



Sfpa

FOOD FORUM

SOUTHEASTERN FOOD PROCESSORS ASSOCIATION

APRIL 2008

<http://www.sfpa-food.org>

Lisa Gordon - 919-515-2956

President's Message

Mike Carter pic here...

The SFPA was well represented at the Dixie IFT which was held Monday February 25th at the Cobb Galleria in Atlanta, GA. Present from the SFPA were Drew Andrews, Reg Garner, Bill Keith, Bill Morris and me. We were able to display our new SFPA banner and distribute our new brochures. We talked with a number of suppliers some of whom expressed interest in joining SFPA. We also met a number of Food Science students from the University of Georgia. I would like to say thank you to those Board members that helped promote SPFA in Atlanta.

We all understand the importance of growing SFPA so as an organization we can offer more to the membership and continue to support scholarships to Food Science students in the southeast. SFPA continues to explore ways to provide Spring Technical meetings with topics that are of interest to SFPA members as well as the Merchandising Program presented by Tom Densmore and Tony Treadway at the 2007 convention.

We completed our January Board meeting with a number of great topics and potential speakers for our Convention in October 2008. The Board will meet again in April and will streamline the list of topics and begin contacting speakers. If you have an interesting topic or speaker, please contact a Board member. It's not too late!

Mike Carter, SFPA President
Mt. Olive Pickle Company

SFPA 34th Annual Conference Myrtle Beach, South Carolina October 23 - 26, 2008

Beach pic #1

Beach pic#2

If you haven't already, please mark your calendars for the 34th Annual Conference. It will be held in beautiful Myrtle Beach, SC at the Marriott Resort at Grand Dunes. Plan ahead to get the best rooms over-looking the Atlantic Ocean! You won't want to miss the sunny, 70+ degree weather, sandy beaches and plenty of shopping. Hope to see you there!

The Wheat Rises

The price of wheat has more than tripled during the past ten months. During the past few months, the price of cereals and baked goods has risen nearly 6 percent over the same time last year, federal officials reported. The wheat market has been pushed higher by a combination of agricultural, financial and energy issues.

Poor wheat harvests in Australia, parts of Europe and the U.S. have caused China and other Asian countries to buy up more American crops, which are especially attractive because of the weak U.S. dollar.

At the same time, the American crop is shrinking because of federal incentives to grow corn for ethanol. Skyrocketing gas prices make it more expensive to get any wheat to market. Those same pressures have also made it more expensive to supply feed grains for livestock.

Wheat historically trades at \$3 to \$7 a bushel. Consumers pay an additional penny on wheat products for each dollar the price-per-bushel increases. White bread cost an average of 85 cents a pound in 1998 and \$1.03 in February 2006. The price rose to \$1.32 a pound last month, according to federal data, and that is on top of overall food price increases of 4 percent last year. There is an additional 3.5 to 4.5 percent expected this year, according to federal data. Most years see 2.5 percent increases.

Low Sodium Hits the Shelves

The 10 leading food companies involved in low-sodium product development, according to Packaged Facts, are Amy's Kitchen Inc., Campbell Soup Co., ConAgra Foods, Del Monte Foods Co., General Mills Inc., H.J. Heinz Co., Hain Celestial Group Inc., Hormel Foods Corp., Kraft Foods Inc., and Unilever. Sodium content claims are made for a wide variety of products, including soups, canned foods, condiments, snack foods, beverages, and meat and fish, and the preceding companies offer many of these products across their portfolios. For consumers looking to purchase products that are lower in sodium, the number of offerings is increasing. Morton Salt, Chicago, Ill., offers three products directly to consumers who are monitoring their salt intake. Two of the products—*Salt Balance™ Salt Blend* and *Lite Salt™ Mixture*—are blends of sodium and potassium chloride that contain 25% and 50% less sodium, respectively, than regular table salt.

Take Note

The U.S. Department of Agriculture lists typical sodium content for thousands of foods -- and some of these numbers may shock you:

Dehydrated onion soup mix (1 packet): 3,132 milligrams

Seasoned bread crumbs (1 cup): 2,111 milligrams

Spaghetti sauce (1 cup): 1,203 milligrams

Canned chicken noodle soup (1 cup): 1,106 milligrams

Frozen turkey and gravy (5 ounces): 787 milligrams

Canned cream-style corn (1 cup): 730 milligrams

Teriyaki sauce (1 tablespoon): 690 milligrams

Vegetable juice cocktail (1 cup): 653 milligrams

Beef or pork salami (2 slices): 604 milligrams

Canned jalapeno peppers (1/4 cup, solids and liquids): 434 milligrams

Wal-Mart Adopts Global Food Safety Standards

In what may be a bellwether initiative, Wal-Mart Stores Inc., North America's largest grocery chain, announced it is adopting new global safety standards for its private label and other foods.

Wal-Mart said it will become the first nationwide U.S. grocery chain to require suppliers of its private label and other food products such as produce, meat, fish, poultry and ready-to-eat foods to have their factories certified against one of the internationally recognized Global Food Safety Initiative (GFSI) standards.

The standards provide real time details on where suppliers fall short in food safety on a plant-by-plant basis, and go beyond the current FDA or USDA required audit process. Under the GFSI program, producers of Wal-Mart and Sam's Club private label and other foods sold in the U.S. must be audited by independently trained, approved and licensed auditors who are experts in their industry.

The GFSI requires food suppliers to achieve factory audit certification against one of its recognized standards, which include Safe Quality Food (SQF), British Retail Consortium (BRC), International Food Standard (IFS), or an equivalent such as Global-GAP. Wal-Mart has published a schedule to suppliers requiring completion of initial certification between July and December of 2008, with full certification required by July 2009. Audits will be completed by approved third party auditing companies.

Tyson: Less Demand for Refrigerated Product; To Cut 400 Jobs

According to a company press release, Tyson Foods says that growing consumer demand for ready-to-eat foods rather than refrigerated products is resulting in the discontinuation of an existing product line and the closing of one of the three plants Tyson operates in Wilkesboro, North Carolina. This will result in the elimination of just over 400 jobs. No decision has been made about future use of the plant.

The company says that an increasing number of shoppers are opting for takeout food from the retail grocery deli. In fact, 83% of consumers' main meals include ready-to-eat foods.

Creative Energy Hires a Top Talent as Executive Creative Director

(Johnson City, Tenn.) – Full-service advertising and public relations firm, Creative Energy Group, Inc., has selected a top creative talent as its new Executive Creative Director.

Mark Wildenhaus joined the firm on March 3rd after successful stints at advertising agencies in St. Louis and Minneapolis. As Vice-President and Executive Creative Director, Wildenhaus will be responsible for all creative executions by the agency and its creative department personnel.

“Mark’s creative leadership will be a competitive advantage for our clients,” explained President Tony Treadway. “He has proven himself as a strong leader and an exceptional creative talent.”

Before joining Creative Energy, Mark served for five years as Vice-President, Executive Creative Director at Adamson Advertising in St. Louis. There, he helped the agency earn new business from Hardee’s, Shoe Carnival, Save-A-Lot, Logan’s Roadhouse, St. Luke’s Hospital of Houston and the Missouri Lottery.

During a five-year stint at Campbell Mithun of Minneapolis, Mark oversaw the successful launch of General Mills first organic cereal and the launch of Frosted Mini-Chex. Mark also served as Creative Director at electronics retailer Best Buy and at agencies, Bozell and DMB&B in Chicago.

“I was impressed with the existing creative staff at Creative Energy and believe that our team can make a significantly positive impact for our clients,”

said Wildenhaus. “This agency is poised for growth among national accounts and I wanted to be part of that opportunity.”

Wildenhaus’ awards include: International Film Festival, *Adweek* magazine’s ‘Best Of The Month’ five times in a single year, National Addys, Telly, Mobius, OBIE and International Advertising Festival. He is a graduate of the Central Academy of Commercial Art in Cincinnati, OH.

NOTICE

Members and Potential Members

Now Hear This!! All hands on deck – The 2008 membership invoices have been mailed out and according to our Membership Chairman, Bill Keith, we only have had 25 out of 50 respond by renewing their membership. This is a poor showing, so this is just a gentle reminder to not to forget your 2008 SFPA dues and get them in soon to Bill. For potential new members, don’t be left out, because we are planning a great meeting in Myrtle Beach, SC this year.

Yes! Cheap Wine Just As Good

Antonio Rangel, an associate professor of economics at Caltech, and his colleagues found that changes in the stated price of a sampled wine influenced not only how good volunteers thought it tasted, but the activity of a brain region that is involved in our experience of pleasure. In other words, "prices, by themselves, affect activity in an area of the brain that is thought to encode the experienced pleasantness of an experience," Rangel says.

The researchers had 20 volunteers taste five wine samples which, they were told, were identified by their different retail prices: \$5, \$10, \$35, \$45, and \$90 per bottle. While the subjects tasted and evaluated the wines, their brains were scanned using functional magnetic resonance imaging, or fMRI.

The subjects consistently reported that they liked the taste of the \$90 bottle better than the \$5 one, and the \$45 bottle better than the \$35 one. Scans of their brains supported their subjective reports; a region of the brain called the medial orbitofrontal cortex, or mOFC, showed higher activity when the

subjects drank the wines they said were more pleasurable.

There was a catch to the experiment, however. Although the subjects had been told that they would taste five different, variously priced wines, they actually had sampled only three. Wines 1 and 2 were used twice, but labeled with two different prices. For example, wine 2 was presented as the \$90 wine (its actual retail price) and also as the \$10 wine. When the subjects were told the wine cost \$90 a bottle, they loved it; at \$10 a bottle, not so much. In a follow-up experiment, the subjects again tasted all five wine samples, but without any price information; this time, they rated the cheapest wine as their most preferred.



SFPA Scholarship Awardees

- Clemson - Saka Kolodzaike and Ruby Poon
- University of Georgia - Ali McDaniel
- NC State University - Rachel E. Campbell and Jonathon R. Layfield
- University of Tennessee - Thomas Smith



FDA Posts Guide to Fresh Fruit and Vegetable Safety

The U.S. Food and Drug Administration (FDA) announced the availability of a final guidance document entitled "Guidance for Industry: Guide to Minimize Microbial Food Safety Hazards of Fresh-cut Fruits and Vegetables" (the fresh-cut guidance or guidance). Previously, FDA announced the availability of the fresh-cut guidance as a "draft final" document, pending approval by the Office of Management and Budget (OMB) of the information collection provisions in the guidance. FDA is publishing this notice to announce that the fresh-cut guidance is now final. The text of the guidance has not changed from the previously published draft final version

Help Us Update Our Website!

We are still missing a few things from the Members' page on the website. If you are listed below, please send your information to Bill Morris at wcmorris@utk.edu or Davean Tonkery at dtonkery@utk.edu. If you see any other changes you would like made, please let us know that too!

Logo image and website link required

Bud's Best Cookies
Crider Poultry, Inc.
Henkel Adhesives Co
Technocap Co

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Bost Distributing
ESCA Enterprises, Inc
Moody Dunbar, Inc

Daily Dose of Beetroot Juice Can Beat High Blood Pressure

Researchers at Barts and The London School of Medicine in UK have found that drinking 500ml of beetroot juice a day can significantly reduce blood pressure. The study was published online in the American Heart Association journal Hypertension.

The research indicates that it is the ingestion of dietary nitrate contained within beetroot juice - and similarly in green, leafy vegetables - which results ultimately in decreased blood pressure. Previously the protective effects of vegetable-rich diets had been attributed to their antioxidant vitamin content.

Food Price Outlook, 2008

In 2008, the Consumer Price Index (CPI) for all food is projected to increase 3.0 to 4.0 percent, as retailers continue to pass on higher commodity and energy costs to consumers in the form of higher retail prices. Food-at-home prices are forecast to increase 3.5 to 4.5 percent, while food-away-from-home prices are forecast to increase 3.0 to 4.0 percent in 2008. The all-food CPI increased 4.0 percent between 2006 and 2007, the highest annual increase since 1990. Food-at-home prices, led by eggs, dairy, and poultry prices, increased 4.2 percent, while food-away-from-home prices rose 3.6 percent in 2007.

Americans Still Not Eating Their Vegetables!

This USDA report examines major trends in the amount of food available for consumption in the United States between 1970 and 2005 using data from the ERS Food Availability (Per Capita) Data System.

The report also estimates whether Americans are meeting Federal dietary recommendations for each of the major food groups by comparing the data with dietary recommendations in the 2005 Dietary Guidelines for Americans and the MyPyramid Food Guidance System.

Results show that Americans do not meet the Federal dietary recommendations. For Americans to meet these recommendations, they would need to substantially lower their intake of added fats, refined grains, and added sugars and sweeteners and increase their consumption of fruits, vegetables, whole grains, and low-fat milk and milk products.

For more, see <http://www.ers.usda.gov/Publications/EIB33/#2008-3-28>

IRI Report Sharpens View on Private Label Insights and Emerging Retail Growth Markets

New survey finds three-quarters of consumers are positive on store brand products quality; highlights role of lower-income shoppers

According to a new study from Information Resources, Inc. (IRI), the leading global provider of consumer, shopper and market insights for the consumer packaged goods (CPG) retail and healthcare industries, nearly 75 percent of all U.S. consumers rate private label offerings as excellent in overall quality, with older and lower-income shoppers leading the way. The report also reveals that despite generally flat sales during the past few years, store brands are gaining favorability in key CPG categories, offering the potential of sizeable market share gains among lower-income shoppers.

With price still a dominating factor, IRI information shows the target audience for private label CPG products remains lower-income shoppers. Compared with other consumers, lower-income shoppers rely considerably more on private label items across all 295 analyzed food, beverage and

nonfood categories. In 2007, lower-income shoppers spent 17 percent of their overall CPG dollars on private label products, as compared to 15.7 percent and 13.7 percent for middle income and higher income, respectively. Yet, IRI analysis shows that despite the larger stake that lower-income shoppers have in store brand items, retailers are missing opportunities to tap into the growth potential of this market

“There’s a huge opportunity for retailers who understand the power of private label offerings,” added Blischok. “Our micro-segmenting and cross-purchase pattern analysis of lower-income shoppers shows plenty of room for product expansion and a greater chance to gain market share across many key categories. By responding to consumer needs, especially young families who are looking for both quality and value, smart retailers can develop a whole new segment of brand loyal consumers who look for the private label first.”

FDA to Rule on Irradiated Food Labeling

Although the Food and Drug Administration (FDA) is poised to rule on proposed changes regarding the labeling of irradiated food, some advocacy groups continue to oppose the move. And, despite the scientific community’s support for food irradiation, advocacy groups are opposed to the process itself, saying more research is needed.

Economic Research Service Report on Food Stamps and Obesity

Critics of the Food Stamp program have suggested that the program has unintentionally contributed to higher rates of obesity among some low-income populations. The Economic Research Service has published results from reviewed studies. The ERS summarizes that for most participants in the Food Stamp Program — children, non-elderly men, and the elderly — use of food stamp benefits does not result in an increase in either Body Mass Index (BMI) or the likelihood of being overweight or obese. However, for non-elderly women, some evidence suggests participation in may increase BMI and the probability of obesity.

For more, see <http://www.ers.usda.gov/publications/eib34/>

Pass the Spice

Seasoning potato chips with more spices adds flavor and is a way to compensate for using less salt. Product formulators seeking to boost the flavor of foods without relying on salt might consider spicing things up with ingredients like oregano, various chile pepper powders, cumin, garlic powder, sage, allspice, grains of paradise, and more. The approach works for home cooks, too. Orange peel and natural wood, vanilla bean and cardamom, rubbed sage and rye whiskey, and poppy seed and rose are examples of ingredients that can help spice up foods that have reduced-sodium levels.

Spice Active Markets

-Prices firm or higher: Black and white pepper, Paprika and chili, Cloves, Nutmeg, Poppy, Sesame, Caraway, Cardamom, Mustard, Coriander, Medit. Oregano, Mexican Oregano, Sassafras, Moroccan and Spanish Thyme, Rosemary, Onion, Sage, Savory, Anise, Saffron.

-Prices starting to trend upward: Cassia, Parsley, Basil, Marjoram, Mace.

-Prices stabilized but still firm: Allspice, Jalapeno, Red Pepper,

-Prices steady: Turmeric, Chinese Garlic, Ginger, Cumin, Fennel.

An Ethanol, *E. Coli* Connection?

Researchers probe possible link

Scientists at Kansas State University (Manhattan, Kan.) said they had discovered that cattle fed distillers' grain, a byproduct of ethanol production, showed an increase in *Escheria coli* O157:H7 in their hindgut and posed a health risk to humans. Now the U.S. Department of Agriculture (USDA) has begun its own research to determine if *E. coli* levels are, in fact, increased in cattle fed with distillers' grains.



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