



# Agricultural Marketing Service

Creating Opportunities for American Farmers and Businesses

# Grain Inspection Advisory Committee

Field Management Division

Anthony Goodeman, Acting Director

September 5, 2018



United States Department of Agriculture

# FGIS Field Management Division

## Overview



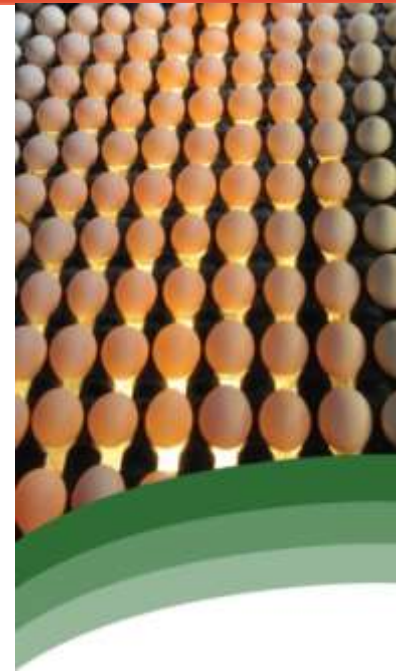
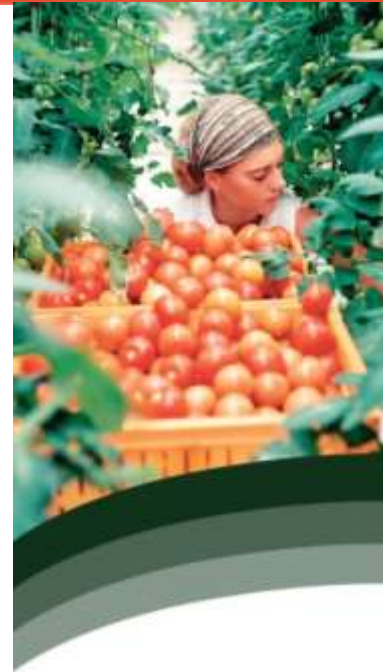
# FMD Overview

## 8 Field Offices, PPMAB, and OD

437 Full/part time employees  
Service Delivery arm of FGIS  
Plan, Develop, Administer, and Manage

## Mission Statement:

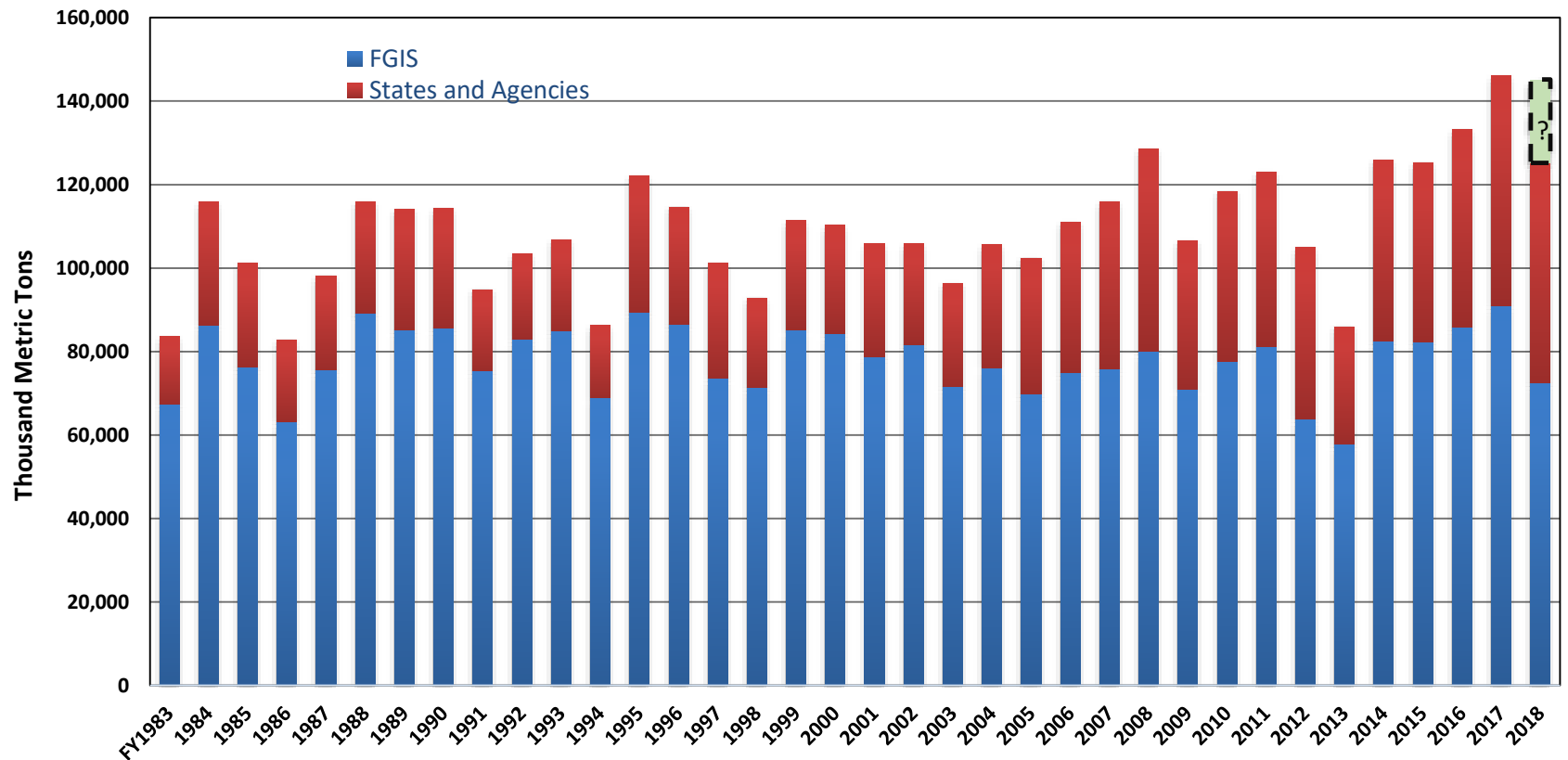
FMD is the front line of FGIS, providing impartial official inspection and weighing services, standards, and instructions to facilitate the domestic and international marketing of U.S. grain, rice, and pulses for the overall benefit of American agriculture.



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## Fiscal Year Total Export Grain Inspections



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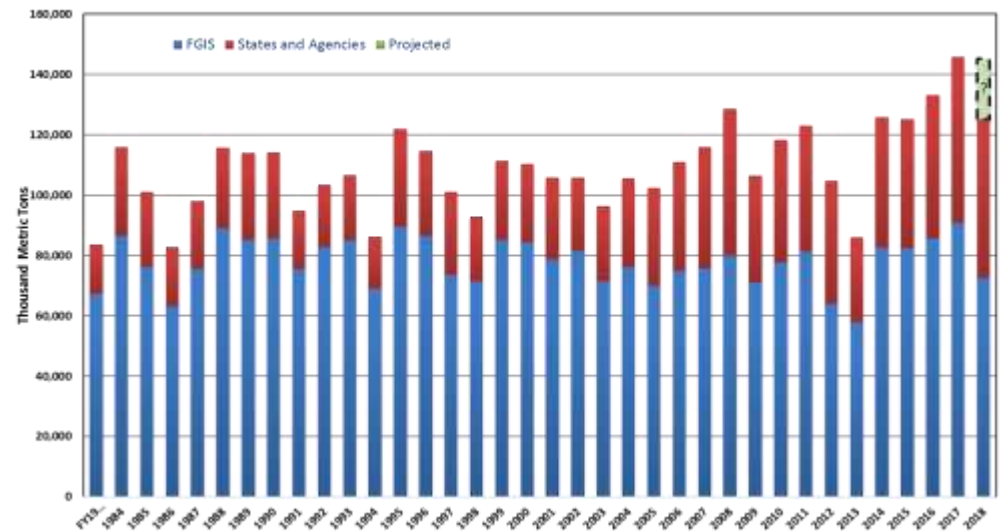
## Fiscal Year Total Export Grain Inspections

- Overall export grain inspections for FY 2017 were 90.9 million metric tons (MMT) for FGIS and 55.1 MMT for States and Agencies.

- The FY 2017 totals surpassed the FY 2016 record by 10%!!

- USDA is projecting grain export to be approx. 140 MMT for FY18; down about 4.1% from FY17 (May 10 USDA report)

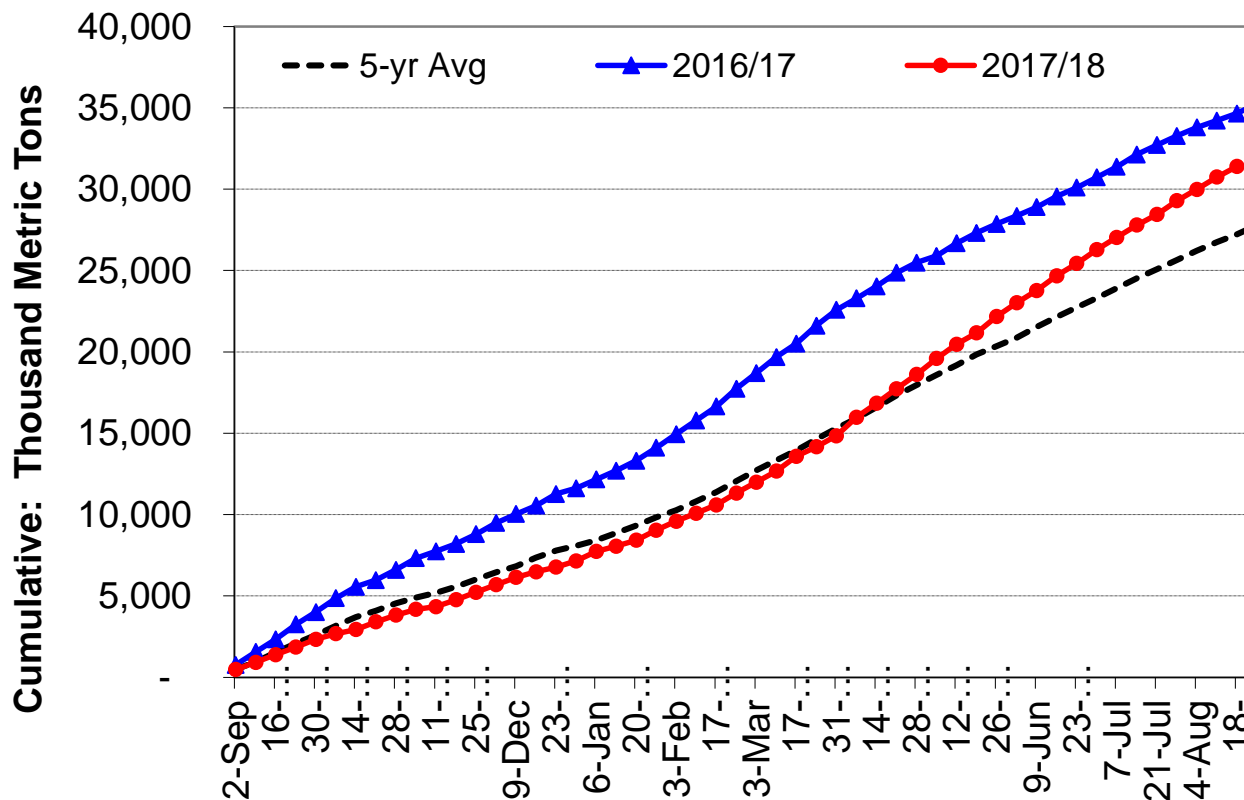
- Soybeans on contract to China that have not yet shipped. Rumors in press that China may cancel contract orders or roll to next market year (the 140 MMT projection assumes orders are fulfilled).



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## Export Corn: FGIS, States & Agencies



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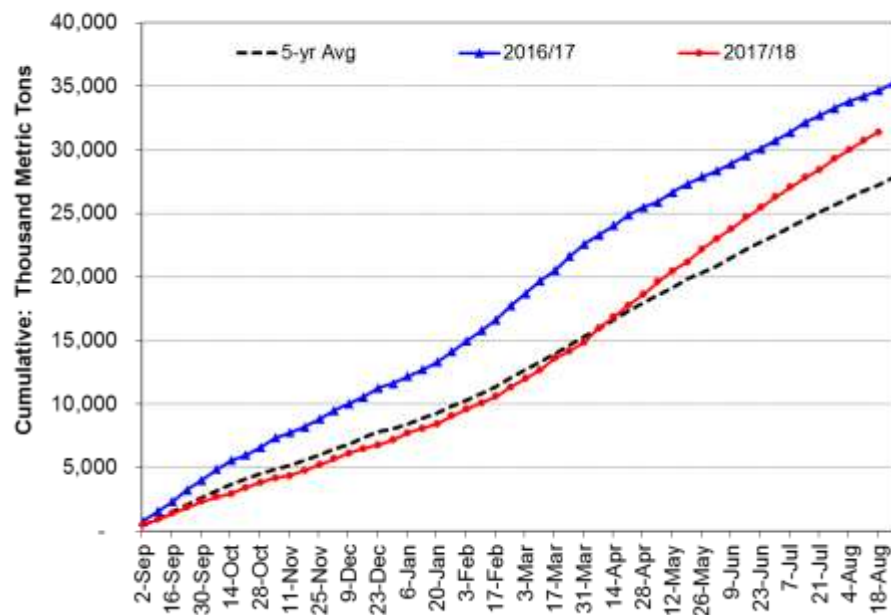
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## Export Corn: FGIS, States & Agencies

-Corn exports down 9% from the last year; however they are up 15% compared to 5-year average.

-Due to the dry conditions in South America and the relatively low price for U.S. corn, demand has surged higher.

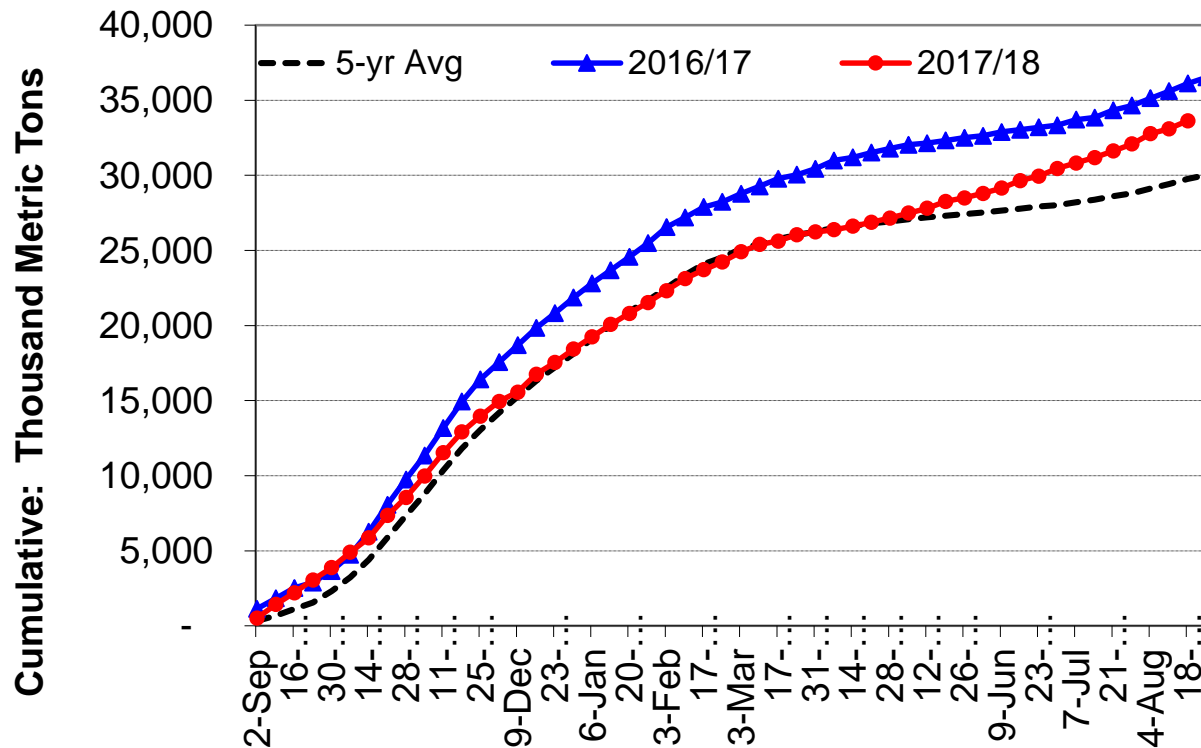
- Mexico makes up 24%, Japan 22%, and S. Korea 10% of U.S. corn exports, accounting for 56% of the total.



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## Export Soybean: FGIS, States & Agencies





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## Export Soybean: FGIS, States & Agencies

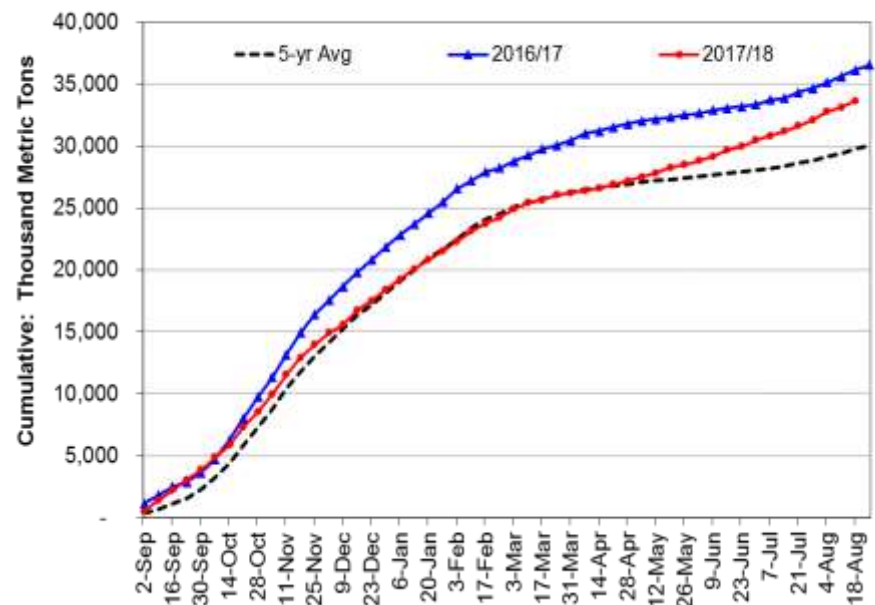
-Soybean exports currently 7% lower than last MY, but approx. 13% higher than the 5-year average.

-Argentina soybean crop damage – August 10 WASDE report showed a decrease in soybean production of about 33% from last year.

-Argentina has been importing soybeans from U.S.

-China, U.S. number 1 importer of soybeans, has currently imported 51% of all soybean exports. This is down from the 5 year average of 60%.

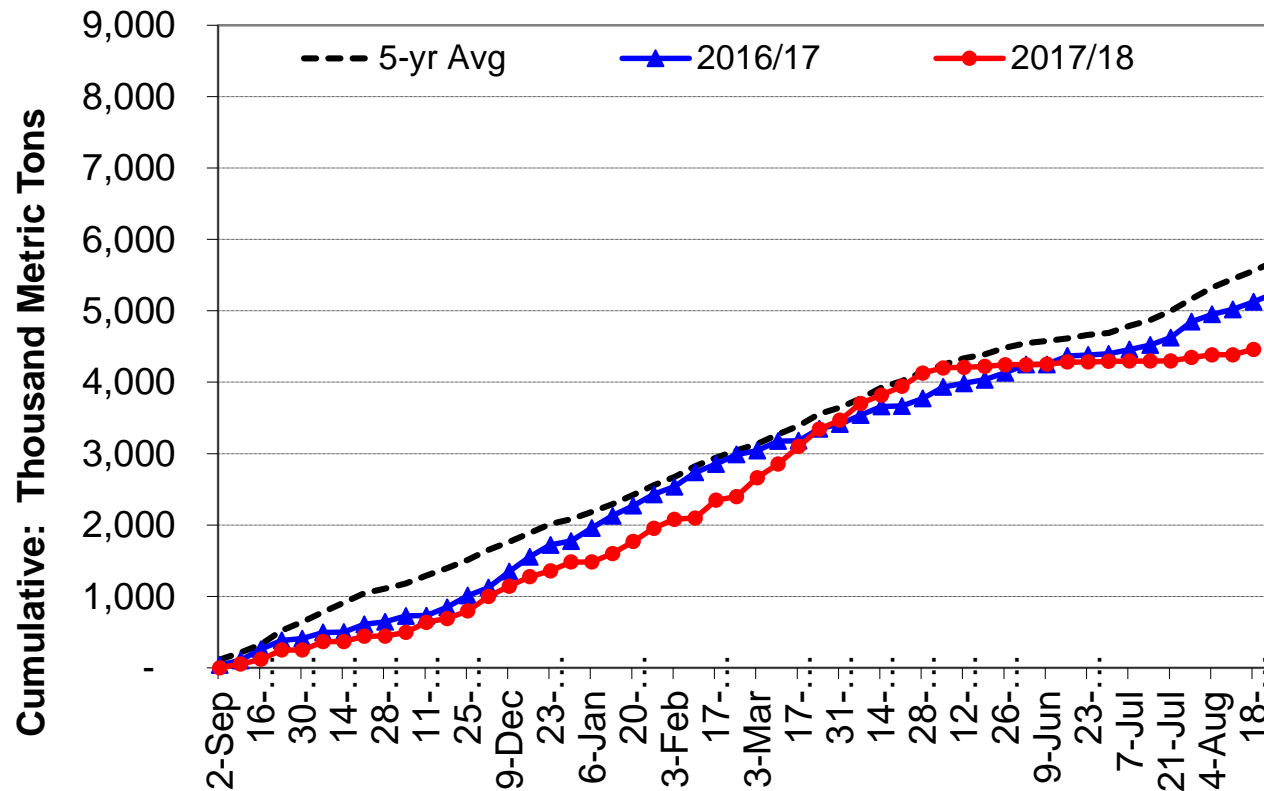
-However because of the trade talks putting pressure on the prices of U.S. soybeans, we have attracted nontraditional buyers creating the current trajectory.



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## Export Sorghum: FGIS, States & Agencies



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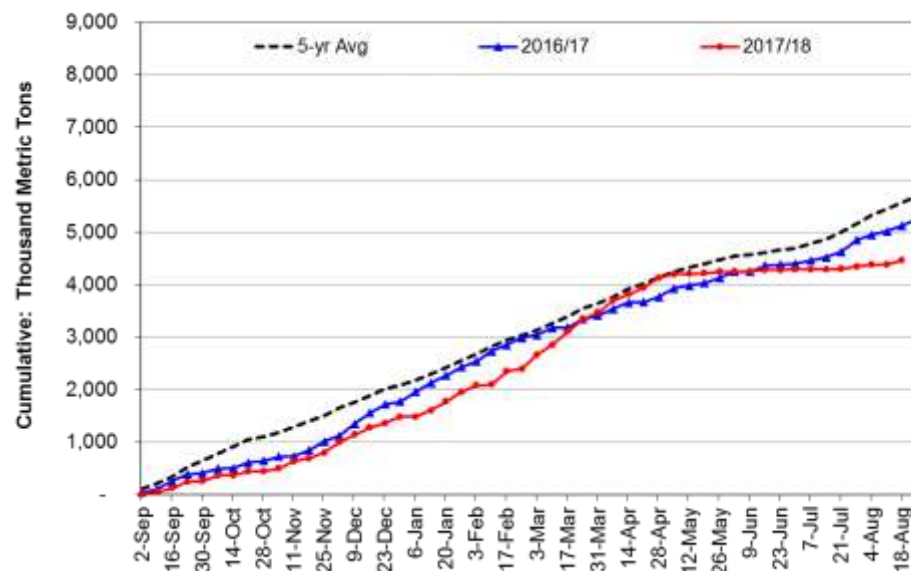
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## Export Sorghum: FGIS, States & Agencies

-Sorghum exports are currently 13% lower than last year and 20% lower than the 5-year average.

- China accounts for 87% of all U.S. exports.

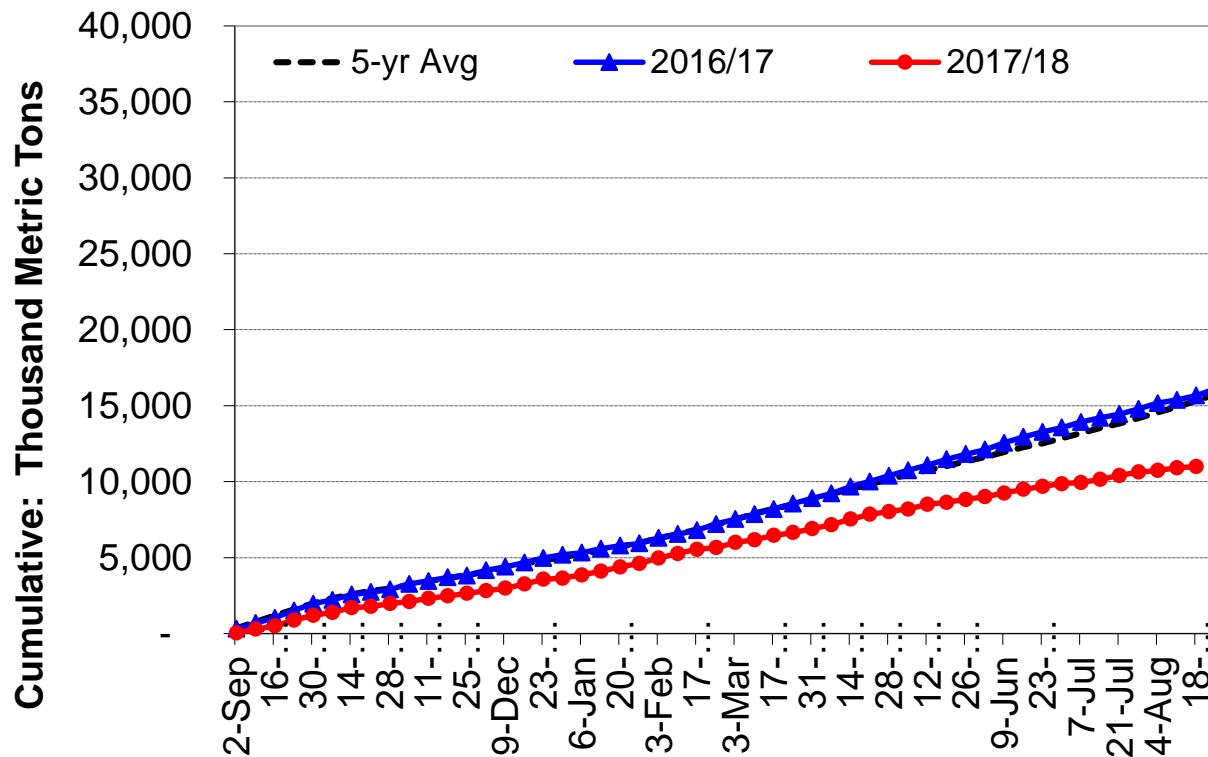
- Since the highly sensitive trade talks began, there has only be one sorghum shipment to China. (Notice the flat line on chart)



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## Export Wheat: FGIS, States & Agencies

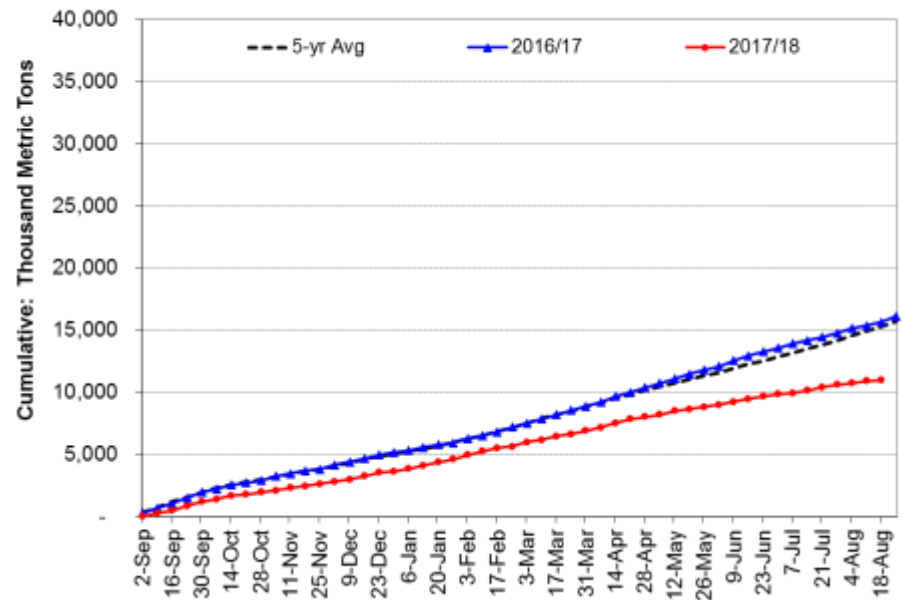


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## Export Wheat: FGIS, States & Agencies

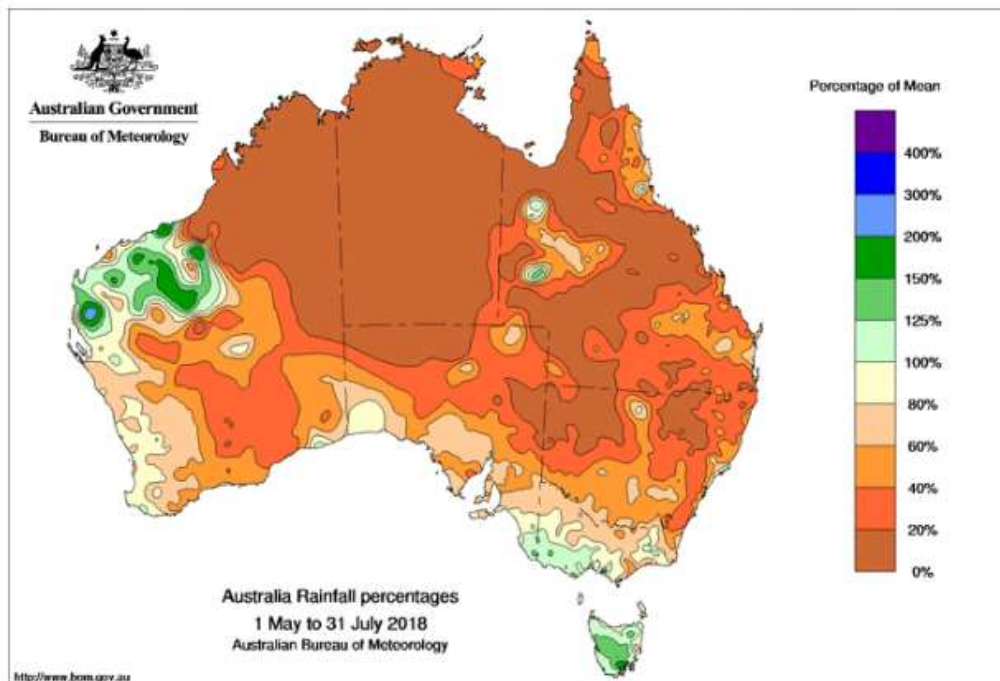
- Wheat exports 30% lower than last MY and 28% lower than the 5-year average.
- Strong competition from the EU, Canada, and Australia has dampened export sales. However, Australia is currently experiencing a severe drought.
- Currently Japan makes up 12%, Mexico 12%, and Philippines 10% of U.S. wheat exports, accounting for 34% of the total.



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## Australia Drought Map



Below are the 15 countries that exported the highest dollar value worth of wheat during 2017:

1. United States: US\$6.1 billion (15.7% of total wheat exports)
2. Russia: \$5.8 billion (14.8%)
3. Canada: \$5.1 billion (13%)
4. **Australia: \$4.7 billion (11.9%)**
5. France: \$3 billion (7.7%)
6. Ukraine: \$2.8 billion (7.1%)
7. Argentina: \$2.4 billion (6.1%)
8. Germany: \$1.6 billion (4.1%)
9. Romania: \$1.1 billion (2.9%)
10. Bulgaria: \$772.7 million (2%)
11. Kazakhstan: \$660.8 million (1.7%)
12. Lithuania: \$604.4 million (1.5%)
13. Hungary: \$591.9 million (1.5%)
14. Poland: \$538.9 million (1.4%)
15. Czech Republic: \$479.9 million (1.2%)

The listed 15 countries shipped 92.7% of all wheat exports in 2017 (by value).

<http://www.bom.gov.au>

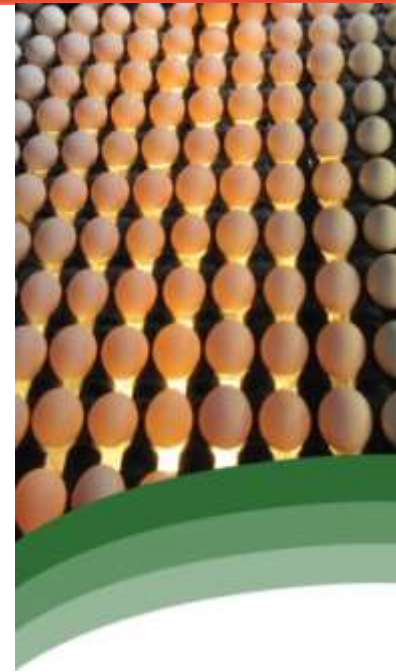
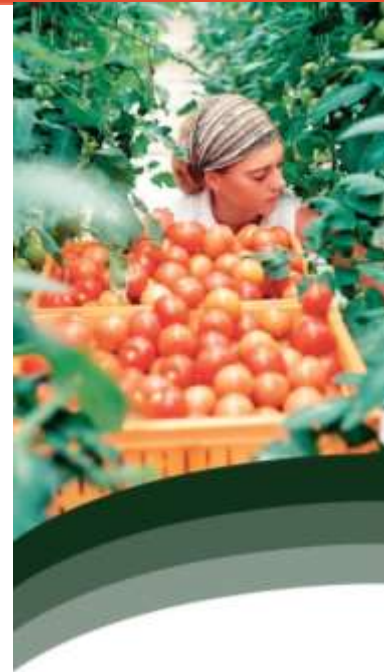
© Commonwealth of Australia 2018, Australian Bureau of Meteorology ID code: AWAP

Issued: 03/08/2018

Product Code: IDCKAR2AP0

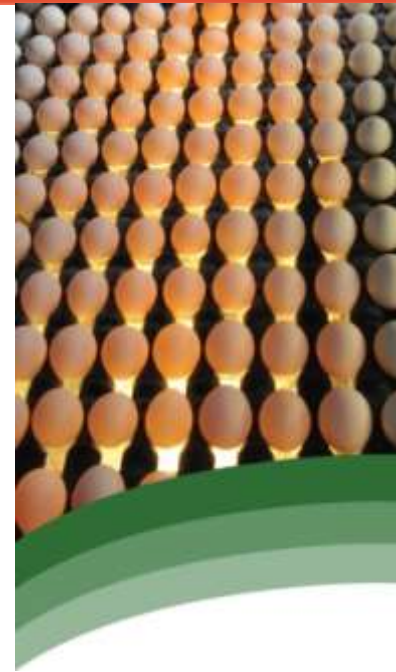
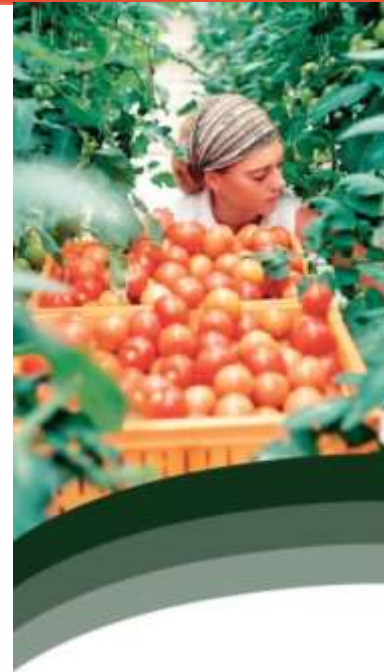
# Hiring Plans

- Field Office Manager
- Marketing Specialist
- Quality Assurance Specialists
- Front line
  - Supervisors
  - Graders
    - Internal promotions
    - Recent Graduates
  - Technicians



# Outlook

- Volume, Trade, and Expansion
  - All-time records
  - Uncertain short-term future
  - Industry investments in capacity
- Services Offered
  - Future needs
- Training, Licensing, Monitoring





## Standards



### U.S. Grain Standards Act

Barley

Canola

Corn

Flaxseed

Oats

Rye

Sorghum

Soybeans

Sunflower Seed

Triticale

Wheat

Mixed Grain

## Standards



## U.S. Agricultural Marketing Act

Beans

Peas

Lentils

Rice

## Standards

Three Federal Register notices:

- Canola
- Corn
- Soybeans

Request for Information

- Published June 29, 2018
- 60-day comment period (August 28, 2018)
- Request to extend the comment period
- Dockets prepared and submitted to extend for 60 additional days



# D/T Power Supply Lockout Switch Compliance Requirements

**Background:** Instructions for authorizing, testing, and approving DT sampling systems are found in the FGIS Mechanical Sampling Handbook.

- Handbook revised April 2017
  - Included clarification for control of hazardous energy sources (lockout devices) for D/T samplers
  - Equipment disconnect(s) must be installed within close physical proximity and visual line of sight to the primary sampling system
  - Enhance safety during D/T checks

**Currently:** Through an implementation partnership with AAGIWA and NGFA, and in response to concerns raised by stakeholders, FGIS has given facilities and agencies until January 1, 2020, to make necessary changes and obtain FGIS approval. Noncompliance will cause FGIS to suspend authorization of the sampler for official sampling.

# Digitization of D/T Sampler Approval Package Files

Digitization Project was a collaboration between FMD, the FGIS Chief Innovation Officer, and the FGIS Online group

- Project encompassed the complete digitization and archiving of nearly 2,000 individual D/T files
- Archived files were uploaded to the FGIS Online Equipment Capability Testing application (ECT), and are available for electronic viewing

The main goals accomplished by completing the digitization project

- Centralization of all D/T files within the ECT application
- Increased efficiency with regard to archiving, reviewing, and approving D/T sampling systems
- Cross divisional use by our Quality Assurance and Compliance Division (QACD), when reviewing F/O and O/A D/T equipment record files



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## Camera Barge Stowage Exam Pilot Project

- On March 24, 2018, Eastern Iowa Grain Inspection began pilot project using a camera to perform a barge stowage exams (in conjunction with an official stowage exam service)
- Objective: to assess effectiveness of a camera when performing barge stowage exams and is safety enhanced
  - Modeled after successful rail car camera stowage program
- Current Status
  - Pilot ongoing

# Agricultural Marketing Service

## Training Programs

- Industry Perspectives
  - New Initiative
  - Appreciative to NGFA and NAEGA
- 2018 Recent Graduate Program



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- 2018 Recent Graduate Program
- Official Agency Managers
  - 2018 – 3 Sessions – 56 Managers

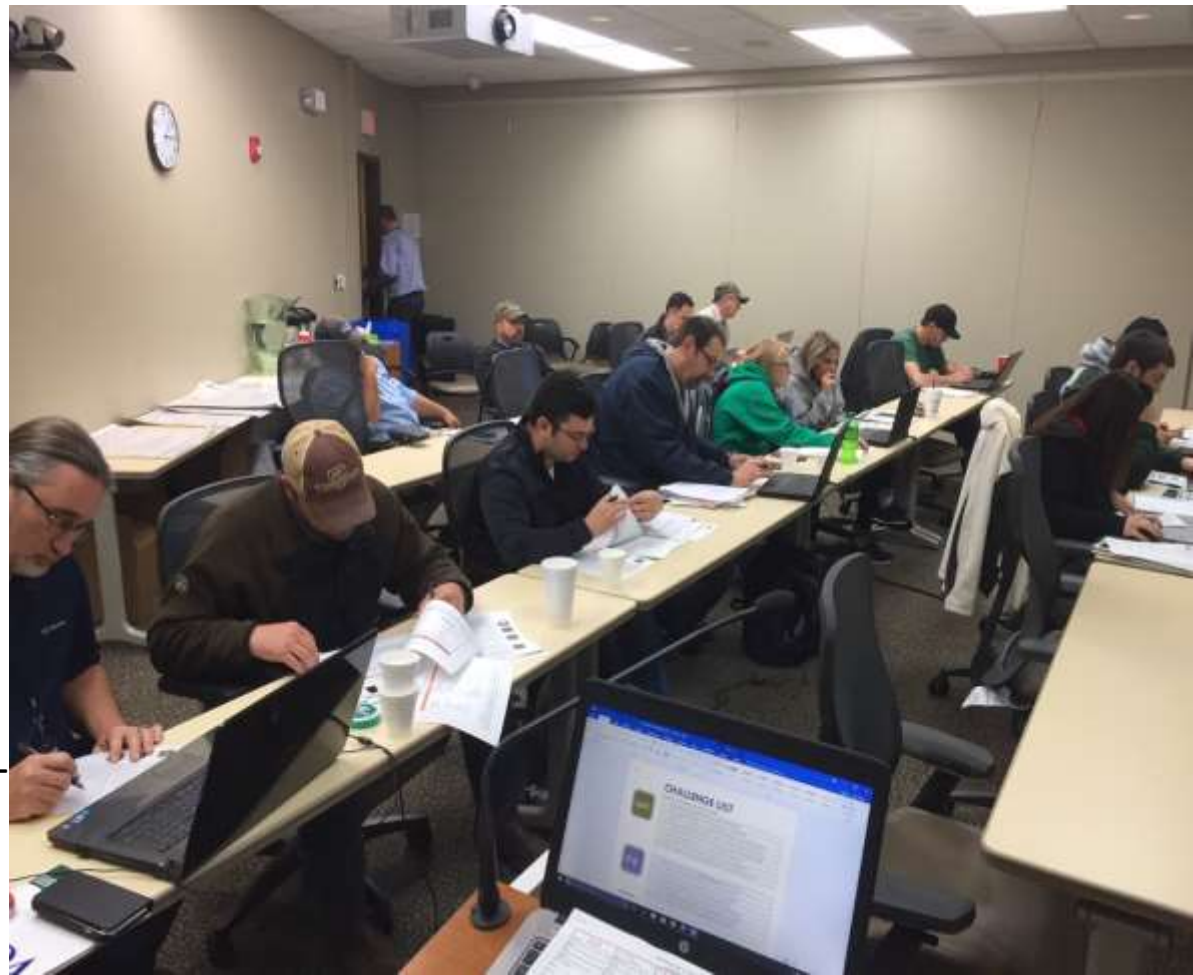




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- Quality Assurance Specialists
  - 2018 – Six 3-Day Sessions – Every QAS attends



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- Supervisors



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- Supervisors
- Technicians and graders



# Agricultural Marketing Service

## Performance Appraisal – Technicians

- Performance Appraisal System for Agricultural Commodity Technicians
  - Quantify performance
  - Identify the best ACT
  - Correct non-uniformity
  - Ensure we are performing each job duty to the highest standard





# Agricultural Marketing Service

## Performance Appraisal – Technicians

- How to measure?
- Two part system
  - Supervisor monitors ACT's procedure
    - Assigns 0 or 5 points for each step
      - Some steps are so critical they are pass/fail
      - Fail results in immediate corrective action
    - 80% of final score
  - Supervisor monitors ACT's timeliness
    - 10 minutes to process from time sample is available to grader's desk
    - 20% of final score
- Frequency of Reviews
  - Once per week

# Agricultural Marketing Service

## Performance Appraisal – Technicians

- Pilot Implementation at Two Field Offices
  - League City - Cargill
  - New Orleans – Port Allen
- 7 Functions included
  - Sample Processing
    - Sample Break-down, TW, M, and DKG/ BCFM
  - Mycotoxins
  - NIRT
  - Stowage



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## Performance Appraisal – Technicians

### Technical Procedure: TEST WEIGHT

Test Weight Apparatus is level and appears to be in good working order (based on supervisors experience and knowledge look for things such as; does the bucket appear to be centered under funnel, is funnel 2 inches above the top of the bucket, and so on)

Performed 5 – Not Performed 0

Striker stick is in good condition

Performed 5 – Not Performed 0

Three smooth full length zig-zag motions were used (begins at edge of stick)

Performed 5 – Not Performed 0

Striker is held with two hands at the correct angle during performance

Performed 5 – Not Performed 0

Grain is not allowed to settle in kettle, such as (perform other functions, agitate or bump kettle after filling)

Performed 5 – Not Performed 0

Test weight was recorded in correct significant figures (tenths, or whole/ halves)

Performed 5 – Not Performed 0

★ Test Weight result recorded is supported by supervisor

Performed 5 – Not Performed 0

Test Weight

Points Earned \_\_\_\_\_ / 35 max

# Agricultural Marketing Service

## Performance Appraisal - Graders

### Separation Summit

- Internal Program Review
- Kansas City- Feb 2018
- Support for Revision





## Comparison

### Current System

- Save All Separations
- Typical Shift 16 separations
  - \*Assumes 30 min sublots
- 60 Factors are Critical
- QACD makes PAS selections

### New System

- Save a Fraction of Separations
- Typical Shift save 1-3 separations
  - \*Assumes 30 min sublots
- 47 Factors are Critical
- Supervisor / QAS makes PAS selections

## Comparison

### Current System

- No Timeliness Requirement
- Performance Measurement
- Accuracy
  - Fully Successful – 80-89%
  - Exceeds – 90-100%

### New System

- Timeliness Requirement
- Performance Measurement
- Accuracy
  - Fully Successful – 80-89%
  - Exceeds – 90-100%
- Timeliness
  - Fully Successful – 80-89 % of inspections in 30 minutes or less
  - Exceeds – 90-100% of inspections in 30 minutes or less



# Agricultural Marketing Service

## Performance Appraisal - Graders

- Separations Reviews
  - 1<sup>st</sup> inspection of each shift
    - Supervisor discretion – Cursory Review, Over-the-Shoulder, PAS
  - 1 inspection per 4 hour period
    - Supervisor discretion – Cursory Review, Over-the-Shoulder, PAS
  - Save all separations for samples that are meaningful, such as not making contract for PAS
  - Minimum of 1 sample from above per shift – required for PAS
- Weekly QAS will pool all PAS samples and select 1 for PAS scoring



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## Performance Appraisal - Graders

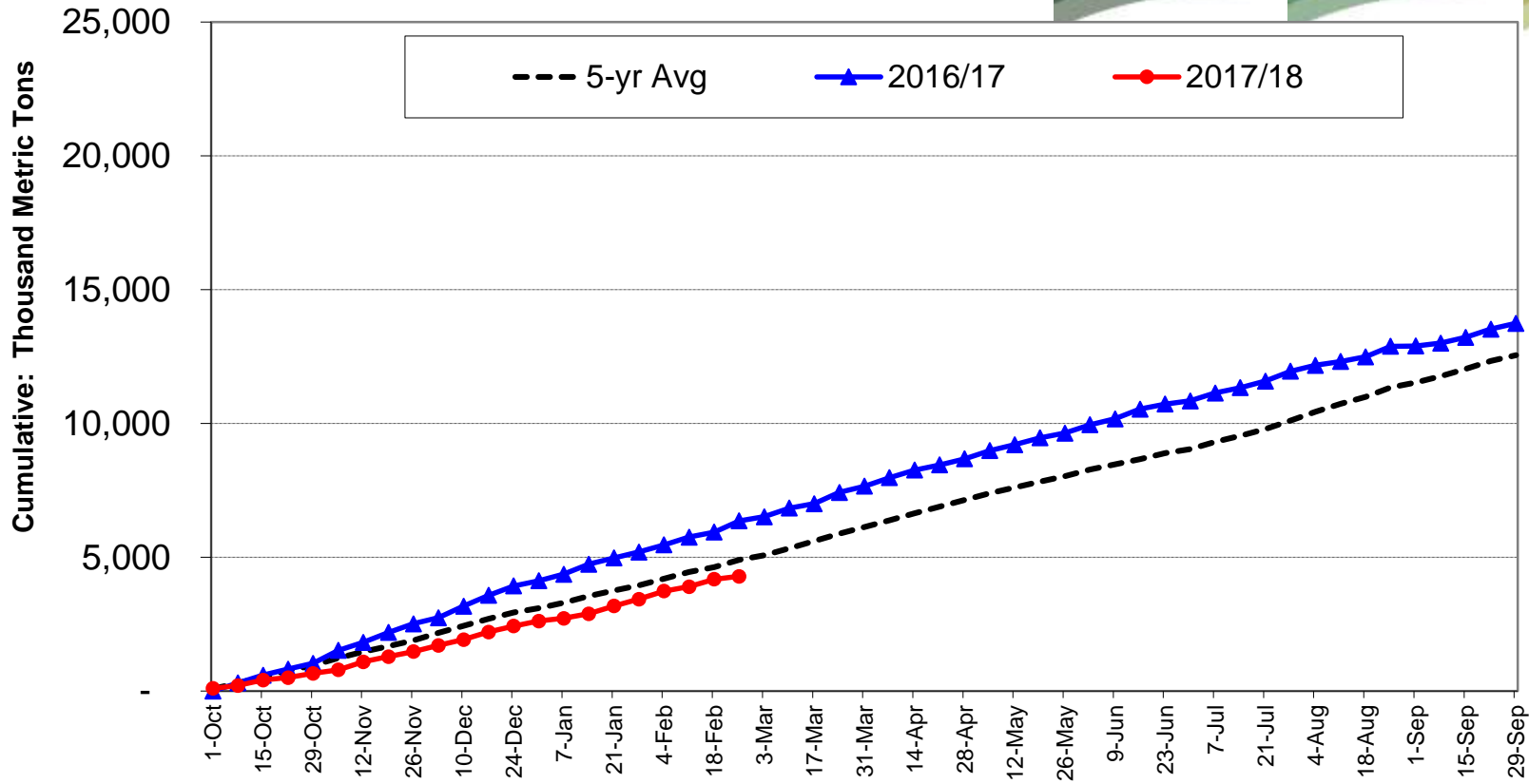
- August 2018
  - Discuss at supervisor meeting
  - Issue memo to field outlining program
  - Host conference call(s) with field
  - Formally notify Union
  - Confirm profiles accesses in FGISonline
- September 2018
  - Update applicable performance plans
  - Conduct training with field
  - Industry outreach
  - Soft open
- October 1, 2018 - Implement

# Official Weighing and Inspection in Texas





# League City Export Inspection Tonnage All Grains (FY)





Questions?

Thank you!