Congress of the United States Washington, DC 20515

June 17, 2021

The Honorable Thomas J. Vilsack Secretary United States Department of Agriculture 1400 Independence Avenue, SW Washington, DC 20250

Dear Secretary Vilsack:

We write on behalf of Michigan's tart cherry industry to highlight the unique challenges facing our local growers and processors. Tart cherries are critical to our region, and we are calling upon the U.S. Department of Agriculture to help us ensure the industry continues to thrive and is always considered in USDA's implementation of domestic and foreign agriculture policy.

Michigan is the cherry capital of the United States, producing 75 percent of our Nation's tart cherries and 20 percent of the nation's sweet cherry production. Hardworking growers, processors, and entire communities have invested heavily in the specialty crop's success. We are concerned, however, by a growing list of significant obstacles the industry faces at home and abroad which harm its ability to compete in global markets as well as drive grower prices well below the cost of production. While an average pound of tart cherries costs between \$0.25 and \$0.30 to grow, the growers have received an average payment (in 2017, 2018, and 2019) of \$0.161 per pound, leading to many multi-generational family farms closing and orchards being uprooted at record rates.

The tart cherry industry suffers from a chronically unfair playing field on trade. Turkey, among other tart cherry producing nations, floods the U.S. market with government-subsidized products that sink U.S. grower prices. As a result, we supported the tart cherry industry's antidumping duty and countervailing duty case before the U.S. International Trade Commission. The industry invested \$1.7 million into the case, and although they met the Department of Commerce's threshold for preliminary standards, the industry was set back by an unfavorable ruling. This blow has been compounded over the years by Chinese retaliatory tariffs against U.S. cherries.

We achieved a small victory when President Trump ended Turkey's duty-free benefit on tart cherry juice concentrate into the U.S. market under Generalized System of Preferences in 2018. Soon after, however, U.S. imports of tart cherry juice concentrate from Brazil suspiciously rose at roughly the same rate it fell for Turkish exports. Brazil, which has maintained duty-free benefits, has no cherry production. The industry took action by filing a complaint with U.S. Customs and Border Protection. Again, the industry received an unfavorable ruling. While the "go-around" through Brazil has subsided, the dumping of various tart cherry products remains.

It is also worth noting that other tart cherry producing states include Washington, Oregon, Utah, Wisconsin, New York, and Pennsylvania. In 2019, the U.S. grew a combined total of 13,100 tons or \$36 million worth of raw tart cherries, making us the fifth largest tart cherry producer in the world.

On the home front, several issues continue to impact growers and processors. As with many other specialty crop producers, tart cherry growers have faced labor shortages and other supply chain disruptions due to the COVID-19 pandemic. Additionally, a new invasive pest from Asia called Spotted Wing Drosophila has contributed to the rising cost of production, and in some cases, costs growers upwards of 20 percent of their harvest due to crop damage. To further compound this negative development, a late freeze in both 2020 and 2021 has resulted in the first ever back-to-back significant crop losses for the Michigan cherry industry.

Few industries have worked harder to protect their stake in the face of adversity, having spent several millions of dollars to combat trade issues, research new pest control methods, and expand their foothold in increasingly competitive markets, all while the value of production has decreased by two-thirds since 2014. Therefore, a little help and appropriate attention from the USDA will go a long way. For example, tart cherries' inclusion in the Coronavirus Food Assistance Program and recent Section 32 purchases have been critical resources to preserve the industry's wellbeing.

With these considerations in mind, we ask that you respond to this letter with your commitment to listen to the tart cherry industry and hold its best interests in your decisions going forward, as well as your availability to meet with and hear from Michigan tart cherry stakeholders. Thank you for your attention to this urgent matter. Please do not hesitate to reach out to us should you have any questions.

Sincerely,

Member of Congress

Peter Meijer

Member of Congress

Daniel T. Kildee Member of Congress

Debbie Dingell

Member of Congress

Brenda L. Lawrence Member of Congress

Member of Congress

Member of Congress

Member of Congress