

Marubeni

A M E R I C A C O R P O R A T I O N

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March 17, 2004

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FSIS Docket Clerk, Docket #03-0251F
Room 102, Cotton Annex
300, 12th and C Street, SW
Washington D.C. 20250-3700

Dear Sirs,

Marubeni America Corporation is a trading company that boasted sales of 5.5 billion U.S. dollars in 2002 and a subsidiary company of Marubeni Corporation located in Tokyo Japan which is a Japanese trading company that boasted sales of 73 billion U.S. dollars in 2002. Our Agri-Marine Products Unit has annual sales of about 1.1 billion U.S. dollars. The unit conducts the import and export of foods throughout the world including the U.S. along with investing in food areas.

In the stockbreeding area, we handle U.S. bred beef, cattle organ meats, pork and chicken. We have particularly enjoyed a strong alliance of over 30 years with S Foods Inc. and Packer (U.S.) in the area of internal organ meats. Through this alliance we have exported over 44 million pounds from the U.S. annually and play a major role in the 20 billion U.S. dollars barbeque beef industry of Japan.

In addition, we formed the Fremont Beef Company in 1990 in Nebraska as a joint venture with S Foods. This company is involved in meat processing primarily centered on tongue and ship 8.8 million pounds of it to Japan annually.

Since the unfortunate incident at the end of last year in which a bred cow was discovered to have BSE in the U.S., an import ban has been in place in Japan. This has greatly hurt our company and the industry we are involved in.

Presently both governments are earnestly negotiating the restarting of imports and the new U.S. standards related to conditions for restarting imports were announced on January 8 as FSIS interim rule. As a trading company involved in exporting beef to Japan, we would like to express the following opinions.

Regarding definition of SRM

In the FSIS interim rule, the “entire small intestines of all cattle” are regulated.

The regulations are calling for the removal of the entire small intestine to gain unity with the Canadian standards and to heighten removal efficiency. However, we are strongly opposed to this measure and request that the regulation be changed to have removal be limited to the "distal ileum and not stipulate the small intestine as a whole."

The Reasons for this Request

- 1) Internationally the specific dangerous area has been limited to the distal ileum. Japanese butchering standards limit this to two meters and the Japanese government has not sought removal of the entire small intestine.
- 2) Since November 2001, our contract with Packer (U.S.) has called for removal of two meters of the small intestine's distal ileum and the technology for completely removing this portion is already established.
- 3) The above product is also certified by the Japanese government and is not related to the occurrence of BSE in Canada and the recent collection order related to BSE in the U.S.
- 4) The distal ileum only makes up two meters of the thirty meters of small intestine and the remaining small intestine is a vital product of international trade. Import countries need this product.

We have heard that there is no culture or tradition of eating intestines in the U.S. However, eating cultures differ throughout the world and international trade succeeds by respecting and fulfilling each other's such needs.

The technology of Packer (U.S.) enables the reliable removal of the distal ileum and secures safety in both animal immunology and food sanitation aspects based on scientific evidence. We strongly hope that trading to Japan of beef and also beef small intestines (with the distal ileum removed) from the U.S. will commence at an early date.

Respectfully



Mitsuyoshi Abe
Senior Vice President & General Manager
Agri-Marine Product Unit.
Marubeni America Corporation