FRESH FOOD PRODUCTS IN A KRISP-PAK SANITARY CONSUMER PACKAGE Sales Corp.

Licensed by
U.S. Department of Agriculture
N.Y. Department of Agriculture

Telephone: 991-4800
Area Code (718)

SEC. C - UNIT NOS. 347-351 • NEW YORK CITY TERMINAL MARKET • BRONX. N.Y. 10474

Date: March 26,2008

Standardization Section, Fresh Products Branch
Fruit and Vegetable Programs
Agricultural Marketing Service
U.S. Department of Agriculture
1400 Independence Avenue, SW., Room 1661
South Building, Stop 0240
Washington, DC 20250-0240
Fax: (202) 720-8871
http://www.regulations.gov

Re:
U.S. Standards for Grades of Table Grapes (European or Vinifera Type)
Docket # AMS-FV-07-0140
Federal Register, Vol. 73, No. 38, February 26, 2008, pages 10185-10187

Dear Sirs,

As a produce receiver and distributor of table grapes, I must express my opposition to the USDA proposal that would establish a special 5% allowance for shattered table grapes in consumer containers for en route, or at destination. In addition to shatter, this proposal also raises the tolerance level by 5% for other defects, like scarring and discoloration. The independent wholesale/terminal market segment of the industry is disproportionately impacted by this proposal and it does not yet take into account recent scientific research, indicating shattered table grapes are more susceptible to higher bacterial counts, resulting in reduced shelf life. Overall, this proposal will significantly weaken the U.S. No.1 Grade.

PACA Good Delivery Tolerances
Under this proposal, shattered berries would not be scored against the current 12% total tolerance for defects in the U.S No.1 grade until the amount of shattered berries first exceeds the special 5% allowance, thus increasing tolerance to 17%. An additional tolerance of 3% would be added to the total in situations where PACA "good delivery" tolerances apply, for a grand total of 20%.

As a wholesale receiver, my company would be held to the U.S. Grade Standards and have to accept up to 20% shatter at the wholesale receiving point. Additional time would be required for us to resell the grapes to a retailer, during which time the shatter process will continue. By the time the grapes make it through the retailer's distribution process, several days could pass. It is entirely possible that shatter could far exceed 20% by the time the grapes are purchased by a consumer.

Tolerance Increases for Other Defects Too

KRISP-PAK Sales Corp.
FRESH FOOD PRODUCTS INC.
SANITARY CONSUMER PACKAGE

Licensed by
U.S. Department of Agriculture
N.Y. Department of Agriculture

Telephone: 991-4800
Area Code (718)

SEC. C - UNIT NOS. 347-351 • NEW YORK CITY TERMINAL MARKET • BRONX, N.Y. 10474

Currently, in order to meet "good delivery" standards, the tolerance allows for 15% defects. Grapes arriving with 5% shatter can also have up to 10% scarring and discoloration and still pass "good delivery" standards.
Under this proposal, up to 5% shatter wouldn't be scored, which means that up to 15% of the grapes could also have defects such as scarring and discoloration, and the load would still qualify for "good delivery."

Independent Wholesale Receivers would be Hardest Hit
A sizeable majority of table grapes in consumer packages are being sold through the larger retail chains and major wholesale companies, which typically have their own specifications regarding the amount of shatter and other defects they will accept. Most of their specifications are far more stringent than those required in the US #1 grade, or "good delivery" standards. Grapes not meeting these tight corporate specifications likely end up in the hands of smaller independent wholesale receivers. These receivers, because of market pressures, are held to the U.S. Grade Standards. Therefore, increasing the tolerance for shatter/defects in the U.S. #1 grade will have disproportionately higher impact on independent wholesale receivers. The aggregated volume of the independent-wholesale-receiver channel represents a relatively small percentage of the total volume of table grapes sold in consumer size containers.

More Susceptible to Microbiological Growth and Reduced Shelf Life
In my experience, shatter table grapes have a shorter shelf life than those remaining firmly attached to the stem. For this reason, loads containing higher amounts of shatter command lower prices in the market than those with very little. Grapes that naturally detach from the cap stem are past their prime and beginning their slide toward spoilage and decay. As shatter berries age, we now know they are more susceptible to microbiological contamination, which further reduces their shelf life.

The North American Perishable Agricultural Receivers (NAPAR), a trade association of which my company is a member, commissioned Deibel Laboratories to conduct microbiological tests on several varieties of table grapes to determine any differences in microbiological growth between shatter and bunched grapes. These tests revealed a noticeable difference at refrigerated temperatures and determined that shatter grapes would have shorter shelf life periods. I hope USDA considers this data in its evaluation of this proposal.

A 5% Allowance Weakens the Standard
Adding a 5% allowance for shattered berries to an existing tolerance of 12%, amounts to a whopping **41.7%** increase in allowable shatter/defects for the U.S.No.1 Grade. An earlier proposal to create a special 10% allowance for shatter was withdrawn by USDA on 6/29/07. In its own statement in the Federal Register at that time, USDA, AMS indicated that a 10% allowance for shatter would "weaken the standard and reduce consumer confidence of the grade." Although a 5% allowance would only weaken the standard half as much, it still weakens it - by up to 41.7%.

FRESH FOOD PRODUCTS IN A
KRISP-PAK SANITARY CONSUMER PACKAGE
Sales Corp.

Licensed by
U.S. Department of Agriculture
N.Y. Department of Agriculture

Telephone: 991-4800
Area Code (718)

SEC. C - UNIT NOS. 347-351 • NEW YORK CITY TERMINAL MARKET • BRONX. N.Y. 10474

I don't believe proponents of this proposal intended to put independent wholesale receivers at a distinct competitive disadvantage, nor did anyone intend for the proposal to increase the tolerance for defects other than shatter, but those are the consequences. No one benefits by trying to force consumers to accept containers of table grapes with 20%, or more, rolling around the bottom of bag. We all loose when the integrity of the grade is weakened.

Sincerely,