

NATURAL CASING COMPANY



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May 6th, 2004

FSIS Docket Clerk
Docket No. 03-025IF
Room 102
Cotton Annex
300 12th and C Street, S.W.
Washington, DC 20250-3700

RE: Docket No. 03-025IF

I am writing in response to a request for public comment on the interim final rule concerning *Prohibition of the Use of Specified Risk Materials for Human Food and Requirements for the Disposition of Non-Ambulatory Disabled Cattle (Federal Register Vol. 69, No. 7, Monday, January 12, 2004, pp. 1862-1874.*

I am the President of Natural Casing Company; a small family owned and operated business with annual sales of more than \$3 million, employing seven people, located in Peshtigo, Wisconsin. Our core business involves the importation of sewn sausage casings for distribution to major meat processors throughout the United States, and we are recognized internationally as specialists in this particular area of the sausage casing industry. Our company occupies a special niche within the sausage casing industry, providing US sausage-makers with sewn sausage casings used in the manufacture of delicatessen quality, "Old World" style sausages. Approximately twenty percent of our purchases are beef casings or sewn sausage casings made with beef intestines imported from Brazil or Paraguay. Our product knowledge and familiarity with the US market, coupled with mutually beneficial business relationships with foreign suppliers, has enabled us to continue to meet the needs of US customers, and keep natural casings a viable alternative for quality conscious sausage-makers.

Natural Casing Company is a member of the North American Natural Casing Association (NANCA), the trade association that represents the majority of natural casing producers, distributors, and brokers in North America. Our company fully supports NANCA's position as presented in their submission dated April 6th, 2004, which recommends the following:

May 6, 2004

Page Two

I. For cattle originating in the United States or any country classified as BSE "minimal risk" under proposed APHIS guidelines, the rule should require the removal and disposal of only the distal ileum portion of the small intestine from cattle. The remaining portions of the small intestine of cattle should be allowed for human consumption.

II. For cattle originating in countries classified as BSE free under US guidelines, the rule should not require the removal of any specified risk material from cattle, including the distal ileum. The current FSIS rule unfairly restricts trade and is not consistent with international standards for BSE risk management.

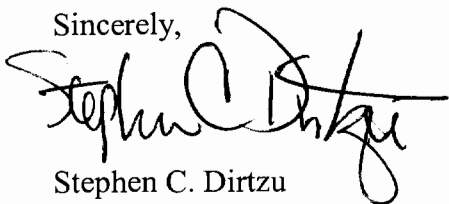
Beef rounds from BSE-Free countries are recognized as suitable for use as sausage casings throughout Europe, South America, Asia, Africa, and Australia. In fact, it is already common practice in South America to produce beef round casings without the distal ileum, because that section of the intestinal tract is not suitable for use as a sausage casing. The decision by the USDA to classify the entire small intestine (the beef round) as a Specified Risk Material (SRM) regardless of origin or BSE risk status is inconsistent with the world community's position on this issue, limits the ability of the U.S. natural casing industry to meet the needs of our domestic customers, and reduces our ability to compete in the global market.

There has been much concern and confusion in the processed meats industry as a result of the January 12th interim final rule issued by FSIS designed to safeguard the beef industry against BSE. The unwarranted restriction on beef rounds has, in many cases, fostered the mistaken notion that using any type of beef casing (regardless of origin) presents a significant food safety risk. Since the publication of this ruling, many of our customers have tested possible alternatives to natural beef round casings, and without exception have found natural beef round casings to be the preferred casing for certain products. The alternatives to natural beef round casings do not produce sausage with the characteristics their customers demand.

Our trade association's submission offers sensible amendments and presents practical steps that can be taken to insure that beef rounds remain a safe, viable product for the consumer.

I urge you to carefully examine NANCA's research and reasoning on this issue and adopt the amendments they have recommended.

Sincerely,



Stephen C. Dirtzu

President