



June 2022

Cranberry News



A MESSAGE FROM CMC EXECUTIVE DIRECTOR RAULERSON

Hello, I am Danny Raulerson, your new Executive Director. I would like to tell you a little bit about myself. But first, I would like to thank Michelle Hogan for the many years of service as the Executive Director of the Cranberry Marketing Committee. She served with a passion for the industry, and I congratulate her on her retirement.

I am a Florida native and have been in agriculture my entire life. I grew up on a small ranch and was a member of 4-H while showing cattle. I have worked on cattle ranches and different specialty crop farms before attending the University of Florida. At UF, I double majored in Animal Science and Ag Operations Management, both specializing in production. After graduating in 1996, I began at the Florida Farm Bureau Federation in the Ag Policy Division. I then moved to Asgrow/Seminis Vegetable Seeds as a sales representative covering over half the state of Florida. Having the desire to serve the industry again in the policy arena, I moved to the Florida Fruit & Vegetable Association as the Director of Membership, Marketing & International Trade. While there, I managed multiple grower exchange groups representing sweet corn, leafy greens and green beans, as well as advocating for Florida specialty crops in Washington D.C. To gain experience in personnel management, I went back to the Florida Farm Bureau Federation as the Director of Field Services managing eight field representatives and the event programs staff. In 2010, the Florida Commissioner of Agriculture appointed me as the Bureau Chief of State Farmers Markets where I managed over 50 staff members and 12 commercial properties throughout Florida with 250 tenants who commercially packed and shipped Florida grown fruit and vegetables. I also concurrently managed the membership recruitment for the Florida Agriculture Promotion Campaign that promotes the Fresh From Florida brand.

In all the roles I have had, the common denominator is serving you, the producer. As your Executive Director, I will continue that mindset of service to the cranberry industry. The relationship between the producer and handler must be symbiotic, but everything begins on the farm. Without the farm, nothing else would exist. The agricultural producer is the foundation of this country. I have traveled all over the world visiting farms, ranches, and processing facilities and one thing always remains the same, a farmer/rancher is the hardest working, family-oriented, humble person who is proud of what they do. I often tell those who are not related to the industry that there is a reason it is called agriculture, because it's not a job, but a lifestyle that is woven into the fabric of America. I am honored to have the opportunity to serve this great industry and I look forward to meeting you.



CMC Annual Summer Meeting

Register at www.uscranberries.com

Tuesday, August 16 & Wednesday, August 17
Seaview Hotel | Galloway, New Jersey

Thursday, August 18
ACGA Field Day | Rutgers/Lake Oswego

CMC BOARD OF DIRECTORS

August 1, 2020 - July 31, 2022

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Major Cooperative

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George Rogers (Member)

Eric Pontiff (Alternate)

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CMC OFFICE STAFF

Danny Raulerson, *Executive Director*

Karen Cahill, *Marketing Director*

Dotty Pipher, *Senior Executive Assistant*

SPRING 2022 INDUSTRY TRADE POLICY & MRL UPDATE

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UK Section 232 Tariff Agreement

In March, the United States Secretary of Commerce Gina M. Raimondo and United States Trade Representative Katherine C. Tai announced the news of an agreement to remove Section 232 tariffs in the United Kingdom as a result of the settling of the long-standing steel and aluminum dispute. Since 2018, U.S. cranberry concentrate has faced a 25 percent retaliatory duty in the U.K. as a result of this issue. This duty has limited the U.S. cranberry industry's ability to export to the market. The removal of this tariff will allow U.S. cranberry concentrate to enter the market competitively, which will allow sales to expand. The U.S. cranberry industry is grateful for the resolution of this important trade issue.

Great Britain Bravo MRL

In April, Great Britain notified the WTO of the proposal to withdraw all MRLs for chlorothalonil (Bravo), including cranberries. The current Great Britain MRL on cranberry is harmonized with the U.S. MRL at 5 ppm. Great Britain is proposing to lower the cranberry MRL for Bravo to 0.01 ppm based on the European Food Safety Authority (EFSA) review. Because of Brexit, the EU MRL fell just after the change, so Great Britain kept the MRL in place.

The WTO notification confirms the UK's Health and Safety Executive (HSE) expects to publish a final decision for this proposal on September 5, 2022.

Members of the cranberry industry submitted a letter to USDA in April on this issue and CMC will continue to monitor and communicate updates.



RESTAURANT ASSOCIATES CAMPAIGN CONCLUDES

Held over from the 2019-2020 domestic marketing program due to COVID-19, the CMC's partnership with Restaurant Associates took place March-April 2022. Restaurant Associates, a member of Compass Group, is recognized as the nation's premier on-site dining management company with 150+ corporate and educational dining facilities serving more than 200,000 meals a day throughout the East Coast.

Approximately 50 accounts participated in the monthlong cranberry takeover, including the US Senate, Harvard Business School, Harvard Medical School, American Express, Citi, Deutsche Bank, Discovery, Nuveen, Sony, Capital One and Novartis.

Sites featured cranberries on their menus in a variety of creative ways including: cranberry orange smoothies, white chocolate oatmeal cranberry cookies, cranberry muffins, Caribbean salad with dried cranberries, pork chops with cranberry molasses, salmon with cranberry gastrique, cranberry salsa, cranberry crumble, cranberry bread pudding (shown above), cranberry scones, cranberry orange tiramisu, cranberry-orange glazed pork loin and much more.

Due to populations still being in flux from work-from-home policies, visitors ranged from 30-300 at smaller sites and 1,500-2,000 for the larger sites.

FIVE-YEAR COMPARISON REPORT: SECOND QUARTER NUMBERS INCLUDING CY2021

CY2021 second quarter summary reports, as well as several comparison reports, can be found by clicking “Data and Reports” under the “Industry” menu on www.uscranberries.com. The chart below represents data from September 1 to April 30 of each year. A few general observations comparing the 2020 vs. 2021 data are as follows:

- Foreign acquired decreased 9.27%
- Domestic sales decreased 5.2%
- Foreign sales increased 12.78%
- Total ending inventory decreased 21.62%
- Shrinkage increased 26.22%

	2021	2020	2019	2018	2017
Beginning Inventory					
Barrels Unfrozen:	0	0	0	0	0
Barrels in Freezers:	1,797,297	1,726,311	2,484,365	2,281,453	4,175,273
Barrels in Process Form:	957,262	1,020,448	1,671,832	2,016,816	1,842,736
Barrels in Concentrate Form:	1,608,651	2,017,370	1,780,092	2,586,624	3,727,372
Inventory Before Adjustments:	4,363,210	4,764,129	5,936,289	6,884,893	9,745,381
Adjustments:	33,699	1,203	5,821	-267	253,802
Adjusted Beginning Inventory:	4,396,909	4,765,332	5,942,110	6,884,626	9,999,183
Sources					
Massachusetts, Rhode Island, Connecticut:	1,586,555	1,876,891	2,015,713	2,237,243	1,758,592
New Jersey:	570,315	513,801	447,723	447,592	422,830
Oregon:	488,030	546,251	515,038	544,464	474,359
Washington:	157,499	185,686	141,863	180,778	130,684
Wisconsin, Michigan, Minnesota:	3,901,659	4,609,882	4,485,133	5,271,545	5,335,325
Other states:	0	0	0	0	196
Total Domestic Acquired:	6,704,058	7,732,511	7,605,470	8,681,622	8,121,986
Foreign Acquired - Fresh:	53,470	41,704	75,156	76,013	86,617
Foreign Acquired - Processed:	1,464,128	1,693,047	1,252,032	1,837,957	1,187,445
Foreign Acquired - Concentrate:	61,794	6,070	47,742	11,835	70,796
Total Barrels Acquired:	8,283,450	9,473,332	8,980,400	10,607,427	9,466,844
Barrels in Transit:	76,918	104,330	98,216	87,959	14,822
Sales					
Domestic Sales - Fresh:	220,222	285,814	281,392	281,317	284,672
Domestic Sales - Processed:	3,781,795	4,040,580	4,015,257	3,612,966	4,389,241
Domestic Sales - Concentrate:	757,691	706,403	713,585	712,680	0
Sold to Government:	28,905	18,719	37,588	45,847	71,599
Total Domestic Sales:	4,788,613	5,051,516	5,047,822	4,652,810	4,745,512
Foreign Sales Fresh:	28,931	42,788	49,572	47,304	45,273
Foreign Sales Processed:	1,332,034	1,183,922	1,747,439	2,139,613	1,894,604
Foreign Sales Concentrate:	708,831	608,413	457,738	269,413	354,389
Total Sales:	6,858,409	6,886,639	7,302,571	7,109,140	7,039,778
Shrinkage:	144,239	114,268	85,587	924,495	389,908
Total Sales & Shrinkage:	7,002,648	7,000,907	7,388,158	8,033,635	7,429,686
Ending Inventory					
Barrels Unfrozen:	0	0	0	0	0
Barrels in Freezers:	3,834,113	4,484,945	4,241,704	5,696,057	5,422,649
Barrels in Process Form:	624,784	1,097,793	984,605	1,434,689	2,460,504
Barrels in Concentrate Form:	1,295,732	1,759,349	2,406,259	2,415,631	4,168,010
Total Barrels in Inventory:	5,754,629	7,342,087	7,632,568	9,546,377	12,051,163



2527 Cranberry Highway
Building B
Wareham, MA 02571

Return Service Requested



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SPRING 2022 CRANBERRY INDUSTRY TRADE POLICY UPDATE

EU SDC Duty Suspension

The EU is the largest export market for US dried cranberries with more than \$80 million exported annually. The current normal EU duty for dried cranberries is 17.6%, however, there is duty-suspension down to zero because dried cranberries are considered an input and are not grown in the EU. This duty-suspension must be renewed every five years with 2022 being a renewal year.

There were no objections raised from EU Member States to the automatic renewal of the SDC duty suspension on January 1, 2023. The EU deadline for any objections was March 15. The EU's technical working group on tariffs met in late May to discuss and sign off on duty suspensions. The SDC tariff line was not on a list of tariff lines for further discussion, but was approved as part of broader package at the meeting. As a result, the automatic renewal of the SDC duty suspension on January 1 has been given a technical green light.

With the technical process complete, the next step is for political sign-off by the Member States at EU meetings. These meetings have yet to be scheduled but are anticipated around the end of July/early August. There is not expected to be any debate of the duty suspensions set for approval. Approved duty suspensions will be in place for a period of 5 years before the next review, so through Jan 1, 2028. CMC will continue to monitor the process through to the finish.

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