

VCF FLOWERS

Foreign growers a thorny issue for local rose market

By Nanci Rosenberg
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Things are not smelling so sweet for the Pajaro Valley rose market.

Local rose grower Victor Vanni of College Lake Flowers said that although roses from Colombia and Ecuador have been entering the American market for the past several years, lately it seems as if the international market is trying to hurt U.S. growers.

"Roses from (Colombia and Ecuador) are selling in Europe and Canada at higher prices than in the U.S.," Vanni said. "Sometimes they sell roses here at the cost of the box ... It's as if (South American growers) want to wipe out the American market."

The more growers from South America control the market, the more they own it, Vanni said, and foreign roses are being offered to U.S. brokers at less than what it costs to grow them.

Recently members of the U.S. International Trade Commission announced that the domestic rose industry is suffering from imports, and began an investigation upon a request from the Floral Trade Commission. The inquiry is to determine if foreign growers are adhering to U.S. fair trade laws.

Domestic rose growers believe that Ecuador and Colombia are engaging in dumping — selling a product in the market at less than what it costs to produce — which is illegal in the United States.

To get around the anti-dumping law, Vanni said, South American growers are selling the roses to brokers in Miami. Brokerage firms are considered

U.S. companies.

"We're getting undercut everywhere we turn," he said.

A similar situation occurred a few years ago in the mini-carnation market. Vanni theorizes that the only reason there is an American mini-carnation industry is because a disease hit growers in South America.

Even street-corner vendors, who sell roses for as little as \$5 a dozen, are a symptom of the problem. What they are getting is old roses that domestic growers have been unable to sell, said Arne Thirup, owner of Pajaro Valley Greenhouses.

This abundance of cheap roses is a direct effect of roses dumped in mass quantities from Colombia and Ecuador, Thirup said.

"If not for that price pressure (from Colombia and Ecuador) we'd be selling more of our roses," he said.

A past president of the Floral Trade Council and a member on the FTC's board of trustees, Thirup believes the United States will put a halt to the unfair trade practices.

"I'm confident that (the International Trade Commission and Department of Commerce) will add an anti-dumping charge, a tariff to the imports. (The U.S. Department of Commerce) is now trying to determine how much of a tariff should be applied," Thirup said.

According to the 1992 Pajaro Valley Annual Crop Report, roses are the fourth leading agricultural product grown in this area. They account for a dollar value of \$28,783,000, plus providing a number of jobs.

Gene DiCicco, the owner of Sunnyvale Floral Shippers and a



Kurt Ellison

Rose salesman Vic Vanni, left, talks flowers with his uncle, Don Vanni, co-owner of Vanni Nursery Inc.

rose grower, cites this past Valentine's Day as an example of how deeply the domestic rose market is affected by foreign imports.

"On Dec. 31 unseasonable

cold temperatures in Colombia did a lot of damage to their flower industry," he said. "Valentine's Day flowers were destroyed by frost, and the effect was that over Valentine's Day a million bunches of roses didn't

come to the U.S. So Valentine's Day became a good holiday for rose growers."

"(Domestic growers) are not trying to stop imports," Thirup said. "We're just trying to get

(foreign growers) to adhere to U.S. trade laws and get on a level playing field."

The Commerce Department is expected to deliver a decision regarding rose sales by the end of July.