



AGENDA
California Ripe Olive
Full Committee Meeting
Zoom/Conference Call
July 21st, 2020
10:00 AM

Join Zoom Meeting:

<https://us02web.zoom.us/j/82164590197?pwd=Y3pRTGdEMGNPQWNVWm1QaUloTDVjQT09>

Meeting ID: 821 6459 0197

Password: olives

Dial-in:

+1669-900-6833

Meeting ID: 82164590197#

- I. Call To Order**
 - a. Roll Call
 - b. Chairman's comments
 - c. Approval of 1-22-2020 Full Committee Minutes (**action item**) Pg. 4

- II. Executive Subcommittee**
 - a. Sampson and Sampson 2019 Audit Review (**action item**) Pg. 9
 - b. Approval of Sampson and Sampson for 2020 COC Audit (**action item**) Pg. 10
 - c. 2019-2020 Crop Year Marketing Policy Statement (**action item**) Pg. 11
 - d. E-compliance Plan and Annual Compliance Plan (**action item**) Pg. 18
 - e. Export Program Update Pg. 55
 - f. COVID-19 Update Pg. 62

- III. Inspection Subcommittee**
 - a. Incoming and Outgoing 2020-2021 Inspection Charts (**action item**) Pg. 64
 - b. 2020 Import Inspection Report & Inspection Fees Update Pg. 66

- IV. Marketing Subcommittee**
 - a. Update on 2020 Marketing Activities Pg. 73

- V. Review of Crop Estimates**
 - a. NASS 2020 Estimate Forecast Pg. 76
 - b. 2020 Industry Crop Estimates (**action item**) Pg. 77



VI. Research Subcommittee

- a. 2019 Final Research Reports Pg.79
- b. Review and Update on 2020 projects Pg. 80

VII. Other Business

VIII. Closed Session

IX. Adjournment

CALIFORNIA OLIVE COMMITTEE

June 1, 2019 – May 31, 2021

PRODUCERS

DISTRICT #1 (Counties of Alpine, Tuolumne, Stanislaus, Santa Clara, Santa Cruz all counties north thereof)

Members	Alternates
Edward Garcia	Carolina Burreson
Ed Curiel	Michael Silveira
Pablo Nerey	Chris Henderson

DISTRICT #2 (Counties of Mono, Mariposa, Merced, San Benito, Monterey, and all counties south thereof)

Members	Alternates
Vito DeLeonardis	Vacant
Pat V. Ricchiuti	Mark Hendrixson
Galen Pfeiffer	Vacant
Rick Benson	Vacant
Giulio Zavolta	Mark Heuer

HANDLERS

Members	Alternates
Felix Musco	Bill McFarland
Dennis Burreson	Matt Miller
John Pieretti	Tracy Wood
Janet Edwards	Scott Hamilton
Vacant	Sergio Mendez
Jacob Peters	Phil Quigley
Tim T. Carter	Vacant
Julia Tinsley	Vacant



**California Olive Committee
Full Committee Meeting Minutes
Wednesday, January 22, 2020**

Conference Call

Conference Call-in Line: 1-877-643-6951

Passcode: 21533162#

I. CALL TO ORDER

A meeting of the Full Committee was called to order by Mike SILVEIRA at 9:02 A.M., and the following members were present:

Members

Mike Silveira
Edward Garcia
Rick Benson
Mark Hendrixson
Galen Pfeiffer
Vito Deleonardis
Pat Ricchiuti
Chris Henderson
Giulio Zavolta
Carolina Burreson
Felix Musco
Dennis Burreson
John Pieretti
Janet Edwards
Sergio Mendez
Jacob Peters
Tim T. Carter
Julia Tinsley
Bill McFarland
Matt Miller
Phil Quigley
Tracy Wood

Affiliation:

PRODUCER
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Others Present:

Todd Sanders
Elizabeth Carranza
Lindsey Batty
Kathie Notoro
Pushpinder Kumar
Terry Vawter

COC
COC
COC
USDA
USDA
USDA

With the appropriate number of members from producers and handlers in, a quorum was established.



MOVED by Pat RICCHIUTI, duly seconded by Vito DELEONARDIS, and unanimously carried THAT the minutes of the 12.5.19 Full Committee meeting be approved. (1.22.20 #1)

II. Assessment Rate Adjustment

Members of the Committee requested that the Full Committee reconsider the current 2020 Assessment Rate and potentially revise or lower the rate. The Assessment rate was previously established at the December 5, 2019 Full Committee meeting to be \$24.00 per ton.

HISTORIC BUDGET, TONNAGE, & ASSESSMENT COMPARISON

<i>FISCAL YEAR</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
Budget	\$1,035,406	\$ 1,628,923	\$ 1,795,477	\$ 1,752,366	\$ 1,525,415
\$ Change	\$ (593,517)	\$ (166,554)	\$ 43,111	\$ 226,951	\$ 228,684
Tonnage	81,689	17,953	90,188	63,000	77,977
Assessment Rate	\$ 24	\$ 44	\$ 24	\$ 26	\$ 26

The discussion proceeds as follows:

Janet Edwards: The Full Committee has the opportunity to reduce 2019 assessment rate. We do not want to alter the budget, just assessment rate. The assessment rate is not a product of budget and tonnage, but other criteria considered including the required reserves.

~~MOVED by Janet Edwards, duly seconded by Rick Benson THAT the 2019-2020 assessment rate be reduced to the lowest rate allowed to meet USDA (retention) requirements but with further guidance (to the staff) that it be no greater than the approved budget divided by the assessable tonnage for the 2019 crop.~~

DISCUSSION:

- Mike: How do we account for the future and effects lowering assessment rate will have on budget in lower crop year? It is important to not lose our programs.
- Rick: \$15 * tonnage is over \$1.2 million.
- Felix: We would like to pay each year as it goes, bring assessment rate up to meet the budget even if it means large swings in the assessment rate
- Janet: Want USDA to look at how assessment rate calculated/reserve requirements.
- USDA: There is no minimum reserve, you must have enough to cover program termination/crop failure, if needed. The reserve estimate is up to staff to determine. Calculating assessment rate by proposed motion allows handlers to calculate what others received, and that is not allowed because we must protect proprietary information.
- Janet: We can have staff come up with recommendation based on parameters of motion.



- Tim Carter: In agreement with Felix Musco to run each year on its own merit, even if that means a \$90 assessment next year.
- Todd: We don't feel comfortable coming up with a number on your behalf. We would prefer if you presented a number, and we can deliberate with USDA from there.
- USDA: The committee has to recommend a number, cannot delegate job to staff.

After discussion between COC and USDA, comfortable with \$15-\$16/ton.

As a point of concern COC staff/USDA notified the Committee that if the assessment rate is to be based on tonnage/budget amount on a yearly basis that wild fluctuations may not be approved by the Secretary of Agriculture.

MOVED by Janet EDWARDS, duly seconded by Edward GARCIA, and unanimously carried THAT the assessment rate for the 2019-20 budgeted activities be reduced to \$15/ton with any amount over the assessable tons be set apart for reserves. (1.22.20 #2)

<i>2020</i>	
<i>Budget</i>	\$1,035,406
<i>\$ Change</i>	(\$593,517)
<i>Tonnage</i>	81,689
<i>Assessment Rate</i>	\$15.00

Roll Call Vote

- Edward: YES**
- Mike: YES**
- Chris: YES**
- Pat: YES**
- Galen: YES**
- Rick: YES**
- Giulio: YES**
- Felix: YES**
- Dennis: YES**
- John: YES**
- Janet: YES**
- Sergio: YES**



Jacob: YES
Tim: YES
Julia: YES

IV. FLEISHMAN-HILLARD FEE

Following Fleishman Hillard’s (FH) proposal for the 2020 Marketing program, the COC Full Committee decided to not move forward with FH or any marketing firm. After informing FH of this decision, FH billed the COC for its time spent on the proposal. Please see the below correspondence for information.

MOVED BY Pat RICCHIUTI, duly seconded by Mike SILVEIRA, and unanimously carried THAT the Committee pay Fleishman-Hillard \$12,500 for time spent on the proposal, and they provide the COC with a more in-depth invoice. (Motion 1.22.20 #3)

Roll Call Vote

Edward: YES

Mike Silveira: YES

Pat: YES

Galen: YES

Rick: YES

Giulio: YES

Felix: YES

Dennis: YES

John: YES

Janet: YES

Sergio: YES

Jacob: YES

Tim: YES

Julia: YES

The meeting adjourned at 10:05 AM by Michael Silveira.

Executive Subcommittee

****** ACTION REQUIRED ******

FROM: EXECUTIVE SUBCOMMITTEE

SUBJECT: SAMPSON & SAMPSON

RECOMMENDATION: THAT the Committee approves the 2019 FY audit.

BACKGROUND: A representative from Sampson & Sampson has completed the California Olive Committee's 2019 fiscal audit. The representative will present any findings to the Committee.

FISCAL IMPACT: None

****** ACTION REQUIRED ******

FROM: EXECUTIVE SUBCOMMITTEE

SUBJECT: SAMPSON & SAMPSON

RECOMMENDATION: THAT the Committee approves the use of Sampson and Sampson for the 2020 FY audit.

FISCAL IMPACT: None

CALIFORNIA OLIVE COMMITTEE
MARKETING POLICY STATEMENT
2019-2020 CROP YEAR

The Committee is required to annually consider specific areas that directly affect the successful operation of the Marketing Order. This annual analysis of the industry is also used by the U.S. Department of Agriculture to determine the effectiveness of the Order in relationship to the requirement established by the Agricultural Marketing Agreement Act.

PROGRAM INVOLVED: Marketing Order No. 932 established in 1965 and amended in 1968, 1971, 1982, 1984, 1989, 1997, 2000 and 2005 regulating handlers of olives grown in California.

PROGRAM PURPOSES: Pursuant to the Act and continuing regulations, the purposes of the Order are: Orderly marketing between producers and handlers; assurance of product quality; improvement of grower returns and expansion of the market for California olives.

NEED FOR ACTION: The California Olive Committee (COC) continues to conduct research, marketing, inspection and compliance programs. The industry is facing many challenges from labor and water shortages, cost increases to acreage reduction, low growers returns, highly competitive imports and market changes. To meet these challenges, the Committee has joined with the other Ripe Olive industry organizations to find solutions and create a workable plan to expand the viability of the California Ripe Olive industry. The industry is bannng together more than ever before exploring new technologies, enhancing capabilities, leveraging marketing efforts and research to enhance quality.

JUSTIFICATION: Justification for such programming is contained in the Agricultural Marketing Agreement Act of 1937 as amended (7 U.S. C. 601-674) and through Marketing Order No. 932 as amended - Olives Grown in California.

AGENCY: U.S. Department of Agriculture, Fruit and Vegetable Programs, Agricultural Marketing Service.

CONTACT: Patty Bennett, Director, Marketing Order and Agreements Division, Agricultural Marketing Service, Specialty Crops Program. Telephone: 202-720-5697.

ANALYSIS OF ECONOMIC IMPACT

ACREAGE AND PRODUCTION TRENDS: California produces approximately 95% of the olives grown in the United States. Olive growing areas are scattered throughout California with most of the commercial production coming from Tulare, Tehama, Glenn, Madera, and Fresno counties. For the first time the industry has plantings in Imperial Valley.

Olive production has fluctuated from an unprecedented low of 16,968 tons in the 2006-07 crop year to a high of 164,984 tons in the 2010-11 crop year. The yield per bearing acre has varied from 0.59 tons in 2006 to a high of 5.83 tons in 2010-11. A total of 11,339 bearing acres will be used for this analysis. Actual production since 1997 is listed in Table A.

Factors to consider in evaluating the potential 2019-20 crop year tonnage are:

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1. Alternate bearing crop.
2. Bloom is looking normal.

USES FOR OLIVES GROWN IN CALIFORNIA: The primary use of California olives is for canned ripe olives which are eaten out-of-hand as a snack, in hors d'oeuvres, or as an ingredient in various entrees, side dishes and cocktails. They add texture, color and flavoring to any dish. A new growing trend is foodie crafts with olives being a natural fit.

RECEIPTS BY REGULATED HANDLERS: Historically 85-95% of the reported California olive crop has been delivered to regulated handlers. A portion of the total tonnage delivered to regulated handlers will be diverted to non-regulated uses in addition to the tonnage delivered to non-regulated handlers and oil processors.

EXPORTS: The canned olive market is historically a domestic market with only approximately 3 to 5% exported, primarily to Canada, Mexico, and Japan. Industry is exploring further exports to China, Southeast Asia, and South Korea.

PORTION OF COMMODITY AFFECTED: The portion of the California olive crop that is affected by the proposed actions those olives used in the production of canned ripe olives canning and limited sizes, which will be approximately 90% of total production.

IMPACT ON SUPPLY/DEMAND UTILIZATION: The Committee continues to utilize three areas marketing, research, and inspection programs to create a positive impact for the industry concerning supply and demand. Marketing efforts include an extensive database of industry assets, including recipes, photographs, grower videos and much more, that have been used to promote California olives through retail trade advertisements, digital and social media, and influencers. The story of our grower families has been a driving force in our marketing efforts. Research efforts have focused on cultural practices, pest and disease, and utilization of the latest technology to develop low cost solutions for producing olives in California. Lastly, inspection capabilities have been enhanced through an electronic reporting system to decrease waste, provide efficiency, reduce burden on canner staff and provide growers with more resources. The reporting system has been well received by growers. Growers are now able to make better management decisions in the field due to the real time data, as a result has provided back hire returns. The Committee has been making major strides over the past few years with efforts to assist growers in lowering production cost, while increasing the quality, supply, and demand of the product.

IMPACT ON SMALL BUSINESS: The Committee is required to assess the impact of its proposed regulations on small business units. The definition of a small grower unit is \$750,000 in gross income. With approximately 900 growers producing less than 1,000 tons, and approximately 2% of growers producing more than 1,000 tons, a majority of all growers would be considered small olive producers.

A grower would have to produce approximately 1,000 tons of olives to be above the \$750,000 gross income, required to meet the small grower definition.

The Committee's record keeping and reporting regulations do not affect growers directly since all regulations are enforced on the handlers.

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The Committee's regulation on the use of limited fruit affects all growers equally. By permitting handlers to use "Limited Size" olives, a higher price is paid to growers for that fruit than if the handlers could not use it.

The definition of a small handler unit is "those having annual receipts of less than \$6.5 million". Both handlers have olive sales above that level.

OTHER ECONOMIC EFFECTS:

Growers are benefited by the marketing order through all the core programs such as: research, marketing, inspection, and compliance. The research programs provide the grower with new ways to enhance the production of quality fruit, combat disease, monitor pests, and reduce production costs. Marketing programs provide an outlet to build awareness and educate consumers on the availability and quality of California Ripe Olives. Inspection programs continue to provide growers with third party inspection of fruit, less subjective technologies for sizing fruit, and an electronic reporting system. The electronic reporting system provides growers with real time data, which has provided tremendous value to the grower. Growers are making better management decisions, and due to the real time data feedback are resulting in higher returns. Compliance programs provide growers with grades and standards for domestic and foreign product.

The consumer benefits from the federal marketing order because of the quality regulations in place and an ongoing supply.

Table A

The estimated bearing and non-bearing acreage of California ripe olives, the production, and yield per acre of California olive trees is shown in the table below from 1997 through 2018.

TABLE A					
ACREAGE AND YIELD - CALIFORNIA OLIVES					
1997-2018					
Year	Bearing Acres	Non-Bearing Acres	Total Acreage	Tons Produced	Tons Per Acre
1997	35,311	1,000	36,311	99,663	2.82
1998	35,311	1,000	36,311	85,375	2.42
1999	35,311	1,000	36,311	135,827	3.84
2000	35,311	1,000	36,311	49,331	1.40
2001	36,000	Unknown	36,000	129,977	3.61
2002	36,000	Unknown	36,000	94,446	2.61
2003	36,000	Unknown	36,000	107,997	2.99
2004	31,887	Unknown	31,887	92,245	2.89
2005	31,580	Unknown	31,580	123,589	3.92
2006	28,926	Unknown	28,926	16,968	.59
2007	27,599	Unknown	27,599	114,883	4.17
2008	27,599	Unknown	27,599	51,543	1.87
2009	28,615	Unknown	28,615	23,034	.80
2010	28,322	Unknown	28,322	164,984	5.83
2011	27,000	Unknown	27,000	26,945	.99

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2012	25,090	Unknown	25,090	78,179	3.12
2013	22,956	Unknown	22,956	90,792	3.92
2014	19,271	Unknown	19,271	31,120	1.93
2015	19,299	Unknown	19,299	77,594	4.02
2016	18,409	Unknown	18,409	66,575	3.62
2017	17,040	Unknown	17,040	90,237	5.30
2018	11,339	Unknown	11,339	17,952	1.58

Source: CALIFORNIA OLIVE COMMITTEE

PRICES: Field prices are determined by a number of factors: the estimate of the oncoming crop, the individual handler inventory and sales projections, and negotiations with growers. Grower returns are affected by the olive size-grade, quality of fruit delivered, and cultural and harvest costs. The average parity price (as computed by the USDA) for olives in 2018 was \$3,038 per ton. The price received by growers for the 2018 crop was approximately 38% of average parity.

Parity is a computed value based on government statistics and has no relationship to current prices or wholesale values. It is however, used by the USDA to determine if grower prices have reached a level at which regulations on handlers would not be permitted.

Table B reports the total Canning and Limited tons, average canning and limited prices paid to producers, average crop year parity price, and canning size price as a percent of parity.

TABLE B						
CALIFORNIA OLIVES - GROWER PRICES						
Year	Canning Size		Limited Size		Average Parity Price	Canning Size Price-% of Parity
	Tons	Avg Price	Tons	Avg Price		
		\$		\$	\$	%
1998	85,639	580	36,475	218	1,443	40
1999	41,260	781	6,571	277	1,468	50
2000	108,143	754	15,296	331	1,583	48
2001	79,113	672	9,893	297	1,603	42
2002	92,239	478	10,467	306	1,650	29
2003	69,737	720	16,126	254	1,692	43
2004	89,958	715	23,794	276	1,799	40
2005	14,667	961	2,176	261	1,864	52
2006	88,072	1,008	19,905	249	2,053	49
2007	43,360	1,109	5,891	387	2,195	51
2008	20,043	1,197	1,068	381	2,060	58
2009	114,930	1,040	36,754	375	2,333	45
2010	23,147	1,165	2,082	378	2,410	48
2011	68,044	1,150	6,062	370	2,578	45
2012	75,305	1,150	10,363	334	2,596	44
2013	29,078	1,207	5,648	385	2,840	43
2014	56,478	1,320	14,395	419	2,810	47
2015	50,675	1,354	10,920	640	2,673	51
2016	66,244	1,345	17,184	751	2,790	48
2017	14,844	1,332	2,024	784	2,604	51
2018	55,227	1,150	26,464	437	3,038	38

2019-2020 Marketing Policy Statement

Average Price - Independent canner price not including standard bonus, extra bonus or hauling allowance.

Prices based on data compiled by Olive Growers Council.

TRADE DEMANDS: The market for California produced ripe olives in the United States is concentrated in retail and food service areas. Some ripe olives are used as ingredients in manufactured frozen or canned foods, but these usually come from fruit exempt from the Marketing Order requirements. Please note Table D represents olives processed and sold in the United States.

IMPORTS: Beginning in the 1981-82 crop year, supplies of California grown ripe olives were insufficient to consistently meet the demands of the market place. Processors in Spain & Morocco export canned California-style ripe olives into the U.S. Most of the imported product is sold to pizza chains and large foodservice distributors. Lower priced imports have replaced California olives for those customers whom are most sensitive to price. Unprocessed olives have been brought into California from Mexico, Spain, and Argentina for processing as canned ripe olives.

The effect of imports on California sales has resulted in a reduction in wholesale prices of specific items, lower grower returns and handler profits as canners lower selected prices to maintain volume. The threat of imports is in their lower cost, lower quality, governmental support, and an almost unlimited supply. If they continue to displace California product, growers' returns will continue to decline.

Effective with the start of the 2000-01 crop year, to date, the Committee has received monthly reports of imported sales by foreign countries, as well as imported bulk olives, which are mostly processed as California black ripe style. The report of canned ripe olives imports from foreign countries is obtained from the U.S. Customs Service. Table C shows imports expressed in U.S. tons for 2008-09 to date.

TABLE C
U.S. CUSTOMS IMPORT DATA
IN **GROWER TONS**

CROP YEAR	WHOLE/PITTED FS & RETAIL	SLICED	WEDGED/ CHOPPED	TOTAL CANNED	BULK Aug 1-July 31	TOTAL IMPORTS
2008-09	7,625	50,259	2,093	59,977	15,742	75,719
2009-10	9,775	56,696	4,341	70,812	27,494	98,306
2010-11	8,928	57,458	3,945	70,331	29,212	99,543
2011-12	8,439	60,209	4,475	73,123	4,641	77,764
2012-13	8,898	58,345	3,757	71,000	15,629	86,629
2013-14	10,277	63,923	3,961	78,161	12,878	91,039
2014-15	10,262	58,157	2,608	71,027	21,033	92,060
2015-16	11,142	64,611	2,958	78,711	8,185	86,896
2016-17	11,384	52,074	2,163	65,621	13,813	79,434
2017-18	13,257	48,188	2,336	63,781	3,750	67,531
2018-19	11,457	47,779	979	60,215	11,459	71,674

2019-2020 Marketing Policy Statement

CURRENT SUPPLIES: Table D shows the canned inventory as of September 30, 2019 of consumer and food service size containers of whole, pitted, sliced, chopped, wedged and broken pitted style olives, and certain key style and pack combinations. This is the latest data report that was released by the COC in the 2018-19 Annual Report before making significant changes to reporting procedures in an effort to protect handler data confidentiality. In 2019-20, the COC will continue to compile data related to harvest reports and tonnage received by California Ripe Olive handlers, however, the COC and the National Agricultural Statistics Service (NASS) did not release this information in order to protect proprietary information of our handlers. The data presented in the chart below is the most up to date information available for distribution at this point in time.

**Table D
Processed Ripe Olives in Cans (Converted into 24/300 Case Basis)**

	Shipments			Pack			Ending Inventory		
	2018-19	2017-18	% Change	2018-19	2017-18	% Change	2018-19	2017-18	% Change
TOTAL	11,974,925	11,617,820	3.1	10,459,313	11,519,432	-9.2	5,135,016	6,645,085	-22.7
MARKETS									
CONSUMER	8,983,866	8,743,664	2.7	8,020,919	8,758,984	31.9	4,111,706	5,130,422	-19.9
FOOD SERVICE	2,991,060	2,874,156	4.1	2,438,395	2,760,448	-12.0	1,023,310	1,514,663	-32.4
STYLES									
WHOLE	6,239	7,464	-16.4	91,164	2,769	31.9	13,608	15,694	-13.3
PITTED	7,128,979	7,061,181	1.0	6,226,356	7,076,125	-12.0	3,523,735	4,664,827	-24.5
WEDGED	33,959	33,757	0.6	14,413	40,806	-64.7	22,810	35,366	-35.5
SLICED	4,560,547	4,259,197	7.1	3,839,295	4,187,386	-8.3	1,375,533	1,818,280	-24.3
CHOPPED	224,720	231,397	-2.9	279,084	208,577	33.8	178,615	99,060	80.3
BROKEN PITT	20,481	24,824	-17.5	9,000	3,769	138.8	20,716	11,859	74.7
KEY ITEMS									
24/300 Pitted	6,785,078	6,714,324	1.1	5,933,604	6,824,349	-13.1	3,289,864	4,322,586	-23.9
6/10 Pitted	326,791	329,786	-0.9	278,377	244,166	14.0	223,813	326,861	-31.5
6/10 Sliced	2,606,230	2,463,559	5.8	2,014,125	2,443,837	-17.6	727,474	1,107,049	-34.3
24/300 Whole	4,717	5,718	-17.5	2,960	2,769	6.9	10,223	12,296	-16.9
6/10 Whole	1,522	1,746	-12.8	88,204	0	0.0	3,385	3,398	-0.4
6/10 Wedged	31,876	32,182	-1.0	13,55	40,806	-66.8	22,251	33,601	-33.8
2.25 Sliced	695,357	665,368	4.5	663,803	578,312	14.8	265,041	255,438	3.8
4.5 Chopped	189,239	179,561	5.4	261,946	165,487	58.3	128,253	44,708	186.9

PRODUCTION, ESTIMATED CROP SIZE AND QUALITY: Crop estimate questionnaires will be mailed to olive producers in accordance with procedures established by the National Agricultural Statistic Service and the California Olive Committee. Growers will be contacted by phone for their estimate. Since the computation of this survey will not be available when the Committee meets on July 13, 2020, the results of the grower survey will be submitted as an amendment to this Marketing Policy Statement when that survey is available. There are only two large regulated handlers for the industry, and confidentiality can still be breached by taking a handler survey at this time.

2019-2020 Marketing Policy Statement

<u>VARIETY</u>	<u>California Olive Committee SURVEY Tons</u>	<u>GROWER SURVEY (NASS) Tons</u>
Sevillano Manzanillo Other TOTAL	TBD July 21, 2020 (all varieties combined)	TBD August 2020

SUMMARY: The marketing order specifies the minimum grade and size requirements for olives that may be used in the production of canned ripe olives. The use of limited size olives will be allowed for "limited use" styles of canned ripe olives because the Committee voted unanimously on June 13, 1996 to recommend that canning smaller olives of the "limited use" size be permitted on a continuing basis. This regulation is the same that has been recommended in all but two years (1971-72 and 1980-81) since the establishment of the Marketing Order. This will permit the maximum utilization of the California olive supply for retail and food service use based on historic practices. The fresh olive Limited size mid-points will be same as those used for the 2018-2019 crop.

2020-2021

e-Compliance Plan

Full name of Marketing Order Program

Marketing Order No.

1. Sending information to handlers annually reminding them of their regulatory, reporting, and record keeping responsibilities.

a. List the types of documents that will be sent to handlers reminding them of their regulatory and reporting requirements during the crop year.

(e.g., marketing order, current regulations, specific handler reports, bulletins)

b. Regulatory requirements will be sent on or around: _____
(e.g., September 1, August 1, etc)

c. Describe what methods will be used to send regulatory requirements and amendments to handlers and what form of documentation will be used to confirm whether the requirements have been sent to all handlers.

(e.g., methods: regular mail, e-mail, facsimile, hand-delivered; and confirmation: a mailing log, certified return receipts, e-mail return receipts, facsimile transmission logs)

d. Amendments will be sent to handlers: _____
(e.g., as implemented, in the beginning of the crop/calendar year)

2. Identify and visit handlers to discuss regulatory requirements (e.g., record keeping, reporting, assessments, volume and disposition), observe handling operations, and monitor compliance with marketing order provisions.

a. How does the Marketing Order Program (program) learn of new or potential handlers? When will regulatory and reporting requirements be discussed with new or potential handlers? How will the discussion be documented?

(e.g., a new handler typically calls to say he/she intends to begin operating as a handler, regulatory requirements are discussed with the new handler as soon as the program learns of the handler's intent to operate, and these discussions are documented in the form of a memorandum of discussion)

b. When will regulatory and reporting requirements be discussed with existing handlers - as applicable? How will these discussions be documented? (Activity 2.f. specifically refers to handler audits.)

(e.g., as needed during the season, such as when a report is not received or is not properly completed and the discussions are documented in the form of memorandum of discussion.)

c. How often will a representative of the program visit handlers to observe their operations? What type of activities will be observed during the handler visits and how will it be documented? (Note: This question is specific to handler visits and is separate from handler audits. Activity 2.f. will cover handler audits.)

(e.g., observes where failing products are going; visits handlers weekly; keeps a memorandum of visit)

(e.g., Committee Manager, Compliance Officer) will visit _____% of handlers this crop year.

d. If less than 1/3 of all handlers will be visited, what percentage of the total volume of production will those handlers that will be visited represent? _____%

e. Will the program conduct handler audits?

Yes No

f. If yes, how will the audits be documented?

(e.g., handler audit files are filed by year and then by handler, all handlers will be visited within an audit cycle of four years)

g. % of handlers will be audited this crop year.

Note: If done, the program should ensure all handlers will be audited within a four year audit cycle.

3. Receive, investigate, document and report to the Marketing Field Office (MFO), complaints of violations of program provisions.

a. Describe how the program receives complaints of marketing order violations. Additionally, explain how the program will investigate, substantiate, and document such allegations and related compliance action.

(e.g., complaints are usually received from other handlers; program investigates complaints by visiting the handler, reviewing handler documents and contacting third parties; all documentation is kept in complaint files by handler including any communications between the program and the handler)

b. Describe the process of sending a case referral report to the MFO after a complaint has been substantiated.

(e.g., follow up action will be sent to the MFO as a case referral report immediately after substantiating the violation)

4. Check handler reports for completeness, accuracy and timeliness.

a. List all of the reports the program anticipates receiving from handlers and third parties, including from inspection stations/service, this coming crop year. Also, provide when each report is due or typically received.

(e.g., special purpose shipment reports- 9/1, note sheets, - daily)

b. Describe how the program will verify reports are received when due and the process for reviewing and documenting the accuracy of these reports. In addition, what actions will the program take with handlers that have missing/late reports?

(e.g., date-stamping reports upon receipt, data entry the same day received, electronic dates; after three unsuccessful attempts by phone, visit and letter to obtain a handler report, the program will document the attempts and report the violation to the MFO in the form of a case referral report)

c. Explain how the program will check reports that are received from handlers for accuracy.

(e.g., handler reports are reconciled with incoming and outgoing inspection certificates)

d. If changes or corrections will be necessary to a report, explain how authorization by the handler to make the necessary changes or corrections will be obtained and documented. If handlers are required to resubmit their handler reports, explain how the handlers will be contacted.

(e.g., authorization is conducted by a confirmation letter, facsimile, e-mail or phone call from the handler)

5. Monitor handler payments of assessments.

a. Explain how handler assessments are determined.

(e.g., Assessments were billed by inspection certificates, invoices; assessments were self-reported by handlers sending in handler reports)

b. Will the program have internal controls in place over processing deposits (accounts receivables)?

Yes No

c. Handler assessments will be collected on a _____ basis.
(e.g., weekly, monthly, quarterly.)

d. Copies of invoices, reports and past due notices will be retained in files by: _____.
(e.g., handler, month, quarter)

e. The first past due notice will be sent to handlers _____ days after the invoice date.
(e.g., 30, 60)

f. The second past due notice will be sent to handlers _____ days after the invoice date.
(e.g., 30, 60)

g. Will the program charge a late payment fee and/or interest rate on delinquent accounts?

Yes No

h. If yes, describe the late payment fee and/or interest rate on delinquent accounts below. You may include the citation in the marketing order as a description.

Note: Please check the marketing order to see if imposition of interest rate and/or late payment fee, penalties are authorized/mandatory.

i. Will the program take any further actions in attempting to collect past due assessments from handlers (e.g., phone call or visit) before referring the action to the MFO?

Yes No If yes, explain below.

j. At _____ days, delinquent accounts will be referred to the MFO for appropriate action.
(e.g., 65, 90)

6. Monitor compliance through inspection services, disposition of exempt, special purpose shipments, restricted, substandard, off grade, other failing, and/or residual commodities using handler reports.

a. Will the program monitor some form of an exemption of inspections for handlers?

Yes No N/A If not explain below.

(e.g., reviewing the waiver application for a handler and ensuring that the handler is in compliance)

b. Will the program monitor an export program under the marketing order?

Yes No N/A If applicable, explain below.

(e.g., determining whether there are discrepancies between the amounts reported by the handler, USDA inspectors, and/or shipping reports)

c. Will the program monitor handlers that conduct special purpose shipments?

Yes No N/A If applicable, explain below.

(e.g., reconciling handler's reports to the receiver's copies of the special purpose shipment reports submitted to the program)

d. Will the program monitor the disposition of off-grade and/or other failing products?

Yes No N/A If applicable, explain below.

(e.g., using surveillance to ensure failed product is used in only approved outlets)

e. Will the program contact third parties, which includes inspection services, on a spot-check basis to monitor compliance with marketing order and/or inspection requirements?

Yes No N/A If applicable, explain below.

(e.g., contacting buyers, consignees, brokers, retailers, terminal markets, and road guard stations)

7. Other Compliance Activities

a. List any additional compliance activities that will be monitored by the program which have not been discussed previously. Also, discuss how these activities will be documented.

(e.g., reserves, inventories, diversion programs, controlled buys, etc)

b. List any sections or provisions of the program's marketing order, due to formal suspension of rule making, that will not be in effect for the upcoming crop year. Additionally, list any new marketing order activities that are anticipated to take effect.

(e.g., diversion program will not be in effect for this crop year, export program may be in effect sometime during this crop year)

8. Financial Audit Policies

- a. Name of Certified Public Accountant (CPA) that will conduct audit: **Sampson & Sampson**
If not known, put TBD.
- b. How many years has the CPA conducted the audit for the program? _____
- c. Explain how the CPA presents the audit findings to the program.

(e.g., CPA will provide a written report in person at the December program meeting; CPA will participate in a video conference at their April meeting; or CPA will provide report to the audit subcommittee who will report to the program at the May meeting)

d. Will the program have its audits conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS a.k.a. The Yellow Book)? You may visit: <http://www.gao.gov/govaud/ybk01.htm> for further information.

Yes No If no, explain below.

e. Did the program have any audit deficiencies from the prior year audit?

Yes No If yes, describe how the program resolved the deficiencies below; if deficiencies have not been resolved, explain how the program intends to do so.

f. Does the program receive any federal grant funds?

Yes No If yes, describe the funds below:

(e.g., MAP, TASC, FSMIP. Please do not include specialty crop block grants from state departments of agriculture)

9. Internal Control Policies

Please note that the term “staff members” used throughout this plan means employees, as well as individuals, who are employed by an organization that provides administrative services to the program on a contract/agreement basis. Refer to questions 9.a.

a. Will the program separate duties among its staff members (e.g., will one staff member handle the accounts receivable and another handle accounts payable)?

Yes No How many staff members do you have?

b. Will the program use an independent contractor or some other type of organization to perform its management and/or administrative services? (For employee dishonesty insurance purposes)

(Should an agreement exist which documents the category/type of relationship, please attach a copy)

Yes No If yes, attach a copy of the current contract/agreement

If yes, what is the name of the independent contractor or organization that the program will be using?

c. What are the names and e-mail addresses of the program officers?

Chairperson(s)

Other Officer Positions (if applicable)

(Name(s) and e-mail address(es))

d. Are any of the above officers a manager or staff member of the program?

Yes No If yes, identify officer(s) below.

e. Who is the Chairperson of the Audit Subcommittee? If not applicable, state N/A below.

(e.g., name or N/A)

f. Is the Audit Subcommittee Chairperson a member or alternate on the program?

Yes No N/A (if there is no Audit Subcommittee)

g. Will the program commingle federal funds with any other funds? If a clearing account is used to separate dual payments of assessments, the program may mark "No."

Yes No

h. Will the program comply with Agricultural Marketing Service (AMS) Directive 2210.2 Investment of Public funds? Upon request, you may receive a copy of the policies from MOAD Compliance and Enforcement Branch.

Yes No

i. Are all investments of a maturity period of one year or less, risk free, and interest bearing?

Yes No If no, explain below.

j. Are all accounts held at financial institutions, insured by the Federal Deposit Insurance Corporation (FDIC) ?

Yes No If no, explain below.

k. Are all funds in individual accounts which are covered by the FDIC limit for each bank (standard coverage up to \$250,000) or collateralized for any funds in excess of the FDIC limit? Yes No (If collateralized, and the program has a letter, please attach)

l. Has the program changed financial institutions in the past year?

Yes No If yes, provide complete information, name(s) of the new institution(s) and dates(s) of change, phone, fax, email, point(s) of contact.

m. Will the program inform MFO if there is a change in financial institution in the future?

Yes No

n. The program maintains fidelity bond/employee dishonesty insurance in the amount of \$_____ (coverage should be at least 1/3 highest liquid assets).

o. If applicable, is the program listed, as an additional insured, on the independent contractor's/organization's fidelity bond/employee dishonesty insurance?

Yes No N/A

p. What is the highest amount of liquid assets that the program will receive this year?

\$_____ (e.g., assessments, savings, etc)

q. Will a duplicate copy of the monthly bank statement be sent directly to an officer of the program or will they have electronic viewing access?

(If the program's annual revenue exceeds \$500,000, this activity is *mandatory*)

Yes No If no, provide explanation below.

r. Will the program replace a manager's signature with a facsimile signature or rubber stamp on checks?

Yes No

s. Describe the policy for credit card use and approval of expenditure(s)?

t. Will the program have appropriate written policies, which have been approved by the program, for incurring and approving expenses?

Yes No N/A

u. When was the program's internal control policy last reviewed and approved: _____
(e.g., dd/mm/yyyy)

v. Does the program's internal control policy include a hiring policy? If so, are any required licenses/certifications verified and current prior to offer of employment?

10. Operational controls

Please note “appropriate management” should be the next higher level of management. For example, if a manager of a program is the same person who is preparing the vendors invoices for payment or is doing the bank reconciliations, then the manager would need to get an officer of the program to approve those transactions. In other instances, appropriate management can be the Manager or the President of the program. Refer to question 10.c., 10.f. and 10.g.

a. Will checks received for payment of assessments be restrictively endorsed “For Deposit Only”?

Yes No

b. Do all deposit slips omit handler identifiable information?

Yes No

c. Will vendor invoices be reviewed and approved by appropriate management prior to being paid?

Yes No

d. Will bank statements be attached to bank reconciliations before being approved by a program officer? (e.g., program Treasurer)

Yes No

e. Provide the names of those individuals who are authorized users of credit cards. Also, provide the type, number of credit cards and credit limits that have been issued to each of the individuals.

If not applicable, state N/A below.

(e.g., John Smith- 1 Visa, 1 Exxon; Mary Jones- 1 Visa, etc.)

f. Will appropriate management review and approve credit card statement(s) before statements are paid?

Yes No N/A

g. Will travel expenditures be approved by appropriate management?

Yes No N/A

h. All program checks must be signed by two individuals. Who are the two primary signers of the program's checks? Provide their names and titles, and indicate whether they are an employee, officer or contractor of the program below:

_____ Employee Officer Contractor/Organization
(e.g., John Smith, Treasurer, etc.)

_____ Employee Officer Contractor/Organization
(e.g., Jane Doe, Manager, etc.)

i. If primary check signers listed above are unavailable, provide the names and titles of other authorized check signers, and indicate whether they are an employee with an "(E)," an officer with an "(O)," or a contractor with an "(C)." If not applicable, please state N/A below:

(e.g., Doug Jones, Secretary (O) etc.)

j. Does the program use petty cash and/or postage? Yes No If no, skip 10.k.-l.

k. Describe how petty cash and/or postage is reconciled and how the reconciliation is documented below.

l. Describe how petty cash and/or postage is handled, and secured below.

11. Confidential Information and Record Keeping

a. Under Section 608d(2) of the Agricultural Marketing Agreement Act of 1937, all information furnished to or acquired by the USDA for marketing order program categorized as trade secrets and financial or commercial information shall be kept confidential by all USDA officers and employees. These individuals may disclose such information only in a suit or administrative hearing brought at the direction, or upon the request, of the USDA. Because marketing order programs are quasi-governmental entities, this regulation applies to marketing order program management. Will the marketing order program staff protect personal, commercial, financial, and employment information from an unauthorized disclosure? Will the program have appropriate computer controls in place that are adequate for the size of the program (e.g., password protection to log onto network, automatic logging off after 10 minutes, use of password protected files, etc.)?

Yes No

b. Explain the program's security protocol to protect confidential information below.

c. Personally Identifiable Information (PII) can be used to distinguish or trace an individual's identity. It includes, among other things, the use of names, social security numbers, or financial information associated with an individual. PII is subject to the Privacy Act, and should be held, processed or stored only where facilities and conditions are adequate to prevent unauthorized access. Will the program protect PII from an unauthorized disclosure?

Yes No

d. Is the program following the retention schedule in the MOAD Operations Manual?

Yes No

e. Where are the records stored?

(e.g., stored off-site in filing cabinets which are locked when not in use)

f. How does the staff dispose of records past retention?

(e.g., Shredded after 4 years, etc)

Additional Comments

If you wish to explain or clarify your answer to **any** of the previous questions, use the text box below. Begin by identifying the question or item number, for example: Item 2.c. Item 10.k, etc.

Marketing Order Program Representative Certification

Instructions for Marketing Order Program: Please complete this certification page. Once completed, please e-mail this file as an attachment to your Marketing Field Office Specialist for approval.

I, _____, of the
Name and Title

_____, certify that
Full Name of Marketing Order Program

the foregoing compliance plan was approved by program members on: _____
Date

Required: By checking this box, I certify that the foregoing compliance plan reflects, to the best of my knowledge, the program's compliance strategies, resources and activities for the upcoming season.

Name Date

My e-mail address is: _____

Only complete below this line if *resubmitting* the e-Compliance Plan.

Resubmitted for approval on: _____ by _____
Date Name

Resubmitted for approval on: _____ by _____
Date Name

Resubmitted for approval on: _____ by _____
Date Name

If this e-Compliance plan has been pre-approved and received final approval during the program meeting, please list any modifications that were made during the meeting:

Marketing Specialist Certification

Marketing Field Office

Instructions for Marketing Field Office Specialist: Please complete this certification page. If the e-Compliance Plan is not approved, please e-mail it back to the program for revisions. If the e-Compliance plan is recommended for pre-approval/approval, please e-mail it to the Compliance and Enforcement Branch Chief. The e-Compliance Plan will then be assigned to a Compliance and Enforcement Specialist for review.

I, _____, Marketing Specialist at the
Name
_____, certify that
Field Office Location

I have reviewed the foregoing program’s compliance plan on this day: _____
Date

Recommend for pre-approval The program will approve on: _____
Date

Recommend for approval

Returned for revisions

See Comments Below:

Received On: _____
Date

Recommend for approval

Returned for revisions

See Comments Below:

Compliance and Enforcement Specialist Certification

USDA Headquarters

Instructions for Compliance and Enforcement Specialist: Please complete the following certification. Once completed, please e-mail this file either to the Field Marketing Specialist if returned for revisions (the Field Office will forward to the program for revision) or to the Compliance and Enforcement Branch Chief for final approval.

I, _____, Compliance and Enforcement
Name

Specialist, certify that I have reviewed the foregoing program's compliance plan on this day:

Date

Recommend for pre-approval

Recommend for approval

Returned for revisions

See Comments Below:

Recommend for approval

Returned for revisions

See Comments Below:

Compliance and Enforcement Branch Chief

Headquarters

FINAL APPROVAL

I, _____, Compliance and Enforcement
Name

Branch Chief, certify that I have reviewed the foregoing program's compliance plan on
this day: _____
Date

Approved

Rejected for Revision

See Comments Below:

Approved

Rejected for Revisions

See Comments Below:

ANNUAL COMPLIANCE PLAN FOR THE CALIFORNIA OLIVE COMMITTEE

(Marketing Order 932 - Olives Grown in California)

I. THE PURPOSE OF THE ANNUAL PLAN

This compliance action plan describes compliance strategies, resources, and activities for the current year. It is formulated to assist the California Olive Committee (COC) and its staff, as well as the Agricultural Marketing Service, in assuring that all olive handlers are complying with the marketing order (order) and regulations. It is also designed to assure that the COC and its employees are following prescribed procedures, an essential prerequisite when violations are brought forward for criminal and civil prosecution. Following these procedures assures that all handlers are treated equitably.

II. BACKGROUND OF MARKETING ORDER 932 (REGULATING OLIVES GROWN IN CALIFORNIA)

The COC was established in 1965 and is composed of 8 handler members and 8 producer members. The order, as contained in the Code of Federal Regulations, 7 CFR Part 932, regulates the handling of olives grown in California. The order authorizes the establishment of minimum grade and size regulations with mandatory incoming and outgoing inspections. The order authorizes production and marketing research, and paid promotion activities. The order also permits fruit of certain sizes too small to be of good value as whole or pitted olives to be utilized in chopped, segmented (wedged), and sliced form. Finally, the order authorizes the collection of assessments to fund the approved program activities. No regulations or restrictions are imposed upon producers by the order. All provisions apply to the handling of olives, and only handlers are assessed and billed for the COC's expenses.

III. INDUSTRY BACKGROUND

Agricultural industries differ considerably. The production and handling of the many various specialty crops provide a unique perspective of California agriculture. Consider the following features of this state's and the nation's olive industry:

1. Virtually every olive grown commercially in the United States is grown in California.
2. Olive trees have an alternate-bearing characteristic, yielding large crops one year and smaller crops the next year. A record crop was harvested in the 2010 season with 164,984 tons delivered. The smallest crop harvested in recent years was in the 2006 season, with 16,968 tons delivered. Handlers try to hold higher inventories in years with larger crops to provide fruit for sales in years with smaller crops. Similarly, the COC plans program activities, budgets expenses, and recommends assessment rates based upon this crop characteristic.
3. The COC has established both a crop year and a fiscal year. The crop year begins August 1 while the fiscal year begins January 1. Actual crop harvest begins in September and usually continues through mid-November.
4. Several styles of olives are exempt from regulations: Greek, Sicilian, fresh shipments to market, and olive oil. Exemptions may be obtained from the COC for fruit that is used in new product market tests.

5. Assessments are based upon handler receipts of canning and limited size fruit. The budget and assessment rate are recommended after the fruit is received so that the total assessable receipts are known.
6. Delinquent assessments are subject to an interest charge and a 5% penalty late charge. The interest rate is calculated at 2% above the current commercial prime rate.
7. Handlers are required to report all olive receipts, sales, use, packout, and inventory of olives grown in California to the COC.
8. Records of olives acquired, held, and disposed of shall be retained by each handler for two years beyond the crop year in which the transaction occurred.
9. Olives are covered under the Agricultural Marketing Agreement Act of 1937, Section 608e; therefore, regulation of imported fruit is mandatory. Any grade and size regulation pertaining to the domestic crop also applies to imports of similar styles of olives.
10. Olives are subject to both incoming (when delivered by the grower to the handler) and outgoing (after processing) inspection. The incoming inspection is to establish weights, size-grades, and quality of olives received in natural condition. Outgoing inspection is for processed grade and size regulations. All inspections are based upon the U.S. Standards for Grades of Canned Ripe Olives (7 CFR part 52) and additional size tables adopted by the COC.
11. Receipts of "tree-ripened" fruit require that the handler notify the COC and the inspection service. Such fruit must be kept separate from other fruit received and in storage.
12. At the beginning of the current crop year and fiscal year there are two major handlers in the industry.

IV. REPORTS

The order requires that each handler report receipts of fruit, sales, utilization, packaged and bulk inventory, and packouts. The following forms are used by handlers to comply with this requirement.

A. The *Weight and Grade Report* (Form COC-3A/3C) is required as part of the incoming regulations. The report should contain at least the following information:

- i. lot number
- ii. date received/time received
- iii. variety
- iv. number and type of containers
- v. name of handler
- vi. name of producer
- vii. county of production
- viii. weight certificate number
- ix. net weight
- x. method of size-grade determination (lot or sample)
- xi. weight of sample if size graded by sample, and
- xii. the quantity of olives of each size designation.

The information from this report provides the basis for determination of canning, limited, undersize and cull olives; and also provides the basis for the handler payment to the producer. The inspection service shall certify this form.

B. The *Report of Olives Received* (Form COC-19) is a weekly report showing by size designation and culls:

- i. the respective quantity of each variety received
- ii. seasonal total receipts of each variety to date.

C. The *Report of Limited, Undersize and Cull Olives* (Form COC- 5) is a report filed with the COC upon disposition of limited, undersize and cull olives. The report should contain the following information:

- i. name of handler
- ii. name of consignee
- iii. number of containers
- iv. type of containers
- v. variety
- vi. net weight of limited, undersize and culls disposed of
- vii. style (whole or pitted)
- viii. outlet
- ix. handler or inspection service comments

This permits the COC to verify that the cull and undersize fruit has not been used in the production of canned ripe olives. The disposition of such fruit is done under the inspection of Shipping Point Inspection (SPI). All required disposition of non-canning olives shall be completed not later than September 30 of the crop year following the one in which the obligation is incurred or such later date that a handler may specify in a notice filed with the COC at least 15 days prior to September 15 of such subsequent crop year. Such notice shall show that a handler has sufficient quantity of olives held in storage to meet his obligation.

D. The *Pack and Certification Report* (Form COC-4) is a report from the handler of daily pack, certified by the inspection service, which contains the following information:

- i. name and address of handler
- ii. date
- iii. place of inspection
- iv. variety
- v. style of pack
- vi. fruit size
- vii. number of cans per case
- viii. can size
- ix. can code
- x. total number of cases of packaged olives
- xi. remarks (inspection grade/failed lots)

E. Reports are required monthly that show the quantity of packaged olives of the ripe and green ripe types *sold* during the month. Such reports include the following information, as applicable:

- i. With respect to the whole, pitted, and broken pitted styles: each style is reported separately in terms of the quantity of each size of olives. Such quantity is reported in terms of the total amount packaged in each of the container sizes listed on the form. The Form COC-29a is used for this type of report. Monthly sales of green ripe olives are listed on the form.
- ii. Limited use styles - halved, sliced, segmented (wedged) and chopped - are reported in terms of the quantity of each style packaged in each of the container sizes listed on the form. The Form COC-29b is used for this report.

- F. *Packaged Olive Inventory Reports* are monthly reports showing the total quantity of packaged olives of the ripe and green ripe types held in *inventory* storage at all locations on the last day of the preceding month. Such reports shall contain the following information:
- i. With respect to whole, pitted, and broken pitted styles of packaged olives, each style is reported separately in terms of the packaged quantity of each size designated on the form. Such quantity shall be reported in terms of the total amount packaged in each of the container sizes listed on the form. Green ripe olive inventories are listed on the form. The Form COC-27a is utilized for this report.
 - ii. Halved, sliced, segmented (wedged), and chopped styles of packaged olives of the ripe and green ripe type are reported in terms of the quantity of each style packaged in each of the container sizes listed. The Form COC-27b is utilized for this report.
- G. *Natural Condition Olive Bulk Inventory Reports* are monthly reports showing the total quantity of natural condition olives held in *bulk storage* at all locations on the last day of the preceding month. Such reports shall contain the following information if applicable:
- i. The total tonnage of natural condition olives held in storage which are of any size that may be used in the production of packaged olives of the whole or pitted styles shall be reported in terms of the total quantity of each size designated. This report is filed on Form COC-27c.
 - ii. The total tonnage of natural condition olives held in storage by the handler which are of sizes that may be used in the production of packaged olives of the halved, sliced, segmented (wedged), or chopped style shall also be reported on Form COC-27c.
- H. *Packout Reports* are monthly reports showing the total production of packaged olives of the ripe and green ripe types. Such reports shall include the following information, as applicable:
- i. With respect to the whole, pitted, and broken pitted styles of packaged olives, each style shall be reported separately in terms of the total quantity of each size designated on the form. Such quantities shall be reported in terms of the total amount packaged in each of the container sizes listed on the form. Green ripe olives shall be listed on the form. This report is filed on Form COC-28a.
 - ii. Halved, sliced, segmented (wedged), and chopped styles of packaged olive shall be reported in terms of the quantity of each style packaged in each of the container sizes listed on the form. This report is filed on Form COC-28b.
 - iii. Monthly reports come to the COC office via email (scanned/signed pdf.), fax and mail from the handlers. They are date stamped, logged in Monthly Report Register, for record. The reports are then added into the computer for a continuing report the COC office keeps, and works in conjunction with CASS to make available through the CASS website for public review (as our industry currently has 2 handlers). Once the CASS report is up on site and “live” then the COC office blast emails the CASS reports to the entire industry.
- I. The *Report of Interhandler Transfers* (Form COC-6) is filed within ten days of such transfer. The transferring handler reports natural condition shipments to the COC with at least the following information:
- i. name and address of the transferring and receiving handlers
 - ii. date of the transfer
 - iii. condition of fruit, either natural condition or processed

- iv. weight, number, and size of each type of container
- v. variety
- vi. transfer of obligation of Limited, Undersize or Culls.

Packaged olives cannot be transferred via an interhandler transfer. Such transfers are considered sales and are reported on Form COC-30.

J. The *Interhandler Sale or Purchase of Canned Ripe Olives* (Form COC-30) is used to report sales or purchases of processed canned ripe olives between regulated handlers. The form contains the following information:

- i. name and address of originating handler (seller)
- ii. name and address of receiving handler (buyer)
- iii. details of the transaction: type, size, style, can size, number of cases
- iv. signatures of originating and receiving handlers

K. The *Report of Assessable Tonnage* (Form COC-13) is an annual report of assessable tonnage received by variety and an estimate of tonnage expected to be diverted to exempt use.

L. The *Report of Final Assessment Payment* (Form COC-17) is an annual form verifying the amount of assessable tonnage of fruit handled and the actual and/or estimated exemptions. It also indicates previous payments to satisfy assessments levied.

M. The *Authorization of Grower to Combine Lots* (Form COC-23) is used by the handler to indicate when lots have been combined by the permission of the grower. This is a seldom-used form. The report contains the following information:

- i. name and address of handler
- ii. date of authorization
- iii. variety (separate form required for each variety)
- iv. weight & grade certificate numbers included in combination
- v. signature of producer or agent
- vi. county
- vii. number of containers
- viii. net weight

N. The *Report of Special Shipments* (Form COC-155) is used by handlers to request permission to package and market experimental shipments of olives in order to conduct marketing research and development projects. Each application must provide at least the following information:

- i. quantity of olives to be utilized (no more than 5% of crop year acquisitions)
- ii. specific market outlet
- iii. flavorings or other added ingredients
- iv. style
- v. type of olives (black or green)
- vi. container size
- vii. variety
- viii. sizes
- ix. date when product to be packaged
- x. name and address of handler
- xi. place of inspection
- xii. certification that all marketing order requirements met

- xiii. certification that product will be kept separate
- xiv. purpose and nature of request
- xv. estimate of time needed to complete the test.

The reporting requirements as they currently exist provide cross-checks and safeguards against violations within the industry. The fact that the growers and the handlers, as an industry, support the order assists in that regard.

V. RESOURCES

Both incoming and outgoing inspection are required under the order. Because incoming inspection is provided by SPI, and outgoing inspection by USDA Processed Products Branch (PPB), a high level of integrity in total receipts and output per handler is maintained. Cross-checks by COC's staff utilizing incoming and outgoing inspection certificates, pack, storage, disposition, exempt, inventory, and sales reports can account for virtually all fruit handled by each of the two regulated handlers in the industry.

Inspectors representing the PPB remain at the processing plant while handling and processing are underway. Inspectors with SPI remain on the premises while fruit is received, weighed, and size-graded. Receiving may be at the processing plant itself or may be at one or more of the handler's receiving stations. Each station may have more than one SPI inspector, depending on the amount of fruit received. SPI oversees the lot sampling, with the assistance of handler employees. Inspectors for the PPB are authorized to act in the stead of the SPI inspectors, if necessary. It should be noted that industry has begun moving forward.

The COC staff is represented by the Executive Director, Director of Trade, Program Supervisor, and Office Manager. A portion of each staff members' time is compliance related. Estimated time:

Executive Director	20%
Director of Trade	30%
Program Supervisor	50%
Office Manager	30%

VI. COMPLIANCE ACTIVITIES

Compliance activities that specifically address potential violations of these provisions are as follows:

1. Provide information to handlers annually to remind them of their regulatory responsibilities;
2. Identify and visit handlers to discuss regulatory requirements (i.e., record keeping, reporting, assessments, grade, size, pack and container);
3. Receive, investigate, document, and report to AMS complaints of violations of order provisions;
4. Check handler reports as to completeness, accuracy, and timeliness;
5. Monitor handler payments of assessments and late payments;
6. Reconcile handler reports with incoming inspection certificates;
7. Monitor disposition of obligation fruit using handler reports and verify, on a spot-check basis, with third-party records obtained from end users;
8. Periodically visit handlers, announced and unannounced, during the season to observe handling operations and monitor compliance with order provisions.

PART II

DETAILS OF THE COMPLIANCE ACTIVITIES

1. Provide information to handlers annually to remind them of their regulatory responsibilities.

ACTIONS:	FREQUENCY:
1.1 Send out Annual Compliance Plan, Annual Marketing Order Policy Statement to all handlers, Committee members, and to other interested parties via Email, Fax, or Postal Mail. Packet should contain information relating to reporting, regulatory requirements, etc.	In late June or early July, in preparation for the Annual Crop Meeting.
1.2 Send out via Email or Fax to Handlers and Receiving Stations the upcoming crop-year's receiving guidelines.	In August at the start of the crop year.
1.3 A copy of the meeting packet that is mailed out to the committee members in preparation of upcoming annual crop meeting- containing the Annual Compliance Plan, Annual Marketing Order Policy	Whenever a rule change occurs, or a new member or alternate member is appointed to the Committee.
1.4 A copy of the meeting packet that is mailed out to the committee members in preparation of upcoming annual crop meeting- containing the Annual Compliance Plan, Annual Marketing Order Policy Statement, Antitrust Guidelines, COC Bylaws, updated Incoming and Outgoing Inspection Charts, and other pertinent current information is added to the Chronological Monthly Files, to be kept as permanent record.	As needed

2. Identify and visit handlers to discuss regulatory requirements (i.e. record keeping, reporting, assessments, grade, size, pack and container.)

ACTIONS:	FREQUENCY:
2.1 Discuss the regulatory and reporting requirements with handlers.	As necessary during the season, such as when a report is not received, or is not properly completed. As necessary during season, such as when a handler is not meeting grade, size, pack, or other requirements.

2.2 Visit handlers to clarify questions on grade, size, pack, etc. COC staff should document contact with handlers and record observations from each visit, phone call, or email.

2.3 The Committee identifies new handlers via the Olive Growers Council. The California Olive Committee then sets up a meeting with the new handler, the inspection service, and MOAB to inform them of their responsibilities as a handler under Marketing Order 932. All correspondence with the new handler, including faxes, emails, call reports, etc., is documented and placed in their handler file.

3. Receive, investigate, document, and report to AMS complaints of violations of Marketing Order provisions. (Rules 932.139, 932.149, 150, 151 & 152)

ACTIONS:

FREQUENCY:

- | | | |
|-----|--|---|
| 3.1 | When a complaint is received (e.g., complaint from industry grower or handler, notice from Inspection Service, etc.) assess the merit of the complaint and action, if any, needed to be taken. | Immediately upon receipt of the complaint. |
| 3.2 | Investigate the complaint by visiting the handler, reviewing handler documents, contacting third parties, etc., as needed to resolve the complaint. | After assessing the merit of complaint, above. |
| 3.3 | Document all complaints of Marketing Order alleged violations, including Committee follow-up actions, if any, and report to the Department. | Immediately after following up and investigating the complaint. |

4. Check handler reports as to completeness, accuracy and timeliness. (Rule 932.161)

ACTIONS:

FREQUENCY:

- | | | |
|-----|--|----------------------------------|
| 4.1 | <u>Report of Olives Received (Form COC-19)</u> | |
| | a. Record receipt of, review form for completeness, check accuracy of figures. | Weekly, during receiving season. |

	b. Verify handler totals compiled at COC with final report from handler. Cross-check against total receipts recorded from Forms COC-3A/3C.	Annually.
4.2	<u>Disposition and Obligation (Form COC-5)</u>	
	a. Obligation for Limited, Undersize and Culls established when final receipts recorded from each handler.	Annually.
	b. Disposition recorded from each COC-5 in each category for each variety.	Monthly or As necessary.
	c. Remaining Obligation calculated and Form COC-8 sent to handler for verification.	Monthly or As necessary.
	d. Any discrepancies discussed with handler.	As necessary.
	e. Compare remaining obligation with handler's storage tons to ensure sufficient fruit available to meet obligation.	At end of crop year.
	f. When obligation fulfilled for each crop year, handlers notified in writing.	As necessary.
4.3	<u>Pack and Certification Report (COC-4)</u>	
	a. Reports scanned for any failed lots. Recorded in ledger.	Upon receipt.
	b. Disposal of failed lots recorded as they occur.	Upon receipt.
	c. Handler records checked or physical inventory taken of outstanding failed lots.	As necessary.
4.4	<u>Sales, Inventory, Pack Reports (COC-27a, 27b, 28a, 28b, 29a, 29b)</u>	
	a. Record receipt of, review forms for completeness, check accuracy of figures. Contact handler if form is incomplete or late.	Monthly.

	b. Audit handler's sales invoices, inventory controls, etc.	Periodically or as needed following a complaint.
4.5	<u>Natural Condition Olive Bulk Inventory Reports (COC-27c)</u>	Monthly.
	a. Record receipt of, review forms for completeness, check accuracy of figures.	
	b. Audit handler storage facilities at cannery.	Periodically or as needed following complaint.
4.6	<u>Interhandler Transfers (COC-6)</u>	
	a. Record any obligation transfers from transferring handler to receiving handler. Report on COC-8 to handler.	As reported.
4.7	<u>Interhandler Sale or Purchase (COC-30)</u>	
	a. Verify both originating and receiving handler signatures.	As reported.
	b. Investigate how this sale has been reported by each handler on their monthly sales reports to eliminate any double reporting.	
4.8	<u>Combination of Lots (COC-23)</u>	
	a. Verify weight & grade certificate numbers and net weights. (Note: This form is seldom used)	As necessary.
4.9	<u>Report of Special Purpose Shipments (COC-155)</u>	
	a. Communicate to handlers that a request for experimental shipments must be received by COC at least 10 days prior to shipments.	Annually.
	b. Notify the inspection service that COC has approved a special purpose shipment.	At time of approval.
	c. Verify that it will be kept separate by a means satisfactory to inspection service.	At time of pack.

d. Follow up disposition of experimental shipment with handler.

According to time frame reported on COC-155.

4.10 Upon receipt, each report is date-stamped and initialed to show timeliness of report. The weekly and monthly reports are recorded on a register and kept in folder. The Register includes the date received, who reviewed report and the accuracy of the report. Should there be a discrepancy, the handler is notified, documented, handler employee signed, and date stamped with the corrected/revised corresponding report and updated/included in file. Files are set up for each type of report and all records are continually updated, kept for permanent record in secured file cabinets.

5. Monitor handler payments of assessments and late payments. (Rule 932.139 & 221)

ACTIONS:

FREQUENCY:

- | | | |
|-----|---|---|
| 5.1 | Compare handler receipts as reported on Form COC-19 to receipts reported on Form COC-13 "Statement of Assessable Tonnage." | Annually after crop completely harvested. |
| 5.2 | Calculate handler's assessment due. Notify handler of amount due and payment schedule via Postal mail, Email, or Fax. Send handler copy of Federal Register notice of budget and assessment approval upon receipt from CAMFO. | Annually.
(January) |
| 5.3 | Send assessment bills to each handler via Postal Mail, Email or Fax, followed by phone call to confirm it was received. | Monthly
Payments |
| 5.4 | Calculate, and apply, on a consistent basis, late payment and interest charges to all delinquent accounts. Mail assessment penalty notices (Form COC-16) via Registered Mail. | If payment not received by postmarked due date. |
| 5.5 | Notify AMS when delinquent notifications are sent. | As necessary. |
| 5.6 | Report status of all delinquent accounts to AMS per Compliance Manual instructions. | As necessary. |

- 5.7 Delinquent assessments will be collected in accordance with procedures detailed in the AMS Compliance Manual (Page 20) As necessary.
- 5.8 Both handlers are notified via email and fax, followed up fax journal copy attached for record to each handler, files are set up with each handler's schedule and invoice amounts. Upon receipt each check is date-stamped, Master Assessment Register is updated, recorded, and then check is deposited. As necessary.

6. Reconcile handler reports (COC-19) with incoming inspection certificates (COC-3A/3C).

ACTIONS: FREQUENCY:

- 6.1 Compare handler receipts as reported on Form COC-19 with receipts as recorded from the COC-3A/3C Weight & Grade Certificates. Annually.
- 6.2 Weight & Grade Certificates include trash (leaves, stems, etc.) weight. COC-19 reports do not. A discrepancy of 1-5% is acceptable depending on crop size and conditions. Discrepancies above 5% will be investigated. As necessary.
- 6.3 Work with handler to resolve any discrepancies, by verifying certificate I.D. numbers, identifying revised, replaced, duplicate or voided certificates, checking individual batch or certificate totals by variety and net weight, if necessary. As necessary.
- 6.4 Each receiving station sends the COC-3s in bulk, where COC staff puts them into batches, adding the total weight, using the calculator tape (twice) to verify the figures. A second person enters all pertinent data into a producing county report to verify and compare against the cumulative report (of first of each handler's CO-19 report,-and to later determine assessments) then, the harvest of the crop year, against the cumulative report of the COC-19. All hard copies are stored in files/boxes for permanent record. As necessary.

7. Reconcile handler reports to outgoing inspection certificates.

ACTIONS: FREQUENCY:

- 7.1 Reconcile COC-4 (Pack & Certification Report) with monthly forms COC-28(a) and COC-28(b). Quarterly.

- | | | |
|-----|---|---|
| 7.2 | Track disposition of failed lots as recorded on COC-4. | On-going. Failed lots are opened and repacked or disposed of according to handlers' own schedule. |
| 7.3 | Investigate those lots which cannot be accounted for in conjunction with PPB and the handler. | As necessary. |
| 7.4 | The COC-4's get date stamped and reviewed to ensure that all reports have passed, and if so, then collected monthly, by date and number sequence, and boxed for permanent record up to completing each crop year (August 1 st through July 31 next year), especially for such cases as in the event of periodic auditing that is required. If any COC-4's have "failed lots" then the COC office is required to contact the handler to investigate what was the outcome of that "accounted for" fruit. The documentation is kept in a log binder for permanent record. | As necessary. |

8. Monitor disposition of obligation fruit using handler reports and verify, on a spot-check basis, to third party records obtained from end users.

- | ACTIONS: | FREQUENCY: |
|--|-------------------|
| 8.1 See 4.2 | See 4.2 |
| 8.2 Conduct spot check audits to verify COC-8 balances of remaining obligation with handlers' actual inventory. | Periodically. |
| 8.3 Spot check audit reports are completed and kept in secured file cabinets, along with all contact documentations, which are periodically updated. | As necessary. |

9. Periodically visit handlers, announced and unannounced, during the season to observe handling operations and monitor compliance with Marketing Order provisions.

- | ACTIONS: | FREQUENCY: |
|-----------------|-------------------|
|-----------------|-------------------|

- | | |
|--|--|
| 9.1 Visit canneries (announced and unannounced) during regular working hours, and verify handlers are having their products inspected. Observe handling of incoming fruit, size certification, disposition of obligation fruit, inventory controls, etc. | Visit all handlers' main plant and receiving stations at least once during receiving season and at least once during remainder of crop year. |
| 9.2 Verify handler sales records for a randomly selected period (e.g. month) for randomly selected items, with sales invoices, printouts and other handler records. | Annually or as necessary. |
| 9.3 Contact handler on any discrepancies observed during the visit, or when verifying handler records as described above. | Immediately. |
| 9.4 Document and log all visits. | As necessary. |



CALIFORNIA



RIPE OLIVES

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EXPORT OVERVIEW

JULY 2020

2020 JAPAN UPDATE

- Food consumption trends affected
- Composition of consumer expenditures largely impacted
 - Increased home-cooking
 - Sharp decline in dining out during March and April
 - Foodservice halted in April, but reopened in June



2020 JAPAN UPDATE



- Many COC Activities negatively affected
- Tradeshow cancellations
- In-store sampling & Retail promotions cancelled or suspended
- The “good” news is----USDA MAP funding rollover option available due to COVID-19

2020 SOUTHEAST ASIA UPDATE

- In-store sampling planned for March and April, but has been postponed.
- 2 planned joint-promotions postponed
- Tradeshow cancellations/postponement
- Chef demonstrations postponed

- Food delivery promotion in Singapore conducted despite COVID-19 restrictions



2020 CANADA UPDATE



- Plans to continue digital & social media promotion, similar to 2019 activity
- Tradeshow cancellations/postponements
- Celebrity chef cooking demonstrations postponed/working on digital format

2020 FUNDING ALLOCATIONS MAP & ATP

- **Canada**

- Trade Representation
- Tradeshow
- Social and Digital Media Promotions
- MAP allocation: \$37,200

- **Japan**

- Trade Representation
- Supermarket Tradeshow and Seminar
- Foodservice & Retail promotions
- Trade mission
- Advertising and Digital Media
- MAP allocation: \$100,000

- **Southeast Asia**

- Trade Representation
- Market Research
- Trade mission
- Retail Promotions
- ATP allocation: \$127,000

**TOTAL MAP & ATP Allocation:
\$264,200**



CALIFORNIA

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THANK YOU!

*****INFORMATION ONLY*****

FROM: CALIFORNIA OLIVE COMMITTEE

SUBJECT: COVID-19 Update

BACKGROUND: COVID-19 Update

COVID-19 Update

- Over the past several months, the COC staff have been compiling and distributing weekly updates regarding the ongoing COVID-19 situation.
- Additionally, the COC has been actively involved in daily conference calls with the Governor of California's office in order to remain updated on any time sensitive developments including: significant updates to the number of confirmed cases per county, updated guidance, outbreaks at other agricultural operations, labor issues, potential upcoming legislation, and other resources available to the industry.

Inspection Subcommittee

CALIFORNIA OLIVE COMMITTEE
INCOMING INSPECTION REQUIREMENTS
2020-2021

U.S. Standards & Marketing Order Sizes		Acceptable Count Ranges and Mid-Points											
		(Per Pound)											
Size Designation	Avg Count Range Per Pound	Variety Group 1				Variety Group 2							
		Sevillano		Ascolano**		Obliza		Mission/Manzanillo*					
		Acceptable Count Range	Mid Point	Acceptable Count Range	Mid Point	Acceptable Count Range	Mid Point	Acceptable Count Range	Mid Point				
Undersize	226-up	Undersize 106 - UP		Undersize 181- Up		Undersize 181- Up		Undersize 206 - Up					
Sub-Petite	181-225							181-205	193				
Petite	141-180							158-174	166	158-174	Ltd 166	158-174	166
Small	128-140							132-138	Ltd 135	136-140	Ltd 138	132-138	135
Medium	106-127			110-122	116	110-122	116	110-122	116				
Large	91-105	91-105	98	91-105	98	95-101	98	91-105	98				
Extra-Large Sev "L"	76-90	82-90	Ltd 86	--	--	--	--	--	--				
Extra-Large	65-90	--	--	67-85	72-80	65-88	72-80	65-88	72-80				
Extra-Large Sev "C"	65-75	67-73	70	--	--	--	--	--	--				
Jumbo	47-60	47-60	47-60	47-60	47-60	47-60	47-60	47-60	47-60				
Colossal	33-46	33-46	33-46	33-46	33-46	33-46	33-46	33-46	33-46				
Super Colossal	32 or less	32 or less	32 or less	32 or less	32 or less	32 or less	32 or less	32 or less	32 or less				

* Manzanillo includes Haas

** Ascolano includes St. Agostino and Barouni

Undersize

Limited Sizes

CALIFORNIA OLIVE COMMITTEE
 OUTGOING INSPECTION REQUIREMENTS
 2020-2021

SIZE REQUIREMENTS AND PERCENTAGE TOLERANCES								
Size Designation	SEVILLANO		ASCOLANO*		OBLIZA		MISSION/ MANZANILLO**	
Undersize	Undersize		Undersize		Undersize		Undersize	
Sub-Petite	Undersize		Undersize		Undersize		L	35% less than 1/205
Petite	Undersize		L	35% less than 1/ 180	L	35% less than 1/ 180 lb.	Undersize	
Small	Undersize		Undersize		Undersize		C	128-140
Medium	Undersize		Undersize		C		106-127	
Large	LL	35% less than 1/ 105	C		91-105		91-105	91-105
Extra Large	Undersize		65-90	All sizes 5 % less than 1/ 105 lb.		65-90	All sizes 5 % less than 1/ 127 lb.	
Extra Large	C		65-75			65-90		
Jumbo	47-60	All sizes 5%	47-60	All sizes 5 % less than 1/ 105 lb.		47-60	All sizes 5 % less than 1/ 140 lb.	
Colossal	33-46	less than 1/ 75 lb	33-46			33-46		
Super Colossal	32 or less	1/ 75 lb	32 or less	C		32 or less	C	
	C	Tolerance (by count) 35% under 1/ 75 but not more than 10% under 1/ 86	C			Tolerance (by count) 35% under 1/ 105 but not more than 10% under 1/ 113		

* Ascolano includes St. Agostino and Barouni

** Includes Haas variety

L LIMITED USE SIZE and PERCENTAGE TOLERANCES
C Tolerances apply to MINIMUM WHOLE OR PITTED CANNING SIZE:
 Sevillano- Extra Large "C"; Ascolano- Large; Obliza- Medium; Mission/Manzanillo- Small

Import Olives Entry Count by Country, Port, & Office Report

Report Date: 7/01/2019 to 6/30/2020

Report Data Source: USDA Specialty Crops Inspection Imports Database

Entry Count By Country	
Argentina	6
Chile	1
Egypt	181
Greece	18
Israel	2
Italy	30
Jordan	5
Morocco	1150
Portugal	354
South Korea	1
Spain	961
Turkey	28
Uganda	1
United Arab Emirates	1
	2739

Entry Count By Port	
Atlanta, GA	1
Baltimore, MD	172
Boston, MA	5
Charleston, SC	1
Charleston, SC	66
Chicago, IL	295
Cincinnati Ohio	40
Houston-Galveston, TX	442
Indianapolis, IN	140
Jacksonville,FL	62
Los Angeles, CA	450
Miami, FL	70
New York City, NY	35
Newark, NJ	618
Norfolk, VA	3
Oakland, CA	32
San Francisco, CA	58
San Juan, Puerto Rico	3
Savannah, GA	155
Seattle, WA	71
Tampa, FL	20
	2739

Entry Count By Office	
College Park	209
Covina	450
Fresno	1
Hunt Valley	210
North Brunswick	613
Oshkosh	137
Puerto Rico	3
South Bend	346
Stockton	90
Weslaco	442
Winter Haven	167
Yakima	71
	2739

Imported Olive Meeting & Failing Lots Report

Report Date: 7/1/2019 to 6/30/2020

Report Data Source: USDA Specialty Crops Inspection Imports Database

Month	Year	Meeting Lot Count	Meeting Pounds	Failing Lot Count	Failing Pounds
1	2020	240	5,110,010	6	93,616
2	2020	217	4,548,280		
3	2020	209	5,134,402	1	7,508
4	2020	277	5,902,558	2	41,580
5	2020	175	3,515,234	3	31,941
6	2020	42	827,453		
7	2019	278	5,887,391		
8	2019	264	5,689,783		
9	2019	258	5,830,463		
10	2019	270	5,582,480	1	22,491
11	2019	252	4,873,737	4	83,170
12	2019	239	4,752,775	1	20,790
		2,721	57,654,566	6	126,451

Total Lot Count:	2,727
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Total Weight (lbs):	57,781,017
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Percentage Failing (lbs):	0.22%
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Imported Olives Failing Defect Count by Country - Cumulative Report

Report dates: 1/01/2004 to Present

Report Data Source: USDA Specialty Crops Inspection Imports Database

Country	Defect	Defect Count
Argentina	Capstems	1
Argentina	Color	1
Argentina	Defects	2
Argentina	Flavor	3
Argentina	Foreign Material	2
Argentina	Insect	1
Argentina	Maturity	1
Argentina	Other	5
Argentina	Sand	1
Brazil	Flavor	1
Chile	Capstems	3
Chile	Mold	3
Chile	Pebble	1
Chile	Sand	3
Chile	Stems	3
Chile	Sugar	1
China	Stems	1
Egypt	Broken	1
Egypt	Capstems	1
Egypt	Color	2
Egypt	Flavor	8
Egypt	High Salometer	2
Egypt	Other	5
Egypt	Pits	2
Greece	Flavor	3
Greece	High Salometer	5
Iceland	Flavor	1
Israel	Insect	1

Israel	Mold	1
Italy	Character	3
Italy	Color	2
Italy	Defects	1
Italy	Flavor	11
Italy	High Salometer	6
Italy	Size	1
Italy	Stems	4
Jordan	Flavor	1
Jordan	High Salometer	1
Lebanon	High Salometer	1
Morocco	Broken	2
Morocco	Capstems	1
Morocco	Defects	2
Morocco	Flavor	38
Morocco	Foreign Material	6
Morocco	High Salometer	10
Morocco	Mold	1
Morocco	Other	1
Pakistan	Character	4
Pakistan	Size	4
Portugal	Broken	2
Portugal	Character	2
Portugal	Color	2
Portugal	Defects	1
Portugal	Flavor	1
Portugal	High Salometer	4
Portugal	Other	1
Portugal	Size	2
South Africa	Flavor	1
Spain	Broken	27
Spain	Capstems	1
Spain	Character	1
Spain	Damage	1

Spain	Defects	12
Spain	Flavor	80
Spain	Foreign Material	21
Spain	High Salometer	27
Spain	Insect	1
Spain	Low Salometer	3
Spain	Other	25
Spain	Pits	2
Spain	Size	1
Tunisia	Character	1
Tunisia	Size	1
Turkey	Broken	1
Turkey	Character	3
Turkey	Damage	1
Turkey	Defects	4
Turkey	Flavor	14
Turkey	High Salometer	7
Turkey	Low Salometer	1
Turkey	Mold	1
Turkey	Other	4
Turkey	Size	1
Turkey	Undeveloped	1



1400 Independence Avenue, SW
Room 2077-S, STOP 0235
Washington, DC 20250-0235

Mr. Todd Sanders
Executive Director
California Olive Committee
770 East Shaw Avenue
Fresno, California 93710-7708

Dear Mr. Sanders:

The U.S. Department of Agriculture (USDA), Agricultural Marketing Service, Specialty Crops Program (SCP) thanks you and the California olive industry for your continued support of USDA's inspection program. We are committed to providing the highest quality inspection service at a fair and equitable cost.

We have completed a review of our revenue and expenses for the 2019-2020 crop year. As you are aware, SCP is required to cover all our expenses through user fees. Based on current data, we expect user fee revenue to cover our costs for the olive inspection program in FY 2020. Accordingly, SCP has determined that the inspection fee for the 2020-2021 season will remain unchanged from this year's levels. The current fee will remain in effect from August 1, 2020, through July 31, 2021.

If you have any questions, please contact me at 202-720-4722.

Thank you for your support during the past year, and we look forward to our continued productive relationship with you.

Sincerely,

Sonia N. Jimenez
Deputy Administrator
Specialty Crops Program

Marketing Subcommittee

*****INFORMATION ONLY*****

FROM: FULL COMMITTEE

SUBJECT: MARKETING UPDATE

BACKGROUND:

- The COC team was recently trained by Poppy Social Media on techniques to run our social media platforms in-house and in a cost efficient manner. The strategies they outlined to us all are specific for platforms that Poppy considers to be in “growth mode”: accounts that have less than 10,000 followers.
 - Main question: How do we post/develop meaningful content on a consistent basis that is cost efficient to the COC and will ultimately help grow our accounts?
 - Main takeaways:
 - Create “synergies” with other Commodity Boards (ie. CA Milk Advisory Board).
 - Lean in to existing partnerships (ie. CA Grown, influencers who have ties with CA Grown, influencers that Cal Ripe Olives previously worked with, The feedfeed).
 - User Generated Content
 - Engage with consumers on social media through commenting and liking comments on our own platforms and on other Commodity Boards’ platforms as well.
- Poppy reshot 20 of our existing recipes and create optimized Pinterest pins:



- Moving forward:
 - Clean Up/Optimization of EXISTING content:
 - YouTube: Meet the Grower videos will have full titles and descriptive captions as well as links to other platforms and website.
 - Website: Consumers will be able to save recipes on our website to Pinterest boards.
 - Instagram: Influencer cooking demos that were created in previous years will be converted to IG TV which gives a cleaner look and is more user friendly.
 - Plan for NEW content:
 - Will be working with Poppy on putting together an editorial calendar which outlines every post a month advance using the tips and strategies they provided to us.
- Upcoming Opportunities with CA Grown:
 - Yummly with CA Grown: Yummly is a website that doubles both as a recipe provider and a meal planner. CA Grown has a sponsored page that has recipes that when clicked on directs consumers to the CA Grown website or a Commodity Board's website. In the upcoming CA Grown newsletter, members have the ability to opt in to this program and provide 5 recipes to give to CA Grown that they can put on the Yummly website.
 - CA Grown content development: If we opt in, CA Grown will develop recipes and content that they would run on their platforms and that we could run on our platforms as well.

Review of Crop Estimates

******* INFORMATION *******

FROM: FULL COMMITTEE

SUBJECT: NASS 2020 CROP FORECAST

BACKGROUND: The USDA National Agricultural Statistics Service (NASS) provided the COC with 2019 Crop Report in preparation of the 2020 Crop Forecast that will be released On August 12, 2020.

****** ACTION REQUIRED ******

FROM: FULL COMMITTEE

SUBJECT: 2020 INDUSTRY CROP ESTIMATES

RECOMMENDATION: THAT the Committee adopt a 2020 forecast.

BACKGROUND: Each year, the industry creates an internal crop forecast for the California Olive industry. The Committee will discuss and develop a 2020 crop estimate.

FISCAL IMPACT: None

Research Subcommittee

*****INFORMATION ONLY*****

FROM: RESEARCH SUBCOMMITTEE

SUBJECT: FINAL 2019 RESEARCH REPORT

BACKGROUND:

2019 RESEARCH PROJECTS FOR THE CALIFORNIA OLIVE COMMITTEE

- Projects in **red** had No Cost Extensions and are now complete.

Researcher	Project	Amount
Rich Rosecrance	Canopy Management, Tree Hedging and topping to Optimize Yield *4 th year of 4 years	\$ 31,075.00
Debra Keenan	Evaluation of new chemistries to control Olive Fruit fly *2 nd year of 3 years	\$ 25,000.00
Carol Lovatt & Elizabeth Fichtner	Managing Alternate Bearing in olive with PGRs and Pruning *2 nd year of 3 years	\$ 21,570.00
Frank Zalom & Joanna Fisher	Control of overwintering olive fruit fly using insect pathogenic fungi *1 st year of 2 years	\$ 19,678.00
Jim Stewart	Southern Fly Trapping	\$ 6,400.00
Ernie Simpson	Northern Fly Trapping	\$ 6,500.00
J. E. Adaskaveg	Epidemiology and management of olive knot caused by Pseudomonas savastanoi pv. Savastanoi *3 rd year of 4 years	\$ 16,650.00
J. E. Adaskaveg	Management of foliar diseases of olive (peacock spot) *2 nd year of 3 years	\$ 15,000.00
	Contingency Fund	\$ 200,000.00
	Total	\$ 341,873.00

*****INFORMATION*****

FROM: RESEARCH SUBCOMMITTEE

SUBJECT: UPDATE ON 2020 RESEARCH PROJECTS/2021 RESEARCH PRIORITIES

BACKGROUND:

2020 RESEARCH PROJECTS FOR THE CALIFORNIA OLIVE COMMITTEE

Researcher	Project	Amount
Reza Ehsani Louise Ferguson	Combining trunk shaking and canopy shaking for a highly efficient, low cost olive harvester. *1 year project	\$92,699
Debra Keenan	Evaluation of new chemistries to control Olive Fruit Fly *3 rd year of 3 years	\$25,000
Carol Lovatt Elizabeth Fichtner	Managing Alternate Bearing in Olive with PGRs and Pruning *3 rd year of 3 years	\$23,232
Frank Zalom Joanna Fisher	Control of overwintering olive fruit fly using insect pathogenic fungi *2 nd year of 2 years	\$17,196
J. E. Adaskaveg	Epidemiology and management of olive knot caused by <i>Pseudomonas savastanoi</i> pv. <i>savastanoi</i> *4 th year of 4 years	\$16,650
J. E. Adaskaveg	Management of foliar diseases of olive (peacock spot) *3 rd year of 3 years	\$10,000
Jim Stewart	Southern San Joaquin Valley Olive Fruit Fly Monitoring Project	\$6,400
Ernie Simpson	Sacramento Valley Olive Fruit Monitoring Project	\$6,500
	Total	\$ 197,677.00

Other Business