

BEFORE THE
UNITED STATES INTERNATIONAL TRADE COMMISSION
WASHINGTON, D.C.

Investigation No. 332-584

Cucumber, Squash: Effect of Imports on U.S. Seasonal Markets, with a Focus on the U.S.
Southeast

Oral Hearing Statement of Lance Jungmeyer,
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My name is Lance Jungmeyer. I am President of the Fresh Produce Association of the Americas (FPAA), which is an industry association of companies that import and distribute a wide variety of fresh produce from Mexico. I am joined today by several of our FPAA member companies who will explain why U.S. customers have come to prefer purchasing Mexican squash and cucumber because of the priority on non-price factors such as superior quality, and consistency and reliability of supply.

Today, I would like to discuss other factors that have a far greater impact on the Southeast growers of cucumbers and squash. Mexico imports should not be blamed for these other causes.

1. Labor – Mexico cannot be blamed for U.S. farmers not having enough agricultural workers to work their fields. Perishable products such as cucumbers and squash are labor intensive crops particularly for harvesting and packing. Without adequate labor, Southeast growers are at a severe disadvantage in terms of how they grow and pack their products which results in a distinct quality disadvantage that U.S. retail customers clearly recognize.
 - a. With U.S. workers unwilling or unavailable, U.S. farmers have come to rely on migrant workers, either legal or illegal. The H-2A program has provided some access to legal migrants, but the significant cost and red tape has limited its effectiveness.
 - b. Some growers have used undocumented migrant workers. But federal and state policies aimed at stopping illegal immigration have made this practice harder and riskier.
 - c. COVID-19 highlighted how the lack of agricultural workers directly affects US farmers, particularly labor-intensive crops such as cucumbers and squash. With

borders shut down and migrant workers restricted, the labor shortage was even more pronounced in 2020.

2. Weather – Mexico cannot be blamed for the hurricanes and tropical storms that cause damage to crops. The threat of bad weather is reason alone why many retail customers seek Mexican suppliers to at least backstop the risk of Florida suppliers running into weather-related supply disruptions. The risk of hurricanes also is a significant disincentive for Southeast growers to pursue using protected agriculture to grow cucumbers and squash.
3. Real estate development – Mexico cannot be blamed for the urban and suburban sprawl that has steadily encroached Florida agricultural land. Much of Florida’s cucumber and squash were grown in counties that have seen significant expansion of commercial, industrial and residential development. Any loss in acreage planted for cucumbers and squash should consider the impact of real estate development and should not automatically blame Mexican imports. Some Florida farmers realized that they could get far better returns if they sold the land for development instead of trying to continue growing cucumbers or squash.
4. Consumer preference - Consumer choice has evolved to favor “premium” produce items such as fancy squashes and cucumber, in a way that is similar to how consumers choose bell peppers grown in protected agriculture, because of the variety of colored peppers available, and even the perfect appearance of green protected agriculture peppers. In the same way, Mexican squash and cucumber growers tend their crops in high tech greenhouses, shadehouses and other forms of protected agriculture. As you will hear from distributors today, the extremely high quality of the imported Mexican produce they sell gives them an edge in the market.

In sum, in any trade action, the ITC must consider whether imports are a cause of injury. The Southeast growers have reflexively blamed Mexican imports for all their woes, when in reality, many of the problems facing the Southeast growers (labor, hurricanes, real estate development) have nothing to do with Mexican imports, but everything to do with the growers inability or unwillingness to improve product quality.

Thank you. I’d be happy to answer any questions you may have about my testimony