Federal Marketing Orders

2015 Agricultural Outlook Forum

February 20, 2015
Purpose

- Summarize Tools in Federal Marketing Orders
- Focus on Minimum Grade Standards
- Highlight Allowable Food-Waste Outlets
Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601-674)

28 Federal Marketing Orders

- Minimum Standards/Mandatory Inspection
- Volume Control
- Container and Pack Requirements
- Market and Production Research
- Market Promotion, including Paid Advertising
- Market Data for Producers and Handlers
- Imported Commodity Regulations (Section 8e)
Regulations

Code of Federal Regulations (Parts 900-999)

- Office of the Federal Register
- Annual publication
- Industry and public awareness
- Government transparency
- Rulebook for marketing order administration
Minimum Standards/
Mandatory Inspection

Assure handling of product per marketing order regulations

- Federal-State Inspection Program
- USDA-trained and licensed graders
- National Inspection Training Center
- Quality, condition
# Minimum Standards/Mandatory Inspection

<table>
<thead>
<tr>
<th>Quality Factors</th>
<th>Condition Factors</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Size</td>
<td>• Sugar content</td>
</tr>
<tr>
<td>• Shape</td>
<td>• Bruising</td>
</tr>
<tr>
<td>• Maturity</td>
<td>• Decay</td>
</tr>
<tr>
<td>• Damage caused by pests</td>
<td>• Presence of pests</td>
</tr>
<tr>
<td>• Scars</td>
<td>• Mold</td>
</tr>
<tr>
<td>• Color</td>
<td>• Dis-coloration (after packing)</td>
</tr>
<tr>
<td>• Foodborne pathogens</td>
<td></td>
</tr>
</tbody>
</table>
22 Federal marketing orders with minimum grade requirements

Vegetables
- ID-OR Onions
- S. TX Onions
- CO Potatoes
- ID-OR Potatoes
- OR-CA Potatoes
- WA Potatoes (suspended)
- FL Tomatoes

Nuts
- Almonds
- Hazelnuts
- Walnuts
Fruits

- WA Apricots
- FL Avocados
- WA Cherries (Sweet)
- FL Citrus
- TX Citrus
- CA Dates
- S.E. CA Grapes (Table)
- CA Kiwifruit
- CA Olives
- OR-WA Pears (Fresh and Processed)
- CA Plums (Dried)
- CA Raisins
Comparable Regulations for Imports

14 Commodities Subject to Section 8e

- Avocados
- Dates (other than for processing)
- Hazelnuts/Filberts
- Grapefruit
- Grapes (Table)
- Kiwifruit
- Olives (other than Spanish-style)
- Onions
- Oranges
- Irish-type Potatoes
- Pistachios
- Raisins
- Tomatoes
- Walnuts
Table Grape Requirements

Required inspections
• Grade
• Size (diameter)
• Quality
• Maturity
• Packaging

Production area
• Coachella Valley, California

Minimum grade
• U.S. No. 1 Table (8-percent tolerance)
  “…well developed…fairly well colored, uniform in appearance”

Companion Import Requirement
Table Grape “Color”

Borderline
U.S. No. 1

NOT
U.S. No. 1

U.S. No. 1
Table Grape “Scars”

Quality Defect


<table>
<thead>
<tr>
<th>Factor</th>
<th>U.S. Extra Fancy Table</th>
<th>U.S. Fancy Table</th>
<th>U.S. No. 1 Table</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) For bunches failing to meet color requirements</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>(B) For bunches failing to meet requirements for minimum diameter of berries</td>
<td>10</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>(C) For bunches failing to meet stem color requirements</td>
<td>10</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(D) For offsize bunches and for bunches and berries failing to meet the remaining requirements for the grade</td>
<td>8</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

Including in (D):
(a) For serious damage | 2 | 2 | 2 |

And, including in (a):
(i) For decay | $\frac{1}{2}$ of 1 | $\frac{1}{2}$ of 1 | $\frac{1}{2}$ of 1 |

Tolerances also apply to imported table grapes (section 8e)
Alternative Outlets

- Gift Containers
- Commercial Processing or Manufacturing
- Roadside Stands
- Seed Product
- Charity
- Government Food Assistance
- Foreign Exports
- Poultry, Livestock or Animal Feed
USDA and EPA Partnership
Goal: Fundamental Shift in Managing Food and Food Waste
Goal: 400 partner organizations by 2015 and 1,000 by 2020

Table Grape Marketing Order Amendments
Online Outlet Directory
Website: www.usda.gov/oce/foodwaste
More Information

www.ams.usda.gov/moab

Michael Durando
Director
Marketing Order and Agreement Division
michael.durando@ams.usda.gov
202-720-2491