



FARMERS DIRECT INC.

Farmers Direct is a forage pressing and exporting company located in Yamhill County that started almost 6 years ago. It was founded by farmers who began baling straw because of the burn ban more than 40 years ago.

During the grass seed harvest, when a combine goes through a field it separates the grass seed from the straw, leaving large quantities of straw behind in the field. Without the ability to burn this straw off of the field, they must bale it. This can be a lot of material, for example, in a heavy fescue field there could be as much as 3.5 to 4 tons of straw per acre. With nowhere to go with this straw, industrious Oregonians developed a market for the straw overseas and the only way to make that work cost effectively is to press it. Pressing straw now is a vital part of the grass seed harvest.

The hay, straw, grass, and other plants that go into the press come out of the press basically no different except 30-40% denser. A press takes baled material and using hydraulics smashes it smaller than you could with a baler. Unlike a mill that takes logs and makes lumber, the end user can use the hay pressed or unpressed for feeding animals in the same way. The reason we press the material is to make it more efficient to store and transport. We could fill the same export containers with unpressed material, and the end users could still use it the same way. However, ocean freight is charged on a per container basis and sales are done on a per ton basis. This means we must press the material to get it to the end users overseas at a competitive price to compete with forage products from other countries like China and Australia. This is especially important now when every ocean carrier has increased their rates per container by as much as 50%. They have also began repositioning empty containers from the US to China, severely limiting the availability of containers in Portland.

Hay unpressed would require 30-40% more containers to move the same amount of material, which would be significantly costlier and far less friendly to the environment after the additional amount of trucking, train movement, and ship movement (both sides of the ocean for exports). Not to mention the additional amount of congestion. We are only pressing the products to make it more efficient not to process it into a usable feed, it is already a usable feed.

Property taxes on compression equipment hamper the ability of farmers to dispose of straw from their fields cost effectively. Pressing is now a critical part of the grass seed harvest. Pressing equipment is very expensive so the property tax is very high. This industry already operates on very narrow margins and quite often at a loss. Farmers Direct supports House Bill 3317.

Thank you for reading,



Erik Lerwick

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