

April 29, 2009

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

As members of the Coalition to Promote U.S. Agricultural Exports, we are writing to express our strong concern about your FY 10 budget outline that proposes a reduction in funding for the Market Access Program (MAP). The budget outline proposes to cut MAP funding by 20 percent from its 2008 Farm Bill authorized level of \$200 million annually to \$160 million. We believe such a reduction in funding or other suggested changes to the eligibility criteria of MAP will negatively impact the ability of U.S. agriculture to promote American products in international markets, thereby weakening our exports and undermining your Administration's larger efforts to stabilize the economy and preserve American jobs. We further believe that your call for a 62 percent increase in funding for MAP while a U.S. Senator, as indicated in your July 30, 2007 letter to the Chairman and Ranking Minority Member of the Senate Agriculture, Nutrition, and Forestry Committee (see attached), is indicative of your underlying support for such cost-effective, public-private export promotion programs.

MAP, which is administered by USDA's Foreign Agricultural Service (FAS), forms a highly successful partnership between non-profit U.S. agricultural trade associations, farmer cooperatives, non-profit state-regional trade groups, small businesses and USDA to share the costs of overseas marketing and promotional activities such as consumer promotions, market research, trade shows, and trade servicing. Exports are a vital part of the U.S. economic engine, and agricultural exports continue to be its strongest component. Since its creation in 1985, MAP has proven to be highly successful in helping to boost U.S. agricultural exports, protecting and creating American jobs, and increasing farm income. Over this period, U.S. agricultural exports have increased by nearly 300 percent, and today over 1.2 million Americans have jobs that depend on these exports. A study commissioned by USDA prior to the 2008 Farm Bill debate showed that farm net cash income increased considerably as a result of spending on market development activities. We believe it makes little sense to reverse that trend, especially during an unprecedented economic downturn.

American agriculture and American workers also continue to face increasingly strong foreign competition supported by government sponsored activities. In recent years, the EU, the Cairns group, and other foreign competitors have devoted considerable resources to various market development activities to promote their exports of agricultural, forestry, and fishery products. A significant portion of these activities is carried out in the United States. Because market promotion programs are permitted under World Trade Organization (WTO) rules, with no limit on public or producer funding, such programs are increasingly seen as a centerpiece of a winning strategy in the international trade battleground. Many competitor countries have announced ambitious trade goals and are shaping export programs to target promising growth markets and bring new companies into the export arena.

MAP, it should be emphasized, is a cost-share program under which farmers and other participants are required to contribute as much as a 50 percent match of their own resources to be eligible. It has been and continues to be an excellent example of an effective public-private partnership. While government is an important partner in this effort, industry funds supporting both generic and branded promotion are now estimated to represent almost 60 percent of total annual spending on market development and promotion,

up from roughly 45 percent in 1996 and less than 30 percent in 1991. Clearly, U.S. producers and industry are committed to the program.

By any measure, MAP has been tremendously successful and extremely cost-effective in helping maintain and expand U.S. agricultural exports, protect and create American jobs, strengthen farm income and help, at least in part, to offset the government-supported advantages afforded foreign competitors. MAP is one of the few tools U.S. agriculture has to compete in the international marketplace, and is even more important today as our competitors increase their financial resources to gain market share.

It is disappointing that a cut in MAP is being recommended at a time when U.S. agricultural exports are softening, farm incomes are falling, and the overall U.S. economy is in a deep recession. Therefore, we strongly urge you to reconsider your proposal to reduce funding for this important agricultural export program and ask that you support the full 2008 Farm Bill authorized funding level of \$200 million for MAP as part of your Administration's FY 10 budget.

We appreciate this opportunity to express our views and look forward to working with you and your Administration to achieve the goals of expanding U.S. agricultural exports, increasing farm income, and protecting and creating American jobs.

Sincerely,

Coalition to Promote U.S. Agricultural Exports (See attached.)

cc: Honorable Tom Vilsack
Honorable Peter Orszag
Honorable Ron Kirk
Honorable Kathleen Merrigan
Honorable James Miller
Honorable Bud Philbrook
Honorable Michael Michener
Max T. Holtzman, Special Advisor to the Secretary

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**ORGANIZATIONS SIGNING COALITION TO PROMOTE U.S.  
AGRICULTURAL EXPORT'S LETTER TO PRESIDENT OBAMA  
APRIL 29, 2009**

Alaska Seafood Marketing Institute  
American Cotton Shippers Association  
American Farm Bureau Federation  
American Feed Industry Association  
American Forest and Paper Association  
American Hardwood Export Council  
American Meat Institute  
American Peanut Council  
American Quarter Horse Association  
American Seed Trade Association  
American Sheep Industry Association  
American Soybean Association  
Atlantic Seaboard Wine Association  
Blue Diamond Growers  
Calcot, Ltd.  
California Agricultural Export Council

California Apple Commission  
California Asparagus Commission  
California Association of Winegrape Growers  
California Canning Peach Association  
California Cherry Advisory Board  
California Cling Peach Board  
California Dried Plum Board  
California Farm Bureau Federation  
California Fig Advisory Board  
California Grape and Tree Fruit League  
California Kiwifruit Commission  
California Pear Advisory Board  
California Pear Growers  
California Pistachio Export Council  
California Stone Fruit Coalition  
California Strawberry Commission  
California Table Grape Commission  
California Tomato Farmers  
California Walnut Commission  
Cherry Marketing Institute  
CoBank  
Dairy Farmers of America  
Diamond Foods  
Distilled Spirits Council of the United States  
Florida Citrus Commission  
Florida Citrus Packers Association  
Florida Citrus Processors Association  
Florida Department of Citrus  
Florida Fruit & Vegetable Association  
Florida Peanut Producers Association  
Food Export Association of the Midwest USA  
Food Export USA - Northeast  
Georgia Poultry Federation  
Ginseng Board of Wisconsin  
Gulf Citrus Growers Association  
Highlands County Citrus Growers Association, Inc.  
Hop Growers of America, Inc.  
Indian River Citrus League  
Kentucky Distillers' Association  
Land O'Lakes, Inc.  
Mohair Council of America  
National Association of State Departments of Agriculture  
National Association of Wheat Growers  
National Barley Growers Association  
National Cattlemen's Beef Association  
National Chicken Council  
National Confectioners Association  
National Corn Growers Association  
National Cotton Council  
National Council of Farmer Cooperatives  
National Grange  
National Grape Cooperative Association, Inc.  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council  
National Potato Council  
National Renderers Association  
National Sorghum Producers  
National Sunflower Association  
North American Millers' Association  
Northwest Cherry Growers  
Northwest Horticultural Council

Northwest Wine Coalition  
Ocean Spray Cranberries, Inc.  
Peace River Valley Citrus Growers Association  
Pet Food Institute  
Produce Marketing Association  
Shelf-Stable Food Processors Association  
Softwood Export Council  
Southern Forest Products Association  
Southern U.S. Trade Association  
Sunkist Growers  
Sun Maid Growers of California  
Sunsweet Growers, Inc.  
Texas Cattle Feeders Association  
The Catfish Institute  
The Popcorn Institute  
Tree Top, Inc.  
United Egg Association  
United Egg Producers  
United Fresh Produce Association  
USA Dry Pea and Lentil Council  
USA Poultry & Egg Export Council  
USA Rice Federation  
U.S. Apple Association  
U.S. Apple Export Council  
U.S. Dairy Export Council  
U.S. Dry Bean Council  
U.S. Grains Council  
U.S. Hides, Skins & Leather Association  
U.S. Livestock Genetics Export, Inc.  
U.S. Meat Export Federation  
U.S. Rice Producers Association  
U.S. Wheat Associates, Inc.  
Utah Department of Agriculture  
Valley Fig Growers  
Washington Apple Commission  
Washington State Fruit Commission  
Welch Foods Inc., A Cooperative  
Western Growers Association  
Western Pistachio Association  
Western U.S. Agricultural Trade Association  
WineAmerica (The National Association of American Wineries)  
Winegrape Growers of America  
Wine Institute