

**STATEMENT OF MARSHALL MCKAY, CHAIRMAN, YOCHA DEHE
WINTUN NATION**

BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION HEARING
***OLIVE OIL: CONDITIONS OF COMPETITION BETWEEN U.S. AND MAJOR
FOREIGN SUPPLIER INDUSTRIES***

**WASHINGTON, D.C.
DECEMBER 5, 2012**

Chairman and Commissioners, thank you for the opportunity to appear before you to represent the Yocha Dehe Wintun Nation.

As olive growers and producers of premium extra virgin olive oil in California, we appreciate that the Commission is looking into market conditions for olive oil in the United States.

Let me begin by sharing some background about my Tribe and our involvement in the olive oil industry.

Yocha Dehe is a sovereign, federally recognized Tribal nation in California's Capay Valley, 40 miles northwest of Sacramento.

I am the elected Tribal Chairman and one of five members of the governing Tribal Council.

The Council oversees the tribal government, including the Yocha Dehe Farm and Ranch Department, which manages our agricultural operations.

As the historical inhabitants of the Capay Valley, the Yocha Dehe homeland is at the heart of my Tribe's culture and heritage. This beautiful land is what has always sustained my Tribe. And from this land our agricultural business has grown.

Today, we manage more than 11,000 acres of our ancestral land. A small portion is held in trust for the Tribe by the United States.

We are committed to preserving our land for future generations and we focus on sustainability and responsible stewardship.

We currently grow a dozen different crops including olives, wine grapes, walnuts, almonds, asparagus and blueberries. We have 250 certified organic acres and graze nearly 300 head of cattle.

Capay Valley has a Mediterranean climate with mild winters, hot summers, and well-draining soils, ideal for growing olives. Already, more than 500 acres of olives are grown there.

In 2008, after careful study, Yocha Dehe planted our first olive trees – 82 acres of high density Arbequina that are now bearing fruit. We've since planted 20 acres of medium density olives – Picual, Taggaisca, and Frantoio.

Great olive oil starts with great fruit. But, to make the highest quality oil, fruit must be milled soon after picking.

In Capay Valley, the lack of a nearby mill was a hurdle for our region's promising, young industry. Fruit was being trucked nearly two hours to the nearest mill.

So, Yocha Dehe built its own, state-of-the-art olive mill to process our fruit and the fruit of our neighbors, with whom we work very closely.

Our new 13 thousand square foot Séka Hills Olive Mill is full service – from cleaning and milling to storage and bottling. Our mill's state-of-the-art equipment shields the olive paste from exposure to air during milling to preserve freshness.

At three and a half tons per hour, it's scaled to suit the needs of Capay Valley growers. We estimate our mill will process fruit for more than 25 local growers this first season. This will increase in coming seasons as more local acres are planted in olives.

Yocha Dehe produces our own extra virgin olive oil under our own brand – Séka Hills. In the Tribe's native language, Séka means blue. Séka Hills reflects the blue hills that overlook our Capay Valley home.

Today, our Séka Hills olive oil sells online for \$7.99 for a 250 milliliter (ml) bottle and \$12.99 for a half liter. Our oil is also sold in area markets and specialty food stores.

We plan to increase olive tree plantings on our land and expand oil sales into new areas in coming years.

As this Commission prepares its report, you should be aware of the unique federal policies that govern the relationship between the United States and Tribal nations such as Yocha Dehe.

The American Indian Agricultural Resource Management Act sets clear parameters:

- First, the Act states the U-S has a trust responsibility to enable sovereign tribes to manage tribal agricultural lands in a way consistent with its fiduciary obligation and unique relationship with tribes;
- Second, it establishes that tribal agricultural lands are resources vital to the welfare of tribes and;
- Third, it sets a goal that Federal planning with tribes should result in increased economic benefits, self-determination, job opportunities, and wellbeing for tribal and surrounding communities.

We believe the federal government has a trust obligation to work with tribes to protect their lands and support tribal self-determination through the development of those lands.

Yocha Dehe also believes the US market for olive oil should be fair for all producers and consumers. But, recent studies raise concerns about quality standards.

A study released in September by the University of California Davis Olive Center tested 21 restaurant and food service olive oil samples.

All but one of the 15 extra virgin samples passed the commonly used USDA chemical standards.

But, 60 percent failed the USDA extra virgin sensory standard – a less-used but important analysis. Some oils were even categorized as not fit for human consumption. That is disturbing.

We support the recommendations of the UC Davis report.

They include:

- Increased sample testing;
- Revised USDA “extra virgin” standards;
- More comprehensive quality control protocols;
- Improved tests;
- And, research on packaging to preserve freshness.

Our tribe grows our own olives, processes in our own mill, and distributes our own extra virgin olive oil in nearby markets. We know the process and the higher costs associated with producing this higher quality oil.

Yet, products labeled extra virgin olive oil imported from other countries sell locally at lower prices than ours. Importation costs alone should make foreign products more expensive.

Something is not right.

Perhaps, this is direct evidence of the problems with olive oil quality in the marketplace raised by the UC Davis study? Can these products really be extra virgin olive oil? How much fraud are American consumers suffering as they buy products labeled extra virgin olive oil in their local markets?

The American consumer deserves honesty in the marketplace. And when it comes to olive oil, they are not getting it.

Thank you very much for your attention to these important issues.