

NOTICE

SAVE THIS PURCHASE ANNOUNCEMENT FOR FROZEN FRUIT JUICES

Frozen fruit juices to be purchased by the United States Department of Agriculture (USDA) under the Purchase with State Funds (PSF) Program will be purchased from specifications contained herein. From time to time, "Invitations" will be issued containing details needed for submitting offers; such as dates for receipt of offers, acceptance dates, quantities expected to be purchased, and shipping or delivery periods.

Specifications, labeling information, and general contract terms and conditions that are incorporated in this Announcement will not appear in the Invitations. Therefore, prospective offerors should retain this Announcement for future reference.

Offerors are cautioned to read carefully all terms and conditions of *General Terms and Conditions for the Procurement of Agricultural Commodities or Services (hereinafter called "USDA-1")*, Revision No. 2, as amended by Amendment No. 1 dated October 1990 (replaced Amendment No. 1 dated March 1989), Amendment No. 2 dated November 1990 (replaced Amendment No. 2 dated July 1989), Amendment No. 3 dated August 1989, and Amendment No. 4 dated March 1990, this Announcement, and the applicable Invitation. Directions for obtaining copies of these documents are contained in Article XVII. Inquiries, of this Announcement.

**PURCHASE OF FROZEN FRUIT JUICES UNDER THE
PURCHASE WITH STATE FUNDS (PSF) PROGRAM**

I. GENERAL

The United States Department of Agriculture (hereinafter called "USDA") may from time to time issue invitations for offers (hereinafter called "Invitation") under this Announcement to sell to USDA, frozen fruit juices originating from crops 100% grown, processed, and packed in the United States (including Puerto Rico). This Announcement provides the terms and conditions for such purchases.

The Invitation will specify the product, container size, quantity, shipping periods, year(s) of pack or crop year(s), office to which offers are to be submitted, closing time for receipt of offers, and provisions and specifications applicable to the proposed procurement, which are in addition to or different from those set forth herein.

A. Type of Purchase

1. If Purchased F.O.B. Shipping Point (origin buy)

Prices shown in offers must be on a shipping point (origin) basis. Delivery of the frozen fruit juices shall be made f.o.b. railcars or trucks, at USDA's option, at the shipping point(s) named in the contract. Offerors must provide the location of the nearest available rail siding from which the commodity may be shipped. USDA will furnish shipping instructions to the Contractor and will pay carriers directly for transportation and other related services. When shipment by rail is requested, transportation and other charges necessary to place the commodity f.o.b. railcars will be for the account of the Contractor. Contractors may request USDA to consider an amendment to the contract to provide for delivery f.o.b. truck at ultimate destination. Such a proposal will be favorably considered provided, (1) the consignee can accept by truck; (2) the delivered cost by truck for the commodity involved is less than the f.o.b. shipping point cost plus the total charge for effecting movement of a like quantity to the same final destination by rail. Shipment in open van carriers is **not** allowed.

2. If Purchased F.O.B. Destination (destination buy)

Offer prices must be quoted and delivery must be made on the basis of f.o.b. cars or trucks or f.a.s. vessel at destinations specified in the Invitation. If shipment is by truck, price must include cost of tailgate delivery. Shipment in open van carriers is **not** allowed.

Offerors must indicate on the invitation offer form the maximum quantity the offeror can deliver per half-month shipping (delivery) period, as well as the total quantity the offeror can deliver throughout all shipping (delivery) periods specified in the Invitation. A minimum offer is one truckload or one offer unit, no other minimum is acceptable. This is in accordance with USDA-1, Article 8, which states the following:

Any qualification or condition in, or added to, the offer may make it ineligible for consideration.

B. Small Business Set-Aside

Invitations to this Announcement may from time to time be restricted in whole or in part to small businesses. Notice of small business set-asides will be contained in the applicable Invitations to this Announcement.

II. SUBMISSION OF OFFERS

A. How to Submit Offers

Offers must be submitted on the offer to sell form contained in the applicable Invitation, either by mail, hand delivery, telegram, telecopier (facsimile) or Western Union Easylink, as specified in the applicable Invitation.

The facsimile cover sheet must specify the total number of pages, including the cover, that are being faxed. All facsimile responses must be typed or neatly printed. A completed offer form shall be sent immediately via fastest mail after an offer is made by facsimile or Western Union Easylink.

B. Where and When to Submit Offers

Offers, offer modifications, and/or offer withdrawals must be received by USDA not later than the specified time and date at the address provided in the applicable Invitation.

Whether an offer, modification or withdrawal is received within the time limitation will be determined by USDA personnel opening the post office box. Evidence to be considered includes the time stamp at the end of the message of the receiving machine in the USDA wire office, or in the case of a mailed offer form sent to the USDA address, the stamp cancellation date.

A late offer, modification of offer, or withdrawal of offer received after the exact time specified for receipt will not be considered unless it is received before award is made and either:

- (1) It was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for the receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month, must have been mailed by the 15th or earlier); or
- (2) It was sent by mail or telegram and it is determined by USDA that the late receipt was due solely to mishandling by USDA after receipt at the USDA mail or telegraphic installation; or
- (3) It was sent by U.S. Postal Service Express Mail Next Day Service-Post Office To Addressee not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of bids. The term "working days" excludes weekends and Federal Holidays.

C. Offer Units

Line items offered should be for offer units or a multiple thereof as indicated on the offer form included in the applicable Invitation. Notwithstanding the offer unit requirement, USDA may issue shipping instructions calling for shipment in other than offer unit quantities.

A single, numerical price per case must be indicated in the space provided next to each line item number that an offeror intends to bid on (i.e., the same price may not be carried from one line item to another through the use of quotation marks, arrows, etc.). Only one bid per line item number per offeror is acceptable for offers submitted on a delivered-to-destination price basis. Individual bids which fail to comply with any of these instructions will not be considered.

III. ACCEPTANCE OF OFFERS

Acceptance of offers will be made by prepaid telegram or telecopier (facsimile) not later than the date indicated in the applicable Invitation. Offers will be accepted in the order in which they are considered to be most advantageous to USDA considering prices and when applicable, transportation costs. The date of acceptance by USDA shall be the contract date.

IV. PROVISIONS OF CONTRACT

The contract shall consist of this Announcement, the applicable Invitation, the Contractor's offer, the acceptance by USDA, and USDA-1 (with the exception of Article 50 and Articles 85-96). *With respect to f.o.b. destination contracts, the words "ship", "shipping", "shipment", and "shipped" used in Articles 56, 65, and 67 of USDA-1 are deleted and replaced with the words "deliver", "delivering", "delivery(ies)", and "delivered". If provisions of the contract documents are inconsistent, the following priority order will prevail: (1) Invitation, (2) Announcement, and (3) USDA-1.*

V. SHIPMENT AND DELIVERY - TRANSFER OF TITLE

A. Shipment and delivery shall be made in accordance with this Announcement, the applicable Invitation, and Articles 56 and 64 of USDA-1.

B. Title and risk of loss will pass to USDA on the date of delivery as evidenced by either the commercial bill of lading signed by carrier's agent or the consignee's receipt.

C. In accordance with Article 56 of USDA-1, the Contractor is required to notify consignees of shipments by telephone. Therefore, prospective offerors should take into consideration the added expense of telephone calls to consignees when submitting offers.

D. Notwithstanding the provisions of Article 56 of USDA-1, the Contractor must follow the instructions in the Notice to Deliver issued by the Kansas City Commodity Office (KCCO) concerning delivery notification. The Contractor must notify the State Distributing Agency and the consignee of shipment. For rail shipment, notification must be made on the day of shipment. For truck shipment, notification of the estimated arrival time should be made as far in advance of delivery as possible. Unloading appointments for truck or piggyback shipments must be requested from the consignee contact party at least 24 hours in advance of delivery.

E. Failure to comply with Article 67(a) of USDA-1 may result in USDA not considering offers made under future Invitations.

VI. GROSS BILLING WEIGHT

The gross billing weight indicated by the offeror on the offer to sell form is an integral part of the offer. For purchases made on an f.o.b. shipping point (origin) basis, if the actual gross billing weight differs from the gross billing weight shown on the offer to sell form, USDA will deduct from amounts due the Contractor any charges that exceed a rate based on the gross billing weight shown. Any savings accrue to USDA. Under a destination purchase, if diversion of a shipment to another delivery point becomes necessary, the gross billing weight will be used by USDA to calculate actual freight charges.

VII. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Mailing of Notice to Deliver

Liquidated damages for delay in shipment due to late mailing of Notice to Deliver by USDA will be payable in accordance with Article 65 of USDA-1 and will be at the rate of 15 cents per hundred pounds of product per day. *The phrase "prepared to ship in accordance with the shipping schedule," as provided in Article 65 of USDA-1, means that the Contractor was prepared to ship all of the product purchased for the specific shipping period concerned on the first day of that shipping period or schedule.* USDA inspection documents covering the required volume of acceptable product which are dated on or before the first day of the specific shipping period must satisfy this requirement.

B. Compensation to USDA for Delay in Shipment (Origin Purchase) or Delivery (Destination Purchase)

Liquidated damages for delay in shipment by Contractor are payable in accordance with Article 67 of USDA-1 at the rate of 15 cents per hundred pounds of product per day.

VIII. LOSS DUE TO DETERIORATION OR SPOILAGE

Contractor shall reimburse USDA for all losses due to deterioration or spoilage sustained by USDA for which Contractor is responsible, but only if such losses are discovered within nine months after the date of shipment to USDA, in accordance with Article 61 of USDA-1.

IX. DELIVERY OR SHIPPING PERIODS AND QUANTITY TOLERANCE

A. Shipments (deliveries) must be made during those periods specified in the applicable Invitation in accordance with the Notices to Deliver issued by USDA. Shipping or delivery periods and quantities assigned to successful bidders must be at the option of USDA in accordance with the maximum shipping rate per half-month and/or special instructions that may be indicated on the offer form of the applicable Invitation.

B. *Contractor will be allowed a tolerance on the final delivery of plus or minus 50 cases of product from each shipping point named in the contract.*

X. CHANGE IN SHIPPING POINT

Contractor may request and USDA may approve a change in the shipping point named in the contract. Any changes must be made in accordance with Article 64 of USDA-1. If a change is requested less than three weeks before the first day of the shipping or delivery period, the Contractor assumes all responsibility for any delays caused by such change, including liquidated damages for delays in shipment or delivery.

XI. INSPECTION AND CHECKLOADING

A. The inspection and checkloading required by Articles 54 and 55 of USDA-1 must be performed by representatives of the Processed Products Branch, Fruit and Vegetable Division, Agricultural Marketing Service, USDA (hereinafter referred to as "USDA Grader").

NOTE: Inspection shall be made during on-line production of the product.

B. Prior to sampling, the Contractor must furnish the USDA Grader with a list of codes and the approximate number of cases per code. Inspection of frozen products shall be performed not more than 45 days prior to shipment. Whether each lot offered meets the applicable product and container requirements of the contract must be determined on the basis of representative sample units drawn as provided in *Regulations Governing Inspection and Certification of Canned Fruits and Vegetable and Related Products (7 C.F.R. part 52)*, and *United States Standards for Condition of Food Containers (7 C.F.R. part 42.140)*, effective on the date of the Invitation.

C. Subject to Articles 54 and 55 of USDA-1, the quality, weight, packaging, and checkloading of the commodity must be evidenced by certificates issued by the USDA Grader. The *Good Manufacturing Practice Regulations (21 CFR Part 110)* are applicable to contracts awarded pursuant to this Announcement and the applicable Invitation.

D. The commodity must not be shipped unless the Contractor is informed by the USDA Grader that a designated lot is acceptable. Notice by the USDA Grader that a designated lot scheduled for shipment does not meet requirements of the contract shall constitute rejection to the Contractor of such lot.

XII. PRODUCT SPECIFICATIONS

Products delivered pursuant to this Announcement must have originated from crops that have been 100% grown, processed, and packed in the United States (including Puerto Rico) in accordance with good commercial practices, during the packing season and from the crop year(s) specified in the Invitation, and must meet the requirements specified in the applicable *United States Standards for Grades (7 C.F.R. part 52)* effective on the date of the Invitation, and any additional requirements listed herein.

A. ORANGE JUICE

Pasteurized Orange Juice in Individual Serving Sizes *

- | | | |
|----|-------------------------|--|
| 1. | Grade: | U.S. Grade A |
| 2. | Primary Container Size: | 4-ounce individual serving cartons. |
| 3. | Count: | 70 cartons per case. |
| 4. | Net Weight: | 19 pounds per case. |
| 5. | Inspection: | USDA in-plant inspection required. |
| 6. | Shelf Life: | One year if kept frozen, ten days after thawing. |

*** *Not from concentrate***

B. APPLE JUICE**Pasteurized Apple Juice from Concentrate in Individual Serving Sizes**

- | | | |
|----|-------------------------------------|---|
| 1. | Quality and Analytical Requirement: | Must be equivalent to the analytical and quality requirements of U.S. Grade A Canned Apple Juice. The finished product shall be fortified to contain at least 34 milligrams of Vitamin C (ascorbic acid) per 100 milliliters of apple juice. (Label indications of Vitamin C fortification are required). |
| 2. | Primary Container Size: | 4-ounce individual serving cartons. |
| 3. | Count: | 70 cartons per case. |
| 4. | Net Weight: | 19 pounds per case. |
| 5. | Inspection: | USDA in-plant inspection of final product required. |
| 6. | Shelf Life: | One year if kept frozen, ten days after thawing. |

XIII. CONTAINERS, CASE MARKINGS, CARTON MARKINGS AND UNITIZATIONA. Containers

Juices in individual serving sizes must be packed in "milk carton-type" primary containers of food grade quality in compliance with the Federal Food and Drug Administration's Food Additives Regulations for commercial retail use containers. Primary containers and shipping cases must meet the *United States Standards for Condition of Food Containers (7 CFR Part 42)*. The construction of shipping cases shall be adequate to withstand normal refrigerated shipping and cold storage and be acceptable by common carriers for safe transportation to destinations.

1. Tape Sealing: Shipping cases for frozen juices may be sealed by plastic tape in lieu of glue. The tape must be of sufficient width and strength to be acceptable by common carriers for safe transportation to the contract destination. The tape shall extend down the sides or ends at least two inches without interfering with the case markings. A transparent type tape shall be used. If cases of frozen juices are taped, the tape must be able to withstand normal refrigerated shipping and cold storage temperatures.

B. Case Markings

Shipping cases for juices in individual serving sizes shall contain the statement, "KEEP FROZEN AT 0°F OR LOWER UNTIL THAWED FOR USE," printed, stamped, or labeled on each case in nominal size lettering. Identity coding must be on the shipping cases which shall be commercial grade with commercial markings as required by the Federal Food and Drug Administration. Cases must be code marked so as to indicate the date of pack.

C. Carton Markings

Commercial labeling is permitted on primary containers for juices in individual serving size cartons, however the carton must show the name of the product, the net weight in metric as well as avoirdupois units, an ingredients statement, the packer's name and address (city, state, and zip code), and a "CHILLED," "KEEP CHILLED" or "KEEP REFRIGERATED" statement.

PLEASE NOTE: All labels, both retail and institutional size, must now bear nutritional information as required by the Food and Drug Administration. The Universal Product Code (UPC) is also required on each primary and shipping container for juices in individual serving size cartons (See Exhibit A).

D. Unitization

Each delivery unit of specified product must be unitized (palletized and stretch wrapped). The pallets shall be 48 X 40 inches and, if new, be of good quality wood or, if used, be of No.1 hardwood or its equivalent in new softwood, nonreversible, flush stringer, and partial four way entry. Each pallet of shipping containers must be stretch wrapped with plastic film in a manner that will secure each container and layer of containers on the pallet. The palletized product must be loaded into the conveyance in such a way that will prevent shifting and damage to the containers of product. *The pallets become the property of USDA, therefore offerors should take into consideration the cost of pallets when submitting offers. If pallet exchange is desired, the contractor shall arrange for pallet exchange with consignees; however, USDA is in no way responsible for such arrangements.*

E. Additional Markings

The recycle symbol and the statement "PLEASE RECYCLE" must be shown on all primary and shipping containers that are widely recycled (see Exhibit B). By "widely recycled", it is meant recycled in most communities. The please recycle symbol should be applied to only those packages that are recyclable.

The following USDA packaging materials are widely recycled and should be marketed with the symbol and statement:

- Corrugated fiberboard (cardboard) boxes
- Steel (Tin) cans
- High density polyethylene (e.g. vegetable oils, liquid shortening)

XIV. CERTIFICATION OF PRODUCT ORIGIN

In accordance with USDA-1, Article 49, the Contractor must supply the USDA grader with a statement certifying that the products delivered to USDA herein under have been 100% grown, processed, and packed in the United States, including Puerto Rico. If the Contractor handles commodities originating from foreign sources, there must be a system in place and records available at the Contractor's premises to document that the contract was fulfilled from United States or Puerto Rican grown products. Review of such documentation is part of the responsibility of the USDA grader who, on a fee basis, performs the product inspection required by the contract. USDA reserves the right under Article 76 of USDA-1 to make unannounced plant and record reviews for verification of compliance with this Article. The burden of proof of compliance is on the Contractor. Failure to observe this requirement may lead to contract termination, Contractor suspension or debarment, and/or penalties under Title 18, Section 1001 of the U.S. Code concerning falsification of information.

XV. FAILURE TO MEET SPECIFICATIONS

Any lot which fails to meet the applicable specifications prescribed herein will be rejected as not acceptable for delivery, except that if any lot of frozen juice fails to meet the fill or net weight requirement, the Contractor may request USDA to accept delivery of the lot, and USDA may, at its option, accept delivery; provided, however, that the purchase price shall be the contract price less a discount determined as follows, depending upon the reason for failure:

Weight Deficiency (Net contents)

(I) If any lot fails only because of low average net contents, the discount shall be twice the percentage by which the lot fails to meet the minimum required contents.

(ii) If any lot fails requirements for low individual container (net contents) or low subgroup average (net contents), the discount shall be one percent (.01) of the contract price.

(iii) If any lot fails because of a combination of both (I) and (ii) above, the discount shall be the greater of the two.

XVI. INVOICES AND PAYMENT

Invoicing and payment must be handled in accordance with Article 70, USDA-1, as amended.

XVII. INQUIRIES

Inquiries pertaining to USDA-1, this Announcement, the Invitations, and contract matters should be directed to the Commodity Procurement Branch, Fruit and Vegetable Division, Agricultural Marketing Service, USDA, P.O. Box 96456, Washington, DC 20090-6456. Telephone: 202/720-6391.

Inquiries concerning shipping instructions and payments should be directed to Director, Kansas City Commodity Office, USDA - FSA, P.O. Box 419205, Kansas City, MO 64141-0205.

Telephone numbers:

816/926-6068 (concerning shipping instructions)

816/926-6205 (concerning payments)

Sandra K. Gardei
Contracting Officer
Commodity Procurement Branch
Fruit and Vegetable Division

Exhibit A

Universal Product Code Specification

PLEASE NOTE: Applies for institutional and retail size containers for all domestic feeding programs.

The Universal Product Code (UPC), code and symbol, is required on the label of each primary container for all products purchased by USDA. The UPC shall be placed at the bottom of the back panel that displays the USDA Food Symbol. Some vertical rearrangement may be made to accommodate this layout. In addition, a UPC shipping container code, called Interleaved 2 of 5 (I 2/5), must appear on each shipping container for all products purchased by USDA.

In accordance with the UPC guidelines published by the Uniform Code Council, a 12-digit UPC, code and symbol, must appear on each primary package and a 14-digit 12/5 bar code must appear on each shipping container. The code for the shipping case should be placed at the bottom of one of the side panels. The UPC guidelines describe the requirements for the proper placement, printing, and readability for the bar coding. The complete code must be printed in machine-readable and human-readable form. The start and stop indicators must be included in the bar code symbols. The UPC system is a commonly used method of bar coding merchandise in commercial channels. Package manufacturers, printers, and film master suppliers are familiar with this system. Further information may be obtained from the Uniform Code Council, Inc. (UCC), 8163 Old Yankee Road, Suite J, Dayton, Ohio 45458. The USDA has acquired a unique manufacturer's identification number for this application. Contractors need not join the UCC.

The format and codes to be used are listed below. Use the correct code that corresponds to the product being provided. The company UPC code is not acceptable. Numbering under bar codes must be nominal in height.

THE COMPANY UPC CODE IS NOT ACCEPTABLE

Commodity Code	Primary Container Code	Shipping Container Code
Single Strength Orange Juice (70/4 oz.)	7 1500101299 9	1 07 15001 01299 6
Apple Juice (70/4 oz.)		