



**United States
Department of
Agriculture**

June 25, 2003

Farm and Foreign
Agricultural Services

Farm Service
Agency

Kansas City
Commodity Office
P.O. Box 419205
Kansas City,
Missouri
64141-6205

AMENDMENT 1

**TO ANNOUNCEMENT DPP1
PURCHASE OF DEHYDRATED POTATO PRODUCTS
FOR USE IN EXPORT PROGRAMS**

The purpose of this amendment is to incorporate Commercial Item Description (CID) A-A-20032F, dated December 20, 2002.

1. Replace all references to CID A-A-20032E dated August 6, 1997 with the new CID dated December 20, 2002. This includes references on page 2, 10, and the discount table on page 11.
2. This amendment is effective for all contracts awarded on or after July 1, 2003.

/s/
George W. Aldaya
Director

UNITED STATES
DEPARTMENT OF
AGRICULTURE

COMMODITY
CREDIT
CORPORATION

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

EFFECTIVE: June 23, 2002

ANNOUNCEMENT DPP1

**PURCHASE OF
DEHYDRATED POTATO PRODUCTS
FOR USE IN EXPORT PROGRAMS**



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**ANNOUNCEMENT DPP1
PURCHASE OF DEHYDRATED POTATO PRODUCTS
FOR USE IN EXPORT PROGRAMS**

1. GENERAL

A. Invitation for Offers

- (1) The Commodity Credit Corporation (CCC) will from time to time issue an invitation for offers under this announcement to sell dehydrated potato products (hereinafter referred to as product) to CCC for use in export programs.
- (2) The invitation will specify the office to which offers are to be submitted, the closing time for receipt of offers, and provisions applicable to the proposed procurement which are in addition to or different from those set forth herein.

B. Terms and Conditions

- (1) Provisions of "General Terms and Conditions For the Procurement of Agricultural Commodities or Services," USDA-1, Revision No. 2, as amended (USDA-1), are incorporated as specified in Section 5 of this announcement.
- (2) Offerors are cautioned to read all terms and conditions of USDA-1, this announcement, the appendixes to this announcement, and the invitation.

C. Certifications, Representations, and Warranties

Appendix 1 to this announcement contains certifications, representations, and warranties that must be certified and submitted annually to CCC prior to or with an offer. In addition to an annual submission, offerors must submit an updated Appendix 1 as changes in the certifications, representations, and warranties submitted to CCC occur throughout the year.

D. Packaging and Marking Specifications

Appendix 2 to this announcement contains the packaging and marking specifications, and other requirements, applicable to the product delivered under this announcement. Refer to Part 1, Section 1.7, for commercial packaging and marking specifications.

E. Commercial Item Description

- ✓.. Appendix 3 to this announcement is the Commercial Item Description (CID) for **POTATOES, WHITE, DEHYDRATED, A-A-20032F, dated December 20, 2003.** Applicable sections of the CID for this announcement will be Type II Mashed (Type II, Styles A, B, C, D, and E), and Type V - Other (specify.) ..✓

2. **ELIGIBILITY OF OFFERORS**

To be eligible to submit an offer under this announcement, the offeror must:

- A. Submit a completed "Solicitation Mailing List Application" (Standard Form 129) to the contracting officer prior to a first offer. Offeror must complete all portions of form SF-129, except Item 18, and include the following additional information for:
- (1) Item 8. Identify all affiliates including any parent company. Provide full name and main office address. A "parent" company is one that owns or controls the activities and basic business policies of the bidder. An "affiliate" is defined on the back of the form.
 - (2) Item 10. Identify the commodities/products the offeror is interested in supplying.
 - (3) Items 19 and 20. Must be an officer of the company.
- B. Offerors must resubmit form SF-129 as necessary when the information requires updating.
- C. Affirmatively demonstrate responsibility as defined in Federal Acquisition Regulation (FAR) 9.104-1. CCC may request a pre-award survey to be conducted by the Defense Contract Management Command for the purpose of evaluating the offeror's ability to perform the contract.
- D. Meet the definitions of a manufacturer or nonmanufacturer as defined below. **Brokers are ineligible to submit offers.**
- (1) Manufacturer, means a person that owns, operates, or maintains a factory or establishment that produces on the premises the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
 - (2) Nonmanufacturer means a person that is primarily engaged in the wholesale or retail trade and normally sells the items being supplied to the general public; and will supply the end item of a small business manufacturer or processor made in the United States, or obtains a waiver of such requirement pursuant to 13 C.F.R. 121.406.
- E. Maintain a bona fide business office in the United States for the purpose of selling to

CCC the products described in this announcement. Additionally, the offeror must maintain an office, employee, or agent for service of process.

3. SUBMISSION OF OFFERS

A. How to Submit Offers

- (1) Offers must be submitted by regular mail, express mail, or hand delivered. **(The invitation will specify the office to which offers are to be submitted).** Offers must include a signed original and one copy of the offer form. Reproductions of the offer form are acceptable. Appendix 1 to this announcement must be submitted to the Kansas City Commodity Office (KCCO) with the offer form if it was not previously submitted within the calendar year.
- (2) Envelopes containing the offers are to be sealed and marked with the name and address of the offeror in the upper left corner. Offers submitted by express mail, must be sealed inside a second envelope. All envelopes are to have Optional Form OF-17 Offer Label, filled in and attached or must be plainly marked with the following statement: **“DO NOT OPEN UNTIL PRESCRIBED TIME UNDER ANNOUNCEMENT DPP1, EXPORT INVITATION (Enter Appropriate Invitation Number.)”** If overnight/express service is utilized, this statement must be printed clearly on the outer express envelope, not the mailing label.
- (3) Modifications or withdrawals of offers may be submitted by mail, facsimile, or hand delivered.
- (4) Amended offers may be submitted via facsimile at the offeror’s risk. CCC will not be responsible for any failure attributed to the transmission or receipt of facsimile changes including, but not limited to the following:
 - (a) Receipt garbled or incomplete.
 - (b) Availability or condition of the receiving facsimile equipment.
 - (c) Incompatibility between the sending and receiving equipment.
 - (d) Delay in transmission or receipt of price changes.
 - (e) Failure of the bidder to properly identify the information.
 - (f) Illegibility of the information.
 - (g) Security of data.
- (5) Changes by facsimile must contain the required signatures.

B. Where and When to Submit Offers

- (1) Offers, modifications, or withdrawals of offers must be submitted to the KCCO and received by the date and local time specified in the invitation for receipt of offers. In the event such date falls on a business day when KCCO is officially closed, offers must be received by the specified time on the next succeeding business day.
- (2) Whether an offer, modification, or withdrawal is received timely will be determined, in the case of regular mail and express mail, by the time stamp of the Kansas City Management Office (KCMO) mailroom.

- (3) Offers, modifications, or withdrawals of offers must be submitted to:

Kansas City Commodity Office
Export Bid Box
Export Operations Division Stop 8738
P.O. Box 419205
Kansas City, MO 64141-6205

- (4) Users of the various express deliver services are to address correspondence to:

Kansas City Management Office
Export Bid Box
Export Operations Division Stop 8738
6501 Beacon Drive
Kansas City, MO 64133-4676

- (5) Facsimile (FAX) Number for Bids: 816-926-6767

C. Late Submission, Modifications, and Withdrawals of Bids

- (1) Any bid received after the designated time specified for receipt in the invitation will not be considered. Notwithstanding the above, a late modification of an otherwise successful bid that makes its terms more favorable to the Government will be considered at any time it is received and may be accepted.
- (2) Notwithstanding the above, a bid may be withdrawn in person by an offeror or an authorized representative if, before the exact time set for receipt of bids, the identity of the person requesting withdrawal is established and that person signs a receipt for the bid.

D. Delivery Basis

- (1) Offer prices will be quoted and delivery will be either , f.a.s. vessel, intermodal plant, or intermodal bridge as specified in the contract.

- (2) Contractors must deliver the commodity according to the following:
- (a) Contracts for f.a.s. vessel must be delivered in accordance with Article 56 of USDA-1.
 - (b) Contracts for intermodal plant must be delivered f.o.b. conveyance. Contractors are responsible for obtaining the transportation conveyance and loading the cargo. Steamship lines are responsible for transportation costs to the U.S. port and all charges incurred to load vessel.
 - (c) For intermodal bridge contracts, contractors are responsible for loading cargo and paying for transportation costs to a specific location at the designated U.S. point, named by the steamship line. Contractors are to contact the notify party indicated on the Notice to Deliver and/or the steamship line to obtain the exact location for delivery. Steamship lines are responsible for transportation expenses incurred (if any) to move the transportation conveyance to a U.S. port, unloading the conveyance (including container stuffing charges, where applicable), and all charges incurred to load the vessel.

4. ACCEPTANCE OF OFFERS

- A. CCC will notify successful offerors on the date specified in the invitation. The date of acceptance by CCC will be the contract date.
- B. In addition to the price, factors considered in accepting offers will include the time of shipment, the total cost to the Government to deliver the product to the ultimate destination, and the responsibility of the offeror as demonstrated by prior contract performance.
- C. CCC may accept or reject any or all offers, or portions thereof.

5. PROVISIONS OF CONTRACT

- A. The contract consists of:
 - (1) Contractor's offer.
 - (2) CCC's acceptance.
 - (3) The applicable invitation.
 - (4) This announcement, including Appendixes 1, 2, and 3.
 - (5) USDA-1, except Articles 6, 7, 50, and all of Part E.

- B. If the provisions of USDA-1 and this announcement are not consistent, the provisions of this announcement will prevail. If the provisions of USDA-1, this announcement, and the invitation are not consistent, those of the invitation will prevail.
- C. No interpretation or amendment of this announcement is valid or enforceable unless such interpretation or amendment is in writing and executed by the contracting officer.

6. NAICS CODE AND SMALL BUSINESS SIZE STANDARD

- A. The North American Industry Classification System (NAICS) code for this acquisition and the small business size standard is:

Commodity	NAICS Code	Size Standard (Employees)
Dried and Dehydrated Food Manufacturing	311423	500

- B. The small business size standard for a concern which submits an offer in its own name, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.
- C. The U.S. Small Business Administration (SBA) has implemented the Procurement Marketing and Access Network (PRO-Net), which has replaced the former Procurement Automated Source System (PASS). PRO-Net is a procurement related Internet-based electronic search engine for locating small, small disadvantaged, and women-owned small business sources. The PRO-Net Internet address (URL) is (<http://pro-net.sba.gov>). Companies that do not have access to the Internet may register for PRO-Net through your local SBA Office. The PRO-Net is a free electronic gateway to the Commerce Business Daily, government agency home pages, and other sources of procurement opportunities.

7. RESPONSES TO ILLEGAL OR IMPROPER ACTIVITY

- A. Cancellation, Rescission, and Recovery of Funds for Illegal or Improper Activity
 - (1) If the Government receives information that a contractor or a person has engaged in conduct constituting a violation of subsection (a), (b), (c), or (d) of Section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423) (the Act), as amended by section 4304 of the 1996 National Defense Authorization Act for Fiscal Year 1996 (Pub. L. 104-106), the Government may:
 - (a) Cancel the solicitation, if the contract has not yet been awarded or issued; or
 - (b) Rescind the contract with respect to which:
 - 1) The contractor or someone acting for the contractor has been

convicted for an offense where the conduct constitutes a violation of subsection 27 (a) or (b) of the Act for the purpose of either:

- a) Exchanging the information covered by such subsections for anything of value; or
- b) Obtaining or giving anyone a competitive advantage in the award of a Federal agency procurement contract; or

2) The head of the contracting activity has determined, based upon a preponderance of the evidence, that the contractor or someone acting for the contractor has engaged in conduct constituting an offense punishable under subsections 27(e)(1) of the Act.

- (2) If the Government rescinds the contract under paragraph A. (1) of this clause, the Government is entitled to recover, in addition to any penalty prescribed by law, the amount expended under the contract.
- (3) The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law, regulation, or under this contract.

B. Price or Fee Adjustment for Illegal or Improper Activity

- (1) The Government, at its election, may reduce the price of a fixed-price type contract and the total cost and fee under a cost-type contract by the amount of profit or fee determined as set forth in paragraph B. (2) of this clause if the head of the contracting activity or designee determine that there was a violation of subsection 27 (a), (b), or (c) of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 423), as implemented in section 3.104 of the Federal Acquisition Regulation.
- (2) The price or fee reduction referred to in paragraph B. (1) of this clause shall be:
 - (a) For cost-plus-fixed-fee contracts, the amount of the fee specified in the contract at the time of award;
 - (b) For cost-plus-incentive-fee-contracts, the target fee specified in the contract at the time of award, notwithstanding any minimum fee or “fee floor” specified in the contract;

- (c) For cost-plus-award-fee contracts:
 - 1) The base fee established in the contract at the time of contract award;
 - 2) If no base fee is specified in the contract, 30 percent of the amount of each award fee otherwise payable to the contractor for each award fee evaluation period or at each award fee determination point.
 - (d) For fixed-price-incentive contracts, the Government may:
 - 1) Reduce the contract target price and contract target profit both by an amount equal to the initial target profit specified in the contract at the time of contract award; or
 - 2) If an immediate adjustment to the contract target price and contract target profit would have a significant adverse impact on the incentive price revision relationship under the contract, or adversely affect the contract financing provisions, the contracting officer may defer such adjustment until establishment of the total final price of the contract. The total final prices established in accordance with the incentive price revision provisions of the contract award and such reduced price shall be the total final contract price.
 - (e) For firm-fixed-price contracts, by 10 percent of the initial contract price or a profit amount determined by the contracting officer from records or documents in existence prior to the date of the contract award.
- (3) The Government may, at its election, reduce a prime contractor's price or fee in accordance with the procedures of paragraph B. (2) of this clause for violations of the Act by its subcontractors by an amount not to exceed the amount of profit or fee reflected in the subcontract at the time the subcontract was first definitively priced.
 - (4) In addition to the remedies in paragraphs B. (1) and B. (3) of this clause, the Government may terminate this contract for default. The rights and remedies of the Government specified herein are not exclusive, and are in addition to any other rights and remedies provided by law or under this contract.

8. PROTECTING THE GOVERNMENT’S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT

- A. The Government suspends or debar contractors to protect the Government’s interests. Contractors must not enter into any subcontract equal to, or in excess of, the small purchase limitation of \$25,000 with a contractor that has been debarred, suspended, or proposed for debarment unless the acquiring agency’s head or designee determines there is a compelling reason for such action (FAR 9.405).
- B. The contractor must require each proposed first-tier subcontractor, whose subcontract shall exceed the small purchase limitation of \$25,000, to disclose to the contractor, in writing, whether as of the time of award of the subcontract, the subcontractor, or its principals, is or is not debarred, suspended, or proposed for debarment by the Federal Government.
- C. A corporate officer or a designee of the contractor must notify the contracting officer, in writing, before entering into a subcontract with a party that is debarred, suspended, or proposed for debarment (See FAR 9.404 for information on the List of Parties Excluded from Federal Procurement Programs). The notice must include the following:
 - (1) The name of the subcontractor;
 - (2) The contractor’s knowledge of the reasons for the subcontractor being on the List of Parties Excluded from Federal Procurement Programs;
 - (3) The compelling reason(s) for doing business with the subcontractor notwithstanding its inclusion on the List of Parties Excluded from Federal Procurement Programs;
 - (4) The systems and procedures the contractor has established to ensure that it is fully protecting the Government’s interests when dealing with such subcontractor in view of the specific basis for the party’s debarment, suspension, or proposed debarment.

9. COMMODITY SPECIFICATIONS

- A. Domestic Origin
 - (1) The products 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 U.S. from materials produced and manufactured in the U.S. 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. Quality of Dehydrated Potato Products

(1) The product must conform in every respect to the provisions of the "Federal Food, Drug, and Cosmetic Act," as amended, and the regulations promulgated thereunder, including any Defect Action Level guidelines issued by the Food and Drug Administration (FDA) which may be applicable to this product. Any product with counts in excess of the FDA Defect Action Level guidelines shall not be shipped.

(2) The dehydrated potato products delivered under this announcement shall have been packed during the latest season's pack or crop year.

✓.. C. The dehydrated potato products provided shall meet the salient characteristics in Commercial Item Description, A-A-20032F. ..✓

D. Fortification shall be as follows:

Fortification of Vitamin A, iodine, or other micronutrient shall be as specified in the invitation.

E. Test Procedures

✓.. Test procedures for moisture shall be in accordance with the procedures outline in CID A-A-20032F, dated December 20, 2002. ..✓

F. Compliance

- (1) Compliance with product specifications shall be based on samples tested by Agricultural Marketing Service (AMS), Processed Products Branch, Fruit and Vegetable Division (hereinafter referred to as “USDA Grader”). If a lot fails to meet these specifications with respect to sulfur dioxide and/or defects; but is acceptable under the following schedules, the contractor may tender such lot for delivery to USDA, and USDA will then, at its option, accept the lot and the contract price shall be reduced in accordance with the following schedule:

✓.. DISCOUNT TABLE ..✓

Type of Deficiency	Test Results	Contract Price Reduced By
Type II Mashed, Style A Granules (Average of specks on the surface of the product in 100 mm circle)	66 through 70 71 through 80 .81 or more	1 cent per pound 2 cents per pound Unacceptable
Type II Mashed, Flakes (Average discolorations and peel [Style B] per 100 grams. Defects are counted specs measuring over one sixteenth (1/16) of an inch in any dimension.	16 through 20 21 through 25 26 or greater	1 cent per pound 2 cents per pound Unacceptable

- (2) The product shall be prepared from properly matured, wholesome, clean vegetables. The vegetables used in the preparation of this product shall be prepared from the latest season’s pack or crop year.
- (3) The invitation will specify the type, style and sizes of dehydrated potatoes to supply under this announcement.
- (4) The rehydrated or prepared potatoes shall have a good flavor and odor typical for the type and style of potatoes. The product shall be free from objectionable or foreign flavor or odor (e.g., sour, musty, rancid, etc.).
- (5) Subject to the provisions of Articles 60 and 68 or USDA-1, product which deviates from the specifications of this contract will be rejected.

10. INSPECTION AND CHECKLOADING

- A. Inspection as required by Article 54 of USDA-1, and checkloading as provided in Article 55 of USDA-1, shall be performed by the USDA Agricultural Marketing Service (AMS) Process Products Branch, Fruit and Vegetable Division. Checkloading is required for intermodal movements only. Procedures to be followed and a schedule of fees for this service may be obtained by contacting AMS. Subject to Articles 54(k), 54(o), and 55(b) of USDA-1, the quality (as described in paragraph 9.B.-D.), weight, packaging, and checkloading (if applicable), of the product must be evidenced by certificates issued by AMS.
- B. Prior to sampling, the contractor must furnish the USDA Grader with a list of codes and the approximate number of cases per code. Inspection of products shall be performed not more than 90 days prior to shipment. Whether each lot offered meets the applicable product and case requirements of the contract shall be determined on the basis of representative sample units drawn as provided in **Regulations Governing Inspection and Certification of Processed Fruits and Vegetables and Related Products (7 CFR Part 52)** and **United States Standards for Condition of Food Containers (7 CFR 42.140)**, effective on the date of the invitation.
- C. Subject to Articles 54 and 55 of USDA-1, the quality, packaging, and checkloading of the commodity shall be evidenced by certificates issued by the USDA Grader. The **Good Manufacturing Practice Regulations (21 CFR Part 110)** are applicable to contracts awarded pursuant to this announcement and the applicable invitation.
- D. Contractor must not ship the product unless informed by AMS that the containers and markings meet the Acceptable Quality Level (AQL) of the United States Standards for Condition of Food Containers. Notice by AMS that a designated lot scheduled for shipment does not meet the AQL will constitute rejection to the contractor of such lot. Except with respect to shipments which do not meet the AQL Standards, and notwithstanding Article 56(b) of USDA-1, contractor may ship the product prior to receipt of the commodity testing and analysis results, in which event contractor assumes all risks and liabilities which arise with respect to the failure of the shipped product to meet contract specifications.
- E. Contractor must provide scales suitable for random selection weighing. Failure to provide such scales may result in termination of the contract pursuant to Article 68 of USDA-1.
- F. If the product fails to meet contract specifications on one or more factors on the first inspection, the contractor may arrange with AMS for subsequent inspections of the commodity. The inspections may be conducted at origin or a subsequent point of delivery if the provisions of Title 7 CFR 68.44 through 68.63 issued under the Agricultural Marketing Act of 1946, as amended, with respect to retest, appeal, and new inspections can be met. When subsequent inspections of the product are made, the results of the last inspection will be used as the basis for payment under the contract.

- G. Examination and certification of product by AMS, shall not relieve contractors of their responsibility to deliver a product which complies with all contractual and specification requirements.

11. SHIPMENT AND DELIVERY

- A. Shipment and delivery must be made in accordance with this announcement and Articles 56 and 64 of USDA-1.
- B. Title and risk of loss will pass to CCC on the date of delivery, as evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to CCC.
- C. The quantity of the product delivered must be evidenced by signed and dated consignee's receipt, warehouse receipt, dock receipt, or other similar document acceptable to CCC.
- D. Contractors are required to make **TWO** notifications for each shipment (See Article 56(c) of USDA-1):
 - (1) The Notify Party shown on the KC-269, "Notice to Deliver" (N/D), must be contacted prior to shipment.
 - (2) The contractor must submit form KC-366, Shipment Information Log, for each N/D, annotating on the form when the shipment is complete for each N/D. The KC-366 is to be faxed as early as possible each Tuesday and Thursday, until shipping is complete, to both KCCO/EOD/BCB (facsimile number 816-823-30??) and the Notify Party(s) on the N/D. Contractors must notify the contracting officer in advance if shipments will not be made by the final shipment date under the contract, in accordance with Article 67(a) of USDA-1.

12. LIQUIDATED DAMAGES

A. Compensation to Contractor for Late Issuance of Notice to Deliver

Liquidated damages for delay in shipment due to late issuance of the N/D will be payable in accordance with Article 65 of USDA-1, and will be at the rate of \$0.10 per 100 pounds (net weight) per day.

B. Compensation to CCC for Delay in Shipment

Liquidated damages for delay in shipment will be payable in accordance with Article 67 of USDA-1, and will be at the rate of \$0.10 per 100 pounds (net weight) per day.

13. INVOICES AND PAYMENT

- A. Invoicing and payment will be handled in accordance with Article 70, USDA-1. Invoices must be mailed to:

Kansas City Management Office
Financial Operations Division, Payment Certification Branch
Stop Code 8578
P.O. Box 419205
Kansas City, MO 64141-6205

- B. The Debt Collection Improvement Act of 1996 amended 31 U.S.C. 332 to require Federal agencies to convert all Federal payments from checks to electronic fund transfers. Payments may be made directly to a financial banking institution. To receive payments electronically, Standard Form 3881, ACH Vendor/Miscellaneous Payment Enrollment Form must be completed. If you have questions or would like this form mailed to you, contact Financial Operations Division, Payment Certification Branch.

14. INQUIRIES

Inquiries pertaining to USDA-1 and this announcement should be directed to:

Kansas City Commodity Office
Export Operations Division, BCB
Stop Code 8738
P.O. Box 419205
Kansas City, MO 64141-6205

George W. Aldaya
Director
Kansas City Commodity Office

UNITED STATES
DEPARTMENT OF
AGRICULTURE

EFFECTIVE: August 27, 2001

COMMODITY
CREDIT
CORPORATION

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

APPENDIX 2

Packaging and Marking Specifications

ANNOUNCEMENT DPP1

PURCHASE OF DEHYDRATED POTATO PRODUCTS

FOR USE IN EXPORT PROGRAMS



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DEHYDRATED POTATO PRODUCTS

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**APPENDIX 2 TO ANNOUNCEMENT DPP1
PURCHASE OF DEHYDRATED POTATO PRODUCTS
FOR USE IN EXPORT PROGRAMS**

Packaging and Marking Specifications

PART 1. BASIC PROVISIONS

1.1 PURPOSE

- A. This appendix outlines the packaging and marking requirements, container specifications, and procedures for the approval of containers and packaging materials used in shipments of dehydrated potato products under export food assistance programs.
- B. This appendix supersedes all previous packaging requirements and specifications outlined in handbooks, announcements, or notices.
- C. Changes to this appendix 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.
- D. Container, packaging, and marking requirements for commercial products are referenced in Part 1, COMMERCIAL PACKAGING AND MARKING SPECIFICATIONS, Section 1.7.

1.2 USDA RESPONSIBILITIES

- A. The Deputy Administrator, Commodity Operations (DACO), USDA-FSA, Washington, DC, is responsible for approving the use of all containers and packaging materials.
- B. The USDA Federal Grain Inspection Service (FGIS) is responsible for examining the containers and packaging materials according to the:
 - (1) Specifications in this appendix.
 - (2) U.S. Standards for Condition of Food Containers.
 - (3) Agricultural Marketing Service Handbook for Inspection of the Condition of Food Containers.
- C. The Kansas City Commodity Office (KCCO) is responsible for accepting or rejecting commodities, containers, and packaging materials on a contract-by-contract basis.

1.3 APPROVAL OF ALTERNATIVE PACKAGING

- A. To request approval of alternative container or packaging material, commodity suppliers or package manufacturers must submit a written request to DACO, including the construction specification and any supporting evidence of performance such as:
 - (1) Laboratory test data.
 - (2) Reports of field testing.
 - (3) History of successful use in commercial channels.
 - (4) Environmental impact.
- B. The supporting evidence must show that the proposed alternative container or packaging material will perform as well as the container(s) or packaging material(s) currently specified and authorized for use.
- C. The proposed alternative container or packaging material must have an environmental impact equal to or less than the container(s) or packaging material(s) currently specified and authorized for use. DACO will evaluate the total life cycle of the proposed alternative container or packaging material and will consider the environmental impact of each stage from manufacture, through its use, to waste management (reuse, recycle, or disposal).
- D. In response to requests, DACO will do one or more of the following:
 - (1) Request that samples of the container or packaging material be sent for evaluation to a package testing laboratory designated by DACO.
 - (2) Require test shipments of filled containers.
 - (3) Deny the use of the container or packaging material.
 - (4) Authorize the use of the container or packaging material, in writing, based on the information submitted, environmental impact evaluation, and/or completion of successful testing. The written authorization must be made available to the applicable inspection agency upon request.

1.4 INQUIRIES

Inquiries concerning these specifications or the approval of alternative containers should be directed to:

USDA/FSA/DACO/PDD
Contract Management Branch
STOP 0551
1400 Independence Avenue SW
Washington, DC 20250-0551
ATTN: Packaging

1.5 LIABILITY

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

1.6 INQUIRIES FOR FEDERAL SPECIFICATIONS AND STANDARDS

For copies of referenced Federal specifications and standards contact:

GSA Federal Supply Service Bureau
Specifications Section (3FBP-W)
470 East L'Enfant Plaza SW, Suite 8100
Washington, DC 20407
Phone: (202) 619-8925

1.7 COMMERCIAL PACKAGING AND MARKING SPECIFICATIONS

- A. Container and packaging requirements for dehydrated potato products are those used in the current commercial shipping practices and must comply with, Domestic Origin of containers and packaging materials in Part 2, Section 2.1, B and C of this appendix
- B. The marking and labeling for commercial products must be preserved, packaged, and labeled in accordance with good commercial practices.
- C. At contractor's option a statement such as "NOT FOR RETAIL SALE" may be printed on the principal display panel of the food label.
- D. The manufacturer's lot code/lot identification number must be shown on the commercial bill of lading.

PART 2. GENERAL REQUIREMENTS

2.1 CONTAINERS AND MATERIALS

- A. Unless otherwise specified, all containers and packaging materials must be:
- (1) Constructed as specified in this appendix and any referenced specifications, or as authorized in writing by DACO.
 - (2) 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.
 - (3) Constructed to meet the requirements of the Food and Drug Administration (FDA) for safe contact with the packaged product.
 - (4) Constructed from the maximum amount of recycled materials practicable without jeopardizing performance or food safety.
- B. All containers and packaging materials must be manufactured and assembled in the United States. The components that make up the fabricating materials of the containers and packaging materials must be of U.S. origin to the extent that they are commercially available. Questions concerning the availability of a material should be directed to:
- USDA/FSA/DACO/PDD
Contract Management Branch
STOP 0551
1400 Independence Avenue SW
Washington, DC 20250-0551
ATTN: Packaging
- C. The contractor must maintain records to verify that during the contract shipping period, at the point of packaging, the containers and packaging materials were in compliance with paragraph 2.1.B. See Article 76 of USDA-1.
- D. Filled containers must be safe for individuals coming in contact with them during handling, stacking, and storage operations.
- E. The weight capacity of a container, e.g., 1-pound bag, is defined as a container designed to hold 1-pound of product.

2.2 CERTIFICATION OF COMPLIANCE

- A. A Certification of Compliance (C.O.C.) must be provided by the container or packaging material manufacturer for each contract.
- B. The C.O.C. must state that all containers or packaging materials meet the requirements of this appendix.
- C. FGIS will determine whether the contractor has obtained a C.O.C. from the appropriate container or packaging material manufacturer.
- D. The C.O.C. must be either printed on each individual container or provided in writing for review by FGIS. When printed on the container, the C.O.C. must be as small as possible, yet legible.
- E. The C.O.C. must read:

"THIS CONTAINER IS CONSTRUCTED IN COMPLIANCE WITH DACO
PACKAGING REQUIREMENTS"

or

"THIS PACKAGING MATERIAL IS CONSTRUCTED IN COMPLIANCE WITH
DACO PACKAGING REQUIREMENTS"

- F. The C.O.C. may be printed in either upper or lower case lettering.

PART 3. CONTAINER AND PACKAGING REQUIREMENTS

Small pack size 16 oz. (454g) polyethylene bags shall be packaged in corrugated cardboard cases of 12 sacks. 2 kg polyethylene bags shall be packaged in corrugated cardboard cases of 6 polyethylene bags.

3.1 10 and 20-KILOGRAM MULTIWALL PAPER BAGS

- A. Ten and twenty kilograms of product must be packed in multiwall paper bags meeting the requirements of Federal Specification UU-S-48, as amended, Type VI, Style B (Pasted Openmouth). The use of recycled materials is not required if performance or food safety is jeopardized.
- B. If multiwalled paper bags are requested a sample bag shall be sent to USDA, if requested for approval.
 - (1) Bags must be manufactured to meet Food and Drug Administration requirements for food products (21 CFR 177.1520, as amended).
 - (2) Bags shall meet current industry standards for such purpose and be one that the bidder is currently using and which has a history of successful use for dehydrated potato products in commercial channels in many countries.

3. Containers

The product shall be packed in new commercially acceptable containers that afford adequate protection against damage and moisture. They may be any of the following types: opaque (white polyethylene bags, polyethylene-kraft laminated pouches, or foil-kraft laminated pouches. Polyethylene containers shall be 3 mils thick and comply with Federal Food Additives Regulations.

4. Shipping Containers

- 1. The shipping containers for the product packed in 12/1-pound packages shall be constructed to withstand normal shipping and warehouse storage and shall meet the following minimum requirements:
 - 1. Shipping containers for flakes shall be constructed of corrugated, fiberboard that is rated at a minimum of 175 pounds per square inch bursting strength, B flute, with a full winged “U” divider constructed of the same type of corrugated fiberboard as the shipping containers.
 - 2. The winged “U” divider shall cover 2/3 of the length of the case on one side and 1/3 of the length of the other side, shall divide the case in equal compartments, and shall be of the same height as the shipping container.
 - 3. “H” dividers will be acceptable.

4. Sheets of kraft paper shall be placed, top and bottom, inside the shipping containers. However, the kraft paper may be omitted for products packed in chipboard cartons, or if longitudinal flaps or shipping containers are sealed with 2-inch wide sealing tape. Tack sealing is not acceptable.
4. The shipping containers for the product packed in 6/2 kg container shall be constructed to withstand normal shipping and warehouse storage and shall meet the following minimum requirements:
 - (a) Shipping containers shall be constructed of corrugated fiberboard that is rated at a minimum of 275 pounds per square inch bursting strength, with “Z” divider constructed of the same type of corrugated fiberboard as the shipping container.
 - (b) The “Z” divider shall cover ½ of the length of the case on one side and ½ of the length of the other side, shall divide the case into equal compartments, and shall be of the same height as the inside height of the shipping container.
 - (c) “H” divider is acceptable.
 - (d) Sheets of kraft paper shall be placed, top and bottom, inside the shipping containers. However, the kraft paper may be omitted if longitudinal flaps of shipping containers are sealed with 2-inch wide sealing tape. Tack sealing is not acceptable.

PART 4. MARKING REQUIREMENTS

4.1 EXHIBITS A AND B

- A. The bags must be marked in the color as specified in the enclosed exhibits. Any markings not shown on the enclosed exhibits must be marked in blue. When printed on the bag, the colors blue and red must match the PMS chart numbers 280 and 200, respectively, to the extent practicable.
- B. All dimensions are approximate. Unless otherwise specified, all characters must be in normal block print.
- C. The letters USA must be Univers black (75) oblique, or Helvetica extra bold with 70% scaling and -70 tracking or equivalent to match the style as shown in enclosed exhibits. The letters USA must be 4-3/4 inches high, and 9-3/4 inches in total width. All other lettering must be in normal block print. The three stripes adjacent USA must be 1-inch high and must extend to the edge of the panel.
- D. The USAID logo must be printed in the same style as shown in the enclosed exhibits. The logo must be 4-5/8 inches high and 3-3/8 inches in width.
- E. The commodity name must be 1-1/4 inch print.
- F. The statement "NOT TO BE SOLD OR EXCHANGED" must be in 3/4 inch print. The contract number and net weight must be 5/8 inch print. For on-line printing purposes, the contract number may appear in any location on the bag, provided the number is conspicuous.
- G. The geometric symbols must appear as shown in the enclosed exhibits.
- H. The markings on the back panel of the bag may be adjusted as necessary in size and location to accommodate an overlap of the paper during manufacturing.
- I. Gussets
 - (1) The geometric symbols must appear in both gussets, adjacent to USA, as shown in the enclosed exhibits.
 - (2) The letters USA must be Univers black (75) oblique, or Helvetica extra bold with 70% scaling and -70 tracking or equivalent to match the style as shown in enclosed exhibits. The letters USA must be 3 inches high and printed in both gussets.

4.2 ADDITIONAL/SPECIAL MARKINGS

The Kansas City Commodity Office will furnish any additional or special markings within two business days after the date of the contract. The procurement of containers should be deferred for at least two business days after the date of the contract.

The following special marking requirements may be requested under the contract:

Special Marking Requirement #1

Omit the letters "USA" and the stripes, the USAID logo, the words "NOT TO BE SOLD OR EXCHANGED," and retain all other markings.

Special Marking Requirement #2

Omit the USAID logo and retain all other markings.

Special Marking Requirement #3

Omit the words "NOT TO BE SOLD OR EXCHANGED," and retain all other markings.

Special Marking Requirement #4

Omit the USAID logo, the words "NOT TO BE SOLD OR EXCHANGED," and retain all other markings.

4.3 LOT CODES

Lot codes unique to each lot offered for inspection must be legibly marked on each individual container. Commodity suppliers may use any type of lot coding system provided a unique code is used to identify each lot offered for inspection under a CCC contract. Commodity suppliers must provide FGIS or AMS inspection personnel, as applicable, with an explanation of the lot coding system utilized.

4.4 EMPTY BAG DIMENSIONS

A. All bags must be marked with the empty dimensions as follows:

Gusseted Bags

Face Width X Gusset Width X Finished Length

Flat Tube Bags

Face Width X Finished Length

B. The dimensions may be printed anywhere on the bag, but must be as small as possible, yet legible.

4.5 CERTIFICATION OF COMPLIANCE

A C.O.C. may be printed on each individual container. When printed on the container, the C.O.C. must be applied in accordance with paragraph 2.2 of this appendix.

4.6 CONTAINERS WITH INCORRECT MARKINGS

- A. Containers displaying incorrect markings may be used provided that the incorrect markings are obliterated and correct markings are applied in a permanent manner.
- B. The contractor must take necessary action, in accordance with USDA-1, Article 62, to prevent the appearance in commercial or other channels of containers and container materials bearing markings required under the contract, including those held by the contractor or others, e.g., overruns.

APPENDIX 3

Commercial Item Description Potatoes, White, Dehydrated

ANNOUNCEMENT DPP1

A-A-20032F dated December 20, 2002

<http://www.ams.usda.gov/fqa/cidveg.htm>

