

RAISIN ADMINISTRATIVE COMMITTEE

ADMINISTERING THE FEDERAL MARKETING
AGREEMENT AND ORDER REGULATING THE
HANDLING OF CALIFORNIA RAISINS

Telephone: 559-225-0520
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MINUTES OF THE RAISIN ADMINISTRATIVE COMMITTEE

April 14, 2016

Chairman Monte Schutz called the meeting of the Raisin Administrative Committee to order at 3:36 p.m. on Thursday, April 14, 2016 in the RAC/CRMB Large Conference Room, 2445 Capitol Street, Suite 200, Fresno, California.

MEMBER

Abdulian, Linda Kay
[a] Albrecht, Wayne
Bagdasarian, Mitch
Barserian, Kalem
[a] Bedrosian, Bryan
[a] Bedrosian, Michael
[a] Boghosian, Philip *
[a] Bortolussi, Jeffrey
Cardoza, Dwayne
Cederquist, Doug
[a] Cervelli, Randy
Chooljian, Gerald
VACANT
[a] Coelho, Ed
Epperson, Bob
Goto, Glen
[a] Gunlund, Chris
Hoff, Darren
[a] Iliff, Reed *
[a] Jensen, Bill
Jue, Jeff
[a] Kasparian, Alan
[a] Kazarian, Michael
Kazarian, Ron
Kister, Steve
Kriebel, Barry
Marthedal, Jon
Medeiros, Manuel
Mikaelian, Michael
[a] Milinovich, Dan *
[a] Milinovich, Jeff
[a] Moles, Doug *
[a] Naito, Tomo
[a] Noorigian, Jeff
Peters, David
[a] Rebensdorf, Jerald
Sahatdjian, Bill

ALTERNATE

VACANT
[a] Perry, Michael
[a] Efird, Russel
VACANT
VACANT
[a] Bedrosian, Paul
Housepian, Dennis *
King, Dan
[a] Rai, Jerry
VACANT
VACANT
[a] Chooljian, Michael
VACANT
Olson, Brad
Rocca, Randy
[a] Shinkawa, Ken
Ludtke, Willy
Rodrigues, Tim
VACANT *
[a] Merlo, Kathy
Blayney, David
VACANT
[a] Fanucchi, Edward
VACANT
Estermann, David
Bender, Braden
[a] Locker, Paul
VACANT
[a] Batth, Gagandip
VACANT
VACANT
[a] Asmar, Jane *
Moriyama, Michael
[a] Berekoff, Jim
Penner, Pete
VACANT
VACANT

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2445 Capitol Street, Suite 200 • Fresno CA 93721-2236



Sahatdjian, Victor *
Sahatjian, Richard
Sandhu, Nindy
Sangha, Mitch
Schutz, Monte
Shapazian, David
Singh, Harvey
Spate, Steve
Stark, Rick
Van Zyl, Sonet

VACANT

[a] Sahatjian, Kristina
Nielsen, Mike
[a] Lung, Jerry
[a] Huter, E.G, III
Chooljian, Courtney
Chatha, Kuldip
[a] Ferri, Bruce, Jr.
Tietjen, Carsten
[a] Frame, Chris

** Switched Positions on May 1, 2015*

[a] = Absent

Messrs. L. Blagg, and R. Lynch Jr., Mmes. M. Jones, M. McAllister, D. Powell, and M. Stobbe were present along with approximately 15 industry representatives and growers.

Ms. M. Jones was directed to call roll and establish a quorum.

APPROVAL OF RAC MINUTES

The RAC Chairman called for corrections or additions to the minutes of the meeting on January 27, 2016, seeing none, minutes were approved as mailed.

USDA REPORT

Ms. M. Stobbe reported the results of the Referendum for the two amendments proposed to the Marketing Order 989. The first amendment provided the Authority for Borrowing Money from an Authorized Institution; 94.3% voted in favor, which accounted for 93.5% of the volume that voted in favor of the amendment. The second amendment provided the Authority to Establish a Monetary Reserve; 95% voted in favor, which accounted for 93.3% of the volume that voted in favor of the amendment (attached).

Ms. M. Stobbe stated that the Formal Rulemaking process is under way for the proposed amendments to the Marketing Order 989 that have been proposed by this Committee. Ms. M. Stobbe stated that the Notice of Hearing has been cleared through USDA channels and is awaiting publication in the Federal Register. Ms. M. Stobbe continued noting that USDA is now in Ex-Parte, which means that USDA is unable to discuss the merits of the individual proposals, but can still discuss the process of the hearing and rulemaking processes.

MANAGEMENT REPORT

Ms. D. Powell stated that in the committee folders was a letter from Elanor Starmer, Acting Administrator, which acknowledges there are 5 Proposed Amendments submitted by the RAC (attached).

Ms. D. Powell reported that the removal of the Director of Compliance, Mr. Hector Omapas, as Trustee from the RAC 401k Plan, requires a motion from the Committee.

→ **Moved by Mr. B. Epperson, seconded by Mr. G. Goto to authorize management to remove the Director of Compliance (Hector Omapas) as a Trustee for the RAC 401k Plan.**

The motion carried unanimously.

Ms. D. Powell stated that the Delegation to Washington DC was originally requested on August 20, 2015 and approved by USDA on September 2, 2015, with a motion not to exceed \$10,000. Ms. D. Powell stated that staff will not be attending and would like to increase the budget by \$5,000 (increasing the budget from \$10,000 to \$15,000) to allow for travel, meals, and taxis.

→ **Moved by Mr. B. Epperson, seconded by Mr. D. Cardoza to increase the budget \$5,000 for the Chairman and delegation to travel to Washington D.C. to discuss Bonus Buy and other issues with USDA, which will now not exceed \$15,000.**

Mr. B. Epperson stated line item adjustments were made at the Audit Subcommittee to account for this action, as well.

The motion carried unanimously.

RULEMAKING WORKGROUP REPORT

Mr. J. Marthedal reported that the Rulemaking Workgroup has met 3 times since the January 27, 2016 RAC meeting. The Rulemaking Workgroup has accomplished obtaining participants for all of the proposed amendments and their testimony has been developed.

Mr. J. Marthedal stated that in regards to Proposed Amendment #5: Continuance Referenda, when the details of this proposal were first developed in the Rulemaking Workgroup, the recommendation was:

"No less than five years and no later than six years of the effective date of this part, the Secretary shall conduct a referendum to ascertain whether continuance of this part is favored by producers. Subsequent referenda to ascertain continuance shall be conducted every six years thereafter."

Mr. J. Marthedal continued that this recommendation was taken to the concurrent Administrative Issues Subcommittee and RAC meeting on January 27, 2016, where much discussion and several amended actions resulted in a change to the number of years in which the referenda would be initiated:

"No less than two years and no later than six years"

Mr. J. Marthedal stated that it had been determined by the workgroup there may not be enough time to implement the other proposals (1-4) within the two year period that the first referenda may take place, and would like to make the following motion.

→ **Moved by Mr. J. Marthedal, seconded by Mr. G. Goto to modify the language to Proposed Amendment #5, Continuance Referenda to reflect the original recommendation of the Rulemaking Workgroup:**

"No less than five years and no later than six years of the effective date of this part, the Secretary shall conduct a referendum to ascertain whether continuance of this part is favored by producers. Subsequent referenda to ascertain continuance shall be conducted every six years thereafter."

The motion carried unanimously.

Mr. S. Spate, Chairman of the CRMB stated that the CRMB met earlier today where they unanimously passed a resolution in support of the Proposed Amendment #1: Production Research, which he read for the record:

"The CRMB is in support of the efforts of the Raisin Administrative Committee to include a provision in the Federal Marketing Order 989 for approved Production Research in the event that CRMB may cease to exist or does not have the budget funding to support Production Research efforts. The CRMB feels strongly the need to have important Production Research funded into the future on a collective industry-wide basis and believe this will not take place without wide industry support by either the CRMB in our working capacity or the RAC, who is also an organized industry group that could facilitate the ongoing needed Research efforts."

AUDIT SUBCOMMITTEE REPORT

Mr. B. Epperson reported that the Audit Subcommittee met on April 13, 2016 to interview audit firms selected from the audit services bid process and as a result, the Audit Subcommittee directed management to finalize negotiations with Baker Peterson Franklin, CPA, LLP and to further direct management to start the process for the engagement letter. The Subcommittee also reviewed the 2nd Quarter Financials, and discussed line item adjustments for DC travel.

MARKETING SUBCOMMITTEE REPORT

Mr. G. Chooljian reported that the Marketing Subcommittee met earlier today, April 14th and heard a report from the Export Workgroup on Merchandise Incentive Program (MIP) Terms and Conditions, Unified Export Strategy (UES) Application for 2017/2018, attendance at the International Dried Grape Conference in September 2016, heard an update on an Industry Video and the International Representative Meeting. There was also a recommendation that was tabled regarding the Bonus Buy change from "Select" to "Select or Mixed", this was directed to go to Grades & Standards. The following motions were recommended:

→ **Moved by Mr. G. Chooljian, seconded by Mr. D. Peters to approve the MIP Terms & Conditions, for the period February 1, 2016 through July 31, 2016 (attached).**

The motion carried unanimously.

Discussion followed regarding the tabled motion from the Marketing Subcommittee on the Bonus Buy packaging and raisin sizes.

Mr. B. Kriebel commented that he was in favor of tabling the motion on the USDA during the Marketing Subcommittee meeting, but wanted to define the definition of "mixed". Mr. B. Kriebel stated that "mixed" does not mean being mixed in quality; rather it is a size difference in the raisins.

Mr. G. Chooljian stated that when the group comes together to discuss this issue, it would be a good idea to have a variety of raisins to show "select" size, "mixed" size, "midget" size, etc.

Mr. D. Peters stated that we have been directed by USDA to not use the term "midget" in reference to extra small or smaller raisins.

Chairman Schutz stated that he will work with staff to create a group for Grades & Standards to review this issue and other issues that might come up in the future.

- Moved by Mr. G. Chooljian, seconded by Mr. N. Sandhu to approve the submission of the 2017/2018 Unified Export Strategy (UES) Application (July 1, 2017 – June 30, 2018) for MAP funds, subject to final approval by the Export Workgroup.

The motion carried unanimously.

- Moved by Mr. G. Chooljian, seconded by Mr. V. Sahatdjian to decline the invitation and not send a delegation to the International Dried Grape Conference in Turpin China, September 26-28, 2016. Staff and Chairman will notify the organizers of our decision, in writing, including our intent to host the Conference in 2017 with date to be determined.

Discussion followed regarding the date of the conference, which was confirmed it was up to the RAC and can be determined at a later date.

The motion carried unanimously.

OTHER BUSINESS

Chairman Schutz called for any further business, hearing none, adjourned the meeting at 3:56 p.m.

I, the undersigned, do hereby certify that I am the Interim President/General Manager of The Raisin Administrative Committee and that the foregoing is a true and correct copy of the Minutes of the Meeting of the Raisin Administrative Committee held on April 14, 2016.

IN WITNESS THEREOF, I have hereunto set my hand this 26th day of April 2016

DATE 4-26-16



Debbie Powell, Interim President/General Manager
Raisin Administrative Committee



Fruit and
Vegetable
Program

California
Marketing
Field Office

2202 Monterey St.
Suite 102-B
Fresno, CA 93721-3129

April 12, 2016

Mr. Monte Schutz, Chairman
Raisin Administrative Committee
2445 Capitol Street, Ste. 200
Fresno, CA 93721

Dear Mr. Schutz,

This letter is to inform you that raisin producers of California have voted in favor of amending their federal marketing order. In order for the amendments to pass, at least two-thirds of eligible producers voting in the referendum or two-thirds of the volume represented in the referendum must vote in favor of each amendment.

In this referendum, 94.3 percent of the eligible producers who voted and 93.5 percent of the volume voted, did favor the amendment to provide the Raisin Administrative Committee (RAC) authority to borrow money. And, 95 percent of the eligible growers who voted and 93.3 percent of the volume voted, did favor the amendment to provide the RAC authority to establish a monetary reserve.

The voting period for the amendatory referendum was March 9 through March 23, 2016. To be eligible to vote, producers must have grown grapes, which produced raisins within the State of California during the period August 1, 2014 through July 31, 2015.

If you have any questions or concerns, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Smutny", written over a horizontal line.

Jeffrey Smutny
Regional Director
California Marketing Field Office

cc: Debbie Powell, President/General Manager, RAC

MAR 29 2016

Ms. Debbie Powell
Interim President/General Manager
Raisin Administrative Committee
2445 Capitol Street, Suite 200
Fresno, California 93721-2236

Dear Ms. Powell:

Thank you for your letter of January 28, 2016, requesting inclusion of five proposed amendments to the Federal marketing order for California raisins (order) at the U.S. Department of Agriculture's (USDA) upcoming public hearing scheduled for May 3-5, 2016.

In your submittal, you are proposing to amend the order by:

- Adding authority to conduct production research;
- Modifying the nomination process for independent growers by allowing separate nominations for member and alternate member seats;
- Adding authority to regulate quality under the order;
- Adding authority to establish different regulations for different markets; and,
- Adding authority for continuance referenda.

We have evaluated your proposals and revised regulatory text. Our analysis has determined that the proposed amendments, if implemented, would be likely to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937. These proposals will be considered in addition to two proposals from USDA: removing volume regulation and reserve pool authority; and, adding term limits for the Raisin Administrative Committee (Committee) members.

We have begun the process of scheduling a public promulgation hearing in Clovis, California. The location of the hearing venue will be listed in USDA's forthcoming Notice of Public Hearing, which will be published in the Federal Register, as well as a press release that will be posted on the Agricultural Marketing Service (AMS) website.

At the hearing, conducted by an administrative law judge, industry witnesses will be given the opportunity to offer testimony, under oath, in support of or in opposition to the proposed amendments. USDA will be represented by an attorney from the Office of the General Counsel, and AMS marketing specialists and economists who will cross examine each witness. The purpose of the cross examination is to obtain a thorough understanding of the proposed amendments, including how each amendment would work and its potential impact on the industry.

Ms. Debbie Powell

Page 2

After the hearing, interested parties may file briefs and findings of fact with USDA's Hearing Clerk. These will also become part of the administrative record.

We will then review the record and prepare a recommended decision. This recommended decision will indicate whether amendment of the order is supported by the record. Interested parties will be provided an opportunity to file exceptions and proposed changes to the recommended decision, again with USDA's Hearing Clerk.

We will evaluate the exceptions, make modifications where necessary, and if the proposed order is likely to adequately address the concerns of the industry, recommend to the Secretary the issuance of a Secretary's decision and referendum order. Industry producers in the order's production area would then be given the opportunity to vote for or against the proposed amendments. For the amendments to pass in referendum, each must be supported by at least two-thirds of the producers voting in the referendum, or by producers who represent at least two-thirds of the total production voted in the referendum. After a successful referendum vote, USDA would offer a companion marketing agreement for handlers to sign. If the amended order is to be issued with a marketing agreement, handlers who handled not less than 50 percent of the total volume of the commodity covered by the order must sign the marketing agreement. Once this step is completed, USDA would issue a final rule amending the order.

As you can see, there are numerous steps in the amendment process. I must emphasize to the Committee the importance of adequately preparing for the hearing. USDA's decision on the proposed amendments can only be based upon the administrative record. While we will assist in many ways, the burden of providing detailed testimony, economic justification and rationale, and other supporting information for each of your proposed amendments rests with the Committee.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elanor Starmer', with a long horizontal flourish extending to the right.

Elanor Starmer
Administrator

RAISIN ADMINISTRATIVE COMMITTEE

ADMINISTERING THE FEDERAL MARKETING
AGREEMENT AND ORDER REGULATING THE
HANDLING OF CALIFORNIA RAISINS

Telephone: 559-225-0520
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DRAFT PROPOSED

Circular No. 4
2015/2016 Crop Year

TO: Members, Alternates, and Packers

SUBJECT: Terms & Conditions Applicable to the Merchandise Incentive Program (MIP) for Natural (sun-dried) Seedless Raisins

The MIP is in effect for Natural (sun-dried) Seedless raisins from February 1, 2016 through July 31, 2016. Countries eligible for this program are attached. The program was recommended by the Raisin Administrative Committee on April 14, 2016 and approved by USDA on _____.

This program is authorized under Sections 989.53(a) and 989.67(b) of the Federal Marketing Order.

Please sign and return the attached Agreement for Voluntary Participation in the RAC Export Program for all Authorized Varieties (RAC-70).

- I. **Period Covered: Shipments – February 1, 2016 through July 31, 2016.**
- II. Tonnage eligible - Natural (sun-dried) Seedless raisins produced from grapes grown in California and exported to countries eligible for MIP Program and exported during the period of this offer.
- III. Date for determining the MIP shall be the ocean on-board bill of lading date. Ships scheduled to sail during the period of this offer, but which are delayed due to weather or other uncontrolled circumstances, shall be accepted as having sailed during the period of this offer. Packers shall notify the RAC, in writing, of any such delay in ship's sailing which is the result of weather or other uncontrolled circumstances. Such notification shall be made within 15 calendar days following the close of the applicable shipping period.
- IV. Packers shall qualify for MIP by submitting a **signed** Handler Agreement (RAC-70); a trucker's bill of lading identifying the varietal and pack style; an original ocean on-board bill of lading; or original non-negotiable copy of the on-board bill of lading; and, or arrange for exporters to provide such documents directly to the RAC. Further documentation shall be required as the MIP Program develops or compliance verifications are requested, any one of the following forms is acceptable: USDA's quality and condition certificate(s) (Form FV-146), USDA's Report of Inspection(s) (Form FV-66) or Memorandum Report of Inspection for Processed Raisins (Form FV-489).



All documents should be submitted to the RAC within 120 calendar days of the laden on-board date on the Ocean Bill of Lading.

- V. Packers who arrange for exporters to furnish Ocean Bills of Lading to the RAC, shall include the name(s) of the exporter(s) and the packer/exporter contract number(s) on their Bill of Lading.

The exporter shall include the name(s) of the packer(s) from whom the raisins were purchased and the packer/exporter contract number(s) on each document or their cover letter for such documentation submitted to the RAC.

- VI. If an importer or foreign buyer transships raisins under the terms and conditions of this offer, to another country, the payment will be made based on the final destination.
- VII. If export documentation required to substantiate eligible exports is received by the RAC after 120 days of the date of the on-board bill of lading date, no MIP payments will be made by the RAC and the documentation will be returned to the handler. Such cases may be appealed to the Executive Committee, within 120 days following the disbursement of the payment checks, to review the circumstances and justification for the delay in submission of documents.
- VIII. If a handler submits documentation for MIP program for the export of non-California raisins or non-California raisins blended with California raisins or non-authorized varieties, such handlers will be denied MIP payments on those shipments. The Committee shall announce the length of time such MIP payments will be denied if the violation is found to be intentional, at the time the denial is reviewed and such denial shall be subject to approval by the Secretary.
- IX. Any Handler who receives export tonnage returned by an importer for any reason will be charged back for the MIP payment previously made for that tonnage. Failure to notify the RAC President that product has been returned and an adjustment to the payment is needed, may also invoke denial of future MIP payments, until the RAC has been reimbursed.
- X. Handler shall allow verification of reports and records pursuant to Section 989.77 of the Federal Marketing Order and provide original documentation upon request by the President.

Handler shall allow the Committee, through its duly authorized representatives, and USDA Inspection Service access to any container for export shipments for the purpose of verifying its contents. USDA certification of container contents may be requested by RAC. Samples also may be required.

- XI. Handlers must comply with all marketing order obligations, including assessments and reporting.

A. The RAC will:

1. Provide MIP Payments as per the terms of this offer upon submission of ALL required documentation for each export shipment or by agreed to policy if amended.
2. Inform handlers, per instruction of the Secretary, of any ineligible importers or foreign buyers for which MIP Payments will be denied.

3. Provide verification letters to Handlers within 75 days of the close of the program. Handlers will then have 45 days to respond and provide all required documents for any missing shipments.
4. Obtain from Handlers who shall receive the verification letters, if other than President.

B. Non-Compliance

1. A handler found to be in non-compliance with program parameters (applying for export shipments containing non-California raisins, submitting fraudulent or altered documentation, etc.) by the RAC will not only be denied MIP reimbursement for the specific shipment, but will also be denied participation in the program (length of suspension will be determined by the RAC). Such violation will be reported to USDA for further action or remedy.

Whenever the RAC President denies MIP payments due to non-compliance with this agreement and current Circular program parameters, the handler will have the right to appeal. The appeal process will consist of review by the RAC Executive Committee. If the denial were upheld, there would be recourse to appeal to the full Committee and then the Secretary.

Raisin Administrative Committee

Debbie Powell
Interim President/General Manager

Attachments

- Agreement for Voluntary Participation in the RAC Export Programs for All Authorized Varietal Types (RAC-70)
- Eligible Countries Tonnage Requirements

DP/mj

RAISIN ADMINISTRATIVE COMMITTEE
 2445 Capitol Street, Suite 200
 Fresno, California 93721
 Phone: (559) 225-0520

**AGREEMENT FOR VOLUNTARY PARTICIPATION
 IN THE RAC EXPORT PROGRAMS FOR ALL AUTHORIZED VARIETAL TYPES**

Handler Acknowledgement

I, the handler, have read and understand the foregoing terms and conditions and instructions in Circular No. _____, dated _____, and agree to participate in the export programs.

I, the handler, certify that all raisins exported for which an application is made under the export program are 100% in origin from grapes grown, processed, and packaged solely in the State of California and are of the authorized export programs varietals.

I, the handler, further certify that only raisins produced in California, with RAC approval, are eligible for any export incentive program.

I, the handler, agree to comply with the terms and conditions specified herein and in the applicable RAC Circular.

Handler

Handler Name _____
 Officer Name _____ Officer Title _____
 Signature _____ Date _____

I, as the RAC President, acknowledge that I have received the handler's acknowledgement and agree to comply with the terms and conditions.

Raisin Administrative Committee (RAC)

RAC President _____
 Signature _____ Date _____

Please note: These offers are made to approved raisin packers who have an RAC-5 on file and have signed the agreement for voluntary participation in the RAC Export Programs. The RAC has no responsibility to notify exporters or foreign buyers of the terms of this offer or demand their submission of documentation. Packers should notify their exporters and foreign buyers of the necessary terms and conditions of this offer and answer any questions they may have applicable thereto. The RAC does not establish or address pricing between a handler and his importer.

This report is required by law (7 U.S.C. 608d, 7 CFR 989.67). Failure to report can result in a fine of \$1,100 for each such violation, and each day during which such violation continues shall be deemed a separate violation.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0581-0178. The time required to complete this information collection is estimated to average 12 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

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To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

RAC-70 (Rev. 01/2014) Destroy previous editions.

**2016 RAISIN ADMINISTRATIVE COMMITTEE MERCHANDISE INCENTIVE PROGRAM
FOR CALIFORNIA RAISINS**

COUNTRY:	ASEAN Region – Thailand, Singapore, Brunei, Malaysia, Vietnam & Indonesia
PERIOD:	February 1, 2016 – July 31, 2016
VARIETIES:	Natural (sun-dried) Seedless
MIP:	<u>\$25.00</u> minimum to <u>\$30.00</u> maximum on RAC documented exports when;

Exports to ASEAN Region are **2,800 packed tons** or more during the period, each Importer shall earn an incentive payment of **\$25.00 per packed ton** for each ton exported to them. Incentive shall be increased **\$2.50 per packed ton** for each **100 tons** over **2,800 tons** with a maximum incentive of **\$30.00 per ton**. **MIP paid to importer.**

COUNTRY:	Hong Kong / China – P.R.C.
PERIOD:	February 1, 2016 – July 31, 2016
VARIETIES:	Natural (sun-dried) Seedless
MIP:	<u>\$30.00</u> minimum and maximum on RAC documented exports when;

Exports to Hong Kong/China less than **1,500 packed tons** receive an incentive of **\$0**. Exports to Hong Kong/China are **1,500 packed tons** or more during the period, each Importer shall earn an incentive payment of **\$30.00 per packed ton** for each ton exported to them. Incentive shall be increased **\$0 per packed ton** with a maximum incentive of **\$30.00 per ton**. **MIP paid to importer.**

Shipments of California raisins from China to Japan will not qualify in this program.

COUNTRY:	Korea
PERIOD:	February 1, 2016 – July 31, 2016
VARIETIES:	Natural (sun-dried) Seedless
MIP:	<u>\$25.00</u> minimum to <u>\$30.00</u> maximum on RAC documented exports when;

Exports to Korea are **2,250 packed tons** or more during the period, each Importer shall earn an incentive payment of **\$25.00 per packed ton** for each ton exported to them. Incentive shall be increased **\$2.50 per packed ton** for each **250 tons** over **2,250 tons** with a maximum incentive of **\$30.00 per ton**. **MIP paid to importer.**

**2016 RAISIN ADMINISTRATIVE COMMITTEE MERCHANDISE INCENTIVE PROGRAM
FOR CALIFORNIA RAISINS**

COUNTRY: Taiwan

PERIOD: February 1, 2016 – July 31, 2016

VARIETIES: Natural (sun-dried) Seedless

MIP: **\$20.00** minimum to **\$30.00** maximum on RAC documented exports when;

Exports to Taiwan are 2,750 **packed tons** or more during the period receive an incentive payment of **\$20.00 per packed ton** for each ton exported. Incentive shall be increased **\$1.00 per packed ton** for each **100 tons over 2,750 tons** with a maximum incentive of **\$30.00 per ton**. Incentive funds earned by importers who are members of the TDFIA will be paid to the TDFIA. TDFIA to pro-rate cash incentives to TDFIA members. To earn the maximum cash incentive, a minimum market share of 75% of California raisins must be reached. Any percentage less than 75% market share and the minimum required packed tons has been met, the cash incentive payment will be prorated.

COUNTRY: The Philippines

PERIOD: February 1, 2016 – July 31, 2016

VARIETIES: Natural (sun-dried) Seedless

MIP: **\$25.00** minimum to **\$30.00** maximum on RAC documented exports when;

Exports to The Philippines are **800 packed tons** or more during the period, each Importer shall earn an incentive payment of **\$ 25.00 per packed ton** for each ton exported to them. Incentive shall be increased **\$2.50 per packed ton** for each **100 tons over 800 tons** with a maximum incentive of **\$30.00 per ton**. ***MIP paid to importer.***

**2016 RAISIN ADMINISTRATIVE COMMITTEE MERCHANDISE INCENTIVE PROGRAM
FOR CALIFORNIA RAISINS**

COUNTRY: Japan

PERIOD: February 1, 2016 – July 31, 2016

VARIETIES: Natural (sun-dried) Seedless

MIP: \$ 17.50 minimum to \$30.00 maximum on RAC documented exports when;

Exports to Japan and exports through China to Japan less than **22,000** packed tons, or less than 80% share of the Japanese market receive an incentive of \$0.

Exports to Japan and exports through China to Japan that total **22,000** packed tons and 80% share of the Japanese market, receive an incentive payment of **\$17.50**. This incentive shall be increased **\$2.50** per packed ton for each **1,000** tons over **22,000** tons with a maximum incentive of **\$30.00** per ton.

Incentive funds earned by importers who are members of the JDFIA will be paid to the JDFIA.

Ocean B/L for shipments through China to Japan must show the following:

- 1a. Consignee box: CRD/JDFIA members Name (person who is acquiring)
- 1b. Notify Party: Chinese Importing Company name
OR
- 2a. Consignee box: order of shipper (term used if they do not want to show actual name of shipper)
- 2b. Notify box: Two names CRD/JDFIA & Chinese Importer

In the event that re-cleaning begins on shipments through China to Japan by non-JDFIA members then the RAC and the JDFIA will meet to confer and determine a modification and solution to the current program.

2017/18 PROGRAM - Proposed submission to FAS	MAP \$	RAC \$
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RAC-Managed Promotions								
JA	UK	GM	SCAN	ASEAN	CH/HK	KS	TW	MX
742,000	654,116	187,740	250,111	733,257	590,826	250,000	157,000	210,000
			9,000			29,456	45,000	41,500
					302,000			
		85,740		73,184				
348,000	65,000							

	JA	UK	GM	SCAN	ASEAN	CH/HK	KS	TW	MX	BR*+EVAL	TOTAL
"MAP"	742,000	654,116	187,740	250,111	733,257	590,826	250,000	157,000	210,000	330,000	4,105,050
RAC	348,000	65,000	85,740	9,000	73,184	302,000	29,456	45,000	41,500	-	998,880
"Match"	348,000	65,000	85,740	9,000	73,184	302,000	29,456	45,000	41,500	250,000	1,248,880
TOTAL	1,090,000	719,116	273,480	259,111	806,441	892,826	279,456	202,000	251,500	580,000	5,353,930

*\$330,000 = \$250,000 Branded MAP funds, plus \$80,000 Evaluations. \$250,000 spent by Packers to match Branded MAP funds.