



NGFA

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Focus Shifts to Canada's Feed inspections After Latest BSE Case

Canadian Food Inspection Agency (CFIA) officials said on Jan. 17 that they are "pursuing multiple lines of inquiry" to investigate the "use, sale and production of feeds" that may have been the source of feed contamination that caused an Alberta Charolais cow born in March 1998 to contract bovine spongiform encephalopathy (BSE).

The finding, confirmed on Jan. 11, is the first North America case involving a cow born after the implementation of BSE-prevention feed rules by both Canada and the United States in 1997. It is the fourth case of BSE confirmed in North America – all of which involved cattle born in Alberta. CFIA

announced it was launching a review of its BSE-prevention feed rules, including its inspection and enforcement efforts.

Meanwhile, the U.S. Department of Agriculture on Jan. 24 is scheduled to dispatch a technical team to "evaluate the circumstances surrounding these recent finds" and to review Canada's implementation of its BSE-prevention feed rule and inspections. The U.S. delegation will be headed by Dr. John Clifford, deputy administrator of the Animal and Plant Health Inspection Service (APHIS) and USDA's chief veterinary officer, and will include two representatives from the Food and Drug Administration. In announcing plans for sending the U.S.

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USDA Sells 3.1 Million Bushels of Soft White Wheat from Emerson Trust

U.S. Department of Agriculture officials today (Jan. 19) told the NGFA that 3,178,291 bushels of soft white wheat had been sold from the Bill Emerson Humanitarian Trust as of the close of business on Jan. 18.

That leaves 496,042 bushels still available for sale to reach the 100,000 metric tons (approximately 3,674,333 bushels) made available as part of USDA's first invitation (BCD-87) issued Jan. 4 for the purchase of Emerson Trust wheat. USDA's Commodity Credit Corporation also has completed the offsetting purchase of 100,000 metric tons of soft white wheat for shipment as food aid for the Doha region of Sudan.

USDA officials told the NGFA that thus far, they had entered into 14 sales dispersed among eight buyers – five storing warehouse operators and three third-party buyers – for the Emerson Trust soft white wheat. Thus far, storing warehouse operators have purchased 2,001,744 bushels, while third-party buyers have bought 1,176,547 bushels. For purposes of this and future invitations, all CCC-owned soft white wheat grading U.S. No. 2 or better is considered to be Emerson Trust stocks. As of Dec. 3, the Emerson Trust consisted of 725,169 metric tons (26,645,118 bushels) of soft white wheat. USDA's first invitation making soft white wheat available from the Emerson Trust was a buy/sell transaction, in which storing warehouse operators had exclusive rights to purchase the wheat until close of business on Jan. 7.

Sales of the Emerson Trust wheat were opened to third parties on Jan. 10; storing warehouse operators are **not**

notified for right of first refusal. Third-party buyers are restricted to purchasing no more than 35 percent of the quantity stored at a particular location as of Dec. 3, based upon the CCC warehouse code, inclusive of any quantity previously purchased by the storing warehouse operator. Bids are limited to three separate warehouse codes, per telephone call, and the maximum quantity CCC will sell per call is 551,150 bushels. USDA said lots are required to be bid upon in their entirety, except one partial lot will be permitted to achieve the maximum quantity allowed at each warehouse code.

USDA said no decision had been made yet on the timing of additional invitation(s) to purchase the remaining 100,000 metric tons of soft white wheat covered under Secretary of Agriculture Ann Veneman's 200,000-metric-ton release from the Emerson Trust on Dec. 3.

NGFA 2005 Directory/Yearbook at Printer

The 2005 edition of the *NGFA's Directory/Yearbook* is at the printer and is scheduled to be published and distributed via bulk mail within the next three weeks. It contains current listings of NGFA member companies and industry leadership, as well as the current version of the NGFA's Trade Rules and Arbitration Rules. A pictorial Yearbook highlights just a few of the activities of the past year. Look for your copy soon!



The 2005 Agenda for NGFA

The NGFA prides itself on providing effective government representation to protect the interests of member companies on issues that affect your bottom line and your freedom to manage your business.

As part of that effort, the NGFA each new year identifies major priority issues on which to focus. Those priorities are developed with the input of industry leadership and discussed with the Executive Committee during its meeting in January. We've been doing that exercise jointly with the North American Export Grain Association (NAEGA) ever since we became co-located as a result of our highly successful 2003 joint operating and services agreement.

As you'll see in the *Priorities for 2005* document enclosed with this *NGFA Newsletter*, the coming year will bring a host of policy issues to manage – both old and new.

The federal budget deficit has not been a major force for policy change since the mid-1990s. But it will be in 2005. This year, President Bush will submit his budget proposal to Congress on Feb. 7. Current predictions are for cuts in virtually all discretionary programs, except defense (Iraq) and homeland security. The proposed budget cuts will: 1) increase the risk that our industry will face new user fees for grain standardization activities of USDA's Grain Inspection, Packers and Stockyards Administration; 2) make it even more difficult to obtain authorization from Congress to initiate lock-and-dam modernization on the Upper Mississippi and Illinois Rivers; 3) force budget cuts to farm programs, which no doubt will initiate another debate on payment limits and every other element that contributes to dollar outflow; and 4) likely trim future expenditures for the highway authorization bill.

But with any motivation for change comes opportunity. Potential cuts in farm program funding also may provide a path for constructive reform of the Conservation Reserve Program and other conservation programs that directly affect our members' interests.

Among other highly significant issues that we will be addressing this year, warehouse legislation, trade agreements, rail issues and new feed regulations to buttress existing BSE-prevention safeguards are among those that affect the broadest portion of NGFA's membership.

Amendments to the Federal Warehouse Act to better protect producer interests and to explicitly provide freedom to warehouse operators to choose either federal or state regulation is fully drafted. However, a handful of state governments are delaying consideration of that legislation on its merits. Some of those states appear to be interested

in passing a federal law prohibiting the U.S. Warehouse Act from preempting state grain dealer laws. Restricting business freedom and preventing legislation that would help farmers wouldn't seem to have much of a chance. But crazier things have happened!

The Central American "Free" Trade Agreement (CAFTA) will be considered by Congress early this session. Passage is far from certain, as U.S. sugar interests are very vocal in opposition. But defeat of this legislation would threaten the whole World Trade Organization Doha round negotiations. If the United States can't deliver approval of a regional trade accord, will the rest of the world seriously believe that we could deliver on a WTO deal calling for even more significant change? The NGFA very likely will be asking for your help in lobbying Congress when CAFTA comes up for a vote. It will be interesting to see how voting goes among congressmen and senators from states that grow sugar-producing crops but also export grain and oilseeds. For now, those members of Congress seem to be lining up with sugar interests; in some cases, they are "leading the band."

Meanwhile, the Surface Transportation Board (STB) is expected to issue a decision in 2005 on STB Ex Parte 646, the proceeding to establish a simpler and less-costly procedure for challenging rail rates in small cases. The NGFA and other organizations are urging action. It is significant, too, that USDA has weighed in on this proceeding, stating that a small rate case should be defined by the economic value of the movement, not the size of the company(ies) involved. On another issue, the NGFA is working with three other national shipper organizations to address current industry concerns with existing rail fuel surcharges.

FDA soon will issue a proposal to modify its BSE-prevention feed rule. It is an issue that must be addressed, as our access to global beef markets and food safety reputation are at stake. How significant is this for your business? The potential for mandating dedicated mills, restrictions on feeding of poultry litter and other feed ingredients could significantly restrict some firms' ability to maintain a viable business.

The NGFA – it's Board of Directors, officers, committee leadership and staff – take pride in these and other efforts to provide effective representation of your company's interests. We thank you for your continued membership and support. I encourage you to get involved in those policy matters that may affect you most.

Please also distribute and discuss with your congressman and senators the enclosed "*Priorities for 2005*" document. Let them know what is important to you and your business!



Deadline Extended to May 31 for Conducting Background Checks, Fingerprinting of Renewals of CDL Holders with Hazmat Endorsements

The U.S. Department of Homeland Security (DHS) has announced that states are being granted an extension until May 31 to implement the requirement to conduct background checks and fingerprinting for transfers or renewals of commercial drivers license (CDL) holders with hazardous material (hazmat) endorsements.

However, the effective date of the background check and fingerprinting requirements for **new applicants** seeking a CDL with a hazmat endorsement for the first time still goes into effect on Jan. 31, as scheduled. Only drivers applying for hazardous materials endorsements are affected; if disqualified to hold Hazmat endorsements, drivers may continue to transport all non-hazardous cargo under their CDLs.

New fees amounting to \$94 per applicant were issued by DOT on Jan. 13 to pay for the costs incurred in providing services related to the background checks and providing credentials. The fees are for the costs of information collection and transmission (\$38 per applicant); a \$34 threat-assessment fee; and an FBI background security check fee of \$22. The fees could be greater in states that collect and transmit the fingerprint information themselves, since the DHS/TSA rule does not set a limit on how much states can charge applicants.

Under final regulations issued by DHS' Transportation and Security Administration (DHS/TSA) on May 5, 2003, the estimated 3.5 million commercial drivers with hazardous material endorsements are required to undergo a routine background records check that includes a review of criminal immigration and FBI records. Any applicant with a conviction (military or civilian) for certain violent felonies over the past

seven years or who has been found mentally incompetent is not be permitted to obtain or renew the hazardous materials endorsement. The background checks also verify that the driver is a U.S. citizen or a lawful permanent resident as required by the USA PATRIOT Act.

A companion rule issued on May 5, 2003 by the Department of Transportation's Federal Motor Carrier Safety Administration amended its regulations to prohibit states from renewing, transferring or upgrading a commercial driver's license (CDL) with a hazardous material endorsement unless the DHS/TSA has first conducted a background records check of the applicant and determined that the applicant does not pose a security risk warranting denial of the hazmat endorsement. The FMCSA is also requiring states to establish a hazmat endorsement renewal period of at least five years to insure that each holder of a hazardous materials endorsement routinely and uniformly receives a security screening. The five-year renewal cycle was established in close coordination with DHS/TSA based on its security risk determination requirements. The rule does not apply to applicants for CDLs without a hazmat endorsement.

Under an interim final rule issued Nov. 24, DHS/TSA requires states to declare whether they wish to capture and submit the fingerprints, applicant information and fees itself, or wish to designate DHS/TSA to perform those tasks. States no longer are required to forward all driver applications to DHS/TSA, but are required to retain the applications for one year. DHS/TSA also changed the rule to generally allow for the transferability of hazmat endorsements to be applicable in multiple states so drivers are not required to undergo new background checks when obtaining a license in a new state.

Issue Ahead... Rail Rate Challenges in Small Cases (Ex Parte 646)

Significance: Still on the agenda of the federal Surface Transportation Board (STB) is the long-awaited initiative to streamline procedures for rail-rate challenges in "small rate" cases. These procedures are intended to be an alternative to the complex, costly procedures that apply to larger rate cases under the agency's so-called "stand-alone cost" standard.

The NGFA testified at the STB's first hearing on the issue in 2003. Subsequently, the NGFA collaborated and submitted additional written and oral testimony in conjunction with other organizations, including most recently an array of 27 agricultural and shipper groups. Collectively, the groups

urged the STB to: 1) adopt a bright-line standard for the definition of a shipper's eligibility for the small-rate case procedures based upon the cost and value of the case; 2) provide greater predictability in the standards to be applied to judge whether a disputed rate is reasonable; and 3) establish simplified and expedited procedures for these cases.

Status and Outlook: The STB's regulatory agenda for the next six months includes a reference to proposing – and soliciting comments on – new procedures for the small rate cases.



("BSE" continued from page 1)

technical team to Canada, APHIS Administrator Dr. Ron DeHaven expressed appreciation to Canadian officials for their willingness to cooperate with USDA's investigation. DeHaven reiterated confidence "that the animal and public health measures that Canada has in place to prevent BSE, combined with existing U.S. domestic safeguards, provide the utmost protections to U.S. consumers and livestock." [See related article below.] Among other things, Canada since July 2003 has banned all so-called "specified risk materials" from human food.

Similar to the FDA's BSE-prevention final regulations in the United States, the Canadian BSE-prevention feed rule, which took effect Aug. 4, 1997, allowed feed mills an additional 30 days to sell previously manufactured feed that may have contained mammalian material now banned from ruminant feed. Canadian cattle feeders had an additional 30 days – until Oct. 3, 1997 – to feed any products they had purchased that had been manufactured prior to Aug. 4.

"Based on preliminary information so far, it is likely that the infected animal consumed feed that was produced before the feed ban came into effect," the CFIA said. "This is not unexpected, since some feed purchased before the feed ban may have remained on farms for a period of time after the feed ban came into effect." Meanwhile, CFIA has launched a review of the inspections and compliance with its BSE-prevention feed rule, and is scheduled to announce the results during the week of Jan. 17. International animal health and feed experts are

expected to participate in the review, the agency said. CFIA officials have told the NGFA that Canada inspects feed mills and rendering plants at least annually, and conducts random inspections of farms.

The owner of the a six-and-a-half year-old (81-month-old) Charolais cow, Wilhem Vohs, told a press conference on Jan. 13 that 104 calves from the farm could have had access to the same feed as the BSE-infected cow; 70 of the cattle went to feedlots while 34 were used as breeding animals. Vohs immigrated to Canada from Germany in 1979 and launched "Valley of Hope Farms." Thus far, CFIA said it has identified 37 live cattle from the birth cohort, which are being held under quarantine and will be tested for BSE. No part of the BSE-infected animal entered the human or animal feed chain, CFIA said.

Meanwhile, CFIA said that it had completed the investigation of the BSE-contaminated feed implicated in another BSE case confirmed on Jan. 2, which involved an eight-year-old dairy cow. Based upon records of feed purchases and use, CFIA said it was able to confirm that the infected cow was exposed to feed containing ruminant-derived meat-and bone-meal that had been produced before the 1997 BSE-prevention feed rule took effect. On Jan. 17, CFIA said it had detected two additional birth cohorts of the infected dairy cow that had been exported to the United States – bringing the total to six. Ten other birth cohorts of the infected cow had been founded in Canada and had been killed and tested for BSE. All test results were negative for the disease.

Latest Canadian BSE Cases Refocus Attention on Border Opening

The Jan. 11 discovery of the fourth case of bovine spongiform encephalopathy (BSE) involving a Canadian-born cow – this one born five months after full implementation by both Canada and the United States of their respective BSE-prevention feed rules – renewed speculation as to whether the U.S. Department of Agriculture will be able to retain its final rule that classifies Canada as a "minimal-risk" country for BSE.

Under that final rule, imports of Canadian live cattle younger than 30 months, as well as most beef and beef products from cattle of all ages, would be eligible for import into the United States beginning March 7. Canadian sheep and goats less than 12 months of age also would be eligible for import.

The Senate Agriculture Committee has announced plans to conduct a Feb. 3 hearing on the USDA final rule. The House Agriculture Committee also plans to conduct

a hearing, although the date has not been finalized. Under the Congressional Regulatory Review Act, Congress can adopt a joint resolution revoking a federal regulation if it acts to do so within 60 legislative days (days that Congress is in session) following the issuance of a final rule. Based upon the current congressional schedule, that deadline would occur on or about April 18.

In a related development, Sen. Tim Johnson, D-S.D., said on Jan. 18 that he would introduce legislation to keep the U.S.-Canadian border closed to imports of live Canadian cattle until mandatory country-of-origin labeling is implemented by USDA. Referring to Canada as "a BSE-troubled country," Johnson said, "I think there are a lot of very legitimate questions about what in the world is going on in Canada with this repeated instance of BSE."

Meanwhile, the National Cattlemen's Beef Association sent a nine-member team to Canada to gather facts on the

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latest BSE cases. NCBA officials told the NGFA that a major focus of its trade team will be to tour Canadian feed mills and rendering plants, and obtain better information from Canadian government officials concerning inspections and compliance with that country's BSE-prevention feed regulations. The group also is meeting with Canadian Food Inspection Agency officials, including chief veterinarian Dr. Brian Evans, and has asked the Food and Drug Administration to audit Canada's compliance with that country's feed regulations. The group also is to identify the categories of Canadian live cattle that would be eligible for export to the United States, as well as inspect border crossings to verify the process that will be used to verify the identification and ages of Canadian cattle being imported.

In a statement issued on Jan. 11, NCBA "demand(ed) that USDA and FDA investigate Canada's feed ban compliance" and urged that future decisions on the USDA final rule reopening the border to Canadian cattle and beef imports be based on the results of such an investigation. "Once questions concerning Canada's compliance with its BSE firewalls have been adequately answered, NCBA members will consider their position on the Canadian rule and efforts to reopen the border," said NCBA President Jan Lyons. In a separate communication to members and state affiliates, NCBA said it would "insist" that U.S. beef trade with Japan and South Korea be resumed, and that

existing beef trade with Mexico be expanded. NCBA said it now will consider whether reopening those markets to U.S. beef can be accomplished if USDA retains its final rule opening the U.S. border to imports of live cattle and beef products from Canada. NCBA said it would make decisions on future policy during its Feb. 2-5 convention in San Antonio, Texas.

Meanwhile, the activist group R-CALF USA Inc. on Jan. 10 filed a lawsuit in the U.S. District Court in Montana seeking an injunction to prevent USDA from implementing its final rule. R-CALF's legal brief contends that USDA's final rule "creates an unjustified and unnecessary increased risk of infection of the U.S. cattle herd with (BSE) and of importing meat contaminated with BSE...." R-CALF contends that USDA has not conducted either a quantitative or supportable qualitative assessment of the risk posed to U.S. consumers and cattle by permitting the resumption of beef trade with Canada, such as the number of U.S. cattle that might be expected to contract BSE, the quantity of the U.S. meat supply that might become contaminated with the BSE infective agent or the number of U.S. consumers who might be at risk for contracting the fatal brain-wasting disease associated with BSE.

R-CALF also said the court had grounds to void the USDA final rule because it would expose U.S. cattle raisers to economic damage from import surges.

Senators Urge Appointment of Permanent FDA Commissioner

Senators used the first of two days of hearings on the nomination of current Environmental Protection Agency Administrator Michael Leavitt to become secretary of health and human services to urge that a permanent Food and Drug Administration commissioner be nominated soon.

Sen. Judd Gregg, R-N.H., immediate past chairman of the Senate Committee on Health, Education, Labor and Pensions, said FDA was an "agency in crisis" and asked Leavitt if a nominee for FDA commissioner would be announced by the end of January. Ranking member Sen. Edward M. Kennedy, D-Mass., chimed in, saying "that's not right for that agency" and "urging that we get that position filled." Leavitt, former Utah governor, responded that he shared the view that FDA "needs permanent leadership" and added that he would "do all I can to see that it occurs, and it's my sense that it will happen soon."

Dr. Lester M. Crawford has been serving as acting FDA commissioner since the departure in March of Mark McClellan to head HHS' agency that oversees Medicaid

and Medicare programs. Crawford since 2002 had served as FDA deputy commissioner. Crawford has extensive experience in the fields of public health and food/feed safety, having served as chair of the Department of Physiology-Pharmacology at the University of Georgia, administrator of USDA's Food Safety and Inspection Service and as director of FDA's Center for Veterinary Medicine. From 1997-2002, he was Director of the Center for Food and Nutrition Policy at Georgetown University and at Virginia Tech, where it moved in 2001.

During his testimony, Leavitt called FDA a "treasured brand" that symbolizes quality, safety and the best in world research. "At FDA, our goal must be to inform consumers about risks and benefits," he testified. "Our foundation must be sound science. Our motto must be independence." Leavitt said he had three major goals if confirmed as head of HHS: "The first goal is to leave things better than I found them," he said. "The second goal is to plant seeds for future generations. And the third goal is to give it all I have."





Employers Reminded to Post Injury, Illness Summaries by Feb. 1

Employers are reminded to post by Feb. 1 a summary of the total number of job-related injuries and illnesses that occurred during calendar 2004.

The Occupational Safety and Health Administration (OSHA) requires that the summary – OSHA Form 300A – be posted from Feb. 1 through April 30 in a “common area where notices to employees are usually posted.” Employers with more than 10 employees at any time during the preceding calendar year are required to keep an OSHA 300 log and post the summary. There no longer is a requirement to post the complete OSHA 300 log. The summary also is to include information about annual average number of employees and total hours worked during the calendar year to assist in calculating incidence rates. Employers that do not have any recordable injuries or illnesses are required to post the form with zeros inserted on the “total” line. OSHA also reminded

employers to make a copy of the summary available to workers who move from work site-to-work site, such as employees who do not report to any fixed company facility on a regular basis. Copies and instructions for filling out the OSHA 300A Form, as well as OSHA Forms 300 and 301, are available on the agency’s recordkeeping webpage which is available at: <http://www.osha.gov/recordkeeping/new-osh300form1-1-04.pdf>.

OSHA changed its recordkeeping regulations on Jan. 19, 2001 to update the three OSHA forms used by employers to list and detail workplace injuries and illnesses in an attempt to simplify the overall recordkeeping burden for employers. This is the second year that OSHA has required that all facility summaries be certified by a company executive. Previously, certification was required by the employer or the person who completed the log.

GIPSA Issues ‘Short-Voyage’ Fumigation Requirements

The U.S. Department of Agriculture’s Grain Inspection, Packers and Stockyards Administration (GIPSA) on Jan. 7 issued requirements that apply to fumigating grain and rough rice cargo shipments that are in-transit for five days or less. The so-called “short-voyage” fumigation requirements take effect on Feb. 13.

The GIPSA procedures apply when in-transit fumigation is required for short voyages to remove the special grade “infested,” or when official personnel are required to witness fumigation and certify that the fumigation was done according to official procedures.

To assist in determining whether and when GIPSA’s short-voyage fumigation procedures are applicable, the agency’s notice includes a list of countries with voyages meeting the five-day criteria. However, GIPSA said that the actual estimated time for the voyage – as determined by the ship’s captain – ultimately will prevail in determining if the voyage is five days or less.

GIPSA’s notice stated that recirculation is the only fumigation treatment method approved for short voyages. Aluminum and magnesium phosphide are listed as approved fumigants for use for short voyages, and the agency’s notice specifies the minimum dosages required when using either chemical. The notice further requires that the fumigated holds be placarded showing the minimum fumigation time of 84 hours. Fumigators are to stress the importance of this minimum exposure time to the vessel’s representatives and crew during the pre-fumigation conference, the GIPSA notice said.

The notice also addresses situations in which fumigation is required contractually. If requested, official personnel can witness the fumigation and provide a

statement on the official certificate that they observed the fumigation process, including the quantity and type of fumigant used, as well as the application procedures. However, GIPSA cautioned that contractual specifications cannot be used as a substitute for GIPSA’s official fumigation procedures that are required to remove the special grade “infested” from the official certificate. GIPSA’s official procedures are contained in the agency’s *Fumigation Handbook*, which also incorporates the requirements for short-voyage fumigation.

The short-voyage fumigation requirements are contained in GIPSA Program Notice FGIS-PN-05-0, which is available from the agency’s web site at: <http://www.usda.gov/gipsa/reference-library/bulletins/pn05-02.pdf>.



Calendar

- Jan. 22, 2005: NGFA 8th Annual Feed Industry Council Conference and Trade Show**
Memphis Downtown Marriott Hotel, Memphis, Tenn.
- Jan. 23, 2005: NGFA Feed Legislative and Regulatory Affairs Committee**
Memphis Downtown Marriott Hotel, Memphis, Tenn.
- Jan. 23, 2005: NGFA Feed Manufacturing and Technology Committee**
Memphis Downtown Marriott Hotel, Memphis, Tenn.
- Feb. 15-16, 2005: NGFA Animal Agriculture Committee**
NGFA Conference Room, Washington, D.C.
- March 30-April 1, 2005: NGFA 109th Annual Convention**
Hotel Del Coronado, San Diego, Calif.





Dow Receives EPA Approval for Spinosad Fumigant

...But Commercial Introduction to be Delayed Until Approvals Received in Major U.S. Export Markets...

Dow AgroSciences announced today that it had received approval from the U.S. Environmental Protection Agency for the use of spinosad as a protectant on stored grain and seed, including wheat, corn, rice, oats, sorghum and barley.

However, in recognition of the importance of these commodities in U.S. export markets, Dow said it would delay commercial introduction of spinosad until the fumigant is recognized under "key international trade standards or registrations have been obtained." Tim Hassinger, global business leader for Dow AgroSciences, said, "...since the grains that will be treated with spinosad are traded on a global basis, it is in the best interest of everyone to delay its commercial launch until the appropriate standards or registrations are established in key countries where U.S. grain is exported."

Dow's statement said that it would work closely with "key industry trade associations and other stakeholders to "establish and synchronize key international trade standards" for spinosad "as soon as possible." One potential avenue being explored by Dow for international approval is through the Codex Alimentarius Commission, which was established in 1963 by the United Nations to

develop science-based international food safety standards designed to protect human health, while facilitating trade in food, feed and agricultural products. Dow's statement did not identify the specific foreign countries from which registration approval of spinosad would be obtained before the company introduces the product for commercial use in the United States. But in meetings with the NGFA and North American Export Grain Association (NAEGA), Dow representatives have said that Dow would be seeking by 2006 import approvals in a number of foreign markets, including Japan, Europe, Mexico, Canada, Australia, New Zealand and Argentina. For Taiwan and Korea, Dow said it is exploring whether a Codex tolerance would prove adequate.

EPA's registration of spinosad, a member of Dow's Naturalyte® insect-control class of insecticides, encompasses more than 200 row and specialty crops, the company said. A Dow representative told the NGFA that spinosad has been registered for field application on wheat, soybeans and corn for approximately six years, but is rarely used on those crops. Dow said spinosad controls key grain and seed pests, including Indian meal moth, lesser grain borer and other pests.

EU Proposes New Maximum Limits for Vomitoxin, Zearalenone

The European Union (EU) has notified the World Trade Organization (WTO) of its proposal to establish maximum limits for vomitoxin (deoxynivalenol or DON) and zearalenone on raw and processed agricultural commodities.

While the EU-proposed limits are extremely low, they also are curious because of the different levels proposed for different raw agricultural commodities.

- ▶ For DON, the EU proposes to establish maximum limits of: 1) 1.25 parts per million (p.p.m.) in unprocessed cereals other than durum wheat, oats and corn; 2) 1.75 p.p.m. in unprocessed durum wheat and oats; 3) 75 parts per billion (p.p.b.) in cereal flour, corn grits and corn meal, as well as pasta; 4) 200 p.p.b. in processed cereal-based food for infants and young children; and 5) 500 p.p.b. in bread, pastries, biscuits, cereal snacks and breakfast cereals.
- ▶ For zearalenone, the EU proposes to set maximum limits of: 1) 100 p.p.b. for unprocessed cereals, other than corn; 2) 75 p.p.b. for cereal flour, except corn flour; 3) 50

p.p.b. for bread, pastries and biscuits; 4) 50 p.p.b. for cereal snacks and breakfast cereals (other than corn snacks and corn-based breakfast cereals); and 5) 20 p.p.b. for processed cereal-based food for infants and young children.

If adopted, the aforementioned limits for DON and zearalenone are scheduled to take effect on July 1, 2006, the EU notice said. The limits would apply to all EU member states and to third countries, such as the United States, exporting such agricultural products to the EU. The EU notification stated that it intends to set maximum limits for DON, zearalenone and fumonisins B₁ and B₂ for corn and corn products before July 1, 2007. Maximum limits for levels of T₂ and HT₂ toxins also may be set by July 1, 2007, the EU notice said.

The NGFA/GEAPS Joint Grain Grades and Weights Committee is reviewing the EU proposal and will submit comments for use by the U.S. government in responding to the EU and WTO.



Membership Matters

by Todd Kemp
Director of Marketing/Treasurer

February Frenzy Starts Now!

The NGFA's annual winter membership promotion is here!

Each February, all NGFA members are challenged to become recruiters for a month – hence, the name “February Frenzy!” This is a concentrated 28-day period during which we want to sign up as many new members as possible.

And each year, we offer a special grand prize as an incentive and a reward for our successful recruiters. This year's prize is a fun-filled weekend in St. Louis! The grand prize package includes:

- Airfare for two to St. Louis
- Two weekend nights at the beautiful Hyatt Regency Union Station (site of the NGFA's Country Elevator Council conference on Dec. 4-6, 2005).
- Two tickets to the National League Champion St. Louis Cardinals baseball game.
- Dinner at Eleven Eleven Mississippi, St. Louis's hottest new restaurant – rated by Zagat's as one of the Top 10 new restaurants in the United States!

All sponsors of a new NGFA member starting now and running through Feb. 28 will be eligible for our Grand Prize Drawing. The drawing will occur at close of business on Feb. 28.



National Grain and Feed Association
1250 Eye St., N.W., Suite 1003
Washington, D.C. 20005-3922

TIME SENSITIVE

Recruiting Strategies: Here are some ideas for recruiting new members:

1. Check your *NGFA Directory* to see if your competitor, your neighbor or your suppliers are listed. If not, they probably are not members – call the NGFA office to check if you're unsure.
2. Request that NGFA staff send an information kit to your prospect.
3. Call your prospect and invite them to become an NGFA member. Tell your story – why you joined, why you remain a member and what you get out of it. Talking points are available from staff.
4. Report the results of your contact to Todd Kemp at tkemp@ngfa.org or (202) 289-0873. Every contact will be followed up with a phone call.
5. Repeat Steps 1 – 5!
6. Sit back and wait for your name to be drawn. Then “*Meet Me in St. Louie!*”

Join the Membership Network! Want to receive regular e-mail updates on NGFA membership recruiting and retention, including lots of membership prospects? Sign up for the Membership Network by e-mailing tkemp@ngfa.org. Thanks for continuing to grow the membership of **your** national association!

