

# **The Effects of Imports on the Great Lakes Produce Industry**

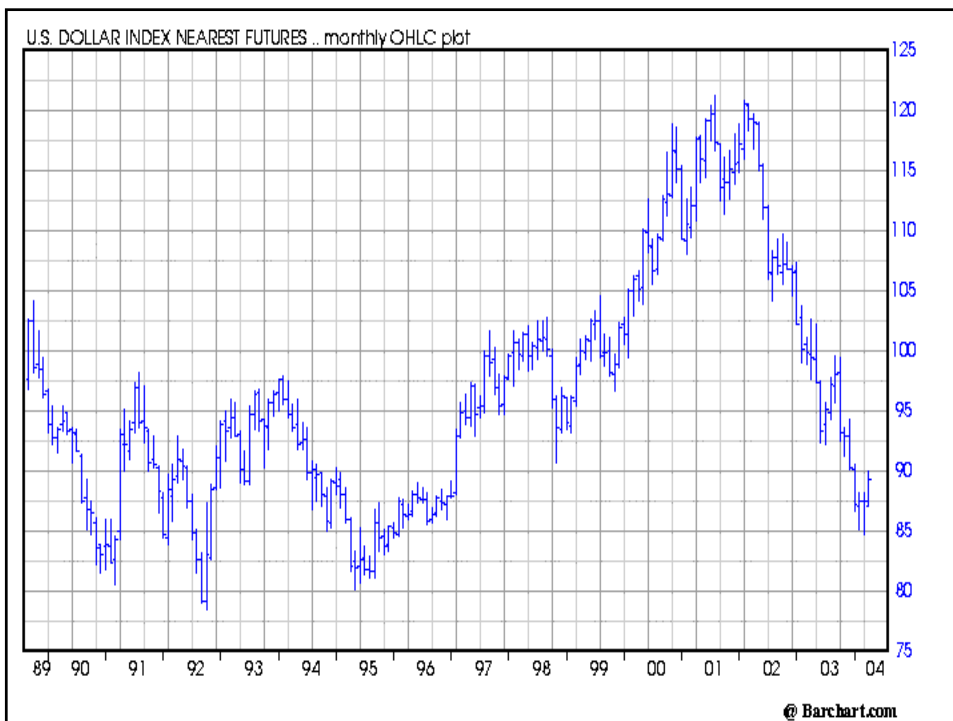
**George Lamont  
March 12, 2004**

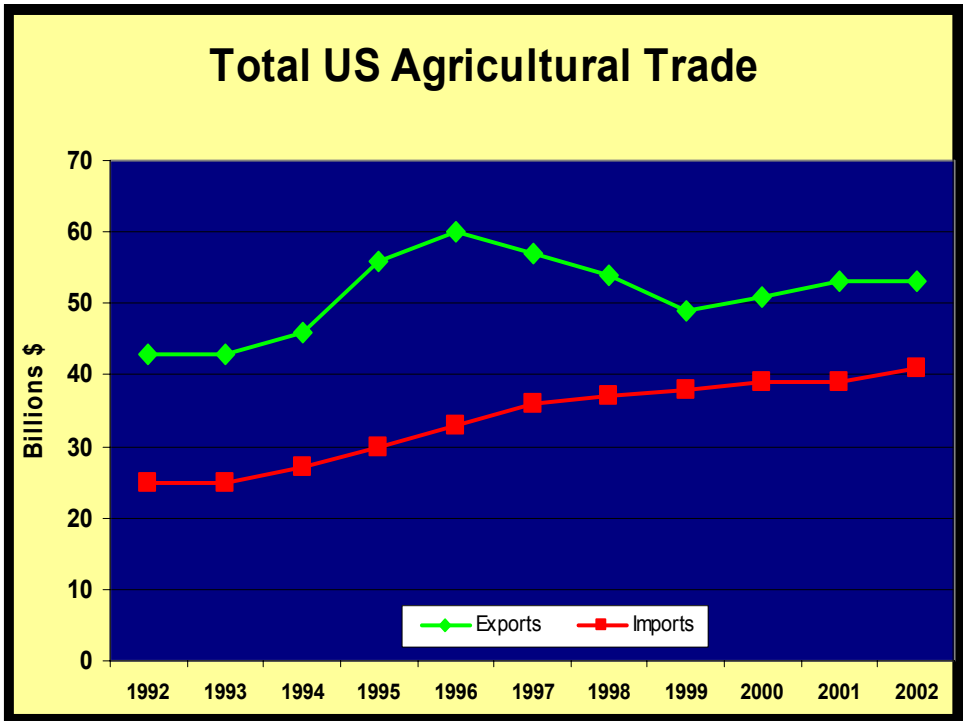
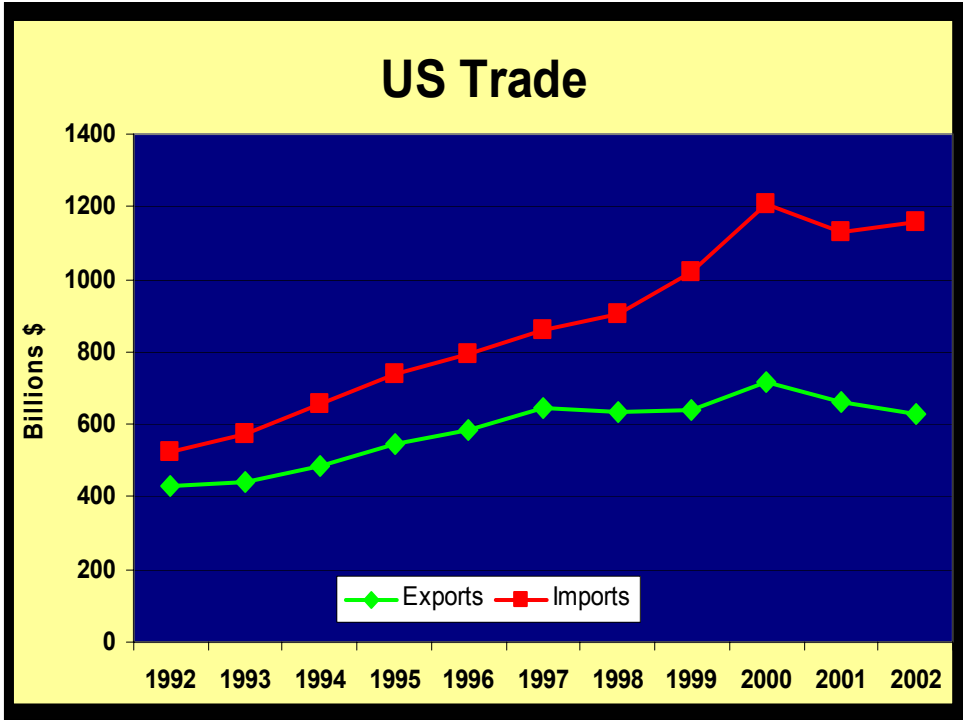
## **Trade**

- **Free trade benefits the aggregate**
- **However when barriers are broken down there are winners and losers**
- **The object of the game is to be among the winners**
- **In the event you are a loser scream for government assistance (TAA)**

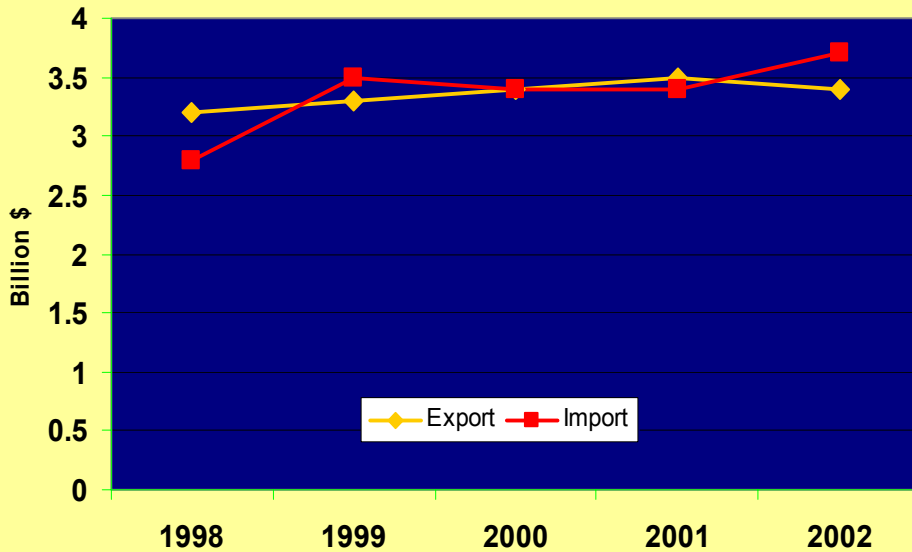
# Factors Affecting Imports

- **Currency values +++**
- **Foreign industry competence**
- **Domestic industry competence**
- **Government subsidies**

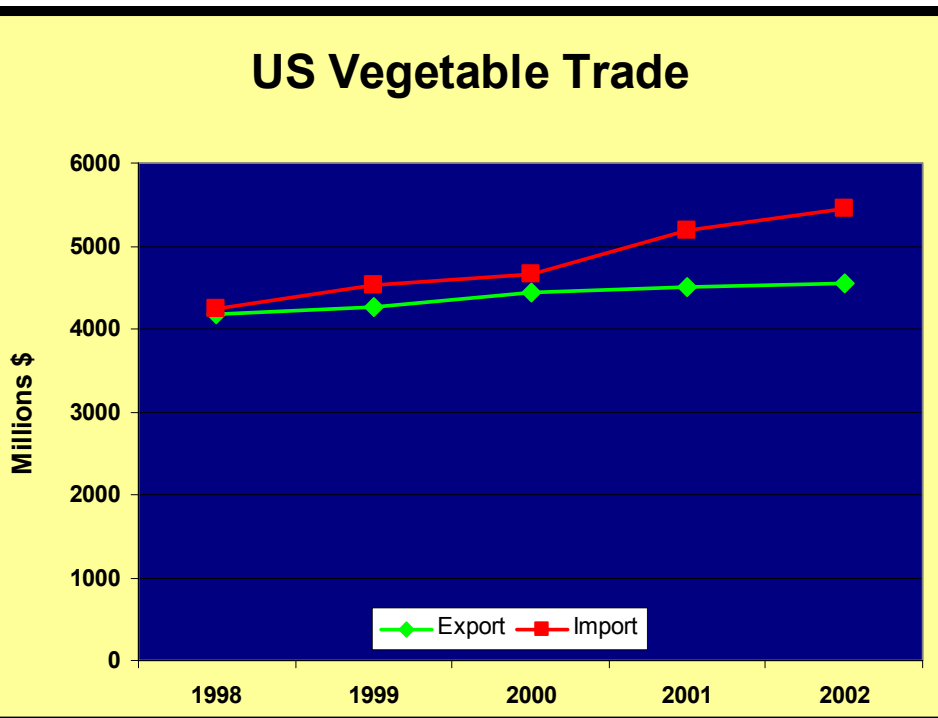


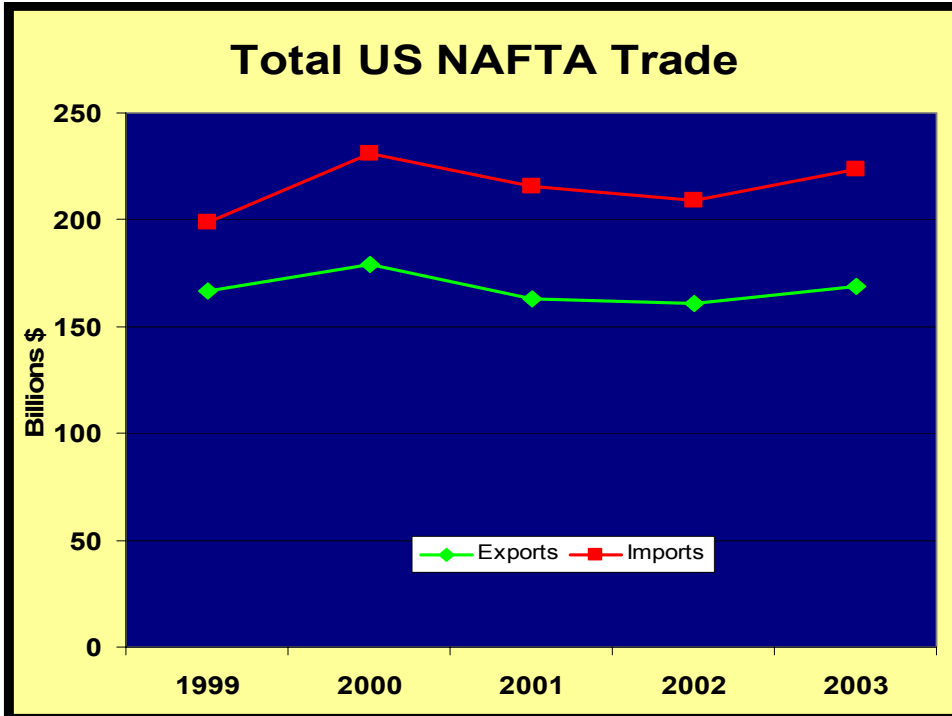


## Fresh and Processed Fruits US Trade



## US Vegetable Trade

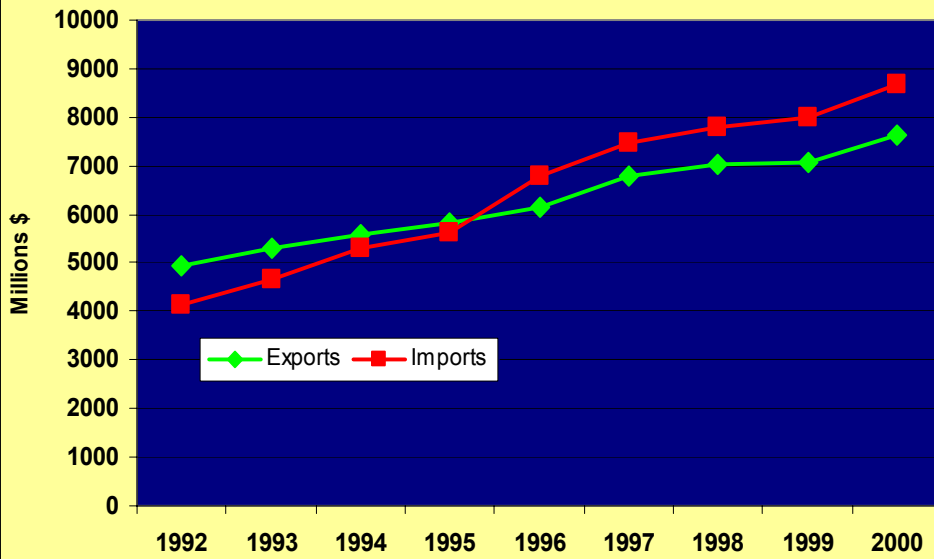




## % NAFTA Changes

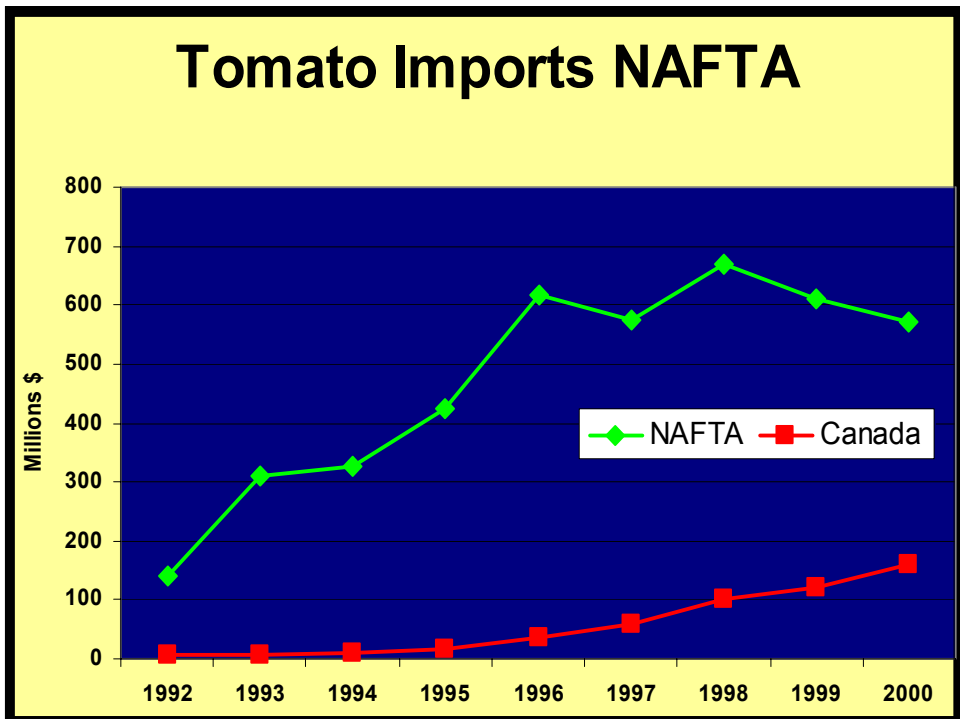
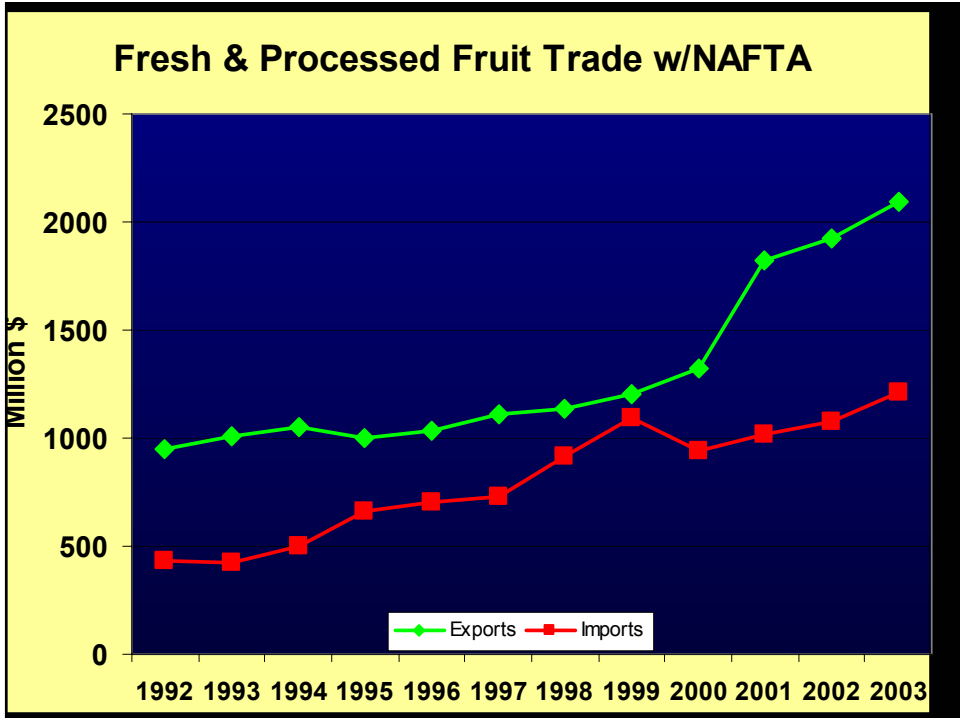
	Exports	Imports
• <b>Agricultural Crops</b>	<b>+38</b>	<b>+54</b>
• <b>Food and kindred</b>	<b>+45</b>	<b>+80</b>
• <b>Lumber</b>	<b>+25</b>	<b>+105</b>
• <b>Textiles</b>	<b>+94</b>	<b>+214</b>
• <b>Paper</b>	<b>+75</b>	<b>+32</b>

## US NAFTA Agricultural Trade

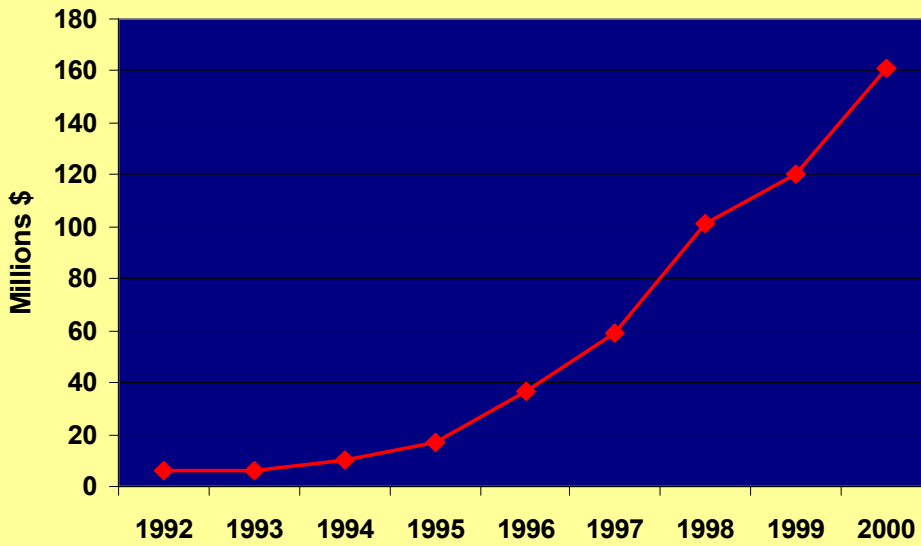


## NAFTA

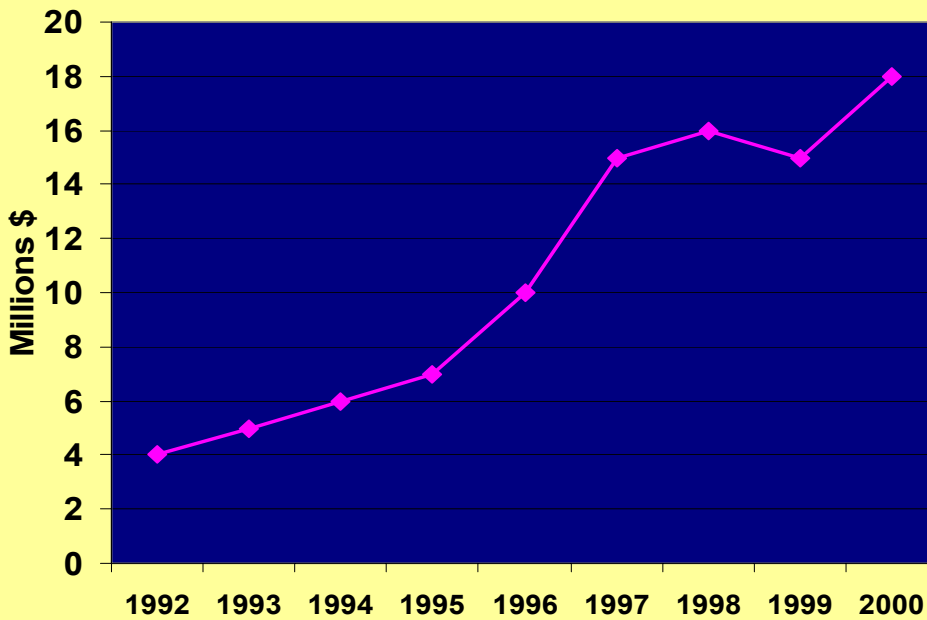
- **Has not benefited US agriculture**
- **It has benefited the fruit juice industry**
- **It has hurt the vegetable industry**
- **It has killed the cut flower industry**
- **It has slaughtered the tomato industry**

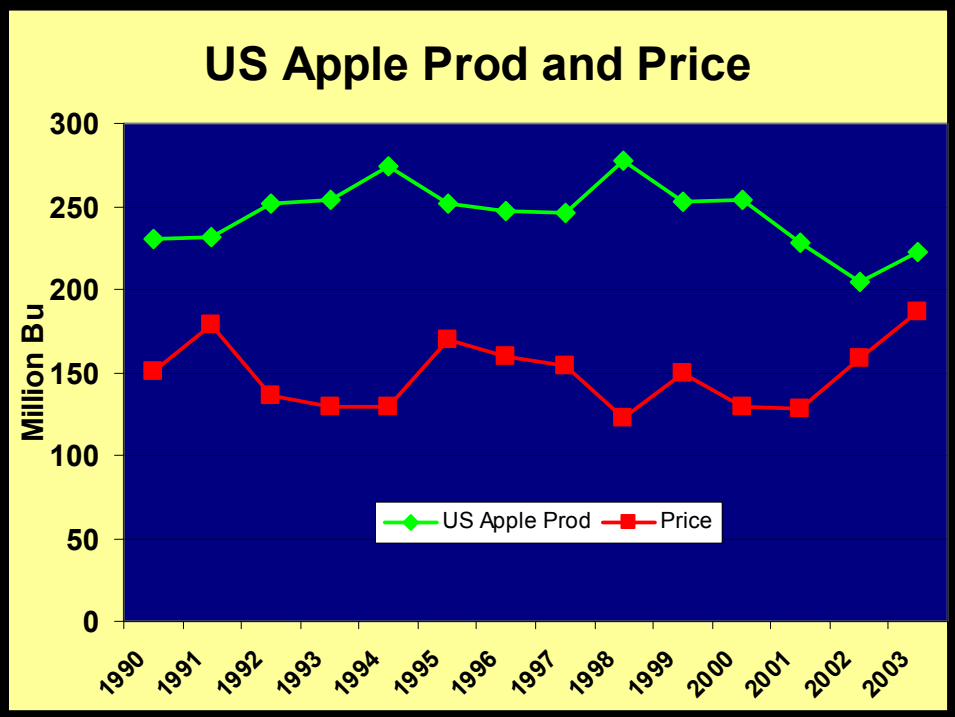
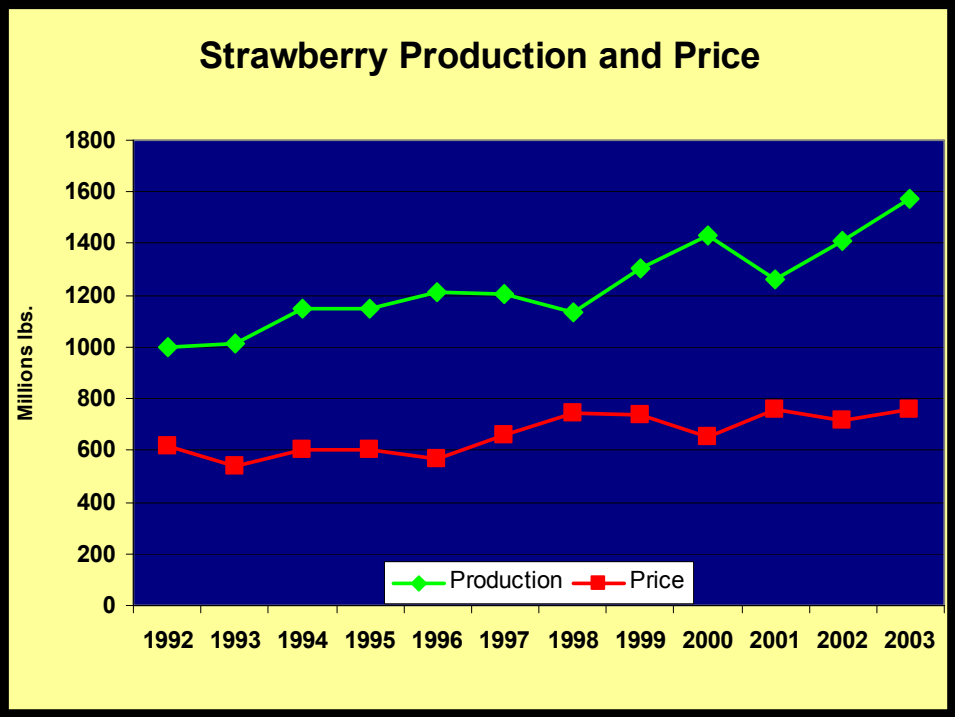


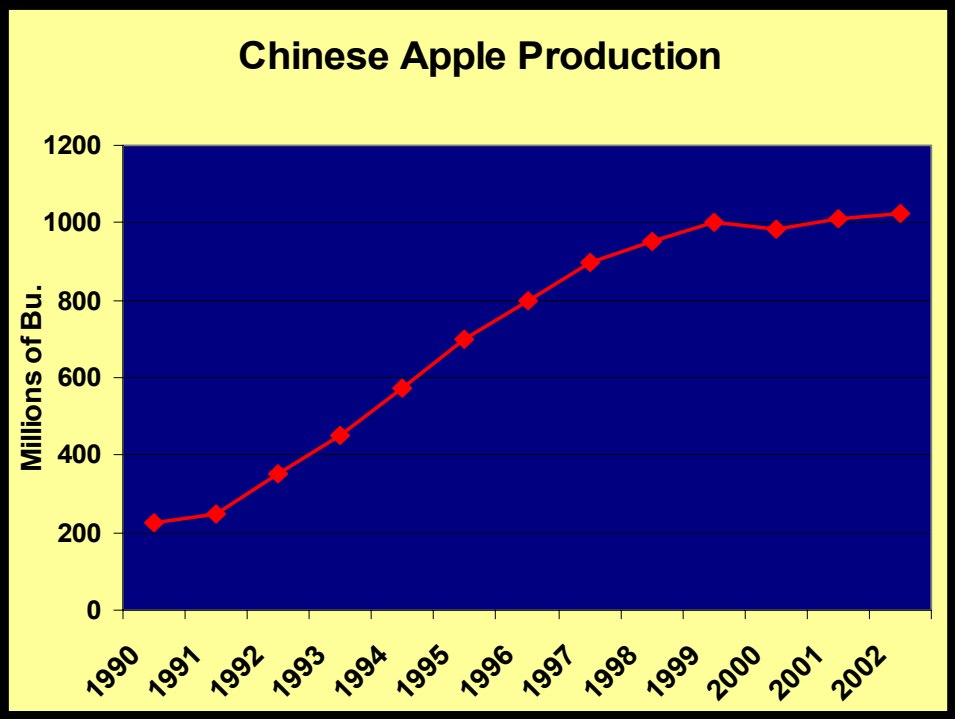
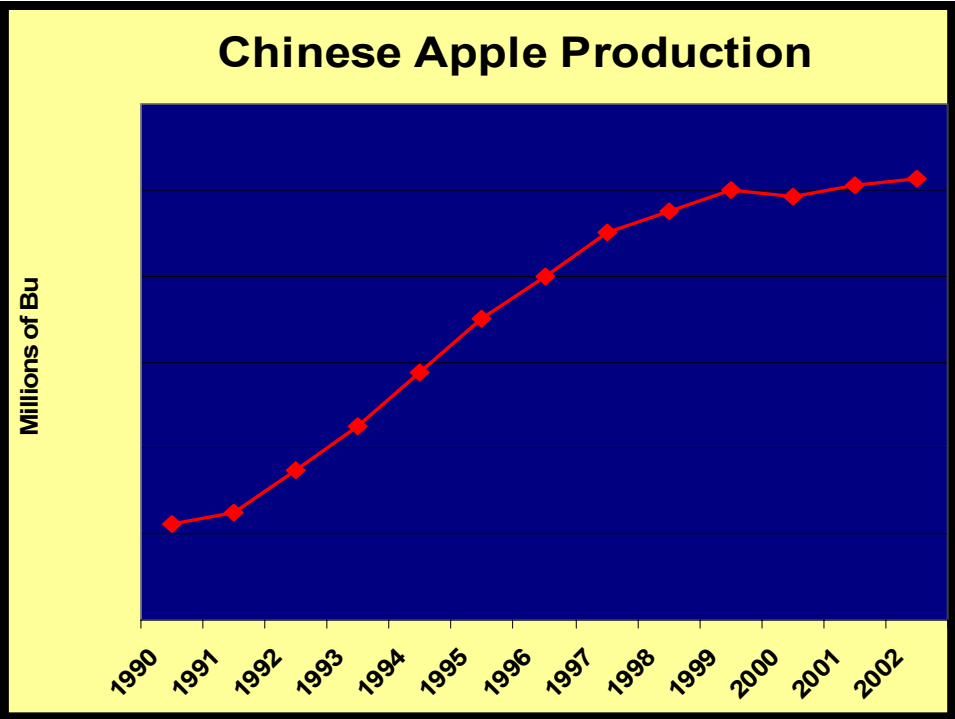
## Tomato Imports from Canada

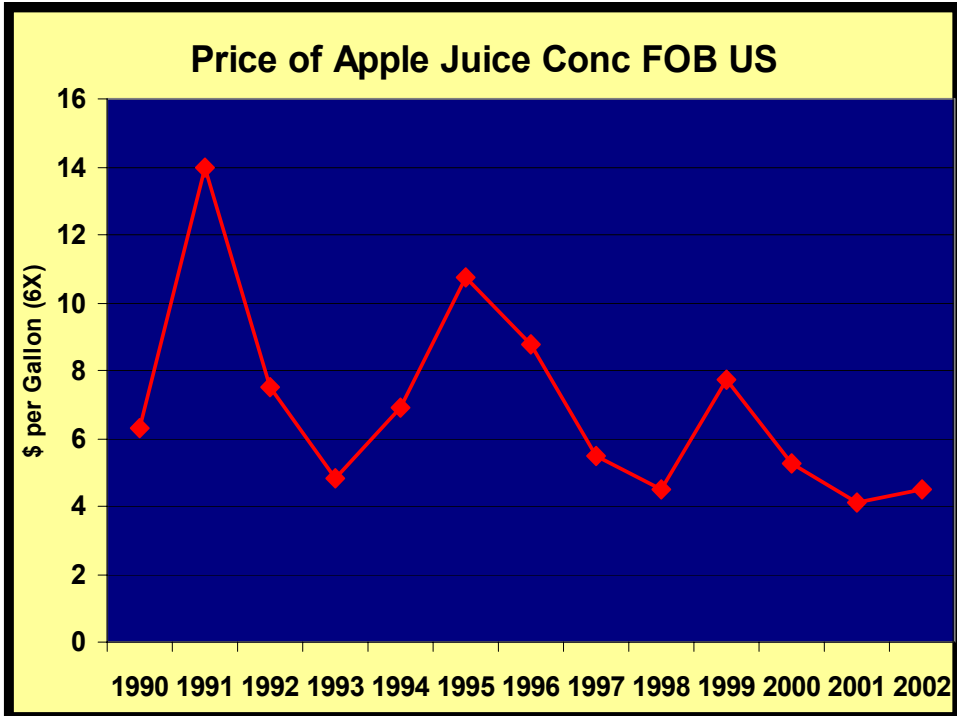


## Cut Flower Imports from NAFTA









## USDA Trade Predictions

• <b>Change (2003-2013)</b>	<b>Exports</b>	<b>Imports</b>
• <b>Potatoes</b>	+ 27%	+71%
• <b>Fresh fruit (incl bananas)</b>	+32%	+ 40%
• <b>Vegetables</b>	+29%	+39%
•	<b>tonnage</b>	<b>value</b>
• <b>US non citrus fruit</b>	+13%	+ 41%
• <b>Fresh vegetables</b>	+30%	+55%
• <b>Potatoes</b>	+20%	+9%

## Predictions

- **Continued decline in US Dollar**
- **Increased government support for Canadian agriculture**
- **Less government support for US agriculture**
- **US will continue to be out negotiated on most trade agreements**
- **Increased pressure from China et al**

## Recipe for Success

- **A winning business strategy**
- **Cutting edge technology**
- **An innovative marketing plan**

# Crop Predictions

- **Competition with Canadian greenhouse crops will be tough**
- **Apples will be OK if Mexican market is opened – until the Chinese come with fresh**
- **Vegetables will be able to compete where there is little international competition, high tech, or niche markets**

**Thank you for your  
attention!!**