



## BREAKING GROUND



California Rice Commission

2011 ANNUAL REPORT









*For generations, California family rice farmers and handlers have been among the most productive and progressive in the world. The California Rice Commission continues to break new ground in its handling of regulatory, conservation and communications issues.*



ONE THING THAT'S CONSTANT IN THE RICE INDUSTRY IS CHANGE.

The last harvest season, with the late maturity and early rains, meant this industry had to adapt to succeed. Once again, a new challenge that we faced.

As I look back on my first year as Chairman of the Commission, I see similar change that will help this organization continue to effectively represent our growers and handlers.

Just think about all of the new ground we have broken in the last twenty years. Rice straw incorporation has replaced much of the stubble burning. Fields that once were thought more as a nuisance have been transformed into a critical component of the Pacific Flyway — a haven for millions of ducks, geese and other birds. All told, nearly 230 wildlife species use California ricelands.

When this kind of new ground is broken, two things are necessary: a willingness to try something different and the knowledge to make informed decisions to keep this industry on the right track.

Thanks to the CRC's leadership, the rice industry has shown a willingness to handle emerging issues in a straightforward manner. Our growers work in partnership with conservation groups to find creative ways to further enhance wildlife habitat. We participate in water quality coalitions that are the standard for the rest of agriculture. Modifications to current farm programs dictated by increasing budget deficits may create a dramatic change in how we handle farm policy. The ACRE program should help growers adjust to changes in farm policy. Our social media investment has provided a big boost to our outreach to Legislators, media and other key audiences. Twenty industry bloggers contribute to the [calrice.org](http://calrice.org) website, which is ahead of the curve compared to many other similar commodities.

Not only has the CRC overseen these changes, they are doing it in a cost-effective manner. An office change to downtown Sacramento for the CRC will mean significant cost savings. Additionally, remote work by staff will save money and increase effectiveness moving forward.

As California rice prepares for the centennial of commercial rice production in 2012, there certainly will be more hurdles to clear. Recent history shows moving forward won't always come easy, but our forward thinking and cohesive approach will help ensure we succeed.

We are once again up to the challenge.

Sincerely,

CHARLEY MATHEWS JR.

*Chairman, California Rice Commission*



I HAVE HAD THE GREAT PRIVILEGE to write this message for 15 years. Looking back over that time, the California rice industry has come a long way. In my view, the best thing about our industry is we don't stand still. We keep moving forward, addressing the issues we see in the windshield rather than those in the rearview mirror. This is our greatest strength and also our ongoing commitment. New challenges and opportunities call for the need to break new ground rather than just running the disc over the same field.

The year began with a continued focus communicating the value of rice in the Sacramento Valley. There is no better way to show this connection than to tie that value directly to the logo that represents the industry. The CRC logo was evaluated, redesigned and launched. Linking rice production and the environment together, the logo makes a clear statement — working ricelands provide important habitat benefits.

We also ramped up our outreach directly from the farm. Celebrating our 250th blog post this year, California rice farmer blogs have attracted millions of hits to our web site to hear directly from you about the issues important to farming and selling rice.

Building on years of relationships, we launched a very successful conservation pilot project this year. Partnering with NRCS, Audubon, PRBO and The Nature Conservancy, rice farmers began implementing practices that improve habitat for shorebirds, raptors and waterfowl. In just a few short weeks, over 28,000 acres enrolled with a \$2.7 million benefit to rice growers who are willing to implement key practices.

Rice continues to lead agricultural water quality programs. The industry-approved CRC assessment cap increase allows for continual coverage for state-mandated surface and groundwater quality programs. Rice is the only commodity-specific coalition and provides coverage at great savings to our members.

The Rice Producers' Group led the way in developing a revenue assurance option for growers in the Farm Bill. This will provide benefits in the likely event of significant cuts in this area.

Finally, we downsized our office and moved staff to remote work locations, cutting our rent in half and greatly improving productivity.

All of these changes are directed at the new opportunities and new challenges headed our way. They are examples of how your organization plows ahead to make sure we remain relevant to the public and engaged on behalf of California rice growers and marketers.

Sincerely,

TIM JOHNSON

**President & CEO, California Rice Commission**



**THE RICE INDUSTRY'S LONG HISTORY** of actively managing water quality has provided the foundation for our current water quality programs. Future programs will use this foundation to shape the regulatory arena for the next decade.

Every year the CRC conducts water quality monitoring and reports the results under the Rice Pesticides Program, which is a prohibition of discharge program for thiobencarb (Bolero/Abolish). Absent stewardship through monitoring and management practices, this material would not be available for California growers. We are pleased to note that the results this past season were very good, with no water quality exceedences. The ongoing success of this program is a result of grower's commitment to product stewardship through management practice implementation.

In 2003, we took the structure of the Rice Pesticides Program and developed the only commodity specific coalition under the Irrigated Lands Regulatory Program (ILRP), the waiver of waste discharge requirements from irrigated lands. The research for developing the monitoring sites under the Rice Pesticides Program was the foundation for a program regulating discharges from rice to surface water. This past year we again successfully implemented the ILRP on behalf of the industry and reported the results to the Regional Water Board. We continue to demonstrate that rice growers manage water quality in rice fields and minimize any impact of surface waters, with results showing no water quality exceedences.



Future water quality regulation will expand to include groundwater. We are actively working on the development of the Long-term ILRP (LT-ILRP), the permanent program which will replace the ILRP. The LT-ILRP will expand the surface water program to include agricultural discharges to groundwater with the primary focus on nutrients. Management of the LT-ILRP will be through permits known as Orders under the waste discharge requirements. The program will have a management practices approach to water quality with the likelihood of well monitoring. We have an excellent team working on behalf of the California rice industry to identify the impacts of nutrient management from rice production. The partnership with the UC Cooperative Extension, UC Davis and the Rice

### THE CALIFORNIA RICE INDUSTRY IS A RECOGNIZED LEADER IN WATER QUALITY.

Research Board provides credible research specific to California rice growing conditions.

In addition to the costs for implementing the water monitoring programs, the fee for state administration will increase almost 300 percent. The fees paid to the state for program administration support a specific number of staff. We are collaborating with stakeholders on alternatives to facilitate program administration and provide reasonable approaches to address the fee increase.

The CRC continues to be known for managing feasible and efficient water quality programs on behalf of the California rice industry. Our approach of utilizing a science-based approach to program development, and providing ongoing management has made the rice industry a leader in water quality. The involvement and feedback from the CRC's Industry Affairs Committee is essential as we bring practicality to water quality regulation.

The forethought and proactive attitude of our leadership at the time of crisis, when rice herbicides made headlines due to negative impacts, was the pattern for this industry to continually break new ground in managing water quality programs.



*The forethought and proactive attitude of our leadership at the time of crisis, when rice herbicides made headlines for negative impacts, was the pattern for this industry to continually break new ground in managing water quality programs.*

WE CONTINUE TO MANAGE FEASIBLE AND EFFICIENT WATER QUALITY PROGRAMS.



**PRODUCT STEWARDSHIP, A HALLMARK** of the California rice industry, continues to be a primary area of work for the CRC as we strive to maintain existing crop protection tools and continue efforts to register new materials.

Specific materials we worked to support this year include propanil and ProFume, working to provide comprehensive farm and mill based information to the US EPA. Staff traveled to Washington, D.C. this fall to meet specifically on ProFume. We continue to find the Agency very open to input from those who use the product.

In addition, we continue to work collaboratively with registrants on new products they are considering for rice and to encourage them to actively evaluate new chemistry. This message was the focus of an industry delegation that traveled to the Dow AgroSciences headquarters in Indianapolis in early 2011. We are pleased to report a good dialogue and a clear focus on supporting the rice industry.

This past year the CRC continued to build strong relationships with the state agencies, pesticide registrants and county agricultural commissioners for continual stewardship of rice pesticides — an area the CRC identifies as critical to our future.

The rice industry is now experiencing a new trend in pesticide registration that will cause us to break new ground in product stewardship. A few years ago, the passage of AB1011 eliminated the data compensation requirement for pesticide registration. That is, companies without the basic registration could waive the data compensation requirements when

registering a pesticide in California. Add to the mix, the patent for several rice pesticides expired shortly after the passage of AB1011. The upside is more products in the marketplace will lower the price to the end user. The downside is that we could lose the past high level of product stewardship at the registrant level.

Companies without the resources to provide research and technology may not have the funding and/or staff to develop management practices and implement the stewardship necessary to maintain these pesticides. The CRC is evaluating novel approaches to partnerships that provide product stewardship to maintain the already short list of rice pesticides available. We continue to work through the Industry Affairs Committee for support in developing methods that lead the way in managing our crop protection materials. In addition, the CRC continues to coordinate with the Rice Research Board, Rice Experiment Station, UC Cooperative Extension and UC Davis through the annual Rice Research Scoping meeting. The meeting identifies new materials needed, evaluates management practices and bridges research with regulation. Importantly, each organization stands committed to doing their part for California rice growers.

We also continue to collaborate with the USA Rice Federation on pesticide issues related to trade. Our greatest effort continues to be around the maximum residue limit (MRL) standards necessary for trade that are managed in-house. The CRC maintains the positive chemical list and coordinates with the USA Rice Federation on comments to the US Department of Agriculture and the countries receiving California rice to meet international residue tolerances.

THROUGHOUT THE YEARS, THE CRC HAS  
**BUILT STRONG RELATIONSHIPS WITH THE  
STATE AGENCIES, PESTICIDE REGISTRANTS AND  
COUNTY AGRICULTURAL COMMISSIONERS TO  
CONTINUE STEWARDSHIP OF RICE PESTICIDES.**







*We continue to collaborate with the USA Rice Federation on pesticide issues related to trade.*



THE CRC WORKS TO HELP MAINTAIN THE ALREADY SHORT LIST OF RICE PESTICIDES AVAILABLE.



**OVERALL, THE PAST FISCAL YEAR** provided a slight slowing of the pace of air quality issues. The CRC continued its efforts on three of the most important air quality issues — emerging farm equipment regulations, agricultural diesel truck provision implementation and climate change policy issues.

### DIESEL FARM EQUIPMENT

Our efforts on diesel farm equipment issues with the Air Resources Board (ARB) and other farm groups was mostly restricted to preliminary work to help the ARB better understand the inventory and related emissions of farm equipment in California. This is preliminary work for a future regulation that will address emissions from diesel farm equipment. Progress towards the ARB's goal of adopting a regulation continues to be delayed. We expect to be very involved in this issue over the next two to three years.

### AG DIESEL TRUCK PROVISIONS

As with previous years, the CRC worked with a number of other agricultural groups and the ARB to support reasonable implementation procedures and address challenges that arise for program participants. This is an ongoing effort to address administrative procedures of annual reporting, vehicle replacements and application procedures. The CRC serves on the ARB's Truck Regulation Advisory Committee as a key method of providing input on the program.

### CLIMATE CHANGE POLICY

The ARB continued its implementation of California Global Warming Solutions Act (AB 32). In 2011, the CRC monitored the ARB's efforts to develop a Cap & Trade Program for "capped" sectors, such as oil refineries, etc., that will be required to purchase emission allowances. Agriculture continues to be treated as a voluntary sector, meaning we have an opportunity to find voluntary reductions or "offsets" that can be marketed within the allowance market. We continued our focus on AB 32's overall regulatory design in order to limit the program's impact on the cost of farming inputs such as fuel and fertilizer.

We completed our greenhouse gas emissions study funded through a grant from the Natural Resources Conservation Service. Through continued work, including participation in a new \$2 million grant effort, we are working with carbon registries to develop a trading protocol for three basic practices — baling, dry seeding and a limited amount of no-winter-flooding (up to 10 percent of existing levels of winter flooding). We have capped the no-winter-flooding practice in order to preserve the rice industry's highly recognized benefits to wildlife. Baling may offer the most opportunity, but only if significantly more demand for straw were to develop in concert with our newly developing greenhouse gas offset trading program for rice.

WE CONTINUED OUR FOCUS ON AB 32'S  
OVERALL REGULATORY DESIGN IN ORDER  
TO LIMIT THE PROGRAM'S IMPACT  
ON THE COST OF FARMING INPUTS SUCH  
AS FUEL AND FERTILIZER.





THE CRC CONTINUES TO ASSIST RICE GROWERS THROUGH THE STRICTEST AIR QUALITY REGULATIONS.



*We are focused on emerging farm equipment regulations, special diesel agricultural truck provision implementation and climate change policy issues.*



## WATER

California is poised on the edge of the next great water debate, with many tough questions likely answered in the next five years.

After years of discussions, two forces will converge. The first is the water bond, which will likely be revisited in scope and levels of funding. The second force is the complex and politically charged Bay Delta Conservation Plan, which seeks to balance the needs for a healthy delta ecosystem and enhance movement of water to the southern half of the state.

Where Northern California lands in this confluence of politics, money and public opinion is critical to every rice farmer.

The CRC and Northern California Water Association are doubling efforts to ensure that water in the north is not the only solution to a delta fix or more water for the southern two-thirds of the state. There is simply too much at stake — 230 species of wildlife that use California ricelands, seven million ducks and geese that annually migrate along the Pacific Flyway, small rural communities that dot the Sacramento Valley and one of the last intact ecosystems in the state.

## FARM POLICY

With the still faltering federal economy, farm policy and the safety net for farmers are certain to change.

We expect the safety net for California farmers to increasingly take two forms. First is revenue insurance. Whether fashioned after the ACRE program or based on still developing rice-specific crop insurance, direct payments will be significantly reduced if not eliminated. Structure, cost and level of support are all critical elements the CRC is working to address as these revenue insurance programs are crafted.

Second are expanded conservation programs specifically designed for the unique benefits of rice. Combining science-based conservation practices developed with our conservation partners and NRCS's on the ground expertise, the CRC crafted a pilot project to support conservation practices in rice. The rollout was an overwhelming success. Full development of this program will continue over the next several years.

## SPILL PREVENTION PLANS

In 2013, the U.S. Environmental Protection Agency (US EPA) will be requiring all farms with storage capacity of oil products in excess of 1,320 gallons to prepare a Spill Prevention, Control and Countermeasure Plan (SPCC Plan). SPCC Plans are largely intended to demonstrate that farmers have thought in advance about key questions related to how spill events will be minimized and what measures will be implemented if a spill does occur on the farm. We expect that most rice growers will be able to prepare their own plans. We will be monitoring the final elements of this emerging regulation and will advise growers as the regulatory deadlines emerge.

## METHYL MERCURY

It has been demonstrated that elemental mercury is converted to methyl mercury in rice fields under certain circumstances. Methyl mercury is the form of mercury that can be bio-accumulated in fish. Additional study is required to more fully understand the chemistry and significance of methyl mercury production in rice fields.

In 2011, the State Water Resources Control Board approved the TMDL previously adopted by the Regional Board. The US EPA ultimately approved the TMDL. This now sets a timetable of research, and developing regulatory requirements will be implemented.



## **WATER QUALITY**

The Irrigated Lands Regulatory Program (ILRP) will expand to include groundwater through the Long-term ILRP (LT-ILRP).

The CRC is using the ILRP model to define an LT-ILRP program for rice, which will focus on nutrients — primarily nitrogen. Through this process, the CRC will successfully tailor a program for rice, as we remain the only commodity specific coalition. The valuable work from UC Davis, the Rice Research Board and the UC Cooperative Extension contributes data essential in minimizing the impacts from rice production.

Per acre costs for program administration will increase as the fees paid to the State Water Resources Control Board go from twelve cents to approximately fifty-six cents. We will work with other stakeholders in an effort to offset the additional expense. Despite the increases in fees, we still maintain the most feasible water quality program in Region 5 of the Central Valley Regional Water Quality Control Board.

## **CROP PROTECTION MATERIALS**

The CRC will continue to engage with registrants on new chemistry for a broader selection of crop protection materials. In addition, we will work to maintain the short list of chemistry available to our industry. We actively engage on California-specific issues in addition to federal involvement directly with the US EPA. Many water quality programs cross over into the management of crop protection materials where we are working with the US EPA Offices of Water and Pesticides Programs on mutual pesticide regulatory actions. In addition, the nation is watching the outcome of endangered species litigation from the western part of the country. We engage in activities that could be precedent-setting in affecting the future use of crop protection materials. We remain active in providing technical support for maximum residue limits (MRLs) under Positive List of Chemicals in Japan and other export countries.

## **PUBLIC EDUCATION**

Social media will continue to gain momentum in the coming year, as our industry remains among the leaders in this form of communication in California agriculture. We will undergo optimization and a messaging review, to ensure the best tools are used and California rice messages have maximum effectiveness with Legislators, the media and other target audiences. Additionally, the CRC will continue to utilize creative, impactful advertising and seek more positive media coverage of the rice industry.



## CONSERVATION PROGRAM DEVELOPMENT

The CRC continued to make significant progress towards our goal of developing conservation program opportunities that are uniquely well suited for rice fields. We built upon our current work with Audubon California and PRBO Conservation Science (PRBO) to test-out new practices on a half-dozen farms

demonstration. This high level of support carried right through State Conservationist Ed Burton and his team to the local NRCS offices where all the individual contracting with growers occurred. Audubon California and PRBO were also key at this stage with “boots on the ground” to help inform growers about the practices being implemented. Finally, the logistical support from GCID to help get growers into the NRCS offices in a very short time period was also tremendously helpful.



AUDUBON MAGAZINE PROVIDED  
TREMENDOUS OUTREACH ON WORK  
THAT FAMILY RICE FARMERS ARE  
DOING TO HELP WILDLIFE.

to actually implementing a pilot-scale, multi-year \$2.7 million program funded by Natural Resources Conservation Service (NRCS) through contracts with 70 rice farmers.

This pilot program, currently being implemented in the Glenn-Colusa Irrigation District (GCID), will focus on six specific practices beneficial to birds, including:

- Returning boards back into the rice boxes after harvest to hold more rainwater.
- Enhancements of nesting habitat by modifying rice check berms and creating nesting islands.
- Enhancing duration and types of fall and early spring habitat created when intentionally flooding rice fields in the winter season.
- Installing nesting and roost structures for certain non-waterbird species such as hawks, eagles and owls.

The CRC will manage this pilot opportunity as a “stepping stone” towards our goal of establishing an industry-wide program available to all growers within the next few years.

There are many key partnerships that led to this tremendous opportunity. We appreciate NRCS Chief Dave White for making these special funds available for this pilot project

## NEW RESEARCH FINDINGS AND PUBLICATIONS

### National Audubon Recognition

In its March-April 2011 issue, *Audubon* featured a major article highlighting the benefits of California ricelands to the Long-billed Curlew. The article speaks positively about the importance of rice fields and the current efforts of the CRC and its member farmers to work with conservationists on even more ways to benefit waterbirds.

### Raptors and Rice

CRC has released its first science-based publication about the benefits of California ricelands to 14 species of raptors (birds of prey such as eagles, hawks, falcons and owls). Six species benefit more significantly than others, including the Bald Eagle, Northern Harrier, Red-shouldered Hawk, Red-tailed Hawk, Peregrine Falcon and White-tailed Kite.

Ricelands support numbers of raptors equivalent to approximately 300,000 acres of wetlands — an amount of habitat that would cost approximately \$2 billion to create today.





*The CRC appreciates leadership provided by NRCS Chief White, State Conservationist Burton, Audubon California and PRBO Conservation Science to help provide growers with conservation program opportunities.*



### **New Grower Field Guide**

A new grower field guide, written by PRBO, now captures the latest information developed with PRBO and Audubon regarding how fields can be managed to further enhance wildlife benefits. Whether in a conservation program or not, growers now can quickly learn key facts about ways to make their fields more attractive to wildlife.

### **New Series of “Species in Focus” Publications**

The CRC’s first in a series of publications focusing on particular species debuted in 2011. These are also authored by PRBO. We started with White-faced Ibis, Egrets, Long-billed Curlew, Avocets and Stilts. We will add to this list over the next few years until we have covered the various species of wildlife that are substantially connected with ricelands.



*Colusa County rice grower Brett Perry discusses his new conservation plan with Tim Hermansen (NRCS) and Monica Iglecia (Audubon).*

## STATE UPDATE

Ask almost anyone in the Capitol who has the best legislative day and the answer will come back — rice! Continuing our tradition of combining education, meeting growers and sushi, we held our annual legislative day in March. Rice boxes were sent to members of the Legislature and the Administration.



This year's box again featured original artwork from a local artist. "Natures Harmony" featured a Great Egret standing in a rice field as depicted by Melissa Chandon. The industry also honored the work of the Wakamatsu Tea and Silk Colony Project and their efforts to purchase and restore the site of the first Japanese colony in North America. The finale saw Assembly Member Fiona Ma defending her title as the Capitol Roller, maintaining the right to hang the three-foot long Samurai sword in her office as winner of the sushi-rolling contest.

Rice tours are always popular and the CRC provides dozens each year mostly to members of the media and foreign delegations. This year we added an emphasis on getting members of the Legislature out on tour. Sacramento Assembly Member Richard Pan spent a day touring rice fields, mills and viewing wildlife as part of a tour coordinated by the CRC, Western Ag Processors Association and the California Ag Aircraft Association. In addition to rice, Dr. Pan toured a walnut processing facility and learned more about aerial application of rice seed and crop protection materials.

## FEDERAL UPDATE

Our first focus this year has been preparing for the Farm Bill. Working with Tim Kelleher and Russell and Barron, we crafted improvements to the ACRE program, which enhance this option for California growers and discussed them on Capitol Hill. As always, we continue to coordinate our efforts with the USA Rice Federation.

The CRC is also focused on face time with legislators in Washington, D.C. Members and staff traveled three times

THE CULMINATION OF THE CIRCLE OF LIFE  
RECEPTION INCLUDED ASSEMBLY MEMBER FIONA MA  
RETAINING HER TITLE AS CAPITOL ROLLER.

this year to meet new legislators, discuss deficit reduction, conservation and the Farm Bill. In addition, we are working with the US EPA to maintain the use of fumigants for rice exports and for facility sanitation.

In February, over 15 members of the CRC joined Arkansas, Louisiana, Missouri and Texas on the USA Rice Government Affairs Conference. We met with over 20 members of the California Congressional delegation and hosted a reception attended by over 100 staff and organizations working on agriculture and conservation issues in Washington, D.C.

Later in the year we met with NRCS Chief Dave White on conservation opportunities in California rice. The result was the Migratory Bird Habitat Incentive, which will further enhance conservation efforts in rice fields.





*Legislators received a California Rice perspective on important agricultural and conservation programs.*

*At left, Assembly Member Richard Pan tours a Sacramento Valley rice field.*

THE CRC REMAINS AN EFFECTIVE VOICE ON CALIFORNIA RICE ISSUES AT THE STATE AND FEDERAL LEVELS.

**SOCIAL MEDIA OUTREACH** is a prime example of the California rice industry's ability to adjust to change and thrive in a new environment. From the first family farmer blog post in January 2010, the CRC presence in social media has broken new ground for the industry in creative and effective outreach to Legislators, media and other valuable audiences.

Currently, twenty rice industry members provide blogs to calrice.org. With the addition of guest blogs, video clips and a steady stream of rice information, activity on the CRC website increased more than 80 percent during the last fiscal year to more than 3.3 million hits. The number of unique visitors rose 34 percent to nearly 50,000 during that same time, while the blog page consistently ranks among the most popular on the site. Even further value is gained as CRC blogs are also utilized on the *Know A California Farmer* website and the *Sacramento Bee's* blogging network, *Sacramento Connect*.

Social media is one piece to an overall strategy of delivering positive information about California rice to those not on the farm. Additionally, the CRC responded to more than

120 media inquiries during the last fiscal year, an increase of nearly 60 percent from the prior year. We assisted reporters from *Audubon Magazine*, the *Sacramento Bee* and Associated Press, among many others.

A peak for communications occurred last March, following the devastating earthquake and tsunami in Japan. Dozens of media inquiries were handled, as reporters both local and from Japan sought a California rice perspective



**ACTIVITY ON CALRICE.ORG ROSE  
MORE THAN 80 PERCENT DURING  
THE LAST FISCAL YEAR.**

on the natural disasters and potential effect on this industry.

The 2011 Legislative Day Circle of Life Reception in Sacramento provided another valuable outreach opportunity. Another full house sampled gourmet California rice dishes, heard from event emcee, KCRA 3 Reports Meteorologist Eileen Javora and viewed Assembly Member Fiona Ma win her second straight Capitol Roller Sushi Competition.

One of the most valuable collaborations in years also occurred in the spring, with completion of the Audubon article on the importance of rice fields for the Long-billed Curlew, which was read by well over one million readers.

Advertising provided further opportunities to break new ground. The important environmental benefits from California ricelands were conveyed in impactful ads in *Capitol Weekly* and online news sources including *Rough & Tumble* and *Capitol Morning Report*.

Getting the California rice story out will continue to evolve and expand. Social media, fostering positive relationships with urban reporters, targeted advertising and all of the associated events that go with the CRC's Legislative Day will be important components to effective outreach.







*More than 120 media inquiries were handled, a marked increase from the prior year.*

*At left, Debra DeWit provides a video blog at the family farm.*

THE CRC CONTINUES TO EXPAND ITS SOCIAL MEDIA OUTREACH.

**T**HE PAST YEAR PROVED very eventful, as the CRC, working in conjunction with the USA Rice Federation, safeguarded important overseas markets for California rice and promoted new export opportunities.

### CALIFORNIA PROMOTIONS

We remained active in traditional export markets and other destinations where opportunities exist for California premium medium and short grain rice.

In Japan, the USA Rice Federation conducted an online U.S. medium grain rice and curry recipe contest, culminating in an online vote. Winning dishes were showcased on the USA Rice Federation Japanese website. The winning recipe was featured on the menu of a Tokyo restaurant for one month. A bloggers' party was arranged to encourage blog followers to sample the dish.

In Korea, 4,000 U.S. rice samples were provided from a campaign coordinated with our retail partner, Rice Green.



Additionally, recipes and promotional materials for U.S. rice were created for a Culinary Camp organized by ATO Seoul in collaboration with the Culinary Institute of America Alumni in Korea.

In Taiwan, efforts intensified for the Global Based Initiative Program. The California Agricultural Export Council is the lead cooperator and is working with other agencies to develop and implement a series of television cooking shows to promote U.S. cuisine into the Taiwanese marketplace. U.S. rice will be one of the featured foods.

In Turkey, the USA Rice Federation continued its promotions targeting the media, consumers and the trade. In addition to informative articles and recipes, the second "U.S. Rice Regional Pilaf Competition" was hosted at the Marriott Hotel in Istanbul, drawing more than 340 entries. There were also some 110 in-store promotions organized in more than 20 different locations and in retail chains.

In Canada, outreach was made to culinary schools across the country. The inaugural Culinary Student Rice Recipe Contest, using U.S. rice is ongoing, with a cook-off contest between the top entries slated for Toronto in early 2012.

### TOURS

Tours facilitated by the CRC in conjunction with the USA Rice Federation included government officials, traders, agricultural associations and media from Japan, South Korea and China.

We also arranged meetings in coordination with the USA Rice Federation to discuss critical trade policy issues with officials from Japan and Taiwan, and conducted annual rice technical meetings with trade and government representatives from Japan and Korea.

**WE REMAIN ACTIVE IN TRADITIONAL  
EXPORT MARKETS AND NEW  
DESTINATIONS FOR CALIFORNIA RICE.**

### CROP TESTING

The CRC continued its work with CalAgri and OMIC USA for rice crop testing. Rice samples are tested after harvest each year, with the favorable test results helping to facilitate export trade.





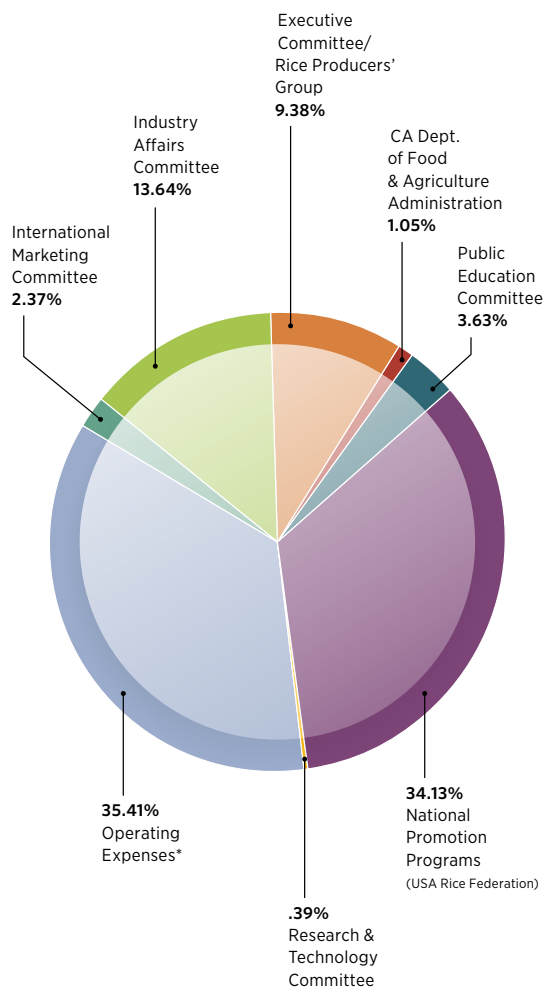
*Successful promotions occurred in key overseas markets, thanks to working in conjunction with the USA Rice Federation.*



WE WILL CONTINUE TO SAFEGUARD IMPORTANT OVERSEAS MARKETS FOR CALIFORNIA RICE.

FOR THE YEARS ENDED AUGUST 31, 2010 AND 2011

FISCAL YEAR 2010/11 TOTAL BUDGET— \$4,089,217



\*NOTE: Chart represents direct spending by category; operating expenses not allocated to programs.

## STATEMENT OF FINANCIAL POSITION

	2011	2010
<b>ASSETS</b>		
Cash & Investments	\$3,674,673	\$2,520,098
Receivables	254,055	331,276
Prepaid Expense	14,043	6,380
Deferred Program Expense	0	0
Equipment	77,236	96,208
<b>TOTAL ASSETS</b>	<b>\$4,020,007</b>	<b>\$2,953,962</b>
<b>LIABILITIES</b>		
Accounts Payable	\$104,604	\$161,896
Contracts Payable	151,169	141,678
Notes Payable	0	0
Deferred Program Revenue	32,600	29,100
Accrued Expense	35,719	34,128
<b>NET ASSETS, UNRESTRICTED</b>	<b>\$3,695,915</b>	<b>\$2,587,160</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$4,020,007</b>	<b>\$2,953,962</b>

## STATEMENT OF ACTIVITIES

	2011	2010
Revenue	\$4,770,718	\$4,545,031
Promotion & Regulatory Expense	2,326,891	2,309,401
Operating Expense	1,296,552	1,404,994
CDFA Departmental Expense	38,520	45,564
Change in Unrestricted Net Assets	1,108,755	785,072
Unrestricted Net Assets BEGINNING OF YEAR	2,587,160	1,802,088
Unrestricted Net Assets END OF YEAR	\$3,695,915	\$2,587,160





## CALIFORNIA RICE COMMISSION

**Tim Johnson**, *President & CEO*

**Paul Buttner**, *Manager of Environmental Affairs*

**Julie Cader**, *Finance & Administration Manager*

**Robertta Firoved**, *Industry Affairs Manager*

**Jim Morris**, *Communications Manager*

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## 2010/2011 COMMITTEES

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Sean Doherty, Secretary

Don Bransford

Mark Kimmelshue

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Mike DeWit

Sean Doherty

David Dumars

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Jim LaGrande

Leo LaGrande

Mike Lux

Bert Manuel

Charley Mathews

Ron Phelps

Frank Reherrmann

Andrew Rudd

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**Back Cover LEFT** Michael and Patricia Rue with their son Michael Bosworth, nephew Casey Vogt and cousin Doug Thomas; **UPPER LEFT** Frank and Judith Reherrmann with their son Clint and his wife Manpreet; **RIGHT** Mike and Jack DeWit.

*Photos of these families were taken by Paolo Vescia. Additional photos provided by Brian Baer and Phil Robertson.*



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