Amanda Dalton played a huge role in negotiating with legislators on the Paid Family and Medical Leave bill. Last, but not least, our board members attended many field days, meet and greet sessions

with trade teams, county grower meetings, the Tri-State Convention and Pacific Northwest Direct Seed Association Convention.

Looking forward I think the greatest challenge for the coming year will be what happens with the Cap and Trade bill. The Governor and Democratic Party leaders in the State Senate and House have made it very clear that this isn't going away and they are more determined than ever to get it passed. Meeting with legislators over the years, we have had many occasions when we were on different sides of an issue but were still able to converse and understand each other's point of view. However, when it came to Cap and Trade in 2019 it was made very clear to us that the bill's proponents were going to pass it and they didn't care what we thought and weren't open to compromise. It came as no surprise when the eleven Republican Senators left the state to stop the passage of this detrimental bill.

The ag community, with the help of the federal government, have done a lot to lower our carbon footprint, yet we are not given credit for our accomplishments. We will get taxed for our consumption of carbon in the form of higher fuel and crop input prices. The Cap and Trade costs will further diminish our ability to compete on a global basis and shift production into countries that produce similar commodities, but with a much larger carbon footprint. It will also reduce our ability to invest in new technologies that could help us make additional reductions to our carbon footprint. The net result will likely be an increase in carbon emissions at the global level. This is not just an Oregon issue, it's a world problem. The proponents need to be willing to work with farmers, give credit for what has already been done, is being done, and develop a program of incentives for additional investment instead of creating another tax on Oregon's farms and ranches.

While we reflect on the past year, we also need to remember that we are an industry made up of wonderful people who give a lifetime of service to their farms and communities. On October 21st the communities of Ione and Heppner along with the wheat industry lost a great man, Louis Carlson.

- Continued on page 4

- Continued from page 3

I knew Louie through his son Clint, our soon to be OWGL state president. Clint and I are AGR fraternity brothers and I met his dad at some of our dad's weekend events at OSU. Louis was very involved in county government and the wheat industry, including serving as president of OWGL in 1982. Through my years of farming I have heard Louis's name mentioned many times and always with respect and admiration.

I lost my dad ten years ago this December. It is hard on farm families when they lose a parent. We not only grow up on the farms with them, but we also learn to work alongside them as we grow up. Some of us stay on the farm as Clint and I did to partner up and work with them every day. We share the best of times and the worst of times with them. They lean on us, and we on them. Then they are gone. But they are never forgotten. Every time you turn around you see a project you worked on together. They are remembered when you have to do a chore they always did or see their hand writing in a parts book or on a field map or farm

document. The memories often come flooding back. You want to ask them their advice on something or just get a history lesson and you can't. There are constant reminders around the farm of your loss.

A friend of mine told me shortly after I lost my dad that "you never get over the loss, in time you just learn to live with it." How true I have found these words to be. To Clint, please know we are all here for you and your family. To Louis, we will never get over your leaving us but in time we will learn to live with it. You will not be forgotten.

I would like to thank all of you for allowing me to serve as your OWGL President this past year. It has been an honor and privilege. I know I am leaving it in good hands with Clint and Ben following me. I want to thank my son Nick who has had to step up to the plate to cover me while I was gone on OWGL business, or in the office writing these articles. I also want to thank my wife, Judy who has proof read too many of these articles and conceded to classifying OWGL trips as our vacation time.



This CAT Isn't Warm and Fuzzy

Blake Rowe, CEO, Oregon Wheat



As we roll towards 2020, wheat farmers, suppliers, handlers, exporters, seed dealers, and all other parts of the wheat industry need to brace themselves for the initial implementation of Oregon's new Corporate Activities Tax. The CAT, as it is known in acronym

land, was created by the 2019 Legislature through HB 3427 and is a tax "imposed on business for the privilege of doing business in Oregon" (DOR website). The initial bill, some 40 pages, was passed in mid-May and then, before the ink was even dry, amended and "fixed" by HB 2164, at the end of the session.

In broad terms, the CAT is intended to raise roughly \$2 billion in new revenue per biennium for education. It is a little different than the existing Oregon income taxes in that the CAT is levied on gross receipts generated from sales in Oregon. In spite of the "corporate" tag in its name, the tax targets commercial activity by all types of

business entities in Oregon. The CAT defines affected entities as "persons or unitary groups of persons includes C and S corporations, partnerships, sole proprietorships, and other business entity types". My simplistic illustration of a unitary group is a corporation that has multiple entities that report together for tax purposes. (For an accurate unitary group definition, I suggest readers call the Oregon Department of Revenue (DOR) or their accountant.)

The DOR is in the middle of a huge task to write the implementing rules for the CAT before it goes into effect on January 1, 2020. As part of that effort, they held a series of town hall meetings across Oregon in October to hear concerns and questions about how the tax will work. I attended an evening session in Portland, which I think followed the basic script for the town halls; DOR personnel gave an overview of how the CAT was intended to work and covered some basic questions they had heard at previous sessions and then threw it open for questions from the audience.

DOR will release draft "Temporary Rules" to be reviewed and filed by the end of this year. Our window to submit comments to those rules will be very narrow given time constraints. However, DOR will then open the comment period for adoption of "Permanent Rules"

which they plan to release in three phases – January, February and March – prioritizing those issue areas where they have heard immediate clarification is necessary (such as what is the definition of “agent”). These Permanent Rules will be finalized June 1, 2020. OWGL will be involved in every step of the process.

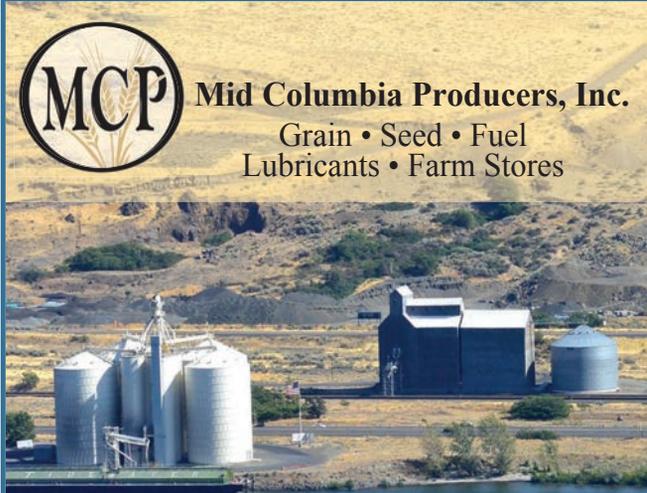
Here are some quick bullet points about the CAT, based on what we heard from DOR plus what comes from a quick review of the FAQ’s on the DOR’s CAT webpage:

- Commercial activity is defined as gross receipts originated in Oregon. Taxable commercial activity is commercial activity, less certain expenses apportioned to Oregon. A business can deduct either 35% of their labor cost or 35% of their cost of goods from commercial activity to get to taxable commercial activity.
- The CAT rate is \$250 per year plus 0.57% of the taxable commercial activity for a business.
- If you have Oregon commercial activity in a year in excess of \$750K, you must register for the CAT with the DOR. If you have OR commercial activity in excess of \$1 million you must file a CAT return.
- HB 2164 included provisions that exempted “Farmer sales to an agricultural cooperative in this state that is a cooperative organization described in section 1381 of the Internal Revenue Code”, from being included in commercial activity.
- The CAT is a calendar year tax; there is no provision for fiscal years.
- Quarterly estimated payments will be required on April 30 for Q1, July 31 for Q2, October 31 for Q3 and January 31 for Q4 of the preceding year. The tax return for the 2020 CAT will need to be filed by April 15, 2021.

Agricultural groups, including the League, had a follow-up meeting with the DOR rule-writing team in late October to drill down on how the CAT will apply to farms, ag processors and handlers, suppliers, etc. It was an intense session with lots of detailed questions that demonstrated the difficulty of applying the CAT in a consistent manner across the myriad of farm types, crops, market channels, and types of processing.

Amanda Dalton and I developed a list of wheat specific questions and concerns which we shared with the DOR at the meeting and then submitted to the DOR’s CAT website (cat.help.dor@oregon.gov). We focused on the following major points:

- Will DOR rules be completely clear that deliveries/sales by farmers to co-ops are excluded from the CAT?



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- We believe that the Legislature was clear that the CAT wasn’t intended to be levied on products sold “out of state”. With 90% of OR wheat headed for the export market, there is no rationale for including any farmer sales to grain handlers, regardless of whether they are organized as co-operatives.
- In addition, HB 3427 Section 58(6) defines organizations described in section 521 of the Internal Revenue Code as an “excluded person.” This designation appears to exempt all farmer’s cooperatives from the CAT. How does DOR interpret this section and how will they apply it?
- Grain sales from co-op handlers and other up-country elevators to exporters should be exempt from CAT regardless of whether the exporter is located in Oregon (Portland export terminals) or Washington (Vancouver, Kalama, Longview, or other out-of-state export terminals). The CAT should not penalize sales to Oregon export terminals while favoring non-Oregon export facilities.
- Individual bushels of wheat lose their identity in the transportation chain that moves wheat to the export

- Continued on page 6

- Continued from page 5

market. Farmer grain sales to a distributor (a grain handler for example) who exports the products (sells out of state) are exempt from the CAT, as long as the farmer can get a certificate from the distributor that the product is leaving the state.

- What if the ultimate destination of the grain at the time of sale to the distributor is unknown?
- If wheat is co-mingled with wheat from other farms and resold in bulk both in and out of the state by the distributor, can the distributor use averages (80% of volume went export for the year for example) as the basis of a certificates issued to farmers? There should be no requirement that individual bushels need to be tracked to their ultimate delivery point.
- What happens if the distributor refuses to provide a certificate to the farmer?
- Cost of goods sold is an accounting term that typically refers to calculating the direct cost of manufacturing products by companies that use accrual basis accounting. The determination of cost of goods sold can be more complicated for family farms who use cash basis accounting. The DOR rules

need to accommodate different accounting methods used by different sectors and clearly explain how farmers are to account for costs incurred to plant and grow a crop in one calendar year, when the sale of that crop is in a different calendar year.

Several of our agricultural coalition partners will be closely watching the rulemaking for clarification on the definition of “groceries”, which are exempt from the CAT, but only if they qualify as groceries under the definition used in the SNAP program. For example, raw broccoli sold from a grocery store shelf should qualify as a sale of groceries under the SNAP definition, but the sale of that same raw broccoli from the farm may not qualify. The ag coalition will likely ask legislators to exempt the sale of all food, from farm to table, from the CAT.

Looking forward, there isn’t much that we will need to do beyond closely tracking this process, submitting questions and comments, and studying the rules as they are issued by the DOR. A wild card will be the 2020 Legislative Session, which convenes right in the middle of this rulemaking process and is expected to consider another “fix” bill to the CAT. Accordingly, OWGL will continue to engage in both the regulatory and legislative conversations to ensure wheat interests are represented.



Suspenders and Trade Deals

Darren Padget

Author’s note: You might read the opening paragraph with the late Andy Rooney’s voice in your head.

You know how some things get more complicated over time? Just getting dressed for work takes a lot more time than it used to. When I was 25, you just threw on your jeans, grabbed your wallet and pocketknife, and were off to feed the world. Today, it takes a bit more time. I always carry a 4” crescent wrench, a Leatherman, plus a cell phone on my belt. Pretty soon you are loaded down with all this extra, essential stuff. Now the aging process and changes to the body kick in, maybe the stomach is a tad bigger than it used to be, maybe the backside has shrunk a bit, (old man’s butt as my wife would say), and with this additional baggage, gravity kicks in, and, well, we just don’t need to be having the moon out in the middle of the day. So, the next step? Suspenders of course! A great addition that complicates things further, but it’s better for society when I am in public. The same can

be said about trade deals and the complexities that are required to make them in this day and age. Bet you wondered how all that was going to dovetail together?



A few weeks ago, I had the privilege of traveling to New York to witness the signing of the first phase of the US/Japan trade agreement. Several bilateral deals have been in the works for some months now and we have all been on a roller coaster ride along the way. One day a deal is imminent, the next day everybody takes their toys home and it is back to the drawing board. Some have come along well, including the USMCA and the Korean deal just to name a couple. I was actually a bit surprised that the USMCA came together as quickly as it did, given the number of naysayer’s present. Now if only congress would get its fecal matter together and pass it.



On Friday, September 20th, I got a phone call, inviting myself and US Wheat Chairman Doug Goyings to New York to be present for the signing of the first phase of a US/Japan trade agreement the following Wednesday. We were trying to get started seeding, so I figured I had better consult with my partner/son Logan about being AWOL for a couple days during planting. His reply was something along the lines of, “You really are asking, when you have the opportunity to be in the room with Prime Minister Abe and President Trump? Are you an idiot?”

So, the plane ticket was purchased that Friday afternoon. On Saturday the phone rang, and the deal was off. On Sunday, the deal was on. On Monday nobody was really 100% positive. Tuesday at 1:00 p.m., I boarded a plane and headed to LaGuardia Airport and arrived at the hotel around 11:30 p.m. EDT. We were right across the street from the U.N. building where the agreement would be signed at noon the following day.

In the morning, we had breakfast, headed across the street to our destination at about 9:30, as we were told to arrive at 10:00 to go through security and get organized. However, the landscape had changed. Barriers had been erected, and the streets were lined with the biggest Mack dump trucks I have ever seen parked end to end for a 2 or 3 block radius around the U.N. building. These were tandems, had to be 15 yards, with no lift axles and were parked to deter any vehicles getting in close proximity with bad intentions.

That meant about a 3-block round-about detour to reach our destination. Just as we were about to cross the street, we had to hold up to let the Presidential Motorcade pass. It was impressive, no matter who holds the office. Once the 20 vehicles passed by, we were allowed to continue to our destination and meet up with the other stakeholders that were invited to the ceremony. ONLY agriculture was invited to the ceremony; Wheat, cattle, pork, and Farm Bureau were the only US stakeholders invited.

The ceremony was certainly quite a thing to witness. Being from a town of 150 people, picking rocks and pounding fenceposts for a living, you just never expect to end up in the same room with leaders from the largest economic countries in the world. We were lined up on one side of the desk, and the people from USTR and other offices who did the work to get us to this point were on the opposite side. President Trump and Prime Minister Abe came in and sat down. At that point, President Trump ordered the double doors on the opposite side of the room be opened to let the “Fake News” in. You have never seen such a stampede, as about 60 reporters/photographers roared in and got set up in seconds. Had somebody fallen, they would have been trampled to death.

After the signing was finished, Prime Minister Abe and President Trump came over to us, we introduced ourselves, shook hands, and exchanged pleasantries for a bit. I will always remember that couple of minutes for my remaining time on earth.

At that point in time, the two leaders exited, and we were done. Doug and I got a few pictures and visited with our peers and we thought we were through.

- Continued on page 8

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- Continued from page 7

However, our liaison returned, gathered us up, and requested our presence in the room next door for the press conference. There is about a 15-minute video of the press conference on YouTube that you can watch. The President called on each of the commodity representatives to speak, and it was an open forum. It was made very clear from the get-go, that actual farmers and ranchers attend this, not CEO's and other representatives. They wanted the real deal, and that is what they got. Doug did a great job of expressing our appreciation for the deal getting inked. I had no comment, as I am not the Chairman and I wasn't sure how much time we could use.

About 10 minutes into the video, the President couldn't stand it, and we had an exchange. You will have to watch the clip for yourself to see how it turned out, if you have not done so already.

Then it was over, and we dispersed. Doug and I grabbed a bite to eat, digested what we had just witnessed, and then caught a LYFT to the airport. I landed in Redmond at 10:30 Wednesday night.

It was nice for the many folks that work on these agreements to have the opportunity to be at the ceremony and get some a well-deserved recognition. This kind of trade policy work is incredibly complex, tedious, and frustrating and it can be demoralizing if you never see any success.

I doubt that many are aware that, even though wheat is a small portion of the trade negotiations, we carry significant influence in the bigger scheme of things. Bob Lighthizer is in charge at USTR. The second in command, is a gentleman by the name of Greg Doud. He happens to have grown up in Kansas on a wheat farm, was employed by US Wheat Associates and was even stationed at the Portland office for a while. Wheat does have its connections in the world, and, let's face it, it is who you know.

I am sure trade agreements were probably a bit less complicated a few decades ago, just like getting dressed for the day's work. But over time, there is a little more weight to carry around in order to get the job done, and, just like my suspenders, things have become more complicated. It takes more time, effort, and process to get the job done right, but that is what it takes to make sure nobody gets "mooned" along the way.





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Oregon Wheat Photo Contest Recap

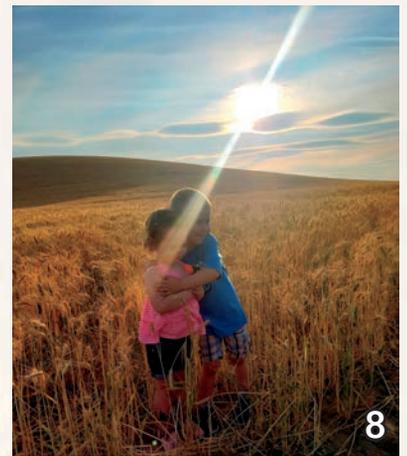


The 2019 Photo Contest was a big success! There was a total of 28 entries from across Oregon and we appreciate and enjoyed viewing them all. The top ten photos were selected by which photo had the most “Likes” on Facebook. These photos also went on to the Tri-State Grain Growers Convention photo contest.

OWGL Winner: Liz Cranston of Cranston Farms in Moro received a pair of Oregon Wheat mud flaps!

RESULTS

1	<i>Boy Waving to Dad, Generation Farming</i>	Liz Cranston
2	<i>Patriotic Combine, Mountain Background</i>	Judy von Borstel
3	<i>Patriotic CASEIH Sunset</i>	Judy von Borstel
4	<i>Combine in Wheat Canyon</i>	Matt Kamerrer
5	<i>Wheat Sky</i>	Judy von Borstel
6	<i>Windmills in Wheat Dark Clouds</i>	Tia McNamee
7	<i>Windmills in Wheat with Combine</i>	Tia McNamee
8	<i>Wheat Love</i>	Lisa Kaseberg
9	<i>Work Never Stops; Combine to Trailer</i>	Trena Gray
10	<i>Patriots. Farmers.</i>	Judy von Borstel



USW Video Team Focuses on Supply Chain and Soft White Wheat Seeding in Oregon

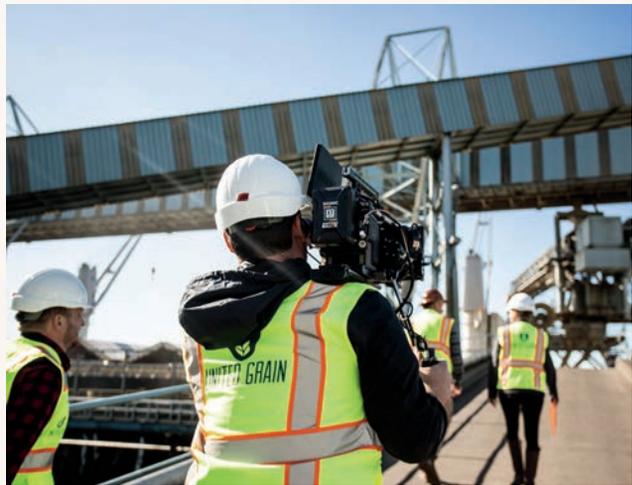
Courtesy of U.S. Wheat Associates

Every year, several trade delegations of overseas buyers, millers, bakers and government officials visit the Pacific Northwest (PNW). Its proximity to many stops along the wheat supply chain allows customers to witness the reliability and transparency of the U.S. grain marketing system firsthand. This includes Padget Ranches, on the arid Columbia Plateau above the John Day River, where Darren Padget's family has farmed since 1910. As one of many U.S. farm families who contribute to the wholesome quality of U.S. wheat for dozens of food products around the world, U.S. Wheat Associates (USW) traveled to Oregon to include Padget's story and the PNW supply chain in a video it is producing. With previous visits to Kansas, Ohio, Washington state, North Dakota and Oklahoma the project will be completed in 2020 and include additional farm families and information about the U.S. wheat supply system.

Today, Darren farms with his wife Brenda and their son Logan, as well as his dad Dale, a retired wheat farmer who recently participated in his 67th wheat harvest. Their dryland wheat and summer fallow rotation currently produces registered and certified seed on 3,400 acres annually. Darren started his involvement in wheat leadership with the Oregon Wheat Grower's League and the National Association of Wheat Growers, before being appointed to the Oregon Wheat Commission by the state's Director of Agriculture. Currently, he serves on the USW Board of Directors as Vice Chairman and is slated to serve as Chairman in 2020/21.



Darren Padget



USW with its video crew and creative agency, 502, at United Grain Corporation.

USW and the video crew also visited United Grain Corporation (UGC) in Vancouver, Wash., to speak with UGC President and CEO Augusto Bassanini – a long-time friend of USW – and capture footage of the receiving and export process at UGC's export terminal. The team's final stop on this trip was at the Federal Grain Inspection Service (FGIS) in Portland, Ore., to capture footage demonstrating the U.S. wheat industry's differential advantage in its effort to consistently meet high quality grain standards.

USW wants to thank Oregon Wheat's Chief Executive Officer Blake Rowe and Director of Communications Shanna Hamilton for their help and participation in this project, as well as UGC and FGIS staff for hosting us at their facilities. And many thanks to the Padget family for graciously taking the time out of their day to share their story and welcome us to their ranch.



Drug Stores, Tariffs, and the Chance to Eat Crow

Wally Powell, Chair, Oregon Wheat Commission



My father spent a lifetime in our prune/plum orchards; and almost that long owning a drug store. The drug store was business. The orchards were a business/love affair. I often return to comments made by my father.

Life was good in the drug store when people had money. “You needed a lot of invoices.” You also needed a lot of differing names on those invoices. There was a cap on how much money any one person was going to spend in a drug store. And of course, there was a similar cap on the number of prunes any one person might require.

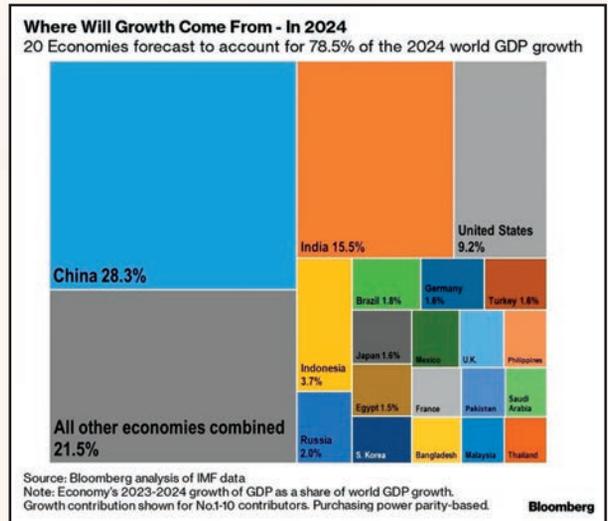
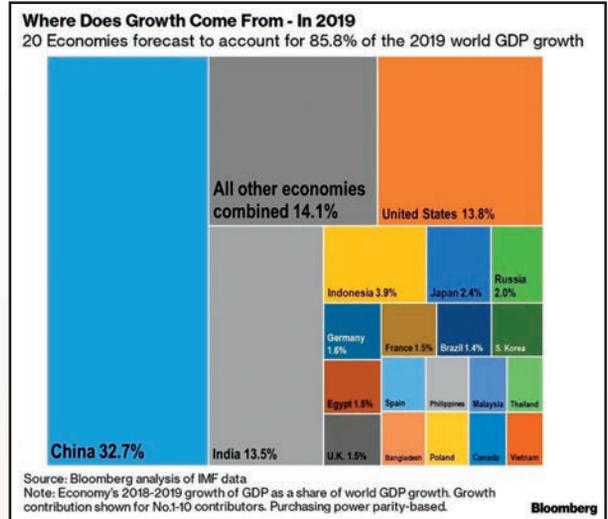
Bad economic times in Milton-Freewater were bad economic times for the Powell family drug empire; then consisting of one small drug store. During that period, lower prices for peas, fruit, onions, and grains, impacted the empire significantly.

Our business as producers of wheat is not that different from Walt’s business. A citizen of Indonesia purchases pastries, cakes, cookies. A higher income stream per person, broadly distributed, leads to an increase in the purchase of flour-based products. This is not an argument against great individual wealth; but rather, an argument that we need a lot of people with the ability to purchase our product. That is a fact.

It is easy for a grower from Gilliam County, or Ukraine, to be impacted if the world falls into a global recession; fewer people will be able to buy those pastries.

This is why I, and others on the Commission, focus so much on materials related to the economic/political health of Asia. The International Monetary Fund estimates world gross domestic product (GDP) growth in 2019 will be 3.5%, but this growth is not distributed equally. Consider the following charts that show how global GDP growth is distributed and how that distribution is projected to change by 2024.

Global growth is increasingly dependent on Asia. Contribution to global growth from Europe and the



United States is diminishing and to a significant extent is dependent on those Asian economies.

So, we are in a trade war with China, the country driving over thirty percent of global growth. We are in a mini dispute with India, the country contributing the next largest source of global growth. Huh... Pardon me if I am less than enthralled. I can't imagine that anyone in the export trade should be happy with where this is going.

I return to Walt's drug store. We needed **“a lot of people with the ability to purchase our product.”**

My view on the China trade dispute has remained relatively consistent. At the beginning, I thought this trade war was hogwash and I still

do. That said, there is no question China takes advantage in so many ways. My perspectives about the dispute with China are pretty well summarized by the following:

- No one forced corporate America to move production to Asia. This was all based on comparative advantage theory I would suppose, in combination with a need to increase return and share price. I have little sympathy;
- You survive by competing, not by erecting trade barriers. The first is an efficient offensive move; the second an inefficient slackers defensive move;
- China is going to change as they feel it is necessary in order to stay in power and move their economy forward. We have little to no control over this;
- *This all would be true regardless of the President and Party in power.* I quote Mick Mulvaney: “Get over it”;
- Any agreement signed will be minimalist based on China’s needs and views;
- Tariffs to a significant extent are paid for by the consumer.

I will close with a quote from the Heisenberg Report on October 21st, 2019 (Italics and underline are mine). It’s a good observation of why it will be so difficult to force major change on China.

“Think about what Trump is trying to do for a second: He’s fighting a trade war against a command economy with a beholden central bank, a managed currency, more than 3 trillion in FX reserves, a massive hoard of gold and a behemoth economy that serves as the engine of global growth and trade. The US (*and this will be the same exercise in futility under any president*) is trying to fight that battle while saddled with an independent central bank, a democratic system that forces presidents to pacify voters every 4 years, no leeway to dictate economic outcomes by decree, no capacity to close markets for weeks at a time if there’s a selloff, all manner of obstacles to forcing companies to bring back jobs, and a system based on checks and balances.”

<http://bit.ly/Heisenberg-Report>

Of course, now that I have pronounced a HUGE agreement highly unlikely, we will have a HUGE agreement, and I will eat crow for the next few months. Have a great holiday season.



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Control of Glyphosate-Resistant Russian Thistle in No-Till Fallow

Judit Barroso, Weed Scientist at CBARC-OSU



In 2017, glyphosate-resistant Russian thistle (*Salsola tragus* L.) populations were identified in Montana, Washington and Oregon. The repeated use of a single mode of action, i.e. glyphosate for weed control in fallow and/or post-harvest burndown, was probably the cause of the selection for this resistance. Even though the extension and frequency of the resistance is

unknown, alternatives to glyphosate for the control of Russian thistle are needed not only to control resistant populations, but to prevent resistance from occurring. Being proactive has been demonstrated on multiple occasions to be more profitable than being reactive.

In collaboration with Dr. Drew Lyon of WSU and thanks to the research dollars that OWC provided to the weed program at the Columbia Basin Agricultural Research Center to work on Russian thistle, I have initiated studies to help control this problematic species in the region, particularly in those areas where wheat – summer fallow is the predominant cropping system. One of the goals of this on-going research is to learn how to control Russian thistle in no-till fallow with residual herbicides. In 2017-2018 and 2018-2019, small-plot research was established in Pendleton (OR), Moro (OR), and Lind (OR) with that purpose. The herbicides used are Spartan Charge (sulfentrazone + carfentrazone, Group 14), Fierce (flumioxazin + pyroxasulfone, Groups 14 and 15), and Dimetric DF 75 (metribuzin, Group 5). They were applied at different times, late fall (mid-November), late winter (mid-March), and in a split application of both late fall and late winter using a half rate each time. The rates for the fall and winter applications were 8, 4.5, and 10.5 fl oz/ac for Spartan Charge, Fierce, and Dimetric DF 75, respectively.

At the first evaluation in May, late fall applications of metribuzin failed to provide adequate control of Russian thistle at all sites (Pendleton, Moro, and Lind). Russian thistle plants continued to emerge through the summer at Pendleton and Lind. Sulfentrazone + carfentrazone applied

late winter or in a split application and flumioxazin + pyroxasulfone at all application times provided excellent control of Russian thistle at all sites. The results of the Pendleton trial conducted in 2017-2018 can be found in Figure 1 as an example. Results from preliminary (2016-2017) on-farm strip trials in northeast Oregon showed that a fall or late winter application of sulfentrazone + carfentrazone provided adequate control of Russian thistle in no-till fallow. Late fall herbicide applications are more likely to receive sufficient precipitation to incorporate and activate the herbicide than late winter applications, however, in this study, late fall applications tended to lose efficacy sooner than late winter or split applications. It is also thought that late fall applications may result in a lower risk for crop injury in the subsequent winter wheat. However, no winter wheat injury was observed following any of the herbicide treatments established in 2017-2018.

In the 2019-2020 growing season, we will repeat the trials on a grower field and at Pendleton and Lind research stations to confirm information on Russian thistle control and monitor crop injury in the following crop again. With preliminary results, we observed that the use of the mentioned herbicides in no-till fallow will reduce the dependence on glyphosate for the control of Russian thistle in reduced tillage winter wheat-fallow production systems of the US Pacific Northwest.

Sulfentrazone + carfentrazone applied late winter or in a split application and flumioxazin + pyroxasulfone at all application times provided excellent control of Russian thistle at all sites.

Although Russian thistle is one of the most problematic broadleaf weeds in the region, growers often have to control other important weed species as well. Information on the effect of these herbicides to control other species showed that flumioxazin + pyroxasulfone and metribuzin provided good control of tumble mustard (*Sisymbrium altissimum* L.) in all the application strategies (late fall, late winter, or split applications). The control of prickly lettuce (*Lactuca serriola* L.) was also adequate with those two herbicides and all application strategies except when metribuzin was applied in the fall, which left 50% of the prickly lettuce uncontrolled. Sulfentrazone + carfentrazone did not provide adequate tumble mustard or prickly lettuce control. Downy brome (*Bromus tectorum* L.) was controlled with metribuzin in all the application strategies and with flumioxazin + pyroxasulfone applied late fall and with a split application. Sulfentrazone +

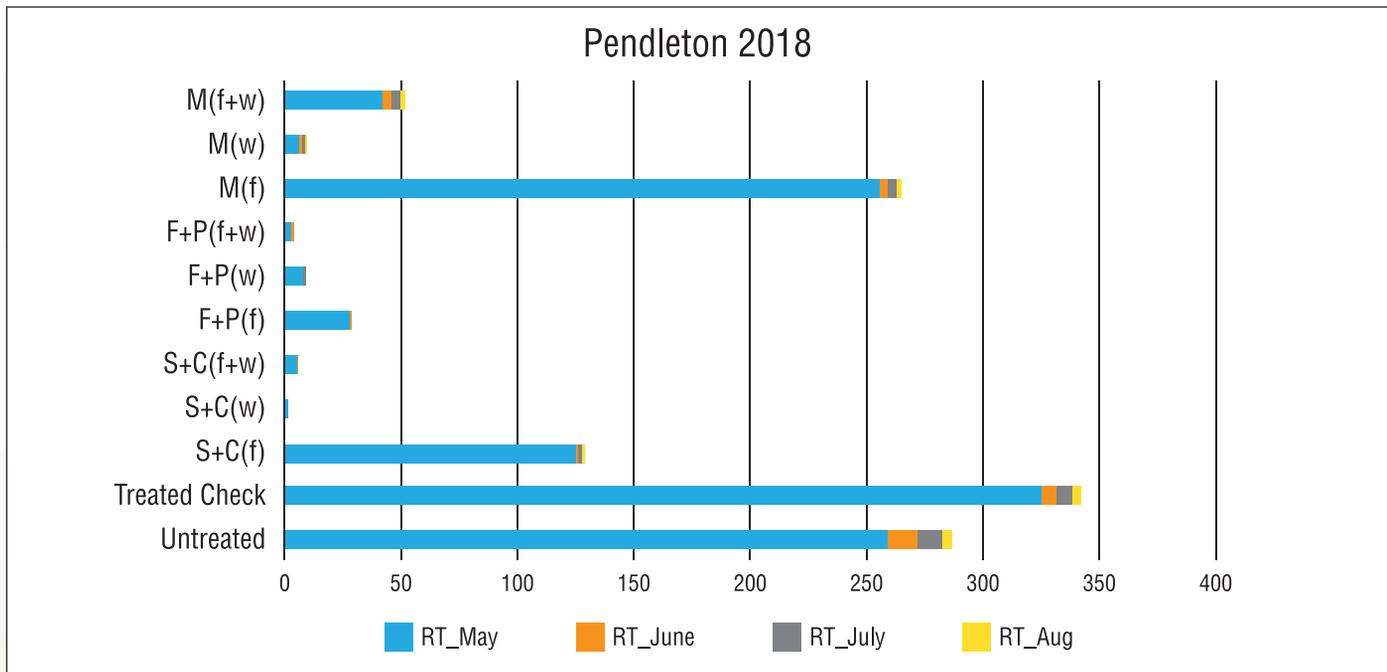


Figure 1. Russian thistle plants in the plots (10 ft x 30 ft) (X axis) of the different herbicide treatments (Y axis): Untreated check (no herbicide applied), treated check (plots maintained clean with glyphosate), fall (f), winter (w), and split (f+w) applications of metribuzin (M), sulfentrazone + cafentrazon (S+C), or flumioxazin + pyroxasulfone (F+P). The colors indicate different sampling times.

canfentrazon did not control downy brome. Figure 2 shows some of the plots at the Pendleton trial in 2018.

The OWC dollars invested in Russian thistle research to help Oregon wheat have been recently leveraged with a NIFA-USDA project. Some of the main goals of this new project, that had not been possible without the preliminary data supported by Oregon wheat growers are: 1) Evaluate if a cooperative management will help to control Russian thistle (prevent continued re-infestations), 2) Study how long Russian thistle seeds stay viable in the soil, 3) Study when Russian thistle seeds become viable based on their germination date to plan for post-harvest control, 4) Evaluate Russian thistle water use after harvest and yield in the following crop to determine the importance of post-harvest treatments, 5) Study the effect of stubble height on herbicide control and Russian thistle dispersion, and 6) Determine optimum post-harvest herbicide timing. In the near future, I hope to provide information on the main findings of that project. Last but not least, my colleagues and I would like to thank not only to the Oregon Wheat Commission but the Pacific Northwest Direct Seed Association, and individual growers as well for the support provided to bring more research funds to advance Russian thistle integrated management.



Figure 2. Photos of the Pendleton trial in 2018, a) Untreated plot, b) Treated check, c) Sulfentrazone + cafentrazon applied in late winter, and d) Split application of flumioxazin + pyroxasulfone. Note: The treated check had a higher Russian thistle infestation as a consequence of lower competition with other weed species.

2019 OWGL Members Reach Century Farm Status

Congratulations to the newest members of the Century Farm program. We are proud of our Oregon Wheat Growers League members and celebrate these accomplishments.

The annual awards ceremony was held at the Oregon State Fair, families from across the state received recognition for operating as a Century or Sesquicentennial (150-year) Farm or Ranch. Fifteen farms and ranches were honored this year as Century Farms or Ranches and Five farms reached Sesquicentennial status from 15 different Oregon Counties, bringing the total number of Oregon Century Farms and Ranches to 1,227 & Sesquicentennial to 46.

Wilfred Hamann Farm: Founded in Union County in 1918 by Arthur Hamann, the applicant is Wilfred Hamann, the son of the founder. Arthur Hamann purchased the land shortly after his marriage to Clara Schroder in 1918. They had a son named Wilfred (Willie). In the 1920's after WWI, Arthur had an accident farming with horses that left him with a broken femur bone resulting in a lifelong limp. Due to this accident, around 1927 he was ready to sell the farm and move to town. He started the A.W. Hamann and Son Feed store, but still returned to farming as well. They sold feed during the Great Depression. Willie returned to the farm in 1945 after WW2 and married Delpha in 1950. Early crops were dryland wheat, pasture, alfalfa, & spring barley. The feed store was closed after Arthurs death. In the 1960's, some irrigation was brought in from the Grande Ronde River. New mainline and wheel lines followed shortly. They also started raising registered Angus cattle. The farm continues to raise winter wheat, but also now grows alfalfa, Austrian peas, Kentucky bluegrass, peppermint, fine fescue, wheatgrass and sunflowers.

Klann Farms: Founded in Jefferson County in 1905 by Seth Leulling, the applicant is Klann Farms-The Klann Family (Seth Klann). Henderson Luelling first came to Oregon by covered wagon in 1847 with 2 wagons filled with grafted fruit trees. Only half of them (700 total) survived the journey. He established an orchard on 100 acres near Milwaukie, Oregon. He sold his fruit for top dollar in Portland and his fruit trees became the parent stock of most of the orchards in the Willamette Valley. He is considered the, "Father of the Pacific NW Fruit Industry." In 1904, Henderson's grandson, Seth Luelling, along with

wife Cora and 4 children, headed east of the Cascades and arrived on October 10, 1904 to establish a farm north of Madras as part of the Homestead Act. Seth immediately went out looking for land to file a claim on and filed his claim in June 1905 on 160 acres. They raised cattle, wheat, potatoes and chickens. In 1919, Seth and Cora bought an adjoining half section (320 acres) from the Davis family who were also homesteaders. By 1929 Seth had acquired 1200 acres of tillable land. In 1948, the North Unit Irrigation Project was finished and the land was transformed to be able to raise more diverse crops such as clover and grass seed, mint, garlic sets and vegetable seeds. Over the years some of the ground has been sold, purchased back and new parcels bought. Seth's sons, Lloyd, Chester, Roy and Johnnie Luelling; daughter, Ellen Luelling Klann; grandsons, Jim and Harold Klann; great grandson, Brad Klann; and great great grandson, Seth Klann, 5 generations, have all farmed the property. In 2014, Brad and Seth Klann started growing malting barley and established a new business venture, Mecca Grade Estate Malt.

Kaser Family Farm: Founded in Wasco County in 1913 by Julius Kaser, the applicant is Phillip Kaser, the grandson of Julius Kaser. The story of the Kaser family farm began in 1901 when Julius Kaser immigrated from Switzerland and joined his brother Jacob on his sheep ranch on Cherry Creek. Julius returned to Switzerland in 1906 to marry his bride Lena and they immediately came back to the U.S. In 1913, he decided to branch out from his brother and purchased his first 4 acres along Fifteen Mile Creek in Wasco County near The Dalles. He raised vegetables, veal calves and his eight children. Many of the children moved away as adults but sons Julius, Carl and Jacob stayed. They used horses to do all farm tasks through 1945. The three brothers raised beef cattle, hay and dryland wheat. They built many of the buildings on the farm as well as a home for their mother in 1954. Carl's son Phillip joined the operation in 1975. They have always had a policy of leaving the land better than they received it. They have engaged in conservation efforts along Fifteen Mile Creek. They have fenced off cattle from the creek, planted willows and trees along its banks and converted their wheat farming to no-till to help protect the soil.

Louis Carlson Memorial



Louis A. Carlson served on the Oregon Wheat Grower's League board of directors for over 20 years! He was involved at various levels within OWGL and served the Oregon Wheat industry from committee member, Morrow County President, 2nd Vice President in 1980 and board President in 1982.

Louis Carlson passed away October 21, 2019, at almost 90 years old. Louis was the youngest child to Leonard and Julia Carlson. Louis was born on February 6th, 1930 at the family homestead located in the Valby Community (Ione, OR). He was a third-generation farmer and rancher.

Louis loved his wife of 69 years, Betty, his kids and grandkids most of all. Louis and Betty had four children; Sandra Carlson-Richardson (Danny), Cheri Carlson-Frey (Thomas), Phil Carlson (Kathy) and Clint Carlson (Sarah) and eight beloved grandchildren. Although he was a busy man, he made time to participate in events with his family. He worked on the farm up until about 4 years ago when his health began to decline. While not being able to be out on the farm every day, he was always asking about the farm and staying updated on 4C Ranches, Inc. His loving wife Betty would drive him to the field to see what was going on frequently.

Louis loved farming and ranching, and it showed. Louis was Oregon State Conservation Man of the Year in 1967 and received various awards for his involvement in the Oregon Wheat Growers League; Distinguished Service, 2006 and Voice of the Industry, 2015. Louis was also a Morrow County Judge for 12 years and served with distinction on many local Boards and community efforts. He was dedicated to Valby Lutheran Church and his Christian faith.



Son, Clint (2020 OWGL President) said this about him while Louis was in the last days of his life,

He called me in to talk, and we talked for a while about how the wheat looks and how the, new to me, no-till drill worked. He asked how the price was and more about the farm. This is a guy on his death bed still wanting to know about the farm. He had already made peace with Jesus and wasn't worried about passing on. So, I got to thinking and told Dad, "hey when you get to heaven make sure you poke me once in a while and make sure you let me know you approve of what I'm doing. And by the way, have Jesus do something about more moisture and the price of wheat." That got him laughing.

Louis was fair, compassionate, hard-working and loved by many. He dedicated his life to his family, which includes the 4C Ranches Inc, and he enjoyed spending time with family; especially the love of his life Betty. The legacy he leaves in his family and community will never be forgotten.



Recipe

Whole Wheat Butterhorns

Ingredients

- 2-3/4 cups all-purpose flour
- 2 packages (1/4 ounce each) active dry yeast
- 1-3/4 cups water
- 1/3 cup packed brown sugar
- 1/2 cup butter, divided
- 2 tablespoons honey
- 2 teaspoons salt
- 2 cups whole wheat flour

Directions

1. In a large bowl, combine 1-1/2 cups all-purpose flour and yeast.
2. Heat the water, brown sugar, 3 tablespoons butter, honey and salt to 120°-130°; add to flour mixture. Beat on low for 30 seconds with electric mixer; increase speed to high and continue beating 3 minutes. Stir in whole wheat flour and enough remaining all-purpose flour to form a soft dough.
3. Turn out onto a lightly floured surface and knead until smooth and elastic, about 6-8 minutes. Place in a greased bowl, turning once to grease the top. Cover with plastic wrap and let rise in a warm place until doubled, about 1-1/2 hours. Punch dough down and divide into thirds. Shape each into a ball, cover and let rest 10 minutes.
4. On a lightly floured surface, roll the balls into three 12-in. circles. Cut each circle into eight wedges. Roll wedges into crescent shapes, starting at the wide end. Place on greased baking sheets. Cover



and let rise in a warm place until doubled, about 1 hour. Melt remaining butter and brush some on each crescent.

5. Bake at 400° for 10-15 minutes or until golden brown. Brush again with butter while hot.

Servings: 24 rolls

Nutrition

1 butterhorn: 137 calories, 4g fat (2g saturated fat), 10mg cholesterol, 237mg sodium, 23g carbohydrate (5g sugars, 2g fiber), 3g protein.

Total Time

Prep: 30 min. + rising Bake: 10 min.





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