

TALL XI Narrative - Session 6
October 27 -30, 2009
Rio Grande Valley and Mexico
David DeJong (#3)

The week started at the McAllen Airport for my first visit to the Rio Grande Valley (Delta). The area is flat, sandy, temperate, and very close to the Mexican Border. Brian Jones gave us an overview of the area including its unique climate where crops such as grain sorghum, corn, sugar cane, cotton, and citrus are grown year round. The area receives its water through the Rio Grande Water Authority from Amistad and Falcon lakes. Prices for water has escalated drastically the past few years making agriculture increasingly difficult as well as urban encroachment from the cities fueled by the many manufacturing plants located across the border. Agriculture in the Rio Grande Valley is decreasing at an increasing rate. Other economic drivers in the area include hunting, birding, butterfly watchers and the Snowbirds from the Northern states and Canada.

Rio Grande Valley Sugar Growers Co-Op is owned by the 125 farmers that supply the cane to the sugar mill. Annually the mill processes more than 1.5 million tons of cane, producing 160,000 tons of raw sugar and 60,000 tons of molasses. The mill is in the top ten producers of raw sugar cane in the US, and contributes 10% of the Ag income in the Valley. The Sugar industry was resurrected in the Valley in 1973 when the mill was built by a group of area farmers. The entire harvesting process and operation is managed by the mill. Sugar cane is a grass that requires 40-50 inches of water annually and re-grows after first burning then harvesting the cane. Typically fields will last 5 years before being replanted. This is an example of farmers working together to create new opportunities for themselves to diversify their crops and taking advantage of their unique climatic environment.

Danny Sosebee spoke to us regarding water in the Valley and the relationship with Mexico over Rio Grande Water. Water in the Valley as in most areas is becoming harder and more expensive to receive especially for Agriculture. The thirsty crops of the Valley are suffering and the economics of farming along with it. The company Natafim can help with state of the art drip irrigation systems out of Israel. The new production facility across the border uses state of the art technology and Israeli managers living in McAllen who commute across the border daily to the plant. Mr Sosebee pointed out the different locations in the Valley utilizing this new irrigation system in the citrus groves.

Frontera Produce a national produce distributor was our next stop. Most of the produce that gets sorted and packaged at the facility comes from south of the border and then transported to supermarkets and food service companies across the US. Frontera specializes in 19 products, while we were at the facility, citrus and watermelons were running down the lines in the outdoor earthen floored pole barns that had the smell of rotten fruit.

Before we headed across the bridge to Mexico we stopped by the Department of Homeland security for two presentations; one on USDA-AFHIS programs and the other

on US Customs and Border Security. Officers Ruiz and Chavez explained the DHS has 60,000 employees, and four agencies; Customs, Immigration, Coast Guard, and Agriculture. There are 317 different ports of entry in the US including, Air, Sea, Land, and Cargo that all must be watched and regulated by the DHS. The current mission is to prevent terrorists and Weapons of Mass Destruction from entering the US. The duty of DHS is to accomplish this mission without chocking off US trade and the economy. Layers of the Onion were used as an example of how US security works, each level triggering a new a deeper check. All items, peoples are screened for radiation in a number of ways protecting us all from a dirty bomb, currently the biggest threat to the US in the DHS eyes. The main purpose of the Agriculture sector is to protect the US from foreign diseases and pests while watching for smuggling of all things. Matching load manifest with loads, checking for insects, odors and a laundry list of suspicious items that would get the load set aside for further inspection.

We next had an uneventful border crossing and headed to Monterrey for the duration of our trip. Monterrey Tech one of the most prestigious Universities in Mexico started our day. Entrance onto the campus was delayed due to security issues and everyone in the group had to disinfect upon entering the campus. The Biotechnology Lab and Dr. Oscar Vasquez was our first stop. I was very impressed by the facility and subjects they were working on including; H1N1 vaccine, food nutrition genome, pharma probiotics, and bio-fuels to name a few. The campus is clean and well maintained much like our Universities, a few more stairs and fewer elevators but we could all use the exercise. Next we had a lecture on Mexican Political History that covered the past to present and how the culture was influenced by it; I left with more questions than answers.

Plaza Morelos or the Macroplaza is one of the largest plazas in Mexico, anchored by the Cathedral and Government Palace lies a multitude of shops. Shoe stores, wedding dress shops and souvenir stores the most numerous followed by clothing shops and cafes. Wrestling masks seemed the most popular item within our group an event on WWF is sure to follow. A tour through The Mexican History Museum followed and then a boat ride on Paseo Santa Lucia, an artificial waterway designed after the San Antonio River Walk. This is a beautiful area sure to built up in the years to come. After the boat ride a few classmates road a zip line with masks on though the trees and back on our way to the historic Museo del Acero. The towering retired steel mill is now a museum complete with lift to the top of mills cat walks. A beautiful view of the modern city and surrounding mountains was fantastic. Monterrey is a very beautiful place with lots of natural beauty, modern big city, yet with a respect for the old world culture. Below lies a complete museum of the steel making process complete with a theater presentation and the old smelt as the main character, fantastic. It was here where we were hosted to a fantastic meal by Juan Livas the Secretary of Development for the state of Nuevo Leon.

Thursday morning we all loaded the bus for Linares, two hours outside of Monterrey to visit various food processing facilities. Sigma Alimentos (Food) a leader in the production and distribution of refrigerated and frozen food products in Mexico was our first stop. The company employs over 20,000 nationally with many products and brands and is a part of the ALFA group. We were treated to flautas and Yoplait drinkable

yogurts at the plant. During the walking tour we saw the flauta production line in action as well as other kitchens and production areas in wash down. The Plant is very clean and the food was all great the personal friendly.

The Vernell production facility followed, this served me well because I always have a sweet tooth after a good meal. Brach's candy is produced at this facility and being a fan of The Willy Wonka movie I was careful not to take an unauthorized sample of the delicious candy. We saw many candies under production including; peppermints, candy corn, Christmas taffy, and jelly beans. No chocolate or Oompa Lumpas at this place just sweet candy. I was totally amazed on the whole tour never knowing how my guilty pleasures are made. Another amazing fact is that all the candy produced at this plant goes to the US, another industry lost forever.

Orval Kent, specializing in fresh cut fruit trays was our next stop. After the most thorough covering and washing of ourselves for a tour we were allowed entry into one of their fruit cutting facilities. Grapefruit were being peeled and cut into half wedges and place into jars. The piecemeal work all done by hand was a sight to see. Employees are all self motivated to produce quality jars as quick as possible through their system. Everything was clean and again I was very impressed. The different cut fruit are then later combined and packed and sent to food service and retail outlets in the US. I had no idea fresh cut fruit was shipped to the US but if you ever had a fruit tray from Sam's or Costco it probably came from Mexico and Orval Kent.

Empacadora DIMECI is one of the largest and most modern citrus distributors in the region. We witnessed automatic fruit sorters and packagers in action. A few people oversaw the operation in addition to the forklift drivers unloading and then loading trucks for market. Cool and warm areas of the totally enclosed packaging warehouse.

On the way to lunch we stopped by a Simmental bull marketing facility. The bulls looked fantastic and made me hungry for a good steak. You could see a huge difference in the muscling and height in the European bred bulls versus the American blood lines. A never ending fajita lunch and cold beer was enjoyed by all at a favorite road side café.

Museo del Valle del Pilon was our last stop of the day. The old school turned museum restored the past for the future. Our passionate tour guide led us through every passionate detail of the historical figures represented at the museum. The focus of the museum was the history and citrus impact on the area. A delicious meal out in the courtyard was had by all and we were once again treated by Mr. Juan Livas.

We ended our Mexico experience with a visit to HEB in Monterrey. Presentations on the history, social out-reach, and future of HEB were presented. As a supplier of milk to HEB and guest of them in San Antonio it was great to see the same systems and psychology in Mexico. I am proud to be associated with such a well run responsible company. The operations director, Joe Perales went out of the way for me to get the tequila I was looking for at another store when he found out they were out of stock and actually lost money on the transaction in order to be a fantastic host. This small example

demonstrates HEB's total commitment to its customers and partners. With our shopping bags and bag lunches in tow we loaded the bus for the drive back to McAllen. We had to unload the bus and walk across the boarder luggage in tow for customs inspections. Johnny Dietz kindly carried my second bottle of tequila across for me, and amazing enough we were all allowed back in Texas without a hitch. Monterrey is a most impressive city by any standard. The facilities we visited were state of the art and all new. The jobs and food supply are truly moving south of the border for a whole list of reasons that in the end come down to economics. Americans need to wake up before it is to late to slow down the train and all our production and manufacturing facilities are gone. We talk about energy independence, I think we need to talk more about food independence as we drive farmers, cattlemen, and me a dairy farmer out of business with over reaching governmental policies. What is happening in other states will happen in ours, voter mandated animal care bills need to stop such as the pen size and tail docking bills already passed or I to will have to move South of the Border. Thanks for reading.

Texas Agricultural Lifetime Leadership

TALL XI – Session 6

October 27-30, 2009

Valley/Mexico

Justin High, DVM #8

The sixth session of our TALL class experience was through the Rio Grande Valley of Texas and a tour through the Mexican State of Nuevo Leon. Although our “international” trip will be in the spring of 2010 to Russia, I felt this was equal, if not more significant to my education of the business environment and cultural relations I live in than our upcoming overseas trip. As Texans in agriculture, we all have direct or indirect ties to our neighbor to the south, whether it is with commodities produced and traded, products manufactured, or the men and women that play such a vital role in the day to day operations of so many wide ranging businesses that sustain us as a state and a nation. I enjoyed every minute of our time spent in and around the Texas/Mexico border, and found visiting the interior of Mexico to be an eye opening experience that I will not soon forget, and hope to someday repeat.



Mexican countryside on our way to Monterrey from Reynosa

Tuesday, October 27, 2009

After meeting up at the McAllen Airport and boarding our tour bus we were introduced to Mr. Brian Jones and Mr. Danny Sosebee (Tall IX) who are both Rio Grande natives, and are heavily involved with many facets of valley farming. Mr. Jones gave us his first hand overview of what makes the Valley such a productive area of the state. Primary factors of this success are the temperate climate and the available surface water for irrigation. Irrigation water comes from the Rio Grande or the Amistad Reservoir, which allows for a lower cost per acre foot of water since it does not require the added input cost of pumping deeper sources. As such, all possible crops and commodities are grown in the Valley due to the favorable climate, and can be done so virtually year round. Additional sources of income in the Valley agriculture scene are supplied by the ever increasing number of hunting leases South Texas is known for, as well as bird watching and the winter Texan population that sustains a large segment of the residents.

Our first stop of the day was at the **Rio Grande Valley Sugar Growers** facility in Santa Rosa. Mr. Steve Bearden, President and CEO met with us and discussed his many years of experience in an industry that we had amazingly little knowledge of. This facility has a broad range of operations and responsibilities that stretch from burning the sugar cane fields to marketing the raw product. There are many more phases of production that involve basically everything but the actual ownership of the land. To me, sugar seems to be a commodity not unlike gold or oil in how it is a staple to the value of the U.S. dollar, and can have very broad effects on how the world economy behaves when tested by adversity.

On our way to **Frontera Produce** in Edinburg, Danny Sosebee spoke to us about Valley water issues as they relate to agriculture. As we drove along, Mr. Sosebee gave an outstanding off-the-cuff presentation of the history, progress, failures and future of water usage in the Valley. Danny has unique insight into this area from his years of diversified farming, and more recently as an integral part of Netafim USA, which I will talk about shortly. Danny's ground level discussion of water usage, and more to the point conservation, was highlighted by the actual fields he manages as we drove along and were able to see firsthand. By the time we arrived at Frontera Produce, we had seen a good section of the fields that produced the variety of fruits and vegetables handled by Frontera. Mr. Chris Eddy was generous enough to spend time with us giving a brief history of how Frontera progressed from a small scale lime distributor to a large scale supplier of fruits and vegetable throughout the United States and Mexico, with their own fleet of trucks to service their needs and the expanding needs of the continued growth of the border produce industry. Frontera functions to provide basically all the produce needs of Wal-Mart in a majority of the Southwestern U.S. and several other grocery chains throughout the country. From contracting produce directly in the fields of Mexico and South Texas, to sorting products according to customer requirements

Frontera fills a large sector of the country's fruit and vegetable market, and does so with an emphasis on Texas being a leader in the industry.

Our last stop on the Texas side of the border was at the Hidalgo Bridge to meet with Officers Chavez and Ruiz to get a firsthand look at the Office of Field Operations - Dept. of Homeland Security, Customs & Border Protection. Mr. Chavez is responsible for the Customs and Border Patrol, which became a combined agency in 2003. It, of course, functions to be a first line of defense in the war on terror at the nation's 317 ports of entry. This specific port agency and Mr. Chavez serve as a training site for border security forces from all over the world. High-end technology and people that have an uncommon dedication to their jobs are standard for the CPB, and what makes the United States the most secure nation it can be. Officer Ruiz detailed his experiences as an Agricultural Inspector on the Hidalgo Bridge, and the ever changing ways that illegal or infested products are attempted to be crossed into the U.S. After listening to Officer Ruiz I am truly amazed that as a border state Texas does not have every one of the plant diseases that are endemic and economically significant in Mexico.

Before our crossing the border and heading to Reynosa, we met up with Javier Moreno (TALL VII) who served as everything from tour guide to interpreter during our travels in Mexico. Once in Reynosa, Mexico we headed to Netafim USA Mfg in the *maquiladora* section of this border town. The "maquiladoras" are sister manufacturing plants that are located in Mexican border towns that are typically U.S. owned, and supply components and finished products for sale in America and the rest of the world. Netafim is an Israeli owned company that has operations worldwide and specializes in drip/micro irrigation systems. Danny Sosebee accompanied us to their Reynosa manufacturing facility, and assisted Mr. Amit Yerushalmi who is the General Manager in his discussion and tour of the facility. Netafim developed and manufactures drip irrigation systems that are used worldwide and a range of applications that are just as diverse. Mr. Yerushalmi explained how what appears to be a very small grooved piece of plastic, when placed correctly in their drip line pipes, can deliver droplets of water so precise the flow can be equally maintained at the start as well as the end of a 500' line regardless of elevation or gravity flow. The technology itself is amazing and how such a state of the art operation could be manufactured in a small facility with less than 10 people operating the production line was equally amazing. For me, Netafim easily had the most novel piece of technology I have seen in all of my TALL trips.

As we left Reynosa we were treated to some great tacos by Javier Moreno and settled in for our 2 hour bus ride through the Mexican countryside to finally arrive at the great city of Monterrey, Mexico. Having flown over it a few months prior on my way to Mexico City I was able to have in my mind what it would look like, but driving up to it at night and seeing the nearly endless carpet of lights from miles away was a sight that you have to see to believe.

Wednesday, October 28, 2009

On our first morning in Monterrey we were able to see the sun rise over the beautiful mountains surrounding the city. The ever present Mexican hospitality was one of the first things we were exposed to as Mr. Juan Francisco Livas had welcomed us to Monterrey with a gift basket of Mexican candies upon our arrival. Throughout our time in Mexico Mr. Livas provided our expert tour guides, and outlined our tours throughout Nuevo Leon to make the most of his home state.

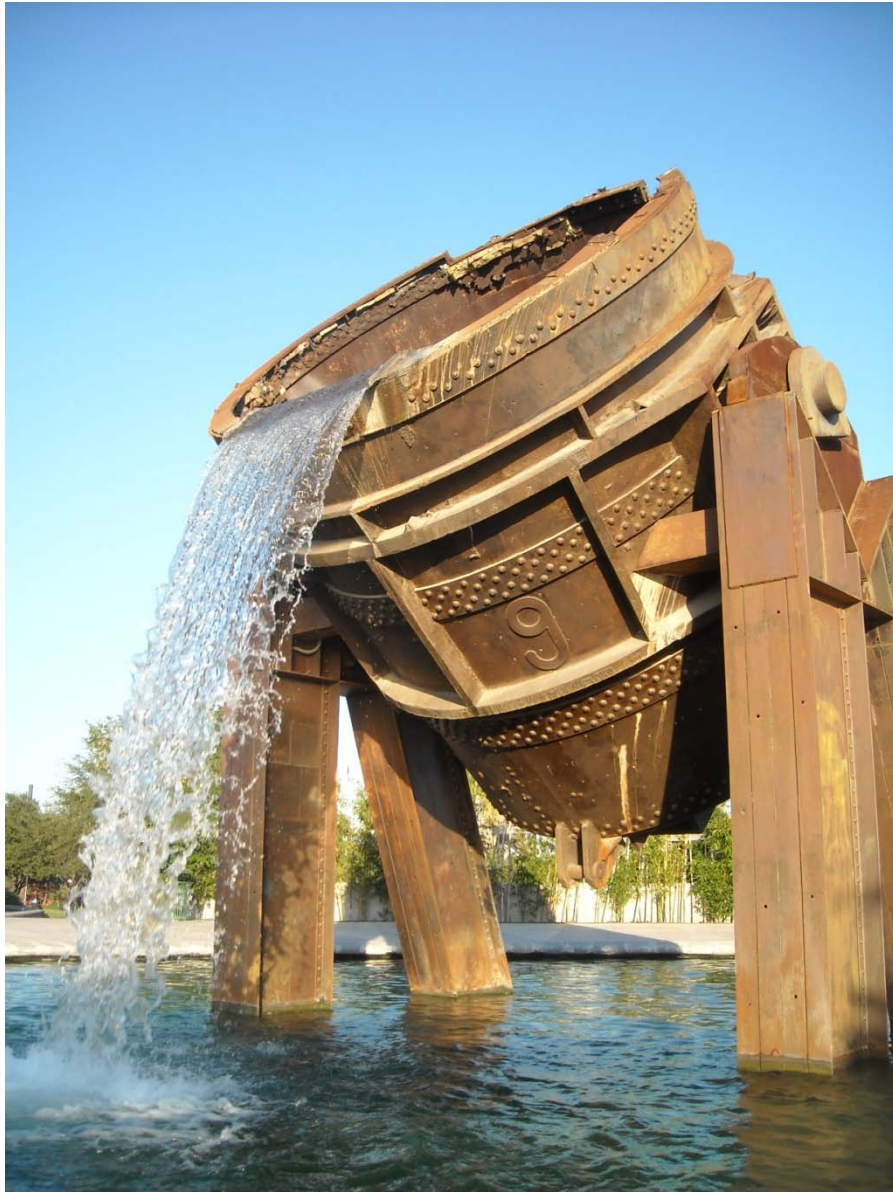
As we drove through the crowded, but very modern city of Monterrey on our way to Monterrey Tech University, we were able to see just how intense, progressive and chaotic this Mexican capital of industry really is. Monterrey Tech is more or less the “Harvard” of Mexican higher education with a truly international student body that is highly regarded throughout Latin America. Our visit focused on two areas. The first was The Biotec Center where MTU concentrates their efforts on advancing the subjects of food, bio fuels and medical research to have a direct benefit for the people of Mexico, as well as the rest of the world. The Biotec Center works primarily with private industry to solve real world problems while providing graduate level courses to supply the nation’s workforce. The Biotec Center operates uniquely as a research institution, and a business incubator with only 25% of their budget from public funds. The majority of the funding is through private industry, and the innovative efforts of faculty like Dr. Mario Moses Alvarez who is the center’s director. The next topic of our visit was examining the history and politics of Mexican culture as described by Dr. Raul Godinez, Professor of Political Science at Monterrey Tech. Professor Godinez walked us through several hundred years of Mexican history in a short time, and did so with an eye to the constant evolution of the people of Mexico into what we see today. Certainly, Mexico is a country that has a government that is “elite centered and popular based”, but has made significant strides to raise the standard of living while combating the narcotics and culture of poverty that has, for better or worse, become a hallmark of this great country. In a city of 5 ½ million residents, Monterrey has changed over the recent years from a primarily industrial city to a center of finance, technology, and culture.



Sculptured fountain in the plaza by the Paseo St Lucia

The change that has occurred was evident as we spent the remainder of the day in and around the historical and cultural sites of the city. A brief tour of the shops in Plaza Morelos was followed by a guided tour of The Mexican History Museum adjacent to the Paseo St Lucia, which is similar to the river walk in San Antonio. The area encompassing our afternoon's events was once the complex of structures and landscapes that made up the home of Monterrey Steel, until it was closed in the late 1980's. The city of Monterrey spent over \$50 million (USD) to transform a heavy industrial site into one of the most beautiful areas of commerce and recreational development in any city in Mexico(or any other city for that matter). The former steel mill is now the Museo del Acero. It provides an unbelievable 360° view of the city from over 100 feet in the air. The old smelter serves as the center piece of the viewing platform, and the interior of the mill has been converted into a museum documenting the history of this particular mill and the variety of applications of steel. A highlight of the tour was viewing a stunning recreation of the smelters operation through a video presentation that chronicles the men and machines that became known as Monterrey Steel. Afterwards, we were again treated to the famed Mexican hospitality as Mr. Juan Francisco Livas entertained us with a wonderful meal at the restaurant that is a center piece of the Museo del Acero's transformation.

The old caldron used in the mill is now a center piece of the Paseo



Thursday, October 29, 2009

On Thursday we focused our time on the manufacturing side of the Mexican economy. We drove about 2 hours south of Monterrey to the Linares/Montemorelos area, which is known for both its manufacturing capacity and as a hub of the Mexican citrus growing region. Our first stop was at the Sigma Alimentos prepared foods plant. Here they manufacture fajitas, taquitos, tamales, and burritos all from raw ingredients shipped in from across the country. Much like the other food product plants we toured, Sigma maintains standards that are required by the USDA and the EU for food safety since some products are primarily exported to other countries. We continued our tour just up

the street from Sigma at the Vernell plant, which is the manufacturer of many well known candy brands such as Bracks and Farley-Sathers products. The management at Vernell was unique to Mexico, and to the U.S. for that matter. They strive to create a new business culture that is competitive on a world wide scale, but does so with the existing constraints of the Mexican government and business infrastructure. Our final manufacturing stop was at the Orval Kent grapefruit packing plant in Linares. Orval Kent is a large scale supplier of fresh fruit to the food service industry throughout Mexico and the U.S. At this facility the grapefruit comes directly from the local citrus orchards, and are hand processed into picture perfect slices ready to serve. From there we made our way back north to eventually end the evening at The Museo del Valle de Pilon in Montemorelos, but on the way we made a stop at El Pariente (for one of *the best* Mexican meals I have ever eaten) and a local citrus packing warehouse. I thought the gentleman that operated the warehouse was a good look at an individual that was similar to the rest of us in that he worked hard, saved his money then leveraged what he had on the opportunity to take his business to the next level. In a building that was barely complete on the outside, the inside contained the latest technology in citrus handling and packaging the industry has to offer. The produce we saw stayed within Mexico for the most part, and served as a primary supplier to produce markets and grocery stores throughout Mexico. Being able to visit this facility gave us a true representation of how Mexican business, in theory, is not so far from what we do in the U.S.

On our way through the citrus orchards of Nuevo Leon we made a stop at a local Charolais ranch that serves as breeder, show fitter and bull gain test station. For what appeared to be a relatively small operation these folks were able to run approximately 200 bulls per year through the test program with both public and private treaty sales. One of the bulls showcased that day had just returned from the national breed show in Guadalajara as the reserve champion 2 year old bull. Despite the difference in the economies of our two countries the average sale price of one of their commercial grade bulls is \$3500 (USD).

We ended our evening in Montemorelos at the Museo del Valle de Pilon. This museum was originally a school house for the surrounding area of Montemorelos, but fell into disrepair after being abandoned years ago. Through the efforts of our TALL benefactor, Mr. Livas, the school was remodeled to a new life as a museum containing the local history of the area and the surrounding citrus industry. One of the eldest residents of the town took us through the exhibits of the museum, and told of how each piece had some special significance to the people of the Valle de Pilon. Again, the evening was accented by the Mexican hospitality of Mr. Livas as we enjoyed a true Mexican feast of local favorites with an informal question and answer session about the current state of the Mexican agricultural economy.

El Museo del Valle de Pilon in Montemorelos



Friday, October 30, 2009

After a full week of looking at the wholesale and manufacturing side of the Mexican economy we spent our last morning in Monterrey at the HEB Gonzalitos store in the heart of the city. Macedonia Garza, Lillian Torres and Elke Gonzales presented a side of the HEB Corporation that few people see or are aware of. A major focus of HEB is to specifically improve the lives and communities of the people that work for them, as well as those who are in need around them. In a country that has a wide range of social problems, poverty, and cultural differences HEB sets aside the preconceived notions that the status quo is acceptable for their way of doing business. They initiate programs of their own, and serve as stabilizing partners in wide reaching social programs that are growing throughout the country. With a primary focus on the northern half of the country, and the borders communities in particular, HEB has made an obvious impact in the day to day lives of many people.

For me the main focus of our visit was to learn about the things HEB does for its community that are well behind the scenes. I am sure that anyone with a basic knowledge of HEB is well aware of their high standards of operations within the retail grocery business. The culture of excellence they have cultivated within their organization is readily apparent when visiting with Mr. Joe Perales who is the Operations Director for HEB in Mexico. He topped off our visit at HEB with a look at the future of the business in the Mexican market, and how they are easily two steps ahead of any competitor.

TALL XI at the Museo del Acero in Monterrey, Mexico



As someone who has a daily dependence on the hard working people of Mexico I found our trip throughout the Rio Grande Valley and the interior of Mexico to be very enlightening. From a distance, Texas and Mexico appear to be in somewhat of an adversarial relationship with tensions at the border towns, and so many Americans complaining about the loss of manufacturing jobs. I agree that from a distance these things seem to be qualified topics of debate, however, when viewed from the other side

of the border the differences quickly dissolve. To be both blunt and accurate, I would say that Texas and Mexico have specific roles in the current economic and social relationship that are being underutilized at an astonishing pace. Mexico as a country has a large scale, willing, repressed and poorly organized mass of wonderful people that have an elitist system of government that is its own worst enemy. Texas refuses to accept the fact that our neighbor to the south should be a welcomed and easily documented guest to our state and our *tax base*. One will function greater when benefitted by the other, rather than one jaundiced eye looking at the other. I, of course, realize there are legitimate conflicts that require difficult solutions, but as a whole I believe the three economic forces on the North American continent will prosper in a much more rapid and equivalent fashion when strengths are exploited and weaknesses are corrected. If we continue in our (them and us) cultural bias, which ultimately limits productive commerce we will have no excuse when manufacturing, technology and the capital that drives them both move to the Far East and leave us with plenty of time to ask each other why? Mexicans love their country, their food, their culture and their children. They are proud of their history, and all the ones I met were glad to share it with me. Sounds like some other people I know.

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October 27-30, 2009
Employment, Emigration, Ethnicity
Grady Martin #11

October 26, 2009 many of the members of TALL XI including the author arrived in McAllen for our visit to not only the Rio Grande Valley area, but also Monterrey, Mexico and the state of Nuevo Leon. Unfortunately for us, but fortunately for the local population after almost a year the skies opened-up dropping significant rainfall upon the parched Rio Grande Valley and Gulf Coast regions.

For those of us lucky enough to avoid significant travel delays, our visit began with a dinner hosted by Mr. Mike Guerra (TALL VI) and Mr. Kevin Hiles (TALL IV). It was such a privilege and pleasure to meet not only our hosts, but also TALL alumni and Extension personnel from the region.

Overview of Rio Grande Valley Agriculture

Brian Jones, owner of Brian Jones Farms and President of Hidalgo Farm Bureau and Danny Sosebee (TALL IX) with Netafim USA rode the bus with us for our valley tour providing information pertinent to Valley agriculture. The Rio-Grande Valley is not only unique for its mild climate allowing many crops, but also for the methods. Water from the Rio-Grande traveling through a 50 mile system of canals only has to be lifted twice providing low cost irrigation.

Crops grown in the region include Sugar Cane, Cotton, Corn, Citrus, and vegetables. Although it was far too muddy to get out of the bus we did stop on the road to look at a couple of fields that were in the process of being converted into Citrus orchards. They were installing the drip irrigation and planting the trees with military precision. Mr. Sosebee pointed out that due to relatively cheap irrigation in the Valley drip irrigation was not as popular in the Valley as it is in West Texas. He compared over 400,000 acres of drip irrigation in West Texas where water is scarce to less than 100,000 acres in the valley mostly citrus and vegetable crops.

Our first stop was Rio Grande Valley Sugar Growers where Mr. Steve Bearden, President and CEO spoke to the class and showed us a video. Mr. Bearden described how the harvest of the sugar cane beginning each August was managed by the cooperative. The cooperative determines what order to harvest fields so as to increase efficiencies. The plant will process 1.5 million tons per year, 20 million lbs. per day producing 2.2 million lbs of raw sugar, 330 tons of black strap molasses and 14 continuous megawatts of electricity generated by burning production waste to fire their boilers and generator. Raw sugar is shipped to Harlingen by truck to be loaded onto barges bound for Louisiana for processing. Sugar produced by Rio Grande Valley Sugar Growers is sold under the Dominoes label.

Frontera Produce

Mr. Chris Eddy, Director of Sales for Frontera Produce gave us a tour of their facilities in Edinburg. Frontera began in 1993 as a small lime distributor. Today Frontera's product

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line includes 12 different commodities and more than 50 products. Frontera's acquires their commodities from many producers in addition to it's own farms in Mexico. Commodities are transported to the shed on trucks where the produce is offloaded, separated, graded, packaged for distribution and loaded onto trucks bound for their customers. Three-quarters of Frontera's business passes through the shed in Edinburg.

Customs and Border Protection

Our last stop before entering Mexico was the Customs and Border Protection offices at the Hidalgo Bridge. Officer Adolfo Chavez, Jr. told the class the Department of Homeland Security's primary mission is to prevent terrorists, terrorist weapons and weapons of mass destruction from entering the United States. The secondary mission is to perform the primary mission without choking-off legitimate trade. Officer Chavez illustrated how the security is performed in layers resembling those of an onion with the U.S. in the center all the way out to Container Security Initiative operations at overseas ports.

Officer Ruben Ruiz continued the discussion telling the class about the training border protection officers are given and the Agriculture Quarantine Inspection duties performed by customs officers. Don't forget custom's officers must be prepared to deal with anything on the scale of outcomes from best to worst with each encounter a truly daunting task that they perform with professional precision.

Drip/Micro Irrigation Solutions

Our first stop in Mexico was Netafim USA's manufacturing facility in Renosa. Netafim is based in Tel Aviv, Israel and manufactures drip irrigation tape. The Reynosa plant opened in March 2007 and employs 30 people. All of the drippers are produced in Israel and shipped Netafim's plants around the world. The plant runs 24/7 and is an engineering masterpiece. The drippers are deposited onto a centrifuge that orients all of the drippers to be lined-up and oriented exactly right. Then as the tape is extruded the drippers are welded to the inside of the tape. At the end of the line a punch operating with blinding speed punches a small hole exactly where it needs to be to match-up with the dripper. The tape is then rolled onto reels and packaged for shipment. The production line was a marvel of automation.

Biotechnology Lab at Tec de Monterrey

Our first stop on Wednesday morning was the Center of Biotechnology Laboratory at Tec de Monterrey. The director of the center Dr. Mario Moises Alvarrez met us at the entrance and provided the tour of their first-class facility. With approximately 150 researchers the Biotechnology Research Laboratory conducts experiments in food technology, medical technology, and bio-energy developing products as diverse as vaccines and fertilizers.

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Some of their staff are currently involved in researching the H1N1 virus and other influenza strains searching for vaccines. Another project is researching the anti-cancer compounds contained in Black Beans.

The center, which receives no government funds, is funded in a most unusual way. For the past 60 years the center has been funded with raffle tickets. Mansion-like homes are constructed, raffle tickets are sold with the homes as the prize. Apparently it works quite well.

Mexican Politic History

Next we walked to on of the lecture halls at the university where Dr. Raoul Godinez-Ramos gave us a general perspective of Mexican culture, history and politics. Dr. Raoul told the class that Mexico was elite centered and populist based. Prior to the 1930's Mexico was very divided with the populations self-image being defined locally not nationally. Today, thanks to educational curriculum, the population has been infused with a national identity. Unfortunately, this identity is that of the downtrodden country which has suffered down through history at the hands of Europeans and the United States. Even though much of the population are descended from the oppressing Europeans they identify with the Aztecs.

The hopeful news is that television is now helping to introduce a combined hemispherical if not world vision. For instance, the television series Ugly Betty originated in Columbia was exported to Mexico and finally the United States.

Mexican Museum of History

After a visit to Plaza Morelos for shopping the group walked to the Mexican Museum of History. There we learned of the Aztec culture and saw historical artifacts. As we walked through the museum we moved from the Aztecs to the Spanish occupation, Mexican revolution and finally popular culture and television.

As we left the museum we boarded a boat for a trip down Paseo Sta Lucia. Reminiscent of San Antonio's river walk, but much cleaner, the trip down the canal was lined with art as it would through a park reclaimed from the grounds of a former steel mill operation.

From the boats we visited La Casa de los Loros where a zip-line carried some of our more adventurous class members over a water-filled ravine flying like birds. Wearing a wrestling mask purchased earlier at Plaza Morelos, Mason Vaughn zipped through the air leaving at least one local child believing he had just seen his favorite wrestling hero.

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Museo del Acero

Our last official stop for the day was the former iron mill converted into a museum. Riding to the top of the mill via the outside service elevator we walked the cat-walk and enjoyed the beautiful views of saddle mountain and the City of Monterrey. The inside exhibits illustrated the process of iron making and an audio/visual presentation emphasized the pride with which the former workers performed their jobs.

Unfortunately, economics eventually shuttered the operation.

Mr. Juan Livas, Undersecretary of Regional Development of the Economic Development Secretariat of the State of Nuevo Leon, was our most gracious host and sponsor for our visit to Mexico and joined us for dinner at the Museo del Acero. The food was excellent as were the margaritas.

The night ended with a trip to the Bishop's Palace and a hike up "El Mirador" for a nighttime view of the lights of Monterrey. What a climb it was. Considering all we had just eaten and drank, I was impressed that we all not only made it to the top, but also survived.

Sigma Foods

Thursday morning we crawled out of bed and onto the bus for the trip to Linares to visit more of maquiladoras. Maquiladoras are non-Mexican corporations that take advantage of low-cost Mexican labor, advantageous tariff regulations (NAFTA) and close proximity to U.S. markets. Most of their products are not meant for domestic consumption, but for export.

Sigma Food was the first stop for the day. Mr. Guadalupe Salinas spoke to the class prior to taking a tour of their facilities. The Linares plant employs 370 employees and produces 36 million tons of packaged food products annually. Their food products include: tamales, fish sticks, dino nuggets, fajitas and taquitos. Some of their products are sold under the Patio and El Cazo labels. We were provided with beef taquitos fresh off the line and they were delicious.

Vernell Industries

The Vernell Industries candy factory was our next stop. In this facility they make jelly beans, candy corn, caramels, star bright peppermints, and the candies you see at the holidays that have a green christmas tree in the center that are sold under the Brach's label. Of all the factories we went to this was my favorite, somewhat similar to winning the "golden ticket" in Willy Wonka!

Candy Corn was one of my favorite candies as a child and it was fascinating to see how they are made. Escorted by the General Manager, Mr. Manuel Vizcarra we followed the lines for each candy as they went from start to finish seeing each step from how the

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molds are made for candy corn and jelly beans to the extrusion process for star bright mints and the christmas tree candy.

Watching the packaging process from a sheet of plastic to a bag full of candy was also interesting. The automation involved is amazing. As we completed the tour we were given bags of candy to sample. My thoughts return to Linares whenever I pass the candy aisle and bags of Brach's candy at the grocery store always checking the bags I purchase for the "V" designation which says they were made at the Vernell plant in Linares.

Orval Kent

Orval Kent's plant in Linares was our next stop. They were filling gallon jars with grapefruit sections. Workers were lined-up shoulder-to-shoulder down the line peeling and sectioning grapefruit by hand at a very high rate of speed. Some workers performed both processes others worked as a team with one peeling and the other sectioning. Workers were paid by the jar. The average worker in this plant makes approximately 250 pesos (\$19) per day. Their daily production is exported each evening to the United States. Their production is packaged for distribution to restaurants not for retail.

Charolais Bulls

After leaving the town of Lanares we stopped at a small facility where they breed and sell Charolais bulls. M.V.Z. Gualberto Ramirez Hernandez showed the class one bull that had just won one of the top prizes at a show. I will have to tell you that you can put everything I know about bulls or any other livestock for that matter on the head of a pin and have enough room left to include "War and Peace". But, I am slowly learning a little on our travels. For instance, Dr. Jim and some of the others were kind enough to show me some of the differences between French and Canadian Charolais bulls.

Finally, we headed for the El Pariente restaurant late that afternoon. It had been a long time since we ate taquitos at Sigma Foods that morning and my stomach was complaining. Will have to tell you I don't have a clue what the name of the village was, but if you happen to run across this restaurant on the highway between Monterrey and Montemorelos stop and eat. The food was excellent and the proprietor is very friendly. Well...didn't understand a word he said, but he seemed happy and friendly.

DIMECI

Ing. Alfonso Saldivar Salazar was our next contact at DIMECI (Distribuidora Mexicana de Citricos S de TL. De C.V.) Here we were shown the process of receiving, cleaning, ripening, grading and packing oranges. Will have to admit may have learned more than really necessary. Not sure that I wanted to know all the chemicals used to clean the fruit

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including 2,4-D (killing bugs, fungus, etc) or how the fruit is ripened in a large ethylene gas chamber. But, apparently it works. Ing. Salazar provided us with some oranges to eat when we finished the tour and they tasted very good.

Museo del Valle del Pilon

Our last stop for the day was Museo del Valle del Pilon in Montmorelos. The museum was a former methodist mission school that had been turned into a museum. The lady in charge of the museum was the sweetest lady that probably knew most of the history of the valley first-hand. She insisted upon giving us a tour of the museum and telling us the stories behind each of the artifacts. Of course, she spoke Spanish and Javier translated to English. Unfortunately, I somehow got away without learning her name.

Juan Livas joined us in the museum's courtyard and spoke to us of the economic development challenges faced by the government of Nuevo Leon. Unfortunately, he had another meeting with businesses in Linares to attend that evening and had to leave early. The food was wonderful and the service excellent. After dinner we crawled back on the bus and returned to the hotel in Monterrey.

H.E.B.

Friday morning our last stop of the trip was H.E.B.. Mr. Joe Perales and his staff provided us with not only the history of their store, but also their efforts toward employee and community development.

The first Mexican H.E.B. store opened in February 1997. Since then they have grown to encompass 33 stores in 5 states with annual sales exceeding \$1 billion. In order to service Mexico's less affluent customer base they have started a new format named "Mi Tienda" that is more warehouse like, no frills service, and less costly.

H.E.B. Mexico employs over 6,500 people with a 69% retention rate. They work very hard to assist their employees with educational opportunities and help respond to family emergencies if needed.

Their efforts extend to the community also. Community development programs are funded with 5% of earnings before taxes. Employees are also invited to donate their own time. Over 2500 tons of food are donated to local food banks annually. During November and December H.E.B. provides over 14,000 meals in Monterrey for the Feast of Sharing. System-wide in Mexico and the U.S., H.E.B. will provide over 250,000 meals. H.E.B. truly strives to be a good neighbor.

The class then toured the H.E.B. store. I was impressed. But, it was quite different from what we have grown to expect. Their H.E.B. stores sell everything you can think of

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including the kitchen sink. They had a whole aisle of mattresses for sell (13 months no interest).

Dr. Raoul Godinez-Ramos summed-up Mexico very well when he said it was the land of contrasts. The difference from Reynosa to Monterrey is a shock. Reynosa is poor, decaying, starving. Monterrey is rich, growing, even gluttonous; the decaying, starving poor although hidden from view are still there. Linares and Montemorelos have mansions starkly contrasted next to hovels.

How can you provide food, clothing and shelter for your family on \$19 per day?

I cannot begin to answer the questions or begin to solve the problems myself, but I will say until the disparity of opportunity narrows, problems along our mutual borders can only escalate.