

Richard Sahatjian
Quality Standards for Reconditioned Raisins
February 13, 2024

My name is Richard Sahatjian. I am executive vice president at Victor Packing, a large handler and producer of California raisins. I also serve as a board member of the Raisin Administrative Committee ("RAC"). I have a vested interest in United States agriculture and, more specifically, in the California raisin industry. My family has farmed in California's San Joaquin Valley since 1928, and started Victor Packing in 1963 to handle, process, pack, and ship California raisins domestically and throughout the world. I am testifying on a proposal to add language to our Marketing Order that clarifies that successfully reconditioned raisins that meet the Order's minimum grade requirements should not be differentiated from other raisins for any purposes. The RAC recommended this language to streamline the sales process.

I. Purpose of the Proposal/Amendment

The purpose of the proposal I am speaking about today is to add language that clarifies that successfully reconditioned fruit that meets the Order's minimum grade requirements shall not be differentiated from other fruit.

II. Problem the Proposal is Designed to Address

The Committee believes that there is the impression in the raisin market that the quality of reconditioned raisins that have been reworked and reinspected to meet the Order's minimum grade requirements is somehow diminished. This has been evidenced in the past with sales solicitations that specify that the product cannot be reconditioned fruit, from both government and outside customer requests. The Committee believes that this additional language will help to dispel this negative impression by defining natural condition raisins as any raisins that have been inspected and meet the Order's minimum requirements, regardless of whether the fruit has been reworked at some point.

III. Current Requirement or Industry Practices

The current Order language does not address the quality of reconditioned fruit specifically. The addition of a paragraph clarifying that the quality of reconditioned fruit is not differentiated from other marketable fruit, is what is desirable.

IV. Impacts on Producers, Handlers, and Consumers

We anticipate no negative impacts on producers, handlers, and consumers, with the addition of the proposed new language. The change may positively impact producers and handlers in the marketing of their fruit. The change would not impact the quality of the fruit but would allow handlers to market fruit without prejudice based on how the fruit was conditioned.

V. Key Points

a. Industry Changes, Grading

Over the past 20 years, the California raisin industry has contracted from producing over 350,000 tons of raisins to now producing roughly half that volume. Because we now have much smaller production, and

in certain years a high percentage in need of reconditioning, there is a greater need to eliminate the differentiation and stigma associated with reconditioned raisins. If raisins are reconditioned to meet incoming grade standards, why have the negative label associated with that lot of raisins? If the reconditioning process fails to increase the quality of the lot of raisins to meet minimum incoming grades, then the product continues to fail incoming inspection and must be further reworked.

Also, in the past when the industry had a reserve pool program, we were not allowed to put reconditioned raisins in the reserve pool. Now there is no reserve pool program; so this further limits the usefulness of the reconditioned categorization.

b. Various Reconditioning Types

Not all reconditioning is the same. For some raisins failing incoming inspection, we run minimal rework processes to improve quality that minimally affect the raisins. For more problematic lots, that have excessive mold or moisture, a more intensive process is undertaken to remedy the failing grades. Regardless of the process used, the whole point of reconditioning is to bring product into compliance with minimum incoming grades and standards. For example, if incoming product comes in and fails for maturity, the handler will typically run the raisins under a vacuum to pull out substandard and immature fruit. The end product is raisins that meet incoming grades, with no failing defects. But it still has the negative label of reconditioned raisins attached to it. Adding the proposed language would eliminate this negative label.

c. Customers Rule the Day

Ultimately, customer requests and specifications dictate which raw product is used for the final pack. For some customers, packers still will not use reconditioned raisins or will not use a certain type of reconditioned raisins. For example, some customers want the bloom of the fruit to be on the raisins for baking or cosmetic purposes. Some customers use the yeast that is living in the bloom of the raisin. During wash and dry reconditioning processes, we wash the fruit before re-drying it and largely remove the bloom of the fruit. So for this reason, we cannot use wash and dry reconditioned raisins. Other customers place a premium on the cosmetic appearance of the bloom. Whatever the reason, beauty is ultimately in the eye of the beholder, and we will continue to tailor the packed product to customer specifications.

VI. Conclusion

In conclusion, I am in support of adding language to the Order that clarifies that successfully reconditioned raisins that meet the Order's minimum grade requirements should not be differentiated from other raisins for any purposes. Eliminating outdated restrictions that serve no good purpose will help streamline the sales process, and we believe this would be a positive change for California raisin handlers and growers.