

DEBBIE STABENOW
MICHIGAN

COMMITTEE:
AGRICULTURE, NUTRITION, AND FORESTRY
BANKING, HOUSING, AND URBAN AFFAIRS
BUDGET
SPECIAL COMMITTEE ON AGING

United States Senate

WASHINGTON, DC 20510-2204

March 21, 2002

Ms. Lydia E. Berry
Processed Products Branch
AMS Fruit and Vegetable Programs
USDA Stop 0247
1400 Independence Avenue, SW
Washington, DC 20250-0247

RE: Comments on Notice of Proposed Standards for Grades of Apple Juice from Concentrate, 66 FR 58430, November 21, 2001

Dear Ms. Berry:

We are writing to express our strong concern regarding the proposed standards for grades of apple juice from concentrate. We have received information from growers and processors describing the potentially devastating impact that the adoption of these standards would have on their industry.

We share the concerns of the growers and processors of the State of Michigan. Michigan is the third largest apple producing state in the country. However, for the last several years, the Michigan apple industry has been in a state of crisis. Michigan apple growers and processors continue to face low-priced imports of foreign apple juice concentrate, devastating outbreaks of fire blight disease, regulatory burdens and subsidized foreign competition. This proposal by the AMS to create new standards for grades of apple juice from concentrate could cause great hardship for the Michigan apple industry. In addition, the proposed grade standards would have extreme negative effects on growers in other Midwest and Northeast states.

Currently, the USDA purchases single-strength, fresh-squeezed, canned apple juice for its nutrition programs. Most of this business has been awarded to apple juice processors in the eastern United States and to Michigan processors. The new proposed standards would, undoubtedly, shift apple juice production to the Pacific Northwest where they exclusively produce apple juice from concentrate as opposed to single-strength, "not-from-concentrate" juice. Reconstituted apple juice places little value on the raw product, unlike single-strength juice, and would create a cheaper and inferior product that Michigan and other producers would not be able to compete against. We fear the USDA may then use reconstituted juice as an inexpensive alternative to the single-strength apple juice currently being purchased by the Agency for its nutrition programs.

As you know, the majority of apple juice manufactured in the United States is made from foreign apple juice concentrate. Despite antidumping duties on certain imports of Chinese apple juice concentrate, low priced juice concentrate continues to flow into the

Page 2

country and damage the domestic apple industry. The proposed standards seem to invite the use, if not the increased use, of foreign apple juice-concentrate for production at the expense of Michigan-grown apples.

We also share the concerns of others that the proposal will reduce the quality of apple juice available for domestic consumption. Under the Brix-Acid ratio in the proposal, the high quality, flavorful juice apples grown in Michigan and other eastern states would fail to meet the standard because of high acid levels. This ratio does not seem to be an indicator of apple juice quality, but an indicator of geographic origin. Only the low acid apples produced in the Pacific Northwest would meet these proposed standards.

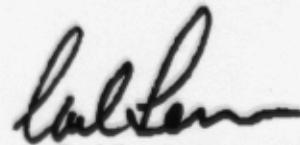
In summary, the standard for apple juice from concentrate as proposed would (1) not be beneficial for the entire apple industry of the United States; (2) subject domestic producers to further competition from low-priced, foreign apple juice concentrate; (3) jeopardize the use of single-strength juice in USDA nutrition programs; and (4) reduce the overall quality of apple juice for our country's consumers.

Thank you for considering these comments and the comments of our constituents.

Sincerely,



Debbie Stabenow
United States Senator



Carl Levin
United States Senator