



CropLife
America
Annual Report
2018



“The most noble employment...”

-George Washington



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Chairman's Letter



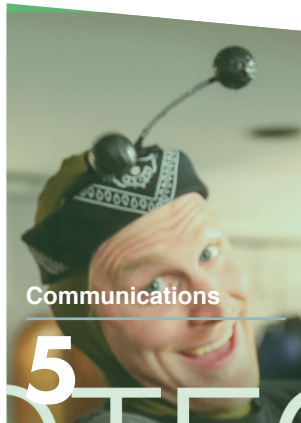
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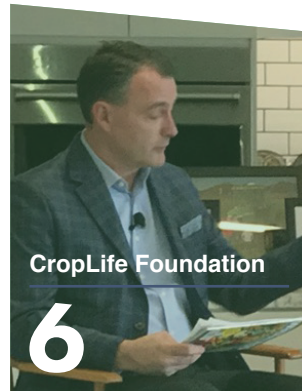
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Chairman's Letter

**“Farmers are at the forefront
of conservation..”**

Friends and Colleagues,

The momentum of today's advancing agricultural technology has permeated almost every aspect of our lives and with this evolution comes responsibility.

Our industry has been given the critical task of ensuring that the future of farming and feeding the world sustainably, while conserving resources, remains the centerpiece of our work. As we navigate a changing political and economic landscape, American farmers continue to further Integrated Pest Management (IPM) methods, adopt precision technologies and develop sustainability and conservation initiatives through extensive research. Farmers are at the forefront of conservation by reducing greenhouse gases through conservation tillage, preserving and restoring habitats through programs like Prairie Strips, and using less inputs, water and fuels by adopting precision agriculture technologies, and much more.

Since 1933, CropLife America (CLA) has represented the manufacturers, formulators and distributors of the pesticide products that help farmers efficiently grow the crops we depend upon for basic needs—nourishment, clothing and fuel. In the face of a rapid-fire news cycle, a changing marketplace and an evolution in the way we communicate, the fact that our members' innovative products have kept pace with the needs

of today's farmers and demands of consumers, all in all, providing nutritious food for all, using a variety of growing methods, can be understood by consumers if we do our job.

As we move into a new era with a dedicated board of directors to lead in advocacy, outreach, research and action of CLA's committees and staff, the future of food and agriculture will continue to move boldly forward.

Sincerely,



Jim Blome
Bayer
Chair, CLA Board of
Directors



Jay Vroom
Former President and
CEO, CLA

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Legal Department



“...support and defend the continued use of challenged crop protection products...”

The work of CLA's legal department is central to the association's advocacy for an efficient, science-based pesticide regulatory system.

This work is often represented through CLA's participation in litigation impacting the industry, either as an intervenor or as an amicus curiae (friend of the court). These positions support and defend the continued use of challenged crop protection products, particularly when those products are caught in the longstanding conflict between the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and the Endangered Species Act (ESA). This year has been a busy time in the courts for CLA, working towards the settlement of one major case, while other cases continue to make their way through the courts.

Outside of litigation, the legal department plays a key role in CLA's broader strategies around endangered species protection, leading teams that include

member company regulatory scientists, lawyers, lobbyists and communicators to craft ideas for reform of a product review process that has never worked well.

The legal department also works strategically with other CLA departments to submit comments on behalf of the industry and meet with government officials to address proposed government action. This year, they led several interdisciplinary projects within the organization, including the treatment of EPA patent synergy claims. The legal department coordinated CLA's interaction with European colleagues at CropLife International and the European Crop Protection Association on transparency initiatives in Europe and led a CLA team to prepare comments in response to proposed transparency regulations

from the U.S. Environmental Protection Agency (EPA). In each transparency process, CLA highlighted the balanced framework that FIFRA provides in the U.S. to make data relevant to the protection of the environment and human health available to the public, while also protecting confidential business and other commercial information.

The legal department also worked closely with members to develop industry-wide suggestions to update EPA enforcement and compliance policies. The department also supports member companies' efforts to work with online retailers to share insights into the complexities of pesticide law compliance and stewardship faced by distributors.

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Government Relations



“Working closely with all stakeholders will ensure that durable solutions for pesticide registrations will be achieved...”

Over the past five years, the U.S. has seen an average 52 percent decrease in annual net farm income, highlighting just one of many challenges facing agriculture in 2018.

This year has offered unique opportunities for the CLA government relations team to engage Congress on issues that are integral to ensuring farmers have the tools they need to succeed in the current climate. Our advocacy efforts continued to focus on improving regulatory certainty, while protecting public health and the environment. Programs authorized by the Agricultural Act of 2014 (also known as the Farm Bill) are set to expire on September 30, 2018, and while pesticide (or FIFRA) policy is generally considered by Congress separately from recurring Farm Bills, the current congressional leaders and the crop protection industry worked closely to address important issues in this year's Farm Bill.

The 2014 Farm Bill spoke to the many challenges existing

between FIFRA and ESA and directed executive branch agencies to collaborate and identify ways to ensure greater interagency efficiencies with respect to pesticide registrations and compliance with the ESA. In early 2018, a Memorandum of Agreement was signed by the Department of the Interior, the Department of Commerce and EPA to direct federal agencies to establish an interagency working group to make recommendations on improving the ESA consultation process for pesticide registrations and review. As passed by the House of Representatives, the 2018 Farm Bill contained language that would amend FIFRA to empower the EPA to make a regulatory determination, while working closely with Fish and Wildlife Service and the National Marine Fisheries Service (collectively, "the



Services”) with respect to the ESA. CLA’s government relations team led the charge on the industry’s “dual-track” strategy (administrative and legislative) that would both protect threatened and endangered species and allow for predictable pesticide registrations.

Another focus has been the Pesticide Registration Improvement Act (PRIA), which was first enacted in 2004 and has been reauthorized twice (2007 and 2012). This fee-for-service program was scheduled to expire on September 30, 2017. Efforts to reauthorize PRIA in 2017 sailed through the House of Representatives, but was delayed in the Senate by policy unrelated to the program. Rather than allowing PRIA to expire, Congress extended the program through September 30, 2018, with the hope that a longer reauthorization would ultimately be achieved. PRIA has enjoyed enormous success over the program’s 14-year history, leading to Agency timelines for registration activities, establishing more certainty in an industry funding

stream for worker training and education programs. In fact, decision timelines in the statute for various Agency registration activities created the necessary regulatory assurance and served as a clear incentive for company member investments in innovative technologies. The enactment of PRIA 4 will ensure that all pesticide registration policy stakeholders will continue to benefit

from the gains realized through this common-sense program supported by industry, pesticide-users, regulators and environmental NGOs.

Working closely with all stakeholders will ensure that durable solutions for pesticide registrations will be achieved, and the critical investment in research and development will be continued while protecting the environment for generations to come.





“...look positively into the future to bring the industry, stakeholders and the public truthful science and steady results.”

Science and
Regulatory Affairs

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How are we able to drive food and agriculture into the future? With science! CLA's science and regulatory affairs team keeps ahead of the curve in agricultural technology and research to meet the scientific and technical needs of CLA's membership. A few examples of 2018 projects include:

- Leadership of the Registration Committee in scientific and strategic issues such as inert ingredient chemistries; implications for support of good laboratory practice studies in regulatory processes; labeling for pollinator safety and alignment with EPA and state requirements; and harmonization of approaches to pesticide risk assessment among the NAFTA countries (within the Organization for Economic Cooperation and Development, and during the meetings of the Codex Alimentarius). All of these issues support registration, registration review consistency and scientific integrity and involve increasing levels of stakeholder engagement with EPA, including several divisions of the Office of Pesticide Programs, such as the Environmental Fate and Effects Division, Biological and Economic Analysis Division, Registration Division and the Health Effects Division.
- This year's harmonization efforts and trade impacts prompted the formation of a Trade Work Group. Reporting directly to CLA's Strategic Oversight Council, the work group includes CLA member scientific, legal, trade and policy experts, and it aligns well with the work of the Food and Beverage Committee. Together, the committees focus on pesticide maximum residue levels (MRL) and import tolerances.
- Partnership with RISE (Responsible Industry for a Sound Environment) during the 2018 Regulatory Conference, which highlighted shared CLA and RISE issue areas and research outcomes, as well as engaging EPA Office of Pesticide Programs and U.S. Department of Agriculture scientists and regulators.
- Reconfiguration of committees and work groups within the science and regulatory department to enhance project outcomes, research outcomes and increased responsiveness to the needs of the Registration Committee and CLA Issue Management Teams. In late 2017, the environmental science and human health committees and work groups were restructured into two science and policy steering groups that work to identify priorities, propose structures to implement plans of work and forecast projects and ensure goals and objectives are met. Strong leadership in both steering groups resulted in team effort driving strategic focus.

- Improved interaction with EPA and other stakeholders to better align with the Environmental Science and Policy Steering Group's work in endangered species risk assessment. Additionally, the two new committees, formed within the steering group will continue to focus on science and policy in environmental toxicology and pesticide exposure.
- Collaboration with the Endangered Species Issues Management Team has facilitated ongoing legislative and administrative regulatory reform efforts to provide more predictable and scientifically defensible risk assessments by EPA and the Services. This work provides for biological evaluations and biological opinions that would better reflect environmental conditions. More specifically, our ongoing work on drift reduction technology and ground/surface water refinements provide risk assessments that more accurately reflect pesticide residues in water and any realistic need for drift reduction or mitigation, thus increasing the level of assurance that any potential risk is appropriately captured in the assessment.
- Establishment of two technical work groups, created by the Human Health and Policy Steering Group, who prioritize areas to use high quality data (alternative methods of analysis, non-animal studies and opportunities for global harmonization in OECD and Codex Alimentarius) and exposure metrics (Part 158 data, epidemiology studies and food and water residues) suitable for use in regulatory decision-making.
- Ongoing communication and scientific exchange with EPA scientists that are essential to CLA committees and work groups, to better meet the needs for regulatory decision-making.
- Increased focus on global harmonization of MRL and import tolerances, permitted stronger CLA relationships with CropLife Canada, Australia, the United Kingdom, the European Crop Protection Association and CropLife International. Through these relationships we intend to enhance technical communication, and advocacy documents would be used to: support U.S. risk-based regulatory approaches; move to reduce animals in exposure assessment; improve coalition-building on issues affecting other industries such as chemistries, food and beverage ingredients; and enable global harmonization to reduce the impact of varied regulatory approaches in international organizations such as NAFTA, OECD, Codex Alimentarius and the World Health Organization/International Agency for Research on Cancer.

CLA's science and regulatory affairs team will continue to advance these ongoing projects, work with expert leadership under the newly formed committees and look positively into the future to bring the industry, stakeholders and the public truthful science and steady results.





“...works to effectively curate content and resources and re-focus conversations in a positive light and reclaim our industry’s narrative.”

PROTECT OUR CROPS

Communications

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With information at our fingertips, CLA communications is at the forefront of the conversation on today's agriculture.

Our messaging focuses on why farmers need access to the right tools and all growing methods to guide "peace of mind" and positivity about the industry, so Americans can eat healthier, affordable produce that's grown sustainably. A priority this year has been to restructure messaging about what we do, so that it is simple and digestible enough for the average person on the street to grasp and use in conversation with others. Whether it be through a multi-year video campaign, the AgVocate program, engaging memes or informative events, the CLA communications team works to effectively curate content and resources and re-focus conversations in a positive light and reclaim our industry's narrative.

CLA's AgVocate program celebrates its second year with

27 AgVocates from 19 of our member companies. This initiative has created a new channel for CLA to share consistent industry messaging and resources for ag industry professionals. Through community town halls, company lunch-n-learns and snack and chats, AgVocates are the industry vessels of breaking messaging barriers and reaching diverse audiences. In May, CLA hosted its second AgVocate Summit in Dallas, where they brainstormed ways to combat popular media misconceptions, applying consumer psychology behind receptivity and emotional reactivity to facts, and essentially, use tactics to get positive ideas to stick and shift the narrative about American agriculture. Our dedicated liaisons continue to lead discussions on the necessity of pesticides within their

AgVocate Initiative Statistics

27
AgVocates

19
Companies
Represented

43
In-Person
Events

5K+
Member
Employees Reached

20K+
Public
Outreach

companies, providing employees with relatable facts and strategic ways to communicate what we do, and why we do it.

CLA's work on Capitol Hill through interactive receptions and networking events continues to facilitate a fun and social setting where congressional communications staff can learn about the latest agricultural issues. We approach communications staff as a resource for information about agriculture and offer educational materials they can use when answering media inquiries and constituent questions. Through gaining rapport and educating Hill staff, CLA amplifies the farmers voice

#GiveaCrop Video Metrics

 47,286 Views

 90,957 Views | #GiveaCrop Use 1,300 Times

 12,031 Views

and today's agricultural needs for crop protection tools to key policy decision-makers.

CLA's popular social media campaign #GiveaCrop, now in its second year, starts the conversation about pesticides with consumers, food bloggers, farmers, chefs, foodie influencers, journalists and others interested in food production. From having "the talk" to debunking myths, this ongoing initiative explores the reasons why U.S. farmers and ranchers use pesticides and the importance of these tools to fight pests that can infect and destroy their crops. The campaign's mascot, The Pest, a common nuisance who attempts to destroy farmers' crops and derail consumers' plans, is back in our new video series conceived by our very own AgVocates and member-company employees! But, despite The Pest's shenanigans, the core message remains that farmers can effectively fight pesky crop pests with the responsible use of pesticides, and with accurate information, everyone can and should #GiveaCrop.

www.giveacrop.org Metrics



6,400 Sessions



12,072 Page Views



1.87 Pages / Session



2:00 Avg Session Duration



87% New Visitors



13% Returning Visitors





“...share industry insights to outside audiences, create a relatable forum of discussion on agriculture...”



CropLife Foundation

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CropLife Foundation (CLF) has made enormous strides this year in creating platforms to communicate the necessity of crop protection and today's agricultural practices.

Podcasts have found their way back into the mainstream and CLF has taken a foothold with its POPagriculture podcast, now in its third season! POPagriculture's host, Steve Savage, a plant pathologist who has worked in the ag technology field for more than 35 years, articulately blends both expertise in agriculture with his knack for pop culture into short and sweet, digestible episodes for all ears. He entertains bi-weekly, covering topics across the ag spectrum from prairie strips and the U.S. farming economy, to stewardship of pesticides and much more, all easily accessible on POPagriculture.com, Google Play Music and iTunes. The Foundation plans to continue to use this as a vehicle to share industry insights to outside audiences, create a relatable forum of discussion on agriculture and influence listeners

to take a second look at facts and science as a vital component in food sustainability.

The Foundation has also amped up the food loss initiative, 'Waste Less, Save More', by launching its website, NoTasteForWaste.



org, in sync with the bookazine 'Waste Less, Save Money!', that was available in grocery stores across the country through June of this year. With the generous help of partners Meredith Agrimedia, American Farm Bureau Federation, Land O'Lakes SUSTAIN/WinField United, Valent and FLM Harvest, the campaign connects consumers to real farmers who work hard to produce food, fiber and fuel sustainably and to be good stewards of the land, while reducing food loss. The bookazine made its debut at the Meredith AgriMedia launch event in Manhattan, New York, where a panel was held to talk about this multi-year campaign in reducing household food waste through educating consumers and how farmers fight food loss on their farms.

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Chairman's Closing Remarks



CLA has not only withstood great political challenges on behalf of our industry but has laid the groundwork to advance agriculture and provide safer, more reliable sources of food worldwide.

Our collective mission is to develop systems that will better equip us to tackle agricultural challenges of the future. CLA has helped guide the industry to not just develop these systems but attain sustainable solutions and results. From 1989-2018, its president and CEO Jay Vroom faithfully worked as the face of crop protection and brought the meaning of advocacy to new heights, while simultaneously championing the livelihoods of farmers and ranchers. Additionally, Jay's work didn't end

at the office, becoming involved in the lives of students and aspiring agriculturalists through the National FFA Organization, so that they too may have the opportunities to shape the future of agriculture.

We are grateful to Jay for leading our unified voice with confidence and vigor when facing public stakeholders. As we look to the future, we will continue to build upon the framework of our long-standing commitment to farmers and communities. On behalf of the CLA board committee and the

crop protection industry, we thank Jay for his dedicated, unwavering service and contributions, and the proud legacy he has left behind.

With final chapters, come new beginnings and we are excited to welcome Chris Novak as CLA's president and CEO as of August 20, 2018. We look forward to working with Chris as we face new challenges and engage on the many issues facing the industry. Chris' background and vision will be a great asset to lead CLA into the future.

Sincerely,



Jim Blome
Bayer
Chair, CLA Board of
Directors

