



CALIFORNIA  
TABLE GRAPE  
COMMISSION

392 W. Fallbrook,  
Suite 101  
Fresno, California  
93711-6150  
phone: 559.447.8350  
fax: 559.447.9184  
[grapesfromcalifornia.com](http://grapesfromcalifornia.com)

# News Release

FOR IMMEDIATE RELEASE  
July 6, 2011

Contact: Jeff Klitz  
559.447.8350

[jeff@grapesfromcalifornia.com](mailto:jeff@grapesfromcalifornia.com)

## **Mexican Tariff on California Grapes Eliminated** Two-Year Trade Dispute Between Mexico and the U.S. Resolved

FRESNO, California – California's fresh grape farmers welcomed the news today that the two-year trade dispute between the United States and the Mexican government has been resolved. In March of 2009, Mexico increased its tariff on table grapes from zero to 45 percent in retaliation for the U.S. government canceling a pilot program that allowed Mexican trucks to operate in the U.S. Fresh grapes were among 89 products included on Mexico's retaliation list, and received the highest tariff imposed on any product.

Mexico has long been one of the largest export markets for California's fresh grape industry, with shipments ranking second in 2008, valued at over \$61 million. The increased tariff caused exports to drop by almost 73 percent to a value of \$16 million in 2009. Volume decreased from nearly 5.8 million 19-pound boxes in 2008 to 1.7 million in 2009.

The commission immediately began working with U.S. trade negotiators, Congress and other industry organizations to try to resolve the trade dispute. "Mexico has been a vital market for California's fresh grape industry and it was important to get this issue resolved as soon as possible," said Kathleen Nave, president of the California Table Grape Commission. "This was a complex trade issue and California's fresh grape industry was hurt as a result."

In August of 2010, Mexico reduced the tariff to 20 percent and shipments increased over those the prior year, but did not come close to totals for 2008. Today, U.S. Transportation Secretary Ray LaHood is in Mexico City for a signing ceremony that ends the Mexico trucking dispute. The result will be a dropping of the existing tariffs by 50 percent this Friday, reducing the fresh grape tariff to 10 percent. Once trucking begins, the tariff will be eliminated.

"The Obama administration, the U.S. Trade Representative and Secretary LaHood made resolving this dispute a priority," said Nave. "We are grateful for their hard work on this matter and look forward to resuming normal shipments."

Nave said the commission's marketing staff will now be able to increase their summer promotional efforts in Mexico, including consumer and retail promotions, in-store sampling and providing point-of-sale materials for key retailers across the country.

The California Table Grape Commission was created by the California legislature in 1967 to increase worldwide demand for fresh California grapes through a variety of research and promotional programs.

###

*The California Table Grape Commission prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable sex, marital status, familial status, parental status, or religion. The California Table Grape Commission is an equal opportunity provider and employer.*