

August 2015, Issue 4



SafeSourcing

Trivia! Contest!

Win a Gift Card!!!

Think you know the answer to our Trivia! Question below?

Visit our [Contact Us](#) page, type in your information, and put the correct answer in the text box.

If you are one of the first five with the correct answer, you will win a gift card!!!

Trivia!

What is VMI?

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Industry News

American Workers Pay the Price for Being Wrong About Trade

“President Obama, powerful business and government elites, and special interest and reflexive free trade advocates are working hard to garner congressional support to consummate the ambitious and furtive 12-nation trade agreement known as the Trans-Pacific Partnership (TPP).” reports Joseph Giglio. Forty percent of the world’s economy is linked to this partnership.

“We are told that free trade means the unimpeded flow of goods, services, capital and labor across international markets. In this best of all free trade worlds, consumers get the lowest prices.” This may seem good at first, but what about increased unemployment and reduced wages free trade brings?

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El Niño Has Commodity Watchers on Alert

The price of wheat, corn and soybeans has risen in the past few weeks due to the effects of the El Niño in New Zealand. In recent weeks the U.S, Australia, and Japan have confirmed the effects of the El Niño farming season for the first time since 2009-2010 due to the rise of the subsurface sea temperatures in the eastern Pacific Ocean. The El Niño will cause excessive dryness in important crop growing areas regions. “Yields for Australian wheat – which comprise 14% of the world’s exports—could fall as much as 50% according to analysts at National Australia Bank Ltd.” An El Niño typically reduces rainfall in Australia and parts of southeast and southern Asia. “In the past, non-fuel commodity prices have risen by 5.3% on average in the 12 months following the announcement of an El Niño event, according to an International Monetary Fund working paper.”

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COMING NEXT ISSUE

Aug.	Answer to our Trivia!
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Recent Savings

Service: Mat Cleaning

Savings were 38.22%, providing \$70,497 savings. ■

Product: Balers & Compactors

Savings were 13.19%, providing \$35,488 savings. ■

Goods for Sale: Panko

Savings were 24.54%, providing \$168,325 saving. ■

*Please [contact SafeSourcing](#) to schedule your RISK FREE event today.

American Workers Pay... (Cont.'d)

America's trading partners engage in currency manipulation by making their goods and services cheaper in the U.S. One example would be "The Japanese central bank prints more yen and then buys assets denominated in dollars. This increases demand for the dollar, which increases its value while at the same time driving down the value of the yen. By manipulation their currency, Japan is subsidizing its exports by making them cheaper and placing a hidden tariff on imports. The US-Japan goods trade deficit reached \$78.3 billion in 2013, costing U.S. workers thousands of jobs." While the U.S. continues to outsource jobs to trading partners, the U.S. workers are paying for this. *The Patriot Ledger, Joseph M. Giglio, June 13, 2015.*

El Niño Has Commodity... (Cont.'d)

It may take some time before the El Niño impact is realized in other agricultural commodities. For example, palm oil is affected by drier weather. Palm oil producers can apply fertilizer earlier in an attempt to minimize the effects of the El Niño. While some areas are affected by drier conditions, crop yields in Asia may be boosted by wetter conditions; such as soybeans, sugar, and corn.

The U.S. is just beginning to realize the effects of the El Niño. The weather forecasters predict that the real impact will happen this fall. California may end their drought, only to have a tremendous amount of rain.

Time will tell. *Lucy Craymer Wall Street Journal 7/6/2015*

QUESTIONS AND ANSWERS

Q: How can I subscribe or unsubscribe to these newsletters?

A: You can subscribe or unsubscribe to these free newsletters by simply going to our [website](#), and clicking the option "e-Newsletter" or by contacting us directly at events@safesourcing.com

Q: I have run events in the past, is there any chance I could be saving more?

A: Yes. No matter when your past event ran, the team at SafeSourcing can find ways for your company to save.

Q: I want to know more about what SafeSourcing does. Who can I talk to about this?

A: You can contact a customer services representative who can help you with any further questions by calling us at 1-888-261-9070 or by going to our [website](#) and trying our "Risk Free Trial" offer today.

The Flip Side of GMO Labeling

The genetically engineering of food, using molecular biology to add/change genes has a long track record. Scientists believe it a safe way to modify agricultural plants, animals and microbes. These modern methods cause less genetic disturbance than radioactivity and chemicals used to improve crops in the 20th century. Nina Federoff reports, "Advocates of labeling would like you to think genetic modification provides no nutritional benefits and carries big risks. But that isn't the case." Because the small-hold farmer starts from a lower yield in less-developed countries, genetically modified crops have increased yields by more than 20% globally. In places that use conventional methods, yields have stagnated. The nutritional benefits of GMO's are a more complex issue. For instance, chymosin, a cheese-making enzyme extracted from the fourth stomach of a calf, is now a genetically modified micro-organism. The genetically modified chymosin is exactly the same as the one that comes from a calf. Organic produce is 10 times more likely to contain bacterial contamination than conventionally grown food, a worse record than genetically modified food.

"The fact is, adding 'genetically modified' to a label suggest that the food might cause health problems. And that's exactly what anti-GMO activists and organic food marketers would like you to think." Corn, soybeans, canola are commodity crops that are produced in large volumes; the genetically engineered products look and taste exactly the same as their unmodified counterparts. "But to claim that a food derived from a commodity crop is free of modified ingredients require keeping the crops separate from field to fork." *Nina Federoff Wall Street Journal 7/13/2015*

Trivia! From June 2015 Issue

What is Grade C Poultry?

ANSWER: Grade C poultry are usually used in further-processed products where the poultry meat is cut up, chopped, or ground. If sold at retail, they are usually not grade identified.

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