

## Commodity Report for November 2006

**Upcoming Entitlement Increases:** After experiencing a shortfall in meeting the minimum 12% support level in SY 05/06, USDA is carefully monitoring the SY 06/07 situation. In anticipation of low bonus purchases, USDA is currently projecting another shortfall in SY 06/07 which will require additional purchases to meet the minimum. To prepare for this likelihood, USDA is again increasing the system's per-meal-rate to distribute funds and "increase" the entitlements. The published rate for SY 06/07 remains at 16.75 cents. However, entitlements have been updated in the system to reflect a rate of about .20 cents per meal. The State of Connecticut has a balance of \$1.3 million as of October 31, 2006.

**Frozen Potatoes:** USDA terminated a contract with a potato vendor. They will be going out to bid soon. CT had to cancel trucks of potatoes that were due earlier this year because we have trucks scheduled to come in Dec., Jan., Feb., March and April of next year. The canceled trucks are:

**Potato Wedges:** A174109I001, A174109I 002, A174109I 003, A174109I 004

**Oven Potatoes:** A210109I001, A210109I 002, A210109I 003, A210109I 004

**Queso Blanco:** Not enough interest to make even a ¼ truck.

**Tuna Issues:** On Announcement #LS127, Invitation #008, USDA/AMS received only 8 offers out of 15 units of A745/Tuna Pouch 43, due to several reasons. Unlike canned tuna, pouch tuna is a very labor-intensive production process — it requires hand filleting and packing. In addition, it also requires manual procedures to seal, inspect and pack the product for shipping. Vendors need at least 8 to 10 weeks to produce the pouch in time to meet the delivery period.

Currently, USDA/AMS have only 2 vendors for the LS127 Tuna Program. Only one is bidding on the 43 oz. pouch. The other vendor is producing a smaller pouch for the military. As a result, they are at a full capacity but are looking into producing the 43 oz. pouch size. Plus, only two U.S. flagged vessels are supplying raw material to the vendor that is bidding on the units.

For the next invitation (January thru March 2007 ship period), the 43 oz. pouch not purchased for 12/15/06 ship period will be re-listed. However, the first ship period offered will be January and it will be difficult for the vendor to fulfill deliveries for the first half of January (since bids will be awarded by the middle of November). AMS recommend moving as many units as possible into a later delivery period — the vendor may not bid on a lot of January due to time constraint. However, if recipients need the 43 oz. pouch for the January ship period, the other option is to change the pouch to 66.5 oz. cans.

Connecticut currently has requests as follows for the rest of this school year:

<u>12/15/06</u>	<u>2/28/07</u>
A745109I001	A745109I003
A745109I002	A745109I004

In an effort to ensure schools receive tuna, the SLAC members agreed to change the A745 Tuna pouches with A742 canned Tuna 6/66.5 oz. cans per case with a new delivery period to the warehouse of 1/15/2007. **If schools are unable to receive canned tuna, they must notify the FDP office at 860-256-2910, or email [Dan.Sadowski@ct.gov](mailto:Dan.Sadowski@ct.gov) no later than November 17, 2006.**

**New products planned for test purchase:** USDA is finalizing specifications and fact sheets on the following new items so that they can soon be offered for test purchase:

Pork: Ham Sliced and Diced  
Chicken: Ground Chicken Crumbles and Patties  
Turkey: Bulk Ground Turkey  
Whole Grain: Whole Wheat Pasta  
Fruit/Vegetables: Grape Juice Bulk

**Turkey Program:** Due to market conditions, the turkey roast, whole, and deli program was suspended by USDA. Connecticut changed the delivery dates for the following trucks:

A537109I002 from 07/31/2006 to 2/15/2007  
A537109I003 from 08/15/2006 to 3/15/2007  
A537109I004 from 10/15/2006 to 4/15/2007  
A549109I001 from 10/15/2006 to 2/15/2007

## Electronic Commodity Ordering System (ECOS) Website address change

USDA changed the website web address last weekend. Starting October 30 the new address is: <https://ecos.usda.gov>. We have made the change on the Marketplace link. If you have a "Favorites" link for ECOS you will need to update that. If you don't make the change when you access the existing web address, you will receive an informational page informing you of the change and you will be redirected to the new web address. This redirection will be active until mid November to give everyone time to change their "Favorites" to the new address.

## Good Turnout for DAS' Fed Food Show

A large conference room filled with the smells of meatballs, pizza, and chicken nuggets? How could it not be a success?

DAS' Federal Food Distribution Program Commodity Processing Food Show was considered a success by program director Linda Hubeny,

"I'm happy with the turnout and was really happy to get most of our largest school district representatives to come. I could see the vendors were happy about that also," she said.

The Food Show allowed vendors to showcase their products to school district representatives to show them what was available for their lunch menus, talk directly with the vendor to answer questions and, in some cases, place orders on the spot.

A noticeable change of the times is how most of the vendors are leaning towards a healthier way of eating for school children. Land O' Lakes Northeast Sales Manager Judith Fitzgerald agreed, "Everyone is definitely pushing for the healthier menus. It's become a huge issue locally and nationally. We've responded by introducing low fat and reduced fat products and the schools are really asking for these items."

"Our customers are happy," said Hubeny. "We've made a lot of improvements and increased our flexibility in ordering and in being responsive to their needs."

A new strategy has been to market Connecticut as a testing ground. Even though Connecticut is considered a small state, its population allows for broader appeal to a larger state. "The USDA has tested a few things with us and we've had a lot of success," said Hubeny. "I think our processors and customers enjoy being the first for certain products or procedures to see if they work and give their feedback. Like our slogan says, 'We're DAS, and we're at your service.'"

## Hubeny Goes to Washington – And Gets Results

Hubeny for state representative? Maybe not, but you definitely want her to represent the DAS Fed Food Program. After a back-and-forth with some USDA representatives about listing ingredients on certain packaging, "It just made sense to me to have the ingredients listed so food service directors, and others know what's in the food children are eating in our schools. This will be especially helpful for children with allergies. I had also heard a few of my customers say the same thing. I was persistent and USDA changed their packaging to reflect the ingredients listing starting next school year," she said.

## DOD Program

DAS Fed Foods just started receiving emails from the Department of Defense (DOD) to the directors that will have G&A as their vendor. It appears everything has been straightened out and those schools can start placing orders in TAP-IT.

The program is looking to increase its number of schools participating in the upcoming year. Anyone interested should contact Linda Hubeny at [Linda.Hubeny@ct.gov](mailto:Linda.Hubeny@ct.gov).