projects shall be paid from funds collected pursuant to §§ 956.42 and 956.45.

- (b) In recommending projects pursuant to this section, the committee shall give consideration to the following:
- (1) The expected supply of Walla Walla Sweet Onions in relation to market requirements;
- (2) The supply situation among competing onion areas and communities;
- (3) The anticipated benefits from such projects in relation to their costs;
- (4) The need for marketing research with respect to any market development activity; and
  - (5) Other relevant factors.
- (c) If the committee concludes that a program of research and development should be undertaken, or continued, in any fiscal period, it shall submit the following for the approval of the Secretary:
- (1) Its recommendations as to the funds to be obtained pursuant to §§ 956.42 and 956.45;
- (2) Its recommendations as to any research projects; and
- (3) Its recommendations as to promotion activity and paid advertising.
- (d) Upon conclusion of each activity, but at least annually, the committee shall summarize and report the results of such activity to the Secretary.
- (e) All marketing promotion activity engaged in by the committee, including paid advertising, shall be subject to the following terms and conditions:
- (1) No marketing promotion, including paid advertising, shall refer to any private brand, private trademark, or private trade name;
- (2) No promotion or advertising shall disparage the quality, use, value, or sale of like or any other agricultural commodity or product, and no false or unwarranted claims shall be made in connection with the product; and
- (3) No promotion or advertising shall be undertaken without reason to believe that returns to producers will be improved by such activity.

#### REGULATION

## § 956.60 Marketing policy.

(a) *Preparation*. Prior to each marketing season, the committee shall consider and prepare a proposed policy

for the marketing of Walla Walla Sweet Onions. In developing its marketing policy, the committee shall investigate relevant supply and demand conditions for Walla Walla Sweet Onions. In such investigations, the committee shall give appropriate consideration to the following:

- (1) Market prices for sweet onions, including prices by variety, grade, size, quality, and maturity, and by different packs:
- (2) Supply of sweet onions by grade, size, quality, maturity, and variety in the production area and in other sweet onion producing sections:
- (3) The trend and level of consumer income:
- (4) Establishing and maintaining orderly marketing conditions for Walla Walla Sweet Onions:
- (5) Orderly marketing of Walla Walla Sweet Onions as will be in the public interest; and
  - (6) Other relevant factors.
- (b) Reports. (1) The committee shall submit a report to the Secretary setting forth the aforesaid marketing policy, and the committee shall notify producers and handlers of the contents of such report.
- (2) In the event it becomes advisable to shift from such marketing policy because of changed supply and demand conditions, the committee shall prepare an amended or revised marketing policy in accordance with the manner previously outlined. The committee shall submit a report thereon to the Secretary and notify producers and handlers of the contents of such report on the revised or amended marketing policy.

 $[64~{\rm FR}~4933,~{\rm Feb.}~1,~1999]$ 

# § 956.61 Recommendation for regulations.

The committee shall recommend regulations to the Secretary whenever it deems it advisable, as provided in §956.62. The committee also may recommend modification, suspension, or termination of any regulation, or amendments thereto, in order to facilitate the handling of Walla Walla Sweet Onions for the purposes authorized in §956.63. The committee may also recommend amendment, modification,

#### § 956.62

termination, or suspension of any regulation issued under this part.

#### §956.62 Issuance of regulations.

- (a) Except as otherwise provided in this part, the Secretary shall limit the shipment of Walla Walla Sweet Onions by any one or more of the methods hereinafter set forth whenever the Secretary finds from the recommendations and information submitted by the committee, or from other available information, that such regulation would tend to effectuate the declared policy of the Act. Such limitation may:
- (1) Regulate in any or all portions of the production area, the handling of particular grades, sizes, qualities, or maturities of any or all varieties of Walla Walla Sweet Onions, or combinations thereof, during any period or periods;
- (2) Regulate the handling of particular grades, sizes, qualities, or maturities of Walla Walla Sweet Onions differently, for different varieties or packs, or for any combination of the foregoing, during any period or periods;
- (3) Provide a method, through rules and regulations issued pursuant to this part, for fixing the size, capacity, weight, dimensions, markings or pack of the container or containers, which may be used in the packaging or handling of Walla Walla Sweet Onions, including appropriate logo or other container markings to identify the contents thereof:
- (4) Regulate the handling of Walla Walla Sweet Onions by establishing, in terms of grades, sizes, or both, minimum standards of quality and maturity.
- (b) The Secretary may amend any regulation issued under this part whenever the Secretary finds that such amendment would tend to effectuate the declared policy of the Act. The Secretary may also terminate or suspend any regulation or amendment thereof whenever the Secretary finds that such regulation or amendment obstructs or no longer tends to effectuate the declared policy of the Act.

[64 FR 4933, Feb. 1, 1999]

# §956.63 Handling for specified purposes.

Upon the basis of recommendations and information submitted by the committee, or other available information, the Secretary may issue special regulations, or modify, suspend, or terminate requirements in effect pursuant to §§ 956.42 and 956.62 or any combination thereof, in order to facilitate the handling of onions for the following purposes:

- (a) Shipments of Walla Walla Sweet Onions for relief or to charitable institutions:
- (b) Shipments of Walla Walla Sweet Onions for livestock feed;
- (c) Shipments of Walla Walla Sweet Onions for planting and for plants;
- (d) Shipments of Walla Walla Sweet Onions as salad onions;
- (e) Shipments of Walla Walla Sweet Onions for all processing uses including, pickling, peeling, dehydration, juicing, or other processing;
- $\begin{array}{c} \hbox{(f) Shipments of Walla Walla Sweet} \\ \hbox{Onions for disposal;} \end{array}$
- (g) Shipments of Walla Walla Sweet Onions for seed:
- (h) Shipments of Walla Walla Sweet Onions for packing or storing within the production area or outside the production area, but within specified locations in the States of Oregon and Washington; and
- (i) Shipments of Walla Walla Sweet Onions for other purposes which may be specified.

### §956.64 Minimum quantities.

During any period in which shipments of Walla Walla Sweet Onions are regulated pursuant to this part, each handler may handle up to, but not to exceed, 2,000 pounds of Walla Walla Sweet Onions per shipment without regard to the inspection requirements of this part: Provided, That such Walla Walla Sweet Onion shipments meet the minimum requirements in effect at the time of the shipment pursuant to §956.62. The committee, with the approval of the Secretary, may recommend modifications to this section and the establishment of such other minimum quantities below which Walla Walla Sweet Onion shipments will be free from the requirements in,