



CFTC Response on Cash Grain Contracting Provides Limited Flexibility

The Commodity Futures Trading Commission's Division of Economic Analysis has reemphasized that while cash grain contracts may be canceled pursuant to a separately negotiated agreement between buyer and seller, the initial contract offered by grain merchants cannot provide for a cancellation feature.

Further, the agency said that while a fee may be charged to change a contractual obligation, such a fee may **not** be assessed in exchange for permitting a party to walk away from its delivery obligation.

The statement, dated Aug. 1, was in response to a series of questions concerning hypothetical examples posed by the NGFA seeking to clarify the scope of the statutory exclusion from CFTC regulation that applies to agricultural cash-forward contracts. During the March 28 meeting of the CFTC's Agricultural Advisory Committee, NGFA representative William A. Dodds, grain merchandising manager for The Andersons, Maumee, Ohio, posed a series of hypothetical "real-world" examples of the uncertainties confronting the agricultural marketplace given the agency's

failure to provide greater clarity to its interpretation of the statutory exclusion applying to cash forward contracts. The questions concerned: 1) whether it is permissible for grain elevators and farmers to mutually agree to cash-settle a forward contract or roll performance to the next crop year if the producer experiences a crop failure or subsequently finds a better market alternative for the commodity; 2) whether farmers have the flexibility to cash-settle and re-price hedge-to-arrive contracts; and 3) whether a multi-year fully fixed futures price contract is permissible within the exclusion granted to forward cash contracts.

The CFTC Division of Economic Analysis' response does not break any new legal ground and simply restates the agency's previous interpretations of the Commodity Exchange Act and CFTC regulations as they apply to the hypothetical situations. Further, the division wrote that its letter may not be cited as the legal opinion of the CFTC or itself because the determination of the

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Senate Approves Farm Spending Bill for 2001 Crop Year

After considerable wrangling, the Senate on Aug. 3 adopted by unanimous consent the House-passed version of the 2001-crop assistance bill (H.R. 2213). Because the Senate adopted the House version, there was no need for a conference committee to resolve differences in the bills, and it was forwarded to President Bush for his signature.

The bill, which passed the House on June 26, will distribute \$4.6 billion in "supplemental market loss assistance payments" to wheat, feed grains and cotton producers in the form of direct Agricultural Marketing Transition Act (AMTA) payments. The amount of the payments would be "proportionate" to the regular 2001 AMTA payments.

The bill also provides:

- ▶ \$423 million for 2000-crop oilseed producers;
- ▶ \$54.2 million for peanut producers;
- ▶ \$16.9 million for producers of wool and mohair;
- ▶ \$84.7 million for producers and first-handlers of cottonseed;

- ▶ \$129 million in supplemental payments for tobacco quota holders;
- ▶ \$10 million for direct and indirect costs associated with the processing, transportation and distribution of commodities;
- ▶ \$500,000 to each state and \$1 million to Puerto Rico to promote agriculture; and
- ▶ \$134 million in direct payments and grants to individual states to purchase specialty crops.

The bill also increases the payment limits on marketing loan gains and loan deficiency payments (LDPs) to \$150,000 per person for the 2001 crop year, up from the current \$75,000 limit.

The budget resolution adopted by Congress earlier this year allocated an additional \$5.5 billion for assistance to the agricultural sector, but required that the funds be spent by Sept. 30.

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AAFCO Debates Future of 'Animal Protein Products' Collective Term

During its Aug. 3-6 annual meeting, the Association of American Feed Control Officials began a debate over the future use of the so-called "collective term" for animal protein products.

The concept of collective terms was adopted in 1969 as a method for describing – in a single term on feed labels – a group of ingredients that perform a similar function, but do not necessarily have equivalent nutritional values. The collective term "animal protein products" encompasses 45 such ingredients, including meat and bone meal, poultry byproducts, milk protein, various forms of whey, fish meal and other forms of fish protein, casein and other protein-based ingredients of animal origin. When the collective term is used on a feed label, the individual ingredients within that group cannot be listed on the label. Animal protein products is one of seven collective terms approved by AAFCO and recognized in most states.

For feed manufacturers, the use of the animal protein products collective term is extremely useful and cost-effective. It enables manufacturers to interchange animal protein sources used in feed based on least-cost formulations, without having to change the list of individual ingredients that are preprinted on feed tags and labels. At the same time, feed customers are assured that the feed contains protein sources adequate for the species for which the feed is intended.

In 1998, AAFCO – the professional organization of state and federal feed regulatory officials – acted to designate individual ingredients found within the "animal protein products" collective term which, if derived from ruminant animals, are prohibited from being used in ruminant feed under the Food and Drug Administration's regulation. FDA's rules are designed to prevent the establishment or spread of bovine spongiform encephalopathy (BSE) in the United States, which is BSE-free. Feeds containing these protein sources that are prohibited from use in cattle and other ruminant animals are required by FDA to contain the BSE caution statement, which reads: "Do not feed to cattle or other ruminants." The presumption has been that unless the BSE caution statement is present, feeds bearing the animal protein products collective term do not contain protein from ruminant sources.

But some AAFCO officials have expressed a desire to go a step further. During a meeting of AAFCO's BSE Task Force, AAFCO presented the results of an unscientific, anecdotal survey of its members that yielded several possible changes, including elimination of the animal protein products collective term or changing the collective term to no longer allow such restricted-use proteins to be included. Some contended that elimination of the collective term would expedite inspections and enhance compliance with FDA's BSE-prevention rule.

In response, the NGFA and other industry groups said that they were unaware of any abuse of the collective term, and that AAFCO should more adequately demonstrate how changing or eliminating the collective term would improve the efficiency or accuracy of inspections, or enhance the understanding of feed customers. The NGFA noted that even if the animal protein products collective term was eliminated or revised, it still would be necessary for inspectors to examine the records of feed manufacturers to determine the types of animal proteins being used in ruminant feed formulations to ensure compliance with FDA's BSE-prevention rule. The NGFA also noted that feed manufacturers that use the collective term already are required upon request to provide inspectors with information on the specific types of animal protein ingredients being used. The matter is likely to be discussed further when AAFCO conducts its mid-year meeting in January.

FDA Issues New Compliance Guide for Inspections of Feed Manufacturers

The Food and Drug Administration's Center for Veterinary Medicine this week unveiled the new version of its compliance policy guide (7371.004) for feed manufacturing.

The document provides guidance for inspectors and industry concerning compliance with the agency's current good manufacturing practice (CGMP) regulations for medicated feeds, as well as other FDA rules that apply to feed manufacturers – including regulations designed to prevent the establishment or spread of bovine spongiform encephalopathy (BSE) in the United States.

The new compliance guide contains several major improvements in the inspection report for medicated feeds compared to the previous version, including a marked reduction in the number of proprietary business questions posed that have no bearing on compliance with CGMP regulations – although it still asks inspectors to determine the annual volume of medicated and non-medicated feed produced by the facility.

But the new compliance guide contains several sections concerning regulatory standards that are under active review and may be changed through future FDA rulemakings expected to be launched by the end of the year. These include sections on electronic records and signatures (although the new guide does recognize this is a controversial issue), assay requirements and master record files. A copy of the new compliance policy guide is available by mail by contacting Randy Gordon at the NGFA at (202) 289-0873, or via e-mail at rgordin@ngfa.org.



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legitimacy of each contract is "fact intensive," and "based on the economic reality of the transaction, taking into account the totality of the circumstances surrounding the transaction," thereby limiting the value of the letter when defending against allegations that certain cash contracts are illegal.

Under the CFTC's structure, the Division of Economic Analysis is responsible primarily for detecting and protecting against price manipulation. Among other things, it reviews applications for new futures and option contracts and changes to existing contracts to ensure that the terms and conditions conform to cash market practices. It also conducts daily market surveillance to detect actual or potential price manipulation, congestion or price distortions. It also provides economic analyses for enforcement investigations and expert testimony for litigation, and conducts research on market issues.]

Among the CFTC Division of Economic Analysis' responses were these: [*See the enclosed edition of **Government and Grain** for the full text of the letter.*]

◆ **Cancellation of Cash Forward Contracts:** The CFTC Division of Economic Analysis wrote that it is permissible to cancel cash forward contracts so long as such cancellation results from a separately negotiated settlement involving a cash payment. By separate, it means that the original contract may not provide for cancellation in any way.

Further, the agency wrote that a contract that provides the customer the right to cancel in exchange for a fee is

impermissible (unless, of course, it is an agricultural trade option written pursuant to CFTC regulations).

◆ **Rolling Forward of Delivery Obligations:** The CFTC Division of Economic Analysis wrote that rolling forward the delivery obligation can be a form of contract cancellation, and can only be accomplished legally as the result of a separately negotiated agreement that includes the determination of a new price and delivery period.

◆ **Multi-Year Contracts:** Finally, the CFTC Division of Economic Analysis wrote that multi-year contracts are treated no differently than single-year contracts. But the division said issues arise in connection with the manner in which multi-year contracts are priced. If prices for each year are fixed at the outset so that the price is related to the year of delivery, then such contracts are permitted pursuant to a 1985 interpretative letter written by the CFTC's general counsel's office. But if the price is fixed to a year in which delivery is not intended and the contract must be rolled forward, such a contract would be illegal because there is no fixed price or pricing formula, the division wrote. The Division of Economic Analysis also reiterated its previously stated position (conveyed in its 1996 interpretative letter concerning hedge-to-arrive contracts) that the rolling forward of the delivery obligation across crop years creates significant additional risks and does not represent prudent risk-management practices. The CFTC stated that "in essence the rolling of a delivery commitment across a crop-year where the farmer did not have a cash position in the commodity amounted to a speculative play on an intercrop-year spread."

("Farm Spending Bill" continued from page 1)

Senate Rejects Democratic Attempt to Increase Spending: In approving the House version of the farm spending bill, the Senate eventually relented from efforts to pass a \$7.4 billion spending package (S. 1246) developed by Senate Agriculture Committee Chairman Tom Harkin, D-Iowa, and Senate Majority Leader Tom Daschle, D-S.D. The Harkin-Daschle approach would have derived \$5.5 billion from the current 2001 fiscal budget and an additional \$1.9 billion in fiscal 2002, which begins Oct. 1. Supporters of the Harkin-Daschle approach argued that the additional funding was necessary, while opponents – led by Sen. Richard Lugar, R-Ind., ranking member of the Senate Agriculture Committee, contended that Congress needed to remain within the parameters of the budget resolution and should not potentially reduce the amount of funding available in fiscal 2002 for spending on a new farm bill. The Bush administration weighed in by saying it intended to veto a bill that exceeded the \$5.5 billion level, regardless of

when the money was spent.

The clock became the overriding factor. Both sides agreed that legislation had to be passed before Congress adjourned for its August recess, and there wasn't enough time for Congress to pass a distinct Senate bill, resolve the differences between the two chambers' versions, have each chamber approve a final package, send it to the president for approval and address a likely veto. In addition, the administration warned the Senate that if it waited until September to finish action, the U.S. Department of Agriculture would not have enough time to spend the funds by the Sept. 30 deadline.

After the failure of a last-ditch motion by Daschle to limit debate on the Harkin spending plan and bring it to a final vote, the Senate adopted the House bill by unanimous consent and recessed until Sept. 4. But following the vote, Daschle promised that Senate Democrats would attempt to develop separate legislation to send the additional \$1.9 billion in aid to producers as soon as possible after Congress reconvenes.



Farm Bill, Trade on Agenda When Congress Returns Sept. 4

Further work on a new farm bill and legislation intended to grant President Bush trade-promotion authority (fast-track) will be among the issues on the agenda when Congress returns from its August recess on Sept. 5.

► **Farm Bill:** The focus on a new farm bill will shift to the Senate, where Agriculture Committee Chairman Sen. Tom Harkin, D-Iowa, has begun hearings that could result in a Senate version of a farm bill later this fall. Thus far, the Senate Agriculture Committee's hearings have focused on conservation and livestock, with several commodity organizations also testifying. Harkin has signaled his intent to make conservation incentive payments for working farmland a major focus of a new farm bill. And ranking member Sen. Richard Lugar, R-Ind., has introduced his own conservation bill (S. 1326) hoping to garner some Democratic support. Lugar's bill would increase funding for the Environmental Quality Incentives Program (EQIP), retain the current 36.4 million acre cap on the Conservation Reserve Program (CRP), and allow for an additional 2.5 million acres to be enrolled in the Wetlands Reserve Program.

Meanwhile, it is unclear when the farm bill (H.R. 2646) approved on July 26 by the House Agriculture Committee will be submitted to the floor for a vote. [See *NGFA Newsletter*, July 26, 2001.]

► **Trade Promotion Authority:** Hoping to generate additional grassroots support over the August congressional recess, House Republican leaders delayed until September a vote on whether to grant President Bush trade promotion (fast-track) authority. A vote on the measure tentatively had been scheduled for early August, but was postponed because of indications that the bill was short of the 218 votes needed for passage.

Meanwhile, Rep. Cal Dooley, D-Calif., and two other moderate Democrats – Reps. John Tanner, D-Tenn., and William Jefferson, D-La. – met with House Ways

and Means Committee Chairman Bill Thomas, R-Calif., in an attempt to reach a compromise agreement. Dooley has said that a trade promotion authority bill that generates the 30 to 40 Democrats believed to be needed to secure passage will have to: 1) stipulate greater congressional involvement in negotiating trade agreements; 2) include provisions that prevent countries from lowering their labor and environmental laws to attract manufacturing businesses; and 3) contain language that clarifies that president is neither required nor precluded from using any particular tool, including sanctions, when enforcing trade agreements. The Bush administration is seeking such authority to negotiate a Free Trade Area of the Americas, as well as a new global trade round under the World Trade Organization that is scheduled to begin in November.

► **Agriculture Appropriations:** Also awaiting action is the appropriations bill that provides funding for the U.S. Department of Agriculture and Food and Drug Administration for the 2002 fiscal year. The full House on July 11 approved its version of the
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Members of the NGFA's Country Elevator Committee and several NGFA staff are shown during their July 16-17 meeting in Washington, during which they visited more than 20 congressional offices to discuss the NGFA's position on the farm bill and the importance of trade to U.S. agriculture.



("Farm Bill" continued from page 4)

agricultural appropriations bill, while the Senate version (S. 1191) was approved by the Senate Appropriations Committee on July 17, and is awaiting floor action. When it does reach the Senate floor, the most contentious issue may be an amendment that may be offered to that would reauthorize the Northeast Dairy Compact. The compact, which expires Sept. 30, allows certain states to set a single price that dairy producers in those states receive for their fluid milk. Northeastern and Southern senators want to reauthorize the compact and allow for the creation of new ones. Midwestern senators are adamantly opposed to reauthorization, saying it costs their dairy farmers millions in lost revenue.

The \$74.5 billion House bill would provide \$1 billion for the Agriculture Research Service, an increase of \$80 million over fiscal 2001; \$946 million for USDA Farm Service Agency (FSA) salaries and expenses, an increase of \$120 million; \$33.1 million for the Grain Inspection, Packers, and Stockyards Administration (GIPSA), up from \$31.4 million; \$720 million for the Food Safety and Inspection Service, up from \$695 million; and \$909 million for conservation programs, up from \$872 million.

The Senate bill, which is awaiting floor action, would authorize \$1.1 billion for ARS, \$939 million for FSA salaries, \$721 million for FSIS, \$34 million for GIPSA, and \$980 million for conservation programs. Both bills **reject** the administration's proposal to increase user fees for official grain inspection and weighing services to fund the standardization activities of the Federal Grain Inspection Service.

- ◆ **Inland Waterways:** Both the House and Senate have passed separate versions of the fiscal 2002 energy and water appropriations bill (H.R. 2311 and S. 1171, respectively) which funds U.S. Army Corps of Engineers activities. Next step will be a joint House-Senate conference committee to resolve differences between the respective versions.

Both bills would continue to fund the U.S. Army Corps of Engineers' feasibility study to improve navigation on the Upper Mississippi and Illinois River System. The Senate version specifically notes the recent controversies over the study, but also urges to agency to complete the study within 18 months after the bill is signed into law. Meanwhile, the House bill would prevent the agency from using any funds to implement a proposed change in the Missouri River Master Water Control Manual. The Corps had intended to alter management of the Missouri by allowing for higher springtime

water flows to provide improved habitat for several endangered species and better recreation options for upstream states. But opponents of the plan cited increased risk of flooding for downstream states and a reduction of the navigability of the river for barges. The Senate bill contains a provision, adopted unanimously, that would encourage the Corps to study all possible options for management of the Missouri, not just the revised master manual.

- ◆ **Mexican Trucks:** A joint House-Senate conference committee will need to be appointed to resolve differences in separate fiscal 2002 appropriations bills approved by the House and Senate for the U.S. Department of Transportation – both of which face a presidential veto over their approaches to regulating the movement of Mexican trucks on U.S. highways.

As part of a \$60 billion bill (S. 1178) funding operations of the U.S. Department of Transportation during the 2002 fiscal year, the Senate on Aug. 1 approved provisions that would require U.S. officials to verify the safety of Mexican trucks before they could proceed farther than the currently allowed 20 miles into the United States. The Senate's requirements include having U.S. Department of Transportation inspectors travel to Mexico to perform inspections on Mexican trucks prior to their entry into the United States to verify compliance with U.S. safety laws, as well as a requirement for a follow-up review prior to final approval of an application by a Mexican trucking firm. The bill also would require that all Mexican trucks carry insurance written by a U.S. insurance company. Meanwhile, the House version of the bill (H.R. 2299), passed on June 26, would prohibit funds from being spent to process applications for Mexican trucks to drive on U.S. highways, effectively barring them from entry altogether. Opponents of the Senate measure, including Sens. Phil Gramm, R-Texas, John McCain, R-Ariz. – joined by the Bush administration, which has said it would veto both the current House and Senate versions of the bill – have vowed to continue their opposition to the Mexican truck provisions because it violates the North American Free Trade Agreement and adopts different standards than applied to Canadian trucks. Both senators have said they have the votes to sustain a presidential veto.

Under NAFTA, the United States agreed to open its borders to trucks from Mexico and Canada, following a phase-in period. But the deadline for implementation passed without the United States allowing Mexican trucks full access. In February, a NAFTA arbitration panel ruled that the United States was in violation of its treaty obligations. Subsequently, the Bush administration announced it was prepared to end all restrictions on U.S. access for Mexican trucks starting Jan. 1, 2002.





EPA Declines to Set Tolerance for StarLink™ Corn

The Environmental Protection Agency announced July 27 that it would not set a tolerance that would allow trace levels of the Cry9C protein found in StarLink™ corn to be present in raw corn intended for human consumption.

The agency acted after it released a report from its Science Advisory Panel – consisting of 16 medical experts, scientists and academics – in which the panel declined to recommend a specific tolerance level for Cry9C protein. The Science Advisory Panel, whose report was released July 27 following its July 17-18 public meeting, reiterated its previous conclusion that there is a “medium likelihood” that the Cry9C protein is a potential human allergen.

Aventis CropScience, manufacturer of StarLink corn, had petitioned EPA to establish a 20-part-per-billion tolerance for residues of Cry9C, stating in its revised dietary exposure assessment that 0.125 percent of corn in all corn-based foods, including those produced from white corn, may be comprised of StarLink. Aventis also maintained that level of Cry9C protein in raw grain was 0.0129 percent, which it called “a very low level of total protein expression” compared to most allergens which are present at 1 to 40 percent of the total plant protein.

But EPA’s Science Advisory Panel said it had “concerns...about the accuracy of the revised Aventis dietary exposure assessment for Cry9C protein... particularly...the appropriateness of the analytical

method used to determine Cry9C protein content in finished food...” The EPA science panel also said it was concerned that the current assay used by the Centers for Disease Control (CDC) and the Food and Drug Administration to investigate reports from persons asserting that they had suffered allergic reactions after consuming corn-based products “lacks sufficient sensitivity” to categorically dismiss Cry9C as a potential human allergen. “[N]ew data concerning the StarLink corn protein, including the FDA/CDC report...have not substantially increased the understanding of the allergenic potential of the Cry9C protein,” the panel said. “[N]o new evidence has been presented that demonstrates StarLink Cry9C protein’s allergenic potential is diminished....Additional studies are necessary to eliminate Cry9C proteins as a potential cause for the allergic symptoms reported.”

However, the EPA Science Advisory Panel’s report endorsed EPA’s conclusion that the corn wet-milling process removes virtually all of the StarLink protein from products made for human food. “This supports the agency’s determination that there is no public health risk from eating products manufactured from StarLink corn through the wet-milling process, provided that (the) corn utilized...does not contain significant levels of StarLink,” EPA said. The panel also supported EPA’s assessment that the presence of StarLink corn will “essentially be eliminated from the corn supply by 2002, provided current efforts to test for and contain StarLink corn and seed are maintained.”

USDA Reauthorizes Emergency, Temporary Storage for 2001 Harvest

The U.S. Department of Agriculture’s Farm Service Agency on July 30 issued a notice (BCD-9) reauthorizing the use of emergency and temporary storage for the 2001 harvest.

Warehouse operators seeking to use **emergency storage** (ground piles) are required to first receive approval from the appropriate licensing authority – state or federal – as well as USDA’s Commodity Credit Corporation, and provide written justification to CCC on the need for such storage in the local area, including the specific location and quantity of emergency storage for which approval is being sought. If approved, the warehouse operator is required to meet

the same Commodity Credit Corp. security, net worth, bonding and insurance requirements as required for conventional storage space. The warehouse operator also is required to maintain a separate inventory record of all grain stored in emergency space and account for such grain in the firm’s daily position record. Grain stored in emergency space is to be removed by Jan. 31, 2002.

USDA said warehouse operators wishing to continue to utilize **temporary storage** may do so from the time of initial approval until May 1, 2002. Temporary space consists of storage that has an asphalt or concrete floor; rigid, self-supporting sidewalls; aeration and a cover.



USDA Issues Compensation Rules for Karnal Bunt

The U.S. Department of Agriculture on Aug. 6 issued permanent standards for compensating producers, grain handlers and millers adversely affected by Karnal bunt for crop years 1999-2000, 2000-01 and future crop years.

The NGFA, in a July 13 letter to Secretary of Agriculture Ann Veneman, had urged USDA to make its Karnal bunt compensation program permanent. [See enclosed Aug. 9 edition of *Issues and Actions*.]

USDA's Animal and Plant Health Inspection Service (APHIS) said that growers, handlers, and seed companies will be eligible for compensation for wheat testing positive for Karnal bunt that met each of the following criteria:

- ▶ The wheat was grown in a state where USDA has declared an "extraordinary emergency";
- ▶ the wheat was grown in an area of that state that became regulated for Karnal bunt after the crop was planted, or for which an Emergency Action Notification (PPQ Form 523) was issued after the crop was planted; and
- ▶ the wheat was grown in an area that remained regulated or under Emergency Action Notification at the time the wheat was sold.

Wheat testing negative for Karnal bunt from areas meeting these criteria will not be eligible for compensation under these rules "because of the lack of restrictions on the movement of negative-testing wheat," APHIS said. The presence of a bunted kernel – not Karnal bunt spores – is the factor APHIS uses to determine whether Karnal bunt is present.

Karnal bunt is a fungal disease of wheat that generally causes little direct loss in either quantity or quality of wheat seed or grain. But it can discolor and leave an odor in flour produced from such wheat, and can result in considerable economic loss because of its regulation in international markets as a pathogen.

Compensation Rules: Under its new rules, USDA will provide up to 60-cents-per-bushel in compensation to growers, handlers and seed companies having wheat that tests positive for bunted kernels from areas "previously regulated" for Karnal bunt; that is, an area that became regulated for Karnal bunt **before** the crop for that particular season was planted.

Growers, handlers and seed companies having wheat that tests positive for Karnal bunt from a "first-regulated crop season" will be compensated at a rate of \$1.80 per bushel. A "first-regulated crop season" is an area that became regulated for Karnal bunt **after** the crop for that particular season was planted.

For the 1999-2000 growing season, all areas that are regulated for Karnal bunt are classified as "previously regulated" areas. For the 2000-01 crop season, some areas that are regulated for Karnal bunt are "previously regulated" areas, while four counties in Texas (Young, Throckmorton, Archer and Baylor) and a portion of Maricopa County in Arizona are classified as being in the "first-regulated" crop season.

In addition, USDA said it will provide compensation on a one-time only basis for up to 50 percent – not to exceed \$20,000 – to offset the cost of required decontamination of grain storage facilities found positive for Karnal bunt. APHIS also will provide compensation at a rate of \$35 per ton for the cost of heat-treating millfeed, which APHIS requires for wheat that tests positive for Karnal bunt.

Obtaining Compensation: The rules state that claims for compensation for the 1999-2000 and 2000-01 crop seasons must be received by USDA's Farm Service Agency by Dec. 4, 2001 and March 1, 2002, respectively. For subsequent years, claims must be received by March 1 of the year following the crop season. USDA said.

NGFA Calendar

Sept. 9-10:	Board of Directors Meeting Waterfront Hotel, Vancouver, BC
Dec. 1:	Leadership Conference Marriott Hotel Downtown, Indianapolis, Ind.
Dec. 2-3:	Feed Industry Council Meeting Marriott Hotel Downtown, Indianapolis, Ind.
Dec. 3-4:	Country Elevator Council Meeting Marriott Hotel Downtown, Indianapolis, Ind.
March 13-15, 2002	NGFA Annual Convention Westin Hilton Head Resort, Hilton Head, S.C.



Membership Matters

Membership Month Enters Home-Stretch!

Only Days Left to Qualify for Big Prizes!

The NGFA's 2001 *Membership Month* promotion ends Aug. 17, and a few more new members are needed to end the month with a bang!

Don't forget that all successful recruiters are entered in a grand prize drawing for the following:

► **San Francisco Weekend:** Airfare for two, courtesy of *Flex Leasing*, San Francisco, Calif.; two nights' accommodations in the GATX corporate apartment and Giants tickets, courtesy of *GATX Rail*, San Francisco, Calif.; and dinner for two at one of San Francisco's renowned restaurants, courtesy of *EnviroLogix*, Portland, Maine.

Every new member sponsored gets you an extra chance, so get out and hustle those memberships!

► And don't forget to tell your prospect that they will qualify for a **Hilton Head Getaway** next March, built around the NGFA's 106th annual convention. Prizes include airfare for two and three nights' accommodations at the Westin Hilton Head Resort, courtesy of *Harris-Crane Inc.*, Char-

lotte, N.C.; and complimentary registration to the NGFA convention, courtesy of the NGFA.

Thanks to our generous sponsors for supporting *Membership Month* and the NGFA's membership program!

'On the Road' Again!



The NGFA's new Director of Feed Services, David Fairfield, and Director of Marketing Todd Kemp hit the road July 30-Aug. 1 to visit current and prospective members in western and central Iowa. Prospective new members that they visited were: The Western Iowa Cooperative, Hornick; Galva Holstein Ag, Holstein; First Cooperative Association, Cherokee; West Bend Elevator Co., West Bend; Juergens Produce & Feed, Carroll; Heartland Pork Enterprises, Alden; and Central Counties Cooperative, Reinbeck.

If you know these organizations or do business with them, give them a call and invite them to join the NGFA!



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