



# Fruit & Vegetable Program News

Winter/Spring 2013

## Greetings

*Charles W. Parrott, Deputy Administrator, AMS Fruit and Vegetable Program*

I'm honored to introduce myself as the new deputy administrator of the Agricultural Marketing Service's [Fruit and Vegetable Program](#) (F&V Program). Last fall, we bid a warm farewell to my predecessor, Bob Keeney, as he headed off for retirement in warmer climes.

While this technically is an introduction, I am already a familiar face to many of you. I've been privileged to serve the fruit and vegetable industry as part of the F&V Program throughout my entire career. After graduating from Virginia Tech, I joined F&V's [Perishable Agricultural Commodities Act \(PACA\)](#) Division, eventually serving as its assistant chief. From 2001 until my recent selection as deputy administrator, I was F&V's associate deputy administrator, where I helped Bob Keeney administer and coordinate the activities and policies of the F&V Program.

One of my first actions as deputy administrator was to share my vision for the F&V Program with my staff,

and now I'm pleased to share it with you as well. The F&V Program will continue to help the fruit and vegetable industry successfully compete in domestic and international markets while providing consumers with a wide array of healthy food choices. We will build on our past successes and continuously improve to ensure that we accomplish that mission today and into the future.

This is a time of tremendous change in our industry. The growth of new markets and the need to increase efficiency and do more with less are shaping and reshaping the industry. I'm committed to working with you to ensure that our services adapt to meet your evolving needs. I also will work to ensure that our services help boost the produce industry's efforts to increase the per capita consumption of fruits and vegetables, which achieves the complementary goals of strengthening your business and improving the

health of U.S. consumers.

We are increasing our outreach and educational programs to more effectively provide the information and tools you need to help your business succeed.

*Continued, see Greetings on page 2.*

## In This Issue

- Specialty Crops Inspection Division – Consolidating to Serve you Better
- Interested in Selling to USDA?
- USDA Market News— Information for the World
- An Ounce of Prevention— Sweet Peppers

**Greetings**, from page 1.

Our expanded outreach tools include our ongoing webinar series and produce inspection training program, as well as this newsletter. In this and future issues of the newsletter, I'll update you on changes we're making to improve our service delivery and efficiency. For example, on this page, you'll meet Lorenzo Tribbett, director of the Specialty Crop Inspection (SCI) Division. SCI is a streamlined new organizational unit resulting from the consolidation of our former [Fresh](#) and [Processed Products](#) Divisions. SCI is providing the fresh and processed fruit and vegetable industry with high-quality, efficient inspection, grading, and audit services on a farm-to-retail basis.

I look forward to working and communicating with you. Please feel free to contact me via email at [charles.parrott@ams.usda.gov](mailto:charles.parrott@ams.usda.gov) or by phone at (202) 720-4722. And, next time you are in Washington, DC, please stop by for a visit.



*Chuck Parrott is the Deputy Administrator of the AMS Fruit and Vegetable Program.*

## Specialty Crops Inspection Division - Consolidating to Serve You Better

*Lorenzo A. Tribbett, Director, Specialty Crops Inspection Division*

As part of our ongoing efforts to provide you with the best possible service in a fiscally responsible way, the Agricultural Marketing Service's Fruit and Vegetable Program has merged the [Fresh Products](#) and [Processed Products](#) Divisions to form the new Specialty Crops Inspection (SCI) Division. SCI offers the produce industry inspection, grading, and audit services on a farm-to-retail basis for fresh, frozen, and processed products.



SCI is comprised of more than 800 highly trained and experienced employees who grade, certify, and provide quality control and other services for fresh fruits, vegetables, and specialty items throughout the United States and Puerto Rico. We are located in all major terminal markets and other sites across the country where our customers need us. In addition, we work with

thousands of employees of our State partners who serve hundreds of additional growing and shipping locations.

Recently, I was honored to be named the first director of the new SCI Division. I have been with USDA since 2001, working first as the Perishable Agricultural Commodities Act (PACA) Division's training officer, and then as its deputy director. I led the team that reorganized the PACA Division in 2006. Prior to joining USDA, I served for 27 years in the U.S. Air Force and retired as a Chief Master Sergeant. In the Air Force, I was responsible for over 4,200 military and civilian employees and 240 offices worldwide.

I look forward to working with all of SCI's stakeholders and customers. Please feel free to contact me directly via phone (202) 720-5870 or email at [lorenzo.tribbett@ams.usda.gov](mailto:lorenzo.tribbett@ams.usda.gov). I look forward to meeting many of you in person at produce industry events and invite you to visit if you are ever in Washington, DC.



*Lorenzo Tribbett is the director of the AMS Fruit and Vegetable Program's Specialty Crop Inspection Division.*

# Interested in Selling to USDA?

*Dianna Price, Small Business Coordinator, AMS Commodity Procurement*



Last year, USDA's Agricultural Marketing Service bought 1.1 billion pounds of frozen, processed, and fresh fruits and vegetables. These healthy, American-grown foods help feed tens-of-millions of school children and are also distributed to food banks, disaster areas, and other areas where the need exists.

USDA buys many varieties of frozen, processed, and fresh fruits, vegetables, nuts, and other specialty crops. USDA foods like these are

often low in fat, sugar, and sodium and are always grown and processed in the United States. If you would like more details about what we buy, a [Purchase Summary Report](#) is posted on the [AMS Commodity Procurement](#) website. The report is updated frequently with year-to-date procurement totals (pounds and dollars) for the current fiscal year (FY) and includes historical totals back to FY 2007.

Think you need to be big to sell to the USDA? Think again! We buy product from qualified companies of all sizes, in volumes of several truckloads to several hundred truckloads. We encourage small, socially disadvantaged, women -and veteran-owned businesses to consider selling to USDA as well. So, regardless of the size of your operation, AMS would like to do business with you!

Vendors wishing to sell fruit and vegetable products to USDA can access all necessary documents through the Internet under the "Vendor Selling Kit" section of the [Commodity Procurement](#) website. If you are new to USDA, you will want to view the [New Vendor Information](#) page for a complete description of the steps necessary to begin selling to USDA. In addition, Commodity Procurement has a new subscription service that automatically sends alerts about order solicitations and other important announcements. [Subscribe here.](#)

If you have questions about vendor requirements or how to start selling to USDA, please contact me by phone at (202) 720-4237 or by email to [Dian-na.Price@ams.usda.gov](mailto:Dian-na.Price@ams.usda.gov).

*Dianna Price is the Small Business Coordinator for the AMS Fruit and Vegetable Program's Commodity Procurement Division.*

# Other Resources

*Christopher Purdy,  
Business Development Specialist*

**Webinar Series.** In 2012, AMS Fruit and Vegetable Program hosted a webinar series covering various areas of interest to the fruit and vegetable industry. To view 2012 webinars you may have missed visit our [Webinar Archive](#).

To see our recent webinar on PACA Trust Provisions, go to <https://amsfv.webex.com/amsfv/lsr.php?AT=pb&SP=EC&rID=6304712&rKey=6544be041a4babba>.

For information about 2013 webinars, contact Christopher Purdy by phone (202) 720-3209 or via email at [christopher.purdy@ams.usda.gov](mailto:christopher.purdy@ams.usda.gov).

**U.S. Grade Standards.** Copies of U.S. Grade Standards are available for free on the Internet.

- Processed produce standards: [www.ams.usda.gov/processedinspection](http://www.ams.usda.gov/processedinspection). Click on "Find a Standard" in the right column.
- Fresh produce standards: [www.ams.usda.gov/freshinspection](http://www.ams.usda.gov/freshinspection). Click on "U.S. Grade Standards" in the right column.



*Christopher Purdy is the Business Development Specialist for the AMS Fruit and Vegetable Program.*

# An Ounce of Prevention—Sweet Peppers

*Robert Parker, Assistant to the Chief, Dispute Resolution Branch, PACA Division*

Welcome back to another edition of the Perishable Agricultural Commodities Act's (PACA) "An Ounce of Prevention" for the produce business. Do you make half your plate fruits and vegetables at every meal? Do you exercise regularly? That's good advice when it comes to maintaining health and wellness, but let's talk "Preventative Medicine" for the produce business. As mentioned in our previous articles, PACA has identified certain commodities that may experience disputes in trade.

Cucumbers	<b>Sweet Peppers</b>
Asparagus	Stone Fruit
Lettuce	Strawberries
Onions	Tomatoes
Oranges	Watermelons/Cantaloupes

In the case study below, we are addressing common problems encountered when trading sweet peppers. Sweet peppers, also known as bell peppers, are terms used to describe a type of pepper that can be green or various colors.

- Q. We brokered a load of "Choice" sweet peppers from a Nogales shipper to be delivered to our customer in Chicago. When the load arrived, the buyer was not happy with them, and the shipper decided to call for a USDA inspection. When we received the results of the inspection, it stated that the lot "Meets U.S. No. 2" and makes no mention of "Choice." The shipper claims that everyone knows that "Choice" means the packer's second label or No. 2. The sweet peppers are really rough, but based on the inspection, the shipper wants to be paid in full. Can you help us?
- A. The term "Choice" is commonly used in conjunction with the sale of sweet peppers. However, there is no uniformly accepted written definition of "Choice," and it cannot be assumed that it means U.S. No. 2, even if the shipper claims it does. AMS' fresh products inspectors use standards for commodities that have been accepted by the industry. Standards for sweet peppers can be found on our [website](#) for fresh fruit, vegetable, nut, and specialty crop grade standards.
- Q. Because the inspection states "Meets U.S. No. 2," does that mean that the buyer has to pay the shipper in full?
- A. Not necessarily. Because you brokered the sweet peppers as "Choice," under PACA, this transaction has a "no-grade" contract, and you should ask for a condition-only inspection based on the U.S. No. 1 grade standard in order to determine if there is a breach of contract and allowable damages.
- Q. If the shipper and I agree on what constitutes a "Choice" sweet pepper; can the AMS' fresh products inspector perform an inspection based on our particular specifications?
- A. Absolutely. If you provide the inspector with clear specifications, then an inspection can be performed tailored to your individual requirements.
- Q. I called for an inspection on a load of sweet peppers because the stems were slimy and decayed. The inspection did not list any of the stem decay in the decay column. Why not?
- A. Based on the USDA grade standard for sweet peppers, the AMS fresh products inspector does not score stem decay against the decay tolerance, only the serious damage tolerance. In an freight-on-board, no-grade contract, the maximum amount of stem decay and/or serious damage would be 8 percent after five days in shipment.
- Q. Is there a guideline that PACA provides on maximum allowable defects for a 5-day shipment?
- A. Yes. PACA provides a chart of good delivery guidelines on its website at [www.ams.usda.gov/paca](http://www.ams.usda.gov/paca).

We hope this sheds some light on issues that come up frequently when buying or selling sweet peppers. You can always reach PACA at our customer service line (800) 495-7222. Keep an eye out for the next dose of "Preventative Medicine" on a commonly traded commodity.



*Robert Parker is the Assistant to the Chief, Dispute Resolution Branch, PACA Division. He can be reached at 202-720-2890 or [robert.parker@ams.usda.gov](mailto:robert.parker@ams.usda.gov).*

# USDA Market News — Market Information for the World

*Terry Long, Director, Market News Division*

USDA's [Market News](#) Service was created in 1915 in response to industry requests for a neutral, third party to track the Nation's markets for agricultural products. The thinking was that giving everyone the same reliable, accurate information would allow the market to trade more efficiently and transparently. The Agricultural Marketing Service responded to this pressing market need by issuing the first Market News report that same year.



In the 1950s, Market News staff began working with international governments and other organizations to gather data that would help U.S. businesses seeking to buy and sell produce in the burgeoning global marketplace. Our first collaborative effort was with France, followed by work with South Korea in the 1960s and Mexico in the 1980s. With the fall of the Berlin Wall and the dissolution of the Soviet Union in the early 1990s, Market News joined other USDA agencies in supporting the development of modern agricultural systems in the former Soviet Union and its satellite countries through technical assistance projects.

Today, nearly 100 years after its founding, Market News disseminates detailed information on marketing conditions for hundreds of agricultural commodities at major domestic and international wholesale markets, production areas, and ports of entry.

Domestically, Market News reporters use direct contacts with sales persons, suppliers, brokers, and buyers to collect, validate, analyze, and organize unbiased data on product price, volume, quality, and condition. Within hours of collection, this wealth of information is provided to all interested parties at no cost.

As the year-round supply of fresh fruits and vegetables has created a truly global marketplace for produce, Market News has expanded its relationships with international partners to help develop their information systems to promote the international movement of produce. It has supported technical assistance projects in India, Nigeria, Serbia, El Salvador, China, Morocco, Costa Rica, Ecuador, Colombia, Jamaica, Hungary, Japan, Venezuela, and many other countries. Many of these projects were funded by the [USDA's Foreign Agricultural Service](#), the [U.S. Agency for International Development](#), and the [World Bank](#). Recently, the G20 agreed to house a global food market information system at the [Food and Agriculture Organization](#) of the [United Nations](#) to "share data to enhance existing information systems." Market News also is cooperating with the [Market Information Organization of the Americas](#), a consortium of 32 member countries throughout the Western Hemisphere, to create standards for methodology, terminology, and technology for market information systems. As we work with these and other global partners, the international pricing and movement information we provide to you expands and improves.

Market News has spent nearly a century evolving to meet changing and growing produce market needs. You can be assured that we will continue to be there to provide you with the timely, accurate, and unbiased market information you need.

If you have any questions about domestic or international Market News, contact me via phone at (202) 720-2745 or email [terry.long@ams.usda.gov](mailto:terry.long@ams.usda.gov).



*Terry Long is the director of the AMS Fruit and Vegetable Program's Market News Division.*

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