

**Wisconsin Direct Diversion Processor’s Guide**

Q1: As a processor interested in participating in direct diversion of USDA Foods, how do I apply to participate in Wisconsin?

A1: Any interested processor can apply to participate in direct diversion processing of USDA Foods; however, as a part of the application process, processor must meet the following minimum requirements:

1. Approved USDA National Processing Agreement (NPA)
2. Completed *Intent to Participate Form*, *USDA Foods Checklist*, *Marketing Plan Determination Form* and, if applicable, *Processor Marketing Plan* submitted to DPI by the required deadline (August for participation the following school year)
3. Passing score for the *Processor Marketing Plan* (if applicable)

Q2: Are there any additional requirements for interested processors beyond the initial application requirements?

A2: Yes. In addition to the application requirements listed in Q1/A1 above, interested processors must also meet the following additional requirements:

1. For each bulk USDA Foods included on the *USDA Foods Checklist*, receive total state commitments of at least one-half truckload during the Wisconsin USDA Foods Annual Ordering Period (typically opens in late January for participation in the following school year)
2. For processors that meet the one-half truckload minimum requirement per bulk USDA Foods, completion of a Wisconsin State Participation Agreement (April/May completion for participation the following school year)

Q3: Do all eligible processors have to complete a *Processor Marketing Plan* on an annual basis?

A3: No. A *Processor Marketing Plan* is **ONLY** required for processors who fall into at least one of the following scenarios:

1. Processor has signed up to participate in the past three years. However, processor had one or more bulk USDA Foods that did not receive sufficient bulk pound commitments from schools for DPI to order the bulk USDA Foods. (*Processor Marketing Plan* only required for the bulk product(s) where processor did not receive sufficient bulk pound commitment for DPI to order the bulk product).
2. Processor has participated in the past, but is adding a new bulk USDA Foods for processing.
3. Processor is new to participate in direct diversion processing in the state of Wisconsin.

Q4: What is the purpose of the *Processor Marketing Plan*?

A4: The purpose of the *Processor Marketing Plan* is to provide DPI with the necessary information to determine if there is sufficient interest to add the bulk USDA Foods for this processor to the list of available direct diversion bulk USDA Foods for the following school year. In addition, since the *Processor Marketing Plan* should decrease the likelihood that the processor will receive less than one-half truckload of total state commitments, the true purpose is to prevent order cancellations and/or delivery issues of finished end product(s) for participating direct diversion schools.

Q5: What happens if a processor doesn’t receive a passing score on the *Processor Marketing Plan*?

A5: If a processor does not pass the *Processor Marketing Plan*, the processor will be unable to participate in the Wisconsin Direct Diversion Processing Program for the following school year for that particular bulk USDA Foods (since the *Processor Marketing Plan* is per processor and per bulk USDA Foods).

Q6: As a new processor interested in the state of Wisconsin direct diversion processing, who is responsible for marketing of the finished end products(s)?

A6: Processors are responsible for all marketing of the finished end product(s) in Wisconsin. In addition, the processor is responsible for working directly with all participating schools for the finished end product(s), pricing, delivery schedule, problem resolution, etc.

Q7: As a processor interested in the state of Wisconsin direct diversion processing, how do I market the finished end product(s)?

A7: The marketing of finished end product(s) is a process and there are many steps and ways to market the finished end product(s). However, the following are just a few of the recommended marketing strategies:

* Contracting and working with a Food Broker to assist in the marketing process
* Marketing of finished end products to participating schools
* Providing finished end product samples to interested schools
* Working with and establishing contracts with Wisconsin commercial distributors
* Attending the annual Wisconsin Direct Diversion Food show, as well as other commercial distributor food shows
* Establishing commercial availability of finished end product(s)
* CN labeling of finished end product(s)

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