





**Statement of Mr. Craig Martins** 

Operations Manager Three Rivers FS Dyersville, Iowa

Testifying on Behalf of the National Council of Farmer Cooperatives and GROWMARK, Inc.

Testimony before the Subcommittee on Agriculture, Energy, and Trade

House Small Business Committee U.S. House of Representatives

Accelerating Agriculture: How Federal Regulations Impact America's Small Farmers

June 21, 2018

Chairman Blum, Ranking Member Schneider, and members of the Subcommittee, on behalf of the National Council of Farmer Cooperatives (NCFC) and GROWMARK, Inc., I sincerely appreciate the opportunity to submit testimony for the record as part of the Subcommittee's hearing to discuss how federal regulations impact America's small businesses.

I am Craig Martins, Operations Manager for Three Rivers FS, headquartered in Dyersville, IA. My responsibilities include developing and leading the sales, operations and service teams within Three Rivers FS. Service to our farmer members, safety, compliance and efficiency are important areas of focus in the operation of an agriculture cooperative and an individual's farm. Since 1929, NCFC has been the voice of America's farmer-owned cooperatives. With nearly 3,000 farmer cooperatives across the United States, the majority of our nation's more than 2 million farmers and ranchers belong to one or more farmer cooperatives allow individual farmers the ability to own and lead organizations that are essential for the vitality of the agriculture sector and rural communities.

NCFC's members span the country, supply nearly every agricultural input imaginable, provide credit and related financial services, and market a wide range of commodities and value-added products. Earnings from these activities are returned to the co-op's farmer members on a patronage basis, helping to improve their income from the marketplace. These earnings are then recycled through rural communities as farmers and ranchers purchase goods and services from local businesses, thereby sustaining rural America.

One of NCFC's members, GROWMARK, is an agricultural cooperative based in Bloomington, Illinois. GROWMARK provides agronomy, energy, facility planning, and logistics products and services, as well as grain marketing and risk management services in more than 40 states and Alberta, and Ontario, Canada. The GROWMARK System supports over 250,000 customers, providing services that span the supply chain from providing the ideal seed varieties for planting, caring for plants during the growing season, collecting and storing grain after harvest, to selling the product at the best market price and shipping it across North America.

NCFC and GROWMARK value member ownership and control in the production and distribution chain; the economic viability of farmers and the businesses they own; stewardship of natural resources; and vibrant rural communities. American farmers are dependent upon the integrity of their soil and other natural resources for their livelihoods. For generations, farmers have worked tirelessly to protect and improve the land. They also understand that satisfying the demands of a growing world population must not come at the expense of ecological health, human safety or economic viability. For decades, farmers have adhered to a principle of continuous improvement.

Three Rivers FS is a locally-owned agricultural cooperative serving producers in Northeast Iowa. Formed in 1930, Three Rivers FS is a leader in meeting producer needs in production agriculture and agronomy marketing. Our vision is to be the trusted advisor for our patrons and our mission

is to develop relationships and deliver solutions that drive sustainable performance for our patrons and our cooperative. Three Rivers FS is a proud member of GROWMARK.

I thank this Subcommittee for supporting public policies that continue to protect and strengthen the ability of farmers and ranchers to join together in cooperative efforts to maintain and promote the economic well-being of farmers, ensure access to competitive markets, and help capitalize on market opportunities.

I also applaud this Subcommittee for taking a closer look at how federal regulations affect small businesses. Arduous, expensive, and confusing regulations can be completely detrimental to small business owners, including farmers. I commend this subcommittee for addressing this important issue and considering options to relieve hardworking farmers across America from excessive regulations. It is imperative that federal policies promote an economically healthy and competitive U.S. agriculture sector, and this can only be accomplished if farmers are able to operate without the oppressive weight of undue regulation.

Our common, ultimate goal is to enhance and strengthen the productive capacity of our farms. In today's testimony, I wish to highlight legislative and regulatory efforts that will have a direct impact on agricultural businesses; and particularly, emphasize specific regulations that are excessively burdensome upon farmers and the co-ops they own. Together, we can create a future where farmers are free from unnecessary, burdensome regulation while maintaining public safety and American farmers' passion for protecting and improving the land and communities in which they live.

# **OSHA Crane & Derricks in Construction Rule**

Propane is an integral part of the agricultural energy portfolio, for its domestic availability, highenergy density, clean-burning qualities, and price-point.<sup>1</sup> Propane is the world's third most common fuel, and it is used in residential properties, industrial vehicles, and frequently in the agricultural industry, where it powers engines, heats buildings, and is used to dry and process crops.<sup>2</sup> Propane sale, service, and delivery are a critical part of many farmer cooperative business structures.

Over 35 NCFC members provide propane services to its members, including GROWMARK and its co-op owners. However, a recent OSHA regulation is making it harder and more expensive for cooperatives to employ propane technicians and provide these services to its customers. The *Crane and Derricks in Construction Rule* imposes certification requirements on crane operators which include propane technicians. OSHA stated in its final rule published on August 9, 2010, that any individual operating a crane on a construction site, or performing a construction activity, is required to have a third-party certification. The rule clarifies the employer's duty to ensure competency of the crane operators through training, certification, and evaluation.

<sup>&</sup>lt;sup>1</sup> <u>https://www.afdc.energy.gov/fuels/propane\_basics.html</u>

<sup>&</sup>lt;sup>2</sup> <u>https://www.propane.com/about-propane/</u>

This burdensome and duplicative regulation unfairly includes general industry, specifically propane, under construction standards. As these entities are already highly regulated by our own industry safety standards, and the operation of telescoping and knuckle boom trucks is vastly different from tower cranes and other large-scale cranes used in construction, we believe propane companies are incorrectly included in this rule.

According to OSHA, a construction site is considered any property where construction activity is taking place. More specifically, a construction activity includes any work for construction, alteration, or repair, which includes painting and decorating at a residential or commercial location.<sup>3</sup> Propane industries have faced particular challenges with this rule, which is resulting in compact, mobile equipment to be regulated as heavily as tower cranes used on large scale construction sites. The cranes used to unload propane tanks at cooperatives, farms, business, etc., are typically small enough to sit on the back of a pickup truck; and are only used in loading and unloading items from relatively low heights.

According to the rule, the delivery or retrieval of a propane tank to the ground without positioning the tank onto or within any structure, or in a particular direction, does not constitute a construction activity. However, the intentional positioning or orientation of a propane tank onto an excavation, concrete pad, tank legs, or any support is considered to be preparation for installation, therefore the activity is deemed as construction and requires certification. Further, any use of a crane to move a propane tank onto a construction site falls under the scope of the rule, as any activity done on a construction site is automatically deemed construction.

The crane operator certification may be obtained from an accredited, third-party testing organization that meets OSHA requirements or through an audited employer program that meets OSHA's certification requirements.<sup>4</sup>

Farmer cooperatives would be impacted by this rule's certification requirement when delivering and connecting propane tanks with truck cranes, which are regulated under this rule. According to letters of clarification from OSHA, the delivery of propane tanks to any active construction site is a construction activity that requires the certification. Using a truck-crane to position a propane tank in any way, other than to the ground, also constitutes a construction activity that requires the certification. If the tank is placed onto any sort of structure or surface where it will be connected or installed, the crane usage is subject to regulation. Numerous letters of clarification have been directed to OSHA regarding what constitutes a construction activity and a construction site. There are still many questions left unanswered.

The propane industry and consumers are primarily concerned with the inconsistent regulation of the same activity. The rule is designed to regulate the crane usage itself, and therefore should not be dependent upon the location of the crane, how the tank is set down onto the ground or another

<sup>&</sup>lt;sup>3</sup> 29 C.F.R. 1910.12(b); 29 C.F.R. 1926.32(g).

<sup>&</sup>lt;sup>4</sup> Technically, there are four (4) options for certification. Not mentioned are: obtain a state or local license to operate cranes within a state or local jurisdiction with acceptable requirements; or a qualification issued by the U.S. military. These certification options are impractical/not applicable to propane industry.

surface, or if it will be subsequently installed in the future. The rule seemingly sets two standards for the same activity using the same machinery, based upon arbitrary factors. This inconsistency and lack of clarity signify the high level of confusion among the industry, demonstrating the necessity of an extension of the compliance date.

Third-party certification costs for the training course, certification, wages, and incidentals are approximately \$3,790 per individual certification requiring renewal every five years. This would be a huge cost on the propane industry. The propane industry estimates it will cost approximately \$151 million every five years to comply with this rule. Affordable and reliable energy is a necessary component of functioning businesses, agriculture, and family households. The significant costs of this certification process will bear down on distributers of propane, including farmer cooperatives, which already have a struggling farm economy impacting their bottom line. Additionally, families and farmers that rely on propane will be impacted by this additional cost in the supply chain. The farmers feeding, clothing, and fueling our world are managing rising input costs and stagnant or declining commodity markets, and an increased propane bill is an avoidable concern.

The compliance date for employers to ensure that propane field technicians are certified is set for November 10, 2018. However, OSHA is still reviewing public comments on adding a permanent requirement for employers to qualify employees through required training, certification/licensing, and evaluation, on whether to remove an existing provision that requires different levels of certification based on rated lifting capacity of equipment, and establishing minimum requirements for determining operator competency.

The propane industry is one that is highly regulated under general industry standards and prioritizes having a culture of safety. NCFC and GROWMARK support robust industry standards to promote agricultural safety and health. However, OSHA's inclusion of propane deliveries under its *Crane and Derricks in Construction Rule* is unreasonable, duplicative, and costly to co-ops that sell and deliver propane. The propane industry self-imposes training, education, safety, and examination requirements of industry employees. The training and safety requirements of this program are more detailed than the crane rule, and tailored to the unique safe handling of propane containers.

NCFC and GROWMARK call on OSHA to correct the scope of its *Cranes and Derricks in Construction* final rule and appropriately remove propane dealers from covered entities subject to the rule. NCFC calls on members of Congress to co-sponsor H.R. 5988, the *Common Sense Certification Reform Act*, which provides relief for propane field technicians from third-party certification in cases in which such operators are only delivering or retrieving propane containers. NCFC also calls on Congress to instruct OSHA to delay the November 10, 2018 compliance deadline while the agency reviews the potential impact of the regulation and appropriately define the scope of the regulation.

## DHS Chemical Facility Anti-Terrorism Standards Rule (CFATS)

Anhydrous ammonia (NH<sub>3</sub>) is used across the agriculture industry in a number of ways, including to control mold growth in high moisture grains and to add nonprotein nitrogen to corn silage. Most commonly, NH<sub>3</sub> is used as a nitrogen fertilizer for field crops. NH<sub>3</sub> is cost effective, efficient, and easy to use, resulting in its popularity as a nitrogen fertilizer among farmers across the United States.<sup>5</sup>

NH<sub>3</sub> provides many benefits to farmers. However, due to its chemical makeup, it must be handled with extreme care. In order to be properly used and stored, NH<sub>3</sub> must be compressed from a gas into a liquid and is kept in specially designed pressure sealed tanks. Farmers use toolbars pulled by tractors to inject the NH<sub>3</sub> directly from these sealed tanks, known as nurse tanks, into the ground. As the NH<sub>3</sub> is injected directly into the soil, pressure is released, and quickly converts to a gas. The gas immediately combines with soil moisture, causing the soil to retain desirable chemical properties, which are ideal for crop growth.<sup>6</sup>

Farmer cooperatives across the country, including many of NCFC's members, store and supply NH<sub>3</sub> to support their members' needs. It is essential for cooperatives to have the ability to provide fertilizers, such as NH<sub>3</sub>, to their farmer-members so each farmer can achieve the highest yields possible. NCFC, member co-ops, and individual farmers recognize the need for readily accessible NH<sub>3</sub>; however, the Department of Homeland Security's (DHS) regulation of NH<sub>3</sub> through the Chemical Facility Anti-Terrorism Standards (CFATS) rule, has led to confusion among the agricultural community on how to comply.

While NH<sub>3</sub> clearly has a number of practical benefits, it can be dangerous if not handled properly. Recognizing the hazard that NH<sub>3</sub> poses, DHS has placed it upon its list of Chemicals of Interest (COI) which are regulated under CFATS. In November 2007, DHS finalized Appendix A to CFATS, which made a special note that NH<sub>3</sub> was to be included within the list of COI's. Each COI is associated with a specific screening threshold quantity (STQ), and if a facility possesses a chemical above the STQ, the facility must submit a Chemical Security Assessment Tool Top Screen (Top Screen).<sup>7</sup> The Top Screen can be submitted online and is done to determine if the facility is considered to be high-risk and covered under CFATS. DHS subsequently assigns the facility to a particular tiered level – "1" being the highest risk and "4" the lowest. All covered facilities are then required to submit a Security Program (ASP) to DHS for approval.<sup>8</sup>

Through this approval process, DHS considers a number of critical assets that measure the facility's policies, procedures, and security plans. These factors are run through an online

<sup>&</sup>lt;sup>5</sup> <u>https://www.extension.umn.edu/agriculture/nutrient-management/nitrogen/using-anhydrous-ammonia-safely-on-the-farm/</u>

<sup>&</sup>lt;sup>6</sup> <u>https://www.extension.umn.edu/agriculture/nutrient-management/nitrogen/using-anhydrous-ammonia-safely-on-the-farm/</u>

<sup>&</sup>lt;sup>7</sup> 6 CFR Part 27; Appendix to Chemical Facility Anti-Terrorism Standards – Final Rule

<sup>&</sup>lt;sup>8</sup> https://www.dhs.gov/chemical-facility-anti-terrorism-standards

program, which completes an algorithm, essentially running a risk assessment on the facility's safety and emergency or protective measures. In order to complete the SVA, SSP, or ASP, an individual must undergo Chemical-terrorism Vulnerability Information (CVI) training and be certified. This greatly limits the individuals that can contribute to the discussion regarding the assessments and plans, as only certified individuals can make contact with DHS or others DHS considers to be "in the know".

After DHS assesses the facility, if it is determined that they are not compliant with the standards, DHS is mandated to provide a clear explanation as to why the facility failed, and what needs to be done in order to meet tolerances. However, cooperatives have faced great confusion attempting to reach compliance with DHS. For example, at Three Rivers FS, the concerns from DHS could only be remedied through impractical and costly changes to fencing or the addition of security cameras. The costs of the fencing would be upwards of \$120,000 and would also be impractical for escape access in case of emergency, merely shifting the safety threat. Further, the installation of security cameras is unnecessary because NH<sub>3</sub> is only stored at the facility during four months of the year.

DHS's advice to Three Rivers FS has been ambiguous without explanation as to how it would be safer or an improvement to the SSP. While DHS claims it is committed to continually working with the cooperative until it is compliant, approximately \$5,000 has already been spent in personnel time. Prolonging the process will only be a continued and growing expense. Per the rule, DHS is obligated to provide a "clear explanation of deficiencies."<sup>9</sup> DHS should be obligated to provide more clarity as to how facilities can become compliant in a cost-effective way.

Further, DHS should work with state departments serving agricultural communities so that cooperatives have resources that are easily accessible to comply with the rules. Three Rivers FS cooperative has continually tried to include the Iowa Department of Agriculture and Land Stewardship into this process, however due to DHS's strict policy with the CVI certification, they are unable to join the conversation. DHS requires that only those with CVI certification and deemed to be "in the know" may have any knowledge of a facility's SVA, SSP, or ASP. This policy is detrimental to small cooperatives who rely on local resources for tools to become compliant with federal regulations, particularly when the requirements are unclear. At the very least, DHS needs to educate state officials so that they can serve their constituents, and so cooperatives can easily access local resources to help them become compliant.

DHS should provide clarity as to how cooperatives can become compliant without excessive costs. Further, they should provide better tools and resources to facilities so that they can achieve compliance with CFATS without confusion and wasted resources. Clarification on how to meet the standards of the SVA, SSP, and ASP would improve the ability of cooperatives and other chemical facilities to meet DHS's standards; saving money and time for both the facility and DHS.

<sup>&</sup>lt;sup>9</sup> 6 CFR 27.245 Review and approval of security site plans

It is vital for cooperatives to be able to comply with these regulations, as failure to do so would result in civil penalties or facility shut down.

## House Farm Bill Regulatory Reform Provisions

NCFC and GROWMARK support regulatory reform and want to work with Congress to achieve this result. We were pleased to see a number of reforms included within the House Committee on Agriculture's farm bill. A summary of those provisions is listed below, followed by more detail on several provisions I wish to specifically highlight.

- *FIFRA Reform* Streamlining the complicated and contradicting regulatory procedures in the ESA and Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) to create an efficient and effective process that ensures protection of species as well as American agriculture, public health and safety.
- *Pesticide Registration Enhancement Act (PRIA)* Reauthorization of PRIA is essential to maintaining public safety, while simultaneously allowing agricultural growers and producers to utilize the best crop protection tools modern technology has to offer.
- *National Pollutant Discharge Elimination System (NPDES) Permit Reform* Explanation of the NPDES permitting process will remove duplicative and unnecessary procedures for pesticides that have already been approved under FIFRA.
- Agricultural Retail Facility Definition Clarification of the definition of a "retail facility" is necessary for growers and producers after the Occupational Safety and Health Administration (OSHA) inappropriately removed agricultural retailers from the regulatory exemption.

# FIFRA Reform

NCFC and GROWMARK support the well-established, rigorous, and science-based pesticide registration review process established under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Unlike other federal environmental statutes, FIFRA requires EPA to engage in a risk-benefit analysis in its regulation of pesticides. A thorough and holistic approach that relies on sound science and robust data ensures that risk conclusions are as closely tied to real-world conditions as practicably possible. However, this sensible process is constantly at odds with the Endangered Species Act's (ESA) cumbersome regulatory additions, which is administered by the Fish and Wildlife Service and the National Marine Fisheries Service (the Services). These conflicting procedures result in massive amounts of wasted time, money, and resources. The ongoing conflict between the EPA and the Services about how best to protect threatened and endangered species when regulating pesticides only hurts growers and provides no additional protections for these species.

Before a new pesticide registration is granted or an amendment is made to an existing pesticide registration, EPA is required under FIFRA to ensure that the proposed use does not cause "any unreasonable adverse effects on the environment, (including fish, wildlife and "non-target"

plants), taking into account the economic, social, and environmental costs and benefits of the use of any pesticide."

ESA provides for an additional level of scrutiny by requiring federal agencies, such as EPA, to consult with the Services on "agency actions" (such as a pesticide registration) that could impact threatened or endangered species or their critical habitats. As part of the consultation process, the Services are required to issue a "biological opinion" (BiOp) which includes recommendations of measures or restrictions to "agency actions" that would alleviate any concern regarding the impact an action might have on a listed species.

The EPA and the Services have dramatically different views on approaches to assessing and managing potential risks to fish, wildlife and plant species from use of pesticides. These agencies disagree on fundamental legal and science policy matters related to their respective obligations under the ESA and FIFRA. The overly precautionary regulation favored by the Services threatens public health, agricultural productivity, global competitiveness, and will place a burden on our economy with no commensurate benefit to threatened and endangered species.

When ESA consultation is delayed, pesticide consumers and users bear the risk that a court will impose buffer zones or other use restrictions that have significant economic impacts and that significantly impair food and fiber production. The delays trigger court rulings and settlements that have imposed unnecessary, non-science-based mitigations and loss of crop protection products or uses, often decreasing acres of crop land available for production.

Activist initiated ESA/FIFRA debate and litigation have been ongoing for almost 15 years and there is no end in sight. In 2013, a panel of the National Academy of Sciences (NAS) published a report providing guidance on the specific issues at the center of the conflicting procedures. The agencies have been attempting to address these recommendations and have created "Interim Approaches" for ESA risk assessment. The agencies have tested this approach on three different insecticides that are known to be safe, however have already been subject to EPA review. Per the Interim Approach protocol, the EPA released draft biological evaluations (BEs) for these three insecticides. The BEs are well over 12,000 pages and are extremely inconsistent with other meaningful studies.

Despite the government's implementation of the Interim Approaches and its work on the first three draft BEs, there have been multiple new ESA lawsuits challenging new product registrations, leading to additional regulatory uncertainty. These lawsuits have a chilling effect on the introduction of new, more modern pesticide products. Further, ESA litigation has diverted the severely restricted resources of both EPA and the Services away from conservation efforts that would be more beneficial to the protection and recovery of threatened and endangered species and critical habitat.

There is strong evidence that FIFRA/ESA consultations are not working effectively or efficiently. Three nationwide consultations began in 2013 and are not yet complete. Economic analysts have determined that the Services would require up to a 25-fold budget increases to

meet demand for timely completion of Office of Pesticide Programs (OPP)'s current schedule for pesticide registration and registration review.

An improved ESA consultation process is needed to make the best use of limited government resources, and to increase transparency and public trust in the risk assessment processes. Creative thinking and new approaches are needed to allow growers and other pesticide users to continue to have access to the tools they need to protect families, crops, homes and wildlife from pests and diseases.

Again, NCFC and GROWMARK were pleased to see needed, common-sense reforms included in the farm bill passed by the House Agriculture Committee. The provisions aim to put the necessary authority in the hands of the EPA, which has the scientific and technical expertise to assess the risks of pesticide products. Reform efforts would:

- Amend FIFRA to incorporate the ESA's protection standard for threatened and endangered species and their critical habitat into FIFRA's pesticide registration standard.
- Let the relevant agencies focus on what they do best Empower OPP to make a jeopardy determination based on the ESA standard codified in FIFRA using its pesticide assessment expertise and incorporating the Services species-specific expertise to help inform the timely and efficient jeopardy determination. FIFRA deadlines would be retained to encourage interagency cooperation.

We believe that the Farm Bill is the best opportunity to address this issue. Your assistance and action is critical.

# Pesticide Registration Improvement Act (PRIA)

Congress must move quickly to reauthorize the pesticide industry's highly successful fee-forservice program, commonly referred to as the Pesticide Registration Improvement Act (PRIA). The act was scheduled to expire on September 30, 2017, but was granted a short-term extension of current law in the FY'18 omnibus appropriations bill. Despite passage in the House by voice vote in 2017, objections unrelated to the bill have thwarted long-term enactment. PRIA is supported by a diverse and unique coalition, including the NGO community, as this necessary and important program funds, in part, EPA's pesticide registration and review programs.

Reauthorization of PRIA is vital to allow agricultural producers and growers to have access to the safest and most efficient crop protection tools, without compromising public safety. The pesticide industry will contribute over \$40 million in registration and maintenance fees which will supplement federal appropriations. Therefore, more resources will be available for streamlining a more effective and efficient pesticide evaluation process. Further, this will help fund worker protection training activities at the EPA.

NCFC and GROWMARK were pleased to also see this measure included in the farm bill passed by the House Agriculture Committee.

## FIFRA & Clean Water Act (CWA)

The registration and re-registration of pesticide products under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) is founded on robust science, ensuring that products in the marketplace can be used while offering the desired protections for human health and the environment. The FIFRA label is the law: users who do not follow the label are in violation of federal law.

The National Pollutant Discharge Elimination Permit (NPDES) is in fact a permit to discharge. In the case of pesticides, this a permit to discharge a substance that is already evaluated by EPA for impacts to water quality. No other permitted discharge is regulated twice by EPA, and this regulation is clearly duplicative and burdensome. Congressional action to clarify the language regarding the NPDES permitting is essential to reducing overbearing regulatory measures. These changes should explain that a second permit for discharge of a substance already approved under FIFRA is unnecessary and excessive.

EPA's own analysis demonstrates that the NPDES permits program for pesticides is the single greatest expansion of the program in its history, covering over five and half million pesticides applications per year by at least 365,000 applicators. Those stakeholders directly affected include state agencies, city and county municipalities, mosquito control districts, water districts, pesticide applicators, farmers, ranchers, forest managers, scientists and many others.

EPA's pesticide permit aims to cover applications of pesticides registered for aquatic use and applied to water or forest canopies into or over flowing or seasonal waters, and conveyances to those waters. It was the numerous activist lawsuits against both agricultural and non-ag users of aquatic and terrestrial pesticides that led to Congress seeking to clarify the intention of Clean Water Act. The very same groups who oppose a legislative solution make no secret of their intention to continue their citizen suits until all pesticide applications are permitted. In fact, activist just recently filed notice of intent to sue a local agricultural district in Hawaii. This establishes an uncertain liability for farmers and ranchers, as well as users applying pesticides to public utility rights of way, private homes and businesses.

NCFC and GROWMARK applaud inclusion in the House farm bill clarifying this issue and aiming to end a duplicative regulatory burden.

Although the issues I raise today are vastly different, they are all critically important and impactful to the future of small agricultural businesses and are worthy of your attention. Especially at a time when farmers across the country face burdensome regulations inhibiting growth and production, we must identify ways for our agriculture sector to prosper.

Thank you again for the opportunity to testify today, and I look forward to your questions.

## 163 Franklin Rd. Luana, Ia 52156

## **Objective:**

Sales and operational professional with comprehensive experience in all phases of strategic business management and distribution channel development desiring to continue leadership career in agriculture.

## **Accomplishments:**

- Led the creation and modernization of departments, reorganized workflows and established motivated teams.
- Implemented a global dealer network risk assessment used to develop a sales, service and distribution strategy to bench-mark current dealer network position and plan for future distribution channels.
- Built the infrastructure within manufacturing, customer service and technical support to ensure a successful North American launch of the MIOne robotic milking system and other strategic product launches.
- Merged acquired businesses, developed easy to manage business models, implemented a culture of accountability and successfully managed to conclusion numerous projects.
- Effectively managed multi-million dollar budgets, implemented new ERP systems, and completed system conversions.
- Directed operational performance improvements each year and decreased operational costs while continually striving to improve customer satisfaction.
- Led multi-product line manufacturing locations, site consolidations and manufacturing line renovations during both rapid expansion and during business decline.
- Effectively communicates within all levels of a multicultural, global, matrix drive organization.
- Developed logistic concept to raise order fulfillment from 40% to a maintained 80% + level of fulfillment.
- Developed and implemented metrics for inventory management, order fulfilment and operational management of company owned dealerships.
- Achieved 25% of annual GEA North American equipment sales and new parlor installations in assigned sales territory.

## Work History & Experience:

Three Rivers FS

### Dyersville, IA

### September 2015 to Current

May 1997 to September 2015

June 2013 to December 2015

**Operations Manager** 

- Responsible for developing and leading the modernization of sales, operations and service teams within the Three Rivers FS system.
- Initial focus is to evaluate the personnel and operational processes to bring the sales and distribution locations back to
  profitability within the agronomy, energy, feed and service business units.
- Concentrated on rebuilding the customer base trust and gaining market share within assigned sales territory.

### **GEA Farm Technologies**

### Bönen, Germany & Naperville, IL

### Director – Global Business Development

- Responsible for building global department to capitalize new business opportunities in both mature and emerging markets and to create a strong connection with our key accounts.
- Led the initiatives to streamline the GEA Farm Technologies large project design, sales and installation in coordination of other business segments of GEA.
- Converged global dealer development departments and lead in the creation of a common strategy to assess the current status
  of dealership network and to drive the direction of the future dealership footprint globally.
- Concentrated sales efforts in emerging markets of Eastern Europe, South America and the Pacific Rim to penetrate markets through customer direct or dealer driven sales.
- Directed the global sales release of the Dairy ProQ robotic rotary product line.

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- Responsible for 260 employees with 12 direct reports within the manufacturing, purchasing, customer service, technical support, training, IT & logistics for the NA subsidiary.
- Managed operations for 11 locations in NA Subsidiary with a sales turnover of approximately \$235 million.
- Focused on growing GEA FT Inc. market share, improve operations efficiencies, continue consolidation of acquired businesses and develop new distribution channels locally and globally.
- Responsible for the creation & maintenance of GEA FT Inc. capital expenditure budgets and to coordinate globally.
- Developed a format to include sales in weekly discussions to quickly address changing market requirements.

#### *Vice President of Supply Chain – North America*

Vice President – North American Operations

Craig N. Martins

- Responsible for a department consisting of 240 employees with 8 direct reports leading the manufacturing, purchasing, customer service, IT & logistics departments in the NA subsidiary.
- Led teams to develop and organize internal information to configure and release online ordering systems.
- Focused on integrating separate locations under one management structure and operational metrics program.
- Managed the procurement, maintenance and resale of 200+ vehicles in the North American Fleet.

#### Director of Product Management – Americas

- Responsible for 8 employees managing the capital equipment, hygiene, supplies and service product lines.
- Led the initiative to consolidate product lines and implement product life-cycle management process.
- Focused on building brand loyalty and awareness through industry relationships and business contacts, and building dealership value and loyalty through quality products and support.

#### Customer Accounts Manager – North America

- Responsible for team of 14 employees comprising the customer service, project management, international order management and project quotations teams.
- Focused on consolidation of the separate US and Canadian customer service groups and providing the training and procedures to improve our customer satisfaction.

#### Supplier Relations and Procurement Manager

- Focused on the purchasing and negotiation of contracts for the equipment and supplies product lines in NA.
- Consolidated suppliers and contracts both locally and globally within the GEA Farm Technologies organization.

### Territory Sales Manager

- Developed and implemented sales, marketing, on-site technical support and training strategies towards target markets in the Western US with a focus on Nevada, California and Arizona.
- Led the consolidation of the Westfalia and Surge Western US dealerships through the company acquisition.

### **Technical & Installation Support Specialist**

Focused on the release and technical support of the Autorotor milking parlor line product offering.

Winthrop, IA

### Fairchild Feed & Supply

#### Agronomy and Animal Nutrition Sales

- Focused on crop planning, annual soil testing, sales and application of agronomy related products.
- Worked to obtain and manage customer animal nutrition accounts using the Carl S. Akey line of nutritional products.

# **Education:**

Iowa State University, Ames, Iowa, May 1994

Bachelor of Science - Dairy Science, Minor - Agronomy

Harper College, Palatine, Illinois, April 1998

AutoCAD Basic and Intermediate Design

June 2008 to August 2009

February 2007 to June 2008

January 2001 to February 2007

October 2000 to December 2001

May 1997 to October 2000

August 1994 to May 1997

August 2009 to December 2010



## HOUSE COMMITTEE ON SMALL BUSINESS

## Witness Disclosure Statement Required by House Rule XI, Clause 2(g)

1. You	r name: Craig Nathan Martins			
2. Are ent	you testifying on behalf of a federal, state, or local government ty?	YES	NO X	
3. Are	you testifying on behalf of an entity other than a government entity?	YES X	NO	
<ul> <li>4. Other than yourself, please list the entity or entities you are representing:</li> <li>- National Council of Farmer Cooperatives</li> <li>- GROWMARK</li> </ul>				
	Please list any offices or elected positions held or briefly describe your representational capacity with the entities disclosed in question 3.			
is a 40 s	I am an employee of Three Rivers FS, an agriculture cooperative headquartered in Dyersville, IA, who is a close working partner and member of GROWMARK, an agriculture cooperative operating in over 40 states and headquartered in Bloomington, IL			
and dur	a) Please list any federal grants or contracts (including subgrants or subcontracts), including the amount and source (agency) which you or the entities you represent have received and/or have been approved for during the current calendar year or either of the previous two calendar years that are related to the subject matter of the hearing:			
No	Not Applicable			
sou	b) P lease list any federal grants or contracts (including subgrants or subcontracts) and the amount and source (agency) received by the <u>entities listed under question 4</u> during the current calendar year or either of the two previous calendar years which exceeded 10% of the entities' revenues in the year received:			
No	Not Applicable			
the or e	c) Please list the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government which you have received during the current calendar year or either of the previous two calendar years that are related to the subject matter of the hearing: Not Applicable			
par	ou are testifying on behalf of a non-governmental entity, does it have a ent organization or an affiliate that you do not specifically represent? If so, se list below:	YES	NO X	

**NOTE**: Under House Rule XI, Clause 2(g)(5), this form must be posted on the Committee's website not later than one day after the witness appears. Appropriate redactions may be made if, in the Committee's view, they are necessary to protect the privacy or security of the witness. Please notify the Committee's Clerk if you believe such redactions are necessary.

Signature: My Math

Date: 6/15/18