



KIWIFRUIT ADMINISTRATIVE COMMITTEE

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2009/2010 SEASON CALIFORNIA KIWIFRUIT PACKING REGULATIONS BULLETIN

This bulletin sets forth regulations for the 2009/2010 marketing season for all varieties of kiwifruit grown within the State of California.

No handler shall ship any kiwifruit unless such kiwifruit meet the following requirements:

GRADE

Fresh shipments of kiwifruit shall be at least KAC No.1 quality. "KAC No.1 quality" means that kiwifruit meets the requirements of the U.S. No. 1 grade as defined in the United States Standards for Grades of Kiwifruit, except that kiwifruit meeting the KAC No. 1 quality requirement shall be subject to the basic requirement of the U.S. No. 2 grade that the kiwifruit be "not badly misshapen," and an additional tolerance of 7% is provided for kiwifruit that is "badly misshapen".

SIZE

Such kiwifruit shall be at least a minimum size 45. Size 45 is defined as a maximum of 55 pieces of fruit in an 8 pound sample.

MATURITY

Such kiwifruit shall have an average minimum maturity of **6.2%** soluble solids content at the time of inspection.

PACK REQUIREMENTS

1. **Size Variation** - Kiwifruit packed in all types of containers may not vary more in diameter between the smallest and largest fruit than:
 - ▶ 1/2 inch in sizes 30 or larger
 - ▶ 3/8 inch in sizes 31 through 42
 - ▶ 1/4 inch in size 45
2. **Size Variation Tolerance** - Not more than **10%, by count, of the containers in any lot** and not more than **5%, by count, of kiwifruit in any container** may fail to meet the requirements of this section. Except that for sizes 45 and 42 the tolerance, by count, in any one container may not be more than 25%.
3. **Size Designation Chart** - For all packages requiring size marking, size will be determined by the Size Designation Chart expressed in terms of the maximum number of kiwifruit per 8-pound sample. The Size Designation Chart is shown in Addendum #2.
4. **Volume Fill** - All volume fill containers of kiwifruit designated by weight shall hold 9 kilograms (19.8-pounds) net weight of kiwifruit unless such containers hold less than 15-pounds or more than 35-pounds net weight of kiwifruit.
5. **Standard Pack** - Kiwifruit packed in cell compartments or molded trays are not required to meet the Standard Pack requirement for tightly filled cups as defined in the US Standards for Grades of Kiwifruit.

CONTAINER MARKING REGULATIONS

1. **Identity** - Each package or container of kiwifruit shall bear on at least one outside principal display panel in plain sight and in plain letters, the word "kiwifruit," the name of the variety (if other than the Hayward variety), if known or, when the variety is not known, the words "unknown variety."
2. **Responsibility** - Each package or container of kiwifruit shall bear on one outside principal display panel in plain sight and in plain letters the name and address (including the city, state and zip code) of the shipper.

3. **Quantity** - Each package or container of kiwifruit shall bear on one outside principal display panel in plain sight and in plain letters the following information regarding the quantity of kiwifruit packed within the container:
- a) For kiwifruit packed in cell compartments, cardboard fillers, or molded trays, the quantity shall be indicated in terms of **count and size**, and the contents shall conform to the count. **(i.e., Trays and 3 layers must be marked with count and size and must meet the requirements for size in the Size Designation Chart - see Addendum #2).**
 - b) For volume-fill containers packed by weight, the quantity shall be indicated in terms of size and net weight; for volume-fill containers packed by count, the quantity shall be indicated in terms of size and count. **(Volume-fill containers can be marked with "9 kg" or "19.8 lbs" or both.)**
 - c) For bulk containers or individual consumer packs not within a master container, the quantity shall be indicated in terms of the size designation and net weight; or in terms of the size designation and count.
 - d) Master containers, which hold more than one individual package, must be properly marked with the quantity of the contents. The size designation must also be indicated.
 - e) For individual consumer packages within a master container, the quantity shall be indicated in terms of either net weight or count (or both). If count is used, it must be accompanied by the size designation.
 - f) Designation of size, count, and net weight on each container shall be accompanied by the words "size," "count," or "net weight" as applicable.
4. **Lot Stamping** - All exposed or outside containers of kiwifruit, but not less than 75 percent of the total containers on a pallet, shall be plainly marked with the lot stamp number corresponding to the lot inspection conducted by an authorized inspector, **except for**:
- Individual consumer packages not within a master container. Such containers shall be plainly marked with the lot stamp on all exposed containers or by attaching four placards to each pallet.
 - Reusable plastic containers placed on a pallet. Such containers shall be positive lot identified (PLI) in accordance with approved Federal or Federal-State Inspection Service procedures which may include putting the required information on the cards of the individual containers.
 - Kiwifruit that has been previously inspected and certified that is restyled into new containers and marked with an authorized restyle verification number. (Details for the restyle verification option are listed on pages 4-5.)
 - Kiwifruit shipped under a Waiver number as detailed on page 5.
 - Containers that are being directly loaded into a vehicle for export shipment under the supervision of the Federal or Federal-State Inspection Service.
5. **Principal Display Panel** - As used in this section, the term "principal display panel" means that part of the package or container most likely to be display, presented, shown or examined under normal or customary conditions of display and purchase.

INSPECTION AND CERTIFICATION

Each handler who handles kiwifruit shall, prior thereto, cause such kiwifruit to be inspected by the Federal or Federal-State Inspection Service and certified as meeting the applicable requirements. A listing of Inspection Service offices is provided on Addendum #1.

Inspection and certification shall not be required for kiwifruit which previously have been inspected providing the original inspection remains valid.

1. **Inspection Method** – All fresh kiwifruit shipments, wherever marketed, must be inspected under the Block inspection method at time of shipment, the In-Line method at the time of packing, or any one of the USDA approved inspection methods (i.e.; PIQ, CAIP).
2. **Inspection Life** – Inspections remain valid until changes are made to grade, size, pack style or container markings.
3. **Reinspections** – Reinspections are voluntary, except in the case where the original inspection becomes invalid. All handlers within the production area (State of California) are required to have fruit reinspected when the original inspection becomes invalid. Handlers may utilize the restyle verification option providing conditions of the requirement are met. Reinspections are full inspections for grade, size variation, weight, etc.
4. **Restyle Verification Option** – Previously inspected kiwifruit that has been restyled may be shipped under a restyle verification option, providing that the marked size and grade are unchanged from the original inspection. Handlers must receive prior authorization to ship kiwifruit under this option from the Federal-State Inspection Service. Full details of the restyle verification option are listed on pages 4-5 of this regulation bulletin.
5. **Positive Lot Identification** – All shipments of California kiwifruit are required to be stamped with a valid SPI-USDA, Positive Lot Identification (PLI) stamp, authorized Waiver number or authorized restyle verification number. The only way to acquire a valid PLI stamp is by having a valid inspection linking the PLI stamp to an official USDA inspection certificate and supporting note sheets.

RESTYLE VERIFICATION

A handler may ship previously inspected kiwifruit that has been restyled without obtaining an additional inspection if all shipments made under the restyle verification option comply with all regulations in effect, and all of the following conditions are met:

1. All kiwifruit was restyled from kiwifruit which previously have been inspected and certified as meeting KAC requirements.

2. The marked size on the restyled product is the same as the marked size on the original product.
3. The grade on the restyled product is the same as the grade on the original product.
4. The handler notifies the Federal-State Inspection Service at least 4 hours in advance of when the product will be shipped.
5. The handler provides the Federal-State Inspection Service with the number and type of restyled containers.
6. The Federal-State Inspection Service furnishes the handler with a restyle verification number which links the restyled product to the original PLI stamp, and to an official USDA inspection certificate and supporting note sheets.
7. The handlers shall plainly and conspicuously mark one end of each container with the letter "R" and the restyle number assigned by the Federal-State Inspection Service. The letter "R" and the number shall not be less than one-half inch in height.
8. The Federal-State Inspection Service shall notify KAC upon issuing a restyle verification number.
9. Handlers will be subject to random spot-checks to verify compliance.

EXEMPTIONS

1. **Waivers** - A handler may handle kiwifruit without inspection and certification if all shipments made under such waivers comply with all regulations in effect, and all the following conditions are met:
 - a) The handler requests the Federal-State Inspection Service to provide inspection during its regular working hours at least 4 hours in advance of the time when inspection is needed. The request need not be in writing but it shall be confirmed immediately in writing by the inspection service.
 - b) The Federal-State Inspection Service advises the handler that it is not practicable to provide inspection at the time and place designated by the handler. This advice may be verbal but it shall be confirmed in writing by the Federal-State Inspection Service. A confirmed copy thereof shall be forwarded by the inspection service to the office of the Kiwifruit Administrative Committee.
 - c) The Federal-State Inspection Service furnishes the handler with the waiver number which shall cover the kiwifruit on which inspection is requested.
 - d) When instructed to do so, the handler plainly and conspicuously marks the end of each container with the letter "W" and the waiver number assigned by the Federal-State Inspection Service. The letter "W" and the number shall not be less than one-half inch in height.

Any person may handle kiwifruit without regard to the provisions of this section provided that such kiwifruit is handled for (1) consumption by charitable institutions; (2) distribution by relief agencies; or (3) commercial processing into products. For the purposes of this section, *commercial processing into products* means that the kiwifruit is physically altered in form or chemical composition through freezing, canning, dehydrating, pulping, juicing, or heating of the

product. The act of slicing, dicing, or peeling shall not be considered commercial processing into products.

2. **Minimum Quantities** – Notwithstanding any other provision of this section, kiwifruit may be handled without regard to the certification, assessment, regulatory and reporting provisions of the Marketing Order under the following conditions:
 - a) Such kiwifruit are for home use and not for resale.
 - b) The total weight of such kiwifruit sold to all persons collectively in any one vehicle during any one day does not exceed 200 pounds.
 - c) Such kiwifruit are handled by the person who produced them and the handling takes place: (i) On the premises where grown, (ii) at a packing house, or retail stand (roadside stand, flea market or any other outlet approved by the committee) which is operated by said handler, or (iii) at a Certified Farmers Market.

3. **Special Purpose Shipments** – Notwithstanding any other provision of this section any person may handle kiwifruit without regard to the certification, assessment and regulatory provisions of the Marketing Order under the following conditions:
 - a) Such kiwifruit is for consumption by charitable institutions.
 - b) Such kiwifruit is for distribution by relief agencies.
 - c) Such kiwifruit is for commercial processing into products. For the purpose of this section, “commercial processing into products” means that the kiwifruit is physically altered in form or chemical composition through freezing, canning, dehydrating, pulping, juicing or heating of the product. The act of slicing, dicing or peeling shall not be considered commercial processing into products.

ASSESSMENTS

2009/10 Kiwifruit Assessments

Container Type	KAC	CKC
VF (9 kilo – 19.8#)	\$0.035	\$0.065
Tray	\$0.012	\$0.023
3-Layer	\$0.037	\$0.069
20# Bag Master	\$0.035	\$0.066
125# Bin	\$0.221	\$0.410
Per Pound	\$0.002	\$0.003

Assessment billings will be based on monthly shipment by destination reports filed by each handler. Handlers will receive one invoice listing separately the assessments payable to the Kiwifruit Administrative Committee (KAC) and to the California Kiwifruit Commission (CKC) in accordance with these rates. **Handlers must remit two separate checks payable to each the KAC and CKC.**

Invoices are mailed on the last day of each month and include the due date. Each invoice contains a declaration that interest will be charged at a 1.5% monthly simple interest rate on any overdue

assessments and that a penalty of 10% will be charged on any assessments more than 30 days overdue.

INSPECTION FEES

IN-LINE INSPECTION FEES: The fee charged by Shipping Point Inspection (SPI) for in-line inspection will be \$48.50 per hour. This is to be charged for all travel time as well as for the time needed to complete paperwork. There will be no additional overtime or mileage charges. Certificates will be written/billed directly to the shipper or packer.

BLOCK AND REINSPECTION INSPECTION FEES: Block and reinspection fees will be charged in accordance with the basic fee schedule (by the container rate or time + mileage, whichever is greater):

(1) Container Rate	OR	(2) Time + Mileage Rate
Trays - \$.039/tray VF, CF, 3-Layer, Bag Masters - \$.058/cntr Bulk Bins - \$.0062/pound		\$45.50 per hour for inspection/travel time.

Mileage will be charged in addition at \$0.55 per mile. A \$7.50 per hour overtime charge will be assessed on work after 5:00 p.m. or after eight (8) hours, as appropriate. Minimum charge per certificate is \$28.50. Certificates will be written/billed directly to the shipper or packer.

OTHER USDA APPROVED INSPECTION METHOD FEES: You must contact Shipping Point Inspection (SPI) to be approved to use and get the fee rates for other Inspection methods (i.e.; PIQ, CAIP).

REPORTING REQUIREMENTS

Each handler is required to submit the following reports provided by the KAC. Some of these reports are also required by the California Kiwifruit Commission.

1. **Return Receipt of Kiwifruit to Grower** - Used by shippers to report any kiwifruit that was not inspected but was returned to the grower from the packinghouse or cold storage at the grower's request.
2. **Shipment Report** - Used to calculate monthly assessment billing for Block and In-Line inspections. Shows where the crop is being shipped to analyze trends and fluctuations for future year's usage.
3. **KISS (Kiwifruit Inventory Shipment System) Report** - Keeps track of inventory by container type and fruit size. Inventory includes all fruit packed at harvest with inventory changes and shipments reported once a month.
4. **KISS Price/Shipment Report** - Includes data on gross f.o.b. sales and the total number of containers shipped by pack, fruit size, grade, and market destination. Handlers submitting the KISS Price/Shipment report will no longer be required to submit the existing Shipment by Destination report or the KISS/Shipment report as that information will be collected on the new KISS Price/Shipment report. However, handlers submitting the KISS Price/Shipment report will still be responsible for filing the KISS/ Add Inventory and KISS/ Deduct Inventory reports.

COMPLIANCE

For the purpose of checking and verifying reports filed by handlers, the committee, through its duly authorized representatives shall have access to any handler's premises during regular business hours, and shall be permitted at any such times to inspect such premises and any kiwifruit held by such handler, and any and all records of the handler with respect to his or her acquisition, sales, uses and shipments of kiwifruit. Each handler shall furnish all labor and equipment necessary to make such inspections.

ILLEGAL SALES

Sales or gifts of uninspected kiwifruit to those who will resell it or transport it for resale are in violation of the Federal Marketing Order.

KAC agents make unannounced visits at packinghouses, fields, fruit stands and other retail outlets to enforce Marketing Order regulations. Throughout the season, KAC may implement a controlled buy program. Buyers, working as agents for KAC, will call on shippers and attempt to buy off-grade fruit for resale. Shippers should review these regulations with their packinghouse managers, cold storage operators, forklift drivers, night watchmen and cull fruit disposal staff. It is the responsibility of the grower and/or the packinghouse to maintain control over their off-grade product to ensure it does not enter illegal marketing channels.

Failure to comply with the conditions of the Marketing Order Regulations can subject the violator to fines up to \$5,000 per count. KAC urges handlers, growers, inspectors and other associated with the industry to advise them of any suspected violations of Marketing Order Regulations.

KAC/USDA CONTACTS

KAC Office

Contact: Chris Zanobini
KAC Manager
Phone: (916) 441-0678
Fax: (916) 446-1063
Email: chris@cgfa.org

USDA/AMS (Fresno, CA)

Contact: Debbie Wray, Mktg Specialist
Phone: (559) 487-5901
Fax: (559) 487-5906
Email: Debbie.Wray@ams.usda.gov
Agricultural Marketing Service
California Marketing Field Office
2202 Monterey St., Suite 102B
Fresno, California 93721

2008/09 KAC BOARD MEMBERS

Note: Awaiting USDA approval of 2009/10 KAC Board members.

	MEMBER	ALTERNATE MEMBER
*1	Rau Ratana (2007) M (530) 624-2500 F (530) 846-0657 Email: rauratana@sbcglobal.net	Tom White (2005) B (530) 898-1828 M (530) 570-3868 F (530) 898-1813
**2 - Seat 1	Jim Sanderson (2004) B (530) 846-3753 F (530) 846-0657 Email: gridleypacking@hotmail.com	JT Kullar (2008) B (530) 846-5103 F (530) 846-1135 Email: sunrisekiwi@hotmail.com
**2 - Seat 2	Doug Wilson (2004) B (530) 846-6664 F (530) 846-4603 Email: doug@wilkersonranch.com	Gary Carlin (2008) H (530) 846-0709 Email: nkcarlin@sbcglobal.net
**3	Mike Noland (2004) B (530) 742-5469 F (530) 741-8513 Email: noland101@comcast.net	David Barry (2006) B (530) 846-5103 F (530) 846-1135
**4	T.A. Heckel (2004) H&F (559) 275-0844 M (559) 307-7227 Email: heckel2ta@aol.com	Wade Shepherd (2004) H&F (209) 667-7923 M (209) 602-6604 Email: wadshph@yahoo.com
*5 – Seat 1	Jerry Kliewer (2007) B (559) 638-5352 F (559) 638-7333 Email: kliewerpacking@hotmail.com	Joe Fischer (2003) B (559) 798-2314 M (559) 799-4705 Email: jafischer@clearwire.net
*5 – Seat 2	John Fagundes, IV (2007) B (559) 582-2000 F (559) 582-0683 Email: john@calharvest.com	Doug Phillips (2007) B (559) 798-1871 F (559) 798-0594 Email: doug@phillipsfarms.net
**6	Bruce Myers (2007) B (559) 568-2030 F (559) 568-1180 Email: irene@goldenmaid.com	Cindy Myers (2004) H (559) 798-1244 F (559) 798-1601 E-mail: cindy.myers@morganstanley.com
*7 - Seat 1	- Seat Vacant-	Glen Weerheim (2007) M (559) 805-0973 H (559) 686-4883 Email: kiwinutfrmr@clearsky.net
*7 - Seat 2	- Seat Vacant-	Alfred Haas (2007) H (559) 562-4605 Email: aahaas@econec.net
8	Gary Suthers (2003)* B (661) 393-0920 F (661) 393-2418 E-mail: gsuthers@glsfarms.com	Kris Sidharaju (2008)** B (559) 783-9924 F (559) 783-2567 Email: dinafarms@yahoo.com
*Public Member	Paul Wiley (2005) H (559) 292-5114 E-mail: pwiley3616@aol.com	Greg Basila (2005) B (559) 225-6100 ext 4086 F (559) 241-6483 Email: Gregory.Basila@va.gov

Addendum #1

**FEDERAL-STATE INSPECTION SERVICE
SHIPPING POINT INSPECTION (SPI) OFFICES**

<u>SPI Branch Chief</u> Rick Jensen (916) 445-2180	<u>Area & Kiwifruit Program Supervisor</u> Ed Page (559) 595-8000 Cell (559) 804-7084	<u>USDA Federal Mgr.</u> Tony Souza (916) 332-4758
<u>Dinuba</u> John Rogers (559) 595-8000 Fax: (559) 595-8008	<u>Chico</u> Bruce Teramoto (530) 898-8427 Fax: (530) 898-9034	<u>Kerman/Salinas</u> Randy Pritchard (559) 846-7323 Fax: (559) 846-7336
<u>Ceres</u> Steve Faulks (209) 537-0733 Fax: (209) 537-2314	<u>West Sacramento</u> Paul Collins (916) 371-8063 Fax: (916) 371-8073	<u>Stockton</u> Marcee Yount (209) 478-2011 Fax: (209) 478-2529
<u>Shafter</u> Greg Dake (661) 391-4730 Fax: (661) 391-4735	<u>Riverside/Coachella</u> Ted Oda (909) 782-3235 Fax: (909) 682-7865	

Addendum #2

SIZE DESIGNATION CHART

Size Requirements for all Packages Requiring Size Marking

Size Designation	Maximum Number of Kiwifruit in a 8-Pound Sample	Size Variation
18 or larger	25	1/2"
20	27	1/2"
23	30	1/2"
25	32	1/2"
27/28	35	1/2"
30	39	1/2"
33	43	3/8"
36	46	3/8"
39	49	3/8"
42	53	3/8"
45	55	1/4"

Note: The appropriate size designation must be marked on molded tray packs along with the count marking. The size designation marking may differ from the marked count.

8-Pound Sample Tolerance – The average weight of all sample units in a lot must weigh at least 8 pounds, but no sample unit may be more than 4 ounces less than 8 pounds.

Size Variation Tolerance - Not more than 10%, by count, of the containers in any lot and not more than 5%, by count, of kiwifruit in any container may fail to meet the diameter range specified. Except that for sizes 45 and 42 the tolerance, by count, in any one container may not be more than 25%.