SOUTHEASTERN FOOD PROCESSORS ASSOCIATION http://www.sfpa-food.org Lisa Gordon - 919-515-2956 APRIL 2006

## **SFPA Annual Meeting**

It's never too early to start making plans for the up-coming SFPA annual meeting. This year we will be meeting at a beautiful hotel and resort in Myrtle Beach, SC. Mark your calendar now for **October 26-29**, **2006** to come to the Myrtle Beach Marriott Resort at Grande Dunes. You can view the site at <a href="http://marriott.com/property/propertypage/MYRGD">http://marriott.com/property/propertypage/MYRGD</a>. It is a beautiful facility situated directly on the beach. Many rooms will be over looking the ocean, so get your reservations in early.

Your Board of Directors have been working hard to put together an excellent program to try and meet everyone's interest. Once again there will be a beautiful golf course and tennis courts to demonstrate your skills. Don't forget the silent auction where your contributions can really make a difference in a food science student's academic experience at one of our chosen southeastern land grant universities. There will be some great gifts to raffle off too. It is a great time to meet new people and renew old friendships. We look forward to seeing you there.

## President's Message

I am very happy to say that I just signed scholarship checks for the Universities of Tennessee, Florida, Georgia, North Carolina State, Alabama and Clemson. In addition to these scholarships, we have been able to endow scholarships to North Carolina State and the University of Tennessee and plan to add Clemson to this list soon. These scholarships are made possible by your support of our organization and in particular your participation at our annual convention.

Malcolm Gladwell introduces his book, "The Tipping Point" with a short story about Hush Puppy shoes. In 1994, Wolverine sold only 30,000 pairs of Hush Puppy shoes and was thinking about discontinuing the item. By 1996, the brand was selling over 1.7 million pairs of shoes and virtually the entire growth was driven by word of mouth

advertising. A small group of kids from the East Village and Soho had started this huge transformation.

The next few years will be critical for our organization. Our association needs to focus on growth if we are to sustain this momentum and continue the good work in food science education. Please make an effort to contact your peers and associates and make it a point to attend this year's convention. It is shaping up to be a very special event. We are planning to have presentations from processors, customers, family business experts and more. I hope you are having a great year and I look forward to seeing you this fall at Myrtle Beach.

Al Williams, President

#### **Fiber Market Booms**

The fiber market in the United States could reach \$495 million by 2011, according to new analysis from Frost & Sullivan, a global growth consulting company. In the report, Strategic Analysis of the United States Food Fiber Industry, it noted that the food-fiber industry earned revenue of \$193 million in 2004, with insoluble fiber accounting for more than \$176 million. The interest in soluble fiber is growing rapidly. It is estimated that within the next five years, its expansion could grow twice as fast compared to insoluble fiber. The growth of the fiber market is due to the promotion of health and functionality benefits that fiber provides. In the marketplace, there are signs of the growing presence of fiber. New juices contain less sugar and more fiber. The same is true with cereals. Fiber-rich cereals are swarming the cereal aisle. Although the fiber's advertising opportunities are increasing, Americans still consume only half of the recommended targets of 28 grams for women and 35 grams for men of dietary fiber per day. Maybe the many new additions of fiber-rich products to the marketplace will change the insufficient fiber intake in the United States.

### **Market Quickies**

- 1. Prices raised on Red Pepper chilies due to less planting of crop. Crop prices were so low last year that farmers planted less of the chili pepper to raise prices. Crops lowered by 50% causing a higher demand, especially for the hotter variety of the pepper.
- 2. Due to lack of rain in Mexico, the crop of Oregano has suffered causing lower supply and higher prices.
- 3. The year 2004 brought low prices to farmers on red/green bell peppers and tomatoes. This brought reduced planting in 2005.
- 4. If you're waiting for lower prices on garlic you'll be waiting until 2007. Prices continue to climb for garlic. Chinese are anticipated to have a 10% shorter crop which will not be available until September and the USA crop of 2006 will be about 20% shorter.
- 5. Onions make people cry all the time and they will again this year with prices also staying high on the onion crop. This is due to one of the major suppliers being out of business.

# Elite Spice Travelers Return from Trip to China

Issac Samuel, Dave Anthony and Bob Falck of Elite Spice, Inc., recently spent two weeks visiting Chinese suppliers of red pepper, ginger, garlic, onion and other vegetables. The group toured everything from fields to processing plants and was pleased with the quality of the facilities and their attention to detail. The trip helped gain confidence in the company's ability to source the best Chinese products from the best foreign suppliers.

## **Food Allergies**

Allergic reactions to food ingredients causes 200 deaths each year. In August 2004, the Food Allergen Labeling and Consumer Protection Act (FALCPA) was enacted. FALCPA requires labeling of the presence of a major food allergen on foods packaged on or after January 1, 2006, and sold in the United States. FALCPA classifies a major food allergen as an ingredient that is one of the following eight foods or food groups or an ingredient that contains a protein that derives from one of them: milk, egg, fish, Crustacean shellfish, tree nuts, wheat, peanuts, or soybeans.

In compliance with the Food Allergen Labeling and Consumer Protection Act (FALCPA), McDonald's Corporation, Oak Brook, IL, recently tailored its website to make consumers aware of potential wheat and dairy allergens in the cooking oil used for its fries. Since then, several lawsuits have been filed against McDonald's by consumers with celiac disease, an intolerance to gluten. The lawsuits are based on the fact that McDonald's had previously upheld that its fries were free of wheat and milk allergens. After the lawsuits were filed, McDonald's again changed the website's information, announcing that evaluation by the Food Allergy Research and Resource Program of the University of Nebraska, Lincoln, verified that the fries are "gluten free and allergy free."

## Allergen Frequently Asked Questions

The FDA recently released a set of frequently asked questions that addresses key food allergen labeling requirements. In the next several issues of the Food Forum we will be publishing these questions and answers.

**Q:** When do the labeling requirements of the Food Allergen Labeling and Consumer Protection Act of 2004 (FALCPA) become effective for packaged foods sold in the United States?

A: All foods regulated under the FD&C Act labeled on or after January 1, 2006 must comply with FALCPA's food allergen labeling.

Q: What is a "major food allergen"?

A: A "major food allergen" is one of the following five foods - milk, egg, wheat, peanuts, and soybeans - or one of the following three food groups - fish, Crustacean shellfish and tree nuts - or is an ingredient that contains protein derived from any of these foods or food groups.

**Q:** Does the FALCPA provide any specific direction for declaring the presence of ingredients from the three food groups that are designated as "major food allergens (i.e. tree nuts, fish and Crustacean shellfish")?

A: Yes, FALCPA requires that in the case of tree nuts, the specific type of nut must be declared (e.g. almonds, pecans, or walnuts). The species must be declared of fish (e.g. bass, flounder or cod) and Crustacean shell fish (crab, lobster or shrimp).

#### Thank You Letters

I am writing to thank you for extending your generosity to support my education here at **Clemson University**. I was very surprised and delighted to find that I had received the scholarship, especially because it was through the Food Science and Nutrition Department. It means a great deal to know that someone is so supportive of younger generations' educations. Thanks again!

Sincerely,

Saka Kolodzaike

Dear SFPA,

Thank you so much for awarding me a scholarship. It came as a wonderful surprise, and I am thoroughly honored to have been chosen to receive the scholarship. My choice to study food science has been one of the most rewarding and worthwhile decisions I have ever made. My interest in the entire field continues to grow with each class I take.

It is such an amazing feeling to know that there are people supporting you throughout the entire process. I plan on using the scholarship money to help me continue my education in the dynamic field of food science. I hope one day I will be able to give back to other students like you have given to me.

Sincerely,

Ali McDaniel



Ali McDaniel with Dr. Rakesh Singh, the Head of the Department of Food Science & Technology, presenting the certificate and scholarship to Ali at the recent Student Recognition Banquet, March 30, 2006.

#### Welcome

The Food Forum staff wants to welcome our new writers - Rebecca Aisen and Colleen Cruze. We are starting with a freshman and a sophomore that we hope will be with us for the next three to four years. We all want to thank Jessica and Erin for their contributions and wish them well in the future.

Rebecca Aisen, Sophomore in Food Science and Technology, enjoys reading, horse-back riding, kayaking, camping/hiking, and playing sports.





Colleen Cruze, Freshman in Food Science and Technology enjoys dairy farming, banjo, photography, traveling and tennis. She is involved in Kappa Delta Sorority, Food Science Club, Student Cattlemen's Association, Dance Marathon, and Student

Government Association 2006 Campaign

Plans after college: To open a homemade ice cream store in Knoxville

Interesting Fact: Colleen lives on a Jersey Dairy Farm where her family processes churned buttermilk and unhomogenized whole milk. They retail their products throughout East Tennessee.

### The Wal-Mart Brand

Over the next five years, Wal-Mart is predicted to have its own food retailing label. According to former board member Allan Noddle of the Holland-based Royal Ahold (parent company of Ahold USA), the prediction is the retail giant will drive its own brand through neighborhood markets in this country, while waging a battle-royal of sorts in the global food retailing business by taking on Carrefour and other Chinese retailers in Europe. Noddle discussed future trends in food distribution during the Private Label Manufacturers Association conference held in Chicago.

## Why Don't You Have a Job

Here are some reasons why some real live interviewees weren't accepted into potential jobs:

- 1. The job applicant challenged the interviewer to an arm wrestle.
- 2. Interviewee wore a Walkman, explaining that she could listen to the interviewer and the music at the same time.
- 3. Candidate said he never finished high school because he was kidnapped and kept in a closet in Mexico.
- 4. Balding candidate excused himself and returned to the office a few minutes later wearing a headpiece.
- 5. Candidate dozed off during interview.

#### **Private Labels**

Matthew Adams, a consumer market analyst at Datamonitor, stated, "Consumers increasingly trust retailers' own offerings, and are more willing to switch from buying famous brands to buying private-label goods."

The familiar brand names that have hit markets and have continued to stay on top are facing an increasing trend of being looked over for smaller, less popular brands. Total consumer spending on private-label drinks, foods, and personal hygiene care have reached \$108 billion in the year 2005, and sales are continually growing. Datamonitor, an independent research and market consulting firm estimates that there will be a 20% growth in buying private-labeled consumer items by 2010.

Why this over-zealous demonstration of buying private-labeled brands? Matthew Adams continues his statement by saying, "Many of the world's leading famous brands hail from the United States. Having grown up with such brands, the effect of familiarity, combined with patriotism toward homegrown famous brands, makes U.S. consumers particularly strong brand adherents."

There is no guarantee in success for the coming years, but at present consumers want to feel secure in the fact that what they are buying comes straight from what's closest to their hearts.

Source: Tennessee Grocers & Convenience Store Association



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