

Career of Daniel Amstutz follows amazing path

The death of Daniel G. Amstutz writes close to a career that was important to the story of the international grain industry in the past half century. From an amazing array of platforms, Mr. Amstutz did the international grain industry proud. No matter what post he held he was always quick to point to his world-circling experiences and to call upon the knowledge derived from his many industry assignments. His successes affirmed that an understanding of markets, how they work and how they may best be used, stands a person in good stead.

Knowing Mr. Amstutz, particularly as a friend, meant having a tie with a person who uniquely defined the word, mentor. Although his multi-pronged career never embraced the profession of teaching, hearing an Amstutz presentation or having a regular conversation quickly made the listener aware of his formidable intellect, as well as his keen curiosity.

His career was almost as if he had made the decision to divide his life between the world of business and public service. In both aspects he proved extraordinarily capable. After graduating from the Ohio State University in 1954, he joined Cargill Incorporated, where he began in grain trading, eventually heading the wheat desk. The latter position provided him with numerous stories he delighted in relating. He played a lead role in establishing Cargill Investor Services. He was persuaded to join Goldman, Sachs & Co. by its top management who, having bought a metals trading company, were looking for someone to provide direction about ways to operate in futures. Once more, Mr. Amstutz proved his mettle by showing this investment banking powerhouse how futures trading could create many opportunities.

His entry into government came in 1983 when he accepted the invitation of the Reagan administration to become undersecretary of agriculture. Working with two agriculture secretaries, John Block and Richard Lyng, Mr. Amstutz endured one of the most perplexing times ever in federal dealings with agriculture. That administration and the Congress, faced with record grain surpluses, depressed prices and an agricultural recession,

embarked on costly programs like export enhancement, conservation reserve, and payment-in-kind.

It was the importance of agricultural negotiations under the General Agreement on Tariffs and Trade, the now famous Uruguay Round, that gave Mr. Amstutz his exit from the U.S.D.A. He was named ambassador responsible for agricultural negotiations. That this was the first GATT negotiation to produce progress in liberalizing agricultural trade was often credited to Mr. Amstutz. His next assignment, as executive director of the International Wheat Council in London, was a natural follow-on. Heading the I.W.C. (now the International Grains Council) secretariat for five years, he expanded its coverage beyond wheat to rice and coarse grains, he launched the annual grain conferences, and he set a path for expanding the membership.

His multi-faceted career was brightened when he became executive director of the North American Export Grain Association, a post he held for six years until retiring in 2000. At NAEGA, he pressed for U.S. policies meant to foster growth in exporting at a time when global trade was being transformed. He made sure that every possible avenue for doing business was open to American exporters. Having established his own consulting company to participate in the Internet boom, Mr. Amstutz ran headlong into the web bubble. This dismal experience made him willing to accept what probably was the most daunting of his assignments, serving as agricultural adviser to the American military in Iraq. His time in Baghdad made him aware that restoring Iraq's food system required reestablishment of domestic tranquility.

This recital of the Amstutz career leaves no doubt as to his centrality in the evolution of the international trade in grain. Always pleased and even proud to be called a "grain man," Dan Amstutz helped make a firm path for all who follow him in this great industry. It was Anthony Trollope, the English 19th century novelist, who wrote in his *Autobiography*, "Few men I think ever lived a fuller life." The same could be said of Mr. Amstutz, whose life crisscrossed the grain industry perhaps more than any other.

Food knowledge only on outside not sufficient

Much, if not most, of the strategic planning currently under way at grain-based foods companies making consumer products is centered on meeting demand for foods that satisfy expanding preference for health and wellness. It is the rare new product that does not fit within this category, some directly and others in a tenuous manner. Yes, marketing successes are being achieved with the rare item that has captured demand in spite of its high content of ingredients most research would show consumers say they should avoid. When an 800-calorie honey bun is a best-selling item, executives quickly comprehend that what consumers say and what they practice do not always agree at the moment of purchase or consumption.

Food manufacturers and food retailers of every stripe are driven by the perception that consumers want products that match what is required for excellent nutrition while avoiding the causes of obesity and poor health. James Keyes, retired chief executive of 7-Eleven, Inc., told the spring meeting of the American Bakers Association that the Atkins diet, while perhaps not surviving as a limit on carbohydrates, did effect a revolution in the perception of Americans about foods. According to Mr. Keyes, the Atkins diet craze is responsible for people caring for the

first time about what they eat, for wanting more of some foods and less of others. While crediting these consumer attitudes to Dr. Robert Atkins may be difficult, most food manufacturers do believe consumers are more aware.

As soundly based as is the belief consumers care about food quality, recent research shows these attitudes do not stem from real knowledge. Research by Yankelovich Inc., a marketing consulting group, has revealed "nutritional illiteracy of epic proportions." It says that while people believe they are responsible for what they eat and for avoiding obesity, "they are stymied by their inability to properly understand labels and basic nutrition facts." People understand the desirability of foods that are whole grain, high in fiber, low in cholesterol and low in fat, but they do not comprehend labels.

A Yankelovich executive described the problem exactly when he said, "On the outside it appears nutritional messages are getting through, but on the inside, it's hollow." The conclusion is that devising ways to educate consumers to understand labels and content information is going to be a promising way to boost consumption. After all, grain-based foods already has the upper hand as to what people believe "on the outside" they should eat. MBN

