

One Meating Place P. O. Box 269 Elizabethtown, PA 17022 *Phone:* (717) 367-1168 Fax: (717) 367-9096

Phone: (717) 367-1168 Fax: (717) 367-9096 E-mail: aamp Qaamp.com Website: www.aamp.com



Washington, DC 20250-3700

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01-018P 01-018P-39 Bernard F. Shire



RE: Docket # 01-018P. Definitions and Standards of Identity or Composition: Elimination of the Pizza Standard, Proposed Rule, Federal Register, November 2, 2001, Extended March 14,2002.

The American Association of Meat Processors (AAMP) is pleased to submit the following comments concerning Docket#01-018P, Definitions and Standards of Identity or Composition: Elimination of the Pizza Standard, Proposed Rule.

AAMP is an international trade association with more than 1700 members in the United States, Canada and several foreign countries. Our members include meat and poultry slaughterers, processors, wholesalers, retailers, caterers and home food service companies, as well as suppliers and consultants to the meat industry. Most of our members are small, very small and medium-sized businesses. They include USDA and "equal to" state inspected firms, as well as custom-exempt businesses. A number of our members, both federal and state inspected, make meat and poultry items that are used in pizza products, and are subject to the USDA pizza standards.

We understand that USDA standards of identity for such products as "Pizza with Sausage" and "Pizza with Meat" were originally published 30 years ago to make sure that traditional products with commonly recognized names met the expectations of consumers. The National Frozen Pizza Institute petitioned the USDA to change the standard, arguing that consumer expectations of what is meant by the term "pizza" have changed over the years. The Institute says that consumer expectations of "pizza" today are no longer the same as they were 30 years ago.

The existing standards which can be found in the USDA-FSIS regulations, 9CFR319.600 are imposed on inspected pizza makers producing products for the frozen market, and define pizza as "a bread based meat food product with tomato sauce, cheese and meat topping." Pizzas that are sold in restaurants or by delivery to homes and other locations are not restricted by these standards and are broader than the USDA standard that is now in effect.

In the proposed rule, USDA would lower the current standard from a cooked meat content of 12 percent to 2 percent. Raw meat on "meat pizzas" would drop from 15 percent raw to 3 percent raw or 2 percent cooked. These products would no longer be required to have a bread-base crust, tomato sauce or cheese.

There are **two** sides to the debate over whether the standard should be changed. Arguments in favor of eliminating the standard, which this proposed rule would do, say the standards of 30 years ago no longer represent consumer expectations **d** a "pizza," that consumer expectations are broader than they were 30 years ago. This argument says that USDA inspected pizza makers of frozen pizza cannot compete with restaurants and **home/other** delivery pizzas not restricted by the USDA standards, that consumer choices are limited because of the standard.

On the other side, an argument can be made that consumers and industry have relied on the current standards to insure product integrity and prevent economic adulteration. If the meat or sausage content of pizza could drop so drastically if this rule were to be adopted, how could it still be called "meat pizza?" Wouldn't USDA be giving up its responsibility to prevent economic adulteration of products it regulates?

Some opponents of the new rule have also argued that rescinding the current rule and substituting this new proposal would hurt small meat processors that make sausage and other meat pizza toppings.

AAMP has not been able to get a consensus from its members about how the proposed rule would affect them. In fact, opinions have come from members in favor of the proposed rule, as well as against it.

One opinion stated that today's consumers are sophisticated enough to be able to differentiate between product offerings. For example, if a consumer purchased a "meat" pizza and found very little meat on it, it is doubtful they would buy that type **c** pizza again. Offering inferior products at a high price is not going to help pizza manufacturers stay in business.

For example, there are products sold that are called "ham" that contain less than 35 percent meat and not even pork. Consumers would probably not buy it. As long as the product declares the true ingredients, consumers should be able decide whether they want the product.

But the rule as constituted now restricts USDA-inspected businesses from making and selling new types of pizzas that consumers are seeking, and so puts them at a competitive disadvantage. Another member opinion stated that the current rule requires meat processors to use a certain amount of meat that may not be economically feasible for the product. The proposed change would give the processor more

decision-making power to compete with restaurant and delivered pizza products.

Another opinion said that standards insure integrity of products and prevent economic adulteration. There needs to be a minimum amount of a food item in a product. Would 2 percent of a product meet the expectations of consumers? And would USDA be fulfilling its responsibility to prevent economic adulteration by agreeing that a product called "meat" could have very little meat in it? Another AAMP evaluator of the plan thought not.

The Department also asked as part of its proposal whether the percentage of meat should be included on the labeling. Right now, labeling the percent of ingredients is not required. If that were to happen, it could lead to confusion by consumers, and would not be desirable, several Association members said.

But at the same time, it is important to inform consumers about what is in the product. Since ingredients must be listed on USDA products in the order of predominance, it wouldn't make sense to allow an ingredient in a product name unless it is the primary ingredient that makes up the product. But this should be done only if competing products follow the same requirements.

AAMP has concerns about reducing the amount of an ingredient in a product to almost nothing, and yet continuing to call it by that name, i.e. cutting meat or sausage down to only 2 percent and continuing to call it "meat" or "sausage" pizza.

Possibly a good course for USDA to follow would be to require that pizzas under inspection be labeled in a descriptive way so that the consumer knows what he/she is receiving. If there is a characterizing ingredient in the product, that could be included in the product name.

Because of the broad array of views voiced by AAMP members about this proposal, as well as the current pizza rule, and because no recommendations were made, the American Association of Meat Processors is not voicing an opinion as to whether the new proposal should be adopted.

We appreciate the opportunity to comment on this regulation.

Bernard F. Shire, Director

Sincerely,

Legislative & Regulatory Affairs

cc: Gary Baysinger, AAMP President