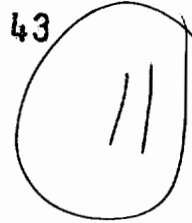


May 6, 2004

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FSIS Docket Clerk
Food Safety and Inspection Service
United States Department of Agriculture
Room 102, Cotton Annex
300 12th. Street, South West
Washington, DC 20250-3700



15544 E. Hinsdale Circle
Englewood, CO 80112
303-693-0680
Fax 303-627-7418



Re: Preliminary Regulatory Impact Analysis of the BSE Regulations,
Docket #03-025N

To Whom It May Concern:

BACKGROUND

BFD Corporation is a small business providing Advanced Meat Recovery Systems to the American Meat Industry and has been in the industry forefront trying to assist FSIS with the principals of common sense and logic—to no avail.

BFD Corporation and other members of the Coalition for Advanced Meat Recovery spent thousands of dollars providing FSIS a very conservative unbiased financial analysis identifying the minimum Financial Impact of FSIS Rule making regarding Advanced Meat Recovery Systems. An FSIS economist charged with analyzing the Sparks Companies, Advanced Meat Recovery Systems-an Economic Analysis of Proposed USDA Regulations, dated July 1999—admitted he hadn't seen nor read the aforementioned document prior to his initiating a critic of the document—his job being to refute the total amount of some \$210,000,000.00 in 1999; thus evidencing he had his assigned objective and that is all he cared about.

In addition, this individual had never seen an AMR System and did not know or understand it's working principals and in numerous telephone conversations demonstrated even less knowledge of the systems Food Safety Record, Consumer and Industry Economic Benefits and it's benefits to the packing house laborer in terms of reduced debilitating injuries. Further evidencing FSIS preconceived conclusions.

It is carefully stated within the referenced PRIA that reducing Calcium and Iron, both vital nutrients within meat, is a consumer economic benefit and it is therefore excluded from the Economic Analysis Calculations. When in reality it is a severe and perhaps fatal blow to Advanced Meat Recovery that will cost the American Consumer and Industry Billions of Food Dollars.

The aforementioned fallacy, as is the carefully coined FSIS phrase "consumer risk", demonstrates FSIS's predilection for a predetermined result, thereby defeating the intent of Executive Order 12866 and good government practices.

Further, this PRIA is a concoction of stochastic and non stochastic statistical modeling coupled with anecdote, assumptions and riddled with preconceived opinion—how can this be considered a serious economic evaluation when compared to sound, accurate financial facts presented in an accepted accounting format that is easily understood i.e., the Sparks Analysis of both 1999 and 2002. Both of which were ignored by FSIS bureaucrats who had their marching orders.

Further, the combining of the SRM (specified risk material) and AMR (Advanced Meat Recovery) within the same analysis requires extensive analysis to understand and that, coupled with the previous paragraphs weaknesses and less than legible documentation renders the entirety of this "full employment" PRIA worthless in terms of the 1995 Paper Reduction Act, Executive Order 12866 and debases the intent of the Stockyards and Packers Act—and does nothing in terms of Food Safety or Realistic Economic Analysis.

This hundred plus page waste of taxpayer money further demonstrates USDA FSIS's arrogance, i.e., sue us if you don't like it.

The combination of Activist induced rule making and FSIS's arrogance coupled with the power of the Federal Government intimidates industry to the point where they are fearful of severe retribution should they truthfully and candidly speak out in opposition to FSIS. (Remember the Hudson Foods and Supreme Packing FSIS Debacles).

USDA FSIS has lost sight of it's responsibility to the American Taxpayer (the Public), to it's Inspectors (Washington State BSE Case, San Angelo incident) and Food Safety—FSIS only behaves responsibly to it's singular constituency, the Washington DC based Activists.

**BASED UPON THE FOREGOING BACK GROUND WE
RESPECTFULLY REQUEST THE FOLLOWING BE
IMMEDIATELY ADDRESSED AND ACTED UPON IN**

AND LAW WITHIN 45 DAYS FROM DATE OF MAY 7, 2004.

1. Remove all Non-Food Safety issues from this Interim Final Rule including but not limited to:

- ** Amendment modifying the definition of meat as it relates to the AMR Process.
- ** Calcium & iron limitation & the iron protein ratio.
- ** Remove all references alluding to a relationship between Skull processing and AMR.
- ** Immediately separate Pork from any intended Beef regulation.
- ** Separate all SRM issues from AMR issues in both Rule Making and Economic Analysis.
- ** Propose and Publish a New AMR Rule and Economic Analysis incorporating Industry & Academia supplied Sound Peer Reviewed Science and Economics.

2. Discard the biased & inaccurate PRIA, Docket Number 03-025N.
3. Review in detail previously submitted Industry & Academia comments for Proposed Rule on Advanced Meat Recovery Systems, Docket Number 98-027R and incorporate into New AMR Rule Making.

--Both Sparks Companies (1999 & 2002) AMR Economic Analysis to be sent to the office of OMB as required by law.

--Advanced Meat Recovery Systems: Lester M Crawford DVM-Ph.D., Center for Food & Nutrition Policy, Georgetown Univ.

--Effect of Method Analysis on Iron Content of Beef Derived from Advanced Meat Recovery Systems. Robert Windham Ph.D. (USDA-ARS Athens, Ga.) and Ray Field Ph.D., (eminent meat scientist, Univ. Wyoming)

--The comments of Dr. Ray Field, Univ. of Wyoming regarding Iron Deficiencies in the American Diet.

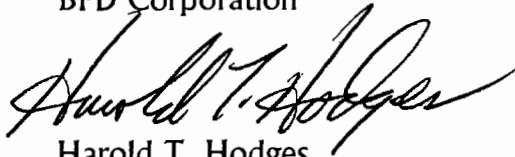
--Comments submitted by the Coalition for Advanced Meat Recovery.

--Comments Submitted by the National Cattlemen-Beef Beef Association, the American Meat Institute and the National Meat Association.

--Comments submitted by IBP, Swift (formerly Con Agra)
and Excel Corporation.

In conclusion, it is time for USDA-FSIS to implement our Presidents directive--"it's in our best interests that we make decisions based on sound science" President Bush April 30, 2004—as opposed to being an Agency relying on pseudo science and voo doo economics; thus negatively impacting the consuming public, industry and our international trading partners.

BFD Corporation



Harold T. Hodges
V.P. Product Quality &
Government Relations

