



# News & Views

*A Monthly Publication Dedicated to the Feed, Seed, Grain and Farm Supply Industries of Wisconsin*

## Somebody Asked ■

**Q.:** What are the rules for an out-of-state farmer driving his own semi into Wisconsin with “farm” plates?

**A.:** We will first assume (we know, we know) the farmer is a “private carrier” hauling exclusively for his own farming operation. If he uses his semi to haul for others, he would be considered operating “in commerce,” and would be regulated the same as any other commercial motor carrier. Another concern relates to how the farmer’s home state regulates a “farm” plated vehicle. As each state can impose their own rules (weight, insurance, inspection, etc.) in addition to those of the USDOT, the farmer must contact his state’s motor vehicle bureau to see what applies.

That said, as long as the producer and his semi *qualifies as a farmer and farm vehicle respectively*, he can operate within 150 miles of his farm (even crossing state lines) without the need for a CDL, and is also exempt from the hours-of-service limitations during the planting and harvest seasons. Again, as each state establishes their own “seasons,” the farmer must again contact his state’s motor vehicle bureau to see what these dates are (Wisconsin dates run from March 15 to December 15 of each year). If the driver operates outside of these parameters, he would not only be limited to 14 hours on-duty each day and could only drive for 11 of those, but could also be considered a commercial carrier.

A producer operating with out-of-state farm plates should be aware that they are driving the equivalent of a red Ferrari, in terms of attracting law enforcement attention, and should expect inspections and questions.

We also want to take this opportunity to remind readers the seasonal overweight regulations are now

in effect. From September 1 to November 30 of each year, a vehicle or combination of vehicles that has a registered gross weight of 50,000 pounds or more that is transporting corn or soybeans from the farmer’s field to the first point of storage or processing may, without a permit, exceed weight limits by not more than 15%. This exception does not apply on Class “B” highways or on highways designated as part of the interstate system, except for that portion of I-39 between USH 51 and I 90/94. And as a reminder, please be aware the harvest overweight exemption does not apply to trucks with registration weights under 50,000-lbs. or implements of husbandry.

It is important to note that this harvest exemption is limited to operations **within** the state of Wisconsin. The overweight exception **does not apply** to highway transportation in any bordering state (Illinois, Iowa, Michigan or Minnesota). Once you cross a state line, Wisconsin regulations no longer are applicable. You will be governed by the regulations of that state and they may not have expanded harvest weight limits in force. Please contact that state regarding appropriate rules before driving there with an overweight truck.

## Reportable Food Registry ■

Last month we reported on the FDA’s new Reportable Food Registry, affecting *all* registrants of the Bioterrorism Act’s FDA Food Facility Registration program. We received a few calls from folks who weren’t sure if they were registered and we helped them straighten that issue out.

Since that time, the program has gone “live” and FDA has issued some additional clarifications. Most importantly, FDA has stated they are allowing a 90-day “enforcement discretion” period ending December 8. During this period, FDA request that facilities that have an incident make “reasonable”

compliance efforts via the on-line reporting system. After that date, non-compliance carries the threat of personal felony prosecution.

If you have questions, give us a call, we're here to help.

## **Walmart and You■**

**Y**ou may have heard news reports that Walmart is developing a worldwide sustainable product index. The index will establish a single source of data for evaluating the sustainability of products that are sold in their stores.

The company will introduce the initiative in three phases, beginning with a survey of its more than 100,000 suppliers around the world. The survey includes 15 questions (for the complete list, see [www.wasa.org/Sustainability\\_Product\\_Index\\_1.pdf](http://www.wasa.org/Sustainability_Product_Index_1.pdf)) that will serve as a tool for Walmart's suppliers to evaluate their own sustainability efforts. The questions will focus on four areas: energy and climate; material efficiency; natural resources, and; people and community. The company has asked its top tier U.S. suppliers to complete the survey by October 1 of this year. Those top tier suppliers specifically include suppliers to the dairy case in their stores.

Many of the questions address such issues as what steps have been taken by the supplier to reduce green house gases emissions, reduce water usage and solid waste. They are pretty straight forward "green" questions and concepts.

As a second step, the company is helping create a consortium of universities (UW-Madison is one of them) that will collaborate with suppliers, retailers, and government to develop a global database of information on the lifecycle of products -- from raw materials to disposal. In addition, Walmart has provided the initial funding for the Sustainability Index Consortium, and invited all retailers and suppliers to contribute. The final step in developing the index will be to translate the product information into a simple rating for consumers about the sustainability of products.

So how does all this affect a little feed mill or grain elevator in Wisconsin? In order to answer that question, we need to highlight one of the 15 questions referenced above.

- *Have you established publicly available sustainability purchasing guidelines for your direct suppliers that address issues such as environmental compliance, employment practices and product/ingredient safety?*

This question doesn't simply address the supplier's sustainability activities and operations, but also includes that direct Walmart supplier's suppliers, and those supplier's suppliers, and so on. You may be getting the picture that the dairy plants are going to be asking questions of their direct milk suppliers and those dairy producers will in turn be looking to their feed and ingredient suppliers. You.

So the question then becomes, will suppliers and their producers participate in the program? Wal-Mart has said compliance is not mandatory, but a few of their very large suppliers have already stated their intention to participate and comply with the program. What the costs of complying with the program might be, which Walmart says is good business, we don't know. But if it made such economic sense, why wouldn't everyone already be doing it?. Our suspicion is this will result in higher production costs which may not be passed onto the consumer. In addition, if our assumption of higher production costs is correct, obviously larger scale operations will have an advantage given their ability to spread these costs out over a greater number of production units. And we haven't even thought of talking about increased production costs in the current dairy industry's economic circumstance.

Other questions among the 15 being asked by Walmart, will also have an impact on operations indirectly supplying the company, which will effectively work as a non-government imposed regulatory scheme.

- *Have you obtained 3rd party certifications for any of the products that you sell to Walmart?*

If you don't, you will, if your customers are indirect suppliers to Walmart.

- *Do you have a process for managing social compliance at the manufacturing level?*
- *Do you work with your supply base to resolve issues found during social compliance evaluations and also document specific corrections and improvements?*

What exactly is "social compliance?" Broadly defined, according to [businessdictionary.com](http://businessdictionary.com), it is "looking for better ways to protect the health, safety, and fundamental rights of their employees, and to protect and enhance the community and environment in which they operate." Specifically, it is strict adherence to all applicable environmental, safety, and labor laws. However, read the questions again. That is the purchaser of your products having a method to insure *your* compliance. It will probably entail some sort of third party audit, but that's an additional cost which must be borne and probably not by Walmart or their customers.

A quote from a columnist at the *Atlantic* magazine sums up the bottom line regarding this issue, "It forces companies to behave in a certain way. If they don't and others do, they will look bad. And like most regulation, it will favor the bigger firms who, given their high production levels, can more easily bear the cost of a few sustainability-driven tweaks here and there. Some of the smaller producers Walmart works with will not be as excited."

We have said numerous times, if Walmart or McDonalds change their buying policies or standards, the waves will be felt and seen on every shore of agriculture. How big that wave will be, we don't know, but we can tell you, it's coming.

## **Heads Up on Your Computer■**

The alleged scam is elegant in its simplicity. The potential thieves are mailing letters that purport to come from the National Credit Union Administration (NCUA), the federal agency that charters and insures credit unions, and including two CDs in the package. The letter is a fake fraud alert from the NCUA, instructing recipients to review the

training materials contained on the discs. The letter advises credit unions to review training material (contained on the CDs). Doing so installs spyware that could result in a possible security breach to the computer system, or have other adverse consequences.

We have warned members regarding letters purportedly from legitimate financial institutions, companies or government agencies asking consumers to "re-submit" or "verify" confidential information such as bank accounts numbers, Social Security numbers, passwords, and personal identification numbers. This latest scam is, in effect, simply an offline extension of the highly targeted "phishing" attacks that have been plaguing computer users in emails for a couple of years. But it's one that's potentially effective and damaging.

*We urge you to instruct employees not to install or view any programs which have not been vetted and approved by you and/or someone knowledgeable regarding your facility's computers.* If you have a question, call the WASA office. We'll check into any item which might have raised a question for you.

## **Looking Down the Road■**

### **WASA District Meeting & Reasonable Suspicion Drug Training**

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| <b>Sep. 24</b>              | <b>Best Western Hotel, Wausau</b>  |
| <b>Sep. 29</b>              | <b>Holiday Inn Express, Ft. Atkinson</b>   |
| <b>Oct. 1</b>               | <b>Comfort Inn, Mineral Point</b>  |
| <b>Oct. 6</b>               | <b>The Machine Shed, Appleton</b>  |
| <b>Sep. 29 &amp; Oct. 1</b> | <b>WASA Corn &amp; Soybean Grain Grading Class<br/>Kalahari Resort, Wisconsin Dells</b>                                |
| <b>Jan. 28-29</b>           | <b>WASA Convention and Trade Show, held in conjunction with the Corn/Soy Expo<br/>Kalahari Resort, Wisconsin Dells</b> |