JOCS holds several seminars
The Japan Oil Chemists’ Society (JOCS) has held several seminars in recent months. A seminar on human health and food functionalities at Koriyama, Japan, on July 29 drew 30 attendees for a program that featured: “Health Claims of Foods: Current Systems and Their Scientific Grounds” presented by Toshio Shimizu, of Flesco Japan; “The Healthy Foods and Healthy Dietary Habits” presented by Hiroaki Hanamano of Danisco Japan; and “Some Functionality of Mushrooms Now Focused On as a Challenger to Lifestyle-Related Diseases” presented by Fumiaki Guchi of Health and Welfare, University of Takasaki, Japan. On August 29, 20 people gathered at Fuji Oil Co. Ltd. in Osaka, Japan, for the 1st Weekend Seminar on Fats and Oils Refining and Processing. A factory observation tour was part of the program. Presentations by Fuji Oil personnel included “Outline of fats and oils processing and their applications” by Haruyasu Kida and “Soy Proteins and Their Improving Effects on Lipid Metabolism” by Seiji Takamatsu.

The Kansai Division of the JOCS held their first lecture meeting at Osaka, Japan, on September 4 and presented the program “The Trends of Surfactants for Cosmetics” by Motonari Mizuta, NOF Corp.; “Emulsifiers and Emulsifier-Aid Substances” by Kunikyo Yoshino, Sanyo Chemical Industries Ltd.; and “Functional Properties Required in Shampoo and Body Soaps in the Future” by Tatsusen Tamura, KAO Corp.

Obituaries

Robert E. Beal
The AOCs has received word of the death of Robert E. Beal of Elwood, Illinois. He received a bachelor of science degree in chemical engineering from the University of Michigan in 1935 and joined the AOCs in 1945 while employed as a chemical engineer at the USDA’s Northern Regional Research Laboratory (now known as the Northern Crops Agricultural Utilization and Research Center) in Peoria, Illinois. He retired from the Northern Laboratory in 1973.

Roger L. Olson
The AOCs has received word of the death of Roger L. Olson of Burbank, California. A member since 1946, he had served the Society as a Southwestern Section officer as well as a member of the national meeting commit-tee. Olson received a bachelor of arts degree in chemistry from the University of California, Los Angeles, in 1936 and completed 24 credit hours of graduate chemistry at the University of Southern California. His employment included Technicolor Motion Picture Corp.; Goodyear Tire & Rubber Co.; the W.C. Hardesty Co., where he worked as a chemist; and Emery Industries, Inc., where he was a production material control manager until he retired in 1980.

Andres O.M. Stoppani
Andres O.M. Stoppani of Buenos Aires, Argentina, passed away March 18, 2003. A member since 1991, he received his education in Buenos Aires as well as at Cambridge University in the United Kingdom; he held a Ph.D. degree. He was director of the Center for Bioenergetical Investigations (CIBIERG), a medical research unit in Buenos Aires.

He’s alive!
A member told headquarters staff that LeRoy Dugan, Jr., had passed away, and we printed a notice to that effect in the August inform. Mr. Dugan has since contacted us to say that he is very much alive and still living in his home at 1889 Ridgewood Dr., East Lansing, MI 48823-2939 USA.

We sincerely apologize for the error.

Low U.S. soybean crop forecast for 2003
The United States Department of Agriculture (USDA) was reported to have revised its forecast for the 2003 soybean crop in the United States downward to a projected yield of 2.64 billion bushels. That yield would be the lowest soybean crop since 1996, according to the story carried by the Cedar Rapids, Iowa-based newspaper The Gazette on September 12.

It is anticipated that the lower U.S. crop could accelerate soybean production in South America through the removal of some acreage from corn to allow increased planting of soybeans.

U.S. corn farmers, however, were projected to harvest 9.94 billion bushels for the 2003 season—that would provide the second-largest corn crop on record.

USB checkoff increases board members
The United Soybean Board (USB), headquartered at Chesterfield, Missouri, announced on August 13 that 17 new U.S. soybean producer appointees are to assume office with the soybean checkoff effective in December. These appointees will join the other 45 U.S. soybean producers on the USB who create and oversee programs to increase domestic and international utilization of U.S. soybeans, create new uses for U.S. soybeans, and improve production efficiencies for U.S. soybean producers.

All of the appointees officially become farmer-directors on the USB at the board’s annual meeting, December 4–9, 2003, in St. Louis, Missouri. All received nominations by their state soybean checkoff boards.

As stipulated in the Soybean Promotion, Research, and Consumer Information Act, the USDA has oversight responsibilities for the USB and the soybean checkoff.

Brazil’s soybean expansion driven by currency devaluation
A USDA-requisitioned study was delivered on August 22 to United States Senate Finance Committee Chairman Charles Grassley and reported that the dramatic expansion of Brazilian soybean production has been primarily driven by the devaluation of Brazil’s currency and a change in its export tax system. The possibility of the involvement of government subsidies, which could have found difficulties with international trade agreements, was not considered to be responsible for the increased soybean production.

The study noted that at the current rate of expansion in Brazil, it would take five years or less for Brazil to achieve U.S. production levels. Over the last five years, Brazil has increased the amount of land under soybean cultivation by 43% and has increased total soybean production by 66%.

The nearly 95% devaluation of the Brazilian real against the U.S. dollar acted to increase radically the returns from exported soybeans that traded in the international market at U.S. dollar parity prices. Private-sector investors, including major U.S. agricultural companies doing business in Brazil, are the primary source of infrastructure financing, and are also the primary source of credit for large soybean farms.
The report also noted that Brazil has used its tax structure to drive exports. Soybean meal and oil destined for export have long been exempted from Brazil’s “interstate movement tax,” and in 1996 the government extended that exemption to raw beans, “resulting in a dramatic rise of soybean exports.”

Only national tax policies were considered in the report, which did not explore whether there are also state or local tax policies that could be seen as serving as agricultural subsidies.

A copy of the complete USDA study is available to subscribers of World Trade Online at netlink: www.insidetrade.com.

**Bunge acquires Indian oilseed processing unit**

Bunge Limited of White Plains, New York, announced on September 22 that its Indian subsidiary Gee Pee Ceval Proteins and Investment Limited had acquired the India-based assets of Prestige Foods Limited of New Delhi.

The acquired assets include an oilseed-processing unit with an integrated vegetable oil refinery and packaging facility and production capacity of 150 tons per day of refined oil and 100 tons per day of vanaspati.

This acquisition is part of Bunge’s continuing expansion in the Indian oilseed-processing market, and follows the purchase of the edible-oil business of Hindustan Lever Limited made in August.

**Indian vanaspati president seeks reduction on palm oil duty**

J.K. Khaitan, president of the Indian Vanaspati Producers’ Association (IVPA), urged the Indian government to lower the import duty of crude palm oil (CPO). He made his comments at the 26th annual session of the association as reported in the September 12 issue of The Hindu.

He said that the industry had to contend with the high percentage of duty, “making it hard for the industry to compete with other cooking media.” Imported vanaspati is also causing a problem. Plants located in the border states of West Bengal, Bihar, Jharkhand, and eastern Uttar Pradesh adjoining Nepal are having to face increased inflows of cheaper vanaspati from Nepal. Furthermore, preferential trade agreements with neighboring SAARC (South Asian Association for Regional Cooperation) countries could lead to a spurt in the import of vanaspati, especially from Bangladesh and Sri Lanka.

“Whereas the raw material for the domestic [Indian] industry has to bear custom duties of 65%, the finished product can be imported from any neighboring country like Malaysia and Indonesia at 30% duty,” he stated.

Khaitan noted that reduced dependency on imported edible oils is required. Last year imports of 4.5 million metric tons (MMT) of oil were needed to meet demands. He said that imported CPO for use exclusively by the vanaspati industry should not attract more than 25% duty. In addition, he asked for the withdrawal of excise duty on vanaspati and a reduction in customs tariffs of 30% for importing vanaspati.

He further noted that the 70-year-old vanaspati industry was passing through a prolonged lean phase marked by low-capacity utilization. The annual vanaspati output had remained around 1.3 to 1.4 MMT, indicative of a capacity utilization of about 30%.

**Indian edible oil imports down in August**

The Solvent Extractors’ Association of India released a report on September 15 that said the import of edible oils was down in August 2003 due to strict edible-oil import norms and an expectation of higher crop yields (netlink: www.seaindia.com). Stringent conditions introduced by the government in June for carotenoids in CPO and crude oil had a major impact.

Edible-oil imports in August 2003 were 384,444 metric tons (MT) against 452,018 MT in August 2002. The year-to-date imports, November 2002–August 2003, however, continued to outpace the previous recorded imports of 4,247,593 MT and 3,424,285 MT, respectively.

Imports of refined oil represented 4% of the total import and crude oil the remainder for the period November 2002 to August 2003. Palm products accounted for 74% of the total imports of edible oils, with degummed soybean oil and a small quantity of sunflowerseed oil being the balance.

Reduction in the duty difference between crude and refined oil led to an 11% higher import of RBD (refined, bleached, deodorized) palm olein at 43,676 MT in August 2003.

The tonnage of nonedible oil imported during August 2003 jumped from 48,539 MT compared with 13,613 MT in August 2002. Total imports of nonedible oil between November 2002 and August 2003 were 221,950 MT compared with 285,133 MT for the same period last year. The major nonedible oils imported were crude palm stearin and palm fatty acid distillate.

**Abolishment of export duty on Malaysian palm oil proposed**

Malaysian exporters of processed palm oil are expected to increase their exports with the proposed abolishment of export duty on crude and RBD palm oil under the Malaysian Budget 2004, according to a report in the September 16 issue of The Star (Malaysia).

The proposal was seen by Malaysian Palm Oil Association Chief Executive M.R. Chandran as being valuable in regularizing the exports as well as providing greater opportunities, especially for RBD palm olein exporters, to increase exports to major importing countries such as India and Pakistan.

Further benefits are likely to result from the recent action by India, a traditional market, to reduce import duties on processed palm oil. India is expected to purchase more processed palm oil than CPO as the gap between import duties on CPO and RBD palm oil has declined markedly from 22.4% to the current 5%.

Plantation analysts believe that there are financial advantages for Malaysia to sell processed palm oil rather than CPO.

**Adulterated oil causes deaths in India**

Maharashtra Minister of State for Home (Rural) Kripashankar Singh has ordered an inquiry to be made by the Crime Investigation Department (CID) into edible-oil adulteration that has claimed at least three lives and affected several others in the region of Malegaon Tehsil. A report on September 7 from the United News of India said that the problem first became apparent on August 11 when more than 700 people in 41 villages became ill after consuming edible oil supplied by four local mills.

The government’s food and drug adulteration prevention department has filed cases against nine persons, and two of the oil mills have been found guilty of mixing
toxic Argemone oil with refined soybean and groundnut (peanut) oils.

Argemone oil, obtained from the prickly yellow poppy (Argemone mexicana), contains low levels of toxic alkaloids that can cause dropsy, body swelling, and blindness and can have fatal consequences. Unscrupulous oil processors have been known to use Argemone oil as a cheap means of extending edible oils.

While action has been taken to punish the perpetrators of the adulterated oil in Malegaon, a leading consumer rights organization has indicated its intention to file a representative case with the state consumer disputes redressal commission seeking compensation on behalf of those persons afflicted from consumption of the oil.

Approval for cholesterol-lowering milks sought

Parramatta Australia Pty. Limited of South Brisbane, Queensland, made application on August 13 to Food Standards Australia New Zealand (FSANZ) for approval to use tall oil phytosterols (TOPs) as a novel food ingredient in low-fat and nonfat milk products.

FSANZ has already approved the use of TOPs and phytosterol esters derived from vegetable oils as novel food ingredients for use in edible-oil spreads and margarines. There is a requirement, however, that these products must be labeled as “not suitable for children or pregnant or lactating women” and “that people on cholesterol-reducing drugs should consult a medical adviser before use.” The agency was to receive and consider comments on the new application with a deadline date of September 24, 2003.

If approval is forthcoming, the marketplace will become even more crowded with cholesterol-lowering foods following the recent introduction of Swiss firm Emmi’s cholesterol-lowering milk drink in Europe.

Cholesterol-lowering food line for Korea

Korean food giant Deasang has signed an agreement with Israeli Enzymotec Ltd. of Migdal HaEmeq for a joint development of oil-based applications based on Enzymotec’s MultiOil. The agreement covers the development and supply of specific grades of MultiOil for the introduction by Deasang of a new food-product line and also includes guidelines for future relations between the two companies.

Deasang intends to use the canola-based MultiOil for a cholesterol-lowering product line including cooking oil and mayonnaise products that is scheduled for launching early in 2004. The MultiOil developed by Enzymotec represents a family of oils engineered to have a high content of phytosterol esters (25%) and diacetylglucers (15%).

Deasang has annual sales in excess of $900 million. It operates in four major food areas: foods and health foods, food additives, starches, and sugars.

Burcon Nutrascience to be listed on Frankfurt Stock Exchange

Burcon Nutrascience Corporation of Vancouver, British Columbia, Canada, announced on September 15 that its shares had been accepted for listing and trading on the Frankfurt Stock Exchange under WKN 157793.

Burcon is a research and development company developing a portfolio of composition, application, and process patents around its plant protein extraction and purification technology. The company on March 28 signed a letter of intent with the Archer Daniels Midland Company (ADM) of Decatur, Illinois, to enter into a licensing and development agreement to manufacture Puratein® and Supertein™ canola protein isolates using Burcon’s patented extraction technology.

Canadian dairy processor sells plant to Soyaworld

Saputo Inc., headquartered in Saint-Léonard, Québec, and Canada’s largest dairy processor and a leading cheese manufacturer in North America, announced on September 15 the sale of its manufacturing operation at Annacis Island, British Columbia, to Soyaworld Inc. of Vancouver, British Columbia. The deal is expected to be completed between the end of November 2003 and February 2004.

Saputo also intends to close two other plants, one in Calgary, Alberta, and the other in Armstrong, British Columbia. The Calgary plant, which employs 107 people, is to close in January 2004 and its activities integrated into the facility located in Edmonton, Alberta. The plant’s production at Armstrong is to cease operations by February 2004 and is to be integrated into other company facilities. The Milk Division (Canada) will operate 10 plants.

Soyaworld is one of North America’s largest marketers of fresh soy beverages and is the dairy-free (soy) category leader in most major grocery outlets in Canada. The company also markets its products in the United States, Hong Kong, and Japan.

New soy protein isolate for infant formula

Solbar Industries of Ashdod, Israel, announced on September 2 the launching of Solpro 900, a new soy protein isolate for infant formula, nutritional foods and beverages, and emulsified meat and poultry products (netlink: www.solbar.com).

Solpro 900 has a high protein content (90% minimum, moisture free) and is highly soluble, low in fiber, and cholesterol free. A product is also available fortified to the requirements of the USDA Food and Nutrition Service (FNS) for school and other nutritional programs.

The Solpro 900 range of soy isolates is manufactured in a special process designed to emphasize the naturally occurring gelling and emulsifying properties of soy proteins. The product joins Solbar’s stable of manufactured soy-based foods, all available from nongenetically modified (GM) identity-preserved (IP) soybeans.

Amerchol product lines sold to Lubrizol

Amerchol Corporation, a subsidiary of The Dow Chemical Company of Midland, Michigan, announced on September 8 an agreement for the sale of several product lines and a manufacturing plant in Vilvoorde, Belgium, to The Lubrizol Corporation of Wklliffe, Ohio.

The product lines involved in the sale include Methyl Glucoside Derivatives, Lanolin and Lanolin Derivatives, Ameroxol™ products, Promulge™ products, and Promyr and Propal products. The agreement of sale is subject to regulatory approval.

Amerchol will remain a Dow subsidiary and continue to market other strategic products. The company’s strategy is to focus on highly functional water-soluble polymers and related technologies that provide unique properties for both hair-care and skin-care applications.

Lubrizol will incorporate the acquired personal-care products into its subsidiary, Chemron Corporation of Paso Robles, California. The added technology platforms complement Chemron’s surfactants,
esters, emulsifiers, and micronized waxes and enhance the company’s position in the hair care, hygiene, and skin-care markets.

Proposal for Chinese cosmetics based on Malaysian palm oil

Malaysian Primary Industries Minister, Lim Keng Yaik, proposed in a speech on September 16 at the Malaysia–China Business Forum in Beijing, China, that Malaysian and Chinese businessmen jointly produce their own local brand of cosmetics using Malaysian-produced palm oleo as its raw material.

“Malaysia would not mind if China holds 90% control over the joint production as long as they use Malaysian palm oleo to make the products,” the minister said. He added that this approach could be an alternative to the expensive Italian- or French-made cosmetics that China has been importing. Oleochemicals and the utilization of oil palm biomass for the production of value-added products have been identified as potential areas for growth in Malaysia.

The Malaysia–China Business Forum was jointly organized by The Asian Strategy & Leadership Institute (Asli) and the China Chamber of International Commerce and China Council for Promotion of International Trade (CCPTT).

Briefs

1. CHS Inc. of Inver Grove Heights, Minnesota, symbolically “cut the ribbon” on September 3 to commemorate the impending opening of its second soybean crushing facility in Fairmont, Minnesota. The ceremony happened during an open house for the community at the plant. CHS is the name formally adopted on August 5 for the former Conex State Harvest.

2. Pioneer Hi-Bred International Inc. of Des Moines, Iowa, unveiled a $9.5 million upgrade to its soybean production and conditioning facility in Wahpeton, North Dakota. This upgrade now allows the plant to produce 24,000 units of seed per day and ensures the availability of a reliable supply of the latest Pioneer-brand genetics to growers located in the Great Plains of the United States. Annual productivity is to be increased from 1.4 million units to more than 2.4 million units.

3. Food product company CPC/AJI (Malaysia) has been renamed Unilever Bestfoods (Malaysia) Sdn. Bhd. following the 100% equity acquisition in the company made by Unilever UK & CN Holdings Ltd. The company, located in Kuala Lumpur, will provide well-known household names of Unilever Bestfoods products including Lady’s Choice, Knorr, Lipton, and Planta.

Hindustan Lever Ltd. finalized the transfer of its domestic oils and fats business in India and Nepal to Bunge Ltd. on August 28. The transfer of business, structured as a slump sale/going concern, included the manufacturing facility at Tiruchirappalli in Tamil Nadu and retention of its 300 employees. The businesses involved in the transaction included the manufacturing and marketing of vanaspati (hydrogenated fats), refined oils, and bakery fats. Hindustan Lever is to continue the distribution of certain brand-name products such as Dalda and its various extensions through an arrangement with Bunge for a fee.

China National Cereals, Oils & Foodstuffs Import & Export Corp. (COFCO) is to buy a majority stake in Tianhao Green Food, an edible oil facility in Jinxiang, for $19.3 million. Company officials said the acquisition would be COFCO’s first venture in the western part of China. The company’s annual edible-oil production capacity is expected to increase to 100,000 MT by 2007 from the present 50,000 MT.

The private plantations company, PT Agricinal, said on September 17 that it is planning to build a cooking oil factory in Indonesia’s Bengkulu province. The facility is to have a production capacity of 60 metric tons (MT) per hour and is expected to be able to accommodate the CPO produced by other companies located in the province. CPO producers in Bengkulu usually market their products to cooking oil factories in the Indonesian islands of Sumatra and Java.

McCain Foods USA of Oak Brook, Illinois, has announced the launching of a frozen-food product, oven-baked French fries, cooked in nonhydrogenated, 100% pure canola oil. The company believes that the use of nonhydrogenated oil in place of hydrogenated oil is one way to help lower the intake of saturated and trans fats and support cardiovascular health. The product is to be available initially throughout the northeastern United States.

CoolBrands International Inc. of Markham, Ontario, Canada, has entered into an agreement with Atkins Nutritional, Inc. of Ronkonkoma, New York, to manufacture, sell, and distribute an expanded lineup of Atkins Endulge Super Premium Ice Cream products in the United States and Canada. Atkins Endulge is formulated without the addition of sugar to control the dietary intake of carbohydrates. The product is to be marked initially in pint-size containers, as well as ice cream bars, fudge bars, and other frozen snacks, and was expected to be available to consumers in October 2003.

Cargill Health & Food Technologies of Minneapolis, Minnesota, and The Hain Celestial Group of Melville, New York, announced on August 28 that they plan to develop jointly new healthy foods and beverages for the consumer market. Particular attention is to be paid to drinks including “milk” made from soybeans or rice.

Roche Vitamins Inc. of Parsippany, New Jersey, has announced that it will be closing its vitamin E production facility in Nutley, New Jersey, this month, about 7 months ahead of schedule. The original closing date was intended to coincide with the opening of the company’s new vitamin E production facility in Switzerland, but the Nutley plant was considered to be insufficiently competitive to overcome depressed vitamin E prices. The plant had a production capacity of 7,000 MT per year and was the only facility producing vitamin E in the United States.

The development of a soybean oil-based biodegradable plastic has been reported by Shiro Kobayashi and Hiroshi Uyama of Japan’s Kyoto University. Commercialization of the product is expected within two to three years. Desired properties with the plastic, including strength, transparency, and biodegradability, involved the incorporation of microparticles of inorganic clay and silica. The material is considered to be a good substitute for horticultural vinyl.

Germany’s FAL Federal Agricultural Research Centre at Braunschweig and Volkswagen AG at Wolfsburg have teamed up to develop a fuel sensor to distinguish between biodiesel and petroleum diesel. The sensor is planned to adjust the engine timing to allow more efficient use of biodiesel. Production of biodiesel in Germany now exceeds 1 MMT per year and is increasing in the United States and elsewhere.