

November 21, 2011



## Franklin Baking Company, LLC

Since 1948, Franklin Baking Co. in Goldsboro, N. C., has been baking up delicious fresh breads and buns. The bakery's four production lines turn out 2.5 million pounds of baked foods a week, which the bakery markets to retail and foodservice customers throughout eastern North Carolina and southeast South Carolina. Among Franklin Baking's top bread brands are Nature's Own, Cobblestone Mill, Sunbeam, and Bunny. It also markets Blue Bird snack cakes and pastries. Franklin Baking has earned numerous superior scores for food safety from the American Institute of Baking. The company is a subsidiary of Flowers Foods (NYSE: FLO), headquartered in Thomasville, Ga., which is one of the nation's leading bakery foods companies. For more information, visit [www.flowersfoods.com](http://www.flowersfoods.com).

### Washington NEWS

**Ag Appropriations Bill Pass Senate:** The Senate has passed the FY 2012 Agriculture, Commerce-Justice-Science, and Transportation, Housing and Urban Development Appropriations bill, sending them to the President's desk for signature. U.S. Senator Kay R. Hagan (NC) voted in favor of the bill, which passed 70-30. U.S. Senator Richard Burr (NC) voted against the bill. The bill provides full funding to carry out the federal crop insurance program. The administration estimates that \$3.1 billion will be needed for crop insurance programs in FY 2012. The bill also allocates \$75 million for the Risk Management Agency, which administers the federal crop insurance program. The legislation provides \$1.6 billion for the Farm Service Agency (FSA). The agriculture provisions included \$80.4 billion for the Supplemental Nutrition Assistance Program (SNAP), \$18.2 billion for child nutrition programs including school lunch and breakfast programs, and \$6.6 billion for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). The bill allocates \$200 million for the Economic Development Administration for disaster relief activities and as much as \$400 million for Community Development Block Grants for disaster relief activities.

**House Votes Down Balanced Budget:** H. J. Res. 2, an amendment to the U.S. Constitution requiring the federal government to have a balanced budget, did not pass the U.S. House. The measure failed with a vote of 261-165, roughly two dozen votes short of the two-thirds majority required to pass a constitutional amendment. 236 Republicans voted for H.J. Res. 2, while 161 Democrats voted against it. Voting for the amendment: Howard Coble (R, NC-6), Renee Ellmers (R, NC-2), Virginia Foxx (R, NC -5), Walter B. Jones (R, NC-3), Larry Kissell (D, NC-8), Patrick McHenry (R, NC-10), Mike McIntyre (D, NC-7), Sue Myrick (R, NC-9), Heath Shuler (D, NC-11). Voting against the amendment: G.K. Butterfield (D, NC-1), Brad Miller (D, NC-13), David Price (D, NC-4), Mel Watt (D, NC-12)-no

### Campaign NEWS

**Asheville Mayor to Challenge McHenry:** Terry Bellamy, the Democratic mayor of Asheville, announced she will run for the 10<sup>th</sup> District seat currently held by Republican Patrick McHenry. The district is primarily Republican, but the recent redistricting brought the majority of the city of Asheville into 10<sup>th</sup> District boundaries, diluting the conservative trend.

**N.C. Tops Vulnerable List:** Roll Call, a Capitol Hill publication, recently published their Top 10 Vulnerable list. North Carolina and Illinois have the most U.S. House members on the list due to recent redistricting. From N.C., the list includes Larry Kissell (D-2<sup>nd</sup>), Mike McIntyre (D-8<sup>th</sup>), and Heath Shuler (D-3<sup>rd</sup>).

### Fuel & Energy NEWS

**N.C. Receives Funding to Convert Biomass to Energy:** USDA is funding a series of projects to convert biomass to energy through USDA's Rural Energy for America program (REAP). In N.C., NC-CHP Owner I, LLC of Asheville received a \$5 million loan for the installation of a combined heat and power system in Montgomery County. The system will generate steam by using a boiler system powered by wood chips and will also generate 5.25 million kWh of electricity per year. Also in Montgomery County, EWP, LLC will receive a \$146,000 grant to install equipment at an existing hydroelectric plant so it can be reopened. The project has the potential to generate an estimated 2.8 million kWh per year.

**Burr, Menendez, Reid Introduce Fully Paid for NAT Gas Act:** U.S. Senator Robert Menendez (D-NJ), Majority Leader Harry Reid (D-NV), and Senator Richard Burr (R-NC) announced the introduction of the New Alternative Transportation to Give Americans Solutions (NAT GAS) Act of 2011, legislation that would boost domestic production of vehicles that run on clean natural gas. The bill would extend tax credits for natural gas vehicles and building refueling infrastructure and be fully paid for by a temporary user fee on natural gas used as a vehicle fuel.

### Animal Activism NEWS

**HSUS Sends Legal Demand for Smithfield Records:** Just two weeks after filing a complaint with the Securities and Exchange Commission regarding Smithfield Foods' claims about animal welfare, The Humane Society of the United States filed legal notice with Smithfield that it will exercise its right as a corporate shareholder to inspect company records regarding Smithfield's promise to stop confining sows in gestation crates on company-owned farms by 2017. HSUS maintains that in 2009 Smithfield withdrew its timeline for ending the use of gestation crates due to economic reasons. Smithfield, on its website, states that "While the dramatic economic downturn of three years ago temporarily slowed our efforts in phasing out gestation stalls, we steadfastly stood by our commitment to ultimately achieve this goal. Our commitment has never wavered as evidenced by our progress in converting 30 percent of our sows to group housing by the end of 2011 and our commitment to spend more than \$300 million to achieve our stated goal."

### Business NEWS

**Food Manufacturer to Create 48 Jobs in Cabarrus County:** PreGel AMERICA Inc. will expand operations at its facility in Concord. The project is expected to create 48 jobs and the company expects to invest \$11.4 million in the facility. The expansion was made possible in part by a \$67,500 grant from the One North Carolina Fund. PreGel is the largest manufacturer and distributor of

ingredients for specialty deserts such as gelato, sorbetto and frozen yogurt. The company is headquartered in Reggio Emilia, Italy. PreGel AMERICA, the U.S. division of PreGel, currently employs 80 people in Concord. The expansion will help facilitate future growth opportunities.

**N.C. Ports See Steady First Quarter Growth:** The N.C. State Ports Authority announced a seven percent revenue increase over the previous year for the first quarter of FY2012 as volumes are up at all facilities. Both the Port of Wilmington and the Port of Morehead City outperformed over last year for all terminal activities with a cargo growth rate of 10.9 percent in general terminal activities and 2.5 percent in container volumes. The N.C. State Ports Authority had the highest five-year container volume growth among the top U.S. East Coast ports at 62.4 percent, according to PIERS data listed in the September 19, 2011 issue of the *Journal of Commerce*.

## University NEWS

**Dean Johnny Wynne Announces Retirement:** Dean Johnny C. Wynne of NCSU's College of Agriculture and Life Sciences has announced his planned retirement, effective July 1, 2012. Wynne will retire after serving as College of Agriculture and Life Sciences dean for more than eight years, while his association with N.C. State spans half a century. Wynne, a native of the Bear Grass community in Martin County, spent his academic and professional life in the College of Agriculture and Life Sciences. He received a bachelor's degree in crop science from the college in 1965, a master's in 1968 and a Ph.D. in 1974. He first worked in the college in 1965 as a graduate research assistant. He joined the faculty in 1968 as a crop science instructor, progressing through the academic ranks to full professor in 1983. In 1992, he was named associate dean and director of the Agricultural Research Service. Wynne was named interim dean of the College of Agriculture and Life Sciences in May 2003 and appointed to the position permanently on Dec. 1, 2004. "Dean Wynne exemplifies our university's lengthy and ongoing commitment to teaching, research and service in North Carolina and beyond," said N.C. State Provost Warwick Arden. "Dean Wynne's experience and insights with regard to North Carolina agriculture have been invaluable to me and many others on campus and across the state."

## Commodity NEWS

**Hagan Announces \$40 Million Export-Import Bank Loan Guarantee for Sanford's Frontier Spinning Mills:** U.S. Senator Kay R. Hagan, co-chair of the Senate Textile Caucus, announced that the Export-Import Bank of the United States (Ex-Im Bank) will guarantee \$40 million in loans to Sanford's Frontier Spinning Mills. This financing will support the export of Frontier's various yarn products and allow the company to hire 50 new employees. "In today's economy, where 95 percent of the world's customers live outside the United States, exporting is an important way North Carolina companies can expand their businesses, create jobs, and preserve a more secure economic future. I am thrilled that today's announcement will allow Frontier Spinning Mills to continue to spread the "Made in North Carolina" brand across the globe," said Hagan.

**China, Mexico Help Drive Torrid Red Meat Export Pace:** Led by a record-breaking month for pork exports to China and the continued rebound of beef exports to Mexico, 2011 remains on pace to set new annual records for the value of beef, pork and lamb exports, according to statistics released by the USDA and compiled by the U.S. Meat Export Federation (USMEF). September results show pork exports up 23.6 percent in volume and 40.5 percent in value from last year, while beef exports rose 27.3 percent in volume and

35.9 percent in value. Not to be left out, U.S. lamb exports soared 113 percent in volume over September of 2010 while the value of those exports jumped 83.9 percent.

## People NEWS

**Ag Leader Dies:** Richard "Rick" Allen Holder, who served the N.C. ag community for more than 35 years, passed away on Friday, November 11, 2011. Holder was born in Rocky Mount. Holder worked as president of Harvey Fertilizer & Gas Company and then as executive vice president of Farm Acquisitions for U.S. Farming Realty Trust. Holder was the former president of the National Cotton Ginners Association, past chairman of the Golden LEAF Foundation, director of Beltwide Cotton Cooperative, treasurer of the N.C. Cotton Producers Association, president of the N.C. Cotton Producers Association, director of the N.C. Agricultural Finance Authority, director of the Pesticide Association of N.C., and treasurer of the Southeastern Growers Association.

**Wakild Named Director of State Division of Water Quality:** Charles "Chuck" Wakild of Wrightsville Beach has been named as director of the N.C. Division of Water Quality and will begin his duties on Jan. 1. Wakild, the division's current deputy director, replaces Coleen H. Sullins, who will retire effective Dec. 31. Wakild has worked at DENR for a total of 21 years.

## USDA NEWS

**USDA Grant Opportunity for Socially Disadvantaged Farmers and Ranchers:** USDA announced the availability of funds and solicits applications from eligible entities to compete for financial assistance through the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers Grant Program (OASDFR). Proposals for new awards AND requests for supplemental funding for existing awards will be accepted through this funding opportunity. Deadline for applying is Dec. 21, 2011. [Click here](#) for more info.

**USDA Announces Investments in International Market Development:** Ag Secretary Tom Vilsack announced that the USDA is investing in approximately 70 U.S. agricultural organizations to help expand commercial export markets for their goods. Vilsack made the announcement during a conference call with reporters from Vietnam, where he is meeting with officials to help strengthen trade relations in the Asia Pacific region. USDA's Foreign Agricultural Service (FAS) allocated \$213 million for export promotion activities through two USDA international market development programs: the Foreign Market Development Program (FMD) and the Market Access Program (MAP). USDA's international market development programs have had a significant and positive impact on U.S. agricultural exports. An independent study released in 2010 found that for every \$1 expended by government and industry on market development, U.S. food and agricultural exports increase by \$35. For a complete listing on allocations, [click here](#).

**Livestock Assistance Deadline Jan. 30:** Applications for federal assistance to cover livestock or grazing losses for the 2011 crop year are due Jan. 30, 2012. The assistance is provided through the LFP (Livestock Forage Disaster Program) and ELAP (Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program) programs, which have no late file provisions. Contact your local FSA office for more information.

## Mark Your Calendar

**To see all upcoming events - [click here for the AgCalendar.](#)**