

MEXICO FILES COUNTERCLAIM AGAINST CAC



CAC-initiated settlement proceedings in its lawsuit against USDA came to an abrupt end on July 5th when U.S. government officials informed the Commission that Mexico's industry association--Mexico's Asociacion de Productores, Empacadores y Exportadores de Aguacate de Michoacan (APEAM)--refused to authorize a tentative agreement that would resolve the armored scale issue. The now-dead agreement had been crafted by the involved parties during three videoconference meetings in June.

APEAM became involved in the negotiations with CAC, USDA, CDFA and the Government of Mexico when it was granted intervention in the lawsuit on June 4, 2007. Two weeks later, it appeared that all parties had reached an agreement in principle on specific measures that would reduce the risk of introduction of armored scale in California.

It is now apparent that what we thought was good faith negotiating by the Mexican industry was, at minimum, disingenuous. We have learned that while sitting at the negotiating table on June 28th, APEAM had already prepared a counterclaim against the Commission for injunctive relief and money damages, which they filed the very next day (June 29th). The filing asserts that CAC induced CDFA to violate federal regulations governing the importation of Mexican avocados and unlawfully disparaged the business reputation of the Mexican industry.

APEAM's decision to fan the flames of this dispute raises serious doubts about the Mexican industry's commitment to reduce the incidence of armored scale insects on Mexican avocados shipped to the U.S.

CAC is left with little choice but to press on with the litigation.



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SCIENCE PANEL REPORT & REVISED RISK ANALYSIS

USDA has released a report on findings made by a Science Panel convened to review APHIS analyses regarding the risk of introducing exotic armored scales on shipments of imported fruit. The group met in Los Angeles on May 8-9, 2007. *To download the "Report of the Chair," go to www.avocado.org/growers/reg_issues.php.*

The 22-member panel, comprised of regulatory and scale experts from APHIS, ARS, CDFA, Mexico, Argentina, University of California (Davis and Riverside), University of Florida, and Auburn University, generally agreed that there was a low likelihood of introducing armored scales on fruit for consumption. That position strongly supports USDA's existing policy that armored scales should not be regulated. It also will likely prompt CDFA to change its policy from taking regulatory action on unidentified scale pests to comport with the federal position.

Even though the panel did not view shipments of Mexican Avocados to California as presenting a high risk for armored scale introduction, it was concerned about a potential infestation scenario presented by Dr. Joseph Morse of the University of California, Riverside. Dr. Morse suggested that packinghouses in California were repacking imported fruit—thereby raising the risk of introduction of armored scale pests. Importantly for California growers, APHIS admitted that it had not considered this practice in its assumptions regarding pest risk. Although the final report indicates that the panel lacked verifiable data on this point, participants expressed concern about the unanticipated risk scenarios associated with repacking. In response to that concern, the panel identified specific areas of investigation and applied research that would reduce or eliminate "worst-case uncertainties" arising from repacking practices. To download the "Science Panel Meeting Notes," go to www.avocado.org/growers/reg_issues.php.

The Science Panel Report was accompanied by USDA's updated Risk Analysis, which can be downloaded at www.avocado.org/growers/reg_issues.php.

Like the Science Panel Report, the 2007 Risk Analysis focuses on the "introduction likelihood" of armored scale via commercial pathways for imported fruit. Not surprisingly, the Risk Analysis substantiates the Panel's conclusion that the risk of introduction is low. Further, the analysis directly responds to one of the Commission's primary complaints—that USDA's policy on armored scale insects has relied on an outdated 1985 Risk Assessment that did not take into account recent scientific evidence regarding scale biology, behavioral and environmental factors, as well as industry practices. USDA's updated Risk Analysis reaches two main conclusions:



Even assuming high quantities of imported fruit infested with species that could be parthenogenic, highly fecund, polyphagous, invasive, theoretically able to survive in most of the United States and cause high-level consequences, the existing evidence and experience with the importation of fruit leads to the conclusions that the specific pathway represented by commercially produced fruit shipped without leaves, stems or contaminants constitutes an extremely low risk because the probability of establishment and introduction is low. The probability of introduction is low because the evidence shows that crawlers cannot effectively disperse from imported fruit to a host.



Processing, culling and inspection of fruit for armored scales can effectively reduce the prevalence and survival of this group of pests because they are easily detected and damaged. The biology of armored scales is such that the dispersal potential of survivors is low, especially as regards to their dispersal potential from fruit for consumption. (The agency also maintains that "dispersal from fruit discarded in the environment is considered very unlikely because of low wind speeds at ground level and the low survival rate of crawlers on the ground.")

In the wake of this latest risk analysis, it is much more difficult for CAC to make the claim that the 1985 Risk Analysis did not take into account recent scientific evidence regarding scale biology, behavioral and environmental factors, and industry practices. In fact, the (2007) Risk Analysis successfully addresses, point-by-point, specific issues raised by CAC's risk assessment expert, Dr. Edmund Crouch of Cambridge Environmental, Inc. The analysis also includes a comprehensive review of the latest scientific literature pertaining to armored scales.

MORE



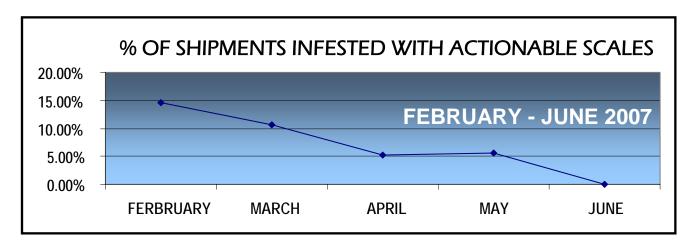


MEXICAN AVOCADO SHIPMENT UPDATE



Mexican avocado shipments through California border inspection points dropped significantly in June, with only 12 crossings. None of the twelve truckloads inspected at the California checkpoints were found to be carrying actionable scale insects. CDFA reports, however, that there were two finds of unidentified scale on Mexican avocados in the Los Angeles Wholesale Produce Market recently, one on June 23 and a second detection one week later. In the first incident, 80 cartons were red-tagged and another 451 cartons were tagged on June 30. The owner of the product was subsequently allowed to ship the fruit to Las Vegas, Nevada. Mexican avocado shipments through the federal port of entry at Otay Mesa, California remained stable, with 18 trucks crossing during the month of June, three more than in the prior month.

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FEBRUARY	96	14	14.58%
MARCH	131	14	10.69%
APRIL	97	5	5.15%
MAY	36	2	5.56%
JUNE	12	0	0.00%
TOTAL	360	35	9.72%



California AVOCADO COMMISSION