

annual meeting report: trends of processing, consumption around the world

During the 76th AOCS annual meeting held during May, the symposium on "Trends in Edible Oil Processing and Consumption in Various Parts of the World" included 10 papers on various geographical areas. The following report by JAOCs' Barbara Fitch Haumann is based on those presentations.

An all-day session on trends in edible oil processing and consumption around the world held at the AOCS annual meeting focussed on the industry in Europe, Central America, Canada, Asia and the People's Republic of China.

supply and demand

Exploring the dynamics behind supply and demand in the oils and fats industry, Kurt Berger of the Palm Oil Research Institute of Malaysia (PORIM) said tradition plays an important role in the type and quantity of fat demanded.

"Man is very slow to change habits, particularly with food," Berger said. He pointed to West Germany and Austria, for example, where traditional animal husbandry has resulted in consumption based on solid fats. Other areas, such as southern Europe and other hot climates, consume more liquid oils. "For example, olive oil isn't just a food in Italy but it is a religion," he said, adding, "What your grandmother served up is what you want, on the whole."

The invention of margarine, he said, was successful because margarine behaved like butter while showing better

keeping qualities. In the United Kingdom, margarine consumption has shown solid growth since 1880 while demand for butter, always a popular item, dropped during World War II and never has recovered. In the United States, margarine did not catch on until World War II. While U.S. consumption has leveled off recently, margarine outsells butter.

Berger said recent USDA data shows butter and lard usage has declined substantially in the U.S. while liquid oil consumption has climbed. "There is a clear indication of a substantial break with tradition," Berger said.

In India, the product comparable to butter is ghee, obtained by boiling the water out of butter and allowing the butter oil to crystallize into a granular product. In 1930, vanaspati, a mixture of hydrogenated vegetable oils that behaved in the same way, was discovered. "Vanaspati is to margarine what margarine is to butter," Berger said, explaining that vanaspati production has increased nearly one million metric tons (MT) annually in India, with similar products being developed in other countries.

The size of demand, Berger said, is dominated by population and growth in prosperity. "Population growth has forced India into becoming the largest importer of oils and fats within a few years," he explained, predicting India will have a deficit of up to 7.0 million MT of fats and oils by the year 2000 unless domestic production picks up substantially.

In contrast, he said, China has restrained its population growth, increased its oilseed production and kept

supply and demand in balance, although at a rather low per capita level.

"World Bank statistics over a period of years have shown that there is an average relationship between per capita income and consumption," he added. For instance, South Korea has shown remarkable economic growth with a pattern of increasing consumption between 1965 and 1980 corresponding to rising income. To help meet the demand, South Korea greatly increased its palm oil imports. Meanwhile, Russia, Pakistan and India also increased palm oil imports. "This leads to a chicken or egg question," Berger noted. "Which came first, the abundance or the demand?"

He said the dynamics of supply are perhaps more straightforward. Palm oil, palm kernel oil and soy oil growth have been ahead of other oils, which have shown static or diminishing growth. Rapeseed, meanwhile, has shown average growth. "Supply is going to continue to grow during the next two decades at least," Berger predicted.

The "less cheerful side of supply," he said, has included the drought in Africa which has adversely affected oilseed production, particularly peanuts. "Exports have slumped to zero in Senegal," he noted.

Meanwhile, for a number of reasons, whale oil production "is close to zero now," while fish oil usage has jumped from one half million MT to about 1 million MT, Berger said. "Fish oil is low in cost, good if refined properly and has excellent properties," he said.

Berger also noted changes in processing, and cited the rapid development of the Malaysian refining and

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processing industry. "In 1974 exports were about 800,000 MT of crude palm oil, while in 1984 exports were more than 3 million MT of processed oil, mostly in the form of refined oil, olein and stearin, with only 2% of this quantity exported as crude oil," he said. The trend to export processed products also is seen in Africa which, in 1958, exported 75% of its peanuts in nut form, but now exports 15% in nut form, with the rest as oil or meal.

Future potential, he said, could lie in currently untapped resources. "At the top of the list is undoubtedly the oil from rice bran. If it were all recovered for human food, 2.8 million MT would be available from the present world harvest," he said. Next in potential are the edible oils in unharvested forest seeds, particularly in India and Brazil. These, such as sal, mahua, neem, karanja and kusun, have potential as confectionery fats.

Noting that prospects are favorable, Berger said that if the world remains at peace, growth in demand will continue, with adequate supplies available.

europa

Roger Leysen of the American Soybean Association's Belgian office discussed soy oil processing and use in the European Economic Community. Noting that the EEC is an important market for American soybeans, Leysen estimated EEC soybean crushing capacity at 13 million MT, with U.S. soybean exports to the EEC fluctuating around 10 million MT annually. In 1984, Leysen said, the EEC consumed more than 15 million MT of soy meal, including imports of meal mainly from Brazil. Capable of generating 2.4 million MT of soy oil a year, the EEC had an apparent consumption (production plus import-export of crude oil) of only 1.4 million MT in 1983. Exports of soy oil from the EEC to other countries are steadily increasing, as is consumption, he added.

The EEC market for vegetable oils is extremely competitive. "European manufacturers of vegetable oils, margarines and shortenings have learned to become very flexible, and they adapt

their production to the prevailing market conditions," Leysen said, adding, "Politically, the EEC pushes to self-sufficiency for fats, oils and proteins, heavily supporting rapeseed and sunflowerseed production." The rapeseed crop increased from 2 million MT in 1981/82 to an expected 3 million MT in 1984/85, while sunflower production increased from 500,000 MT to more than 1.1 million MT. "The shift to domestic seed supplies will continue to be significant in the future, depending unfortunately on political decisions about the level of support prices," he said. "This, together with Brazilian soybean meal import pressures, has pushed the EEC crushers to adapt their plants for multiseed processing."

While soy oil still leads the EEC oil market, Leysen said sunflowerseed oil now leads in France and rapeseed leads in the United Kingdom. Leysen pointed out that rapeseed oil and soy oil consumption in France are hampered by regulations prohibiting the sale as a frying oil of any vegetable oil which contains more than 2% linolenic acid. Soy oil is used as a salad oil and also for frying. In addition, a hydrogenated winterized soy oil is now available as a liquid oil. Leysen noted that EEC crushers, refiners and food

manufacturers are convinced that higher quality demands are needed for all raw materials and food ingredients. "We therefore see in the EEC the development of several 'new' processes providing such better products," Leysen said, citing those of superdegumming, the Alcon process and acid degumming.

Leysen said superdegumming was developed as a pretreatment of oils and fats for physical refining. With this process, an oil with less than 30 ppm phosphorus can be obtained. In the Alcon process, soybean flakes are subjected to a moisture-heat treatment to inactivate the phospholipase, resulting in a pronounced decrease in phosphatide content in the crude degummed soy oil. Acid degumming, meanwhile, was developed in the Netherlands by the Central Institute for Food Research. It consists of degumming using formic acid.

"Most of these techniques were developed because of energy saving efforts or because of new, more stringent waste water regulations. These techniques are also to be seen as a pretreatment for physical refining. Physical refining of soy oil, however, is not yet accepted by everyone because fears exist that not all qualities of crude degummed soy oil can be pro-

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cessed with a good quality refined soy oil as a result," Leysen said.

Leysen predicted a further shift from animal to vegetable oils and fats in the EEC margarine industry. Already, he said, blends of butter with vegetable oils, mostly soy oil, have appeared.

In addition, he said, there will be more work done to make analytical methods more sophisticated and sensitive, and more emphasis on seed selection, plant breeding and cloning. In the area of processing, Leysen said, the commercial application of supercritical gas extraction appears unlikely because of large capital costs. However, several membrane filtration processes have been patented for removing phosphatides from crude oils, and work is under way on enzymatical esterification to produce a margarine more closely resembling butter.

central america

Reviewing the edible oil industry in Central America, Carlos Farner of O.S.T.I., Neumunz Inc., Guatemala, noted decreasing domestic production and increasing imports of oilseeds.

While Central America was nearly self-sufficient in edible oil supplies until 1975, currently it relies on imports for 70% of its needs, mainly to Nicaragua, Guatemala and El Salvador. Honduras, the only country that has remained self-sufficient, has increased palm oil production from 25,000 MT in 1980 to an expected 50,000 MT this year, providing an excess for export. Costa Rica, meanwhile, has maintained its palm oil production at approximately 40,000 MT. Panama, he noted, always has imported all fats and oils for edible usage. Guatemala, meanwhile, has seen cottonseed production drop from 245,000 MT in 1980 to 67,000 MT in 1983. The trend to diminishing domestic oilseed production has continued throughout most of Central America during the past 10 to 20 years, he said.

"It is obvious that Central America needs large investments in oilseed

development," Farner said. A limiting factor, however, is Latin America's large public external debt.

Meanwhile, Central America's per capita consumption of edible oils has grown. Currently, per capita consumption is estimated at 17 pounds annually and is projected to grow to 22.4 pounds per person by the year 2000. "There definitely will be an increase in per capita consumption," he predicted, noting that Central America's current edible oil needs total approximately 385 million pounds.

"Unless something completely different happens soon, I don't feel Central America will ever produce more than 350 to 400 million pounds of edible fats a year," Farner said, adding that the population there is expected to reach 40 million people by the year 2000, requiring approximately 880 million pounds of edible fats and oils, while production probably will increase only by 100 million pounds. "We expect to continue importing a lot for our needs," he said, explaining that Central America probably will be able to obtain enough fats and oils to meet its needs until the year 2000. "In the year 2000, we will reach a point where there is no solution—unless things change," Farner warned.

Farner said the fats and oils industry changed 10 years ago. "New oils were being imported. This meant processors had to learn technology to handle the different oils," he said. Work has included a continuous process to handle coconut oil and efforts to produce oleochemicals locally. Refineries are modern, he added.

Suggesting that Central America needs assistance to develop its edible oil industry, Farner said, "It needs help with no strings attached." This might include help in obtaining new products and subsequent investment to help produce these domestically, he said.

canada

Two speakers covered the edible oil industry in Canada. John Ward of Nabisco Brands Ltd. of Canada discussed influences on edible oil supply

and demand, while Mark Pickard of CSP Foods Lt., co-author with Robert Wiggins and Don Loewen, focussed on consumption and processing.

Ward noted that, originally, Canadian crushers handled primarily U.S. soybeans. However, in the 1950s and 1960s, rapeseed planting was encouraged, leading to the development of Canada's canola crop. Currently, canola is the primary oilseed, with some soybeans and sunflowers grown as well. In southern Ontario, soybeans average 30 bushels per acre yields, with 18% to 20% oil content. "Heat units are the restrictions to growing soybeans here," Ward explained. In western Canada, oilseed cultivation is limited due to a short growing season of 100 frost free days. Near the United States-Canadian border, some areas are suitable for growing sunflower.

Currently, Ward said, canola is grown on 7 to 10 million acres a year, yielding 20 bushels an acre with 42% oil content.

One factor encouraging production has been the use of more powerful locomotives and larger train cars, with preferential freight rates provided. By 1970, rapeseed had been developed for use in margarine and foods. Four years later, good yielding varieties low in erucic acid were established. The next step was development of low glucosinolate varieties.

In the last several years, Ward said, domestic crush, export and seed uses have outstripped production. The reason was a large crop carryover. By June 1984, however, "We were really scraping the bottom," Ward said.

Pickard, meanwhile, explained that Canada has the highest per capita consumption of canola oil in the world. In 1960/61, 763,000 acres producing 252,000 MT of canola were planted; by 1984/85, that area had grown to 7,288,000 acres, yielding 3,205,900 MT of canola.

Crushing capacity, he said, now totals 4,120 MT a day at seven facilities. Of the oil consumed in Canada, 49.8% is canola oil and 31% is soy oil. Daily per capita consumption of rapeseed oil in Canada is 26 grams a day, compared to 20 grams per day in Eastern Europe, 16 grams per day in

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Western Europe and 9 grams in Japan. This consumption is increasing, he said. Figures for 1983 showed 72% of the canola oil used domestically went into margarines or shortening and frying oil, while 28% was used in liquid salad oils.

Pickard said research conducted through the Canola Council of Canada has made acid degumming of canola oil possible to reduce phosphorus levels. The most common problem faced by processors, he said, is adequate color removal. Predicting that smaller plants will go out of business, Pickard said the future will see fewer but larger computer-controlled facilities.

asia

Lars Wiedermann of the American Soybean Association's Singapore office noted that Asia represents large populations with varied agricultural traditions and cultural eating habits. Because of this diversity, Wiedermann divided the area into several sections: South Asia, including Pakistan, India and Bangladesh; Southeast Asia, including Thailand, the Philippines, Malaysia, Singapore and Indonesia, and the Far East, under Japanese influence, including Japan, South Korea and Taiwan.

Traditionally, consumption of fats and oils has been low in these regions. "Fats and oils are a scarce commodity. They are available as indigenously grown and imported. These countries are lucky to hold per capita levels up, let alone increase the figures," he said.

south asia

India is the largest importer of fats and oils, importing two-thirds for its consumption. Pakistan also imports a significant amount for its use. However, Wiedermann pointed out, such third world countries do not have funds to purchase adequate supplies of fats and oils or food. "The population increases are skewed toward lower economic peoples," he said.

In India, the main crops are peanuts and high erucic rapeseed, with some production of cottonseed oil and coco-

nut oils. India also imports soy and palm. "The rate of oilseed production in India has not kept up with population," Wiedermann said, adding that per capita consumption of fats and oils in India is 5.5 to 6 kilos a year. In Bangladesh, some rapeseed is grown domestically. Per capita fats and oils consumption there, however, is "desperate," Wiedermann said, putting it at slightly over 2 kilos a year. Pakistan, meanwhile, has an average per capita consumption rate for fats and oils of 8 to 9 kilos a year. Wiedermann added that in the urban areas, representing 25% of the population, per capita consumption is approximately 24.6 kilos a year while in the rural areas, it is nearer 4 kilos.

In South Asian countries, Wiedermann noted, vanaspati, or hydrogenated fat, is the form of fat consumed. This provides poor baking quality as it lacks functionality.

Processing includes 12 continuous stainless steel deodorizing facilities in India and one in Pakistan.

southeast asia

Wiedermann said oilseeds are physically refined in Southeast Asia. There also is a shift to alkali refining to improve oil quality and because of a decrease in soft oil usage.

Wiedermann, noting there are only 10 hydrogenation units in the region, said liquid oils are preferred throughout Southeast Asia. Also, coconut oil is preferred for flavor although some quantities are being replaced by palm olein.

In Thailand, fat consumption is 2.5 kilos a year per capita. Thailand imports soybean and palm oils and some coconut. Malaysia is the largest producer of palm oil products. There is margarine production, mostly for non-refrigerated products, and some shortening blends, although very little soy oil is used in these. Malaysia's per capita consumption is 15 kilos a year, he said.

Indonesia, meanwhile, produces 99% of its needs in palm and coconut oil.

Per capita fats and oils consumption is 10 kilos a year. Foods include tempeh made from soybeans and peanuts consumed as vegetables. Wiedermann said Indonesia's palm oil industry is new and uses modern technology.

In the Philippines, the edible oil crushing industry is having severe difficulties, Wiedermann noted, explaining this is due to a lack of government support for coconut production. "When the economy improves, we will see more soybean extraction here," he predicted.

Focussing on the Malaysian palm oil processing industry, another speaker, Malcolm MacLellan of PORIM, noted that a total of 1,361,178 hectares was devoted to palm production in 1984. According to MacLellan, planted acreage increased 450.2% between 1960 and 1970 and 352.8% between 1970 and 1984. Meanwhile, oil production grew 369.6% between 1960 and 1970 and 760.7% between 1970 and 1984. In 1970, there were 46 mills handling palm. By 1985, this had grown to 221 mills, with an additional 45 mills expected to be commissioned during 1985. MacLellan estimated total installed capacity at 7,986 MT fresh fruit bunch per hour. Refineries, numbering five in 1973, now total 54 with capacity to handle 4.96 million MT annually.

MacLellan said Malaysia will continue to be a major exporter of palm oil, mostly processed oil. He also sees expanded production of fractionated products.

Processing techniques also are becoming more sophisticated, he said, noting increasing use of diaphragm filter presses and separation under pressure. Newer processing, he said, will mean an increase in the olein yield.

Another speaker, consultant Richard Purdy, presented an overview of the coconut industry in the Philippines. Co-author of the report was Norberto Coronel of San Pablo Manufacturing Corp.

Noting references to copra trading as early as 1521, Purdy said commercial planting began in 1642, and that by 1909, copra's share of total Philippine exports had reached 22%. Be-

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tween 1917 and 1941, 90 to 99% of Philippine coconut oil exports and 50% of her copra went to the United States. World War I sparked processing advances. However, all milling activities stopped during World War II and it was not until the early 1960s that oil production reached pre-war levels, he said.

Prior to 1920, edible fats and oils in the Philippines consisted primarily of imported lard and peanut oil. In 1919, Purico was introduced as the country's first coconut oil-based shortening. Coconut oil-based margarine and cooking oil followed. After World War II, the fats and oils industry in the Philippines was multi-national in nature, with a large segment controlled by American, European and Japanese interests. Beginning in the early 1970s, steps were taken toward the complete "rationalization" of the industry. The Coconut Consumers Stabilization Fund was set up, placing a levy on domestic copra purchases to subsidize domestic purchases of cooking oil and laundry soap. In 1974, a presidential decree supported replacing old tall coconut trees with higher yielding short hybrids. Levy funds later were diverted to acquire what became the United Coconut Planters Bank. In 1979, a presidential letter directed the bank to use the fund to establish the United Coconut Oil Mills (UNICOM). UNICOM was to be a joint venture for coconut farmers and the coconut mills placed under its administration. At the end of 1984, Purdy said, UNICOM mills accounted for 47% of the Philippine milling capacity.

Purdy said a levy suspension in August 1982 hurt the industry's productivity programs but that in September 1984 a decree was issued to use 10% of export taxes on coconut oil products to continue the replanting program.

Today, the Philippine islands are the largest coconut producer. For the crop year ending 1983, the Philippines produced 2.25 million MT of copra, representing 48.6% of the world total of 4.6 million MT. Forty-two percent of the country's exports went to U.S. markets, 41% to European markets

and the remainder to Russia, China, Japan, Australia and Canada.

While oil exports dropped by almost one-half in 1984, the aggregate value increased 10% because of higher prices, Purdy said. The U.S. was the biggest buyer, followed by Western Europe. Copra meal exports go almost exclusively to Western European feed compounders.

At the end of 1983, 3.2 million hectares were planted in coconut trees. In 1983, 2.15 million tons of nuts were produced; of this, 90% was converted to copra. Current planted area represents a 70% increase over that in 1970, resulting in a 65% increase in nuts produced.

Native varieties, Purdy said, take seven years to produce, then continue to produce sporadically until 10 to 15 years old before reaching maturity. The new hybrids of African origin bear fruit within four to five years. Purdy said the hybrid replanting program, which started in 1974, covered 37,000 hectares by 1984.

As of mid-1984, 48 oil mills were in operation, with total annual crushing capacity of 3.3 million tons of copra. Capacity is 60% utilized, he said. The largest mill is the Granex Plant at Illigan, Mindanao, formerly owned by Cargill, with 1,000 MT daily capacity. Six mills have capacities between 500 and 800 MT, and 16 between 200 and 450 MT.

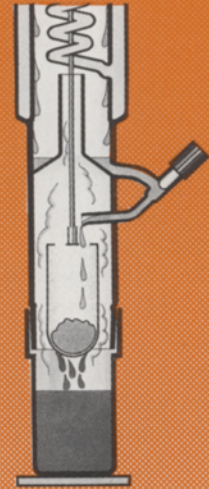
In addition, there are 21 coconut oil refineries, ranging from 30 to 180 MT per day capacities for fully refined edible oil and 100 to 300 MT of cochin, or semi-refined, oil.

Purdy predicted the combined edible and cochin production capacity soon will double, with the start-up of farmer-owned Countryside Millers' three refineries, each producing 350 MT daily. The plants will be in San Pablo, Luzon and the Mindanao cities of Zamboanga and Illigan. All three will have physical refining capabilities.

Because of higher ambient temperature in the Philippines, edible coconut oil is a liquid. Shortening is compounded from liquid coconut oil and imported hydrogenated palm oil. The second major use for edible coconut

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oil is in reconstituted milk products requiring the addition of corn oil. Laundry soap is another outlet for oil and refinery soapstock.

Purdy predicted coconut oil derived chemicals will provide future value added exports. UNICHEM, a farmer-owned enterprise using German technology, has been organized recently. Fatty chemical exports in 1984 totalled 55,000 MT, including fatty acids, alcohols and methyl esters shipped mostly to Japan.

Citing the 1985 presidential decree disbanding UNICOM, Purdy said the United Coconut Plants Bank has since initiated formation of nine trading companies funded by the Coconut Industry Investment Fund. "It has been suggested that each of the trading companies will be affiliated on a regional basis with the individual UNICOM mills, but would be able to themselves acquire and maintain operations associated with the coconut oil industry," Purdy said.

far east

The Far East produces only a few oilseeds, ASA's Wiedermann said, so it must import most of what it uses. Crushing facilities are modern, using high level technologies. Japan uses soybeans and rapeseed, while soy oil predominates in Taiwan. Facilities in the region are large, handling 500 to 2,000 MT per day. Taiwan currently is building extraction facilities. South Korea, meanwhile, imports soy, palm and tallow, with liquid oils consumed directly and palm and tallow used for frying.

Another oil used in various parts of Asia is rice bran oil. Currently, he said, rice bran oil deteriorates quite rapidly.

china

John Woerfel, who has traveled to China four times since 1982 as a consultant for the American Soybean Association, noted that soybeans are a major food crop in China, the world's third largest soybean producer. Soybeans are grown throughout China although most intensively in the northern provinces of Lianoning, Jilin and Heilong Jiang. Woerfel said Dalian,

an industrial city and seaport on the Yellow Sea, is reported to be the principal soybean processing center.

Soybeans are consumed mostly as traditional foods such as sprouts, sauce, milk, curd and paste. Only about 20% of the crop is crushed for oil and meal. Other important oilseed crops include peanuts, rapeseed, sesame sunflower, cottonseed and linseed. Many of the extraction plants process several types of oil.

Noting that only one batch solvent extraction plant existed in China before 1954, Woerfel said experimentation began in 1954 on continuous rotary type extractors. Two years later, the first continuous solvent plant was constructed with a capacity of 40 tons a day. In 1958, a plant for direct extraction of cottonseed was imported and later modified for prepress. During the 1960s, extraction plants employing batch, rotary, continuous belt and loop type extractors were constructed.

Woerfel said most of the equipment has been designed and built in China as part of that country's effort to minimize dependence on other countries.

None of the facilities has soybean dryers. Instead, soybeans are spread on straw mats and dried in the sun. Transportation facilities are limited. Railroads are the primary transportation, while barges are common on canals and rivers. Soybeans are stored and transported in sacks.

Soybeans are processed without dehulling. Woerfel noted that Chinese soybeans reportedly have higher protein and lower oil content than U.S. soybeans and, even when not dehulled, yield a meal with 48 to 50% protein. Woerfel said soybeans are thoroughly cleaned for processing. Conditioning is done in four or five high stack cookers, and flaking rolls are conventional. "The unique feature of preparation is drying the flakes to 8% moisture content. This is done in steam heated tunnel dryers between the flaking and extraction," he said. Also, high oil content seeds generally are prepressed.

All solvent extraction facilities now have rotary extractors, with plant capacities varying from 100 to 480 tons a day. Refining facilities, he said, are quite rudimentary.

Two facilities Woerfel has visited have installed new refineries. One, entirely designed and constructed in Shanghai, features continuous degumming, refining and vacuum bleaching. Another plant in Beijing has imported a short mix system for 200 tons a day. That plant also features continuous degumming, vacuum bleaching and a continuous deodorizer with high temperature heating.

Another facility for hydrogenating vegetable oils and producing shortening and margarine was completed last October and is managed by the Ministry of Light Industries. "To my knowledge, this is the only plant currently hydrogenating vegetable oils," he said.

Woerfel said the Xian Institute of Oils and Fats plans to construct a complete oil processing pilot plant to do research with rapeseed, cottonseed, sunflowerseed, vegetable tallow and soybeans.

"There is keen interest in getting technology for flash desolventizing and manufacturing higher quality TSP (textured soy protein) as well as protein concentrates and isolates," Woerfel said, noting interest in expanding the use of soy protein in human food. Goals expressed by soybean industry spokesmen were to modernize their factories and to develop and expand production of new products, including high quality refined oil, margarine, shortening, hard butters, mayonnaise, improved quality meal, textured soy protein, soy concentrates and isolates.

Woerfel predicted that in the immediate future, existing extraction facilities will continue to be upgraded and new refineries will be added, as will additional margarine, shortening and soy protein facilities. "These will probably be modest in size, about 50 tons per day for margarine plants and 10 tons per day for edible protein," he said.

Woerfel also sees the potential for construction of a large extraction plant, or plants, at a seaport such as Dalian. "These could be supplied by rail with Chinese soybeans from the interior and by sea with imported soybeans," he said, suggesting that such a project could be undertaken as a joint venture, a popular idea with the Chinese.



Philadelphia local committee stuffs portfolios for registrants.



International participants included (from left) Ichiro Hara of Japan, Enzo Fedeli of Italy, Andre Prevot of France and Horst Baumann of Germany.



1,800 attend Philadelphia meeting



Scale models are popular attractions in exhibit hall.



Personal contacts are significant value of professional meetings.

Approximately 1,800 persons attended the 76th annual meeting of the American Oil Chemists' Society held May 5-9, 1985, in Philadelphia, the largest AOCS annual meeting ever held.

There were several "firsts" at the meeting. Joyce Beare-Rogers of Canada became AOCS' first woman president, succeeding Nicholas Pelick of Supelco Inc. She also became the first non-resident of the United States to serve as AOCS president. The first annual fat people's fun run was held, drawing more than 80 entrants for a five-kilometer run along the Schuylkill River. Approximately 700 persons attended the May 8 banquet, for the first time an optional social event.

More than 315 presentations were given during three and one-half days of technical sessions attended by approximately 1,250 technical registrants. Initial ratings from registrants' meeting evaluation questionnaires showed most persons rating the technical program "good" or "fair" as to content and presentation. Some registrants saw what they termed "excellent" slides, but others said they saw more "poor" slides than good ones. Many technical sessions were standing room only, including a session on "productivity management," a non-technical topic.

One disappointment was the cancellation of two plenary session speakers. Melvin Calvin, a recipient of the Nobel Prize in chemistry, notified organizers a week before the

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speaking of monetary contributions. You, as leaders, must continue to support AOCS. Volunteerism is men and women of business who think highly of their profession.

As president for one year, one has to set goals. And as past president, one should continue with these priorities until the goals are reached.

Many of you have heard from me regarding the AOCS foundation project. As you can imagine, this is by far my No. 1 priority. With your help, our goal of \$385,000 will be met. Thanks for these corporate pledges:

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Can. Inst. of Edible Oil Foods	18,000
Bunge	15,000
Staley	15,000
Nabisco Brands	6,000
Sherex	6,000
Witco	5,000
NE Section	2,250
P&G Food Prod. Division (Wharton)	2,000
Honeymead	2,000
Armour-Dial	1,500
NC Section	1,000

After the Dallas meeting, I mailed a letter to many of you asking for support. It was a very successful effort; we had responses from all continents and raised close to \$5,000. Thanks to all of you for your help.

I also want to say something about the certified chemists program.

Over the years, AOCS has simply used its Smalley check sample program and the methodology of "the Book" to assist the Examination Board in determining when a chemist, in a specific lab, has shown the competence to do particular analyses. We list the names of those chemists and laboratories that have successfully completed the Smalley program in our *JAOCS*. And from that list, certain trade associations have selected them (by the association's own choice) to be trade association referees.

This worked for a long time, but after reports of some shoddy results, the trade associations recently raised a ruckus on the quality of work by AOCS referees. Well, in the first place, AOCS was never in the business to ride herd on referees or certified chemists. The program was really a means for individuals to use the Smalley check sample as a way of measuring their ability to work up results. Now the trade groups insist that AOCS not only certify referee chemists, but decertify if required, through monitoring and policing the system. The ultimate decertification, if approved, will probably be made by the AOCS Governing Board. As you can see, a lot of legal questions are being raised and solutions also are being worked out. I'm sure one main topic of conversation for this annual meeting will be this subject.

On fiscal matters, at present AOCS provides one dollar of services for every eight cents members pay in dues. The other 92 cents comes largely from monographs and methods, conferences and short courses, advertising revenues and

investment income.

Many of us who have benefited from AOCS membership throughout our professional careers feel that it has done as much for us as our colleges and universities. Perhaps, like universities, AOCS should encourage affluent members to consider donations and living trusts.

A number of years ago, the Governing Board directed that AOCS have a reserve fund equal to the cost of one year's operation. Today, I'm pleased to say, our reserves represent 41% of our total assets. We have these reserve funds invested in CD's, money market funds, government bonds and stock funds. And, as in business, we too must protect our continuity.

We are continuing to strive to be worldwide leaders of expanding developments and technologies.

We recently completed a highly successful world conference that was held in Malaysia on palm, palm kernel and coconut oil processing.

In the fall, another world conference will be held in Cannes on emerging technologies in fats and oils. At this conference you will be hearing about biotechnology as another new way of telling an exciting story of chemistry and the changing times.

Biotechnology today is characterized by a mix of caution and optimism—caution not to expect too much too soon, and optimism that much will be accomplished.

This is an era of exciting new technology that could have a tremendous effect on many of our businesses and research programs. And yet, today, chemistry is losing out in the competition for the best young students. Our industry is stifled. We're afraid to say much because of overzealous media groups. All we hear about are toxic chemicals and dioxin, not how chemistry has raised our standard of living, added to our quality of life and increased our life span.

If there is to be a future for oil chemists, we must create a better image. We must make a strong commitment to our own profession, and we must always be sure that our positions are in the public interest.

The primary purpose of the AOCS is to provide a suitable forum in which our diversified membership can exchange scientific data and new ideas through meetings, educational functions and publications. We must continue to do the very best here. There is no doubt that oil chemists can help themselves with positive, well documented presentations about the true and highly significant role of their work.

As you have heard previously, many successful conferences and special projects in the past six years have given us financial strength, despite an unsteady economy. As a result, the AOCS has grown in national and international stature. We are, I believe, the authoritative, worldwide spokesman for fats and oils.

I'd like to give recognition to this year's Governing Board, Joyce Beare-Rogers, vice president; Tim Mounts, treasurer; Bob Hastert, secretary; members-at-large Gerry Maerker, Neil Widlak and Dave Erickson; past presidents, Tom Smouse, Karl Zilch, Edward Perkins and Frank Naughton, and ex officio members Bill Tallent, Dick Baldwin, Ed Hahn, Bill Link, R.G. Krishnamurthy, Tom Applewhite and Jim Ridlehuber.

Special thanks also to my wife of 32 years, Dolly.

And, finally, I will have the distinct privilege at this meeting of turning the reins of the Society over to our first woman president of AOCS—Dr. Joyce Beare-Rogers.

Short courses ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

More than 230 persons attended three AOCS educational courses held in White Haven, Pennsylvania, the week before the AOCS annual meeting.

There were 118 registrants for a short course on processing and quality control of fats and oils and 79 registrants for a short course on applications of analytical methodology in fats and oils processing. Some persons attended both short courses, which were held consecutively.

A research conference on fat requirements for development and health attracted 52 registrants.

A series of four short courses is scheduled to be held immediately before the 1986 annual meeting in Hawaii.

Philadelphia hotel offers refunds on wrongful charges

Attendees at the AOCS annual meeting who stayed at the Wyndham Franklin Plaza Hotel may have been billed for uncompleted telephone calls or toll-free calls.

A new, computerized telephone billing system at the hotel automatically billed long distance telephone calls unless the caller hung up within a certain number of seconds after dialing. The new system, at the time of the meeting, could not allow for calls when a caller waits a long time for an answer before hanging up. It also could not distinguish toll-free calls.

If you were billed for incomplected or toll-free long distance calls by the hotel, please write to the hotel manager, provide a photocopy of your bill and explain which calls were improperly billed and why. The hotel has said it will pay a refund or arrange a credit for calls paid for with a credit card.



Some exhibits offer food samples.



Uniform Methods Committee chairman Bill Link, left, Technical Director David Berner.



Youngest Fun Run participant was Ebony Hardin, 8 months old in May, riding on the back of her mother, Marsha.



Registration desk is focal point on opening day of meeting.



Exhibits provide opportunity to learn what's new in equipment and services.



Governing Board members arrived for pre-meeting session in travel clothes.



Sunday evening mixer at Franklin Institute included chamber music.

Fats & Oils News

Cottonseed record forecast

World cottonseed production for 1984/85 is expected to reach a record 34.16 million metric tons (MT), according to USDA figures released in April. The German weekly *Oil World*, meanwhile, predicted production at 33 million MT.

Cottonseed production during 1983/84 totalled 27.26 million MT. Factors involved in the large increase in 1984 included a record Chinese cottonseed crop estimated at over 12 million MT and a 72% increase in the U.S. cottonseed crop over 1983 production.

Also, a record cottonseed crush of 26.58 million MT worldwide is forecast, compared to a crush of 21.6 million MT during the 1983/84 marketing year.

China is the largest cottonseed producer, with 12.15 million MT forecast for 1984/85. The U.S. is expected to have produced 4.81 million MT, compared to 2.79 million MT in 1983, while the USSR, with 4.6 million MT in 1983/84, is expected to produce 4.68 million MT. Other major producers include India, with 2.76 million MT; Pakistan, with 1.94 million MT, and Brazil, with 1.51 million MT.

World cottonseed oil production, according to USDA, is forecast at 4.17 million MT, compared to 3.39 million MT in 1983/84. China, the USSR, Egypt, India, the U.S. and Pakistan are major producers and consumers of cottonseed oil. Major cottonseed oil exporting countries are the U.S. and Brazil.

A five-year, country-by-country data report for cottonseed and products—Foreign Agriculture Circular Supplement—is available from Director, Information Division, Room 5918-S Foreign Agricultural Service, Washington, D.C. 20250.

Rancid oil test described

AOCS member William L. Porter of the U.S. Army Natick Research and Development Center presented a paper to the American Chemical Society meeting earlier this spring describing a new method to test oil-containing foods for rancid oils.

The test involves exposing a plastic powder to the foods, then heating. If the plastic fluoresces beyond a certain level under ultraviolet light, the oil may be rancid, Porter said.

The method is of interest to the Army because it can be used to test large volumes of foodstuffs quickly. The Army uses 800,000 gallons a year of salad dressings, now rated with a five-month shelf life.

The foods require no special preparation for the test, which Porter cited as a major advantage.

"Since our test works directly on foods, it should be possible to screen them right in their packaging without using any fancy or expensive equipment," Porter said. "All you have to do is put glass plates in the tops of a representative sampling of the foods. Then, on a regular basis, say once a month, someone could go by with a hand-held ultraviolet light and see if any of the plates glowed. If they did, then more careful instrumental measurements could be made."

Porter's lab already has tested potato chips, carrots and breakfast foods successfully, he said.

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Enzyme market growth forecast

Industrial enzymes usage in the United States by 1988 is expected to be approximately \$255 million, according to a report from Frost & Sullivan Inc., a market research firm.

Food usage, at \$140 million in 1983, is expected to reach \$190 million by 1988; pharmaceutical and medical usage, at \$30 million in 1983, is forecast to be \$40 million by 1988, and chemical usage, including use in detergents, was about \$10 million in 1983 and is forecast to be \$15 million by 1988.

Novo Industri of Denmark has more than 25% of the market, followed by G.B. Fermentations, subsidiary of Gist Brocade, about 20%, and Miles Labs, owned by Bayer A.G. of West Germany, about 10%, Frost & Sullivan said.

Copies of the report, Industrial Enzymes Market in the U.S. (#1185), are available for \$1,500 each from Frost & Sullivan, 106 Fulton St., New York, NY 10038, or from Frost & Sullivan Ltd., 104-112 Marylebone Lane, London, W1M 5FU, England.

Rutgers, China sign agreement

Rutgers University has signed an agreement for its food science department to cooperate with the food science and technology department at Huazhong (Central China) Agricultural College at Wuhan, Hubei, China.

The Rutgers department is to serve as a consultant to its counterpart at Huazhong Agricultural College, advising on establishment of a curriculum, construction of a new building and selection of equipment for laboratories and a pilot plant. The two institutions also are to exchange faculty and students.

The Ministry of Agriculture, Animal Husbandry and Fisheries in China is establishing food science departments at agricultural colleges and has decided to set up a model department at the Huazhong facility.

Former AOCS President Stephen S. Chang is chairman of the Rutgers University Department of Food Science and is a native of China.

Olive oil standards endorsed

Members of the International Olive Oil Council unanimously adopted trade standards for olive oils and olive-residue oils during the council's meeting in April in Madrid. The trade standards cover physical and chemical characteristics of such oils.

Council members were asked to initiate steps by their various governments to adopt the standards. The council also agreed to ask the United Nations-related Codex Alimentarius Commission to amend its standards for quality and composition relating to olive and olive-residue oils.

The council also heard a report that olive oil consumption recently had outstripped production, a reversal attributed to publicity efforts internationally and domestically by producer nations.

An international olive oil agreement, in force since 1979, was extended until December 1986, pending a review scheduled for mid-1986 in Geneva under auspices of the United Nations Council on Trade and Development.

An Apple a day . . .

An associate professor of chemistry at Michigan Technological University in Houghton, Michigan has created a role-playing computer game designed to help students understand organic chemistry.

"Synthetic Adventure," created by Fred D. Williams, is geared for college sophomores who are taking their first year of organic chemistry. "It's also fun for professors of organic chemistry," Williams says. The game is designed for Apple computers.

Players are presented with challenges and must ask the right question, draw the right conclusion or apply what they know about a chemical reaction to solve the problem. At one point in the game, players are challenged by a piece of fat which blocks the way.

"Synthetic Adventure" can be purchased from Williams at the Department of Chemistry, Michigan Technological University, Houghton, Michigan (telephone 906-487-2141), for \$30.

Signal honors

The Signal Research Center has presented Frederick C. Ramquist and Tamotsu Imai its Technological Achievement Award for creating a catalyst to more efficiently turn hydrocarbons found in kerosene into a petrochemical used to make biodegradable detergents. The two developed the DeH-7 Catalyst for the Pacol process, marketed by UOP Inc., a Des Plaines, Illinois, subsidiary of Signal. Meanwhile, AOCS member Robert F. Swenson was honored as one of the company's "unsung heroes" for his special contributions to the center in the area of chromatography.

News briefs

AOCS member Cecil R. Smith Jr. will conduct research on antitumor substances at the Institut de Chimie des Substances Naturelles in Gif-sur-Yvette, France, for the next two years. Smith, recipient of the 1984 Alton V. Bailey award given by the AOCS North Central Section, retired April 26, 1985 after 31½ years in governmental service, most of it spent at USDA's Northern Regional Research Center in Peoria, Illinois. Smith and his wife, Donna, left for France in May.

AOCS member Daniel P. French, chairman of the board of directors of the French Oil Mill Machinery Company, has been elected chief executive officer of the company. Meanwhile, Irvin G. Bieser Jr. has been elected company secretary. In other company appointments, Robert L. Wonsetler has been named product manager for injection molding machinery.

Cyclo Chemicals Corp. has named Brigitte Duprez as technical sales representative in the south central United States.

Buhler-Miag Inc., Minneapolis, has named Curt Schneider company vice chairman. Schneider had been president and chief executive officer since 1974. Replacing him in that capacity is Anthony P. Beer, formerly marketing director

Fats & Oils News

of the Food Processing Machinery Division, FMC Corp., in Chicago.

Paul R. Staley, president and chief executive officer of The PQ Corporation, received the Chemical Marketing Research Association Memorial Award for 1985. The Memorial Award is presented annually to a chemical industry executive for contributions to the understanding, acceptance, methods and knowledge of chemical marketing research.

Fritzsche Dodge & Olcott Inc. has promoted **Don Marmo** to manager of technical and organoleptic quality assurance in flavor production.

John W. Hale has been appointed market manager of food products at Eastman Chemical Products Inc. Meanwhile, the company has appointed **Spencer Snook** as market specialist for food products.

Robert H. Hettrich has been appointed manager of sales, pharmaceuticals and foods for Foster Wheeler USA Corporation.

Stepan Company has announced the following promotions: **Charles A. Brown**, western regional sales manager for surfactants; **Gregory Servatius**, surfactant sales representative, northwestern U.S.; **Joseph E. Lohr Jr.**, urethane applications manager; **Ljiljana M. Polak**, sales manager, Canada. Also, Stepan has appointed the Riverside Chemical Company,

North Tonawanda, NY, as its distributor for surfactant products in the western New York area.

The name of the former Signal UOP Research Center in Des Plaines, Illinois, has been changed to the **Signal Research Center Inc.**, with **Mary L. Good** as center president and director of research.

The **International Wheat Gluten Association (IWGA)** has moved its offices to Prairie Village, Kansas. The association's new address is 4510 W. 89 St., Prairie Village, KS 66207.

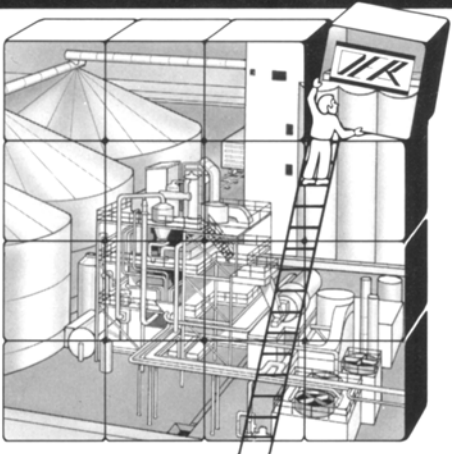
Kaiser Aluminum & Chemical Corporation in April centralized management of its chemical businesses by moving management of **Kaiser Chemicals** from Oakland, California, to Cleveland, Ohio, to join with operations of the Harshaw/Filtrol Partnership co-owned and managed by Kaiser. Among those moving to Cleveland was **Philip Grosso**, formerly vice president and general manager of the Diversified Chemicals group, to become vice president, business centers, Kaiser Chemicals. Others relocating were **Richard Damberg**, business manager of chlor-alkali/brine chemicals; **Bill Osborne**, business manager, specialty aluminas, and **Tom Yergovich**, business manager, fluorochemicals.

Obituary

M.E. BOOMER


Merton E. Boomer, past chairman of the AOCs Northern California Section, died April 27, 1985. Mr. Boomer had been a member of the AOCs since 1950. He operated his own consulting firm, the Merton E. Boomer Co.

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