



United States
Department of
Agriculture

August 18, 2000

Farm and Foreign
Agricultural
Services

Farm Service
Agency

1400
Independence
Ave. SW
Stop 0552
Washington, DC
20250-0552

AMENDMENT 6 TO

ANNOUNCEMENT DAIRY-5
PURCHASE OF BULK DAIRY PRODUCTS

The purpose of this Amendment is to (1) address the requirement that purchases of cheese under this announcement be marked with metric weight, and (2) require that all purchases made under this announcement be of domestic origin, and (3) make requirements for markings on wrappers of block cheese optional.

Section 2, SUBMISSION OF OFFERS, Paragraph C (9) should read as follows:

- (9) Quantity in net pounds or kilograms as evidenced by the total net weight of each grading certificate or on the NDM sampling report. NDM and butter will be offered in 25-kilogram containers. Cheese will be offered in 40-pound blocks and/or 500-pound barrels. For cheese, the requirements for marked metric weights are optional.

Section 7, COMMODITY SPECIFICATIONS, should read as follows:

A. Domestic Origin

- (1) The product delivered under this announcement must be produced in the United States from commodities produced in the United States.
- (2) For purposes of this section, the following definition applies:

“Produced in the United States” means manufactured, processed, mined, harvested, or otherwise prepared for sale or distribution, from components originating in the United States. Components originating in the United States which have been exported, and subsequently imported back into the United States, will not be considered as having been produced in the United States.

- (3) The contractor must maintain records to verify that during the contract shipping period, at the point of packaging or, in the case of bulk commodities, at the point of delivery to CCC, the product was in compliance with the domestic origin requirements of this section of the announcement. (See Article 76 of USDA-1.)

- (4) CCC will randomly conduct domestic origin compliance reviews to determine if the product delivered to CCC was produced and manufactured in the United States from materials produced and manufactured in the United States. Upon request, the contractor must submit documentation substantiating compliance to the contracting officer for review. This documentation may include procurement, production, inventory, delivery, and any other pertinent records. Onsite reviews may also be performed, at the discretion of CCC.

B. Butter

Butter shall be processed from fresh cream. The cream shall not have been neutralized and shall have an acid degree value (ADV) of 1.5 or less. Butter in each container shall be one solid piece and the surface of the butter shall be smoothly finished. Butter will be subject to a keeping quality test of seven days incubation at 72°F to be performed by AMS at time of grading.

(1) Salted Butter

Salted butter shall be U.S. Grade AA or Grade A as evidenced by a grading certificate issued by AMS, and must be not more than 60-days old on the day it is offered to CCC. Salted butter shall not contain starter distillate or diacetyl.

(2) Unsalted Butter

Unsalted butter shall be U.S. Grade A or higher as evidenced by a grading certificate issued by AMS. Unsalted butter shall be not more than 30-days old on the date it is offered to CCC. The minimum milkfat content will be 80 percent and the maximum moisture content will be 18.8 percent. An amount of lactic acid shall be added to the butter to achieve a pH level of 4.2 to 5.2. Starter distillate or diacetyl may be added.

C. NDM

Fortified and nonfortified NDM must be U.S. Extra Grade, except that the moisture content must not exceed 3.5 percent. NDM must be not more than 60-days old on the date it is offered to CCC, and it will be subject to penicillin, coliform, and salmonella tests to be performed by AMS at the time of grading. The penicillin and salmonella tests must be negative, and the coliform counts must be not more than 10 per gram.

- (1) Nonfortified NDM will be analyzed for heat treatment classification and the results of the whey protein nitrogen (WPN) test shown on the grading certificate.
- (2) Fortified NDM in any sublots which otherwise meets the specifications set forth above, but which has a moisture content in excess of 3.5 percent, but not more than 4.0 percent, will be accepted at the following discounts:

<u>Moisture Content</u> (percent)	<u>Discount per Pound</u> (cents)
3.6	1.0
3.7	1.4
3.8	1.8
3.9	2.2
4.0	2.6

- (3) The fortified NDM must be fortified with Vitamins A and D within a range of 2000 - 4200 International Units (IU) of Vitamin A, and not less than 400 or greater than 800 IU of Vitamin D per 100 grams of NDM. The fortified NDM must be fortified with Vitamins A and D by either the wet or dry process in such manner as to ensure even distribution of the vitamins at the rate of approximately 3000 IU of Vitamin A, and 600 IU of Vitamin D. The vitamins must be added at a sufficient level to allow for loss in vitamin potency during fortification.
- (4) NDM containing Vitamin A in excess of 4,200 or less than 2,000 IU will be rejected, or at the discretion of the contracting officer, accepted at a discount.
- (5) Vitamin Sources for Dry Process Fortification

The vitamins must be Vitamin A Palmitate (Retinyl Palmitate) or Vitamin A Acetate (Retinyl Acetate), and Vitamin D² (Ergocalciferol, or Activated Ergosterol), or D³ (Activated 7-Dehydro Cholesterol). The ratio of vitamins added to the NDM must be 5 IU of Vitamin A to 1 IU of Vitamin D. The vitamins must be suitably blended in a bland, dry, edible carrier capable of being readily dispersed when the NDM is reconstituted. Suitable food grade antioxidants to stabilize the vitamins, diluents and carriers, will be used as permitted by the Food and Drug Administration (FDA).

(6) Vitamin Sources for Wet Process Fortification

- (a) The vitamins must be Vitamin A Palmitate (Retinyl Palmitate), and Vitamin D² Ergocalciferol or Activated Ergosterol) or D³ (Activated 7-Dehydro Cholesterol). The ratio of vitamins added to the NDM must be 5 IU of Vitamin A to 1 IU of Vitamin D. A small amount of suitable bland, edible oil, may be used as a diluent and solvent for the purpose of adjusting potency to give not less than 1 million United States Pharmacopoeia (USP) units per gram. Suitable food grade antioxidant to stabilize the vitamins and food grade emulsifier will be used as permitted by FDA.
- (b) Only hydrogenated coconut oil conforming to the provisions of FDA and the following requirements will be used to further dilute the vitamins before they are added to the fluid skim milk in accordance with the vitamin supplier's instructions:

Flavor	- clean and bland
Refractive Index at 104° F	- 1.448 to 1.452
Iodine Value	- 4.0
Maximum melting point	- 98 to 102°
Saponification Value	- 260 maximum

- (7) The contractor must obtain a certification from the vitamin supplier (which the contractor, by delivering the fortified NDM, warrants to be correct) that the supply of vitamins to be delivered to the NDM processor has been tested and found to be substantially without flavor, and suitable for use in milk products; and vitamin assays for Vitamin A (Palmitate), Vitamin D² (Ergocalciferol or synthetic Oleo Vitamin D), and Vitamin D³ (Activated 7-Dehydro Cholesterol) are not less than the label claim when tested by test methods prescribed in the USP XIX.

D. CHEESE

- (1) Cheese may not be more than 60-days old on the date it is offered to CCC. No lot may contain cheese having a variation of over 30 days in dates of manufacture. No vat may have a pH value higher than 5.40.
- (2) Block Cheddar cheese must be U.S. Grade A or higher and no vat may contain more than 38.5 percent moisture.

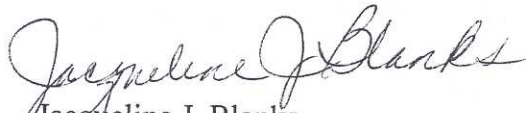
- (3) Cheese packed in barrels must be U.S. Extra Grade. All surfaces of the cheese must be reasonably smooth and closed to inhibit mold growth and penetration. This requirement is not meant to prohibit use of vacuumized and sealed liners for mold control, which may cause distortion of the cheese surface from the vacuumizing treatment. No vat may contain more than 36.5 percent moisture. Each lot must contain only one type and size container. Barrel cheese may contain a reasonable amount of whey on the surface of the cheese and the liner. "Reasonable" means droplets but less than flowing whey on the cheese or the interior of the liner. Barrel cheese may not have visible mold at the time of grading.

Appendix 2, PART 4, SAMPLING AND MARKING SPECIFICATIONS, page 14, is amended, in part, to read as follows:

Paragraph 3, Cheese, f:

- f. Marked net weight in pounds. (Marked metric weight requirements are optional.)
- C. The wrappers on block cheese may be marked with the name and location of the applicable plant or assigned State and plant number as reported for the plant by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service", month, day, and year of manufacture, and vat number.

This amendment is effective immediately.


Jacqueline J. Blanks
Deputy Director
Kansas City Commodity Office



May 26, 2000

United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Farm Service
Agency

1400
Independence
Ave. SW
Stop 0552
Washington, DC
20250-0552

AMENDMENT 5 TO


ANNOUNCEMENT DAIRY-5
PURCHASES OF BULK DAIRY PRODUCTS

The purpose of this Amendment is to add salmonella testing by AMS at the time of grading for the account of the vendor.

Section 7. COMMODITY SPECIFICATIONS, B. NDM, the first paragraph is amended to read as follows:

Fortified and nonfortified NDM must be U.S. Extra Grade, except that the moisture content must not exceed 3.5 percent. NDM must be not more than 60 days old on the date it is offered to CCC, and it will be subject to penicillin, coliform, and salmonella tests to be performed by AMS at the time of grading. The penicillin and salmonella tests must be negative, and the coliform counts must be not more than 10 per gram.

This Amendment is effective immediately.


Jacqueline J. Blanks
Deputy Director
Kansas City Commodity Office



United States
Department of
Agriculture

September 9, 1999

Farm and Foreign
Agricultural
Services

Farm Service
Agency

1400
Independence
Ave. SW
Stop 0552
Washington, DC
20250-0552

AMENDMENT 4 TO

ANNOUNCEMENT DAIRY-5
PURCHASES OF BULK DAIRY PRODUCTS

The purpose of this Amendment is to limit freight reimbursement to the closest available rail shipping point.

Section 10. SHIPMENTS AND DELIVERY - TRANSFER OF TITLE, Paragraph A, (3) should read as follows:

When CCC exercises its option to require delivery f.o.b. railcars or trucks, contractor must pay all necessary dunnage and bracing charges. Sample and reserve sample containers must be loaded in the doorway of the car or truck. The sample containers must be clearly identified to each lot when shipping more than one lot per railcar. When delivery by rail is requested and contractor's plant is not serviced by a railroad, transportation and other charges necessary to place the product f.o.b. railcars will be for the account of contractor, and CCC will reimburse contractor for such costs up to 25 cents per gross hundredweight for the first 10 miles and one cent per gross hundredweight for each additional 5 miles. Such reimbursement shall not exceed the amount as would be calculated based upon the distance from contractor's plant to the closest available rail shipping point.

This Amendment is effective immediately.

A handwritten signature in cursive script that reads "Alan King".

Alan King
Director
Kansas City Commodity Office



United States
Department of
Agriculture

May 19, 1999

Farm and Foreign
Agricultural
Services

Farm Service
Agency

1400
Independence
Ave. SW
Stop 0552
Washington, DC
20250-0552

AMENDMENT 3 TO
ANNOUNCEMENT DAIRY-5
PURCHASE OF BULK DAIRY PRODUCTS

The purpose of this Amendment is to change the vitamin fortification ratio of Vitamin A to Vitamin D, and allow commercial marked bags for fortified nonfat dry milk offered to CCC under the Milk Price Support Program.

Section 7., COMMODITY SPECIFICATIONS, Paragraphs B. (3), (4), (5), and (6) are amended to read as follows:

- (3) The fortified NDM must be fortified with Vitamins A and D within a range between 2000 - 4200 International Units (IU) of Vitamin A, and not less than 400 or greater than 800 IU of Vitamin D per 100 grams of NDM. The fortified NDM must be fortified with Vitamins A and D by either the wet or dry process in such manner as to ensure even distribution of the vitamins at the rate of approximately 3000 IU of Vitamin A, and 600 IU of Vitamin D. The vitamins must be added at a sufficient level to allow for loss in vitamin potency during fortification.
- (4) NDM containing Vitamin A in excess of 4,200 or less than 2,000 IU will be rejected, or at the discretion of the Contracting Officer, accepted at a discount.
- (5) Vitamin Sources for Dry Process Fortification

The vitamins must be Vitamin A Palmitate (Retinyl Palmitate) or Vitamin A Acetate (Retinyl Acetate), and Vitamin D₂ (Ergocalciferol, or Activated Ergosterol), or D₃ (Activated 7-Dehydro Cholesterol). The ratio of vitamins added to the NDM must be 5 IU of Vitamin A to 1 IU of Vitamin D. The vitamins must be suitably blended in a bland, dry, edible carrier capable of being readily dispersed when the NDM is reconstituted. Suitable food grade antioxidants to stabilize the vitamins, diluents and carriers, will be used as permitted by the Food and Drug Administration (FDA).

(6) Vitamin Sources for Wet Process Fortification

- (a) The vitamins must be Vitamin A Palmitate (Retinyl Palmitate), and Vitamin D₂ Ergocalciferol or Activated Ergosterol) or D₃ (Activated 7-Dehydro Cholesterol). The ration of vitamins added to the NDM must be 5 IU of Vitamin A to 1 IU of Vitamin D. A small amount of suitable bland, edible oil, may be used as a diluent and solvent for the purpose of adjusting potency to give not less than one million United States Pharmecopoeia (USP) units per gram. Suitable food grade antioxidant to stabilize the vitamins and food grade emulsifier will be used as permitted by FDA.

Appendix 2, Part 4,Section B.(2)i. is amended to read as follows:

- B(2)i. Commercially marked, 25 kilogram bags should be used and marked, "Nonfat Dry Milk Fortified with Vitamins A & D."

This Amendment is effective immediately.



Alan King
Director
Kansas City Commodity Office



United States
Department of
Agriculture

Consolidated
Farm Service
Agency

P.O. Box 2415
Washington, D. C.
20013

April 10, 1995

AMENDMENT 2 TO ANNOUNCEMENT DAIRY-5

Purchase of Bulk Dairy Products

Purpose	The purpose of this Amendment is to (1) change Exhibit A and add Exhibits B, C and D and (2) change the requirement for applying the contract number on the commodity containers.
Changes	<ol style="list-style-type: none">1. Section 2., "Submission of offers", paragraph C (page 4), the " Note" after subparagraph (13) is amended to read as follows: Note: Exhibits A, B, and C are offer forms for use to submit offers. Exhibit D is a request form for contractors to cancel offers.2. Appendix 2, Part 4, Paragraph H, (page 15), is amended to insert the following sentence after the first line. However, commodity containers that are unitized are required to only have the contract number applied to all exposed surfaces of the containers.
Effective date	This Amendment is effective immediately.
Attachments	The revised Exhibit A and new Exhibits B, C, and D.

Indulis Kancitis
Acting Chief, Dairy Branch
Procurement and Donation Division

U. S. DEPARTMENT OF AGRICULTURE
Consolidated Farm Service Agency
DAIRY-5 (BULK BUTTER) OFFER FORM

EXHIBIT A
April 10, 1995

FAX No. 816-926-6381
Contracting Officer
Kansas City Commodity Office
USDA, CFSA, Dairy & Domestic Operations Division, Dairy Procurement & Inventory Branch
P.O. Box 419205
Kansas City, Missouri 64141-6205

FOR KCCO USE ONLY	
VDR/PL	_____
COM/PK	_____
PRICE	_____
WHSE	_____

Offer is subject to the terms and conditions of Announcement DAIRY-5, as amended. (1)

Total net quantity offered: _____ pounds. (9)

Type: _____ (7a) Pack: _____ (10) Tare Wt: _____ (10)

Location of butter when inspected by USDA: Offeror's plant CCC-approved whse Non-CCC-approved whse (5)

Name and location of plant/whse: _____ (5)

If butter is currently in non CCC-approved warehouse, it is in COOLER or FREEZER space. (6a)

Truck shipping point: _____ (4)
(Name) (Address) (City/State/ZIP)

Rail shipping point: _____ (4)
(if different than truck) (Name) (Address) (City/State/ZIP)

Serving Railroad(s): _____ (4) Switching Railroad: _____ (4)

CERTIFICATE NUMBER (8)	GRADE (7a)	UNITS (10)	NET WEIGHT (9)	STORAGE PAID THROUGH DATE (6b)	STORAGE LOT NO. (6c)	MANUFACTURE DATE(S) (3)

Full business name of offeror, complete address, telephone number, and FAX number: (11)

Representations and Certifications (12)

By signing the offer, the offeror certifies that annual representations and certifications (check one):

- Dated _____ (insert date of signature of submission), which are incorporated herein by reference, have been submitted to the KCCO and that submittal is current, accurate, and complete as of the date of this offer, except as follows (insert changes that affect only this offer, if "none," so state):

- Are enclosed.

By signing the offer, the offeror understands that any fraudulent certification or misrepresentation in this offer will render offeror subject to criminal prosecution and civil frauds liability.

SIGNATURE	TITLE	DATE	(13)

Note: Numbers in parenthesis correspond with Announcement DAIRY-5, section 2.C., "What to Submit."

U. S. DEPARTMENT OF AGRICULTURE
Consolidated Farm Service Agency
DAIRY-5 (BULK NDM) OFFER FORM

EXHIBIT B
April 10, 1997

FAX No. 816-926-6381
Contracting Officer
Kansas City Commodity Office
USDA, CFSA, Dairy & Domestic Operations Division, Dairy Procurement & Inventory Branch
P.O. Box 419205
Kansas City, Missouri 64141-6205

FOR KCCO USE ONLY

VDR/PL _____
COM/PK _____
PRICE _____
WHSE _____

Offer is subject to the terms and conditions of Announcement DAIRY-5, as amended. (1)

Total net quantity offered: _____ pounds. (9)

Type: _____ (2) Pack: _____ (10) Tare Wt: _____ (10)

Indicate if made from Grade A milk: _____ (yes or no) (7c)

Milk offered has been reprocessed because of prior positive salmonella: _____ (yes or no) (7c)

Location of NDM when inspected by USDA: Offeror's plant CCC-approved whse Non-CCC-approved whse (5)

Name and location of plant/whse: _____ (5)

Truck shipping point: _____ (4)
(Name) (Address) (City/State/ZIP)

Rail shipping point: _____ (4)
(If different than truck) (Name) (Address) (City/State/ZIP)

Serving Railroad(s): _____ (4) Switching Railroad: _____ (4)

CERTIFICATE NUMBER (8)	HEAT TREATMENT (7c)	UNITS (10)	NET WEIGHT (9)	STORAGE PAID THROUGH DATE (6b)	LINER (7c)	BAG TYPE (10)	STORAGE LOT NO. (6c)	MANUFACTURE DATE(S) (3)

Full business name of offeror, complete address, telephone number, and FAX number: (11)

Representations and Certifications (12)

By signing the offer, the offeror certifies that annual representations and certifications (check one):

Dated _____ (insert date of signature of submission), which are incorporated herein by reference, have been submitted to the KCCO and that submittal is current, accurate, and complete as of the date of this offer, except as follows (insert changes that affect only this offer, if "none," so state):

Are enclosed.

By signing the offer, the offeror understands that any fraudulent certification or misrepresentation in this offer will render offeror subject to criminal prosecution and civil frauds liability.

SIGNATURE	TITLE	DATE
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Note: Numbers in parenthesis correspond with Announcement DAIRY-5, section 2.C., "What to Submit."

U. S. DEPARTMENT OF AGRICULTURE
Consolidated Farm Service Agency
DAIRY-5 (BULK CHEESE) OFFER FORM

EXHIBIT C
April 10, 1995

FAX No. 816-926-6381
Contracting Officer
Kansas City Commodity Office
USDA, CFSA, Dairy & Domestic Operations Division, Dairy Procurement & Inventory Branch
P.O. Box 419205
Kansas City, Missouri 64141-6205

FOR KCCO USE ONLY	
VDR/PL	_____
COM/PK	_____
PRICE	_____
WHSE	_____

Offer is subject to the terms and conditions of Announcement DAIRY-5, as amended. (1)

Total net quantity offered: _____ pounds. (9)

Kind: _____ (7b) Color: _____ (7b) Pack: _____ (10) Tare Wt: _____ (10)

Block cheese is made from unpasteurized milk and NOT cured for 60 days at 35°F or above: _____ (true or false) (7b)

Location of cheese when inspected by USDA: Offeror's plant CCC-approved whse Non-CCC-approved whse (5)

Name and location of plant/whse: _____ (5)

Truck shipping point: _____ (4)
(Name) (Address) (City/State/ZIP)

Rail shipping point: _____ (4)
(If different than truck) (Name) (Address) (City/State/ZIP)

Serving Railroad(s): _____ (4) Switching Railroad: _____ (4)

CERTIFICATE NUMBER (8)	GRADE (7b)	UNITS (10)	NET WEIGHT (9)	STORAGE PAID THROUGH DATE (6b)	STORAGE LOT NO. (6c)	MANUFACTURE DATE(S) (3)

Full business name of offeror, complete address, telephone number, and FAX number: (11)

Representations and Certifications (12)

By signing the offer, the offeror certifies that annual representations and certifications (check one):

- Dated _____ (insert date of signature of submission), which are incorporated herein by reference, have been submitted to the KCCO and that submittal is current, accurate, and complete as of the date of this offer, except as follows (insert changes that affect only this offer, if "none," so state):

- Are enclosed.

By signing the offer, the offeror understands that any fraudulent certification or misrepresentation in this offer will render offeror subject to criminal prosecution and civil frauds liability.

SIGNATURE	TITLE	DATE	(13)
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Note: Numbers in parenthesis correspond with Announcement DAIRY-5, section 2.C., "What to Submit."

**PRICE SUPPORT
CANCELLATION REQUEST**

TO: FAX NO. 816-926-6381
Contracting Officer
Kansas City Commodity Office
USDA, CFSA
Dairy & Domestic Operations Division
Dairy Procurement & Inventory Branch
P.O. Box 419205
Kansas City, Missouri 64141-6205

FROM: _____
(Company Name)

(City/State)

(Contact Person/Phone No.)

Certificates to be canceled were offered under Announcement _____.

Total net quantity to be canceled: _____ pounds.

Commodity: _____ Pack Size: _____

Reason for cancellation: _____

Please cancel the following certificates:

CONTRACT NUMBER	CERTIFICATE NUMBER	N/D NUMBER	NET WEIGHT

Requested By:

(Signature) (Title) (Date)



AMENDMENT 1 TO ANNOUNCEMENT DAIRY-5

Purchase of Bulk Butter, Cheese, and Nonfat Dry Milk under the Dairy Price Support Program

Purpose

The purpose of this Amendment is to allow the use of a minimum 3.0 mil (guaranteed) low density polyethylene film liner in the construction of multiwall paper bags used to package nonfat dry milk under Announcement DAIRY-5.


Minimum 3.0 mil (guaranteed) low density polyethylene liners may also be utilized in any alternative bag constructions previously tested and authorized for use, in writing, by the Deputy Administrator, Commodity Operations, Washington, D.C.

Changes

- Announcement DAIRY-5, Section 2., "Submission of Offers," paragraph C., (7) (c) (page 3), is amended to add:
 - 4) whether a minimum 3.0 mil (guaranteed) liner or 4.0 mil liner is utilized.
- Appendix 2, Part 3., Section 4., paragraph B., 1 (page 10), of Announcement DAIRY-5 is amended to read as follows:
 1. Inner polyethylene film facing the product must be a loose-inserted minimum 3.0 mil (guaranteed) low density food grade liner.

**Effective
date**

This Amendment is effective immediately.


Indulis Kancitis
Acting Dairy Branch Chief
Procurement and Donation Division



United States
Department of
Agriculture

Agricultural
Stabilization and
Conservation Service

P.O. Box 2415
Washington, D.C.
20013

September 25, 1992

**ANNOUNCEMENT DAIRY-5
PURCHASE OF BULK DAIRY PRODUCTS
(Supersedes Announcement Dairy-4)**

Enclosed is Announcement DAIRY-5 for the purchase of bulk dairy products under the Dairy Price Support Program. The effective date is October 1, 1992.

The reasons for issuing DAIRY-5 are to:

1. Update DAIRY-4 and incorporate Amendments 1 through 6.
2. Require all nonfat dry milk to be offered in 25-kilogram bags, effective October 1, 1992.
3. Require all butter to be offered in 25-kilogram containers, effective January 4, 1993.
4. Include all certifications, representations, and warranties in Appendix 1.
5. Include all packaging and marking requirements for bulk dairy products in Appendix 2.

Cheese will remain in current containers and effective January 4, 1993, will have the corresponding metric weight marked as the prominent weight with the appropriate pounds marked as a "secondary" weight. Nonfat dry milk in 25-kilogram bags and butter in 25-kilogram containers will also have the appropriate weight marked in pounds as a "secondary" weight.

Appendix 1, (Certifications, Representations, and Warranties), should be signed and sent to the Kansas City Commodity Office annually (on a calendar year basis). Offerors are responsible for updating the Appendix 1, as may be necessary.

Appendix 2, (Packaging and Marking Specifications), replaces DACO-DAIRY Handbook "Packaging of Dairy Products" for bulk dairy products.

Please review the Notice to Industry, dated September 10, 1992, regarding requirements for conversion to metric-size packages.

We urge you to read the Announcement carefully.

Indulis Kancitis
Director, Dairy Division

2. SUBMISSION OF OFFERS

A. How to Submit Offers

- (1) Offers must be submitted by one of the following methods:
 - (a) Letter in duplicate
 - (b) Mailgram
 - (c) Facsimile [(816) 926-6381]
 - (d) Telegram, Telex, TWX, or Easylink Use: (467094-USDA CI)
- (2) If an offer is mailed or delivered by hand, place the notation "Offer under DAIRY-5" in the lower-left corner of the envelope.

B. Where and When to Submit Offers

Offers, modifications or withdrawals of offers must be submitted to the Kansas City Commodity Office, USDA-ASCS, P. O. Box 419205, Kansas City, Missouri 64141-6205. Offers delivered by hand must be made to the Kansas City Commodity Office (KCCO), 8930 Ward Parkway, Kansas City, Missouri. An offer, or the contract resulting from acceptance of the offer by CCC, may be cancelled at any time by either CCC or the contractor without any obligation to the contractor or to CCC if delivery has not been made as specified in Section 10 of this Announcement.

C. What to Submit

Each offer must include the following statement and information:

- (1) Offer is subject to the terms and conditions of Announcement DAIRY-5.
- (2) Name of product.
- (3) Date of manufacture.
- (4) Name of each delivery point and name of railroads serving each delivery point. Railroad shipping point if different from delivery point and railroad serving shipping point. If shipping point is on a team track, offer must identify location and distance from plant.
- (5) Location of commodity at time of the United States Department of Agriculture (USDA) inspection at one of the following:
(Show full name and address of location)
 - (a) Offeror's manufacturing plant.
 - (b) CCC-approved warehouse. (A warehouse approved by CCC and under contract to CCC for storage of the commodity being offered.)



United States
Department of
Agriculture

Agricultural
Stabilization and
Conservation Service

P.O. Box 2415
Washington, D.C.
20013

ANNOUNCEMENT DAIRY-5
EFFECTIVE: OCTOBER 1, 1992

**PURCHASE OF BULK DAIRY PRODUCTS
(Supersedes Announcement Dairy-4)**

1. GENERAL

Under this Announcement the Commodity Credit Corporation (CCC) will purchase, at announced prices, bulk dairy products--butter; block Cheddar cheese; cheeses packed in barrels, such as Cheddar cheese, granular cheese (stirred curd), and Cheddar and granular cheese for manufacturing; and fortified and nonfortified spray process nonfat dry milk (NDM) under its milk price support program. Certain provisions of "General Terms and Conditions for the Procurement of Agricultural Commodities or Services", Revision No. 2, dated November 1984, as amended, (USDA-1) are incorporated herein by reference as specified in Section 5 of this Announcement. Offerors are cautioned to read carefully the applicable terms and conditions of this Announcement, the Appendixes to this Announcement, and USDA-1.

A. Offered Lots

Each offer shall cover identified lots, and if the offer is accepted by CCC, the identical lots offered must be delivered by offeror (offeror or contractor).

B. Certifications, Representations, and Warranties

Appendix 1 of this Announcement contains certifications, representations, and warranties that must be certified and submitted annually (on a calendar year basis) to CCC prior to or with an offer. Offerors are responsible for updating Appendix 1 as changes occur throughout the year.

C. Packaging and Marking Specifications

Appendix 2 to this Announcement contains detailed packaging and marking specifications.

- (c) Non-CCC-approved warehouse. (A warehouse not approved by CCC and not under contract with CCC for storage of the commodity being offered.)
- (6) If product is located in a CCC-approved warehouse:
- (a) For butter state: Whether butter is in freezer or cooler space at the time of submitting offer.
 - (b) Date through which storage has been paid.
 - (c) Storage lot number.
- (7) Characteristic of product:
- (a) For butter: Grade and type of butter -- salted or unsalted minimum 80 percent milkfat.
 - (b) For cheese: Grade, package style and kind of cheese. For block cheese also indicate whether white or colored. If made from unpasteurized milk and not cured for 60 days at 35°F or above, state "Made from unpasteurized milk".
 - (c) For NDM state: 1) whether high, medium or low heat spray process, (each offered carlot must involve the same heat treatment); 2) if made from Grade A milk in a plant certified under the Procedures of the National Conference on Interstate Milk Shipments ("NCIMS") as a Grade A plant; 3) if reprocessed because of prior positive Salmonella tests results.
- (8) Grading certificate number for each carlot, except that the sampling and test weight report ("sampling report") number may be used for NDM.
- (9) Quantity in net pounds or kilograms (no fractions) as evidenced by total net weight on each grading certificate, or on the NDM sampling report. NDM will be offered in 25-kilogram containers, effective October 1, 1992. Butter will be offered in 25-kilogram containers, effective January 4, 1993. Cheese will be offered in 40-pound blocks and 500-pound barrels with metric weight marked as prominent weight and pounds as secondary weight, effective January 4, 1993.
- (10) Number and type of containers per grading certificate. For NDM, grading certificates must indicate the type of bag used and if the container used meets the performance criteria. Marked net weight and tare weight per container for butter, NDM, and cheese. For NDM offered on basis of the sampling report, the number of containers may be estimated.
- (11) Full business name of offeror plus complete address and telephone number.

- (12) Annual Representations and Certifications (See Exhibit A).
- (13) Signature and title of person, if mailed or hand carried, or name and title of person authorized to execute contracts on behalf of offeror, if offer is submitted by telegram, mailgram, Easylink, TWX, Telex, or facsimile. (See Article 6 of USDA-1).

NOTE: Exhibit A shows how an offer wire or letter may be submitted giving all essential details in the briefest possible manner using the above format.

D. Lot Quantity

- (1) Offers must be for lots with the following carlot limits per lot net weight:

	<u>Minimum</u>		<u>Maximum</u>		
	<u>Kilograms</u>	<u>Pounds</u>	<u>Kilograms</u>	<u>Pounds</u>	
Butter	18,144	40,000	54,432	120,000	a/
Nonfat Dry Milk	36,288	80,000	54,432	120,000	
Cheese	18,144	40,000	54,432	120,000	a/b/

a/ Offerors are encouraged to offer butter and cheese in multiples of 18,144 kilograms (40,000 pounds) to minimize transportation and warehousing charges.

b/ The maximum net weight may be exceeded by an amount necessary to include a complete vat.

- (2) Butter, NDM and cheese offers must be stated in whole pounds or kilograms. Any fraction of a pound or a kilogram in total net weight of lot shown on a grading certificate will be omitted if less than one-half pound or one-half kilogram and increased to the next full pound or kilogram if one-half pound or one-half kilogram or more.

3. PRICES

Prices need not be stated in offers. Prices of products delivered are the purchase prices for dairy products as announced in the most recent "Notice to the Dairy Industry" issued by the Dairy Division, ASCS-USDA, P.O. Box 2415, Washington, DC 20013-2415. Offers specifying prices at variance from the latest announced purchase prices are nonresponsive, and will not be considered. Copies of the latest announcement of purchase prices may be obtained from the Director of the Dairy Division, at the above address or the KCCO.

4. ACCEPTANCE OF OFFERS

Acceptance of offers will be made by prepaid telegram, mailgram, Easylink, facsimile, Telex, TWX or mail within two business days following receipt of offers. The date of acceptance by CCC will be the contract date.

5. PROVISIONS OF CONTRACT

The contract consists of this Announcement (including Appendixes 1 and 2), contractor's offer, the acceptance by CCC, and USDA-1, except Articles 7, 16, 18 (a), (b), (d), (e), and (f), 19, 25, 30, 55, 56 (a), (d), and (e), 62, 63, 65, 67, 68, 79, and all Articles of Part E of USDA-1. If the provisions of USDA-1, and this Announcement are not consistent, those of this Announcement will prevail.

6. PRODUCTION REQUIREMENTS

The dairy products offered to CCC must have been manufactured in the United States from milk produced in the United States, must be located in the United States when offered to CCC, and must not have been previously owned by CCC. The dairy products shall be manufactured in a plant which has been inspected and approved by the Grading Branch, Dairy Division, Agricultural Marketing Service, USDA (AMS).

7. COMMODITY SPECIFICATIONS

A. Butter

Butter shall be processed from fresh cream. The cream shall not have been neutralized and shall have an acid degree value (ADV) of 1.5 or less. Butter in each container shall be one solid piece and the surface of the butter shall be smoothly finished. Butter will be subject to a keeping quality test of seven days incubation at 72°F to be performed by the AMS at time of grading.

(1) Salted Butter

Salted butter shall be U.S. Grade AA or Grade A as evidenced by a grading certificate issued by AMS, must be not more than 60-days old on the date it is offered to CCC. Salted butter shall not contain starter distillate or diacetyl.

(2) Unsalted Butter

Unsalted butter shall be U.S. Grade A or higher as evidenced by grading certificates issued by AMS. Unsalted butter shall be not more than 30-days old on the date it is offered to CCC.

The minimum milkfat content will be 80 percent and the maximum moisture content will be 18.8 percent. An amount of lactic acid shall be added to the butter to achieve a pH level of 4.2 to 5.2. Starter distillate or diacetyl may be added.

B. NDM

Fortified and nonfortified NDM must be U.S. Extra Grade, except that the moisture content must not exceed 3.5 percent. NDM must be not more than 60 days old on the date it is offered to CCC, and it will be subject to penicillin and coliform tests to be performed by AMS at the time of grading. The penicillin test must be negative and the coliform counts must be not more than 10 per gram.

- (1) Nonfortified NDM will be analyzed for heat treatment classification and the results of the whey protein nitrogen (WPN) test shown on the grading certificate.
- (2) Fortified NDM in any sublots which otherwise meets the specifications set forth above but which has a moisture content in excess of 3.5 percent, but not more than 4.0 percent, will be accepted at the following discounts:

<u>Moisture Content</u> (percent)	<u>Discount Per Pound</u> (cents)
3.6	1.0
3.7	1.4
3.8	1.8
3.9	2.2
4.0	2.6

- (3) The fortified NDM must be fortified with Vitamins A and D by either the wet or dry process in such manner as to ensure even distribution of the vitamins at the rate of approximately 5,000 International Units (IU) of Vitamin A, and not less than 500 IU of Vitamin D per 100 grams of NDM. The vitamins must be added at a sufficient level to allow for loss in vitamin potency during fortification.
- (4) Fortified NDM containing more than 7,600 or less than 5,000 IU of Vitamin A per 100 grams will be accepted by CCC at the following discounts for Vitamin A content (as shown on grading certificates) within the specified range limits:

<u>Vitamin A Content</u> (IU)	<u>Discount Per Pound</u> (cents)
8,900 - 10,000	0.9
7,700 - 8,800	0.4
3,500 - 4,900	0.4
2,300 - 3,400	0.9

NDM containing Vitamin A in excess of 10,000 IU or less than 2,300 IU will be rejected.

(5) Vitamin Sources for Dry Process Fortification

The vitamins must be Vitamin A Palmitate (Retinyl Palmitate) or Vitamin A Acetate (Retinyl Acetate), and Vitamin D₂ (Ergocalciferol, or Activated Ergosterol), or D₃ (Activated 7-Dehydro Cholesterol). The ratio of vitamins added to the NDM must be 10 IU of Vitamin A to 1 IU of Vitamin D. The vitamins must be suitably blended in a bland, dry, edible carrier capable of being readily dispersed when the NDM is reconstituted. Suitable food grade antioxidants to stabilize the vitamins, diluents and carriers, will be used as permitted by the Food and Drug Administration (FDA).

(6) Vitamin Sources for Wet Process Fortification

(a) The vitamins must be Vitamin A Palmitate (Retinyl Palmitate), and Vitamin D₂ (Ergocalciferol or Activated Ergosterol) or D₃ (Activated 7-Dehydro Cholesterol). The ratio of vitamins added to the NDM must be 10 IU of Vitamin A to 1 IU of Vitamin D. A small amount of suitable bland, edible oil, may be used as a diluent and solvent for the purpose of adjusting potency to give not less than one million United States Pharmacopoeia (USP) units per gram. Suitable food grade antioxidant to stabilize the vitamins and food grade emulsifier will be used as permitted by FDA.

(b) Only hydrogenated coconut oil conforming to the provisions of FDA and the following requirements will be used to further dilute the vitamins before they are added to the fluid skim milk in accordance with the vitamin supplier's instructions:

Flavor	- clean and bland
Refractive Index at 104 ^o F	- 1.448 to 1.452
Iodine Value	- 4.0
Maximum melting point	- 98 to 102 ^o F
Saponification Value	- 260 maximum

(7) The contractor must obtain a certification from the vitamin supplier (which the contractor, by delivering the fortified NDM, warrants to be correct) that the supply of vitamins to be delivered to the NDM processor has been tested and found to be substantially without flavor, and suitable for use in milk products; and the vitamin assays for Vitamin A (Palmitate), Vitamin D₂ (Ergocalciferol or synthetic Oleo Vitamin D), and Vitamin D₃ (Activated 7-Dehydro Cholesterol) are not less than the label claim when tested by test methods prescribed in the USP XIX.

C. CHEESE

- (1) Cheese may not be more than 60 days old on the date it is offered to CCC. No lot may contain cheese having a variation of over 30 days in dates of manufacture. No vat may have a pH value higher than 5.40.
- (2) Block Cheddar cheese must be U.S. Grade A or higher and no vat may contain more than 38.5 percent moisture.
- (3) Cheese packed in barrels must be U.S. Extra Grade. All surfaces of the cheese must be reasonably smooth and closed to inhibit mold growth and penetration. This requirement is not meant to prohibit use of vacuumized and sealed liners for mold control, which may cause distortion of the cheese surface from the vacuumizing treatment. No vat may contain more than 36.5 percent moisture. Each lot must contain only one type and size container. Barrel cheese may contain a reasonable amount of whey on the surface of the cheese and the liner. "Reasonable" means droplets but less than flowing whey on the cheese or the interior of the liner. Barrel cheese may not have visible mold at the time of grading.

8. LOCATION OF COMMODITIES AT TIME OF SAMPLING, OFFER AND DELIVERY

- A. Cheese - Cheese must be located in a cooler and stored at no higher than 45°F until delivered to CCC. However, cheese cooled to 50°F within 48 hours of manufacture may be stored at 50°F until delivered to CCC.
- B. NDM - NDM must be located in clean dry storage at time of sampling or grading and at time of offering for sale to CCC.
- C. Butter - Butter must be located in a freezer or a cooler which is maintained at no higher than 40°F. However, at the time of shipment, the temperature of the butter must not be more than 35°F.
- D. Until delivery to CCC, the commodities must remain in the same storage position and in the same storage condition as at the time of sampling, except for NDM that requires repackaging subject to USDA inspection.
- E. The location of the commodities must have adequate facilities for inspection and grading.

9. INSPECTION

A. General

- (1) The inspection required by Article 54 of USDA-1 will be performed by AMS. Procedures to be followed and a schedule of fees for these services may be obtained by contacting AMS. Subject to Article 54(o) of USDA-1 the quality, weight, and packaging of the commodity will be evidenced by grading certificates issued by AMS not more than 30 days before date of offer, except that for NDM offered on the basis of the sampling report, the quality, weight and packaging of each lot will be evidenced by a grading certificate issued by AMS not more than 12 days after the date of offer. Samples for grading must be furnished by the offeror without cost to CCC. All grading fees and charges will be paid by offeror. Commodities produced in a plant found during inspection to be using unsatisfactory manufacturing practices, equipment or facilities or to be operating under unsanitary conditions may not be offered.
- (2) Offeror must furnish to the grader or sampler a manifest for each lot showing the following as applicable:
 - (a) Butter - Name and location of manufacturing plant or State assigned State and plant number as reported by AMS for such plant in "Dairy Plants Surveyed and Approved for USDA Grading Service", churn number, milkfat content of each churning, date of manufacture, number of containers in each churning, marked net weight per container, and total number of containers in the lot. For unsalted butter, in addition, show percent moisture content and pH for each churn.
 - (b) NDM - Name and location of manufacturing plant or State assigned State and plant number as reported by AMS for such plant in "Dairy Plants Surveyed and Approved for USDA Grading Service", subplot number, date of manufacture for each subplot, number of containers in each subplot, marked net weight per container, total number of containers and marked net weight of the lot. Also report if the carlot contains NDM reprocessed because of prior Salmonella positive test results.
 - (c) Cheese - Name and location of manufacturing plant or State assigned State and plant number as reported by AMS for such plant in "Dairy Plants Surveyed and Approved for USDA Grading Service", date of manufacture and identification for individual vats, number of containers and marked net weight, moisture test, and pH value for each vat, and total number of containers and marked net weight of the lot. For block cheese indicate whether white (no color added) or colored (color added). The manifest must also show the weighted average percentage of moisture of the

lot. The average moisture must be computed by multiplying the number of kilograms in each vat by its percentage of moisture, adding the results, and dividing the total by the total number of kilograms (as shown by marked net weights) in the lot.

- (3) If, at time of sampling, NDM is not packaged in containers which conform to the specifications in Appendix 2, and therefore, must be packaged in such containers after date of sampling, all such packaging and related operations must be conducted in facilities approved by AMS and will be subject to inspection during packaging by a representative of AMS. All fees and charges related to such inspection will be paid by the offeror.

B. Offeror must comply with the following requirements:

- (1) Butter - The grades of all churns shown on a grading certificate for salted butter shall be of the same grade, i.e. U.S. Grade AA or U.S. Grade A. Grading certificates for unsalted butter may have U.S. Grade A and U.S. Grade AA churns shown on the same certificate. Grading certificates for all butter offered to CCC shall show dates of manufacture. Each lot of butter offered to CCC will be divided for grading into churnings. The churning size, offered for grading will be determined by the offeror but shall not exceed 9,072 kilograms (20,000 pounds). Churning designation shall be changed when a cream supply tank is changed. Butter shall be at least 48 hours old at the time of grading.
 - (a) Grading certificates for unsalted butter shall show percent milkfat, percent moisture and pH.
 - (b) Grading certificates for salted butter shall show percent milkfat.
 - (c) Separate grading certificates shall be issued for lots of the two different types of butter offered, i.e. salted butter, or unsalted butter minimum 80 percent milkfat.
- (2) Cheese - Grading certificates for cheese offered to CCC must show the dates of manufacture. Cheese must be at least 10-days old when graded. Grading certificates must also show the percentage of moisture and a pH value in the cheese. The moisture percentage will be used to compute the value under this Announcement.
- (3) NDM - Grading certificates for NDM offered to CCC must show the dates of manufacture. Each lot of NDM offered to CCC will be divided for grading into sublots. The subplot size offered for grading will be determined by offeror but shall not exceed 9,072 kilograms (20,000 pounds). Where holding bins are used to accumulate the NDM during processing and the NDM is packaged at the end of each run, no subplot may include NDM from more than one day's production run.

(4) All Commodities - Any subplot of NDM, vat of cheese or churning of butter not meeting the requirements of Section 7 of this Announcement must be removed promptly from the offered lot. Smaller carlots than specified minimums shown in Section 2. D. of this Announcement may be accepted by the contracting officer if they are within acceptable minimum weight tolerances for shipment by the appropriate carrier. For any carlots having subplot(s), vat(s) or churning(s) removed, the offeror must certify on the invoice that the subplot(s), vat(s) or churning(s) not meeting the requirements of Section 7 of this Announcement have been removed, and provided that the shortage is caused by one of the following situations:

- (a) NDM - When sublots of NDM must be removed because of USDA laboratory results have determined that the product does not meet the specifications of this Announcement.
- (b) Cheese - When vats of cheese must be removed because USDA laboratory results have determined that the product does not meet the specifications of this Announcement.
- (c) Salted Butter - When churnings of salted butter must be removed because milkfat content is below 80 percent.
- (d) Unsalted Butter - When churnings of unsalted butter must be removed because milkfat content is below 80 percent, or percent moisture exceeds 18.8 percent, or pH is less than 4.2 or more than 5.2.
- (e) Butter - When churnings of butter must be removed because samples failed the required seven-day keeping quality test.

C. Test Weight Shortages

Carlots with occasional test weight shortages may be accepted at the discretion of the contracting officer.

D. Liability

- (1) It is the offeror's responsibility to ensure that at the time of delivery the dairy commodity meets the specifications contained in Section 7 of this Announcement. The inspection and grading certificates are not conclusive as to performance of that responsibility. Any subsequent retesting or regrading which establishes that a lot, or any part of a lot, did not meet the commodity specifications of Section 7 of this Announcement at the time of delivery, will result in the entire lot being rejected to the offeror. The offeror is liable for all incurred charges up to the date of rejection. The CCC's payment for the rejected commodity with additional charges must be promptly refunded to CCC. If not refunded within 10 days from the date of rejection, interest at the rate per annum

specified in the Monthly Sales List in effect at the time of rejection by CCC will be paid by the offeror from the date of rejection by CCC until the refund is received by CCC.

- (2) Lots of butter which downgrade to Grade B on the first regrade due to a whey flavor within 180 days of delivery will be rejected to the offeror, and the offeror will be liable for all incurred charges as of the date of rejection including storage, handling, and transportation charges.

10. SHIPMENT AND DELIVERY - TRANSFER OF TITLE

- A. The KCCO will issue a Notice to Deliver within seven business days after date of acceptance of an offer. Contractor will deliver, as directed, the identical commodities offered within seven business days after receipt of instructions. If delivery is not made within seven business days, contractor must notify CCC and advise CCC of contractor's intentions for delivery. Delivery will be directed by CCC in accordance with the following provisions:

- (1) CCC-Approved Warehouse

- (a) If NDM or cheese at the time it is offered for sale to CCC is in a CCC-approved warehouse, delivery will be made at CCC's option; 1) in-store in such warehouse with storage charges through date of delivery to CCC and in-and-out handling charges prepaid by Contractor; or 2) f.o.b. railcars or trucks, at CCC's option.
- (b) If butter at the time it is offered for sale to CCC is in a CCC-approved warehouse, delivery will be made at CCC's option; 1) in-store in freezer space with storage charges through date of delivery to CCC and in-and-out handling charges prepaid by contractor; or 2) f.o.b. railcars or trucks, at CCC's option.
- (c) When CCC exercises its option to require delivery in-store, contractor must promptly arrange for the warehouseman to execute consignee receipts covering the product.

- (2) Manufacturer's Plant or Non-CCC-Approved Warehouse

If the commodity is in offeror's manufacturing plant or in non-CCC-approved warehouse, delivery must be made f.o.b. railcars or trucks, at CCC's option.

- (3) CCC's Option, F.O.B. Railcars or Trucks

When CCC exercises its option to require delivery f.o.b. railcars or trucks, contractor must pay all necessary dunnage and bracing charges. Sample and reserve sample containers must be loaded in the doorway of the car or truck. The sample

containers must be clearly identified to each lot when shipping more than one lot per railcar. When delivery by rail is requested and contractor's plant is not serviced by a railroad, transportation and other charges necessary to place the product f.o.b. railcars will be for the account of contractor, and CCC will reimburse contractor for such costs up to 25 cents per gross hundredweight for the first 10 miles and one cent per gross hundredweight for each additional 5 miles.

- (a) The commodity delivered f.o.b. railcars or trucks must be loaded and braced in accordance with good commercial practices and, for railcars, in accordance with the provisions of the American Association of Railroads Loading Pamphlets applicable to such commodity to assure safe arrival under normal handling in transit. The quantity on the bill of lading must be the same as the total net weight on the grading certificates, except when the number of containers shipped is less than the number of containers on such certificates.
- (b) Railcars and trucks must be clean and in serviceable condition to adequately protect the commodities while in transit.
- (c) When a dispute arises concerning loading and bracing of the conveyances or the quantity of commodity loaded, and the seals on the conveyances are intact upon arrival at destination, the consignee's receipt will be accepted by the contractor as representing the conditions of loading, bracing, and the quantity of the commodity loaded and shipped.
- (d) If CCC orders the commodity shipped by rail and rail transportation is not available due to causes beyond the control of contractor, including freight embargoes, strikes, floods, and acts of god, but excluding the fact that the plant or warehouse is not serviced by a railroad, the contractor must so notify CCC and may request authorization to ship the commodity by truck, (either the contractor's own or contract carrier), to a destination specified by CCC. Contractor must pay trucking charges if the shipment is by contract carrier and CCC will reimburse the contractor for the cost incurred for such transportation. In no event will reimbursement exceed the published common carrier truck rate applicable to the contract carlot quantity for such services by the most economical route. If contractor uses his own truck, CCC will pay contractor for such transportation services at rates not in excess of the lower of the published common carrier truck rates applicable to the contract carlot quantity for such services by the most economical route, or the rates customarily charged by the contractor for similar services. Date of delivery of commodity transported by the contractor's own truck or contract carrier will be the date the product is accepted at

specified destination points by the consignee, and the consignee receipt is issued, at which time title to the product and risk or loss will pass to CCC.

- B. Contractor may deliver butter and NDM prior to the receipt of the laboratory tests required by Sections 7.A. and 7.B. of this Announcement, if contractor assumes all risks and liabilities which arise with respect to the failure of the commodity to meet contract specifications. If for instance, the test results for milkfat or keeping quality for butter or penicillin and coliform for NDM are not satisfactory as determined by AMS, CCC will reject the commodity in accordance with Article 60 of USDA-1. If the test results of the keeping quality for butter are satisfactory to CCC, and the butter is accepted, the contractor will be relieved of liability for keeping quality deterioration subsequently developing in the butter.
- C. The date of delivery will be the date of shipment by the common carrier, or date of execution of consignee receipts acceptable to CCC whichever is applicable. Subject to the rights of rejection as provided in Article 60 of USDA-1, Sections 9.D. and 10.B. of this Announcement, transfer of title and risk of loss to any commodity offered under this Announcement will pass to CCC on delivery.

11. CONTRACT TOLERANCE

The quantity delivered to CCC under contracts entered into pursuant to this Announcement may differ from the quantity contracted, provided the number of carlots does not change. Each delivered carlot quantity must be within the carlot limits set forth in Sections 2.D. and 9.B.(4). of this Announcement.

12. STORAGE CHARGES

For products delivered to CCC in a CCC-approved warehouse (which in the case of butter must be in a freezer), the contractor will pay the warehouseman directly for all storage charges through the date of delivery to CCC, including in-and-out handling charges. Prepaid storage remaining on any lot at the time of delivery will accrue to the benefit to CCC.

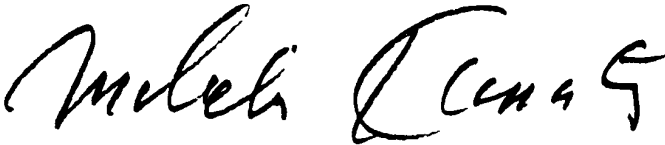
13. INVOICE AND PAYMENT

Invoicing and payment will be handled in accordance with Article 70 of USDA-1. Invoices must be sent to the

Kansas City Financial Management Office, USDA-ASCS
P.O. Box 419205
Kansas City, Missouri 64141-6205
Attn: FOD-PCB-VIPS.

14. OPTIONAL OFFERINGS OF DAIRY PRODUCTS BECAUSE OF PURCHASE PRICE CHANGES

When purchase price changes occur, CCC will announce the terms and conditions under which offerings can be made after the effective date of the price change.



Indulis Kancitis
Director

Attachments

SAMPLE OFFER FORMAT FOR WIRES OR LETTERS

Address to: Contracting Officer Kansas City Commodity Office, USDA-ASCS
Dairy Division
P.O. Box 419205
Kansas City, Missouri 64141-6205

1. Offer is subject to the terms and conditions of Announcement DAIRY-5.

2. Butter

3. 10/1/92

4. Midwest, Minn. - BN

5. CCC-Approved Whse: Cold Pack Whse
1620 N. 3rd Ave.
Midwest, Minn. 55901

6. (a). Freezer
(b). Storage Paid thru 12/16/92
(c). Lot #321

7. Grade AA - salted

8. Certificate #DB 156939

9. Net 54,425 Kilograms

10. 2,177/25 kg. Units. Tare .9 kg. per container

11. ABC Creamery
160 N. 2nd Ave. East
Midwest, Minn. 55321
(612) 385-2532

12. Representations and Certifications

(a) By signing the offer, the offeror certifies that annual representations and certifications: (Check One)

1) Dated _____ (insert date of signature of submission), which are incorporated herein by reference, have been submitted to the KCCO and that submittal is current, accurate, and complete as of the date of this offer, except as follows (insert changes that affect only this solicitation; if "none", so state):

2) Are enclosed.

(b) By signing the offer, the offeror understands that any fraudulent certification or misrepresentation in this offer will render offeror subject to criminal prosecution and civil frauds liability.

13. Signature and Title

UNITED STATES
DEPARTMENT OF
AGRICULTURE

EFFECTIVE: January 1, 2004

KANSAS CITY
COMMODITY OFFICE
P.O. BOX 419205
KANSAS CITY, MO 64141-6205

APPENDIX 1

Representations, Certifications, and Other Statements of Offerors or Respondents for

DAIRY COMMODITY PROCUREMENTS

<http://www.fsa.usda.gov/daco/Announcement/dairy/Appendix1.pdf>



PACKAGING AND MARKING SPECIFICATIONS

ANNOUNCEMENT DAIRY-5

FOR PURCHASE OF

BULK BUTTER, CHEESE, AND NONFAT DRY MILK

UNDER THE

DAIRY PRICE SUPPORT PROGRAM

APPENDIX 2 TO ANNOUNCEMENT DAIRY-5

PART 1. BASIC PROVISIONS

A. PURPOSE

1. This Appendix outlines the packaging and marking requirements, container specifications, and procedures for the approval of containers and packaging materials used to package bulk dairy products under the United States Department of Agriculture (USDA) Dairy Price Support Program.
2. The requirements and specifications in this Appendix supersede all previous Agriculture Stabilization and Conservation Service (ASCS) bulk dairy products packaging requirements and specifications outlined in handbooks, announcements, or notices.
3. Any future changes to these requirements and specifications will be issued periodically in the form of amendments to the Announcement. Contractors are advised to ensure that all subcontractors, e.g., container and packaging material manufacturers, are familiar with the requirements on a contract-by-contract basis.

B. USDA RESPONSIBILITIES

1. The Deputy Administrator, Commodity Operations (DACO), USDA-ASCS, Washington, D.C., is responsible for approving the use of all containers and packaging materials.
2. The Agricultural Marketing Service (AMS) is responsible for examining the containers and packaging materials according to the:
 - a. Specifications in this Appendix.
 - b. U.S. Standards for Condition of Food Containers except bulk butter and rindless block cheese.
 - c. Agricultural Marketing Service Handbook for Inspection of the Condition of Food Containers.
3. The Kansas City Commodity Office (KCCO) is responsible for accepting or rejecting commodities, containers, and packaging materials on a contract-by-contract basis.

C. APPROVAL OF ALTERNATIVE PACKAGING

1. To request approval of alternative containers or packaging materials, commodity suppliers or package manufacturers must submit a written request to DACO including the package construction specification and any supporting evidence of performance such as:
 - a. Laboratory test data.

- b. Reports of field testing.
 - c. History of successful use in commercial channels.
2. The supporting evidence must show that the proposed container or packaging material will perform as well as the currently specified packaging.
 3. In response to requests, DACO will do one or more of the following:
 - a. Authorize the use of the container or packaging material, in writing, based on the information submitted.
 - b. Request that samples of the container or packaging material be sent for evaluation to a package research laboratory designated by DACO.
 - c. Require test shipments of filled containers.

D. INQUIRIES

Direct inquiries concerning the packaging specifications or the approval of containers to:

USDA-ASCS
Contract Management Branch
P.O. Box 2415
Washington, DC 20013-2415
Attn: Packaging

E. QUALITY CONTROL

To verify that containers or packaging materials continue to meet the applicable construction and performance specifications approved by DACO, the steps listed below are in effect under the authority of Article 54 of USDA-1:

1. At the contractor's plant, AMS will select random samples of the container or packaging material intended for use in shipment of the product.
2. AMS will send the samples to a package testing laboratory, designated by DACO.
3. The number of samples selected and the frequency of laboratory testing will be determined by DACO.
4. Samples may or may not be evaluated at the laboratory prior to packaging and shipping.
5. Containers/materials found to be in noncompliance may be rejected to CCC's prime contractor.

6. All samples will be held at the laboratory for future reference and will be examined, as deemed necessary, to determine compliance.
7. CCC will hold its prime contractors responsible for any damages resulting from the use of packaging found to be in noncompliance.

F. LIABILITY

In accordance with Article 60 of USDA-1, CCC's prime contractors shall be liable if containers or packaging materials do not meet contract requirements.

G. GENERAL SERVICES ADMINISTRATION (GSA) REGIONAL BUSINESS SERVICE CENTERS

Exhibit C is a list of GSA Regional Business Service Centers that supply copies of referenced federal specifications and standards.

PART 2. GENERAL REQUIREMENTS

A. CONTAINERS AND MATERIALS

1. All containers and packaging materials shall be:
 - a. Constructed as specified in this Appendix and any referenced specifications, or as authorized in writing by DACO.
 - b. New and made of components and by processes which will not impart an odor, flavor, color, or other objectionable characteristic to the product being packaged.
 - c. Constructed to meet the requirements of the Food and Drug Administration (FDA) and the Federal Food, Drug, and Cosmetic Act, as amended, for safe contact with the packaged product.
2. All food processing and packaging operations shall be performed in a manner to ensure safety.
3. Filled containers must be safe for individuals coming in contact with them during handling, stacking, and storage operations.
4. Reference to the weight capacity of a container, e.g., 25-kg bag, shall mean a container which will hold 25 kilograms of product.
5. All bags, 25 kg and larger, shall have the empty bag dimensions printed on them.
 - a. Gusseted bags shall be marked with the face width x gusset width x finished length.
 - b. Flat tube bags shall be marked with the face width x finished length.

B. CERTIFICATION OF CONFORMANCE

1. AMS is required to determine that the contractor has a manufacturer's Certification of Conformance (C.O.C.).
2. The C.O.C. must certify that all containers or packaging materials furnished for each contract meet the requirements of this Appendix.
3. The C.O.C. is to be provided by the container or packaging material manufacturer.
4. The C.O.C. shall read:

"This container is constructed in compliance with DACO packaging requirements."

or

"This packaging material is constructed in compliance with DACO packaging requirements."

5. The C.O.C. may be printed on each individual container, or it may be provided in writing for review by the AMS. When printed on the container, the C.O.C. shall be printed as small as possible, yet legibly.

PART 3. CONTAINER AND PACKAGING REQUIREMENTS

SECTION 1. BUTTER

A. PACKAGING

1. Bulk butter shall be packed 25 kilograms (55.115 pounds) net weight in corrugated fiberboard shipping containers conforming to alternate Rule 41 of Section 7 of the Uniform Freight Classification Rules and Regulations. The edge crush value for the corrugated fiberboard shall be a minimum of 32 pounds per inch of width. The containers shall be single wall, regular slotted containers.
2. Shipping containers shall meet the following requirements:
 - a. Inner flaps may be of full length and meet in the center when closed or may be economy length not less than 3 inches from the scoreline.
 - b. Ends shall be attached to the body by means of hot melt adhesive.
 - c. Staples or wire stitching are not permitted.
 - d. Closure and sealing of outer flaps shall be in accordance with Rule 41, Section 7 of the Uniform Freight Classification using 2 inch (minimum width) tape running full length of the seam and extending over ends not less than 2 1/2 inches.

- e. The closure flaps shall not project over the side or end edges and the application of tape shall be such to prevent lifting of free edges or corners of outer flaps on filled containers.
- f. Each box shall be provided with a liner of vegetable parchment paper as specified in subparagraph B. 1. of this Section or polyethylene bag or wrapper as specified in subparagraph B. 2. of this Section.
- g. When parchment paper is used the inside surfaces of container shall be coated scoreline to scoreline with sufficient paraffin (of not lower than 128^oF melting point), polyethylene paraffin combination, polyethylene, or similar materials to prevent absorption of moisture by the fiberboard. The container flaps need not be coated. All coating must meet FDA requirements for contact with butter.
- h. Coating of containers lined with a polyethylene bag or wrapper is not required.
- i. The polyethylene wrapper shall be inserted in such a manner as to completely encircle the inside of the box. The wrapper shall be of sufficient length and width to provide a fold top and bottom and an overlap on the side, all of which completely covers the butter.

B. LINERS, WRAPPERS AND BAGS

- 1. Vegetable parchment liner of not less than 27 pounds basis weight per ream (500 sheets 24" x 36"). The liner shall:
 - a. Be of sufficient length and width and so placed in the containers that all surfaces of the butter shall be completely covered.
 - b. Be treated by being held completely immersed in a 15 percent salt solution at the boiling point for 30 minutes.
- 2. Polyethylene bag or wrapper shall be fabricated from material meeting the requirements of Federal Specification L-P-378, as amended, and shall not be less than 1.25 mils in thickness.

SECTION 2. BLOCK CHEESE

A. PACKAGING

- 1. Rindless Block. Cheddar cheese in blocks of approximately 18 kilograms (40 pounds), as specified, shall be prepared according to this paragraph.
 - a. Wrappers shall be applied to each block by means of vacuumizing or heat-shrinking in order to securely close and permanently exclude air between the wrappers and cheese.

- b. Wrappers shall be sealed under a minimum of 20 inches of vacuum.
- c. Wrappers and their application to the product shall be in accordance with the requirements for U.S. Grade A rindless cheese in U.S. Standards for Grades of Cheese.
- d. Wrappers shall be accompanied by a C.O.C. as outlined in Part 2, paragraph B of this Appendix.
- e. Block cheese wrappers shall be constructed in accordance with the following performance requirements:
 - (1) Materials in each wrapper must comply with FDA requirements for food packaging use and not adversely effect the cheese quality in any way.
 - (2) The wrapper must pass the appropriate FDA extraction test.
 - (3) The maximum oxygen permeability at 73°F, 50 percent relative humidity shall be 1 cc/100in²/24 hours when tested in accordance with ASTM D3985.
 - (4) The maximum moisture vapor transmission at 100°F, 90 percent relative humidity shall be less than 1 gram/100in²/24 hours when tested in accordance with ASTM F1249.
 - (5) The wrappers must be constructed to inhibit mold growth on the cheese for a minimum of 2 years when stored at 32°F.
 - (6) The wrappers must not tear, rip, or puncture during filling and handling operations.

B. PACKING

1. Cheddar cheese packaged in blocks of approximately 18 kilograms (40 pounds) as specified in paragraph A of this Section shall be packed in corrugated fiberboard shipping containers conforming to alternate Rule 41 of Section 7 of the Uniform Freight Classification Rules and Regulations. The edge crush value for the corrugated fiberboard shall be a minimum of 32 pounds per inch of width. The containers shall be single wall, regular slotted containers.
2. Liners. All containers shall have a reinforcing inner liner. If the block cheese does not fully fill the container and the wrapper requires continuous pressure, fiberboard filler pads shall be used to ensure proper pressure. The liner shall:
 - a. Have sufficient rigidity with a deflection of not more than 1/4 inch to support a load of 1,000 pounds when exposed to normal commercial handling, curing, and storage conditions.
 - b. Have a deflection under 2,500 pounds minimum compression tests of not more than 1/4 inch when 7 inches in height; and 3/8 inch when 10 inches in height. Scores and gaps shall provide a 90 degree corner fold to fit the block of cheese snugly.

c. Be of the one piece construction and either:

- (1) Corrugated fiberboard of 275-pound minimum test; A or C flute, with flutes running in the vertical direction once the container is filled, single or double-wall; have a 33-pound corrugating medium and all components thoroughly impregnated (not coated) with a wax composition to add strength to the liner.
- (2) Wood veneer, faced on each side with kraft linerboard with the wood grain in the vertical direction once the container is filled.

C. CLOSURE

Closure of fiberboard shipping containers shall be in accordance with Part 3., Section 1., paragraph A. 2a-e,i, except short flaps may be on the outside.

SECTION 3. BARREL CHEESE

A. PERFORMANCE REQUIREMENTS FOR BARREL CHEESE

Barrels shall be constructed to protect the cheese during transportation, storage, and handling for a minimum of 2 years. The containers shall be strapped or designed to:

1. Prevent bulging.
2. Keep covers on until the cheese reaches its final destination.

B. Approximately 227 kilograms (500 pounds) of bulk Cheddar cheese or granular cheese shall be packed in fiber drums. Containers shall be filled as much as possible to eliminate headspace. Construction shall be according to this subparagraph.

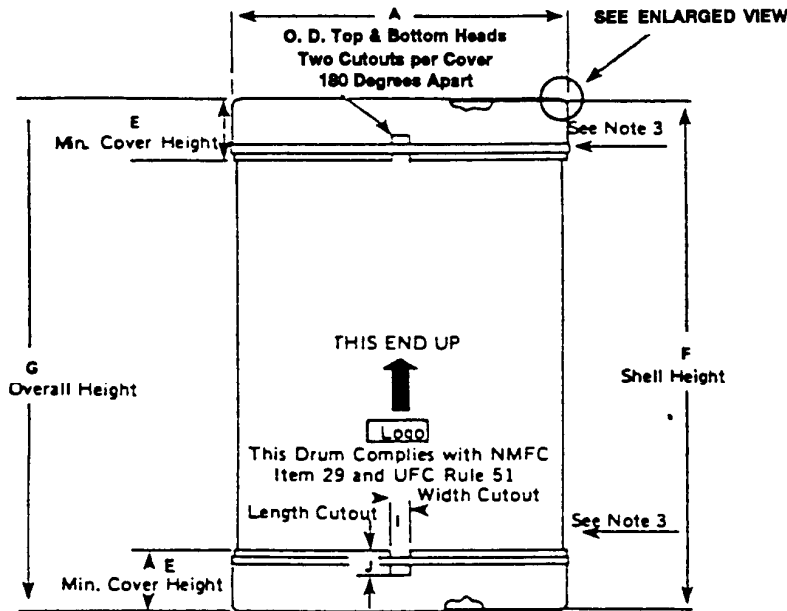
1. Round Fiber Drum. Round fiber drums shall be constructed according to Federal Specification PPP-D-723, Type 1, Grade B.
 - a. Sidewalls shall consist of kraft linerboard that has a minimum thickness of 0.090 inches convolutely wound using sodium silicate adhesive or equivalent.
 - b. Top and bottom headings shall consist of kraft linerboard that has a minimum total thickness of 0.220 inches. Plies shall be firmly glued together.
 - c. Covers shall be coated, waxed or laminated to reduce the possibility of absorption of free flowing whey during production, packing and storage of cheese.

- d. An opening in the top cover is permitted in order to allow for further drainage of free flowing whey.
- e. As shown in Figure 1 (page 9 of this Appendix), the covers shall have 2 notches approximately 1 3/4 inches by 2 inches for the strapping clip.
- f. Top and bottom covers shall be secured to the body with 1/2 inch wide flat steel strapping.
- g. Strapping shall be applied straight and sufficiently taut to embed into edges of the drum but not to the extent of cutting, tearing, or otherwise damaging the drum.
- h. Strapping shall have a minimum breaking strength of 300 pounds per square inch (psi).

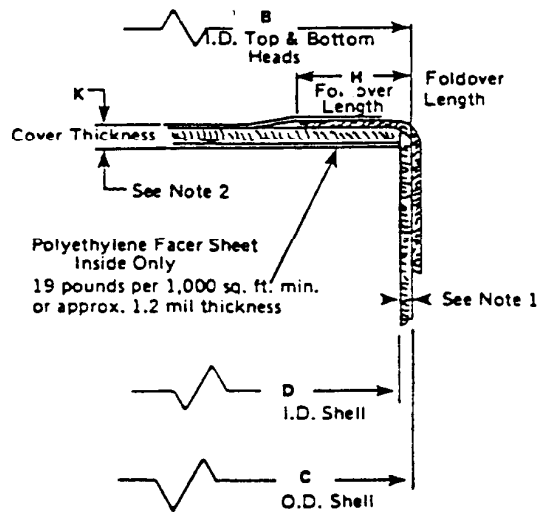
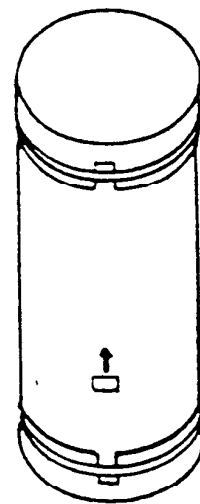
2. Requirements for Plastic Barrel Cheese Liners.

- a. Liners shall be accompanied by a C.O.C as outlined in Part 2, paragraph B. of this Appendix.
- b. The liners shall conform to the contour of the container and be of sufficient length to be completely folded over the cheese.
- c. A facer sheet (cylindrical disc), constructed of the same material as the plastic liners, shall be placed over the entire top surface of the cheese before the liners are folded over after filling.
- d. The liners and facer sheets must be constructed to inhibit mold growth on the cheese for a minimum of 2 years when stored at 32°F.
- e. Barrel cheese liners shall be constructed in accordance with the following performance requirements:
 - (1) Materials in each liner must comply with FDA requirements for food packaging use and not adversely effect the cheese quality in any way.
 - (2) The liners must pass the appropriate FDA extraction test.
 - (3) The maximum oxygen permeability at 73°F, 50 percent relative humidity shall be 1 cc/100in²/24 hours when tested in accordance with ASTM D3985.
 - (4) The maximum moisture vapor transmission at 100°F, 90 percent relative humidity shall be less than 1 gram/100in²/24 hours when tested in accordance with ASTM F1249.
 - (5) The liners must be constructed to inhibit mold growth on the cheese for a minimum of 2 years when stored at 32°F.
 - (6) The liners must not tear, rip, or puncture during filling and handling operations.

FIGURE 1
CLOSED DRUM CONTAINER



ISOMETRIC DRAWING OF CLOSED DRUM



NOTES:

- 1 Sidewall - Mullen Test - 1000 PSI
- 2 Top & Bottom - Thickness - 200 PT - Mullen Test - 1300 PSI
- 3 Drum Secured Using 1/2" Wide Metal Strapping Around Top and Bottom Covers

	A	B	C	D	E	F	G	H	I	J	K
23	23 9/16	23 13/16	23 1/4	23	5 Min.	38 3/4	39 3/16	1 1/2	1 3/4	2	.220
21 1/2	21 31/32	21 13/16	21 3/4	21 1/2	5 Min.	38 3/4	37 3/16	1 1/2	1 3/4	2	.220

SECTION 4. NONFORTIFIED AND FORTIFIED NONFAT DRY MILK

A. PACKING (MULTIWALL PAPER SACKS)

1. This Section covers the packing of nonfat dry milk (NDM) in 25-kilogram multiwall paper sacks and in containers produced in accordance with a performance test criteria.
2. Twenty-five kilograms of product shall be packed in multiwall paper sacks meeting the requirements of the latest revision and amendments of Federal Specification UU-S-48, Type II, Style A or Type VI, Style B.

B. CONSTRUCTION

The bag shall be constructed of a minimum of three walls of flat or extensible kraft paper and an inner polyethylene liner. Total basis weight of the walls of paper shall be a minimum of 180 pounds when flat kraft is used and 160 pounds when extensible paper is used. The outermost ply shall be of wet-strength paper. The bag shall meet the following requirements. The:

1. Inner polyethylene film facing the product shall be a loose-inserted 4 mil low density food grade liner.
2. Length of the liner shall be not less than the length of the outer multiwall sack plus 8 inches.
3. Width shall be capable of encircling the inside of the sack without stretching or forming excessive folds. After filling the liner shall be:
 - a. Closed by expelling as much excess air as practical,
 - b. Twisting the liner,
 - c. Folding in a goose-neck position and securing as closely to the top as is practical using cotton tape, twine or any other securing method used in the industry.
4. Maximum average water-vapor transmission of the film at 90 to 95 percent relative humidity at a temperature of 100°F plus or minus 5°F shall be 0.45 gram per 100 square inches in 24 hours.
5. Longitudinal seam of the outer wall of the bag shall be glued so that there is no more than 3/16 inch of unglued edge on the outer surface of the bag. A complete seal of the seam is recommended.

C. CLOSURES

1. Type II, Style A shall meet the following specifications:
 - a. Bottom and top closures of the bag shall be closed by sewing through all walls of the outer bag with 12/6 needle and 12/5

cotton looper thread, or a comparable strength thread or with a single thread chain stitch, Type 101, with a 12/6 thread. Stitches shall be spaced 3.0 to 3.6 to the inch and not less than 3/8 inch and not more than 3/4 inch from the top and bottom ends of the bag.

- b. Stitches along the bottom and top of the bag shall be covered with not less than 70-pound basis weight flat extensible or low stretch creped kraft tape. The tape:
 - (1) Shall cover the bottom and top edges of the walls and overlap the stitches by not less than 1/2 inch plus or minus 1/8 inch.
 - (2) Ends shall extend from the bag sides not less than 1/2 inch and not more than 2 inches so as to enclose and cover the cut-off stitch.
 - (3) Ears may be folded and bonded to the body surface of the bag.
 - (4) Shall be applied and bonded to the outer wall by means of heat activated or hot melt-adhesives. The tape shall be applied so that there is no unbonded edge of the tape beyond the sewing line.

2. Type VI, Style B shall meet the following specifications. The:

- a. Bottom and top of the 25-kilogram bag shall be closed to provide a tight seal using hot-melt or thermoplastic adhesive applied along the top edge of the long side of the bag extending downward at least 1-3/8 inches. The fold line of the closure shall be 1-5/8 inches plus or minus 3/8 inch below the top edge of the long side of the bag.
- b. The outer wall of the bag shall be stepped at bottom and top foldover flap beyond all inner walls in order to provide a positive seal over the ends of the inner walls.

D. PERFORMANCE CRITERIA FOR CONTAINERS

As an alternative to the 3-ply multiwall bag as specified above, 25 kilograms of milk may be packed in bags which will meet the following performance standards for impact resistance.

1. Construction.

- a. Any bag construction consisting of one or more plies of material (including but not limited to, paper, synthetics, plastic films, woven and non-woven fabrics, etc).
- b. The bag shall be capable of being printed with the information required and capable of retaining a loosely-inserted 4 mil low-density food grade polyethylene liner as specified for multiwall paper containers in Section 4., paragraph B. 1.

- c. Closure of the loosely-inserted liner after filling shall be as specified for multiwall paper bags as in subparagraphs B. 2. and B. 3. of this Section.

2. Test Requirements.

- a. Ten filled and sealed bags must each survive a single drop test on the butt or bottom, on a shock machine which produces for each test a velocity change of 195 inches per second using a shock duration of .002 seconds without loss of product.
- b. Test shall be conducted under standard conditions of temperature (73.4°F plus 1.8°F) and relative humidity (50% plus 2%).
- c. Filled bags must be placed in the conditioned atmosphere for sufficient time before the tests are conducted for the bag materials to come to equilibrium.

3. Special Considerations.

- a. Bags submitted under this performance specification will be expected to perform as well as those under the specification for 3-ply multiwall bags with respect to closures, palletization, resistance to snags, tears, and insect infestation and retention of printed information.
- b. Test Laboratories. Independent or private laboratories known to be capable of conducting the shock machine test described in Section 4. E are as follows:

- | | |
|--|--|
| (1) MTS Systems Corporation
Box 24012
Minneapolis, MN 55425
(612) 937-4000 | (5) Michigan State University
School of Packaging
East Lansing, MI 48824
(517) 355-9580 |
| (2) Lansmont Corporation
P.O. Box 1390
Monterey, CA 93940
(408) 373-4791 | (6) Owens-Illinois, Inc.
P.O. Box 1035
Toledo, OH 43666
(419) 247-5000 |
| (3) Rutgers University
Packaging Science and
Engineering Dept.
P.O. Box 909
Piscataway, NJ 08854
(201) 932-3679 | (7) Ten-E Packaging
Services, Inc.
3670 Dodd Road
Eagan, MN 55123
(612) 683-0063 |
| (4) Bemis Company, Inc.
P.O. Box 568
Peoria, IL 61601
(309) 682-5406 | |

PART 4. SAMPLING AND MARKING SPECIFICATIONS

- A. At the time of sampling, and offering, the commodities must be packaged in bulk containers conforming with specifications set forth in this Appendix, except that NDM offered on the basis of a sampling report must be packaged in containers meeting the approval of AMS at the time of sampling and must be packaged in containers conforming with specifications in this Appendix, at time of delivery. Nonfortified NDM and fortified NDM must be packaged in 25-kilogram capacity multiwall paper bags. Each carlot must contain only one type of NDM. Butter must be packaged in 25-kilogram corrugated fiberboard containers. Cheese must be packaged in approximately 18-kilogram (40-pound) blocks and 227-kilogram (500-pound) barrels.

All commodities including cheese will have the metric weight marked as the prominent weight on the containers with appropriate pounds marked as a secondary weight.

- B. Offeror must clearly print, lithograph, stamp, or stencil with indelible waterproof ink, the following on each container before sampling, except for; (a) NDM that requires repackaging under inspection and which is offered under a sampling report, markings may be applied to containers after the time of sampling but prior to delivery and; (b) cheese, the offeror must clearly print or lithograph with waterproof ink the markings on a pressure-sensitive label which cannot be removed without damaging the container.

1. Butter

- a. Name of product. If unsalted, then print, lithograph, stamp, or stencil the word "unsalted" on each container.
- b. Name and location of manufacturing plant or assigned State and plant number as reported for the plant by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service".
- c. Churning number.
- d. Box serial number, in order of production.
- e. Marked metric net weight in kilograms. Also, marked net weight in pounds.
- f. Month, day and year of manufacture.

2. Fortified and Nonfortified NDM

- a. Name of product.
- b. Heat treatment classification (only nonfortified NDM). However, heat treatment classification markings may be applied at time of shipment, to be in accordance with Whey Protein Nitrogen test result by AMS.

- c. Name and location of manufacturing plant or assigned State and plant number as reported for the plant by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service".
- d. Month and year of manufacture.
- e. Manufacturer's lot and subplot number.
- f. Bag serial number, in order of production.
- g. Marked metric net weight in kilograms. Also, marked net weight in pounds.
- h. Nonfortified NDM made from Grade A milk in a plant certified under the National Conference of Interstate Milk Shippers as a Grade A plant may be labeled "Grade A" with markings of sufficient size to stand out prominently.
- i. The markings for fortified NDM must be in accordance with Exhibits B, B-1 and B-2. No markings other than those permitted may appear on the containers unless required or approved by CCC.
- j. If the NDM is not to be delivered under this Announcement, the markings required under Exhibits B-1 and B-2 must be obliterated in accordance with Article 62 of USDA-1 before the NDM is put to any other use.

3. Cheese

- a. Name of product.
 - b. Name and location of manufacturing plant or assigned State and plant number as reported for the plant by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service".
 - c. Month, day and year of manufacture.
 - d. Vat or manufacturer's lot number.
 - e. Box or barrel serial number, in order of production.
 - f. Marked metric net weight in kilograms. Also, marked net weight in pounds.
 - g. Containers for barrel cheese must be marked "THIS END UP" with an arrow pointing to the end opposite the filling end.
- C. The wrappers on block cheese must be marked with the name and location of the applicable plant or assigned State and plant number as reported for the plant by AMS in "Dairy Plants Surveyed and Approved for USDA Grading Service", month, day, and year of manufacture, and vat number.
- D. Individual containers of block cheese must not weigh less than 18 kg (40 pounds) and not more than 20 kg (44 pounds) net.

- E. Except for fortified NDM, commercial markings in addition to the markings outlined in this Appendix are permissible.
- F. Block cheese made from unpasteurized milk that is required to be cured at a temperature of 35^oF, or above, for at least 60 days, must be labeled in accordance with FDA regulations.
- G. For barrel cheese, the filling end must be inverted and become the bottom for shipping and storage.
- H. In addition, the contract number must be applied to each commodity container at the expense of contractor. If delivery is accepted by CCC in a CCC-approved warehouse, and the NDM is in dry storage, the cheese in cooler storage and the butter in freezer storage, the marking of the contract number may be deferred, at the option of contractor, until CCC orders the commodity moved from the warehouse. If contractor elects to defer marking of the contract number on containers, the contractor must enter into an agreement with the warehouseman prior to the delivery of the commodity to CCC for applying the contract numbers to the containers at contractor's expense when the commodity is moved from the warehouse. Contractor will furnish CCC with a copy of the agreement or any other evidence required by CCC.

MARKING INSTRUCTIONS FOR FORTIFIED NONFAT DRY MILK

A. EXHIBITS B-1 & B-2

ALL LETTERING SHALL BE IN BLUE EXCEPT FOR THE NAME OF THE COMMODITY, WHICH SHALL BE IN RED. The design of the AID emblem consists of two clasped hands across the center of the United States' Shield. The upper portion consists of four white stars on blue background. The lower portion carries seven red and six white alternating stripes. The natural background color of the bag may be substituted for white. The "clasped hands" shall be outlined in blue with a background of the natural color of the container. It is prohibited to have the hands in "red." The AID emblem shall be 4 inches high and 2-3/4 inches wide. The band adjacent to the AID emblem shall be blue and printed to the edges of the front and back panels.

B. GUSSETS

The geometric symbols that appear on each side of the front and back panels shall also appear in both gussets of POM bags, adjacent to USA. The geometric symbols shall be outlined in blue. The letters USA shall be in helvetica bold oblique print, blue, 3 inches high, approximately 8-1/2 inches in total width, and shall appear in both gussets.


C. EXHIBIT B-1

The letters USA shall be in helvetica bold oblique print, blue, 3-3/4 inches high, and approximately 9-1/2 inches in total width. All other lettering shall be in normal block print. The three stripes adjacent to USA shall be red and printed to the edges of the front panel. The commodity name shall be 1 inch print but may be adjusted for centering purposes. The Plant Code, Lot Number, Month and Year of Manufacture, and Weight shall be 1/2 inch print.

D. EXHIBIT B-2

The letters USA shall be in helvetica bold oblique print, blue, 3-1/8 inches high, approximately 8-1/2 inches in total width and, to prevent misalignment, positioned such that the red stripes are not required to cross over the back lineal seam. All other lettering shall be in normal block print. The three stripes adjacent to USA shall be red and printed to the edges of the back panel. The commodity name shall be 7/8 inch print but may be adjusted for centering purposes. The statements "NOT TO BE SOLD OR EXCHANGED" and "USE NO HOOKS" are to be in 1/2 inch print. The symbol indicating "USE NO HOOKS" shall be red and approximately 3 inches in height. The hook, within the "USE NO HOOKS" symbol, shall be blue.

FRONT OF BAG

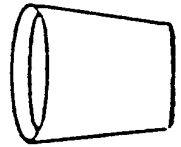


USA

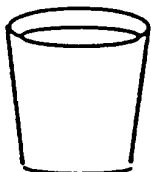
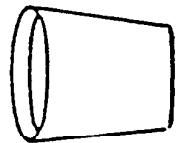
**NONFAT DRY MILK
FORTIFIED WITH
VITAMINS A & D**

Contract Number _____
1/ Plant Code _____
1/ Lot Number _____
1/ Month and Year of Manufacture _____

WEIGHT: NET 25 KG, 55.115 LBS

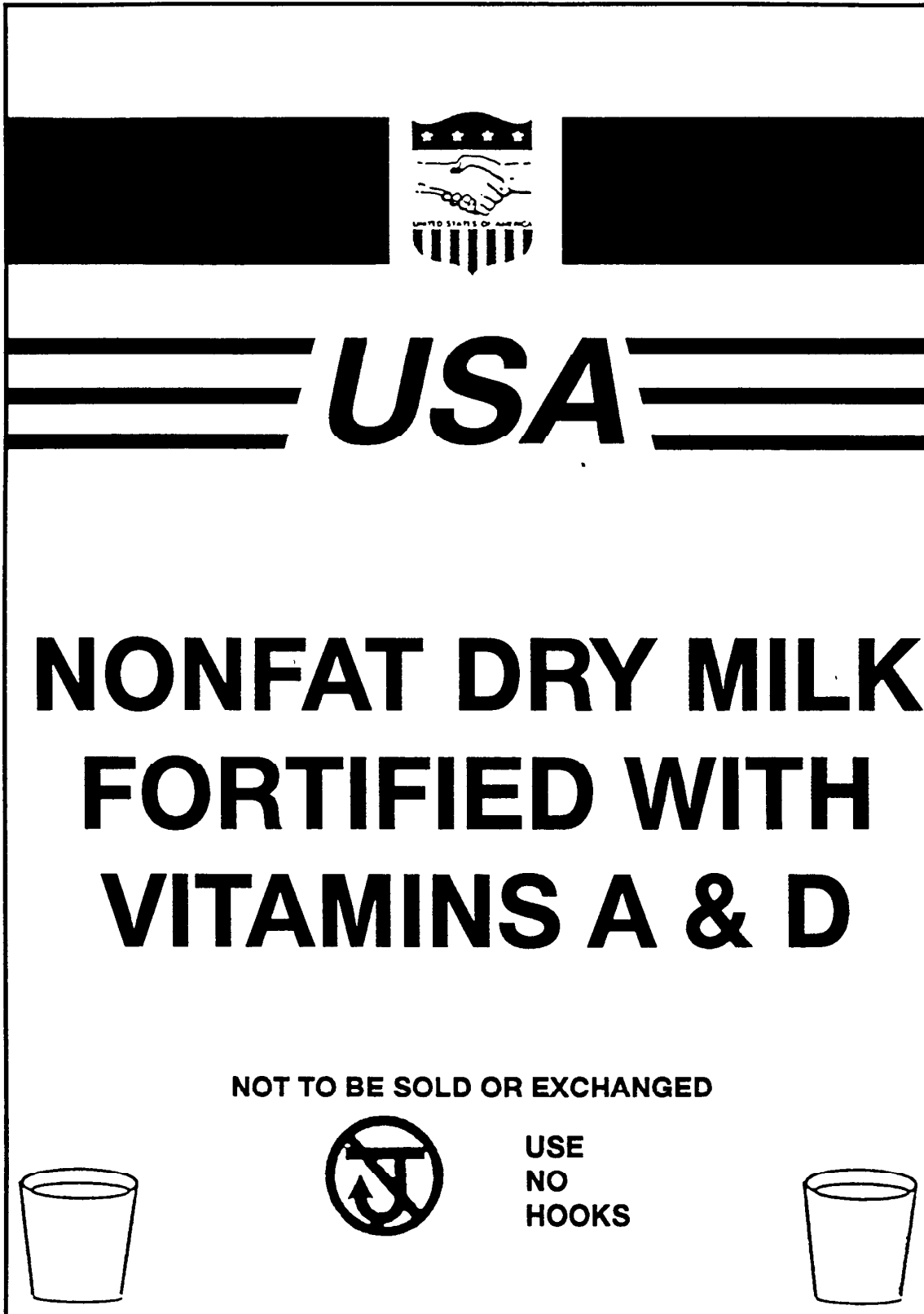


USA



1/ May appear as shown or on top of the bag

BACK OF BAG

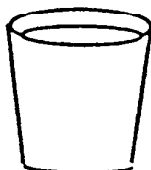


**NONFAT DRY MILK
FORTIFIED WITH
VITAMINS A & D**

NOT TO BE SOLD OR EXCHANGED



**USE
NO
HOOKS**



GSA REGIONAL BUSINESS SERVICE CENTERS

GSA Business Service Center
Areas of Service, Addresses,
and Phone Numbers

National Capital Region
District of Columbia, nearby Maryland
and Virginia

7th and D Sts., SW
Room 1050
Washington, DC 20407
(202) 472-1804

Region 1
Connecticut, Maine, Vermont, New
Hampshire, Massachusetts, Rhode Island

Boston Federal Office Bldg.
10 Causeway St.
Boston, MA 02222
(617) 565-8100

Region 2
New Jersey, New York, Puerto Rico,
Virgin Islands

Jacob K. Javits Bldg.
26 Federal Plaza
New York, NY 10278
(212) 264-1234

Region 3
Pennsylvania, Delaware, West Virginia,
Virginia and Maryland except the
District of Columbia metro area

9th and Market Sts.
Room 5151
Philadelphia, PA 19107
(215) 597-9613

Region 4
Alabama, Florida, Kentucky, Georgia
Mississippi, North Carolina, South
Carolina, Tennessee

75 Spring St., SW
Atlanta, GA 30303
(404) 331-5103-3032

Region 5
Illinois, Indiana, Ohio, Michigan,
Minnesota, Wisconsin

230 South Dearborn St.
Chicago, IL 60604
(312) 353-5383

Region 6
Iowa, Kansas, Missouri, Nebraska,

1500 East Bannister Rd.
Kansas City, MO 64131-3088
(816) 926-7203

Region 7
Arkansas, Louisiana, Texas, New Mexico,
Oklahoma

819 Taylor St.
Fort Worth, TX 76102
(817) 334-3284

Region 8
Colorado, North Dakota, South Dakota,
Utah, Montana, Wyoming

Denver Federal Center
P.O. Box 25006
Room 145
Denver, CO 80225-0006
(303) 236-7408

Region 9
Northern California, Hawaii, all of
Nevada except Clark County

525 Market St.
San Francisco, CA 94105
(415) 974-0523

Los Angeles, Southern California,
Arizona, Clark County, Nevada

300 North Los Angeles St.
Room 3259
Los Angeles, CA 90012-2000
(213) 894-3210

Region 10
Alaska, Idaho, Oregon,
Washington

Room 2413
15th and C Sts., SW
Auburn, WA 98001
(206) 931-7956

If copies of specifications and/or
standards are not available from
the above-listed centers, write to
the following:

General Services Administration
Specifications Section
Room 6654
7th and D Sts., SW
Washington, DC 20407