



Issue 2010.10

October 26, 2010

Board Meeting Held September 15, 2010

The AAGIWA Board met September 15, 2010 in Omaha, Nebraska. On the Board's agenda for the morning session was a full discussion of association business including financial and membership reports from Staff Director Bob Petersen. The Board also reviewed the 2010 Annual Meeting and discussed plans for the upcoming 2011 meeting to be held May 1 - 3 at the Bally's Las Vegas Hotel and Casino.

After the business portion of the meeting, board members met with senior FGIS officials to discuss a variety of topics. Those issues impacting members are reported below.

Membership Report

AAGIWA gained 3 new agency members in 2010. Additionally, all 2009 members renewed their membership in 2010.

Please help us welcome:

DR Schaal Agency	Lewis Schaal
Gulf Country Grain Inspection	Pat LaCour
Maryland Dept. of Agriculture	John Manis

AAGIWA is today composed of 38 regular members and 10 associate members.

AAGIWA Board Meets with FGIS Officials

FGIS Deputy Administrator Randall Jones and other key FGIS staff were on hand at the 2010 September AAGIWA Board Meeting to provide an update on FGIS activities and to discuss issues of interest to the association. FGIS submitted the following summary of those discussions.

FGISonline Updates

Inspection Testing and Weighing (ITW) - The League City, New Orleans, and Toledo Field Offices are now using ITW for shiplot inspections. A training session for the Washington Department of Agriculture will be scheduled after ITW has been implemented by the Portland Field Office. The program logic still needs to be reviewed and tested for CuSum inspections of railcars.

Quality Assurance and Control (QAC) - All field offices and official agencies now have access to QAC on the staging server for training purposes. Field offices will determine when service providers in their assigned areas should begin using it on the production server.



FGIS Official Service Provider Licensing (FOL) -

A new version of FOL was migrated to the production server on October 14, 2010. This version should correct many of the past issues, such as FOL failing to award a license even though all test requirements were met and/or waivers were approved, randomly selecting duplicate test questions, and assigning different USGSA and AMA expiration dates.

Inspection Data Warehouse (IDW) - Field offices are now assisting the Field Operations and Support Staff in parallel testing of the supervision fee function. Feedback is being provided to service providers as data issues are identified.

Board of Appeals and Review Update

Dave Lowe, Chairman of FGIS's Board of Appeal and Review provided a report on Early Alerts previously sent to official agencies and FGIS offices. The following are excerpts from Dave's report.

- July 2010 - Early alert issued for sorghum. Substantial rain in South Texas, high sprout damage, greater than 35% sprout crop plowed under. Still a lot of sprout in storage.
- August 2010 - Early alert issued for green damage soybeans.
- 2010 Corn Quality - Interior locations seeing a lot of blue-eyed mold which has increased in storage. Texas feedlots are seeing a lot of high damage and musty corn. Louisiana has a backlog of high damage barges, damage is increasing in the barges, gulf having trouble meeting grade, majority of damages in barges is germ damage.
- August 2010 - New crop corn in south is low in damage, but aflatoxin is a problem.

Load Order Contract Reviews

Tom O'Connor, Director of FGIS's Compliance Division, reported on the status of its Contract Review Program, in which FGIS compares inspection requests from applicants to official service providers with the corresponding provisions in the sales contract for compliance with FGIS regulations. The program was initiated at the beginning of Fiscal Year (FY) 2009 and is scheduled to run through at least the end of FY 2010, Tom reported.

Tom O'Connor summarized the results through the Second Quarter of FY 2010 by type of carrier, i.e., vessel, export rail, and container. He discussed the trends in compliance with official system requirements and provided an overview of the types of non-compliance items being found for each mode of transportation. Tom concluded his remarks by noting that FGIS will review the overall results of the program and determine its future once it has completed its final review of data from the Third and Fourth Quarters of FY 2010.

Exception Program Directive

FGIS provided the Board with a preliminary overview of proposed changes to the Exception Program. FGIS is preparing a directive that explains the exception program. AAGIWA Board members are currently reviewing the directive and will provide comments to FGIS.



Save the Date!

Be sure to mark your calendar to attend AAGIWA's annual meeting which will be held May 1 - 3, 2011, at Bally's Las Vegas.

Further information about the program and registration information for the meeting and the hotel will be available in the near future. Hotel reservations will be available at both Bally's and Paris Las Vegas.

The directive establishes responsibilities and requirements for official agencies providing original service outside of their assigned territories to promote utilization of official inspection services, enhance the marketing of grain, and improve customer service to benefit users of the official system while meeting the statutory objectives under the United States Grain Standards Act.

The directive provides an in-depth explanation of the three circumstances which allow official agencies to perform service outside their designated territory.

- **Timely Service.** When a facility that cannot get official services from the incumbent official agency within the specified 6-hours from the time of the request.
- **Nonuse of Service.** When a facility that has not had official sample-lot inspection or weighing services for 90-consecutive days from the incumbent official agency.
- **Barge Probe Service.** Allowing official agencies to provide probe-sampling and inspection for barge-lots of grain in barges located outside the geographic areas assigned to them.

Upcoming FGIS Retirements

The coming months will see the retirements of three key FGIS staff members.

Diane Palecek will retire from her position as Assistant Director, Field Operations and Support Staff. Diane has served as the Assistant Director of the Field Operations and Support Staff (FOSS) since October 2007. For the past 5 years, she also served as the Project Manager for the Inspection Data Warehouse, which is a national database of official inspection and weighing records. Diane began her career with FGIS as an Agricultural Commodity Grader in Wichita, Kansas. From there, she moved to Kansas City, Missouri, where she held a number of positions, including Field Office Manager of the Kansas City Field Office for 16 years.

Ken Critchfield will retire from his position as Assistant Director, Quality Assurance and Control Staff. He began his career in grain inspection in 1967 at the Lubbock Grain Exchange as a sampler, and later was a licensed inspector for that agency. Ken accepted a position at the newly opened FGIS field office in Plainview, Texas, in 1980 as an inspector for the Federal Grain Inspection Service. During his time at the Plainview office, Ken served as Quality Assurance Specialist, Protein Coordinator, Equipment Specialist, and Training Officer. Ken served as Assistant Field Office Manager at both the Plainview and Wichita offices before accepting the Field Office Manager's position at Wichita in 1998. In 2007, Ken accepted the position of Field Management Division Assistant Director, Quality Assurance and Control Staff.

Ken Weaver will retire from his position as Grain Marketing Specialist. Ken began his career in 1976 in Houston, Texas, as an Agricultural Commodity Grader with the AMS Grain Division. In 1978 he transferred to the newly established FGIS in Washington, D.C. and worked as a Grain Marketing Specialist in the Rice and Commodities Branch, Grain Procedures Branch, Procedures Development Branch, and the Standards and Procedures Branch. In 1988, Ken moved to Kansas City, Missouri, to work as the Assistant Field Office Manager (AFOM) there. Ken became the AFOM for the Wichita Field Office when the Kansas City Field Office closed, and then became the Acting FOM from 2007 until 2008 when FOSS came into existence, and Ken worked as a Grain Marketing Specialist in FOSS.

AAGIWA appreciates the relationships we have enjoyed with each of these individuals for many years and wishes all of them well in their retirement.

FGIS People on the Move

FGIS recently announced the selection of three individuals to fill strategic positions.

Sandra Metheny has been selected as the Assistant Field Office Manager in the Stuttgart Field Office. Sandra started her Federal career in 1989 as an Agricultural Commodity grader in the Stuttgart Field Office. She also served as the Collateral Duty Equipment Specialist, Training Officer, and Commodity Coordinator until 1997. For the past 13 years, Sandra has served as the Scale Specialist/Industrial Specialist for the Stuttgart Field Office

Tom Steele has been selected as the Assistant Field Office Manager in the Portland Field Office. Tom began his Federal career in 1978 as an Agricultural Commodity Technician, later worked as an Agricultural Commodity Grader, and was promoted to the Quality Assurance Specialist position in Portland in 2004.

Wade Berteau has been selected as a Grain Marketing Specialist for the Field Management Division. Wade will be responsible for the Inspection Testing and Weighing (ITW) program with additional duties in grain inspection and certification procedures. Wade joined FGIS in January 1977. During his career, he has worked as an Agricultural Commodity Grader and, most recently, as a shift supervisor in the New Orleans Field Office.

Other FGIS News

Yamamoto Rice Sheller Study Completed

The Technical Center completed the Yamamoto Sheller Study which showed rice milling yields were affected by the rice sheller used. California rice millers had requested FGIS evaluate the Yamamoto Sheller as a replacement for the GrainMan rice sheller, but given the differences in rice milling yields, the decision was to continue using the GrainMan rice sheller for this year's rice harvest in California. Now that the impact of changing shellers is known, the decision to change is being evaluated to determine if a change will be made before next year's rice harvest.

New Moisture Meter Technology Moving Forward

The Technical Center is moving forward on the selection of new moisture measurement technology, with a target implementation date of 2013. The new technology has the potential to allow FGIS to approve instruments from multiple manufacturers thus creating price competition, and more options for official agencies when purchasing moisture instruments. FGIS is in the process of creating a technical team to develop criteria and performance specifications, evaluate submissions, and make the final selection.

National Grain Center Construction Resumes

The renovation and expansion of the National Grain Center has resumed and is now moving at a rapid pace. This building project will be completed in three phases and will continue for approximately the next 18 months. Phase 1, occupation of the new building, is scheduled to be completed in March 2011. Phase 2, renovation of the upstairs of the existing building, is to be completed by October 2011. Phase 3, renovation of the downstairs of the existing building, is to be completed by February 2012.

GIPSA's Review of Corn Grading

By Randall D. Jones, Deputy Administrator, FGIS



Recently, the North American Export Grain Association and the National Grain and Feed Association expressed concerns regarding the accuracy and consistency of corn damage determinations made on barges at origin and destination (New Orleans) as well as determinations made on corn exports moving through New Orleans. Over the past 3 months FGIS worked diligently to address these concerns.

As mandated by the United States Grain Standards Act, FGIS provides inspection and weighing services on export shipments of grain from the United States. Inspection services for domestic shipments of grain are strictly voluntary and are performed only at the request of the shipper or buyer. Inspections of outbound barges from locations north of the New Orleans port are performed as "official services" by FGIS and also as "unofficial service" where the grain company provides "house grades" or uses an unofficial (not approved by FGIS for official services) inspection company. The majority of the barges at origin and destination are not graded in the official inspection system.

At the export elevator locations in the New Orleans area, FGIS conducts official inspection on inbound barge shipments only when specifically requested by the customer. Most elevator locations contract private inspection agencies to perform inbound barge inspections or rely on house grades for determining the quality of grain unloaded from the inbound barges.

In anticipation of lower quality corn moving through the supply chain, FGIS took a number of steps to ensure the accuracy and predictability of the corn grading at the New Orleans export facilities. Since July 2010, FGIS increased the quality assurance and control oversight and monitoring of its grading operations. Over 500 sample inspection reviews have been conducted by the New Orleans and Kansas City offices, including reviews of original and destination file samples, and damage separations. This thorough analysis of the corn inspections demonstrated that the official inspection system is providing accurate and consistent inspection results. There have been isolated instances where an inspector's determinations have been outside of the acceptable parameters. In these cases, the determinations were immediately corrected and additional training was provided. The comparison of damage results reported by FGIS inspectors and Official Agency Inspectors, with Quality Assurance staff and BAR results varied on the average less than .3%.

FGIS's reviewed origin official inspection data with inbound barge inspection data and found that damage increased by 2.2%, which is to be expected given the heat and humidity on the river in mid-summer. The review also concluded that a very small percentage of barges that are shipped to New Orleans are both officially inspected at origin and destination.

Corn inspections conducted at the New Orleans field office from July through August for the last five years show that the volume of corn inspected is within normal parameters for this time of year. There is no indication that the volume of corn inspected in 2010 has experienced an unusual decrease relative to other years due to differences in inspection results.

FGIS offered the industry a number of options with respect to official sampling and inspection of corn. These options included sampling and inspecting all barges, performing factor analysis (damage and damage by heat) only inspection s, and Official Commercial Inspection Service where FGIS could analyze reduced portions in an effort to reduce the analysis time. While the industry did not widely take advantage of these options, they remain available to them.

This intensive review of corn quality grading clearly revealed inspectors are providing accurate and consistent results. I am very proud of the inspection work performed by FGIS and Official Agency graders and the service that they provide to U.S. producers and handlers.

Sorghum Odor Determination



The issue of where the sorghum musty odor line should be set and inconsistencies in the detection of sorghum odors are not new issues and dates back to at least the late 80's. Over the years, it has been the subject of multiple meetings and FGIS even created a task force to study the issue; however, as of today, the problem remains unresolved with all parties.

The lack of a national objective reference standard can create inconsistencies in the determination of odor in sorghum, especially between origin and destination samples.

Research on the issue continues, but no definitive date for completion of the work is known at this time. And, it is unknown if an approved reference standard for determining odor in sorghum will result from the latest research.

What is known is that there is a general consensus that determining odor in sorghum is subjective and often results in differences in determinations. And, it continues to be a concern for the sorghum industry as well as those responsible for grading the grain.



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The inconsistency in the detection of sorghum odors was most recently an issue in the spring of 2008. Odors were not being detected by Official Grain Inspection and Weighing Agencies at the point of origin, but were being detected by the Federal Grain Inspection Agency when sampled at the port. Significant improvement has been made to reduce inconsistent determinations through additional training and monitoring of sorghum odors by the BAR.

The inconsistencies opened a broader debate on where the official line for musty sorghum should be set.

On April 8, 2009, FGIS held a taskforce meeting in Kansas City. Participants included six handlers (domestic and export), two producers, and four end users. Attendees participated in a sensory evaluation guided by Dr. Edgar Chambers, IV, sensory expert from Kansas State University. The evaluation involved participants evaluating the odor of sorghum samples. The outcomes were detailed in a presentation at the June 24-25, 2009 FGIS Advisory Committee Meeting as follows.

- End-users odor line is tighter than handlers and producers
- There were significant differences within individuals even within the same group
- No consensus was reached on the level of end-users that should find the official line unacceptable
- Reporting “levels” of odors for samples should be explored
- Handlers and producers have great concern about consistency of odors between inspection points

Today

While the official system has made great strides in consistently applying the official sorghum odor line, there are apparent challenges for those relying on unofficial inspection results. In response to those inconsistencies, the United Sorghum Checkoff Program and National Sorghum Producers are planning to host a meeting to discuss the “Inconsistencies of Sorghum Odor Determination” and to focus on what FGIS and Industry can do to fix the problem in the unofficial system.

The discussion is slated to focus on the next steps in solving sorghum determination issues, which, according to the meeting hosts, “are currently causing major preventable losses in the sorghum industry and decreasing the stability and expansion of international trade opportunities.”

Research

FGIS and the Agricultural Research Service (ARS) are involved in the independent research of measuring grain quality characteristics. The agencies believe the research will further the understanding of improved tools and techniques to determine unacceptable odors in grain sorghum and potentially other grains. FGIS awarded ARS resources to conduct the research and provided samples with different degrees of off odors. The work is being conducted by Kansas State University.

K-State Research Project

Dr. Edgar Chamber IV, professor of Sensory Analysis and Consumer Behavior and Director, Sensory Analysis Center, Department of Human Nutrition at Kansas State University, is working on a project to find a more objective measure for sorghum odor.



Chambers, IV

According to Dr. Chambers, his charge is to “create a reference sample for storage musty odor in sorghum so that if a question arises, the inspector can compare the odor of the sample to a standardized reference sample.”

Dr. Chambers, when asked about the status of his work, responded “we are at the point of having narrowed the options and are looking more closely at their stability.”

Based on the presentation at the June 24-25, 2009 FGIS Advisory Committee Meeting, the agreement with Dr. Chambers is to:

Develop Standards

- Ensure line maintained over time
- Inspectors trained with standard reference
- Inspectors have reference when needed
- Industry could have standards for house inspectors

Possible Factors Contributing to Odor in Sorghum

- Storage may contribute to the development of odor in grain.
- Sorghum is one of the later grains to be harvested which means it is more likely to be stored on the ground. While this is a permissible storage method, it may increase the susceptibility of the grain to develop a musty odor.
- Sorghum will smell differently during the sampling process, especially after it has stabilized.
- The quality of the grain will be affected by how it is stored and handled – sorghum that has no musty odor when first sampled may, for example, have an odor after being stored on a barge for 4 - 6 weeks in 90 degree heat.

The unique odor of sorghum, the subjectivity of detecting odors and storage issues all seem to be factors that contribute to inconsistencies in the detection of odor in sorghum. The good news is that all the parties involved seem to recognize the problem and are working to find a solution. The question remains when and if a reference standard for determining odor in sorghum will be found and what level of musty odor in sorghum is acceptable. Work continues on this issue and we will bring you updates as new developments occur.

GIPSA Advisory Committee Meeting

USDA, GIPSA will hold a 2-Day Advisory Committee Meeting in New Orleans on November 17-18, 2010. A copy of the preliminary agenda can be found by [clicking here](#). Topics to be covered include:

- International Programs
- Review of Corn Grading – Domestic and Export
- 15,000 mt Waiver Program Requirements
- National Grain Center
- New Moisture Measurement Technology
- Rapid Test Evaluation Program
- Quality Management System: BAR/GSL
- Yamamoto Sheller Study
- Commodity Testing Program
- Export Fee Subcommittee Recommendations
- Exception Program
- Sorghum Odor

Contact Terri Henry, USDA, GIPSA at 202-205-3642 or Terri.L.Henry@usda.gov for more information.

Charm Sciences Launches New Enhanced Website

Charm Sciences announced the launch of its new enhanced website: www.charm.com. According to Charm Sciences, the new website is designed for a better user experience through improved navigation, enhanced functionality, and easier access to resource information.

In addition, Charm Sciences has launched a new Charm for Farm website specifically for dairy farmers: www.charmforfarm.com. The two sites are inter-linked.

AAGIWA Welcomes Member News

AAGIWA welcomes member information about new products, business changes, personnel changes, and other items that may be of interest to AAGIWA members. Please let us know what is new in your business. Send your information to: bob.petersen@aagiwa.com.

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