March 2, 2007

FSIS Docket Room Docket Clerk USDA FSIS 300 12<sup>th</sup> St., SW Room 102 Cotton Annex Washington, D.C. 20250 07 MAR 12 PH 2:56

RE: Docket No. FSIS 2006-0040

Sent via email: to: fsis.regulationscomments@fsis.usda.gov

## Dear Friends:

Thank you for initiating the process to further define the term natural relative meat and poultry products. The founders, management and investors of Dakota Beef are directly impacted by the definition, integrity and consumer perception of the term "natural" as a marketing claim for meat and food products. Consequently we are submitting the following comments to docket number FSIS 2006-0040.

American agriculture has advanced to include clear components which support whole systems for both crops and livestock. These components are typically considered as production, handling and processing. Some agricultural programs, such as 7 CFR Part 205 the National Organic Program, currently recognize these differences. Therefore we recommend that future regulations differentiate crop and livestock production. As a certified organic producer, handler and marketer of organic beef we will focus our comments strictly on the production and handling of natural meat and poultry products. We will leave it to other stakeholders to comment on use of the term natural, relative crop production.

Dakota Beef both recognizes and agrees with the petitioners' following comment:

"If FSIS is to provide for the consumer interest and prevent misleading labeling and the associated erosion of the "natural" claim, it must codify a clear and consistent definition of "natural" that comports with consumers' already-established beliefs."

We also concur with the petitioners' assertion that:

"Consumer interests in natural products are rising. Not surprisingly, manufacturers are seeking to establish marketing presence in this growing niche."

However, we **disagree strongly** with the petitioners' expression that consumers "believe it (natural) means the product that bears the label contains no artificial ingredients or preservatives or is accomplished with minimal processing." The petitioners are, however, accurate in their assertion that "consumer interests in natural products are rising," Unfortunately, consumer confidence in this label claim is simultaneously diminishing due to the current regulations which allow the term "natural" to be used in a product name, or to modify an ingredient in a given product as long as that ingredient is minimally processed and does not contain any artificial flavor or flavoring, coloring ingredient, or chemical preservative.

For over 2 decades consumers have come to perceive meat and poultry labeled as "natural meat" as a product produced and handled without the use of subtherapeutic antibiotics, growth hormones and no preservatives. Specifically, consumers have come to rely upon the term "natural" to be defined by 3 significant and easily understood claims; commonly referred to as "The No's" or "No, No, No's":

- No Antibiotics
- ➤ No Growth Hormones
- ➤ No Preservatives

These claims are also associated with certified organic meat products. However, above and beyond these claims certified organic meat products are verified from birth to shelf and protected through application and enforcement of the USDA National Organic Program.

The term "natural" has historically been confusing for consumers and inconsistent relative animal production, product manufacture and product composition. Use of the term "natural" alone both historically and under the current policy does not make any production claims. It seeks only to "loosely define" the processing of and ingredients for (since 2005 only) for meat and poultry products.

Therefore, we urge that any usage of the term "natural" in relation to meat and poultry products be allowed only for those materials that were sourced from animals raised without any added growth hormones or subtherapeutic antibiotics.

Additionally, in light of the Food and Drug Administration's movement to approve for commercial sale products from genetically modified animals, we further urge that the term "natural" be prohibited from use on any meat or poultry product sourced from a genetically modified animal. For purposes of this definition, we would define genetic modification as:

"A variety of methods used to genetically modify organisms or influence their growth and development by means that are not possible under natural conditions. Such methods include cell fusion, microencapsulation and macroencapsulation, and recombinant DNA technology (including gene deletion, gene doubling, introducing a foreign gene, and changing the positions of genes when achieved by recombinant DNA technology). Such methods do not include the use of traditional breeding, conjugation, fermentation, hybridization, in vitro fertilization, or tissue culture."

In regard to handling protocols, it is evident that consumer's expectations regarding the processing of products labeled as natural have been positively affected by consumer exposure to organic products as defined by the National Organic Program.

Thus, while the aforementioned FSIS definition regulates the usage of natural to products which are minimally processed and do not contain any artificial flavor or flavoring, coloring ingredient, or chemical preservative; we support the movement of FSIS to accept the National Organic Program National List as the source of materials allowed or prohibited for use in the labeling of products as "natural." Such an action will increase consumer confidence and secure the integrity of the label.

The petitioner objects to this harmonization, stating that "The National Organic Policy allows ingredients that, even though they may be naturally derived, would, within context, be considered 'artificial' within the Natural Policy." This statement reflects a clear lack of understanding of the basis underlying the USDA National Organic Standards. Agreed, the Organic Standards allow a

narrow category of synthetic materials to be used in organic handling, but only if those materials are determined to qualify under a stringent set of standards which include:

- (1) The substance cannot be produced from a natural source and there are no organic substitutes:
- (2) The substance's manufacture, use, and disposal do not have adverse effects on the environment and are done in a manner compatible with organic handling;
- (3) The nutritional quality of the food is maintained when the substance is used, and the substance, itself, or its breakdown products do not have an adverse effect on human health as defined by applicable Federal regulations;
- (4) The substance's primary use is not as a preservative or to recreate or improve flavors, colors, textures, or nutritive value lost during processing, except where the replacement of nutrients is required by law;
- (5) The substance is listed as generally recognized as safe (GRAS) by Food and Drug Administration (FDA) when used in accordance with FDA's good manufacturing practices (GMP) and contains no residues of heavy metals or other contaminants in excess of tolerances set by FDA; and
- (6) The substance is essential for the handling of organically produced agricultural products. (7CFR §205.600)

We believe these criteria meet with consumer expectations regarding any materials that would be used in the handling of natural meat or poultry products.

In summary, we recommend that the tern natural be limited to meat and poultry products sourced from animals that were:

- Never administered artificial growth hormones;
- Never administered subthereauputic antibiotics; and
- Never sourced from genetically modified animals

Further, we recommend that the use of any additives in natural meat or poultry products be limited to those materials included in 7 CFR §205.605 and 7 CFR §205.607 (Materials allowed for use in certified organic products).

The American public has established specific expectations in regard to the labeling of natural food products. It is time that our labeling regulations are strengthened to meet those expectations.

Again, we commend you for initiating this process and look forward to the clarification of this definition in a manner that will strengthen consumer confidence in the label term of Natural on meat and poultry products.

Sincerely

Scott Lively Chairman & CEO Dakota Beef LLC

Howard, SD