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FSIS Docket Clerk
Docket #01-018P
Room 102
Cotton Annex
300 C Street, S.W.
Washington, D.C. 20250-3700

01-018P
01-018P-18
Leslie G. Sarasin

Re: Docket ~~No~~ 01-018P; Definitions and Standards of Identity or Composition:
Elimination of the Pizza Standard; Proposed Rule; 66FR55601

The American Frozen Food Institute (AFFI) appreciates the opportunity to comment on the November 2, 2001, proposed rule that would amend the Federal meat inspection regulations to remove the standards of identity for "pizza with meat" and "pizza with sausage," and AFFI supports the U.S. Department of Agriculture's (USDA's) Food Safety and Inspection Service (FSIS) efforts to do so. AFFI is the national trade association that represents frozen food processors including frozen pizza manufacturers, as well as marketers and suppliers. AFFI's more than 530 member companies are responsible for approximately 90 percent of the frozen food processed annually in the United States, valued at more than \$60 billion, and almost all of the \$2.5 billion frozen pizza industry. AFFI members are located throughout the country and are engaged in the manufacture, processing, transportation, distribution and sale of products nationally and internationally.

AFFI believes the current pizza standard of identity no longer reflects the marketplace and those consumers that the frozen pizza industry serves. The pizza standard, 9 C.F.R. § 319.600 as finalized in 1970 and amended in 1978 and 1982, is inconsistent with the variety that consumers have come to expect in pizza. While a strong demand continues for traditional meat topped pizza, a bread based meat food product with tomato sauce, cheese and meat toppings, consumers have expressed their interest in a variety of offerings including lower fat products, and pizzas with different sauces and crusts. FSIS should note that in today's marketplace one or more components, special toppings, sauce, crust, cheese and/or meat drive consumer preference, not just meat alone. Moreover, AFFI agrees with the agency's determination that "these standards may be inhibiting manufacturers of federally inspected frozen pizza from producing and marketing the new styles of pizzas that today's consumers demand."¹

¹ 66FR 55601

The Perception of Pizza Has Changed

The current standard of identity for pizza was adopted in 1970, when the term "pizza" referred to a four-component product comprised of meat, cheese, dough-based crust and tomato sauce. However, this "traditional" product while still important, no longer represents the total consumer concept of "pizza."

As provided in the National Frozen Pizza Institute's (NFPI's) petition, the vast majority of pizzas sold in the United States are not manufactured by inspected establishments; rather approximately **85** percent are manufactured and sold at the retail level, primarily by restaurants and delivery operators. FSIS has not applied the standard to these products. As a result, these manufacturers have been free to modify the "traditional" pizza.

Restaurant pizzas do not necessarily contain the four components. Specialty restaurant pizzas may use a béchamel or pesto sauce rather than tomatoes. There are pizza crusts made without flour dough such as those formulated with corn meal. White pizza contains no sauce and new varieties of pizza contain no cheese. In fact, restaurateurs have changed the image of pizza into a dynamic product that meets, and if properly managed, anticipates consumer expectations. The term "pizza" in the context of a restaurant represents any product with one or more toppings on an open-faced crust. AFFI suggests that frozen retail pizza manufacturers should be afforded the same opportunity. Moreover, the Institute believes the presence of the pizza standard stifles creativity throughout the category, hindering competition and encumbering rather than protecting consumer choice. It is evident that this standard cannot be "fixed" and should be rescinded.

In addition, eradication of the standard will benefit consumer nutritional choices. Elimination of the standard will simplify the ability of frozen pizza manufacturers to specially formulate pizzas that are more consistent with the USDA's nutritional guidance, such as reducing fat and cholesterol in American diets. For example, it is not always economically viable to use leaner meats, which are more expensive on a per pound basis, when a manufacturer has to comply with a percentage minimum weight. However, when there is no minimum percentage, a manufacturer can use leaner meats to enhance the nutritional profile of the product. **This** allows a manufacturer to cut out the fat while providing the same amount of "meat."

Naming Non-Standardized Pizzas

In general, AFFI agrees with the agency's proposed approach on naming pizzas in the absence of a standardized name. Under the Federal Meat Inspection Act, non-standardized product should bear either the common or usual name of the food, or a truthful descriptive designation. The agency correctly notes in the preamble to the proposal, merely because the standard is rescinded, the issue of product name remains. AFFI agrees that a "traditional" or "common and usual" pizza contains the four original components, bread-based crust, tomato sauce, cheese and meat or poultry. Thus, it is appropriate for a traditional product to use the term "pizza" with a designation of the meat component such as "pizza with pepperoni." Likewise, products that would substitute other ingredients for the "traditional" four should include a descriptive qualifier following "pizza," such as "pizza with sausage and pesto sauce."

Consumer Information is Adequate

The agency has tentatively determined that required labeling features such as the product name, ingredient statement (with all ingredients in descending order of predominance), and nutrition facts panel will provide adequate information for consumers to make informed choices when purchasing federally inspected pizza products in the absence of a standard. AFFI concurs with the agency and suggests that these tools have evolved over time to offer consumers more complete, useful and accurate information.

The pizza standard was promulgated prior to the advent of rules that require full nutritional and ingredient disclosure. Hence, when the standard was finalized, there was no vehicle to ensure that consumers were able to determine independently the key attributes of a product. Likewise, as previously mentioned, the defined scope of pizza at that time was very narrow. Today, consumers know the nutritional qualities and ingredients of almost all foods they buy, including frozen meat-topped pizza. Consumers are informed about how the nutrients in those foods fit into an overall daily diet and are provided with special definitions and requirements for terms that describe a food's nutritional content, such as "light" or "low-fat." Additionally, label instructions, graphics, toll free numbers, brochures, supermarket information and company websites contribute to the consumer's knowledge and make the current pizza standards unnecessary.

Mandatory Percent Meat Ingredient Labeling is Unnecessary

As suggested by NFPI, to most consumers, the term “pizza” refers to an open-faced crust that is topped with a variety of ingredients? Requiring the name to include the percentage of meat or poultry in the product is in direct conflict to the petitioner’s justification for requesting rescission of the standard in the first place. Furthermore, the agency has stated it has “determined that, because consumer expectations of what a product identified as a pizza should contain differ from what is prescribed by the current standards, the standards no longer serve their original purpose of protecting the public from economic **deception.**”³ AFFI questions the purpose percent meat or poultry topping requirement would serve and believes there is no basis or value to consumers in mandating this information on the label.

From the information presented in the proposal, and based upon the experience of the restaurant and frozen pizza industry, it is apparent that meat and/or poultry toppings on a pizza are not the only, or for that matter, the most important ingredients by which consumers judge the quality and desirability of a pizza. Requiring percentage meat or poultry labeling refocuses attention on this attribute that is only important in the context of the entire product. Extending FSIS’s line of reasoning on the question would suggest that other ingredients, e.g., the quantity of cheese or the number of black olives, should be labeled. AFFI suggests that percent ingredient labeling, including a requirement for meat or poultry percent ingredient labeling, is unnecessary given current labeling rules, is inconsistent with other FSIS regulations, and is not in keeping with historical United States government policy regarding standards that suggest percentage ingredient labeling of foods in international trade?

AFFI believes requiring percent meat ingredient labeling on frozen pizza would be exchanging one set of untenable requirements that led to inequities between frozen pizza manufacturers and the food service industry with another, thereby re-establishing differing regulatory treatment that deprives consumers of the diversity of choice in this product category.

² **66 FR 55602**

³ **66 FR 55601**

⁴ AFFI is aware that past U.S. policy, as expressed by the U.S. Codex Office, **has** been in opposition to percentage ingredient labeling. For a number of years, the U.S. delegation to the Codex Committee on Food Labeling (CCFL) fought in opposition to a European Union (EU) proposal to require the labeling of percent fish core in fish sticks. Importantly, unlike frozen pizza, fish sticks do have one characterizing ingredient.

Lastly, the meat content of frozen pizza is readily apparent with even a superficial visual examination allowing the consumer to assess value versus price. Importantly, frozen pizza manufacturers, just as restaurants, rely upon repeat buyers to sustain growth and development. Frozen pepperoni or sausage pizza must contain all the ingredients, a good tasty sauce, ample cheese, an excellent crust and plentiful toppings to keep the customer returning to their brand.

Elimination of the Standard In Keeping With Other Agency Efforts

As part of the post-HACCP inspection modernization process, FSIS has indicated its intention to focus more attention on food safety plant concerns and grant greater flexibility (and responsibility) to the plant on other consumer protection activities (OCP).⁵

Moreover, on September 9, 1996, FSIS published an Advance Notice of Proposed Rulemaking (ANPR) on standards of identity generally, questioning whether prescriptive standards still served a function seeking input and how to proceed with changes.⁶ AFFI believes, and by its action the agency has affirmed, that the NFPI petition not only has shown that the pizza standard no longer serves a function, but also exemplifies how to justify a request for change. NFPI met with the frozen pizza industry to gain consensus, and gathered evidence on the relevant market to demonstrate consumer expectation as to that which constitutes a "pizza." It shared its intention with representatives of consumer organizations and obtained their support, as witnessed by letters filed with the agency in support of the NFPI petition.

Conclusion

AFFI believes the NFPI petition and the subsequent FSIS proposal have substantial merit and should be finalized without the incorporation of onerous and unnecessary percent meat ingredient labeling provisions. AFFI appreciates FSIS's consideration of the Institute's comments, and we look forward to continuing to work with the agency on this issue in the future.

Respectfully submitted, ,



Leslie G. Sarasin, CAE
President and
Chief Executive Officer

⁵ 65 FR 14486

⁶ 61 FR 47453