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ConAgra Foods Retail Products Company Refrigerated Foods Group 2001 Butterfield Drive Downers Grove, IL 60515

April 15,2002

FSIS Docket Clerk United States Department of Agriculture FSIS-Docket#01-018P Cotton Annex, Room 102 300 C Street, S.W. Washington, DC 20250-3700

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

01-018P 01-018P-36

To Whom It May Concern:

ConAgra Foods' Refkigerated Foods Group is part of ConAgra Foods, Inc., ("ConAgra"). ConAgra is a multinational food company which manufactures and distributes a wide variety of branded and non-branded food products throughout the United States and worldwide. ConAgra employs over 83,000 people and has annual sales in excess of \$27 billion. ConAgra's products include pizzas under the Wolfgang Puck, Banquet, Marie Callender's, Mama Rosa, The Max, and Healthy Choice brand names. ConAgra products also include Hunt's tomato products, Butterball poultry, Monfort fresh meats, Armour and Healthy Choice processed meats, soups, meals and bread also under Healthy Choice, and hundreds of 'other fresh, refrigerated and fi-ozen products. ConAgra Foods is also one of the country's largest foodservice manufacturers. Or Refrigerated Prepared Foods Group is a manufacturer of quality pepperoni and sausage products and consequently is deeply affected by this proposed change/elimination of the pizza standard.

ConAgra has submitted comments, which we support. Additionally, we would like to emphasize and reiterate the following points. We agree with the U.S. Department of Agriculture's (USDA's) Food Safety and Inspection Service (FSIS) efforts to eliminate the pizza standards of identity. This is because:

1. The current standard, at 30 years old, is outdated and no longer reflects the marketplace nor meets consumer expectations. We agree with the Agency in saying "these standards may be inhibiting manufacturers of federally inspected fi-ozen pizza from producing and marketing the new styles of pizzas that today's consumers demand." As a manufacturer and supplier of pepperoni and sausage to the foodservice industry, we are confident that elimination of the standards will encourage manufacturers to use our products in many more products to meet consumer demand.



- 2. Foodservice/restaurant pizzas, which account for nearly 85% of the pizzas purchased in the United States, are not subject to these standards, and therefore offer a wider variety of better tasting options. The discrepancies in sales alone indicate consumers are voting with their pocketbooks for foodservice pizza over frozen pizza by nearly-six to one. The current standard of identity for pizza was adopted in 1970, when the term "pizza" referred to a four-component product comprised of . meat, cheese, dough-based crust and tomato sauce. However, this "traditional" product, while still important, no longer represents the consumer concept of "pizza". Restaurants recognize and respond to changing consumer demand, which represents the sophistication of today's consumers who now expect 'nonstandard' products. Moreover, the presence of the pizza standard stifles creativity throughout the category, hindering competition and encumbering rather than protecting consumer choice.
- 3. Obesity is a major epidemic throughout our population and has increased dramatically among our youth. **As** pizza is a mainstay of the teenage diet, manufacturers need flexibility to creatively offer pizzas, having recognizable product names, made with lealn meats or healthier alternatives. Eradication of the standard will increase consumer nutritional choices. Frozen pizza manufacturers may now choose to specially formulate pizzas to cut out the fat while providing the same amount of "meat". This would be more consistent with the USDA's nutritional guidelines, such as reducing fat and cholesterol in American diets.
- 4. The standard was promulgated at a time when there were not ingredient or nutritional labeling requirements, so a standard of identity maintained industry product consistency. Today we have regulations providing consumers with a wealth of consumer information on food products, including ingredients and nutritional composition. Product standards are no longer need to provide this information, especially when it prevents manufacturers from offering consumers the variety of food products such as healthy pizzas available at grocery stores.

In general, ConAgra agrees with the Agency's proposed approach of naming pizzas in the absence of a standardized name. Under the federal Meat Inspection Act, non-standardized product should bear either the common or usual name of the food, or a truthful descriptive designation. The Agency correctly notes in the preamble to the proposal, that merely because the standard is rescinded, the issue of product name remains. ConAgra agrees that a "traditional" or "common and usual" pizza contains the four original components, bread-based crust, tomato sauce, cheese and meat or poultry. As the Agency recognized in its proposal, there are poultry topped pizzas, which have been informally regulated under the meat pizza standard. Elimination of the meat pizza standard will permit poultry pizzas to enjoy the same flexibility in composition. Thus, it is appropriate for a traditional product to use the term "pizza" with a designation of the meat component such as "pizza with pepperoni...." Likewise, products that would substitute other ingredients for the "traditional" four should include a descriptive qualifier following "pizza," such as "pizza with sausage and pesto sauce."



5. Current Consumer Information, Both On and Off the Label, Is Adequate

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

As previously stated, the pizza standard was promulgated 20+ years prior to the advent of rules that require full nutritional and ingredient disclosure. Hence, when the standard was finalized, there was no vehicle to ensure that consumers were able to determine independently the key attributes of a product. Likewise, the defined scope and understanding of pizza at that time was very narrow. Today, consumers know the nutritional qualities and ingredients of almost all foods they buy, including fiozen meat-topped pizza through use of these important label features. Consumers are informed about how the nutrients in those foods fit into an overall daily diet and are provided with special definitions and requirements for terms that describe a food's nutritional content, such as "light" or "low-fat". Additionally, label instructions, graphics, toll fi-ee numbers, brochures, supermarket information and company websites contribute to consumers' knowledge and make the current pizza standards unnecessary **as an** ingredient communication tool.

6. Mandatory Percent Meat Ingredient Labeling is Unnecessary

We agree with the suggestion by **NFPI** that to most consumers, the term "pizza" refers to an open-faced crust that is topped with a variety of **ingredients.**² Therefore, requiring the name to include the percentage of meat or poultry in the product is in direct conflict to the petitioner's justification for requesting rescission of the standard in the first place, and that is the dual standard applied to fiozen pizza versus foodservice pizza. Furthermore, the Agency has stated it has "determined that, because consumer expectations of what a product identified **as** a pizza should contain differ from what is prescribed by the current standards, the standards no longer serve their original purpose of protecting the public fi-om economic **deception**." ConAgra questions the purpose percent meat or poultry topping requirement would serve and believes there is no basis or value to consumers in mandating this information on the label.

In response to the Agency's request for comment on whether meat percentage should be included, we respectfully submit such information should **not** be required. This is because of the following points:

• As the Agency has tentatively determined, it is not necessary given the mandatory ingredient and nutrition information on the label.



- Any FSIS regulation or policy does not require mandatory percentage labeling.
- It would not be required on the pizzas sold by restaurants and delivery operators, thereby reestablishing differing regulatory treatment.
- Unlike some other products, the meat content is readily apparent with even a superficial visual examination; allowing the consumer to assess value versus price.
- Percent ingredient labeling could lead to a counter-productive horsepower race...which pizza has the most meat?

Additionally, there is also the issue of how the elimination of the standard will affect existing informal policies, primarily those contained in the Standards and Labeling Policy **Book.** Obviously, those that are based on the standard, such **as** the minimum amount of bacon in a bacon pizza or calculation of compliance for combination pizzas, would no longer be appropriate. However, other policies, such **as** the relative type size of the word "pizza" versus other words in the product name will remain relevant. In NFPI's comments they identify all entries in the Labeling Policy **Book** that deal with pizza and noted whether, in their view, the entry needs to be eliminated or retained, and if retained, whether it would need modification.

Finally, there is the issue of generic approval of pizza labels. Currently, labeling of meat and poultry products that are covered by a product standard under 9 C.F.R. Part 319 or the Standards and Labeling Policy **Book** (Policy **Book**) – such as pizza and pizza burgers – may be generically approved if they do not contain any special claims. However, labeling of products not covered by a product standard or bearing special claims **mst** be submitted to FSIS for formal label approval. If the pizza standard and some of the product standards set forth in the Policy **Book** are eliminated, there is some concern that labeling for pizza products will require formal approval.

Over the last six years, most labeling for pizza and pizza products has been generically approved with little or no problems. In keeping with this practice and in conformity with FSIS's stated goal of gradually streamlining and modernizing the label approval system (see 60 Fed. Reg. 67444, 67448), we respectfully submit that labeling for pizza and pizza products should continue to be generically approved. Not only will permitting generic approval not affect the safety of pizza products, it will be consistent with the Agency's focus on using resources to address public health risks. To that extent, FSIS should clarify in any final rule eliminating the standard of identity for pizza or any pizza product that labeling may continue to be generically approved.

From the information presented in the proposal, and based upon the experience of the restaurant and frozen pizza industry, it is apparent that meat and/or poultry toppings on a pizza are not the only, or for that matter, the most important ingredients by which consumers judge the quality and desirability of a pizza. Requiring percentage meat or poultry labeling refocuses attention on this attribute that is only important in the context of the entire product. Extending FSIS's line of reasoning on the question would suggest that other ingredients, e.g., the quantity of cheese or the



number of black olives, should be labeled. ConAgra suggests percent ingredient labeling, including a requirement for meat or poultry percent ingredient labeling, is unnecessary given current labeling rules. It is also inconsistent with other FSIS and FDA labeling regulations, and is not in keeping with historical United States government policy regarding standards that suggest percentage ingredient labeling of foods in international **trade**.⁴

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

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

7. Elimination of the Standard In Keeping With Other Agency Efforts

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

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



In conclusion, we recognize some meat companies are concerned that **a** relaxation of the standard will result in reduced sales of meat to fiozen pizza manufacturers. As noted above and as one of ConAgra's two meat companies, we strongly disagree with this opinion. We recognize the opportunity to sell more lean cuts of meat, more types of meat, and more value added meats, allowing an opportunity to provide products that are healthier and more relevant to current consumer's lifestyles.

Thank you for the opportunity to comment on the November 2,2001, proposed rule that would amend the **FSIS** regulations. **As** an operating group of **ConAgra**, we believe the NFPI petition and the subsequent **FSIS** proposal have substantial merit and should be finalized without the incorporation of onerous and unnecessary percent meat ingredient labeling provisions. ConAgra appreciates the Agency's consideration of the its comments, and we look forward to continuing to work with the Agency on this issue in the future.

Yours truly,

Keith L. Brickey Vice President

Quality Assurance

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