Facing increased competition declining prices and new government regulations some California renderers are altering the way they do business creating challenges for meat producers other raw material suppliers and the rendering industry itself. Members of the Rendering Industry Advisory Board RIAB met in early May to not only receive an update on the California Department of Food and Agriculture CDFA inedible kitchen grease program but to advise the department on the industry concerns over two rendering companies ceasing to collect deadstock and meat and bone material in the central and northern part of the state. On the central coast of California Salinas Tallow stopped collecting meat by products and sold its grease collection routes to SeQuential of Portland Oregon in April. SeQuential is leasing the equipment at Salinas Tallow facility in Salinas to process the used cooking oil it collects in the region before shipping the product to its biodiesel plant in Salem Oregon. It was a very tough decision for Bill Ottone and to make being a family owned and operated business in its fourth generation that had been in business for years Phil Ottone of Salinas Tallow told Render. Our primary reason for selling was indeed FSMA Food Safety Modernization Act. We couldn justify spending a lot of money retrofitting our plant to be compliant. Other factors included Bill desire to retire and us not really having a succession plan in place as we didn have anybody from the next generation currently working for our company. We certainly had a good run and it was by no means a sale because of distress Ottone continued. The timing just seemed right for us. As for the meat by products Salinas Tallow previously collected other renderers in the state have stepped up to continue servicing those clients and material at this time but the location could eventually make it logistically difficult for these companies to continue. Meanwhile North State Rendering in Chico California notified its clients just days before the RIAB meeting that it would no longer be collecting their raw material. In a letter sent to customers in late April President Chris Ottone said North State Rendering will no longer be picking up your meat scraps offal hides or deadstock due to the decrease of the market value of the finished product trucking expense and processing of the product. This decision has been incredibly hard for our company to make. North State Rendering will continue to operate its used cooking oil and grease trap operations and anaerobic digester. As the only renderer north of Sacramento customers in the region are now scrambling to find an alternative. Sacramento Rendering has been fielding numerous calls for service and could perhaps reach some locations but many are hundreds of miles away from the renderer facility in the capital city or located in the difficult to reach northern coastal range where roads are winding and narrow. In addition a program in the state that subsidizes waste hauling companies for diversion of food waste is increasing competition for this material so renderers are hesitant to invest money in an area where others are provided government incentives. CDFA officials will discuss the situation with the state agriculture secretary for possible solutions. Meanwhile CDFA staff reported that grease theft activity in the state is down most likely due to lower prices for the material. Citations have been issued by California Highway Patrol CHP and local police departments in the northern part of California primarily because of improper registration documents to haul grease. CDFA inspectors will begin performing random interceptor grease trap and pumper manifest audits to ensure compliance and will provide CHP with an updated list of the vehicle codes that apply to the program for inclusion in officers ticket books. Visitors to the inedible kitchen grease program website can now search the database for grease haulers by decal and license plate number not just by decal. CDFA will also make available on the website a training presentation and will seek to fill a vacancy on the RIAB created after the resignation of Chris Ottone. The SAFE EASY way to.