

Crop Protection Industry Challenge & Opportunities

TPSA Annual Meeting

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CropLife America

- National trade association for the crop protection / agriculture pesticide industry
 - Our members develop, manufacture, and distribute crop protection tools and technologies
 - Advocacy - federal, state and local levels
 - Regulatory - federal and state agencies
 - Legal - activist generated lawsuits
 - Communications – key messages

Challenges a Greater than Ever Before



- Barrier to enter the market is high
 - Requires an initial outlay of \$150-\$300 million per product
 - Likely will not see any return for 10-12 years
- Opposition is greater resourced
- Uncertain regulatory environment internationally
- Perception of pesticides are generally negative
- Decisions are becoming more politically based

Federal / Industry Challenges



- Industry took a huge hit under previous administration – activist driven agenda
- Targeting old and new pesticides (sulfoxaflor)
- Lack of defense of EPA FIFRA authority
- Difficulties with congress – PRIA
- ESA consultation process
- Improvements in current administration
- Greater influence of food manufacturers and retailers – ‘Regulation by Retail’



National Activities Influencing Issues



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State Issues



- Rural / Urban divide
- Information / Education gap
- Generations removed from the farm



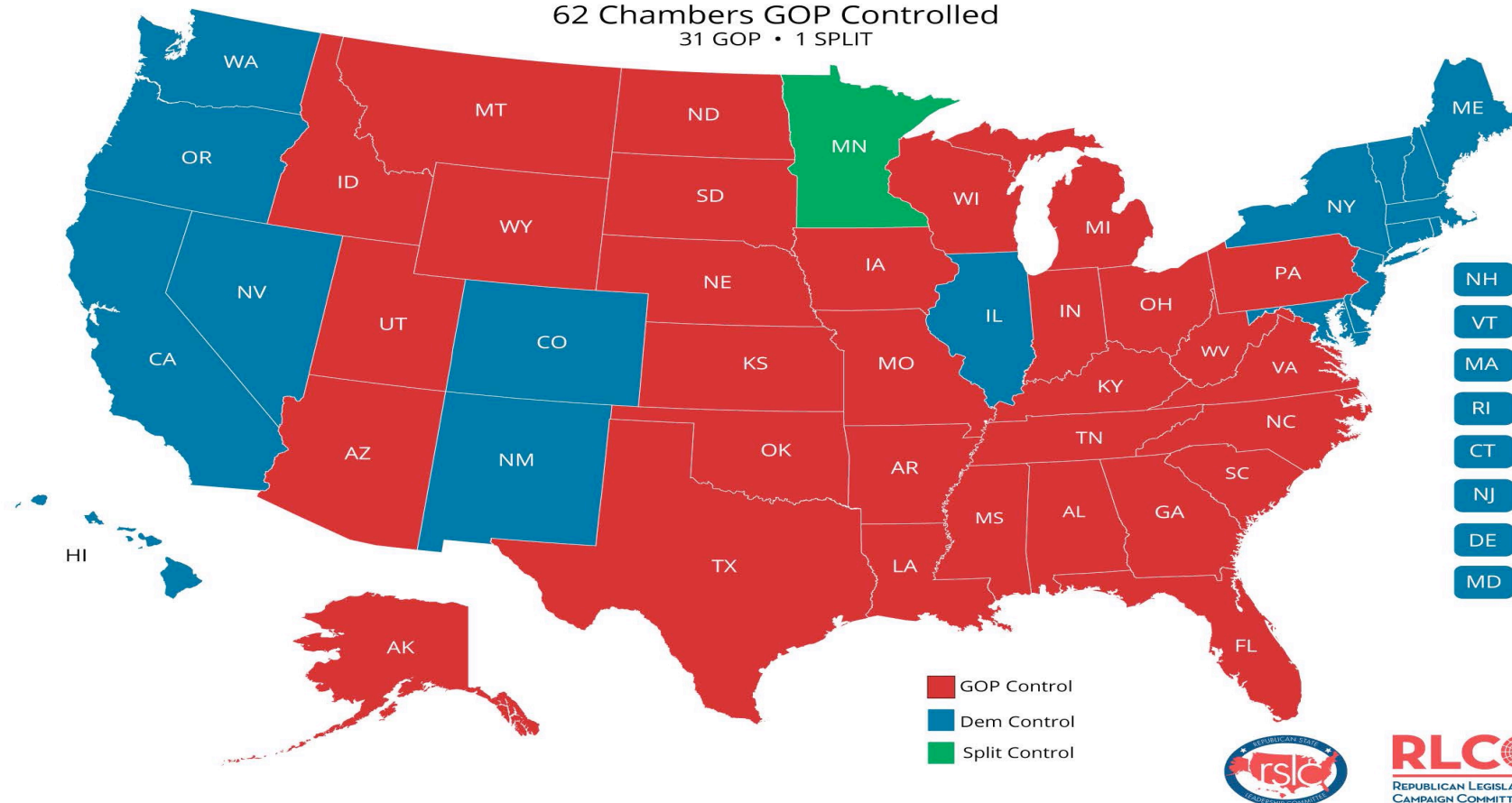
- Great political divide
- Political push back being lead by urban legislators
- Few with ag backgrounds

Red States....Blue States



STATE LEGISLATIVE CONTROL MAP POST-2018 ELECTION

62 Chambers GOP Controlled
31 GOP • 1 SPLIT





State Issues Overview

- In 2019 tracked 600 bills, nearly 200 of which designated CLA priorities
- Range of issues – weaken state preemption, bans and use restrictions, with focus on active ingredients
- Greatest challenges coming from “Blue States” - west coast and in the northeast
- Side stepping long established regulatory processes that have served the public and industry well

POLITICS ARE DRIVING POLICY!

Activists are Pushing Agenda to State and Local Level



- Targeting resources in vulnerable areas where they can get some wins – HI, VT, OR, MD, CA, CO
- Align themselves with local activist groups, providing them with resources and expertise
 - Groups have been active in California for decades
 - Center for Food Safety has set up shop in Hawaii
- Well resourced, better coordinated, more sophisticated in their strategyand always on the offensive!
- Taking advantage of flawed legal system – ESA, glyphosate

Case Study #1: California



- Most regulated state - #1 market state
- Current administration anti pesticide agenda
- Water and air issues
- Targeting specific active ingredients
- Litigation – 9th Circuit
- Prop 65 pesticide listings
- Cannabis regulations
- CEQA considerations on pesticide registrations

Case Study #2: Maryland



- One of the few states that does not have pesticide preemption
- Anti pesticide groups have been active for decades
- Ordinance in Montgomery Co. to ban pesticides for 'cosmetic uses'
- Industry legal challenge failed
- Most significant local ban

Case Study #3: Hawaii



- Key seed research operation for companies
- Center for Food Safety set up shop in Hawaii targeting 'Big Ag'
- Herbicide ban ordinance enacted on Kauai directed at 'big ag'
- Ballot initiative banning pesticide on Maui passed
- Ordinance/initiative successfully challenged
- Recent activity on Big Island

Challenges in 2020 and Beyond



- Election year - more political division
- Redistricting implications – reduced rural influence
- FIFRA under attack - ‘Gold Standard’
- Risk-based vs. precautionary principle regulation
- Upcoming registration review decisions
- Legal rulings
- Active ingredient targeting
- Statewide and local initiatives
- Growing negative public perception



Pesticide Message Testing – Key Findings

- Not top of mind – much greater issues of concern
- When prompted – negative perception
- Knowledge of regulatory oversight is very limited
- Less confidence in EPA and government
- Benefits vs. risk poorly understood
- Skeptical of information provide by industry
- Greatest credibility - farmers, healthcare professionals, academics
- Many believe that effect alternatives are available to control pests – all ag production can be organic

Key Messages – Risk Mitigation



- Necessity is the mother of invention, which is why for more than 4,500 years, pesticides have protected farmers' crops from weeds, diseases, and insects.
- Innovative pest control solutions allow today's farmers to reduce reliance on pesticides – using them only when and where they are necessary, and in the smallest amounts needed.
- Whether you are buying organic, non-organic, local, or imported, your food has almost certainly been grown with the help of pesticides.



Key Messages - Benefits

- The responsible use of pesticides protects farmers' livelihoods.
- The responsible use of pesticides protects the environment, allowing farmers to produce more food using fewer resources.
- The responsible use of pesticides helps make food affordable.



Key Messages – Industry and Innovation

- Necessity is the mother of invention – farmers' needs drive pesticide research and development.
- Pesticide manufacturers recognize the importance of pesticide regulation and its role in ensuring products are safe and effective.
- Only one in 10,000 discoveries will make it from the research lab, through the EPA approval process, to farmers' fields, a process which typically takes more than 11 years

We Have a Great Story to Tell – We Just need to Figure Out the Best Way to do it!



- Products provide many benefits to farmers and health benefits to society
- Increased range of options for pest control – biologicals, biotechnology and beneficial insects
- Stewardship activities – recycling and disposal
- Pesticide education efforts to make sure products are used responsibly
- Reduction of greenhouse gases and other practices that reduce environmental footprint



- No large scale campaign
- Continue to fine tune messaging
- Targeted outreach to decision makers
- Training member company employees – ‘AgVocates’
- Development of communication tools
- Open to feedback on what works and what doesn’t



THANK YOU TPSA AND CONGRATULATIONS ON
20 YEARS OF PROMOTING STEWARDSHIP!

