

# They Broke the Trail

The history of civilization is pretty much the history of wheat. At first, roving bands lived off the land, moving on as the game was exhausted. It took all hands merely to get food. There was no time for civilization until the tribes settled down and grew wheat and other cereals to furnish up to 80% of their food supply.

Wheat in Oregon was important from the start. Dr. John McLoughlin, the Hudson Bay factor, decreed that each Hudson Bay trading post should grow enough wheat to feed the post and the people they served. They traded wheat for furs with the Russians, so wheat was Oregon's first farm export.

In 1849, the Oregon farmers who stayed home to grow wheat made more money than those who followed the gold rush to the south. The first Oregon-built ship, the Star of Oregon, moved Willamette Valley wheat to California. The feverish gold diggers of Northern California could scarcely have swung their picks without steady supplies of flour from Oregon.

From the first settlement in Oregon, wheat has been the major crop. It was the principal food of the early settler; by territorial law it was legal tender for a time, and it served as the main source of outside revenue. Shipped to California, Hawaiian Islands, and to the East Coast, wheat paid for stoves, clothes, books, tools, musical instruments, and all the things needed in the new Oregon settlements. Aside from a few furs, early Oregonians didn't have much else to sell.

The first commercial flour mill in Eastern Oregon was at John Day, in 1865, built to feed 6,000 gold miners. But wheat east of the Cascades didn't really flourish until the railroad, in 1885, did away with the dollar-a-bushel freight down the river. Wheat growers in the Columbia Basin had to pioneer a new method, summer fallow. Until then, no area in the United States had grown wheat successfully with an 11 inch rainfall. After the rails, a flood of wheat was soon pouring into Portland for export. Then, as now, three-fourths of the wheat in the Columbia Basin had to be sold elsewhere. Thus Oregon, bolstered by money from wheat exports, was settled long before the mountain states. Wheat built every Western Oregon city and paid for the eastern furniture in every Oregon home.

In the depression following World War I, wheat growers were in real trouble, with wheat selling for less than it cost to grow it. Worried by the bleak future, they gathered at Moro in 1926, to assay their situation. They did not say, "What can the Government do for us?", but "What can *we* do?" From that meeting in a period of adversity was born the Eastern Oregon Wheat Growers League, later changed to the Oregon Wheat Growers League; one of the most successful of all commodity organizations in the United States. Their basic approach to every problem still is, "What can *we* do?"

During World War II, Oregon wheat growers were relatively prosperous. New equipment was almost nonexistent, and labor was scarce and high priced. Railroad cars were often hard to get. Their problems were thus tied to production and transport, rather than marketing.

Now here is the surprising development. In a period of prosperity, when the government was buying all of the wheat he could produce, the Oregon wheat grower decided to tax himself one-half cent per bushel to finance things that needed doing.

In February, 1945, Mr. E. R. Jackman, Extension Crop Specialist at Oregon State College, wrote to Mr. Jens Terjeson and his special Wheat League Committee with reference to wheat problems. Mr. Jackman referred to the Potato Commission programs in Maine and in Idaho that raised money to finance self-help projects.

At a meeting of northwest farm organizations in Pendleton in June, 1945, Mr. H. R. (Ike) Weatherford, at the end of a long discussion of federal programs, asked, "Why don't we put a tax on wheat and do some of these jobs ourselves?" This self-help idea appealed to these Oregon wheat growers and in 1946, the Oregon Wheat Growers League recommended that a wheat commission be formed. Jens Terjeson of Pendleton, and Marion Weatherford, Arlington, were given the job. With characteristic thoroughness, they spent more than a month at Salem during the 1947 session of the Legislature buttonholing legislators and explaining just what was wanted. The Oregon Wheat Commission bill was passed with only one dissenting vote.

To the League and to the Legislature, Terjeson's special Wheat League Committee hammered home these basic facts:

- 1) The nation is geared to production of more wheat than can be consumed in this country for food and seed.
- 2) The good market then existing could not be expected to last forever because it was based upon giving away our surplus.
- 3) Acreage control is costly and in itself tends to intensify depressions by reducing labor needs for freight, supplies and milling, and in reducing the farm market for machinery, fertilizer, chemicals, and nearly every product made by industry.

4) Wheat growers must, therefore, consider plans on how to cope with a surplus. These plans must take into consideration: expansion of outlets; development of varieties that will better fit special milling uses; and use for feed and industrial purposes, such as alcohol.

5) A wheat program should not harm any other segment of agriculture.

The new Law authorized the commission to promote increased markets for Oregon wheat. It provided for five commission members, three from the Columbia Basin Counties, one from the remainder of Eastern Oregon and one from Western Oregon. It provided that the Director of the State Department of Agriculture and the Dean of the School of Agriculture at Oregon State College, or their representatives, were to be ex-officio members. The first Commission appointed by Governor Snell was: Jens Terjeson, Pendleton; Marion Weatherford, Arlington; Millard Eakin, Grass Valley; Ralph McEwen, Haines; and William Enschede, Hillsboro. Ex-officio members were: E. L. Peterson, Director of Agriculture, State Department, Salem; and D. D. Hill, Head of the Department of Farm Crops, Oregon State College, representing Dean Schoenfeld. Mr. Terjeson was elected Chairman of the Commission and served in that capacity until his resignation in 1954.

The first meeting of the Commission was a memorable one. They had no precedents – there was no other such group in existence. The Commissioners agreed that they needed the best administrator they could get. Success or failure would be dependent upon obtaining a man with initiative, imagination and ideas. He must also know wheat. The committee listed desirable persons for the job, and agreed unanimously upon E. J. Bell, long-time employee of the United States Department of Agriculture.

Mr. Bell had worked with the wheat growers of the Northwest for many years and knew their problems. They offered him the maximum salary allowable under the law, and he accepted because of the challenge of this new approach to the wheat problem. His experience and imagination supplemented the bold thinking of the Commission members. An effective program was organized at once.

The Commission early adopted this policy followed ever since:

"It shall be the policy of the Oregon Wheat Commission to promote the production, marketing and utilization of Oregon wheat to the end that producers maintain a permanent agricultural production and that the crop be utilized to the fullest development of the area.

"To implement this policy, the Oregon Wheat Commission will utilize all existing information and all agencies, private, state, or federal, having to do with production, marketing or utilization of wheat. It will not duplicate nor usurp the functions of other agencies, but will rather assist and coordinate their activities. It will attempt to develop individual functions not now included in the work of other agencies."

This clear-cut policy has been adopted, in large part, by other Oregon commodity commissions, and by wheat commissions established in other states. Hundreds of projects have been submitted to the Commission and each is first judged by whether or not it fits this over-all policy test.

Once the Commission was organized, breaking new trails became commonplace. The admonition in the law to "Conduct a campaign of research, education and publicity to promote wider markets for Oregon wheat" was taken literally. The key words are "wider markets," and 90% of the Commission's activity has been geared to this one goal.

Some confuse the Wheat Commission with the Wheat League. The Commission was created at the request of the League in order to collect money from all Oregon wheat growers to finance programs of state wide value. The Commission is a legal entity of the state, therefore, its activities are prescribed within certain limits. It was logical for the Commission to contract with the League for the performance of functions that the League could do best. The League has thus vastly increased its activities.

Over the years the Oregon Wheat Growers League has been concerned with freight rates, both to seaports, and to domestic markets of the East and Southeast, where soft wheat of the Northwest was in demand. Freight rate investigations and the prosecution of cases before the Interstate Commerce Commission were expensive, and when done on a hit-or-miss basis, were not too successful.

One of the early projects of the Commission was to organize the Northwest Grain and Grain Products Association to provide a permanent organization to work on freight rates. Associated with the Commission in this were the grain dealers and millers of the Northwest, and the State Department of Agriculture in Washington. The Commission has been the principal contributor. The services of Frank Aughnay were obtained in 1949, and he has served with success ever since.

Following World War II the general policy of the railroads was to request percentage increases, and these affected the western shipper more than any others in the country. The net result was to price the western wheat grower completely out of a market that he had historically enjoyed.

The judgment of the Commission in forming a permanent rate body has been more than justified. The entire freight rate structure is tremendously complicated, as are the legal aspects of rate hearings. It took a great deal of work to accumulate the information necessary to represent the industry, but this effort has paid off handsomely, resulting in freight savings of over five million dollars since 1952. These savings to growers more than offset the assessments they have paid on wheat.

As a result of rate adjustments, Northwest wheat has moved into areas otherwise closed to it. Now that wheat growers in Washington and Idaho have similar organizations, they too are helping on freight rates. The Oregon wheat grower broke the trail.

To the new Commission it seemed important to study the movement of wheat to market. It was something of a shock to find that there was no adequate information on the production and disposal of the many varieties. This information was needed to attack the problems of marketing. The Commission initiated a market analysis, and enlisted other support. They put some money into this project, and obtained support from the experiment stations in Washington, Oregon and Idaho, as well as from the United States Department of Agriculture, Agricultural Marketing Service. Results of the study have been published in Pacific Northwest Statistical Bulletin Number 1, December 1956, Wheat Supply and Distribution.

This illustrates the part the Oregon Wheat Commission has played. Obviously it is not possible to separate the problems of Washington and North Idaho from those of Eastern Oregon. The Oregon Commission took the leadership in developing regional projects, and at first assumed the major share of financing. Here was an organization with money and personnel available, and it was possible to start projects that otherwise would never have gotten past the talk stage.

The importance of having money available is well illustrated by the wheat program of the Western Regional Laboratory at Albany, California. This was one of the four laboratories established by the Federal Government to study new uses for farm products, and to engage in fundamental research beyond the means of states. The Administrator of the Commission and some of the members decided that it would be a good idea to go to Albany, California, and find out just what the Laboratory was doing with wheat. They found no work underway because there appeared to be no interest on the part of the wheat industry. This was the first wheat group to visit the Laboratory. Since that time members of the Commission and cereal technicians from Oregon State College have visited the Laboratory regularly.

Two general requests were made of the Laboratory. One was to investigate chemurgic opportunities with wheat.

The Laboratory scientists were able to produce, from wheat, a number of commodities, but the price of wheat at present is too high for such industrial uses. Later, the Commission assembled the technical information and the cold, hard economic facts with reference to the chemurgic use of wheat in Wheat Commission Research Report No. I, 1950. Wheat may not always be too high for such uses.

Another study at Albany dealt with fundamental studies on the components of quality in wheat. The Laboratory was told that wheat breeders in the Northwest, in their quest for more smut-resistant varieties, must also grow wheat of high quality. A difficulty was that the breeders did not know what the various components of quality were or how to test for quality until quantities were available for a commercial milling and baking test. Quick tests that would give some idea of quality in the breeding material were urgently needed. The wheat research program at the Laboratory was intensified at once. Working in conjunction with the Western Wheat Quality Laboratory at Pullman, Washington, the Laboratory succeeded in making an important breakthrough on this point, and together they were able to develop satisfactory preliminary quality tests that the plant breeder could use. This involved financing the development of a micro mill, which permits the researcher to make a quality test with one-sixth of an ounce instead of five pounds. Thus, plant breeders can speed up their program.

Wheat growers everywhere have benefited by this discovery. For an investment of a few dollars in travel, the Commission received many thousands of dollars worth of important research of incalculable benefit to the entire industry. There is no better example of productive research spearheaded by farmers.

The Commission has been interested in the Western Wheat Quality Laboratory at Pullman, Washington. This regional laboratory was established in 1947 to service the area's wheat industry. The Pacific Northwest produces different types of wheat from those grown in other regions, so results from other laboratories were worthless here. The Laboratory was financed mostly by the Federal Government, although the State of Washington made contributions of space, facilities, and maintenance.

Early in the life of this laboratory, they hired Ed Seeborg, who was well qualified by experience to work with experimental milling. Unfortunately, Mr. Seeborg's formal training was such that he was unable to meet certain Federal Civil Service requirements. The Commission, recognizing his value to the Laboratory, paid his salary for several years and kept a good man on the job.

Control of smut has long been the No. 1 production problem in the Columbia Basin. Plant breeders produced resistant varieties, but Mother Nature produced new smut strains just as rapidly. So, smut losses seesawed up and down; in some areas in some years, 50 per cent or more of the crop was lost.

This was a regional, rather than an Oregon problem. A regional attack was made through Federal funds obtained by the Wheat League. This research hit pay dirt quickly. Three new varieties, Omar (Club), Burt (hard white) and Columbia (hard red winter) have been released, all highly smut resistant, so far, to nearly all the races. Even more encouraging is the word from the pathologists that they have a seed treatment effective against soil infection, the long-time enemy of the wheat grower. Smut is now fading out.

In such programs, the grower is helped, but the state and the community are benefited even more, because wheat is the major contributor to the economy of the region. As yet, there is no crop that will produce so much as wheat on the recognized wheat land. The new varieties and seed treatment add millions of dollars yearly to the Northwest economy. This money comes into the towns and is spent over and over again.

The Commission asked the research agencies of the Northwest states to prepare an analysis of the anticipated research problems for the next 20 years. Results were published in Washington Circular 293, enabling experiment stations to lay their plans toward solutions.

Soil conservation, especially needed in summer fallow farming, is tied into machinery, fertilization, weed control, rotations, and cultural practices.

One of the early acts of the League was to obtain federal action and establish grass nurseries throughout the wheat area as one aspect of conservation. The League's "Conservation Man of the Year" project has been in operation for many years, with cooperation from the Portland Oregonian. The establishment of the regional conservation programs on the pilot farms in the Pendleton area is a direct accomplishment of the League and Commission.

In its first year the Commission through the Wheat League offered money for the fat livestock show at The Dalles, where wheat was used as part of the fattening feed. The next year the Commission sponsored a 4-H cake baking contest at the State Fair. Both events are popular with young people and both have assisted the Wheat League in its Youth Activities Program.

The Commission feels that it has two publics to serve, first, the wheat growers who furnish the money, and, second, the consuming public.

Commission members and personnel spend many days meeting with grower groups. Radio talks and newspaper stories by Commission personnel, State Fair exhibits and other means were used to bring the story of the activities to the general public. The most ambitious public relations project was a motion picture designed to present the story of wheat from planting to the consumers' table. The film, "Give Us This Day" was entertaining and authentic to the last detail. Forty-five copies of the film were made and it was shown to schools, meetings of all kinds and to television audiences all over the country. It is estimated that 25 million people have seen this picture. It contained not one word of advertising or propaganda; this is public relations at a high level.

Several promotional campaigns were put on with other farm groups. Such programs as the "Milk 'n Doughnuts" and the "Strawberry Shortcake" were carried with little cost. With Commission help, the League employs a home economist to work with housewives and schools to teach better use of wheat products. Probably no other wheat producer group in the United States can boast a home economist on its staff. While the per capita consumption of wheat in the United States has been declining for many years past, the use of specialty flours has increased. The Commission has been active in proving to processors and consumers that Pacific Northwest produces the finest specialty flour wheat in the world. The home economist encourages housewives to use more of these fine specialty wheat products.

The Commission has helped to develop a wheat product new to the American housewife. Wheat has been a major food crop of the white race for thousands of years, with many uses. One of these is bulgour, a term applied to wheat that has been cooked, dried (usually by sun) and processed to remove a portion of the kernel. It has been a standard food of many central Europeans for hundreds of years. A limited production supplied the needs of Armenian immigrants in California.

Mr. John Korenian of Salem, Oregon, brought this product to the attention of the Commission and later one of the Commission members found it served as a featured dish at Omar Khayam's restaurant in San Francisco.

Some of the Commission members went to Fresno where this material was processed by the old Armenian method. Here was a wheat product that might be popular with American cooks and might be exported.

Through the efforts of the Commission, arrangements were made between the Commodity Credit Corporation and the Fisher Flouring Mill of Seattle, to manufacture bulgour wheat on a large scale. This involved much research on the part of the Fisher Company, and also by the Western Regional Laboratory at Albany. This product is now marketed in the Pacific Northwest under the trade name of Ala.

Thousands of tons of Ala have been exported to Korea where it is accepted as a standard food item and promotion is going on in India and elsewhere. Housewives of the Northwest are buying it and eventually it may sell nationally. The Commission can take full credit for developing an entirely new market with negligible expense to the Commission. The project took time. Here again was a clear demonstration of the value of a permanent organization, staffed by competent personnel, with funds available, working in the interest of the grower.

You have often heard the old adage that "everyone talks about the weather, but no one does anything about it." The wheat growers in Sherman, Gilliam and Morrow Counties attempted to disprove that adage when they organized the Tri-County Association, raised money and contracted with a rain making organization. No one knew for sure whether this was a paying proposition or just a new way to spend money.

Members of the Tri-County Association wanted a scientific evaluation by a disinterested party. The Commission allocated funds and requested Oregon State College to make such a study. After three years and hundreds of comparisons, the College scientists could not prove that any of the several weather modification methods used had a significant effect upon the rainfall. This was the first such study in the world. It has guided similar work elsewhere.

Winston Churchill paid a deathless tribute to the Royal Air Force when he said, "Never have so many been so dependent upon so few." Other American wheat growers might say the same thing about Oregon farmers. They led the way on projects of equal value to many states. Oregon produces about one-fourth of the wheat grown in the region, and yet until recent years the Oregon Wheat League and the Commission have carried the major share of the load in solving regional wheat problems.

From the time of the Federal Farm Board in the late 1920's, wheat has been a Federal and political problem. Attempts on the part of Oregon to influence national policies had been only partially successful. After all, Oregon produced less than three per cent of the national wheat total, so why should Congress pay much attention to this small voice? The obvious solution was to develop a stronger voice. The Commission decided to make some voice medicine. After a series of conferences and endless correspondence with wheat leaders from the Great Plains States, the National Association of Wheat Growers (NAWG) was born in Kansas City in 1951.

Oregon played a major part in the formation of NAWG. This writer was present at the birth and served for several years as secretary of the important research committee, so there was ample opportunity to observe the part that Oregon

played. It is no discredit to the other states to say that without the leadership of the Oregon group, the NA WG never would have gotten off the ground. The Oregonians, from years of experience in the Oregon Wheat Growers League, had the experience necessary to make the new organization function. Jens Terjeson, then chairman of the Commission, was the first vice president of NAWG, and served for two terms as president. Floyd Root of Wasco, Oregon, also served two terms as NAWG president.

Oregon provided the money so essential to any new group. For the first few years of the NAWG, Oregon was the ONLY state that paid its full assessment. Without the financial assistance and the personal leadership from Oregon, there is little doubt that NAWG would have sputtered to an early death. The National now speaks for the wheat growers of the nation. For the first time, wheat growers of the United States have an organization to speak for them. NA WG is a truly national group and has great influence.

Other states now want wheat commissions too, but their first efforts failed. This showed that a strong commodity organization must sponsor the Commission in order to launch it. Legislatures won't just create commissions without apparent near unanimous demand. The Wheat League was first, then the Commission followed as a tool to build what the League planned. To try to reverse this procedure is like building a court house first, then making the plans for it.

Following the failure of the first attempts to form commissions, wheat associations were formed in many states. Now, there are active associations in Nebraska, Kansas, Colorado, Texas, South Dakota, Washington and Idaho. Commissions have been formed and are active in Nebraska, Kansas, Colorado, North Dakota, Washington and Idaho. Legality has been a stumbling block, making it necessary to change laws before some states can legally form commissions. Similar moves are under consideration in most wheat growing states. The Oregon Trail has become a broad highway.

All of these preliminaries have been leading up to the main event, wheat marketing. The obvious place for the development of a greater market was the Far East, so in 1949 the Administrator, Ed Bell, went to the Orient with a United States Department of Agriculture trade mission. In 1951, Mr. Bell was loaned to the government for work in the Philippines to study market preferences and practices. These early studies were highly discouraging; no apparent market for more wheat anywhere. In May 1953, plans were considered for "a broad educational program to assist nations in the Far East to utilize more wheat and flour, which are needed in view of the world wide rice shortage." As part of this plan, Oregon was to share in a trade mission team from the United States Department of Agriculture and the Millers' National Federation to develop wheat markets in the Far East. Dick Baum, Executive Secretary of the Oregon League, left in September, 1954. After visiting nine countries, the team felt that Japan offered the best starting point.

About this time, the Far East marketing program received an unexpected assist. Public Law 480, which authorized the purchase of American products with foreign currency, opened the door for a large-scale program. In the fall of 1955 then, Dick Baum, representing the League, went back to Japan with Eral Pollock of the Foreign Agricultural Service to develop specific projects. Joe Spiruta of the Commission staff, who had made a national reputation with his exhibits on wheat, was sent to prepare an exhibit at the Osaka Trade Fair in the spring of 1956. Japanese interest in the Oregon exhibit was so great that most of the Osaka police were needed to curb the crowds. The trade fair showed a need and an eagerness for wheat in Japan.

Baum returned to Japan in April, 1956, and brought back four different projects to be signed by the Wheat League. These were: (1) Preparation of educational material on nutrition; (2) Use of kitchen demonstrational buses (these were very successful); (3) Training of home demonstration agents, and (4) Training of bakers. Japanese money from the sale of wheat was available to finance these projects. Baum went back to Japan for a short time in July 1956 and in October of that year Joe Spiruta moved to Japan and opened the Wheat League office in Tokyo to administer the program. The office is still open. It has resulted in sales of many cargoes.

As a follow up, there was an exchange of missions between Japan and the United States. A Japanese mission came to the United States in August, 1956, to see our wheat production at first hand, and in 1957 an Oregon mission headed by Wheat League President Raphael Raymond, went to Japan to observe the program in action. In 1957, Dr. Oiso, head of the Health and Welfare Division in Japan, came here for a look at our wheat as president. Floyd Root of Wasco, Oregon, also served two terms as NA WG president.

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The school lunch program in Japan was started in July, 1957. Japanese children now eat wheat products every day and develop a liking for this "staff of life." Of all the projects in Japan, this one is probably of the most lasting importance. A major advertising program was developed by the five principal food groups there, to promote the use of wheat foods in Japan. This represents the first effort of its kind, another new trail to the credit of the Oregon Wheat Commission.

By this time the Oregon wheat growers were sparking bulgour in Korea, all kinds of things in Japan, and a growing series of events in India. There was a small program with the Miller's Federation in Thailand, and a major one with the millers in India and Pakistan. In 1957, Baum and Spiruta developed the India program, hired a man, Wayne Gentry, to run it, and then found help from our neighbor to the north. Washington had developed a wheat commission so the India project was turned over to Washington along with the man that Oregon had just hired. The Korea project for the bulgour wheat was also turned over to the Washington group. The Nebraska Commission, formed as a result of the Oregon example, is working with Washington in the India project.

Aside from a contract with the Cotton Council International, the initial contract with the Oregon Wheat Growers League under Public Law 480 was the largest contract signed by the Foreign Agricultural Service.

The Cotton Council represents the entire cotton industry-growers, dealers, manufacturers and all-yes its 480 market development program was not a great deal larger than that of the Wheat League.

Now, representatives of the Wheat Commission sit down around a table in Japan, India, Korea, and other Far East nations to discuss wheat needs with the governmental heads and industry leaders. We do not know of any other group of farmers who have gone so far in international promotion.

Perhaps one of the most significant organizational developments for wheat growers nationally has been the formation of two regional market development organizations. In 1958, the states of Nebraska, Colorado, and Kansas joined to form Great Plains Wheat, Inc., to function in the interest of wheat growers of that area. Their initial activity was directed toward foreign market development, particularly in Europe and South America.

As early as 1957 wheat growers in Oregon, Washington and Idaho prompted by similarities in production and marketing, met to discuss the formation of a regional organization. With the creation of the Idaho Wheat Commission in the spring of 1959 all three states were organized and financed to move together in a "self-help" program. Thus, on May 2, 1959, Western Wheat Associates-U.S.A., Inc., was officially formed. The history of these two organizations and their impact on foreign market development for U.S. wheat will undoubtedly be written sometime.

The work in the Far East is far from complete. The Commission thinks it is only the opening wedge. The Far East is the natural and logical market area for our wheat, but it won't flow there by gravity. The trail may have been broken but it will take work to develop a broad highway for all year travel.

With new projects blossoming like spring flowers, it was felt that it was time for a conference of all those interested in wheat: Growers, dealers, transportation agencies, feed companies, millers, implement dealers, laborers, consumers, anyone who had an interest in wheat. The League requested the assistance of Oregon State College in putting on this conference, offered money to finance it, and it was held in February, 1956. The 12 to 18 months spent in preparation and the wide participation performed a most effective service. One tangible result is preliminary steps to form a Northwest Wheat Council where labor, industry, growers, and others can get together occasionally for common problems. This is of unknown value as yet.

Wheat Commission members have been capable and experienced people who brought to the Commission a wealth of experience, mature judgment, and original thinking. Continuity has been the rule, with only enough new blood to keep fresh viewpoints.

In addition to the original members: Jens Terjeson, Pendleton, Oregon; Ralph McEwen, Athena, Oregon; William Enschede, Hillsboro, Oregon; Marion Weatherford, Arlington, Oregon; Millard Eakin, Madras, Oregon.

The following have also served: Don McKinnis, Summerville, Oregon; Morris Wilson, Condon, Oregon; Walter Shelby, Albany, Oregon; Paulen Kaseberg, Wasco, Oregon; Kenneth Smouse, Jone, Oregon; Roland Schaad, La Grande, Oregon. The last five names represent the 1960 membership. The ex-officio members have included E. L. Peterson, J. L. Short, Robert Steward and Paul Rowell, at various times, representing the State Department of Agriculture; and Dean F. E. Price, Wilson H. Foote and D. D. Hill, representing Oregon State College.

While preparing this account of the Commission's first 11 years, the writer spent many hours reading all of the minutes of the Commission. The re-reading of the old minutes was a stimulating experience. It emphasized the great diversity of subjects considered. For example, at a regular meeting on September 14, 1954, here are the major subjects discussed and some of the actions taken: Review of expenditures – Report of Auditor, explanation – Report from Department of Finance and Administration re tax collections – Commodity Commission budgets, review by legislature – State Fair Exhibit viewed by 125,000 people, to be shown at the NAWG meeting in Dallas, Texas – Discussion of cake baking and bread baking contests – Visit to the Albany Regional Laboratory authorized after two years – Bulgur wheat developments, long discussion – Northwest statistical project, continue – 4-H cake baking contest, continue – Western Wheat Quality Laboratory, the Commission support here should be considered as temporary, more in the nature of pump priming; should be more federal funds – Grain and Grain Products Association, monetary savings thus far are in excess of the total wheat tax, continue – Weather data analysis for Tri-County Area, discontinue – Special basic research on smut, has received other funds and no longer needs Commission funds – Nutrition project of Women's Christian College at Madras, India, this needs careful evaluation but probably should be supported – Report of conference on grain alcohol motor fuel at Peoria, Illinois – Request of McNary Dam Dedication Committee for funds, refused – Extension of leave for Administrator E. J. Bell, special committee of the League and the Commission to have Commissioner McEwen assume certain responsibilities during the absence of the Administrator.

The meetings are often long, but they are never dull – each is different. In the long history of the Oregon Wheat Growers League, aims have always been constructive. No time is spent in blaming someone else or in bickering. The Commission, created by the League to implement the League policy, has had its personnel steeped in the League tradition; many of the members have been former presidents of the League. It is doubtful if any comparable group of farmers anywhere can claim such a record of trail blazing accomplishments.

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## **Addendum November, 1965**

With the creation of Western Wheat Associates in 1959 the responsibility for the foreign market development program fell to the new organization. Inasmuch as this was a new field in which a good deal of pioneering work had to be done, it appears appropriate to continue the record through the beginning phases of the new program. During these six years, Western Wheat has certainly been breaking a new trail, one that has opened a whole new era of great significance to American Agriculture.

The Oregon influence has continued strong in the Western Wheat program. Both the League and the Commission are represented on the Board of Directors. R. K. Baum, formerly of both organizations, has been Executive Vice President since its formation. James Hutchinson of Umatilla County and formerly employed by the League, has been director of the Tokyo office since 1958. The writer has served for a two year term as Director in India and as interim Director of the offices in Karachi and Manila. When the Washington, D.C. office of Western Wheat was opened in 1960, Clancy Jean, then Administrator of the Oregon Commission, was selected to head it. When Mr. Jean accepted a position with the USDA, another Commission Administrator, Winn Tuttle, was selected to replace him. These selections were made, not because of their state connections, but because at the time personnel with a background of experience was to be found here. Thus, during the formative years, much of the personnel had a background of the Oregon philosophy. But this is not to imply that the directors from the other states made any less of a contribution, as this was truly a regional effort.

At the time of the formation of Western Wheat in 1959 there was little information as to how a market development program for wheat should be conducted. No wheat grower group had ever done this before. In fact, there had been no foreign market development by the growers of any other commodity, except in limited special projects. Administrators and foreign office directors literally had to "play it by ear". Western Wheat had the responsibility for market development work in the Asian area. This meant working with an entirely different culture, a strange language, with living conditions that often were difficult, with sometimes acute health problems, and with an entirely different way of doing business. In many cases it was necessary to not only convince the foreign government that Western Wheat had something to offer, but also to convince the U.S. Embassy and other U.S. agencies in the country that the program was worthwhile. A further complicating factor was the necessity of developing early projects that could make a rapid showing. In addition to convincing foreign governments and agencies it was also necessary to make a good enough showing to ensure the support of the parent grower organizations.

Two types of programs developed rather early, one for hard currency countries, and one for the developing countries, where all of the wheat, as purchased under P.L. 480. Japan began to phase out of P.L. 480 in 1958 and by 1959 was purchasing all of its wheat for dollars. Because of availability and price, Canada and Australia had the major share of the market. A wide variety of projects were initiated in Japan, many of them of a technical nature. Over the years, many trade teams, both from industry and government have come to the U.S. to view our wheat production, our wheat industry and our technical developments. This has been most effective. The Western Wheat office in Tokyo has maintained excellent relationships with the Food Agency, which is responsible for all wheat importation. From the school lunch and nutrition education projects of the early years, Western Wheat has participated in a bewildering array of projects, such as bakers training, dry noodle institute, confectioners training program, wet noodle training program, department store exhibits, TV programs, pre-mix flour product promotion, trade publications, and technical research on the utilization of U.S. wheat, to name a few.

When hard red winter wheat became available for export from the Pacific Coast a great deal of research was necessary to convince the Japanese that 13 percent protein hard winter wheat could be used in a satisfactory blend with spring wheat. This was only one of the many technical projects which Wheat Associates either established or assisted. But technical assistance is only part of the program. In the final analysis, it is necessary to obtain reliable market information. In Japan and in other Asian markets the market statistics which are available daily in U.S. markets simply are not to be had. The collection of reliable market information requires a "pipeline" to reliable sources of information and the ability to interpret the information collected.

With the increasing demands on this office, it was necessary to add a second American to the Tokyo office staff. Robert Fondahn, former Secretary to the Washington Association of Wheat Growers, assumed his duties in 1963. The net result of his activity is reflected in the changing picture of Japanese wheat imports. From 1959 to 1961, following the termination of P.L. 480 shipments, Japan imported about two and one-half million tons per year, of which the U.S. share was only slightly in excess of 800,000 tons. In 1965, out of an importation of three and one-half million tons, the U.S. will provide 1,700,000 tons. This doubling of wheat exports to Japan is no accident. Today Japan is the foremost dollar purchaser of U.S. wheat in the world. There is no doubt that the pioneering efforts of Western Wheat have paid handsome dividends.

Although the major attention has been given to Japan, the other hard currency markets have not been neglected. For many years the Philippines imported all of their flour, most of it from the U.S. In the nineteen fifties a number of flour mills were built, and the country suddenly changed from a flour importer to a wheat importer. Wheat Associates opened a Manila Office in 1961. Again it was necessary to develop an entirely new program. The Filipino had an entirely different culture from the Japanese, they have different ways of doing business, and the economic



development of the country was quite different. The programs and the methods that were so successful in Japan simply were not adapted here. The work in the Philippines is just now beginning to bear fruit. Currently, the U.S. has the major share of an importation of some 400,000 tons, but as recently as 1964, less than half of the imports were of U.S. wheat. Many believe the Philippines will eventually use much more wheat than is now being used. If so, an aggressive market development program that is geared to the needs of the country will be required if the U.S. is to maintain its position.

Other possible cash markets in the area are Taiwan, Malaya, Hong Kong, and Okinawa. Not too much is being done in these areas as yet. The limited resources for market development work are being used in the areas that offer the greatest promise. Contact is being maintained in the hope that eventually, more attention can be paid to these areas.

Market development work in a developing country that receives most of its wheat under P.L. 480 must necessarily differ markedly from that in a hard currency area. While these differences are apparent now, they were not apparent in the beginning. About all we had then was an awareness of the need and a desire to do something about it. When the writer went to India in Jan. 1960, the office there had been in operation about a year and a half under the direction of Wayne Gentry and Joe Spiruta. Much of the activity had been with fairs and exhibits and in exploratory programs. A nutrition education project patterned after the one in Japan had been submitted, but no one had a very clear idea of how to implement it.

The nutrition education project that finally was inaugurated bore little resemblance to the one in Japan. Through trial and error, a fairly effective program was developed, one that the government of India, in cooperation with Unicef, is now emulating. The Indians had little experience in handling and storing large quantities of grain, where the problems of storage are much more acute than in the U.S. Western Wheat personnel made many contributions to this problem, even though it was not possible to apply U.S. procedures. Many modifications and improvisations were necessary. More recently, the efforts have been directed to the area of utilization, a tremendously complicated problem. India uses some 15 million tons of wheat annually, and yet only a small percentage of that, probably less than ten percent, is used in the form of bread. The current Director, Dale Douglas of Idaho, and his assistant, L. R. Kandhari of India, are developing a utilization program that is gaining wide acceptance. New trails are being broken every year.

It can be argued that no office should be maintained in those developing countries where it appears there is little likelihood of a dollar market developing in the foreseeable future. There are many arguments, both pro and con, none of which will be presented here, except to point out that more than one-third of the total U.S. wheat exports go to India and Pakistan. Both the U.S. and Indian government agencies have expressed a desire for Wheat Associates to continue their work in India. Now that there is a better understanding of what the Wheat Associates' function is, primarily in the service of Food for Peace, the opportunities for service are endless. Almost without exception, those who have participated actively in this program profess a real satisfaction in having made some small contribution to a less fortunate people.

Possibly there should be a brief mention of the Wheat Associates program in Pakistan, where an office was maintained for more than five years. Ivan Packard, of the Washington Association of Wheat Growers, struggled mightily for four years to establish a going program. This was more difficult than in India, as Pakistan itself was a new country that was struggling to get established and to maintain itself. A great deal of progress had been made before world events caused a major change in government attitudes. These developments, which had nothing to do with the wheat program, nevertheless made it necessary to discontinue the work in that country. This action was a disappointment to Wheat Associates and to many of the Pakistanis with whom work was being done. During the five years of effort in that country, almost every trail that was travelled was a new one. There are many there who will long remember the work of this organization.

Much more could be written of the pioneering efforts in the field of market development. There has been considerable mention of the part played by staff personnel. However, this brief account would be grievously incomplete if it did not give full recognition and credit for the work of those who have served as members of the Board of Directors. The wheat grower members, representing their commissions and state associations have developed the basic policy and have supported the work of the staff personnel vigorously and effectively. Growers from the Northwest states have demonstrated that they can work together for the common good. Certainly, the results to date provide the outstanding example of foreign market development by a grower group, one to which all wheat growers in the Northwest can point with pride. It appears that for the wheat grower, there will always be new trails to break.