

California Walnut Board

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GRADES & STANDARDS COMMITTEE MEETING MINUTES

June 9, 2011

The California Walnut Board Grades & Standards Committee held a meeting on Thursday, June 9, 2011, at the Marriott Hotel in Rancho Cordova, CA. Committee Chairperson Bill Carriere called the meeting to order at 8:38 a.m. Ms. Steindorf called the roll and established a quorum. The following Committee members were present:

Bill Carriere, Chairperson
Steve Lindsay, Vice Chairperson
Chuck Crain
Frank Guerra
Sam Keiper (non-voting)
Gus Mariani
Pete Turner

Also present were: Duane Lindsay, CWB/CWC Technical Advisor; Tom Jones, Gail Santana and Jeremiah Szabo of DFA; Dr. Linda Harris of UC Davis; Jeff Smutny of USDA/AMS; and CWB staff members Dennis Balint, Carl Eidsath and Dana Steindorf.

The first order of business was the approval of the minutes from the last Grades & Standards Committee meeting held on March 29, 2011. Mr. Crain made motion to approve the minutes as mailed, Mr. Guerra seconded the motion and it carried unanimously.

Chairperson Carriere moved on to the next agenda item, Section 18 for Mancozeb. Mr. Duane Lindsay stated that he has talked to his contact at DPR and she has indicated that the manufacturer of Mancozeb has put the wheels in motion to get a Section 3 with EPA. We will have to do a Section 18 this year (2011/2012), since it will take a year or more to get the Section 3 in place.

Chairperson Carriere asked Mr. Duane Lindsay to report on the next agenda item, Sample Plan for UN/ECE Committee in Geneva. Mr. Lindsay commented that he wrote the sample plan in 2003, basing it off the sample plan that DFA put together, and submitted it to the UN/ECE; the sample plan has since been through several revisions. This current revision by Mr. Lindsay, with input from several members of the Grades & Standards Committee, has been submitted to Dorian LaFond at USDA for submission to the UN. It will be discussed at the upcoming UN/ECE Committee meeting in Geneva in June.

Chairperson Carriere moved on to the next agenda item, Review and Approve Funding of 2011/2012 Food Safety Projects. He explained that this Committee has been given authority to approve allocation of budget funds for research projects. Some of the projects to be discussed today will fall under the current budget, for which the Committee already has funds available and some of the projects discussed will be covered under the next year's budget of \$150,000, pending budget approval by the full Board later at their meeting later in the day. He asked for some clarification on the Technical Assistance for Specialty Crops (TASC) grant that the Committee applied to receive. Mr. Balint stated that, on the budget sheet for the Board, there is a line item under Programs for \$174,134 for TASC grant funding and under income, there is \$174,134 in revenue from TASC, so they zero each other out. He stated that the word from Washington is that the grant approval is coming soon. Chairperson Carriere stated that in the worst case scenario we do not get the TASC grant; the budget then allows for an allocation of \$200,000 to fund the projects.

Mr. Balint mentioned that something the Committee may want to consider for the future is a research project specifically for organic growers, possibly through a TASC grant. Mr. Eidsath stated that in order to qualify for a TASC grant, we would have to demonstrate that there is a trade barrier for organic product in the way that it is processed now. He suggested contacting some of the organic handlers to identify that trade barrier and then present it to TASC.

Chairperson Carriere then asked Mr. Eidsath to lead the discussion on the Food Safety Projects. Mr. Eidsath stated that the projects presented today are essentially the same projects presented at the March Committee meeting but they have gone through a review by the Food Safety Working Group. Dr. Harris is present to answer any questions the Committee may have on her projects.

Mr. Eidsath also stated that the second annual *Salmonella* survey for 2011/2012 is up for approval by the Committee at a budget of \$43,419. For the survey this coming crop year, we will use a sample size of 375-400 grams; this is equivalent to approximately 36-40 inshell walnuts. The samples are collected as they come into the handler facility, before processing. About half the handlers participated last year. Chairperson Carriere stated that the goal of this study is to come up with some recommendations to give to handlers and hullers that will have data behind it as a result of the survey.

The Committee discussed the merits of the *Salmonella* survey and the objectives of Dr. Harris's project, A Hazard Analysis for California Walnuts. Mr. Turner made a motion to approve part one of the hazard analysis project from Dr. Harris for \$50,000 from the 2010/2011 budget. This part of the project is set to begin in June 2011. Mr. Guerra seconded the motion and it carried unanimously.

Mr. Guerra made a motion to approve the second part of the hazard analysis project from Dr. Harris for \$33,785, along with the 2011 *Salmonella* survey for \$43,419, for a total budget of \$77,204 from the 2011/2012 budget. Mr. Steve Lindsay seconded the motion and it carried unanimously.

Chairperson Carriere asked Mr. Eidsath to review the current projects/status/timelines. Mr. Eidsath stated that the propylene oxide (PPO) validation work is reaching an end-point. The laboratory work has been completed; we do have a protocol set up and the bugs are currently being grown on the kernels in Dan Kluepfel's lab. We anticipate the counts will be in just after July 4th.

The other on-going project is Spencer Walse's study on combining PPO and sulfuryl fluoride. Dr. Walse sent Mr. Eidsath an update on the project; they are seeing mortality in eggs and larvae. A discussion ensued about the acceptance of PPO by the EU and other countries. The Committee agreed that the acceptance of PPO is a hurdle that will have to be addressed.

Chairperson Carriere moved on to the next agenda item. He asked Mr. Keiper to discuss the review of the size specifications in the USDA and DFA inspection manuals. Mr. Keiper distributed the pages in question from the respective manuals. He explained that with the growth of the alternative inshell market in recent years, about half of the product is going to markets where it will be cracked out and sold to consumers as kernels. The current methodology that we are using when the product is not sold as a specific size (i.e. jumbo, large, medium), and is sold as a blend (i.e. medium/baby blend), is not really working for the non-traditional markets where the product is being cracked out by hand. The customers, in many cases, are not concerned about size.

During the last season, Mr. Keiper and Ms. Santana researched the issue and presented it to the Committee at their last meeting. Mr. Keiper would like to adopt a DFA inspection procedure that gives further latitude as in the USDA grades and standards. Basically it would say, that based on the instructions from the handler for their customer, they would designate the blend (the maximum diameter and the minimum diameter) and not more than 12% would pass through the maximum and not more than 12% would pass through the minimum size.

Mr. Keiper stated that DFA will operate accordingly based on whatever the industry wants. He would like direction from this Committee on whether or not to adopt language in the DFA inspection manual. Mr. Balint stated that the Board will have to acknowledge and accept that approach, based on a recommendation from this Committee.

A discussion ensued about the parameters of the blends and what would be appropriate for the size specifications. Mr. Crain stated that the California walnut industry enjoys a reputation for having continuity of supply, good business ethics and quality of product. He is concerned that if we have too broad of a range in the blends, it could be to our detriment in the long run. Mr. Keiper stated that DFA does not have an issue one way or the other; however, it will be an issue in the coming crop year. He would like to have a decision whether the industry will stay with the current DFA grades and standards where there is not as broad a specification as the USDA grades and standards. It is his understanding that the industry can institute tighter standards than USDA, but not have looser standards than USDA.

Chairperson Carriere suggested that the blends consist of the two sizes adjacent, with percentages listed on one certificate, keeping the 12% parameter that is currently in the DFA manual. After further discussion, the Committee members agreed that this could be an acceptable solution and that they do not want to have as broad a definition as the USDA standard allows. Mr. Keiper suggested that the Committee table the discussion for now and have another meeting prior to the California Walnut Board's fall meeting in September to finalize the decision.

The time and place of the next meeting will be determined by the Chairperson and staff. There was no need for Executive Session. Hearing no further business, Chairperson Carriere adjourned the meeting at 9:54 a.m.