UNITED STATES DEPARTMENT OF AGRICULTURE

FOOD SAFETY AND INSPECTION SERVICE

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PROPOSED RULE ON THE AVAILABILITY OF LISTS OF RETAIL CONSIGNEES DURING MEAT AND POULTRY PRODUCT RECALLS

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April 24, 2006 8:30 a.m.

USDA South Building Cafeteria Washington, D.C.

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Chief Operating Officer

Food Safety and Inspection Service

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I-N-D-E-X

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P-R-O-C-E-E-D-I-N-G-S

(9:30 a.m.)

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MR. HICKS: Good morning. Good morning.

Just so we clear up something right away, I'm not

Bryce Quick, Deputy Administrator, Food Safety and

Inspection Service.

My name is Ron Hicks. I'm the Chief Operating Officer for Food Safety and Inspection Service. I'm standing in for Bryce Quick today, and I just want to welcome you all as we're here to accept your comments on a Proposed Rule on the Availability of Lists of Retail Consignees During Meat or Poultry Product Recalls.

We have some opening remarks that will be provided by Dr. Raymond and Dr. Masters and Phil Derfler, and then we'll have an opportunity to comment period and I'll moderate that.

There was a sign up sheet out front, if all of you want to sign it to make comments, and if you've not done so at this point, please do so before we open it up for comments and questions.

So with that, I'd like to turn it over to

Dr. Raymond.

DR. RAYMOND: Thanks, Ron. Sometimes we're victims of, you know, death by PowerPoint, and today perhaps we'll get a break and it won't be death by PowerPoint unless they work a miracle here in the next couple of minutes, but out of courtesy to you for being here at 9:30, we are going to go ahead and get started, with or without technology.

First of all, I want to thank you all for coming today. It's very important that we have this meeting, very important that you be here, as we discuss the recent proposed rule that would make the list of retail consignees available to the FSIS website during meat and poultry recalls, and therefore available to the public.

By you being here today, you help us in what Barbara Masters and my goal has been since we were appointed our positions, and that's to do all of our rule changes and policy setting in a very open, very transparent manner. We also believe that by you being here today, you can help assure us that the changes that we make will be the most effective and the most

efficient that they can be based on the input that we will get from you during this meeting today, and also during the public comment period.

We did something very similar with the amendability rule. We actually had the public hearing before we even wrote the proposed rule which was a little bit of a new way to do business, and I think people appreciated that, and that's why we've decided to have this public hearing in the middle of the comment period so you all get a chance to verbalize your support for the proposed rule change.

I think the current recall system that is in place at FSIS is a strong one. I think if you look at the number of human illnesses caused by food-borne bacteria, you will see that something is working. Obviously industry is working hard to reduce the pathogens on their product samples. We're working hard to educate the public, but the recalls are also an effective tool to prevent human illnesses.

We do believe that establishments -- if improvements are to be made, we need consumers to have this vital additional information to help protect

themselves and their families to get products that may be contaminated or adulterated or inadequately labeled off of their shelves and out of their refrigerators before they cause any type of human illnesses.

The FSIS has done several things in the last decade to try to decrease food-borne illnesses through recall efforts. Maybe the most important is PulseNet. Just a little over 10 years ago, PulseNet was formed. PulseNet has done dramatic work in linking sporadic illness in States that are separated by many miles, rivers, mountains, et cetera, and by linking what appear to be sporadic illnesses from food-borne pathogens into an outbreak, and then linking those fingerprints of those pathogens with data that we have from the product sampling that we do, we've been able to do recalls much more quickly than we used to. We've been able to be much more efficient. We've been able to decrease food-borne illnesses because of PulseNet.

About three years ago, 2004, FSIS also decided that they needed to get information out to State, Local and Federal officials more quickly when

there was a recall, and they began using EPIX, which is another CDC instrument, to communicate instantly through e-mails and mailing lists and certain security levels, people get certain information. EPIX got the information out there more quickly.

In 2003, 2004, Food Safety and Inspection Service also explored ways to get this information to the State Health officials of what retail outlets may have product that has been proven to be contaminated, and there's about 14 States that currently get that information when a recall is announced. But those 14 States, that information is not FOIA-able. The Freedom of Information Act does not exist to the level in most States that they have to release that information. If they would have to release that information, then we do not sent that to those State Health officials.

When I was in Nebraska, as a State Health official, I could not get access to the retail stores where contaminated food had been sent to because Nebraska could not protect that information. It didn't help me.

I think everyone here now by, after my nine months, knows that public health is my love. It's my passion. It's my background in the last 10 years. And, it's my strong belief that the most important tool we have in public health is education. In this case, education of the consumer.

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I believe that if we have readily available, accurate information about what the product is and where it was, we can educate the public and experience has shown time and time again, that during any public health emergency, detailed information is one of our greatest tools to prevent panic, to prevent illness It's especially effective when and to prevent death. that information empowers individuals to take an active role in protecting the health of themselves and their families. It makes them the empowerer. Ιt makes them the person that can protect their children, their family, the people they're preparing that food for.

We can empower consumers simply by providing additional information to help them identify recalled product. Providing the public with a list of retail

consignees during a meat or poultry product recall, in addition to critical information already released by FSIS, will be a more effective method that we currently do not have at our disposal.

And, as I said earlier, it is critical during our recall, dangerous or misbranded product, is quickly and efficiently removed from the refrigerators and the shelves in the homes, but it is also important to insure that it's only the dangerous or misbranded product that is removed from circulation. We see at FSIS many times more product returned than what the company actually recalled. The Agency also sees products returned that were not produced by that company or were produced at different times or locations from where the incident occurred, where the contamination occurred.

This is indicative of an overreaction by consumers. It stems from unnecessary concerns and worries and it translates into consumer distrust of the system as a whole and its products. And that is not good for industry and that is not good for retail stores.

We believe this proposed rule will improve matters by helping the consumers focus only on the products that are being recalled. We believe that by making this retail consignee information available to the consumers, that we can better assure them that other similar products are safe and are wholesome.

We're holding this public meeting today because I recognize this has been a very contentious issue in the past. I've also -- I've always believed in the importance of insuring that our stakeholders concerns are addressed in an open, transparent manner before we move forward as I've already stated.

This issue is no different in my mind's eye, but with the change in recall data that we have seen over the past five years, hopefully there will be less concern today, and that's why I wanted to show a couple of PowerPoints. It's secret information. I can't release it. You just have to trust me.

My bar graphs would have shown that in 2001, 2002, each year we recall about 120 to 130 products, that many recalls, more than two per week were issued, and in 2002, the watershed year, we recalled about 63

million pounds of product. Now when we say we recalled 63 million pounds of product, remember, we recalled also a lot of other product came back that caused anxiety and concern to consumers that was not contaminated, that didn't come from the plant during that time period. That's a lot of product. understand why there might be concern about 125 times listing retail stores and seeing that amount of product. But, you know, if you follow our statistics, last year we had about 45, maybe 50 recalls. was about 3 million pounds of product, and that 3 million pounds of product has been consistent for the last three years, 2003, 2004, 2005. The amount of product recalled has gone down tremendously.

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And before anybody says, well, that's because of how you test, I also want to point out that my graphs would show you that food-borne illnesses have also gone down dramatically for the major players like E. coli, Campylobacter and listeria. They've gone down about 40 percent for each one of those food-borne illnesses. Salmonella is a little bit different, a character which we've talked about in

the past. But the food-borne illness correlates with the recalled product.

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That drop in recalled product is for many reasons. The product is safer. Industry has done a good job. Regulations have helped. Test and hold is a marvelous tool to prevent that product from ever getting out into the public. Industry doesn't want recalls. They want food safety. They have the same goals that you and I do. We're all in this together.

In addition to less product and fewer recalls, we also have seen a difference in what we recall. In 2002, there were 21 recalls for E. coli, 4 for salmonella, 40 for listeria. In 2005, there were 3 for E. coli, 0 for salmonella. There were 30 for listeria but the year before, there were only 13 in 2004 for listeria. The amount of recall from with contamination pathogens has declined dramatically. Half of the recalls we're seeing now, last three years, have been for product alterations, been for misbranded products. It's been for undeclared allergens. It's been for contaminants with foreign materials. Those recalls happened very

quickly. A consumer calls in and says I think I bit on a piece of glass. We take a look, and we do a recall quickly. The recalls for E. coli and listeria and salmonella, those take months and months and months for us to do the epidemiology necessary to do the recall. And I would tend to agree, what's the point of identifying a retail store six months down the road? We're -- this is a different world today. Five for E. coli and zero for salmonella last year. About 25 for misbranded products, undeclared allergens that people get sick and die from. Those we find very quickly. Those are still on the shelves and in the refrigerators of the American public's homes. That's why we need to look at changing the way we do business at this point in time.

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Our only intention here today is to strengthen the efficiency and the effectiveness of our current recall system. As I mentioned, it's gotten better with PulseNet, and it's gotten better with EPIX. This is the next logical step, and your participation, you expressing your viewpoints, making sure you're represented, will help us insure that the

best possible public health protections are in place for our nation's food supply now and in the future.

Again, I thank you for coming and sharing your ideas and comments. I'm encouraged by the dedication that all of you bring to the world of food safety. That's why you're here today. I'm going to sit, I'm going to listen, and Dr. Masters is going to sit and listen, Phil Derfler is going to sit and listen, and there's a lot of our folks in the audience also. This is very, very important to us, and I look forward to your comments.

And, Dr. Masters, I believe you're next.

DR. MASTERS: Good morning, and I join Dr. Raymond in welcoming you here today, and I also want to thank you for taking your time to join us.

Your input regarding the ideas that will be shared today are important, and we do look forward to hearing your thoughts. I also want to emphasize that we're changing our approach in how we go about receiving your input as Dr. Raymond mentioned. As an Agency, it's not normal for us to have meetings at this point in the rulemaking process. In the past,

we've often just put out proposed rules and asked you for your written comments. But we believe in this case, it's really important to have also your verbal comments, as well as your written comments, and more importantly, what we're really hoping to gain at this meeting is for you to hear each other to discuss what you think of this proposed rule and to hear views being offered from one another on this issue and to have that help shape your written comments as you think about your ideas, as you put your written comments down on this proposed rule.

We recognize as Dr. Raymond indicated, that there's very strong views on this issue, and we're very hopeful that as you hear the oral comments that you may hear something that will trigger you to put something more robust or learn something today that will help shape your written comments on this issue. That was one of the reason we thought a public meeting on this issue at this point in the proposed rulemaking process would be useful to help us get the most useful comments possible.

We will take into account both the verbal

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comments as well as the written comments on this subject. We want to do everything we can to have the most rational and logical basis for any action that we take.

You have until May 8th to provide us your comments, but we've already heard an interest in receiving the transcript so that you can take the comments that are shared today and provide us the most useful written comments. If that would be of use to you, please provide us that input today or very soon hereafter so we can take into account whether or not we should extend this comment process on this proposed rule.

We do believe it's very important to have a transparent process, and we've been working very diligently to have open communications with all of our stakeholders.

Having open communications is very important to our Agency as well as the Office of Food Safety. We truly need your feedback on this issue, and if you haven't signed up, we encourage you to sign up to provide your verbal comments, and we also encourage

you to listen to each other and again to allow that to shape your written comments on this issue.

We appreciate your coming out today, and we look forward to hearing both your verbal comments as well as receiving your written comments on this issue. So thank you very much.

Phil, if you want to walk us through the rule.

MR. DERFLER: Good morning. I would like to add my welcome to those of Dr. Masters and Dr. Raymond.

I've been asked to sort of walk through the rule, explain why we published it, what it will do, and what FSIS hopes to accomplish with it.

Under the Meat Inspection Act and the Poultry Products Inspection Act, meat and poultry products are not supposed to enter commerce unless FSIS inspectors have determined that the products are non-adulterated or misbranded. Once they make that determination, FSIS inspection personnel put the mark of inspection on the product, and it's free to enter commerce.

We in FSIS take the mark of inspection very seriously. Thus, when an adulterated or misbranded product somehow slips out into commerce, we act quickly and aggressively to insure that that product is removed from commerce as quickly as possible. is likely that we will ask the firm to recall the product once it enters commerce, and usually firms do so quite readily. Frequently it's the case that the firm has already determined that this product has entered commerce, and they're already taking steps to If for some reason, however, the firm remove it. refuses to recall the product, and I should say that that has almost never been the case, FSIS is prepared to send out appropriate personnel to find the product and detain it and then seek seizure.

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In virtually all cases, however, the firm does recall the product, and when it does, FSIS has two related roles. First of all, the first role is to verify that the recall proceeds in an appropriate manner. FSIS does this by obtaining the recalling firm's distribution list for the product and conducting a series of checks to make sure that the

recalling firm has notified its consignees of the product about the recall and that the consignees not only receive notification but they are notifying their consignees.

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The Agency's verification process is described in the proposed rule. It is often time consuming and resource intensive. Our personnel, usually enforcement investigation and analysis officers, go from level to level in the distribution chain making their checks until they have traced the product forward to the level of product distribution to which the recall extends, usually the retail level.

In the process of tracing the product forward, the Agency compiles a unique list of consignees that handled the specific product that was recalled.

I should point out as Dr. Raymond did, that the Agency is sometimes helped by the States in making these checks. As discussed in the proposed rule in 2002, FSIS has amended its regulations to define the circumstances in which it would share with States the distribution list that it receives from firms. FSIS

considers these distribution lists to be confidential. The Agency will only share the list with those States that have the legal authority and that make a commitment to protect the confidentiality of the list. The process of tracing the product forward to retail is, as I've said, very time consuming, often taking weeks to complete. As a result of this process, however, FSIS is able to determine whether the recall is effective in removing the product from commerce, or whether it is necessary for the Agency to act directly against the product and seek detention or seizure.

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In addition to verifying that the recall is proceeding appropriately, FSIS acts to enhance the effectiveness and efficiency of the recall. The Agency acts to make consumers aware that a recall is taking place, and to make sure that consumers are able to identify the specific product that has been recalled. Awareness of the recall will consumers to check whether they purchased the product and whether they have it in their refrigerator or Appropriate identification of the product freezer. recalled will allow consumers to readily determine

whether the product they have that fits the category of product recalled is, in fact, the product that was recalled.

Over the last seven or eight years, FSIS has frequently augmented the actions that it takes to make consumers aware of recalls and to help them determine whether they actually have the recalled product. The Agency has gone from issuing press releases announcing recalls in limited circumstances to issuing one each time there is a Class I or Class II recall, and to issuing Recall Notification Reports when there is a Class III recall.

As stated in the proposal, FSIS sends recall information to wire services and media services as well as to State Health Departments and State Agriculture Departments in areas where the product was distributed.

To help the consumers identify the product, FSIS makes available a description of the product, any identifying codes, the name of the producing company, the names of the States to which the product was shipped, if there are fewer than 13.

Over the last several years, FSIS has also begun to post on its website a picture of the label of the recalled product if one is available.

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As stated in the proposal, FSIS considers its recall process to be effective. The Agency believes that the measures it has put in place are effective in communicating to the public that a firm has decided to recall product. FSIS also believes that the recall effectiveness checks that it now performs enable it to identify any breakdowns in effecting the recall in the distribution chain.

If there is a continuing weakness in FSIS' recall system, however, it is with product identification. It is still the case, as Dr. Raymond said, that there are recalls in which much more product is returned than was recalled. There are also recalls in which less product than was recalled is It has been suggested to FSIS by consumer groups, by State and Local officials, by organizations of State officials and by the agencies that audit our work, the Government Accountability Office and USDA's Office of the Inspector General, that making retail

distribution information publicly available will enhance the public's ability to identify the product that is being recalled. The Agency has carefully considered the information presented to us with these suggestions and as a result, based on this consideration, we issued the proposed rule that we are here today to consider.

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FSIS proposed to make publicly available on its website, the list of the names and locations of the retail consignees of the recalled meat or poultry products that the Agency's EIAOs compile in the trace forwards that they conduct. The Agency believes that doing so will provide consumers with an important additional means of identifying the product recalled. If the Agency adopts this proposal, it will mean that consumers will nave specific identifying information on the names and locations of the retail stores where they could have purchased the product which should provide significant additional assistance to help them decide whether they have the recalled product. This information with other information the that Ι mentioned before that is made available when there is

a recall, should allow consumers to readily focus on the specific product that has been recalled. This focus should mean that consumers will be more likely to return the product recalled, and that they will be less likely to return products that have nothing to do with the recall.

We're here today to listen to your comments on the tentative judgment, this tentative judgment by the Agency. In commenting, we hope that you will consider and address not only this judgment, but some of the other important issues that FSIS needs to grapple with in deciding whether, and if so, how, to finalize this proposal.

I will quickly highlight some of these other issues.

First, should restaurants be included in the list of consignees that the Agency is proposing to post. Under the proposed rule, the answer is no. In the preamble to the proposal, FSIS said that it would focus on product distributed to the retail level. In FSIS Directive 8080.1, the Agency defines levels of product distribution. It said that the retail level

includes all retail sales of the recalled product.

Restaurants are included in the user level, not the retail level.

Moreover, the Agency made clear in the preamble that the purpose of the proposal is to help consumers to identify product that is subject to the recall. Including restaurants in the consignee list would not advance this goal. Thus, we do not intend to include restaurants in the consignee list. We urge you to comment on whether we should do so or not.

A second issue that I would like to raise rose out of the fact that FSIS is not committing to a particular time frame for posting consignee lists. Under the proposal, the Agency will post them as soon as they are compiled, which as I stated, could be weeks after the recall is announced. We ask for comment on whether this time lag is likely to undercut the usefulness of posting the list. If so, why? If not, why not?

Third, what would be the significance of a situation in which the list that is posted is for some reason not complete. If a store does not appear on

the list, would it create a sense for consumers that product purchased at that store is not involved in the recall? Does this possibility of incomplete lists undercut the usefulness of the list? Is there some type of disclaimer or other information that the Agency could provide with a list that explains the purpose of the list and makes clear that the list should not be consider definitive? What other ideas do you have on this issue?

Finally, are there other ways that the Agency can act to focus consumers on the recalled product to maximize the likelihood that it is returned and that safe and wholesome product that has not been recalled but that share some characteristics with the recalled product is not returned?

Again, I'd like to echo the message that Dr. Masters gave. We hope that we will hear from you, and that you will take this opportunity to listen but also to provide us with information. Thank you.

MR. HICKS: I would just like to remind anyone who hasn't signed up yet to provide comments, that there's still time to do so. I'll be calling

names in the order that they appear on the sign up sheet. Generally, there will be five minutes per commentor. I'll step away from the microphone while you're commenting and step back up at about the three-minute mark. That's just to make sure that -- five minutes is just to make sure that everybody will have an opportunity to comment. Obviously if we have fewer commentors and more time, then you can come back and provide additional comments on the second go around.

Since we are recording this, we would like to ask all presenters to come to the microphone, provide your name and who you're representing so we can have it for the record, and with that, I'm going to start off with the first name on the list is John Munsell.

MR. MUNSELL: Thank you. And good morning, everyone. My name is John Munsell, and I'm here today representing the Foundation for Accountability and Regulatory Enforcement, as well as Montana Quality Foods and Processing.

I'm here today to speak in favor of this FSIS proposal. I have two main reasons why I'm

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speaking in favor of it.

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The first one is just that I believe the consumers have the right to know that the food that they are purchasing is possibly subject to recall, that could possibly be contaminated. Armed with this kind of knowledge, then the consumer can make intelligent decisions on the purchases they make for their family. And with this kind of knowledge, they might make alternative decisions such as instead of buying the ground beef, I might buy other beef items or pork or poultry, chicken, seafood, whatever.

And secondly, they also then would have the ability to purchase their meats at a different retail location, and it's true that, I admit, that some packers do oppose the release of retailer names for fear that other packers might benefit. However, I'd suggest that this is a two-edged sword that cuts both ways because in the future, if other packers experience recalls, then their list of consignees would also be released to the public.

The second reason I'm in favor of this proposal, that I'd like to spend more time on, is that

I believe that releasing retailer names will improve how they kill, because I believe it will provide a tremendous economic incentive to meat plants to further improve the wholesomeness of their products, since they would probably implement additional corrective actions to prevent recurrences, and let me explain.

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Just imagine what would happen if a retailer such as Wal-Mart or Safeway would be named in a First of all, they would -- they're going to fear the loss of potential business to competitors, other retail competitors, and they will incur the cost and embarrassment of removing meat from their shelves and sending it back to their meat plants. And they would be justifiably angry at the meat plants for having their names involved in this recall, and they might respond changing their purchasing by specifications requiring additional things of their suppliers.

As you recall back in '93, when Jack in the Box had their problems, they changed some of their purchasing specifications so that now anyone selling

ground beef to Jack in the Box must test their meat every 15 minutes. Plants who are unwilling to comply don't sell meat to Jack in the Box.

But I contend that these potential improvements will be effectively circumvented unless FSIS endorses and aggressively implements trace back policies which are directed at the true origin of contaminated meat. But this would require a watershed change in existing FSIS microbiological sampling and testing policies.

Some bacteria such as salmonella and E. coli originate as you know, within the intestinal track of animals, meaning that the vast majority of meat contaminated with salmonella and E. coli, that contamination occurs at the slaughter plant, not at the down line further processing, grinding plants, most of which do not slaughter.

So historically it's my opinion that FSIS investigations and enforcement actions are prematurely truncated at the down line, further processing plants which do not slaughter. And, Mr. Derfler talked about trace forwards, well, I think in order for this

proposal to meet full success, we also have to have a concomitant commitment to trace backward to the true origin of contamination.

So in conclusion, I commend FSIS for what I consider as a common sense and pro-public health proposal.

When meat plants unintentionally issue contaminated meet under commerce, this is a situation where public health imperatives and consumer rights take precedence over the industry's right to maintain secrecy over the destination of meat subject to a recall. And I can understand why meat plants don't want their customers' names released to the public but, you know, there's one simple solution to that, to keep these customer names confidential and that is the plants simply consistently produce wholesome meat.

So the release of consignee names is not the fault of FSIS or consumers, but it's the fault of sloppy sanitation procedures at the slaughterhouse.

And I believe that this proposal has the potential to positively impact public health as much as any previous Agency initiative and should be implemented.

1 Thank you. 2 MR. HICKS: Thank you very much. Next on 3 the list is Pat Buck. MS. BUCK: Good morning. I'm just going to 4 read my statement because I'm not used to doing this. 5 6 As you said, my name is Pat Buck, and I'm 7 representing Safe Tables Our Priorities, the national non-profit, volunteer health organization dedicated to 8 9 preventing illness, injury and death in food-borne disease. First of all, thank you for giving S.T.O.P. 10 11 the opportunity to express its views on this very important topic. We are glad to give voice to the 12 thousands of victims who have suffered serious food-13 14 borne disease. 15 Safe Tables Our Priorities applauds and supports FSIS' new proposal to make available to the 16 public lists of retail consignees of meat and poultry 17 18 products that have been voluntarily recalled by the 19 federally inspected meat or poultry establishments

For the past 13 years, S.T.O.P. has

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when the product has been distributed to the retail

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maintained that supplying the public with more specific information on where recalled product was distributed would lead to easier identification and prevention of unknowingly consuming potentially harmful product. We are glad that the Agency has seen the value to public health that this type of action will provide.

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Consumers want and need more information in order to make informed decisions about the food that they consume or serve to their families. know where they shop. The current system baffles consumers with long lists of case/lot numbers to which do not have easy access and creates unnecessary barrier. Learning the name of the retailer or retailers involved in a recall would provide a signal to consumers to check the meat and poultry products in their refrigerators or freezers. It would also prompt individuals exhibiting symptoms of food-borne illness after ingesting the recalled product to seek medical attention and enable to the medical community to quickly identify and begin treatment for the pathogen of concern.

Further, such information would also prompt the medical community and the public health personnel to ask more specific questions about food intake when individuals present symptoms of a food-borne illness, and this again would lead to faster diagnosis and

treatment.

While supportive of this proposal, S.T.O.P. urges the Agency to make the proposed rule even stronger by including two things. In addition to posting the list of retail consignees on the website, FSIS should also list them in the press release announcing the recall. Most consumers will learn of the recalled product via media reports and journalists working on a deadline may only use whatever is in the press release in their coverage.

Further, expecting consumers or journalists to go to the FSIS website to find the list of retail providers associated with the recall is not user friendly. Relying on web information is based on the notion that most people, most consumers, have computers and they are skilled with using the Internet. This simply is not true. As a teacher, I

know that the majority of consumers either do not own a computer or they are not familiar with finding specific information on the Internet. By only providing these lists of retail consignees of meat and poultry products involved in a recall on the web page, the Agency is unintentionally depriving millions of consumers information that could deeply impact on their health.

The second point is this. FSIS should expand the definition of retail consignees to include user level establishments, hotels, restaurants, and other food service institutional providers. Currently FSIS is proposing to define the list of consignees to the retail level as you already mentioned. Again, expecting consumers and journalists to go looking for additional information to determine where the recalled product has been distributed is not user friendly and could lead to unnecessary illness, injury or death.

S.T.O.P. truly believes that FSIS is proposing this action to increase consumer awareness about recalled products in order to prevent adverse health outcomes. S.T.O.P. feels that if the Agency

hopes to meet this goal, it needs to expand the list of retail consignees and to include this list in the press release announcing the recall.

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According to the CDC estimates, each year 176 million people are afflicted with food-borne disease, 325,000 are hospitalized and 5,000 die. over half of a country's population is being affected by a disease, then that disease is classified as an epidemic and despite all the efforts that FSIS has expended on this problem over the several years, S.T.O.P. is still getting way too many calls from people whose loved ones have suffered serious foodborne disease episodes. We try to console them and help them because we know from personal experience that after a serious food-borne disease encounter, your life is never the same. Serious food-borne disease is brutal and leaves a lasting impression on its victims and those associated with the victims.

S.T.O.P. feels that this shift in FSIS' recall notification process will help prevent foodborne illness, and we are happy to support this initiative. Thank you for allowing me to speak.

1	S.T.O.P. will be submitting written comments based on
2	what is said today, and S.T.O.P. is requesting that
3	FSIS make a written transcript of this public meeting
4	available as soon as possible and S.T.O.P. asks FSIS
5	to extend the written comment period until at least
6	one week after the transcript is published on its
7	website. Thank you very much.
8	MR. HICKS: Thank you. Next on the list is
9	Susanne Keller.
10	MS. KELLER: I've just returned from China,
11	and I wonder if I might have a moment. I arrived late
12	this morning. Can I give my spot up to somebody else?
13	MR. HICKS: Absolutely. You can to come
14	back a different time?
15	MS. KELLER: Yeah.
16	MR. HICKS: Absolutely.
17	MS. KELLER: Yeah, thank you. I'll remain
18	until the end if necessary.
19	MR. HICKS: All right.
20	MS. KELLER: Thank you.
21	MR. HICKS: Thank you. Next is Mark Dopp.
22	MR. DOPP: Thank you, Ron. Let me say that
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I want to echo the request for an extension that was just made, but actually, I'd ask that you extend it say for 30 days after the transcript is made available rather than a week. It's kind of a short time frame for people to work on their comments, et cetera. Anyway, back to the written text here.

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Good morning. My name is Mark Dopp. I'm the Senior Vice President and general counsel for the American Meat Institute. I want to say that I appreciate the opportunity to provide comments on behalf of AMI concerning this proposed rule. We, of course, will also be supplementing our testimony this morning with more detailed written comments.

Let me also say as an initial point, that AMI agrees with Food Safety and Inspection Service's conclusions. AMI agrees not with However, conclusions in the preamble to this proposal, rather we agree with the Agency's conclusion drawn in 2002, when, in analyzing the very issue presented here, FSIS has concluded that the Agency's ability to verify that recalls proceeding effectively were would be significantly hampered as a result of this type of

action, and that the public health would consequently suffer. That conclusion was correct in 2002, and it is correct today as well.

It is beyond dispute that in the event of a recall industry and Government should communicate information to consumers that will help identify products subject to recall. The existing recall procedures encourage consumers to do the single most important thing to avoid consuming the products subject to recall, check the product for identifying characteristics to determine if that product is subject to recall. Unfortunately, this proposal does nothing to add that process. Instead, it is fraught with problems, which could adversely affect consumers and the public health.

Specifically, the preamble fails to consider at all the problem's negative impacts. First, the proposal could inadvertently provide consumers with a false sense of security that could place them at greater risk. If, as has been suggested, the retail consignee list is posted and updated over time, a considerable time I might add, as the information is

gathered by FSIS, such an approach presents the very real possibility of a consumer checking the website, not finding the store where he or she shopped because the list is incomplete, and using the product subject to recall. That is not in the consumer's interest.

In the alternative, the Agency could post the list only after all retail stores are identified through the FSIS verification process which Mr. Derfler I believe identified as could take several weeks. That process certainly will take several days, could take several weeks, with the list posted well after the press release that provides the meaningful information after that press release is issued.

Moreover, the proposal presents a logistical problem for the Agency. The web posting will only be complete if FSIS officials visit every single intermediate distribution entity between the packer and the ultimate retailer. That is a process that they do not follow today. In short, failure by FSIS to fulfill any of those tasks will lead to an incomplete list, possibly leading some consumers to believe wrongly that the product that they purchased

is not subject to recall.

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Second, the preamble suggests that if retail consignees are identified, consumers will focus on the products that are recalled. However, it seems far more likely that this approach will encourage people to check the product only if they remember visiting a retailer that has been identified by the Agency. proposed rule, for example, does not take into account transfers to store and other similar transactions that take place in the retail community and elsewhere.

Third, contrary to the preamble's assertion, publishing the list of retail consignees will almost certainly increase the likelihood that many products beyond the scope of the recall will be returned to retail establishments. The very mention of the retail venue stands to trump the product codes and will result in mass concern and mass return particularly in light of the almost certain delay in time between the publication of the press release and the compilation of the relevant retail consignee list.

In conclusion, FSIS was correct in 2002.

1 This proposal is not an appropriate approach. For these reasons, FSIS should reconsider this proposal. 2 3 I appreciate the opportunity to submit these comments. 4 Thank you very much. 5 MR. HICKS: Thank you, Mark. I'd like to 6 invite James Hodges next. 7 MR. HODGES: Thank you. My name is Jim 8 Hodges.

Hodges. Today I'm representing the National Meat Canners Association. NMCA is the national trade association representing manufacturers of shelf stable meat, poultry and seafood products.

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NMCA is supportive of the USDA's objective to enhance the safety of the food supply, but the proposal to make available lists of retail consignees during product recalls will not accomplish that objective. In fact, the proposal will have an adverse effect on recall efficacy.

Nowhere in the proposal does the Agency provide any factual evidence that the effectiveness of recalls will be enhanced if the proposal is adopted. FSIS has provided nothing other than the opinion of certain parties and individuals to substantiate its

assertions. The Agency has a responsibility to promulgate rules that are based on facts and empirical data. Opinion is simply not an appropriate basis to justify publication of such a significant proposal.

Furthermore, the Agency apparently did not consider the possible negative consequences of the proposed actions. The existing Agency procedures encourage all consumers to do the single most important thing to avoid consuming a product subject to recall. That is, to check the product in their possession.

The Agency suggests that if the retail consignees are identified, consumers will focus on the products that are recalled. However, it seems far more likely that such an approach would encourage people to check the product only if they remember visiting a particular retailer that is identified. That will, in fact, decrease the effectiveness of the current recall procedures.

The proposal will further confuse an already effective recall process. When recalls needlessly involve consumers who do not own recalled product,

consumers may become immune to the recalls and ignore important information.

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Some have suggested erroneously that publication of retail consignees that have handled recalled product will somehow encourage processors to make manufacturing adjustments to avoid a recall. that opinion, manufacturers Contrary to work diligently every day to avoid recalls. It is not in a company's best interest to be involved in any recall of any kind.

Furthermore, contrary to the Agency's assertions, the confidential commercial business information that the Agency proposes to release is clearly exempt from disclosure under the Freedom of Information Act.

We along with others also suggest that a transcript of this meeting be made available as soon as possible, to facilitate the filing of written comments by our association and others.

In conclusion, the National Meat Canners
Association strongly urges the Agency to withdraw its
published proposal in the interest of maintaining an

1 effective recall process. 2 MR. HICKS: Thank you, Jim. Next on the 3 list is Lloyd Howtz. MR. HOWTZ: Good morning. I am Lloyd Howtz, 4 5 Senior Director of Food Inspection Issues with the 6 Food Products Association. 7 FPA appreciates the opportunity to comment on this proposed rulemaking which FSIS believes will 8 9 improve efficiency of recalls and reduce the amount of non-implicated product that is typically returned 10 11 during recalls. effective 12 FPA supports policies and 13 procedures that promptly provide consumers with 14 information they need to identify any implicated product in their possession so that it will not be 15 consumed. 16 Unfortunately, the information 17 to be 18 provided under this proposal, we believe will not be 19 timely nor is it required by consumers to identify implicated product which might be in their possession. 20 Thus, the proposed regulation will not improve the 21 efficiency of product recalls as suggested in the 22

preamble to the rule.

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Furthermore, the retail consignee list that FSIS proposes to post on its website will be incomplete if the Agency either posts a partial list to be updated later, or fails to contact all of the intermediate consignees, or if product initially sent to one store is subsequently transferred to another store, or if product is purchased at a club or warehouse store for subsequent resale at a smaller retail establishment.

And this leads to out most serious concern about the proposed rule. In the case of potentially hazardous product in consumers' pantries, partial information will be worse than no information at all because of the potential for harm if an incomplete list of consignees gives consumers the false impression that a product was not carried at their local grocery store when in actual fact it was. believe this concern alone is basis enough for FSIS not to proceed with this rulemaking.

We wish to note that FSIS acknowledges in the preamble that current recall procedures are

effective. We fully concur with this. One key reason for this is that because in the vast majority of cases, all of the information needed by consumers to identify and to properly dispose of recalled product in their possession is contained in the FSIS' press release and the Recall Notification Report posted on the FSIS website at the initiation of a recall, not days or weeks later.

Regardless of where it might have been purchased, if a consumer has a product of the specified container size that bears the particular brand name and production or code lot, he or she will know that this is the product being recalled and will be able to take appropriate actions.

As a related matter, we do believe that consumer recognition of recalled products is enhanced by the relatively recently initiated Agency practice of posting pictures of the product labels on the website.

Another Agency supposition is that consumers armed with knowledge of the specific retail stores that sold recalled product would be less likely to

1 return products that are not implicated in the recall. 2 Based on our many years of experience with product 3 recalls, we're left unconvinced that the proposal would actually lead to less non-implicated product 4 being returned. Rather, we believe that more would be 5 6 returned. Even while the chance of omitting some 7 stores from the posted consignee list is unacceptably high, the probability of including on the list many 8 stores that did not receive the recalled product is 9 10 even higher. 11 thank you for this opportunity to 12 comment. We will be submitting more detailed 13 written comments before the comment 14 deadline, and we would also support an extension of that comment period and publication of a transcript. 15 MR. HICKS: Thank you, Lloyd. Next is Chris 16 17 Waldrop. 18 MR. WALDROP: Good morning. My name is 19 Chris Waldrop. I'm from Consumer Federation of 20 America. Consumer Federation supports this proposal 21 22 agrees with FSIS' assertion that providing and

information to the public identifying the retail consignees of retail recalled products will enhance the efficiency of recalls by helping consumers properly identify recalled products that may be in their possession.

CFA is pleased that FSIS is adopting an open and transparent approach not only in this process of rulemaking but also in order to help protect the public health through this rule.

However, CFA recommends that FSIS reconsider its decision to not include the names of intermediate distributors of recalled product. We would encourage FSIS to include restaurants, fast food restaurants and other particular establishments in this proposed rule.

If these distributors have contact with consumers in any way, their names and locations should be identified to the public in the event that a product they've handled is involved in a recall. If the consumer becomes sick, such information would allow public health officials to more quickly trace the illness to a particular distributor and provide more robust information for an epidemiological

investigation.

CFA strongly suggests the Agency not only post the list of retail consignees on its website, but make every effort to disseminate the information as widely as possible through press releases, communication with State agencies and public health officials and other means available.

CFA would also recommend that FSIS display this information in a prominent place on its website so the consumers and other interested parties who have access to the Internet can quickly and easily find it in the event of a recall.

CFA urges FSIS to continue providing pictures of the recalled product when applicable as visual representation of the recalled product allows consumers to more quickly and accurately identify them.

Finally, CFA notes that FSIS intends to identify retail consignees of recalled meat and poultry products and their locations. Since one town or city may have several locations of a particular grocery store, CFA recommends that the Agency identify

the retail consignee by its precise location including
the physical address of the store. Thank you.

MR. HICKS: Thanks, Chris. Michael Rybolt.

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MR. RYBOLT: Thank you. My name is Michael Rybolt. I'm here with the National Turkey Federation. The National Turkey Federation appreciates the opportunity to comment today.

NTF the national trade is association representing nearly 100 percent of the turkey processors, growers and allied industries. an advocate for all segments of the U.S. turkey industry providing services and conducting activities which increase demand for its members' products and protect and enhance the ability to effectively and profitably provide wholesome, high quality and nutritious turkey products. It is the only trade association representing the turkey industry exclusively.

In regard to the Agency's proposed rule to publish the list of retail consignees during a recall, the turkey industry shares the belief with the Agency that providing accurate and timely information to the

consuming public is vital during a meat or poultry product recall. However, the proposed rule does not appear to us to be of any value and runs the risk of diverting the consumers' attention from the vital information needed to properly identify the implicated product during a product recall.

Currently, the industry provides all necessary information in the unfortunate event of a product recall. This information allows for clear and concise identification of recalled product to help consumers return the implicated product. The Agency's proposed rule does not provide clarity. Rather, it is our opinion that the proposed actions would have a deleterious effect on the recall process and add confusion to the consumer by diluting the necessary information as Bill described earlier.

By providing too much information, the proposed rule will serve not to improve the recall process, but rather it serves to be counterproductive and could increase the returns of product not implicated in a recall contrary to the Agency's thoughts detailed in the proposal.

Additionally, we do not understand how the Agency intends to provide the list of retail establishments, either once a complete list is tabulated or on a continuous basis, both of which have some inherent problems.

If the Agency intends to provide the list of retail outlets once the list is completed, there seems to be little value. The proposed rule indicates that the Agency will complete the list as it conducts its recall effectiveness checks, which takes several days to weeks as Bill discussed earlier. Should the Agency decide to post the retail outlets under this scenario, there again seems to be little value to the consuming public.

Under the second scenario, should the Agency provide the list of retail establishments as it compiles a list during the recall effectiveness checks, there is ample room for erroneous information to be provided to the consumer. In this scenario, the information tabulated may omit retail establishments that, in fact, sold implicated product, therefore misleading the consumer if their store is not on the

list. Also the list published by the Agency may, in
fact, contain retail outlets that did not distribute
the implicated product, therefore increasing the
likelihood of non-implicated product being returned.

In closing, I would like to stress that the
National Turkey Federation agrees that providing
accurate and concise information to the consumer in a
timely manner mitigates potential exposure to recalled

National Turkey Federation agrees that providing accurate and concise information to the consumer in a timely manner mitigates potential exposure to recalled product. However, for the reasons discussed previously, we feel the proposed rule will have a negative effect rather than a positive effect that the Agency discussed in the proposal. We therefore request the Agency to reconsider the proposed rule and conduct a data analysis, if data exists, to determine the potential public health impact, if one exists.

We also join with the other associations and request an extension along with the publication of the transcript from this meeting. Thank you.

MR. HICKS: Thanks, Mike. Next is Tom Wenning.

MR. WENNING: Good morning. My name is Tom Wenning, and I'm Senior Vice President and general

counsel for the National Grocers Association.

NGA is the national trade association that represents independent retailers and the wholesalers that service them. NGA members also have retailers that are self-distributing, operating their own food distribution centers.

I'd like to comment this morning on a number of items. The first is our feeling that the proposal raises more questions than it answers. We couldn't agree more with consumer groups or USDA that there's a need for timely, reliable, accurate information about the product to be provided to consumers. NGA's goals and its members' goals, anytime there is a product or a Class I or Class II recall, is to have that product removed from the shelf and taken back from the consumers as soon as possible, and as quickly as possible in order to protect the public health and safety.

As we look at the rule, there are a number of questions that are raised about the question of timeliness. If there is going to be a publication of the list of retail consignees, the question is raised

when will that list be published and accumulated? Ιf it is raised and rolled out individually as information is gathered, there's the likelihood that retail locations will not be complete on the list, and consumers will be misled that they may have shopped at one store and purchased a product there, and that the retail location is not on the list and they could assume that their products are safe. If it is waited the weeks that has been discussed this morning, the consumers will be getting the information too late, which comes back to our original point, that we think the essential information is having the information about the specific product in the consumers' hands as soon as possible.

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Second, the reliability of the information, we think it's likely that the list that will be compiled may be inaccurate. A lot of times retailers or their wholesalers may distribute to more than one location. They may or may not have received that information and the need to locate that specific location will take USDA more resources and more time to accumulate and to track down.

1 I guess we would conclude by saying that we think that USDA needs to go back and revisit this. 2 3 think that also we would second the recommendation for 4 an extension of time. We think that there are 5 numerous questions that are not addressed on the 6 public record or in the proposal that need to be 7 expanded upon by USDA. Thank you. MR. HICKS: Thanks, Tom. 8 Next is Brett 9 Schwemer. 10 MR. SCHWEMER: Good morning. My name is 11 Brett Schwemer, and I'm here today representing the

National Meat Association.

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The National Meat Association appreciates this opportunity to comment on the Food Safety and Inspection Service proposed rule to make available a list of retail consignees during meat and poultry recalls. NMA will submit more detailed comments to FSIS Docket 2006-0009 before the May 8, 2006 deadline.

NMA, organized in 1946, represents interests of meat packers and processors throughout the United States. Our general membership, which consists of over 300, has always supported efforts to

improve the effectiveness of recalls and to provide consumers with all information necessary to identify and remove potentially dangerous product from the marketplace.

Unfortunately, FSIS has not presented any evidence that the release of confidential retail customer lists will achieve these objectives, or that the potential value of this information would outweigh the competitive harm that would be caused to the industry by its release.

Indeed, rather than making recalls more efficient, it is highly likely that the release of this information will cause more confusion and uncertainty with consumers, lead consumers to focus less on important product identification information and more on potentially incorrect and misleading information, and result in consumers returning more product that's covered by the recall instead of less.

When there is a recall of potentially dangerous product, the main objective of both industry and the Agency is to provide consumers with timely and reliable information so that they can identify

affected product and dispose of it prior to consumption. This objective has been achieved by immediate dissemination of product identification information in Agency press releases and the Recall Notification Reports that are provided to localities in which the product was sold. The Agency has acknowledged in its proposed rule and other public records that this method has been effective.

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Publishing a list of retail consignees on FSIS' website, weeks or sometimes months after a recall, will not aid consumers in identifying and disposing of affected products. First, posting information on a website for consumers presupposes the consumers will know to check a website for this information or that consumers either purchase all their items from one store or from one location or keep sales receipts, which would identify the store location where they purchased the product.

Second, even if consumers know to check the Agency's website or know where they purchased the specific product, releasing a list of retail consignees could distract consumers from the most

important information available to them, the product identification information. In fact, it is conceivable that some consumers will wait until the retail consignee list comes out before deciding to check the refrigerators or pantries. If a consumer later forgets to check the website or the retail consignee list is inaccurate, the consumer could eat potentially hazardous product.

Third, the Agency assumes that all information on its website will be accurate and complete. According to the proposal, the Agency will post the names of retail consignees on its website, as the Agency collects this information pursuant to its recall effectiveness checks. Unfortunately, it is not uncommon for the Agency to have incomplete or inaccurate lists of retail consignees from their effectiveness checks.

Intermediate distribution records could be incomplete or affected products could find their way to other retail customers that are not identified on these records. The failure to include a particular retail consignee on the Agency's website or the

failure to post the name of a particular retail consignee on the website in a timely manner, could cause a false sense of security resulting in a person consuming a potentially hazardous product.

Faced with these real concerns, the Agency does not provide any evidence that its proposal would benefit public safety. It has not provided any explanation whatsoever for changing its position that retail consignees constitutes confidential commercial information.

On April 24, 2002, FSIS published a final rule, which enabled FSIS to share confidential lists with State and other Federal agencies for the purpose of aiding in their recall verification process by enlisting their assistance in recall effectiveness checks. However, FSIS has long recognized that this distribution list is confidential commercial information, valuable to a firm and to its competitors and was protected from mandatory public disclosure by exemption for the Freedom of Information Act.

FSIS does not offer an explanation of how information once regarded as confidential commercial

information and protected from mandatory public disclosure by exemption for the FOIA is no longer valuable to its firms or competitors. On the contrary, the publication of this information would be extremely advantageous to a firm's competitors. A competitor would have the ability to identify specific retail locations where products have been removed and then offer their products as an immediate substitute thus placing firms undergoing a voluntary recall at risk of losing their customer base.

The proposed change could be destructive especially to small firms who would be subjected to competitive piracy by web smart larger firms accessing their most important asset, their customer list.

In consideration of the aforementioned comments, we request the proposed rule be abandoned.

In the alternative, we request that it be reissued for review and comment under the condition that it also include an economic impact study assessing the potential for serious economic loss due to competitors assessing confidential customer information.

In addition, request that FSIS present supporting evidence that would substantially claims how publicizing confidential customer information lists will expedite recalls beyond present day capabilities. Thank you.

MR. HICKS: Thank you. Tony Corbo.

MR. CORBO: Thank you. I'm Tony Corbo. I'm with the consumer organization, Food and Water Watch, and first I would like to subscribe to the comments that were given by Chris Waldrop and Patricia Buck and the courageous John Munsell.

I wanted to, first of all, compliment the Agency for proposing this rule. It's a great start, but what I'd like to do at this point is to engage in a dialogue with the Agency about four particular recalls that I got off of your website, and the press releases pretty much get to what this rule would do, and I was wondering whether you all had to engage in any extraordinary efforts to get as much information on the recalls. They were all Class I recalls.

The first one, November 8, 2005, title of the new release, "California Firm Recalls Ready-to-Eat

Chicken Product for Possible Listeria Contamination."

Garden Leaf Foods, a Gardena, California firm is voluntarily recalling approximately 275 pounds of ready-to-each chicken product that may be contaminated with listeria monocytogenes. The product subject to recall is 10-ounce packages of Trader Joe's Herb Chicken Wrap with Mustard Vinaigrette. The deli wraps were produced on November 1st and distributed to retail stores in Arizona, California, Nevada and New Mexico.

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The recall, October 22, 2005, next Massachusetts firm recalls ready-to-eat meat poultry products for listeria contamination. Ian's Natural Foods, a Revere, Massachusetts firm voluntarily recalling approximately 11,200 pounds of ready-to-eat meat and poultry products that may be contaminated with listeria monocytogenes. The products subject to recall are 12-ounce packages of Trader Joe-San's Teriyaki Chicken with Basmati Rice and there's a whole litany of other Trader Joe And it goes on to say that the products listed. products were produced on various dates between

October 12th and 18th, and were shipped to retail stores in Connecticut, Delaware, Maryland, New York, New Jersey, Pennsylvania, Virginia and Massachusetts.

The third recall dated March 25, 2005, California firm recalls chicken products for possible listeria contamination. Day-Lee Foods, Incorporated, a Santa Fe Springs, California firm is voluntarily recalling approximately 12,500 pounds of chicken products that may be contaminated with listeria monocytogenes. The products subject to recall are approximately 32-pound boxes of Trader Joe's Teriyaki Chicken Wings and Drumettes. The chicken products were produced on August 27, 2004, and distributed to retail stores in Arizona, California, Nevada, New Mexico, Oregon and Washington.

The fourth recall dated December 17, 2004, California firm recalls pork products because of mislabeling. Day-Lee Foods, a Santa Fe Springs, California establishment is voluntarily recalling approximately 25,000 pounds of pork filled gyozas because of mislabeling. The packages state that the gyozas are filled with pork but they may instead

contain shrimp, a known allergen. The product subject to recall are one pound bags of Trader Joe's Pork Gyoza Potstickers, Pork and Vegetable Dumplings. The gyozas were produced on September 15th, and were potentially sold from Trader Joe's retail stores in Arizona, California, Connecticut, Delaware, Illinois, Indiana, Maryland, Massachusetts, Michigan, Missouri, New Jersey, New Mexico, New York, Nevada, Ohio, Oregon, Pennsylvania, Virginia and Washington.

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The point I'm trying to make is here you're identifying, you're identifying the retail stores where these products were shipped to, and you're identifying the States where the contaminated product may have entered those retail stores. Did you all have to enter into any special arrangement with Trader Joe's to identify them by name? You also had the pictures of the products which is another -- I want to compliment you on doing that because the FDA has resisted doing that, and, and -- for their recalls, and I really compliment FSIS for doing that, but did you have to enter into any special arrangements to identify Trader Joe's by name in these recalls?

MR. DERFLER: No. It's the information we get today, and this is about providing more specific information about the Trader Joe's stores. I think that's the question.

MR. HICKS: Thanks, Tony. Ms. Keller, would you like to make some comments?

MS. KELLER: Good morning, and thank you for this opportunity to speak. I apologize for my sort of inability to define exactly where I am because I'm working on a different time zone. I've just returned from China, as I guess I said earlier, and as you can clearly see by my white tresses, I am a senior, and occasionally get little perks of it such as discounted tickets at the IMAX Theater, and over the 40 plus years of marriage, I prepared thousands of meals, not only in the United States but also in Europe, Asia, Africa, the Arabian Peninsula, India, the subcontinent of India. I've prepared meals in Australia.

But one of the most memorable meals that was prepared for me occurred almost precisely 39 years ago on approximately April 16, 1967, when I, a brand new mother, returned home carrying my first daughter. Our

best friends were waiting at my home, welcoming my husband and me and daughter, with a full meal of turkey, dressing, gravy, veggies, all the trimmings. In the intervening years, I've roasted lots of turkeys, perhaps on the average of once a month, and anybody that I knew that has a baby, I do the same thing that was done for me. That's a lot of turkey.

Is the meat packing industry aware that some turkeys come with little extruded plastic pop ups which indicate the turkey is adequately and safely roasted to the proper temperature? The turkey industry does not seem to leave that responsibility always to the customer, whether or not the meat is safe.

If the poultry industry can use these pop up meat thermometers, cannot also the triumvirate packers and all packers do this rather than place responsibility for the safety of the food with the customer who is preparing the meat?

Hey, I've got a beef with the packers who don't accept the responsibility.

My husband and I have an international

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company. It's small. You probably never heard of it but it keeps us abroad all but a few months annually. If you've traveled or worked in Asia, you may have had a Mac attack when you spied a McDonald's. In Asia, American fast food establishments are becoming ubiquitous, common. It's not difficult to find golden arches and snap photos of your family sitting with Ronald McDonald and have Asian faces in the background.

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The former Port of Hanoi is now known by its Chinese name, Xiamen. That southeastern port handles the ninth or tenth greatest tonnage of the world. Atop Xiamen's current tallest building along seacoast with magnificent views is the Pizza Restaurant. That is the destination of many travelers who come to this beautiful southeastern city, which is known for its flowers and many other fine aspects. It is a destination of tourism. I see them coming all the time, and even a bigger part is Shenzhen, directly north of Hong Kong, which now ships more than Hong Kong, which was formerly the largest port of China. From Shenzhen, 75 percent of America's holiday

decorations are shipped, trees, tinsel, bulbs, Santas, everything. Seventy-five percent. Can you imagine? Take the whole nation and get 75 percent of its merchandise out of one port. These are -- being made in China. The Shenzhen markets, the street merchants, the covered bazaar, department stores, buzz like a beehive. The Chinese love to shop. They love to eat. They're out filling the streets as though you are on New York Times Square on New Year's. It's to everybody's advantage to have a meeting place for friends, family and business colleagues.

The last time I was in McDonald's, I met an investment banker from Beijing but I think I was in Chengdu, the capital of the Sichuan Province, which is a major city, an ancient on Silk Road, and Sichuan Province has a huge population.

While in Asia earlier this month of April, an Internet article caught my eye. It concerned international trade, Japan and its policy regarding the Mad Cow Disease. At this time, Asian vendors, restaurants and meat counters, do not offer beef from America.

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The Colonel's Kentucky Fried Chicken is well known worldwide as KFC, and that we recently had in a city called Hangzhou, also on the eastern seaboard.

A decade or more in the past, my family was traveling in Japan, and we spotted a McDonald's and immediately followed our noses, sniffing the aroma, truly, and the aroma was grilled hamburger accompanied by French or is it Freedom Fries. These food places fit a Chinese segment lifestyle although not using chopsticks when they're eating these. Chopsticks are a lot of fun. The Chinese love to eat, I love to be there, wonderful banquets, good friends, a way to develop business relationships. Wouldn't it be great if we could get American beef into the restaurants there so when the important business people and governmental people are meeting and eating, they could have that option?

I returned to the United States just in time to attend a Columbia University alumni meeting Friday evening at the Willard Hotel. The speaker was the head of Columbia University's department specializing in Asian studies. His lecture was titled, does the

Rise of China in the United States? Several issues were addressed, and the answer on all counts is a solid no. No. The rise of China does not threaten the United States. I hardly concurred with the speaker. I've been living in China, can verify statements by what I've seen and read in the China Daily, which is the controlled news by the Communist Party.

It's important to realize that the current leaders of China understand, they fully realize that the only way that they will remain in power is to provide economic development for everybody within the country.

There are 1 billion customers in China according to James McGregor's book, Lessons from the Front Lines of Doing Business in China. James McGregor speaks Chinese Mandarin. He served as a key advisor to both the U.S. and the Chinese Governments. He was a Wall Street Journal China bureau chief following the Tiananmen massacre, the chief executive of Dow Jones China business operations during much of the roaring 1990s, a venture capital investor during

China's dot.com boom. This is a good book to help you to understand China.

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My point is that China not only has 1 billion customers. Its population is 1.3 billion, and the U.S. beef industry is not in China. They're not in Japan. I have no knowledge if they are in Indonesia. I would like to see the American individual companies, meat packers, large meat packers, whatever it happens to be, do well in China. The goal of current Chinese leadership is economic development. They want a good life for everybody.

 $$\operatorname{MR}.$$ HICKS: Ms. Keller, we have about two more minutes left.

MS. KELLER: Okay. The international trade orders for beef is being filled by Australia, New Zealand, South American companies. Indeed I cannot purchase or prepare beef in China that comes from the United States. I cannot eat it in China or Japan. I wish I knew the statistics for the whole area but there is a huge potential there. It's due to Mad Cow problems that the U.S. packers cannot get into Japan. Imagine if Japan and France and other companies become

1 aware that U.S. packers and processors aren't taking 2 their responsibility and what will they think of this 3 United States Government Agency, if this Agency does 4 not require the packagers and processors to take 5 responsibility to remove potential harmful material 6 from the meat that is shipped. 7 I'm viewing a bigger picture. The global I see this as a significant issue of 8 society. importance to the American consumer, you, your family, 9 10 children, your grandchildren, your great 11 grandchildren, me, family, and by extension my customers and families around the world. This really 12 is an issue of economic development or economic 13 14 stagnation of the U.S. beef industry. 15 I thank you for your time. MR. HICKS: Thank you. Those are the last 16 17 of the comments of those who signed up. Yes. 18 MS. HOLLINGSWORTH: Will you all others from 19 the audience who haven't signed up? DR. RAYMOND: Absolutely. 20 MR. HICKS: Yes. Jill. 21 22 MS. HOLLINGSWORTH: Thank you, and we Free State Reporting, Inc.

appreciate this opportunity to be here today.

My name is Jill Hollingsworth, and I'm the Vice President of Food Safety with the Food Marketing Institute.

The Food Marketing Institute is a trade association that represents approximately 2,000 retailers and wholesalers in the United States and internationally, and our members range from the largest multinational firms down to the smallest, single owned independent operators.

We appreciate the efforts by FSIS to look at the current recall system and constantly try to find ways to improve it, enhance it, and in that regard, we certainly support your efforts because we have that same goal in mind, to protect our customers.

In preparing for our comments to the proposal, we've been looking up some various pieces of information that we thought might be even useful to the Agency as they look at the proposed rule.

One is that there are currently about 16,000 distribution centers that carry meat and poultry products, and we'd be happy to give you our references

and resources for that information if it would be of benefit, but concern is that our previous presenters have mentioned, that any list compiled by FSIS with its current resources would not be able to be a complete list. And, therefore, we would have the negative consequences of posting on the website an incomplete list, and we are concerned that consumers will come to rely as they do now on FSIS' list as the definitive resource for determining whether or not product they purchased might be recalled. fact, we are concerned that we may weaken the public consumers health protection of by giving them misleading or a false sense of security.

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We believe that in all recalls the focus should be on the product. Currently consumers do return more products than they probably need to, but we've never complained about that or the economics of that situation. We would rather err on the side of safety and take back more product than necessary than try to fix the problem by looking at the economics of can we, in fact, stop consumers from bringing products back that don't need to be.

Posting on the website is certainly not going to be timely as Mr. Derfler pointed out. According to FMI data, consumers currently shop two and a half times per week, visiting their same retail store over and over. We would far rather a consumer who is coming to the store maybe just days, hours after a recall was announced, to check with their retailer to determine, is the product I have purchased from this store part of the recall? That is the best way to get information to consumers to give them the right information and to tell them what needs to be returned and what needs to be taken back.

The retail industry supports improvements in the current system, but we aren't clear as to what information the Agency has that shows that publishing this information on the website, in what will be in an incomplete and untimely manner, is a better system and an improvement over what we currently have.

Another concern is that the distribution list is not going to be a user-friendly list in all situations. Oftentimes stores, particularly in smaller communities, are known by a common or

community name, which is not the same as the business name. The name on the distribution list will, in fact, be the business and not the name that the consumer will be comfortable and familiar with, there once again discouraging them to bring back product or to ask a question of their stores, did I have recalled product that I should bring back?

We also agree with the comments made by S.T.O.P. that web posting is really not a good communication tool. There are just not enough people who are going to rely on the web to get their information on a recall, but we are also concerned with the idea of adding this list to the recall announcement if, in fact, such a list cannot be compiled for days or weeks after the recall. The most important thing in a recall is timeliness, getting the information out as quickly as possible and we think it would be inappropriate to delay that announcement while a list of retail stores is be compiled.

In fact, we think the current FSIS system, where on a recall announcement it advises consumers, go to your retail store and ask the question, is

excellent advice for all consumers in all recalls.

Retailers currently do not attempt to keep their names secret. Rather, they want very much to protect their individual customers. They don't want to lose their business, and they want them to know that the store is there only to sell them safe food. We do take back more product than we need to, no questions asked, and that's because we do care about the customer.

If, in fact, in a situation that was mentioned previously where a specific retail store is known and their name is on the product, we give full cooperation to the Agency to have that information available but this is a very different situation.

In this case, we're looking at products that are difficult to identify. We would like to have a better system, if possible, to find a way of letting customers know the product specifically that needs to be recalled, regardless of the store it was purchased, and even with this proposal, retailers will not change their current policy or practice of accepting and returning products, even if it is not the recalled

product, even if it wasn't bought from their store.

They will take it back to keep their customers confident and comfortable in the existing system.

We would also like to propose that the Agency look at alternatives and perhaps even consider holding a public meeting involving the industry and consumers to talk about what really would help improve the current system, what are its weaknesses, because we really think it's a good system, but it can be improved, and how might we make it better.

One alternative that we would like to suggest is that the Agency post a website or a place where consumers could go for information but rather retailers post that their names, the names of other stores or banners under which they operate, and permanent contact information so that if ever a customer has a doubt, they have a number and a place to call to check if, in fact, that store or that company may have sold the recalled product.

We would be willing to work with the Agency on such a system and feel it offers consumers information that they can seek on their own to find

out if they need to return product, and again, we will
always take that product back.

Thank you for the opportunity to comment.

MR. HICKS: Thank you, Jill. Are there any
other comments?

MS. WHITE: Deborah White, Vice President

MS. WHITE: Deborah White, Vice President and associate general counsel, also the Food Marketing Institute.

Obviously I support what Jill said, but I also wanted to just turn your attention to the FSIS Directive 8080.1 which is the recall directive, and this is why we're having some difficulty understanding how the timing of the information that's being presented is going to work based on the procedures that are set out in the USDA directive.

The directive says that for Class I recall, the recall effectiveness checks will start three days after the announcement is made. So if the information that FSIS is going to post on the website is directly a result of the recall effectiveness checks, the information can't possibly be available until at least three days after the process is begun.

Pat Buck mentioned that the information that the retail stores should be communicated in the press release. That just won't be the case. It won't be available. The recall effectiveness checks are the source of the information, and they won't begin until three days afterwards.

The goal stated in the FSIS directive is for those recall effectiveness checks to be completed in the case of Class I recall 10 days after they're begun. So you've got a two-week time frame in which that data will be gathered, if it's gathered in a timely fashion. Again, Ms. Buck said, you know, it's not user friendly to put the information up on the website. It's certainly not user friendly to tell the consumer, okay, check at day three, check back on day four, check back on day five, check back on day six, when the consumer can simply be told this is the product. Check your refrigerator today, make sure that it's not in there. If it's in there, get it back to the store. We think that would be a much more consumer friendly system.

The other point that I think is important to

pull out of the recall directive is that the Agency cannot check all of the does and retail consignees. The consignees are defined not only as the retail stores, but all of the intermediaries that are in the system, and they are numerous. The Agency, rather than trying to check them all, says that they will check a valid, a statistically valid sampling, and sets forth a chart that says if there are "X" number of consignees, we will check "Y" number. example, if there are between I think it's 10,000 and 35,000 consignees, the Agency will check 800. That's a very small number, and Jill mentioned how many distribution centers there are that handle meat and poultry products. We found through our statistical analysis using the U.S. census data, that there are close to 3,000 distribution centers that handle fresh meat alone. The Agency alone can't possibly check all of those 3,000 distribution centers if they're only checking 800 consignees. So we're having difficulty understanding how this is going to operate in actual practice when you look at the proposal and you compare it to the recall directive.

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1 And, I would support the other people's request for an extension to the comment period for 30 2 3 days after the transcript is available. Thank you. 4 MR. HICKS: Thank you. Any other comments? 5 Tony? 6 MR. CORBO: Tony Corbo again from Food and 7 Water Watch. I would like to make a request, and I've 8 9 done this to the Agency in our monthly meetings, but we've heard that more product has been recovered than 10 11 actually recalled in a number of instances. The only two that I know off the top of my head both involve 12 BSE, but I would like to make a request as part of 13 14 this discussion that the recovery -- the actual recoveries compare to what was targeted as the product 15 to be recalled, starting from fiscal year 2002 to 16 17 present be part of the transcript. 18 MR. HICKS: Thank you, Tony. Any others? 19 Ms. Buck? MS. BUCK: I've listened to, you know, all 20 various comments, and understand 21 these Ι the 22 industry's point of view, that we have to have Free State Reporting, Inc. 1378 Cape St. Claire Road

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timeliness and we have to have credibility in recalls.

Otherwise, they don't mean anything. I understand that very, very much.

On the other hand, it is very important that consumers have the ability to find out whether or not a product that they have purchased is something that they have brought into their home, because without that information, they can make themselves or their family members sick. How we go about providing consumers in a timely fashion with that information is a huge challenge, and it does mean that the industry, despite all of its good efforts and its good intentions, is going to have to re-look at the things that it is currently doing because the system, as it is put in place despite what you're talking about, is not good enough.

And I, as a member of S.T.O.P. ask you to remember that there are real people out there facing potentially really serious diseases, and we need your help to solve this problem. So I'm not trying to be antagonistic towards you. I encourage you to re-look at why it is so important to you that retailers should

not carry some of the burden in this equation of solving the problem.

MR. HICKS: Thank you. Any other comments?

MS. HOLLINGSWORTH: I totally agree with the comments that the retailers do see themselves as part of the equation, and that is why we are looking for ways to better get the customer to come to the retailer to get the information they need. Our concern is that this proposal isn't going to give them the information they need, but we are certainly open and willing to ideas and alternatives that will get them that.

We have a system now that fairly rapidly gets the information to the individual retail store so that if a customer comes and has a question, they can answer right away. And again, I point out that if they're not sure, they will take the product back rather than take the chance of telling the customer we know that's not the recalled product. So we do see ourselves as part of that solution, and we are very anxious to work with the Agency to find ways to make

the system better. It's not trying to keep our names off a list. It's trying to be sure that any list or any information that's provided to the consumer is accurate and timely. Thank you.

One other point. On the request about the numbers for how much product is returned or recalled versus the total expected amount of product produced, I'm not sure if the Agency has the means of collecting that information or if that information currently exists. There is a lot of product that is brought back to retail that is taken back and exchanged or refunded that is probably not included as part of the recall because it's not the product.

For example, in a recall of ground beef, we will have people bring back steaks and chuck roasts and say, I just don't want to take the chance because it's a beef product or whatever. We take that product back. It is not reported. So there is a lot of products that are taken back as a result of a recall announcement that, in fact, may not get reported as part of the total returns.

MR. HICKS: Any other comments?

MR. MUNSELL: A point I didn't make earlier today was -- I'll make a consideration for the USDA cafeteria. What if we were all eating in the USDA cafeteria today and the cafeteria had received over weekend some potentially contaminated meat. Wouldn't we want to know it? Wouldn't, you know, if you have children and grandchildren, wouldn't you want those families to know where some potentially contaminated meat is? Let's make this personal.

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We might make other choices instead of eating here, or maybe we all eat a chicken sandwich but at least we deserve that right to know where potentially contaminated meat is. That's what I call backwards pressure, you know, if the USDA purchasing agent here knew about this issue and they lost customers, they would be justifiably upset, and they would be angry at their supplier and go backwards, and that kind of backwards pressure would result in changes.

I've been a meat packer for 34 years fulltime, and before that as a kid, and I feel that our industry has done an excellent job of implementing new

interventions and obviously Dr. Raymond's statements show that fact that we've done a better job. We've improved, but there's room for additional improvement but the bottom line is, from the comments made today, it seems to me that the primary problem is the USDA's ability to compile complete names of retailer lists. I don't think we should argue about whether or not consumers have the right to know. It's just how it's done efficiently. Thank you.

MR. HICKS: Other comments?

MS. KELLER: Thank you again for the opportunity to speak. I would encourage you to look at the bigger picture. As I mentioned earlier, there's a wonderful opportunity out there and this issue is significant to so many people and to the meat packers that are here and to the whole industry, and it will improve America's economic opportunities in the world. Thank you.

MR. HICKS: Thank you.

MS. KELLER: I encourage you to think outside the envelope to see the additional ramifications. I'm sorry I'm not concerned with the

1	little individuals, I shouldn't say little because
2	they're not little, with the concerns that people are
3	talking about here today. I just have a crazy
4	different viewpoint, and I wanted to share that with
5	you.
6	MR. HICKS: I appreciate it. Thank you.
7	Any other comments?
8	On behalf of the Under Secretary's Office
9	and the Agency, I'd like to thank you all for coming
10	out today and appreciate your comments on a very
11	important topic.
12	As we've indicated before, the date for
13	comments is May 8th, but we've also heard requests for
14	an extension and for the transcript to appear on the
15	web. So we'll be considering that and providing
16	feedback on that to you.
17	So once again, thanks very much for your
18	comments.
19	(Whereupon, at 11:30 a.m., the meeting was
20	concluded.)
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22	

CERTIFICATE

This is to certify that the attached proceedings in the matter of:

PROPOSED RULE ON THE AVAILABILITY OF
LISTS OF RETAIL CONSIGNEES DURING
MEAT AND POULTRY PRODUCT RECALLS

Washington, D.C.

April 24, 2006

were held as herein appears, and that this is the original transcription thereof for the files of the United States Department of Agriculture, Food Safety and Inspection Service.

Timothy Atkinson, Jr., Reporter FREE STATE REPORTING, INC.