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*Never confuse
motion with
action.*

*- Ernest
Hemingway*

RICE PRODUCERS



OF CALIFORNIA

Founded 1997

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RPC Joins the California Farmers Union

Rice Producers of California (RPC) announces that it has signed an affiliation agreement with the California Farmers Union (CFU). CFU is a member organization of the National Farmers Union (NFU). NFU was founded in 1902 and represents more than 250,000 farming and ranching families in all states.

CFU supports RPC's work to protect the livelihoods of rice farmers including the recent efforts to recognize the risk posed by 'genetically modified' rice varieties. This work led to the California Rice Commission unanimously supporting a 2007 moratorium on open-air genetically modified rice variety field trials.

CFU President Joaquin Contente of Hanford, CA states, "By joining forces we will have a greater ability to have an impact on future state and federal policy issues to ensure that resources are available to sustain farms and ranches in California well into the future".

Brian Gibbs, an RPC Board Member from Butte County, says, "The emphasis of CFU is to assist the family farmer in addressing profitability issues is consistent with the RPC mission". 'CFU has its first priority to protect and enhance the economic well-being and quality of life for family farmers, ranchers and their rural communities" adds Ron Phelps, an RPC Board Member from Placer County.

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A New Decade Begins: 11th Annual Membership Meeting

RPC will be holding it's annual membership meeting at the Paradiso Restaurant in Yuba City on March 12 at 10:30. The U S Rice Producers Association (USRPA) will give a current update on the Farm Bill process; California Farmers Union will speak about their activities; Machinery Link will talk about harvest equipment lease options; Board election results; and an a report on RPC activities for the year.



If everyone is thinking alike then somebody isn't thinking.
George S. Patton



South Korean Rice Farmers Visit RPC

Last September as rice harvest was gearing up; RPC hosted 20 rice farmers from South Korea who were touring California. The agenda wasn't exactly known until the meeting but RPC recognized it as a rare opportunity for networking and cultural exchange. The topics ranged from rice farming to free trade to subsidies.

It's common for us to hear that free trade and reducing tariffs would 'level the playing field' rewarding the efficiency of producers. But, Korean and American rice farms are not just different but galaxies apart. Rice farms in the U.S. are 387+ acres in size, while South Korean rice farms are about 5 acres. Approximately 8,000 of the two million farms in America grow rice, compared with South Korea where 787,000 farms or 57 percent of the farms cultivate rice.

Though South Korean farmers make up just eight percent of the population, they are highly visible, well organized and able to sway popular opinion. Their success and effectiveness has been demonstrated at WTO events and in the South Korea- U.S. Free Trade Agreement negotiations (rice excluded).

There were obvious differences on trade and farm program issues. However, one of the areas where we found common ground is the struggle for rice farms to remain viable and sustainable. We believe the Korean rice farmers left the visit with a real understanding of the high costs to farm rice in California. We emphasized it is not our desire to flood their markets with cheap rice but rather to be paid a fair price for our crop regardless of the market.

At the end of the day we all came away with a better understanding that we do have common struggles and objectives. They extended an invitation for an RPC delegation to visit South Korea rice farms.



South Korean rice farmer delegation visiting a California rice harvest. RPC Board Members in the picture are: Steve Jones, Chris Capaul, Ron Phelps and Greg Massa.

High Rice Prices...The Inflation Factor

We've been hearing some talk recently that current rice prices are too high and that \$7.25 over loan is an unsustainable price that will force rice buyers out of California. On the surface, this seems to make sense, doesn't it? Prices have never been this high, have they? And with the yield increases over the last 40 years, we're making more money than ever, right?

Unfortunately, none of those arguments holds any water at all. Adjusting for inflation, prices have hit these levels several times over the past few decades, and in fact have been significantly higher than they are today.

Let's look at a few years:

Year	Price	Inflation-adjusted
1970	5.73	30.44
1973	13.80	64.24
1975	8.35	32.98
1980	12.80	34.20
1990	10.71	16.76
2003	14.25*	15.51 *(price spike)



Board Member Profile:

Brian Gibbs ...

Rice Farmer, Outdoors Enthusiast, and Harley Owner

Brian Gibbs is an RPC Board of Director representing Butte County and is also on the California Rice Commission. He has been farming rice in the Richvale area for 32 years and is a graduate of Oregon State. Brian is married with two sons (21 and 17 years old). Bicycle riding has always been his passion but he also enjoys hunting and fishing. He particularly enjoys riding his 'Harley' with his wife because it keeps life fun.



Brian chose to run for the RPC Board to broaden his knowledge of the rice industry and to advocate for positive economic changes. He has found that rice industry is complex, political and at times divisive. He urges everyone to support RPC because it raises awareness and is an independent voice that speaks only for the interests of California rice farmers.

Brian believes that better-informed rice farmers can bring about positive changes. He wishes that more people would get involved.

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What about return per acre?

Year	Yield	Avg. Price	Return/ac	Inflation-adjusted
1970	5700	5.17	295	1566
1973	5616	13.80	775	3607
1975	5750	8.35	480	1895
1980	6440	12.80	824	2206
1990	7700	10.71*	824	1310 *includes direct payment of \$4.16
2007	7800	15.38*	1209	1209 *includes direct payment of 80% of \$2.35

Here's the cold, hard truth: A California rice farmer without other or off-farm income is doing no better than today than they have in the last 40 years! Production costs have skyrocketed to astronomical levels, and show no signs of slowing down.

Even at these supposedly "high" prices, farmers are getting farther and farther behind, while their land, equipment, and buildings slowly degrade. This is not a sustainable situation for rice farming viability. It should also be noted that rice price increases are not keeping pace with other commodities, including Southern long grain rice, which now trades above Calrose.

Prices and yields quoted are from USDA's Rice Yearbook. Inflation calculations are from <http://www.westegg.com/inflation/>.

No one can make you feel inferior without your consent.

- Eleanor Roosevelt



There is no failure except in no longer trying.

-Elbert Hubbard



Honest differences are often a healthy sign of progress

- Mahatma Gandhi

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The CFU is comprised of more than 1,500 farmer, rancher, and fisherman members. It represents more than 14 groups of commodity producers throughout California. CFU represents dairy producer members of the California Dairy Campaign (CDC) and the California Dairy Women Association (CDWA). CFU has affiliate agreements with Community Alliance with Family Farmers (CAFF), the Pacific Coast Commercial Fishermen's Association (PCFFA), and the Redwood Empire Farmers Union.

Sights from Last Year's Annual Meeting



Toni Canon, USRPA Past President Nolen Canon, Joe Carrancho, and Chris Capaul



California Farmers Union Executive Director Lynne McBride

2007 Meeting Sponsors

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- 11th Annual Membership Meeting on March 12
- RPC Joins California Farmers Union
- South Korean Rice Farmer Visit
- Non-GMO Research Speeds Rice Improvement

Inside this issue:

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