

Capital Reporting Company

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FDA PUBLIC HEARING

SEPTEMBER 10, 2007



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A P P E A R A N C E S

PANEL MEMBERS:

Michael Landa  
Barbara Schneeman  
Camille Brewer  
Felicia Billingslea  
Kathleen Ellwood  
Vincent de Jesus  
Steve Bradbard  
David Zorn  
(Chung-Tung) Jordan Lin  
Alan Levy  
Louisa Nickerson  
Robert Post

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FIRST SESSION SPEAKERS:

Leslye Fraser, Moderator  
Claire Boviile  
Jan-William van den Brink  
Tivon Pari nyasi ri  
Mary L' Abbe

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1 PROCEEDINGS

2 MICHAEL LANDA: I first want to announce  
3 that we have the services of a sign language  
4 interpreter for the hearing impaired here. If  
5 anyone requires those services, would you please  
6 identify yourself by raising your hand?

7 Well I guess we don't need those  
8 services, at least there's no indication we do. We  
9 will have the interpreter here until 2:00 this  
10 afternoon in case the need arises later.

11 Let me just get, take care of one little  
12 bit of housekeeping which has to do with parking,  
13 apparently there have been a number of questions.  
14 There's no charge for parking. As you exit, simply  
15 inform the attendant that you were attending the FDA  
16 public hearing and you won't be charged for parking.

17 With that, good morning, welcome, my  
18 name's Michael Landa, I'm Deputy Director for  
19 Regulatory Affairs of the Center for Food Safety and  
20 Applied Nutrition and it's my pleasure to see you  
21 all here this morning and to officially open this  
22 public hearing.

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1 The Center's responsible for, among  
2 other things, ensuring the safety, ensuring the  
3 safe, sanitary, wholesome and honestly labeled  
4 status of food products in this country to protect  
5 and promote the public health. It's important to  
6 remember that applied nutrition is part of our name.  
7 It doesn't -- it has I suppose the lion's share of  
8 it. And nutrition obviously is a key component of  
9 what we do.

10 The purpose of today's hearing is to  
11 obtain comments about front label symbols currently  
12 in use here and abroad. In recent years various  
13 domestic food manufacturers, retailers, trade  
14 organizations, health organizations as well as  
15 international groups have begun to include symbols  
16 that indicate nutritional quality on the label or in  
17 the labeling of food.

18 Each symbol has different nutritional  
19 criteria in terms of the included nutrients and the  
20 nutrient levels required for product eligibility.  
21 Each symbol program also differs in the consumer  
22 research and market experience to date.

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1 We've observed this trend, of course,  
2 and we're interested in how it develops. But we  
3 really don't have adequate information about the  
4 various programs to understand how their criteria  
5 works, how they're understood and used by consumers  
6 which is, after all, the point of these programs,  
7 and how they may have affected food choices  
8 available in the marketplace.

9 As we stated in the Federal Register  
10 Notice announcing this hearing, we'll focus on three

11 main issues today and tomorrow. The first is  
12 nutritional criteria, these are important because  
13 they directly affect the number, type and  
14 nutritional profiles of products that are eligible  
15 for a symbol, which in turn can affect the  
16 characteristics and mixes of products available to  
17 consumers.

18 We're interested in several nutritional  
19 criteria questions such as product categories,  
20 nutrient specific versus summary symbols, included  
21 nutrients and their thresholds and the criterion and  
22 symbol presentation with front of package claims.

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1 Second general area is consumer  
2 research. The presence of nutrition symbols could  
3 help consumer food choices, but such symbols also  
4 have the potential to confuse, therefore, the  
5 usefulness and impacts of the symbol program are  
6 closely related to how consumers understand and use  
7 the symbol in making food choices.

8 We're interested in consumer research  
9 questions such as consumer attitudes towards  
10 symbols, when symbols are used and for what  
11 purposes, consumer interpretations of nutritional  
12 and non-nutritional profiles of symbol carrying  
13 products and do symbols affect the quality of the  
14 total diet, which is I suppose the 64,000 dollar  
15 question. Or maybe given inflation, it's the  
16 640,000 or 6.4 million dollar question.

17 Economic research is the third and final  
18 main area of interest for us. The availability of  
19 nutrition symbol for use on the food label could  
20 have an impact on cost both for industry and for  
21 consumers and presumably on product re-formulation  
22 or an influence on product re-formulation. We're

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1 interested in possible economic impacts such as the  
2 extent of product re-formulation to qualify for a  
3 nutrition symbol, costs for product re-formulation,  
4 development of re-formulation and any price  
5 differentials between products with and without a  
6 symbol.

7 To gather information about these  
8 issues, we've organized this two-day hearing. I  
9 should emphasize there's no hidden agenda here,  
10 there's no foregone conclusion, we don't have any  
11 advanced working documents to share with you. This  
12 is really an information-gathering enterprise for  
13 us. We have received a petition, it's called a  
14 citizen petition requesting that we consider the use  
15 of symbols in labeling.

16 I have no doubt that the information we  
17 receive today, the information we'll receive in  
18 comments submitted to the docket will help inform  
19 our decision-making with respect to that petition  
20 and with respect to any actions or research  
21 activities that we may undertake in the future.

22 But again, I emphasize there is no, no

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1 hidden agenda and no foregone conclusion that we  
2 have reached.

3 I should add finally that we'll hear  
4 more about the petition later in the hearing.

5 The hearing will be divided as follows,  
6 there will be seven sessions to hear presentations  
7 on international and domestic research and  
8 experiences starting with two sessions of  
9 international speakers this morning. The remaining  
10 sessions focus on U.S. experience.

11 Each session will last an hour and a  
12 half with a half-hour break between each in the  
13 morning and afternoon sessions. There's a one-hour  
14 lunch break on each day. Each session will include  
15 time for questioning of the presenters by an FDA  
16 panel and in addition we've asked several colleagues  
17 from other Federal agencies to join us on that  
18 panel. I should emphasize, the only people allowed  
19 to ask questions in this hearing are the people on  
20 the panel.

21 This is obviously a very informal  
22 hearing. There isn't direct examination or

0010 1 cross-examination or redirect or re-cross. There  
2 isn't testimony under oath, but the one rule that we  
3 do have is the only people who get to ask questions  
4 are the people on the panel.

5 With that, let me introduce our panel of  
6 questioners. Just briefly. There will be more  
7 information about them as we proceed today and  
8 tomorrow.

9 The questioners are Barbara Schneeman,  
10 Camille Brewer, Felicia Billingslea, Kathleen  
11 Ellwood, Vincent de Jesus, all from our Office of  
12 Nutrition, Labeling and Dietary Supplements.  
13 Additional questioners are Steve Bradbard, David  
14 Zorn, Jordan Lin and Alan Levy from the Office of  
15 Regulations, Policy and Social Science. We also  
16 have as a questioner Louisa Nickerson from the Food  
17 and Drug Division of our Office of General Counsel  
18 and Robert Post who is with the USDA.

19 In terms of public participation, we  
20 will have time tomorrow afternoon for people who  
21 have registered for this meeting to speak to us all.  
22 There's also a public comment period associated with

0011 1 the docket.

2 The hearing, by the way, will conclude  
3 by tomorrow at 5 o'clock. The audio portion is  
4 going to be simultaneously available on the Web so  
5 although there's a relatively small number of us  
6 here, under 100, we anticipate that there are many  
7 more listening because of the interest we've heard  
8 in this hearing. A transcript by the way should be  
9 available in about 30 days.

10 Now to some housekeeping and then we'll  
11 get on to the meat of the proceedings. The staff  
12 will be available throughout the day at the  
13 registration desk if you need help. There are  
14 restrooms outside the doors in the hallway  
15 immediately parallel to this conference room, that's  
16 that away.

17 There will be refreshments available  
18 right outside the meeting room both through the  
19 morning and afternoon breaks and there's a large  
20 cafeteria and a restaurant on the premises for  
21 lunch. We'll be hosting a reception at the end of

22 today's proceedings in the Chesapeake room. It's  
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1 the first salon when you come into the building.  
2 Our staff can direct you.

3 In just a moment or two I'll invite  
4 Dr. Schneeman to the podium, she'll provide an  
5 overview presentation on the existing regulatory  
6 framework for nutrition information on labels.  
7 She'll also review the questions from the Federal  
8 Register Notice for this meeting to set the stage  
9 for the upcoming panels.

10 Following her presentation, we'll move  
11 immediately to our first panel which will explore  
12 the experience of other Governments on developing  
13 front label symbol programs. Ms. Leslye Fraser,  
14 Director of the Office of Regulations, Policy and  
15 Social Science will moderate that session.

16 Due to time constraints, as I mentioned  
17 earlier, we're not going to be reading biographies,  
18 but information on session participants is available  
19 on the program book.

20 Just two quick notes, there are two  
21 last-minute changes, Ana Paula Rezende Peretti, the  
22 discussant for our first session, was unable to make

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1 it here, that's not reflected in your program. The  
2 same is true for Brad Sperber who is the discussant  
3 for the last session today. He, too, will not be  
4 with us today.

5 With that, let me turn it over to  
6 Dr. Schneeman.

7 DR. SCHNEEMAN: Great, thank you, Mike,  
8 and let me add my welcome to everyone. We have  
9 people who come quite a distance to participate in  
10 this hearing and we really do appreciate your  
11 willingness to be involved.

12 We're looking forward to a vigorous  
13 discussion over the next couple of days and while  
14 the panel gets to do the questioning in the formal  
15 presentations, we hope that you will use the  
16 opportunities during breaks or lunch or the  
17 reception to foster a good exchange amongst the  
18 various participants.

19 So, again, welcome and thank you for  
20 being here and helping us learn more about this  
21 important area.

22 So as indicated, I'm going to speak to

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1 the current regulatory environment within the United  
2 States for particularly nutrition labeling and at  
3 the end of my presentation I'll go over the specific  
4 questions that were asked in the Federal Register  
5 Notice.

6 So in terms of the general labeling  
7 provisions, FDA's authority to regulate food  
8 labeling is provided in three laws as they have been  
9 amended through Congressional and Presidential  
10 action. The Federal Food Drug and Cosmetic Act,  
11 which was initially enacted in 1938, the Fair  
12 Packaging and Labeling Act and the Public Health  
13 Service Act. So that is where we derive our legal  
14 authority.

15 Usually once a law is enacted, FDA will  
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16 often take the step of developing regulations,  
17 either regulations or guidance to industry to ensure  
18 that there's a good common understanding of how to  
19 implement the legal framework.

20 With respect to mandatory labeling  
21 requirements for foods including dietary  
22 supplements, I've listed on this slide the mandatory

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1 elements that all labels must contain, the identity  
2 of food, the ingredient statement, amount of food in  
3 package, name and place of business, nutrition  
4 information. There are certain conditions where a  
5 food might be exempt from nutrition labeling, but  
6 generally in the United States nutrition information  
7 is a mandatory element.

8 Information disclosing material facts  
9 about the food, that's information the consumer must  
10 know in order to use the food appropriately and  
11 since 2006 allergen labeling is also a mandatory  
12 element on the nutrition -- on the food label.

13 So we're going to focus on the nutrition  
14 information and the legal framework around the  
15 nutrition information.

16 Nutrition labeling was first made  
17 mandatory under the Nutrition Labeling and Education  
18 Act which was passed in 1990. It made nutrition  
19 information mandatory on most packaged foods. It  
20 specified the format and content for nutrition  
21 labeling and specifying that format was important so  
22 consumers would have a consistent way to look for

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1 that information on a food package and it also  
2 allowed for nutrient content claims and health  
3 claims on foods.

4 The goals of NLEA, the Nutrition  
5 Labeling Act, are summarized in this slide. First  
6 to make nutrition information available so that we  
7 could assist consumers in selecting foods that lead  
8 to a healthier diet, to eliminate consumer confusion  
9 by establishing definitions for nutrient content  
10 claims that are consistent. Pre-NLEA, I think the  
11 phrase used in the United States was the Tower of  
12 Babel for nutrient and other types of claims on food  
13 packages, to help consumers maintain healthy dietary  
14 practice and protect consumers from unfounded claims  
15 and finally, to encourage product innovation through  
16 development and marketing of nutritionally improved  
17 foods.

18 And certainly we've seen this last goal  
19 play out when FDA most recently issued regulations  
20 for mandatory trans fat or trans fatty acid  
21 labeling. We have, in fact, seen quite a bit of  
22 re-formulation of products.

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1 And just to remind many of you of the  
2 public health context, at the time that NLEA was  
3 enacted, I think it's best summarized by this quote  
4 from the Surgeon General's report which was  
5 published in the late 1980s that the report's main  
6 conclusion is that overconsumption of certain  
7 dietary components is now a major concern for  
8 Americans.

9 While many food factors are involved,

10 among them is the disproportionate consumption of  
11 foods high in fats often at the expense of foods  
12 high in complex carbohydrates and fiber that may be  
13 more conducive to health.

14 The type of labeling that was used prior  
15 to NLEA probably put more emphasis on micro  
16 nutrients and this statement clearly began to  
17 re-shift the focus toward the macro nutrients that  
18 were in foods.

19 The Surgeon General's report was  
20 certainly a key document that was used to summarize  
21 the scientific justification. Two other major  
22 reports that were important for the implementation

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1 of NLEA were the dietary guidelines for Americans  
2 that have been published in 1990 and the diet and  
3 health report that was published at about the same  
4 time that the Surgeon General's report.

5 So, then, to summarize, if we take the  
6 goals of NLEA, those goals really played out in two  
7 major ways. One was the nutrition facts which  
8 became a part of most packaged food labels and again  
9 following that defined format, but then also through  
10 the authorization of health claims and nutrient  
11 content claims that could be used in food labeling.

12 This is just a reminder for you of the  
13 nutrients that were to be listed in the nutrition  
14 facts on most food packages, the reasons why you  
15 don't see these nutrients on all foods, but these  
16 are the ones that were accounted for with the  
17 nutrition facts.

18 Now, we need to shift then and talk a  
19 bit about the types of claims related to health and  
20 nutrition that were, could be used in food labeling.  
21 There are two categories, dietary guidance, which  
22 are messages that refer to a general category of

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1 foods and health. The classic example are fruits  
2 and vegetables are a part of a healthful diet would  
3 be an example of a dietary guidance message. These  
4 statements cannot convey an implied health claim.  
5 And then there are also nutrition support statements  
6 which are probably used most commonly with dietary  
7 supplements and were defined with DSHEA, with the  
8 Dietary Supplement Health and Education Act.

9 These refer to structure function claims  
10 which are about maintaining health, well-being  
11 claims and some of them will refer to classic  
12 nutrient deficiencies but also indicate the  
13 prevalence and again, this is more commonly used  
14 with dietary supplements.

15 These two categories of claims do not  
16 require a pre-market review by the Food and Drug  
17 Administration. Manufacturers are responsible to  
18 make sure that they are truthful and not misleading,  
19 but it doesn't involve a pre-market review.

20 Now nutrient content claims and health  
21 claims, which I'm going to go into in a little bit  
22 more detail do, in fact, require some pre-market

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1 activity by the Food and Drug Administration. A  
2 nutrient content claim is a claim on the label or in  
3 labeling of foods that expressly or implicitly



4 characterizes the level of a nutrient in the food.  
5 In health claims, including a category that we use  
6 in the United States of qualified health claims,  
7 characterizes the relationship between a food or  
8 food component and a disease or health-related  
9 condition.

10 So we'll talk first about the nutrient  
11 content claims. This gives first of all the  
12 relevant regulations within the Code of Federal  
13 Regulations, that's the CFR for those of you who are  
14 not from the United States, and that outlines the  
15 general principles for nutrient content claims.  
16 There's also a sub part D of Part 101 in the CFR  
17 which gives specific requirements for nutrient  
18 content claims.

19 In terms of the general requirements for  
20 nutrient content claims, most of our nutrient  
21 content claims are based on an established daily  
22 value. There are specification for the style and

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1 size of font that can be used for nutrient content  
2 claims and there are also conditions for when a  
3 disclosure statement is needed and that disclosure  
4 is based on the levels of fat, saturated fat,  
5 cholesterol or sodium in the food product.

6 Now the most commonly used type of  
7 nutrient content claims are expressed nutrient  
8 content claims, and I've categorized them here in  
9 three general categories. One is that they describe  
10 the level of a nutrient or a dietary substance, so  
11 terms such as free, high, low in a nutrient,  
12 contains a nutrient, referring to something as being  
13 a good or excellent source would be examples of  
14 these types of nutrient content claims.

15 A second category are comparative claims  
16 which compare the level of a nutrient or a dietary  
17 substance to another food. It has more of a  
18 specific nutrient or it's reduced in a particular  
19 nutrient or it's, the term light is often used in a  
20 comparative way.

21 There's a third category which are  
22 percentage claims for dietary supplements which

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1 we're not really going to be addressing here because  
2 we're focusing more on food.

3 Now there can also be implied nutrient  
4 content claims, and so one way that a nutrient  
5 content claim might be implied, if it suggests that  
6 a nutrient is present or absent in a certain amount,  
7 contains no oil, could imply that a product is fat  
8 free. Use of the word only might imply that it's,  
9 has a limited amount of a particular nutrient, so  
10 it's an implied nutrient content claim.

11 Likewise, there could also be  
12 equivalence claims. The example I've given here is  
13 as much Vitamin C as an 8-ounce glass of orange  
14 juice, so again, it's making an equivalence type of  
15 statement.

16 And then the third category are claims  
17 that a food may be useful in maintaining healthful  
18 dietary practices. And here the most common example  
19 is use of the term healthy or variations of the term  
20 healthy.

21 And the regulations define criteria for  
22 the use of the word healthy and for right now we'll

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1 just focus on the criteria within an individual  
2 food, that that food should be low in total fat,  
3 meet the criteria for low in total fat, meet the  
4 criteria for low in saturated fat, have  
5 480 milligrams or less of sodium, 60 milligrams or  
6 less of cholesterol and then have at least a  
7 certain, at least 10 percent of certain beneficial  
8 nutrients within the food and these criteria are  
9 laid out for seafood, game, main dish and meal  
10 products. And I don't want to get into all the  
11 definition of main dish, meal product, I just have  
12 an example of what those are.

13 I should point out for those of you not  
14 familiar with the U.S. system, you see the phrase  
15 RACC, R-A-C-C, this is actually the Reference Amount  
16 Customarily Consumed, which is how NLEA defined  
17 serving size, as the reference amount customarily  
18 consumed, that that was the expectation for  
19 labeling.

20 Again, not to go into this next slide in  
21 detail, but just to point out that within the CFR,  
22 the definition for individual food, main dish

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1 products and meal products are listed and I should  
2 have also mentioned, some might ask why do you only  
3 do this for seafood and game meat, it's because  
4 those are the products that FDA regulates. Other  
5 types of meat are regulated by USDA but we do, in  
6 fact, work closely with USDA to make sure that there  
7 is appropriate consistency in our regulations.

8 Okay, so for nutrient content claims,  
9 the nutritional criteria for making a nutrient  
10 content claim is based on the referenced daily  
11 intake, or the RDI, or the daily reference values,  
12 the DRV, which are established within the Code of  
13 Federal Regulations.

14 So one can find those reference values  
15 published by FDA and we are certainly, we're in a  
16 process where we hope to be updating those based on  
17 the new dietary reference intakes.

18 So most -- whoops, I meant the laser.  
19 Most regulations apply only to those nutrients or  
20 dietary substances that have this established daily  
21 value and again, an example would be excellent  
22 source of Vitamin C means that the product contains

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1 at least 20 percent of the RDI for Vitamin C per  
2 reference amount customarily consumed or per serving  
3 size.

4 So, again, it's a way of defining those  
5 terms so the consumer knows that there is, in fact,  
6 some consistency in the meaning of those terms as  
7 used in food labeling.

8 So let's shift and talk a little bit  
9 about health claims. Again the purpose of health  
10 claims is to allow foods to bear certain  
11 science-backed claims about reducing disease risk in  
12 their labeling without being regulated as drugs and  
13 the important point is that these are risk reduction  
14 claims.

15 So it's not about preventing, mitigating  
16 or treating disease, they are simply about reducing  
17 risk of the disease or a health-related condition.

18 The key elements of the health claim.  
19 The health claim should refer to a specific  
20 substance, which is a specific food or food  
21 component, whether in a conventional food or dietary  
22 supplement form and that substance is defined as

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1 related to the nutritive value of the food product.

2 The second element of a health claim is  
3 the specific disease or health-related condition and  
4 it's the health claim is then about the relationship  
5 between that substance and reducing risks for the  
6 disease or health-related condition.

7 There are several ways that health  
8 claims are used in food labeling. What was  
9 established through the Nutrition Labeling and  
10 Education Act are claims that are authorized by the  
11 Food and Drug Administration. These claims are  
12 based on significant scientific agreement, that's  
13 what was defined under NLEA and the Agency goes  
14 through a rule-making process to authorize those  
15 types of claims.

16 Beginning in 2003, the Agency started  
17 using qualified health claims, these are different  
18 in that the, these are claims that characterize the  
19 quality and strength of the scientific evidence if  
20 the claims are not based on significant scientific  
21 agreement. And the Agency basically is exercising  
22 its enforcement discretion under interim guidelines

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1 for qualified health claims. That's how  
2 manufacturers use those claims.

3 There's a third way that health claims  
4 can be developed for food labeling and these are  
5 claims based on authoritative statements. These are  
6 often referred to as FDAMA claims, FDAMA refers to  
7 the FDA Modernization Act which allowed for the use  
8 of authoritative statements of a scientific body of  
9 the Government or of the National Academy of  
10 Sciences to be used as the basis of a health claim.  
11 These go through a notification process.

12 The Agency is notified, they have an  
13 opportunity to review and communicate back and forth  
14 with the notifier, but eventually if the Agency does  
15 object, it would have to take some rule-making  
16 activity.

17 Now as there are implied nutrient  
18 content claims, there are also implied health claims  
19 and implied health claims could capture statements,  
20 symbols, vignettes or other forms of communication  
21 that suggest a relationship between the presence or  
22 level of a substance in the food and a disease or a

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1 health-related condition.

2 So examples are, indeed, third-party  
3 references, terms or symbols such as a heart all  
4 could be implied health claims if they are used in,  
5 in food labeling.

6 Now I mentioned under nutrient content  
7 claims that there are disclosure requirements. With  
8 health claims there are disqualifying requirements,

9 certain foods are not eligible to bear a claim  
10 unless we have specific scientific information.  
11 So the requirements for disclosure  
12 statements on nutrient content claims is if the  
13 product exceeds certain level of fat, saturated fat,  
14 cholesterol or sodium, then it would require a  
15 statement to say see nutrition information for, fill  
16 in whatever that nutrient is.

17 For health claims, a product must meet  
18 certain criteria, including that the food contains  
19 without fortification 10 percent or more of the  
20 daily value for one or more of Vitamin A, Vitamin C,  
21 iron, calcium or fiber and then the food contains  
22 less than the specified amount for fat, saturated

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1 fat, cholesterol or sodium. Again, those are  
2 disqualifying criteria. The food would not be  
3 eligible to bear the claim.

4 And this just summarizes the minimum  
5 levels for that disclosure or the disqualifying  
6 requirements on claims, and again if we focus on the  
7 individual food, it looks at fat, less than  
8 13 grams, saturated fat is 4 grams, cholesterol is  
9 60 milligrams or less, sodium, 480 milligrams or  
10 less, again, just to require the disclosure or the  
11 disqualifier.

12 So, with label information, then we  
13 have certain elements that are considered mandatory  
14 elements within food labeling. These are required  
15 by the relevant statutes and governed by the  
16 regulations in the Code of Federal Regulations. We  
17 focus primarily on the nutrition elements, both the  
18 mandatory piece in terms of nutrition facts, but  
19 also then voluntary information in terms of claims  
20 that are being made by the manufacturer.

21 And voluntary information is information  
22 that is used at the manufacturer's discretion,

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1 claims, marketing statements, promotion, et cetera.  
2 It is important to keep in mind that all food  
3 labeling must meet the criteria of being truthful  
4 and not misleading to consumers.

5 And manufacturers have that burden, that  
6 responsibility to make sure that the labeling is  
7 truthful and not misleading.

8 Just one additional slide on the  
9 provisions regarding false or misleading labeling,  
10 since that applies to voluntary statements. The  
11 food is misbranded in its labeling if its  
12 mislabeling is false and misleading in any  
13 particular and in determining whether labeling is  
14 misleading, FDA and Courts take into account any  
15 representations that are made or suggested by  
16 statement, word, design, device or any combination  
17 thereof and whether or not the labeling reveals  
18 material facts in light of representation in the  
19 labeling and the consequences of use of the product.

20 So, to move on, then, to our public  
21 hearing, what I want to do now is just review for  
22 you the questions that we posed in the Federal

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1 Register Notice that then highlight the areas that  
2 the Agency is hoping to gather information through

3 this public hearing process and the comment period  
4 that will still be open after the public hearing.

5 So, as Mr. Landa indicated, the first  
6 issue deals with nutritional criteria. The fact  
7 that there are many of these programs in place, both  
8 domestically and internationally. The system uses  
9 different nutritional criterion and requirements and  
10 so we would like information on the food products  
11 that bear symbols and the nutritional requirements  
12 of those symbols.

13 The questions that we've asked under  
14 this category, in what product categories are  
15 nutrition symbols used, which symbols are nutrient  
16 specific and which are summary symbols based on  
17 multiple nutrients.

18 We've asked what are the nutritional  
19 criteria, including calories included in a symbol  
20 system and how were those particular nutritional  
21 criteria chosen for inclusion. What nutrient  
22 thresholds and/or algorithms are used to determine

0032

1 if a food product may display a specific -- a  
2 nutrient specific or a summary symbol.

3 Are nutrition symbols presented together  
4 with front label nutrition claims such as low fat or  
5 a good source of calcium and if so, to what extent  
6 and for what types of claims.

7 Are there programs to educate consumers  
8 to understand the nutrition symbols or is all of the  
9 information contained within the symbols.

10 When education programs are available,  
11 how are they presented?

12 The second issue deals with consumer  
13 research. We recognize that the presence could  
14 affect food purchasing decisions of consumers. They  
15 could help consumers make food choice, but it's also  
16 possible they could introduce some confusion with  
17 consumer decisions, so we would like information on  
18 consumer research that supported the development of  
19 the programs as well as research that illustrates  
20 how the programs are understood and utilized by  
21 consumers.

22 Again, the questions that we ask under

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1 this category, what are consumer attitudes toward  
2 nutrition symbols. What are consumer attitudes  
3 toward products or brands that carry a nutrition  
4 symbol compared to other products or brand in the  
5 same product category and in other categories that  
6 do not carry such a symbol.

7 What are consumer interpretations of  
8 symbol carrying products or brands in terms of their  
9 overall healthfulness, specific health benefits,  
10 featured nutrition attributes, non-featured  
11 nutrition attributes, quality, safety and other  
12 non-nutrition attributes.

13 And what is consumer perception of the  
14 presence of multiple and different nutrition symbols  
15 on front labels of different brands in a given  
16 product category.

17 What is consumer interpretation of the  
18 coexistence on the food label of symbols and/or  
19 other nutrition messages when present and

20 quantitative nutrition information, for example, the  
21 nutrition facts label used in the United States.

22 What is consumer interpretation of the  
0034

1 coexistence of front label nutrition symbols and  
2 nutrition symbols present on the tags of supermarket  
3 shelves when available.

4 When do consumers use nutrition symbols  
5 and what do they use them for? Do nutrition symbols  
6 on food labels direct consumers toward purchase of  
7 foods that bear them and if so, to what extent.

8 Do symbols affect the nutritional  
9 quality of the total diet of consumers who use the  
10 symbols and if so, to what extent.

11 The third issue addresses economic  
12 research. How the availability of a nutrition  
13 symbol could have an impact on the cost for both  
14 industry and consumers and other possible economic  
15 impacts.

16 So our questions posed under this topic  
17 area, to what extent, if any, have products been  
18 developed or re-formulated to qualify them for a  
19 given nutrition symbol. What are the costs  
20 associated with product development, re-formulation  
21 or both. What are the costs associated with putting  
22 symbols on packages. What, if any, are the price

0035  
1 differences between symbol carrying products and  
2 other products within the same category and has  
3 inclusion of nutrition symbols on the label, labels  
4 of food products affected the sales of those  
5 products.

6 So those are the questions that we are  
7 posing. You'll hear the panel come back to those  
8 questions in various ways and with that, I'm going  
9 to turn the program over to Leslye Fraser, our first  
10 moderator. Thank you.

11 LESLYE FRASER: Thank you, Barbara, and  
12 good morning. I have the privilege of serving as  
13 the moderator of the first panel and the name of it  
14 is the international experience Government  
15 activities. As we noted in our Federal Register  
16 Notice, a few countries around the world have  
17 already instituted voluntary labeling systems for  
18 Government designed front label nutrition symbols.  
19 These symbol systems vary in their format.

20 Some systems have detailed graphic  
21 illustrations that indicate the content of a number  
22 of selected nutrients, while others simply present a

0036  
1 single icon indicating that a food is helpful --  
2 healthful with further information available  
3 elsewhere, such as in booklets and Websites.

4 We are very grateful that we have  
5 presenters who are willing to come and share their  
6 experiences abroad and I'd like to invite the  
7 panelists to come forward.

8 Our speakers today, and my apologies in  
9 advance if I am not pronouncing names correctly,  
10 Claire Boville from the United Kingdom Food  
11 Standards Agency, she will be our first speaker and  
12 she actually can take her place at the podium. We  
13 also have Jan-Willem van den Brink from the

14 Netherlands Ministry of Health, Welfare and Sport,  
15 if he would join me at the table.  
16 Tipvon Parinyasiri from the Thailand  
17 Food and Drug Administration and Mary L'Abbe from  
18 Health Canada will be our fourth speaker.  
19 And, again, Sweden sends their  
20 apologies, they had a personal emergency and could  
21 not join us, but they do hope to send comments to  
22 the docket.

0037

1 Each speaker will have 15 minutes to  
2 speak. We will have a five-minute warning and a  
3 one-minute warning, both from a person in the  
4 audience, and I will get to be the bad guy, but I  
5 know they'll keep within the time frame.

6 So with that, welcome. Again, we  
7 appreciate your being here and we'll start with  
8 Ms. Boville. Thank you.

9 CLAIRE BOVILLE: Okay, good morning,  
10 ladies and gentlemen, and I just wanted to say very  
11 personally how delighted I am to have been invited  
12 to today's hearing to represent the UK and to  
13 explain and share some of the experiences of our  
14 system in the UK.

15 Just by way of introduction, the Food  
16 Standards Agency is an independent Government  
17 department which has responsibility in the UK for  
18 all matters to do with food safety and nutrition and  
19 we have three main objectives, which are to put the  
20 consumers first and to make sure that everything we  
21 do is based on good scientific evidence and that we  
22 do so in an open and transparent way.

0038

1 Okay. Let's see if I can get this to  
2 work. Okay, excellent.

3 I have tried to answer the 20 questions  
4 that were set out in the FDA Federal Registration  
5 Notice and it has been a tough task, so I'm going  
6 to, all of the slides that I've got today answer  
7 those questions but I'm going to have to, because of  
8 time, whiz through some of them and cut some out.

9 What I'm going to try and do today is  
10 explain to you what nutrition labeling looks like in  
11 the UK and why we have introduced on a voluntary  
12 basis sign post labeling and what's actually  
13 happened in the marketplace.

14 Well, in the UK, nutritional labeling is  
15 provided on food packaging in the majority of cases,  
16 but nutritional labeling is laid down by European  
17 law and it is a voluntary requirement unless there  
18 is a claim made about the nutrition of the food.

19 If it is provided, and the UK is one of  
20 the countries where the industry has voluntarily  
21 chosen to provide nutritional labeling information  
22 because they think it's in the interest of the

0039

1 consumer, they have provided it on the back of pack  
2 for about 80 percent of the products; however,  
3 despite that being the case for over 10 years, there  
4 are rising levels of obesity in the UK and there are  
5 also health-related illnesses associated with that.

6 And those are largely resulting from the  
7 consumers eating far too much saturated fat, salt

8 and sugars.

9 So, while we have the nutritional  
10 labeling information on the back of pack on a  
11 voluntary basis and the consumers know that it's  
12 there, they are -- find it too complicated and  
13 detailed to use in practice, which means that in  
14 reality they often choose to ignore it. That's not  
15 to say they don't want it; they do want it, but they  
16 can't use it. So that's just a quick illustration  
17 of the type of information that you might find in  
18 the UK.

19 So, recognizing that the current  
20 labeling arrangements weren't working, the  
21 Government decided that it needed to tackle the  
22 issue and that one of the activities and initiatives

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1 that it could undertake to address that was to  
2 address labeling issues. It's only one of a whole  
3 strategy of arrangements that we have in the UK to  
4 address obesity.

5 And the Agency was given the task of  
6 undertaking the work to develop the sign post  
7 labeling scheme and it carried out comprehensive  
8 evaluation of consumer -- what consumers needs and  
9 wants over a two-year period. And what I'm going to  
10 briefly go through now is the history of that sign  
11 posting research which looks at what consumers want  
12 and what works in practice.

13 Well the first stage of research was  
14 carried out in November '05 when we looked at five  
15 different concepts for sign post labeling schemes  
16 and they could be broadly divided into two groups.

17 The top part of the slide covers those  
18 which could be considered to give you Healthy Choice  
19 logos, that is to say, they give you an overall  
20 assessment about the healthiness or otherwise of the  
21 food based on criteria devised somewhere else which  
22 the consumer isn't told about. You just have to

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1 trust the scheme that it's healthy or not.

2 And the bottom part of the slide were  
3 schemes which tried to give the consumer a bit more  
4 information so that they could decide themselves  
5 whether something was healthy or not. And it was  
6 all based on the key nutrients which consumers in  
7 the UK are eating too much of, which I mentioned  
8 earlier, fat, salt, saturated fat and sugars.

9 It doesn't want to move on. Ah, okay.

10 From that research what we found was that the  
11 option, one of the options that was on that included  
12 information on guideline daily amounts and that, it  
13 actually didn't perform very well with consumers.  
14 Consumers didn't like it and the reason for that was  
15 largely because it was quite crowded and had a lot  
16 of information.

17 But the industry is quite a fan of GDAs  
18 and has for a number of years been providing that  
19 information on the back of pack and on a voluntary  
20 basis and felt that it had a role in a front of pack  
21 sign posting scheme and asked that we test some more  
22 formats with that type of information presented on

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1 them.



2 So in March we carried out work based  
3 with consumers, again, testing seven different looks  
4 of presentation of information based on guideline  
5 daily amounts. Three of them are shown here on this  
6 slide and they give the actual GDA reference value  
7 and the amount of the nutrient in a serving. Some  
8 of them include color-coding, red, amber, green, to  
9 give the consumer at-a-glance information on whether  
10 it's high, medium or low in a particular nutrient  
11 and the others are completely neutral and the  
12 consumer just has to interpret the information  
13 themselves. And the bottom slide is the original  
14 one that was tested and which consumers didn't like.

15 Four other GDA formats were tested and  
16 these ones all tried to do some level of  
17 interpretation of the GDA information. They gave  
18 the information in terms of the percentage. Two  
19 were bar charts and at the time those bar charts  
20 actually were being used by Kelloggs, well in the  
21 one without the color-coding was being used by  
22 Kelloggs at that time. So we tested that and we

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1 tested it with an interpretive element of the red,  
2 amber, green color-coding and then we used an  
3 approach which was very much like the traffic light  
4 which had performed well in the very first phase of  
5 the research but with numbers in terms of the  
6 percentages, as well. So you had two levels of  
7 information in those two schemes.

8 And what did we learn? Well, we found  
9 that the consumers found the color-coding with the  
10 red, amber, green to indicate whether a nutrient was  
11 high, medium or low to be the most helpful and  
12 straightforward of them. A lot of the consumers  
13 were, looked at these, these approaches, found that  
14 the per serving and the GDA information and  
15 percentages confusing.

16 Now that might be a factor of UK  
17 population in terms of their literacy levels and  
18 ability to use numbers, but nevertheless that was  
19 the case, they found that information too  
20 complicated.

21 And they found that the bar chart  
22 approach was difficult to interpret.

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1 So, of those seven formats which  
2 included GDA information, the one that the consumer  
3 liked the best and found the most easy to use was  
4 the one with the color applied to it.

5 So from here, the next stage was to test  
6 what worked with the consumer. So far we've learned  
7 about what consumers like, but what we're interested  
8 in is what works. So we tested the, of those sign  
9 posts that we developed, those which showed the most  
10 promise. So the first, all three of them have color  
11 because we know that's what the consumer can use and  
12 likes at a glance when they're in a, in a, wanting  
13 to make a quick and easy comparison between foods.

14 And the bottom one, the monochrome GDA  
15 was included at the request of industry because they  
16 felt that that should be tested again to see how a  
17 non-color-coded version worked as opposed to a  
18 colored version. And we also included work with no

19 sign posts so that we had a baseline to see which --  
20 how, if any of these, sign posts were actually  
21 helping consumers to make healthier choices.

22 So, what did that result, that results

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1 show? Well, it showed that basically sign posting  
2 is, is better than not having any sign posting  
3 because in the tests where consumers could choose a  
4 healthier food product with all of the sign posts  
5 except for one, that was the, the simple traffic  
6 light, that's the one at the top. So that one which  
7 is essentially a healthy eating logo performed worse  
8 than not having anything.

9 All the others performed better, but  
10 what we can see is this slide, you must read it  
11 carefully because this is the amount of incorrect  
12 answers, so the one that performed the best was the  
13 multiple traffic light.

14 In the second test where we compared two  
15 similar products, so you say against this pizza or  
16 this pizza, which one is higher or lower in a  
17 particular nutrient and all the foods that we tested  
18 were chosen to make sure that they had unusual  
19 nutritional compositions so that the consumer could  
20 not correctly guess the right answer. They had to  
21 use the information to get the right answer and we  
22 see a similar trend here.

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1 Again, the simple, simple traffic light,  
2 the one that gives a no -- the health mark performed  
3 worse than not having anything and the others  
4 performed better. This time the color GDA approach  
5 came out the best, but there was, they were broadly  
6 similar. The monochrome GDA and the multiple  
7 traffic light also performed well. So we want to  
8 understand why.

9 Now when we chose the products that we  
10 were testing, we chose foods that had in some cases  
11 similar color-coding, so if you're saying between  
12 this bag of crisps and this bag of crisps which  
13 one's the healthier in terms of which one has higher  
14 levels of fat, if they both have red, the consumer  
15 found it difficult to make a choice using the  
16 multiple traffic light at that time because there  
17 was no numerical information on it so red and red,  
18 they looked the same. So unless you turned over to  
19 the back of the pack where you had the exact  
20 nutritional information, you couldn't make that  
21 choice.

22 So, the colored GDA option is the most

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1 complex of those sign posts. It has a number of  
2 components to it and we wanted to understand from --  
3 with the consumer which of those components was  
4 actually driving their, their understanding of the  
5 sign post. I think that slide speaks for itself.

6 The overwhelming element that they were  
7 using to interpret the information and correctly  
8 determine which one was a healthier choice was  
9 colors. Then they were, they were using preserving  
10 information in some cases which showed that they  
11 misunderstood how the label worked and in some cases  
12 using GDA, but that was by far the least effective

13 element.

14 In this research we also wanted to find  
15 out where we should be, if, indeed, this sign  
16 posting scheme was going to be useful, where it  
17 should be applied. Should it be applied across all  
18 foods or should it be applied to certain categories  
19 of foods.

20 Consumers in the UK didn't feel that it  
21 needed to be applied to all foods, they felt that it  
22 only needed to be applied to those foods which they

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1 were having difficulty understanding the nutritional  
2 composition of and essentially those are the  
3 processed composite foods, the ready meals, the  
4 pizzas, the meal components, the burgers, the  
5 sandwiches, the types of things that they were  
6 eating in large amounts regularly or that they were  
7 concerned that children were eating.

8 So, what we learned from this research  
9 was that consumers did want front of pack sign post  
10 labeling and that if it was applied, it could work  
11 for them in terms of helping them make healthier  
12 choices, particularly if it provided separate  
13 information on fat, saturated fat, salt and sugar  
14 and had a color-coding system to indicate whether  
15 the levels of those nutrients were high, medium or  
16 low, and that if GDA information was provided on  
17 with percentages, it was confusing to them.

18 So based on that, the Agency made its  
19 recommendations for a voluntary sign post labeling  
20 scheme which was based on those four principles. It  
21 didn't come up with an exact logo, it said you can  
22 design the logo as you like, provided it has these

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1 elements, separate information on sat, saturated  
2 fat, salt and sugar, a color-coding, which is red,  
3 amber or green to indicate whether the nutrients are  
4 high, medium or low and the criteria will be based  
5 derived by the Food Standards Agency and that it  
6 will also give information on the actual levels of  
7 the nutrients in a food.

8 Now that was a big change and that was a  
9 change that was introduced as a result of the  
10 consumer research which showed that the additional  
11 information on nutrients helped to interpret the  
12 color-coding where you had similar products with  
13 similar color codes and that that information should  
14 be applied to processed foods which consumers had  
15 difficulty understanding.

16 In addition, the Agency said that those  
17 using this type of approach could voluntarily add in  
18 information on calories. Now the reason that the  
19 Agency didn't recommend it or make it a requirement  
20 for its, its approach was that the consumer research  
21 showed that consumers already understood calories  
22 and knew where to find that information on the back

0050

1 of the pack and didn't feel that they needed it to  
2 be highlighted specifically on the front.

3 And the Agency also said that guideline  
4 daily amount information was okay to apply on the  
5 front of the pack, provided it was included with the  
6 red, amber, green color-coding.

7 The reason for that being is that we  
8 know that it's the red, amber, green that works for  
9 consumers.

10 LESLYE FRASER: Ms. Boville, my  
11 apologies, if you can have a summary statement.

12 CLAIRE BOVILLE: Yes, of course.

13 LESLYE FRASER: Thank you very much.

14 CLAIRE BOVILLE: That's just to show you  
15 the criteria and it's on the slide, it's on the  
16 Website and to show you what it might look like in  
17 various illustrations and to show you that we have a  
18 whole range of consumers -- of businesses that are  
19 using it, eight retailers to date, four service  
20 providers, 14 manufacturers, I don't know if the  
21 battery is dying in this, 14 manufacturers and a  
22 whole range of others that are coming on board.

0051

1 It's supported by a whole range of organizations,  
2 professional bodies, medical bodies, enforcement  
3 bodies and consumer groups.

4 And that whole range of consumers like  
5 it and can use it and the important thing is that we  
6 know that it is actually changing what's happening  
7 in the marketplace. A whole range of manufacturers  
8 and retailers, whether using this scheme or not, are  
9 re-formulating their products according to the  
10 criteria and that this is -- means that we are  
11 having a healthier range of foods available to the  
12 consumer and that the consumer is choosing them.

13 So, we are seeing an increase in the  
14 amount of sales of foods which have a higher level  
15 of greens and ambers and a reduction in the sales of  
16 those that have a high level of reds.

17 Now the very interesting piece of  
18 research, and I will close just after I've talked  
19 about this one, is that we did some research with  
20 consumers once it was on pack to find out how they  
21 were using it in practice and the consumers told us  
22 that the sign post with traffic light colors helps

0052

1 them to give an assessment about the overall  
2 healthiness of a food and, as well as providing  
3 information about the individual balance of  
4 individual nutrients, whereas compared to a  
5 monochrome GDA approach, which is also used in the  
6 UK voluntarily by some businesses, where consumers  
7 found, felt that that acted like wallpaper, they  
8 didn't really use that information to assess the  
9 healthiness of a food unless they were looking at a  
10 particular nutrient. So if they were concerned  
11 about salt, they looked at that nutrient and so they  
12 tended to look at it for culprit foods.

13 And very finally just to say that we're  
14 doing more independent evaluation of the sign  
15 posting schemes operating in the UK to assess what's  
16 actually working for the consumer in terms of making  
17 a healthier choice and that research is going to be  
18 commissioned later this year. And we hope to have  
19 the results and that will give us a definitive  
20 answer to the question what is actually helping to  
21 make consumers to make healthier choices next year,  
22 this time next year, hopefully.

0053

1 I'm really sorry I've run out of time, I  
2 could talk for hours.

3 LESLYE FRASER: Thank you very much.  
4 (Applause)

5 And I know we have given a tremendous  
6 challenge to our panelists to reduce years of  
7 research and excellent work in a finite time period,  
8 so we thank you for that excellent overview and I do  
9 believe the slides will be going into the docket so  
10 that the full package and the full presentation will  
11 be available. And again, we thank you.

12 And with that, I will ask the gentleman  
13 from the Netherlands to come forward, Mr. Jan-Willem  
14 van den Brink. Thank you.

15 MR. van den BRINK: Good morning. My  
16 name is Jan-Willem van den Brink.

17 I'm involved with food labeling at the  
18 Dutch Ministry of Health. Let me begin by thanking  
19 Dr. Schneeman for giving us the opportunity to  
20 present our approach to logos, share our experience  
21 and learn from yours.

22 I've prepared a small presentation on  
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1 the Dutch policy and you've just heard from Claire  
2 Boville from the UK on their perspective on sign  
3 posting and, well now I'll give you the Dutch  
4 approach. And although we strive, we all strive to  
5 help make consumers -- help consumers to make a  
6 healthy choice in food, the different approaches  
7 indicate that the use of logos and symbols to  
8 communicate the nutritional quality of products is a  
9 hot topic within the European community, as well.

10 Now a little of the content, I did file  
11 my presentation as follows and I will not try to  
12 attempt or attempt to answer all the questions in  
13 the presentation and I hope it will be clear why.

14 First, I would like to give you a little  
15 bit of context of the food industry and the healthy  
16 lifestyle policy in the Netherlands. Then I will  
17 give you an overview of the events that led to the  
18 introduction of the Healthy Choice logo in the  
19 Netherlands. Then I will very briefly look into the  
20 criteria for receiving a Healthy Choice logo, or a  
21 stamp, and after that I will explain the conditions  
22 of the Government endorsements and indicate some  
0055

1 concerns as well as ambitions.

2 Now, some context about the food  
3 industry in the Netherlands. The agri food industry  
4 is of great importance in the Dutch economy, for the  
5 Dutch economy. It is the biggest industrial sector  
6 in the Netherlands and accounts for 10 percent of  
7 our GDP, over 600,000 people are employed in this  
8 sector, and bear in mind we are a small country.  
9 20 percent of our total exports is generated by the  
10 food industry and the Netherlands is the biggest EU,  
11 intra EU trader.

12 Some major companies from the  
13 Netherlands include Unilever, which is both UK and  
14 Dutch, Banniker and Royal Friesland Foods.

15 Well, I'll skip the information about of  
16 course what you all know about what a healthy diet  
17 is, work for, but our healthy diet policy is based

18 on norms and guidelines of the Health Council in the  
19 Netherlands. The diversity of foods with adequate  
20 amounts of vegetables and fruit and low consumptions  
21 of fat together form the basis for healthy  
22 nutrition. To promote a healthy lifestyle, the

0056

1 Ministry informs the public through communication  
2 and adaptation policies -- projects, many projects  
3 are focused on the education of children.  
4 Furthermore, the Ministry encouraged the  
5 food industry to modify their products by, for  
6 instance, decreasing the amount of saturated fats or  
7 trans fats and one of our campaigns, the hidden fat  
8 campaign, has been very successful in lower the  
9 amount of trans fatty acids throughout the food  
10 chain.

11 Well, given the presence of the large  
12 food industry in the Netherlands, characteristic of  
13 our policy is the promotion of innovation in food  
14 and nutrition and last year top institute for food  
15 and nutrition was established in the Netherlands,  
16 it's a unique public -- private partnership which we  
17 will hope generates scientific breakthrough in food  
18 and nutrition and this then will lead hopefully to  
19 development of innovative products and technologies  
20 that will respond to the consumer demands for safe,  
21 tasty and above all, healthy foods.

22  
0057

1 research partners, the Dutch Government has  
2 contributed 61 million Euros up to 2010.  
3 Now, some -- the, some history about the  
4 Healthy Choice logo and partnership with industry,  
5 as I explained, is an important element in our  
6 policy. And in order to tackle obesity and  
7 overweight in the Netherlands, the food industry,  
8 retailers, caterers and the Government signed a  
9 covenant on overweight and obesity.

10 The parties agreed that it is important  
11 to maintain or restore the balance between eating  
12 and physical activity. This could be achieved by  
13 encouraging people to choose a healthy diet and a  
14 healthy lifestyle, for example, by offering them  
15 healthy food options and making those options more  
16 attractive.

17 Well three large food and beverage  
18 manufacturers, Unilever, Royal Freisland Foods and  
19 Campena, the last two are dairy companies, they took  
20 the initiative to develop a logo that would enable  
21 consumers to make a healthy choice in foods and in  
22 May 2006, this Healthy Choice logo was presented to

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1 the Dutch Ministry of Health. I will show you the  
2 logo later on.

3 This initiative by those industry  
4 partners was immediately supported by some major  
5 retailers, caterers, as well as the Dutch consumer  
6 organization and the Netherlands nutrition center.  
7 A little over a year ago products with the Healthy  
8 Choice logo appeared in shops and recently the  
9 scientific commission, which is part of the Healthy  
10 Choice organization, evaluated the criteria they've  
11 started with and came up with stricter criteria.

12 Now, here is the logo, it's a front of  
13 pack stamp. It's a single tick and research  
14 indicates that a simple front of pack label,  
15 labeling format seems more appropriate in the shop,  
16 shopping environment where quick decisions are made.  
17 And this is the international version of the logo,  
18 so it's based on international dietary guidelines.

19 Now let us briefly look at the  
20 qualifying criteria and the products groups. In  
21 order to be eligible for, to carry a stamp, a  
22 product must satisfy the criteria of the product

0059  
1 group to which it belongs. There are two sorts of  
2 groups, six main product groups and four  
3 supplemental product groups. An example of a main  
4 product groups is bread, grains, potatoes and pasta,  
5 so the sources of carbohydrates. Or a group with  
6 meat, fish, poultry and eggs.

7 A non-basic group, or supplemental  
8 group, for example, are soups or snacks. For the  
9 main product groups, the four criteria for saturated  
10 fat, trans fat, sodium and added sugar are  
11 determined and the criteria are derived from WHO  
12 standards. Additional criteria have been drawn up  
13 for a situation in which the intake of essential or  
14 useful nutrients is of importance, so like bread  
15 should contribute to the intake of fiber.

16 For supplemental product groups, some  
17 criteria have been replaced. For soup, for example,  
18 the sodium threshold is lower, of course because  
19 otherwise no soup would be eligible for a stamp and  
20 consumers would not be able to choose a healthier  
21 option.

22 Well, in essence its an across the board  
0060  
1 system, because when a product doesn't fit in one of  
2 the product groups, there's also always, there are  
3 always the levels for trans fat, sodium, added sugar  
4 and saturated fat.

5 This criteria are the criteria. I'm not  
6 showing you them, they are in the brochure, as well,  
7 they are not static. Every now and then, and it  
8 seems that every two years now the criteria are  
9 evaluated and re-aligned with the latest scientific  
10 insight and to see how many product fit the  
11 criteria, because if more than 20 percent is  
12 eligible for a stamp, the criteria need to become  
13 stricter. This dynamic process we think will  
14 stimulate innovation. For more details on the  
15 criteria itself, I would like to direct the  
16 commission to the information that was provided by  
17 Choices International.

18 Well this is a slide I keep on changing  
19 over and over because there are about, about now,  
20 about 600 pre-packed products in the supermarket  
21 with a stamp. A number of supermarket chains has  
22 also adapted the system for their private logos and

0061  
1 together they have a market share for over  
2 50 percent in the Netherlands. And fair is fair,  
3 the biggest supermarket chain, that's Albert Heijn,  
4 which is part of Ahold, is not yet part of the  
5 Choices Foundation in the Netherlands and they have

6 got their own almost similar or in essence similar  
7 system.

8 Okay, the Government conditions, I've  
9 explained that this is a private initiative and the  
10 Dutch Government endorsed the industry initiative on  
11 introduction last year, but not without conditions  
12 and we monitored those conditions.

13 We are very clear that we have made very  
14 clear that this system should be open, an open  
15 initiative for others to join, so other  
16 manufacturers, retailers, caterers, they would,  
17 could join this, this initiative and that is the  
18 case.

19 On introduction the criteria needed to  
20 be -- needed to be developed further by the  
21 scientific commission and the commission did so and  
22 came up with stricter criteria in May this year and

0062

1 this meant that some product groups couldn't carry a  
2 stamp anymore.

3 We will have the Health Council in  
4 Netherlands, that's an independent council, advise  
5 us under the Government on the system and the  
6 criteria used and the Health Council is in the  
7 process of doing so right now.

8 Of course we are all aware that healthy  
9 diet is just one of the components for healthy  
10 living and along with a healthy diet, appropriate  
11 regular physical activity is a major component in  
12 preventing chronic disease and the Ministry of  
13 Health -- the Minister of Health has made it clear  
14 that in communication and education about this logo,  
15 the physical activity is also promoted.

16 And not -- last, but not least, and I  
17 think Ms. Boville pointed it out as well, the  
18 affects of the logo on consumer behavior must be  
19 monitored. We need to know what really works for  
20 consumers and for that the interpretation of sales  
21 data and dietary intake data is crucial. So this is  
22 still a private initiative, but endorsed by the

0063

1 Ministry of Health by the Government and there's no  
2 Government regulation in place, nor are there any  
3 funds directed to this foundation.

4 Other logos may occur and as I pointed  
5 out earlier, there is similar initiative from one of  
6 the large retailers in the Netherlands.

7 LESLYE FRASER: You have about two  
8 minutes.

9 MR. van den BRINK: Okay, thank you.

10 Recently at the European nutrition  
11 conference in Paris, Choices International was  
12 launched. This is an international version of the  
13 Dutch logo and of course we are proud to, to be the  
14 country where Choice's logo originated from and we  
15 are also glad to see that the International  
16 Scientific Commission was, will build on the work of  
17 the Dutch Scientific Commission has done and we  
18 still believe that this system helps consumers in  
19 making a healthier choice in food. And we believe  
20 that it will stimulate the food industry towards  
21 product innovation.

22 But as I said before, we, we'll need to



0064

1 keep on monitoring the developments of the system  
2 and other initiatives from industry.

3 Maybe there are too many logos on the  
4 market, are the criteria have the logos aligned or  
5 not, will the healthier choice, of course, lead to  
6 more balanced consumption. Does it lead to the  
7 proper type of innovation.

8 And please allow me to summarize with  
9 the following figure.

10 This is nothing scientific, I just drew  
11 some points I wanted to make. A horizontal axis is  
12 the nutritional quality of products, so it fits with  
13 both, within the healthy diet or it doesn't fit in  
14 the healthy diet and the vertical axis is the  
15 consumption balance by consumers, either they buy or  
16 consume a product that fits their balanced diet or  
17 unbalanced diet.

18 Now, at any given time this is a  
19 snapshot of products that are bought in shops and  
20 consumers buy -- by consumers at any given time the  
21 products are consumed and I've marked out some  
22 random intersections of that. Through our policies

0065

1 we try to, and communication, education products, we  
2 try of course to, well to lower the healthy balance  
3 campaign, for instance, have consumers make a  
4 healthier choice and a balanced choices in their  
5 food and through the innovation funds on the right  
6 there, we try to direct the industry to product  
7 innovation and the nutritional quality of the  
8 product. So those are the powers of -- the forces  
9 on the sheet.

10 The Healthy Choice logo, well, you could  
11 draw a line like that and the Healthy Choice, the  
12 Healthy Choice logo is a nutrition profile so every  
13 product is that situated on this side is eligible to  
14 carry a stamp and to be honest, this is a bit our  
15 concern, that industry is more stimulated to make  
16 products that fit in this range instead of this  
17 range, so they're stimulated to make products with a  
18 better nutritional quality but will encourage people  
19 to choose a healthy -- unhealthy diet.

20 Now, I've just one minute to conclude  
21 and that should be sufficient to say that this is,  
22 of course, a private initiative and I'm glad to be

0066

1 here to present you why the Dutch Government choose  
2 to support this, endorse this system, but on  
3 conditions, because we feel that the Healthy Choice  
4 logo is, will help consumers make a Healthy Choice  
5 and stimulate industry to, for product  
6 re-formulation.

7 But as Ms. Boville also pointed out, the  
8 need for research must be -- there's a need for more  
9 research on front of pack labeling as well and  
10 that's why I'm very interested to hear, to hear from  
11 you, as well, what -- on what kind of research there  
12 is.

13 Thank you very much.

14 (Applause)

15 LESLYE FRASER: Our third speaker is  
16 from Thailand's Government Food and Drug

17 Administration and we welcome Ms. Parinyasiri.  
18 Thank you.

19 TIPVON PARINYASIRI: First of all, I  
20 would like to thank you, Dr. Schneeman, to give me  
21 and my colleague an opportunity to share the  
22 experience which we have learned, we have listened

0067

1 and learned from Thai FDA. We hope that this  
2 activity you continue, we can exchange the  
3 networking and learning. Even though this time I  
4 cannot answer all your question, but I will go back  
5 and collect information about the economic impact  
6 and some more research which we going through next  
7 year, so I, I owe you the homework.

8 First of all I'd like to share the, the  
9 outline that since Thai FDA have learned through the  
10 difficult situation among the limitation of the  
11 staff and budget, the outline that I will presented  
12 is how do Thai FDA work and the second is the affect  
13 on the consumer protection in Thailand and the third  
14 experience of the Thai FDA on nutritional labeling.

15 Thai FDA use the food law as a tool and  
16 we, for consumer protection on safety, nutrition,  
17 identity and efficacy and -- sorry, it's -- no, and  
18 the Thai FDA have the registration notification and  
19 responsibility and we have a pre-marketing control  
20 on the product and post marketing control and also  
21 we have (inaudible) and support cooperative and  
22 technical knowledge on the consumer behavior.

0068

1 That's our target on the safety, nutrition identity,  
2 efficacy.

3 Since every country have the same affect  
4 on the consumer activity on the food incident and  
5 the globalization and modernization and from the  
6 past to present, we move forward from communicative  
7 disease to the non-communicative disease and now we  
8 have a big challenge on behavior-related disease and  
9 affect. That has an impact on our consumer  
10 protection activity.

11 Since the nine years, FDA have  
12 introduced the nutritional labeling with the  
13 voluntary approach, the format similar to the one  
14 that you have in the United States for the food  
15 format and we also have the symbol format for  
16 nutritional labeling. However, it mandatory for the  
17 foreign food required nutritional labeling on food  
18 with the nutrition claim and food with nutrition for  
19 sale promotion and third is the food's stating  
20 specific group of consumer for sale promotion.

21 The objective of the labeling is to  
22 inform the better choice for consumer and we have

0069

1 activity of educated consumer through mobile unit.  
2 We have about, Thailand have 75 provinces, we have  
3 23 mobile unit on each province and now we promote  
4 activity through the local officer to have their own  
5 mobile unit. Hopefully we will have 50 -- we have a  
6 campaign to have them, they have their local  
7 authority, they have their own budget, so we promote  
8 the model of mobile unit and we hope that will be  
9 effective tool to educate consumer in the -- you  
10 know, in the community and the school.

11 So we do a rapid survey, research  
12 endurance and empowerment on the consumer and also  
13 manufacturer, especially for the small, medium  
14 scale.

15 Thailand have the same problem about the  
16 obesity. We, the -- dietitian reported in Thailand  
17 40 obesity problem increase among the children below  
18 6 years old and they have case incident of the child  
19 obesity and heart and kidney failure on, to the six  
20 years old.

21 So we, the approach of Thailand through  
22 the nutritional labeling, through the children food,

0070

1 so we have, we take the measure on Thailand since  
2 the current situation, Thailand agreed to view is  
3 the mandatory approach to require nutritional  
4 labeling symbol format, and affected, it will  
5 effective within the third -- 90 days for the new  
6 manufacturer to make a new labeling and we give the  
7 grace periods for one year to, for the manufacturer  
8 that already have the product in the market.

9 Since the -- our concern related to  
10 children, so we think the first step we will move  
11 toward to the snack. The first phase we introduced  
12 a five priority of the snack food and the mandatory  
13 nutritional labeling we concentrate on the calorie,  
14 fat, sodium, sugar and cholesterol. And we have the  
15 warning on the package, take less and exercise for  
16 health, that's what mandatory, and we have a  
17 warranty nutritional sign post which is proposed by  
18 NGO academy field and also the manufacturer field.

19 That's the sign post proposed by NGO,  
20 they have a, multiple traffic light, energy, fat,  
21 sugar and sodium. The company doesn't like that  
22 approach very much. We have all of the bad among

0071

1 the -- all academy and manufacturer. Next week we  
2 have another meeting among the Thai FDA and academy  
3 and also manufacturer to decide it or to take a  
4 forward approach and also they have the private  
5 company proposed the guideline for GDA and one in  
6 Thailand is the Tesco Lotis, they have that on the  
7 package now.

8 That's the nutritional sign post on  
9 criteria which we, since we, the -- for the Thai  
10 RDI, we have a 2,000 calorie per day consumption, so  
11 we think if you take that approach for the snack,  
12 the serving size about 30 gram on the snack food, so  
13 we take that 30 gram from -- to, we take 30 gram and  
14 then if we, the amount of the traffic light will be  
15 green, it will be less than 5 and we give, we give  
16 the yellow between 5 to 10 because we think the  
17 children should not eat the snack more than  
18 10 percent of the calorie per day. Therefore, we,  
19 we think we have the shorter -- I mean shorter range  
20 than UK because you have a, you give a broader range  
21 on yellow criteria. I'm not sure you still have  
22 that criteria, but for energy we be less than

0072

1 100 and fat we be, to get green we be at 3.25 and  
2 sugar we be 2.5 and sodium we be 120 we be green.  
3 So if the red, we be, that label more  
4 than 10, more than 200, more than 65, more than

5 5 and more than 240. That's the criteria that we  
6 propose and we still have to debate to the, with the  
7 company.

8 However, the, in the -- multiple traffic  
9 light they have an issue, discussion on the pro and  
10 con. You know, we have, we do some research on  
11 consumer testing. I think is spontaneous decision  
12 for the consumer and consumer respond positively,  
13 however for the con, the argument among the industry  
14 that the red means stop, danger, warning and the  
15 traffic light should not empower or educate consumer  
16 by basic nutrition and for the company proposal for  
17 the GDA, they say the pro concept would be color is  
18 not misled to a clear symbol, however since the  
19 problem we deal with children, children cannot  
20 calculate GDA, too difficult, even, even us, among  
21 us adult, I mean consumer, they think it's too  
22 complicated.

0073

1 So, they complain no different between  
2 the normal, just bring the nutritional table, I mean  
3 item to become a, that sign post and so we have to,  
4 we have lot of challenge to discuss and we have to  
5 do some more research on how the Thai, especially  
6 children, we understand.

7 And since we have a lot of approach to  
8 the education program, we, we put the campaign,  
9 lately the company -- the Ministry of Public Health  
10 put the campaign on the, national campaign on the  
11 nutritional issue on the sugar, salt and fat  
12 campaign so we used that educational program to, we  
13 call, entertainment, because we put the song, we put  
14 the games and we put the leaflet and we do a lot of  
15 contests on the topic of the, how to educate the  
16 Thai young consumer.

17 And we also have other nutritional  
18 symbol through the Thai Heart Association in  
19 Thailand, they have a logo that multiple nutrient on  
20 that symbol, that's just one example that they give  
21 and they propose to Thai FDA now. They do it  
22 voluntary, but we have to, we have to reconsider if

0074

1 it, the criteria that they have, for example, for  
2 the cereal they have different criteria on each  
3 item. They have fat, if the, to get that logo they  
4 should have fat less than 3 gram per 100 gram and  
5 sugar less than 7 gram from 100 gram, sodium will be  
6 less than 250 milligram through 100 gram. Fiber,  
7 more than 2 gram per 100 gram and then if the  
8 criteria if meet, they would get that logo and this  
9 is logo from Nutrition Health Department in  
10 Thailand.

11 Since Thailand we have deficiency on the  
12 iron, vitamin, iodine deficiency, if the, any  
13 manufacturer fortify these nutrient in that product  
14 more than 20 times RDA, they would get that logo.

15 That's a campaign through the nutrient  
16 deficiency in Thailand which help the, for the  
17 children in the rural area. So that the logo, we,  
18 is going and another one that proposed by nutrition  
19 department in health -- nutrition division in Health  
20 Department, they will, they going to release another  
21 logo that a fork and spoon on the plate will be

22 another logo that we will discuss in Thailand, so we  
0075

1 still have a lot of -- I think we have the common  
2 issue how to get the good educated material or the  
3 labeling for the consumer in Thailand.

4 So we thank you very much and I  
5 appreciate all the discussion and I hope we have a  
6 good discussion during this time and we can learn  
7 from this meeting. And I bring back the, all the  
8 information what I have learned to precede the  
9 activity in Thailand and we expect we can bring it,  
10 the knowledge back and share among the Government  
11 internationally.

12 Thank you.

13 (Applause)

14 LESLYE FRASER: Thank you for that  
15 presentation and our last speaker for this panel is  
16 from Health Canada, Dr. Mary L'Abbe. Thank you.

17 DR. MARY L'ABBE: Thank you very much.  
18 I'd like to thank the members of the FDA for  
19 inviting me here today to give you an overview of  
20 the situation regarding nutrition labels on the  
21 front of packaging in Canada.

22 I just thought I would just sort of put

0076

1 this in context, this is a recent cartoon, but I  
2 have been working a lot with trans fat lately so  
3 it's a place to talk about labeling as well as trans  
4 fat. And I thought this was an interesting cartoon,  
5 but it really points to the importance and the role  
6 that labels and claims on foods play to the  
7 consumer.

8 In Canada, similar to what you, the  
9 situation that you have in the U.S., we have a  
10 nutrition information that's built on the  
11 foundation, which is nutrition labeling, we have a  
12 nutrition facts table that provides the basic  
13 information to consumers. We also define by  
14 regulation 14 nutrient content claims, those claims  
15 for, for example, the amount of nutrients, whether  
16 it be source claims like good, excellent sources, as  
17 well as comparative claims, reduced, lower, as well  
18 as finally the health claims which in Canada are  
19 both the biological role claims as well as disease  
20 risk reduction claims and those are defined by  
21 regulation.

22 So we have this hierarchy of nutrition

0077

1 information, all with the goal to help consumers in  
2 making healthier food choices which will enhance  
3 their health and reduce the risk of chronic disease.

4 And we, this is our nutrition labeling,  
5 our nutrition facts panel. The regulations came  
6 into place in December 2002 making the nutrition  
7 facts panel mandatory in Canada and it contains the  
8 calories and 13 core nutrients which must always  
9 appear and then additional nutrients must appear if  
10 they're the subject of a claim.

11 And we've had -- whoops. We've had  
12 something like, for example, trans fats, one of the  
13 differences for quite a while in Canada and we have  
14 a referenced amount of daily value that's the sum of  
15 both sat fats and trans.

16 In February of this year we released our  
17 new, Canada's food guide and this food guide was  
18 released after a five-year consultation period and a  
19 couple of interesting points. It's not a six-page  
20 food guide as opposed to our previous one-page, two  
21 sides. And on the food guide, in the accompanying  
22 information is points to the nutrition facts panel

0078

1 and it gives an example on the messaging in the food  
2 guide and points to it for consumers as a tool for  
3 comparing the nutrient value of foods. And it also  
4 has a number of key messages and the key messages  
5 focus on choosing products that contain less fat,  
6 saturated fat, trans fat, sugar and sodium.

7 Now, what's one of the most recent  
8 developments in Canada, our, we have a standing  
9 committee of health and this is comprised of the  
10 elected members of Parliament comprising all three  
11 main political parties and in May -- in March of  
12 2007, this standing committee of health released a  
13 report entitled healthy weights for healthy kids.  
14 And in that report one of the recommendations was  
15 they recommended that the Government implement a  
16 mandatory, standardized, simple front of packaging  
17 labeling requirement for prepackaged food for easy  
18 identification of nutritional value.

19 So, we are in the process of responding  
20 to this mandate from our standing committee of  
21 health.

22 Now, what's the current situation in

0079

1 Canada? We have a number of labeling and logo  
2 symbols in Canada. We have a, a very wide-spread,  
3 and I know you're going to hear from Mr. Terry Dean  
4 from the Heart and Stroke Foundation of Canada, but  
5 we have a Health Check program through the Heart and  
6 Stroke Foundation of Canada. It is a third-party  
7 program. It was developed and led by the Heart and  
8 Stroke Foundation of Canada.

9 It was launched in actually 1999 before  
10 mandatory nutritional labeling came into force and  
11 its criteria are food category specific and are  
12 based on Canada's food guide. So they are now in  
13 the process of updating it to reflect the most  
14 recent Canada's food guide.

15 We also have a number of manufacturer  
16 led programs in the country and in these programs  
17 the conditions for displaying the symbols are  
18 actually set by the manufacturer, not by Government.  
19 The conditions for the symbols vary from one program  
20 to another, within programs of the same company and  
21 also in many cases from one food category to  
22 another.

0080

1 There are healthier choice type symbols  
2 based on one or more criteria, some based on a  
3 single nutrient criteria and others a panel of  
4 nutrients, as well as we see claim specific symbols  
5 that refer to nutritional characteristic of the  
6 food. And just to give you an idea, this is some of  
7 the types of, this is just a smattering of some of  
8 the symbols that can be seen in Canada, but this  
9 panel here on the, your left are those that would be

10 Healthy Choice type symbols, the Health Check Logo,  
11 this by a food manufacturer, this by one of the  
12 largest food retailer chains and another food  
13 manufacturer.

14 We also have a number of symbols that  
15 are seen in products that are really basically based  
16 on nutrient content claims, groupings of symbols  
17 that represent either the higher or lower reduced,  
18 for example, lower in fat or the quantities of a  
19 variety of different nutrients.

20 And finally we have the third category  
21 which purport in pictograph version a number of what  
22 could be biological role claims or functions of

0081  
1 nutrients and in many cases some of those were  
2 considered to be implied health claims.

3 So, what's the current situation that we  
4 see in Canada? We see a number of symbols that are  
5 used to represent a range of nutritional  
6 characteristics of foods and there are actually  
7 proliferating throughout the marketplace, both in --  
8 on products and in advertising and these nutritional  
9 symbols communicate information about the  
10 nutritional quality and benefits of foods in an  
11 eye-catching format and they range, as I mentioned,  
12 from icons representing healthy choices, claims  
13 specific symbols about nutritional characteristics  
14 or biological roles or health claims. And also we  
15 see, we see foods that may have multiple symbols on  
16 them.

17 So, what is some of the concerns that  
18 were raised both in Government by health NGOs and by  
19 our Parliament. One of the noticeable things is  
20 there is a lack of consistency amongst programs,  
21 there's no standardized criteria as the basis of  
22 many of the programs.

0082  
1 There is also a concern that it is the  
2 oversimplification of complex messages, particularly  
3 when the symbol refers to a health benefit and as I  
4 mentioned, the criteria used for any particular  
5 claim are often not readily identified by the  
6 consumer, so that they can't tell whether, what's  
7 the basis of a symbol of one product versus the  
8 basis of a symbol of another product. And there is  
9 concern that it may be less consideration given to  
10 the complete information that is found in the  
11 nutrition facts table, i.e., the overall nutritional  
12 characteristics of the food.

13 So, as a result, with the proliferation  
14 of these types of symbols, there's actually concern  
15 that consumers are not able to compare one product  
16 with another because of the varying criteria around  
17 these symbols. The consumers may misinterpret  
18 similar symbols as having the same meaning when, in  
19 fact, they're based on different criteria.  
20 Consumers may view products with these symbols as  
21 being healthier than those products without symbols  
22 and there's also criticism from health professionals

0083  
1 and consumers when symbols appear on foods that may  
2 have some negative health attributes.

3 So, what's some of the consumer research

4 that we have in Canada? From the Canadian Council  
5 of Food and Nutrition tracking nutrition trends that  
6 was released last Summer, this is the sixth issue of  
7 tracking nutrition trends that's been produced every  
8 couple of years, first off an important that the  
9 nutrition facts table is seen as the number one  
10 source of trusted information by 77 percent of  
11 Canadians.

12 Also, almost half of Canadians who look  
13 at labels say they look at health claims for a  
14 healthier, better choice slogan or symbol on the  
15 food, so about half of Canadians look for that, some  
16 type of symbol and just to give you the actual data  
17 is the, the information that they look for was  
18 ingredients by 87 percent, similarly to the  
19 nutrition facts table followed by nutrient claims,  
20 64 claims, by health claims, 47 percent and Healthy  
21 Choice logos, 47 percent, so it is the furthest down  
22 the list.

0084

1 In a recently released A.C. Nielsen  
2 health and wellness study, one-quarter of Canadian  
3 households have purchased one brand over another  
4 because it had a healthy logo or symbol on the  
5 package. However, half of the households also  
6 reported that these logos or symbols are not  
7 important in making their food choices, but I  
8 thought it interesting statistics in this report was  
9 that for those that found the logos or symbol very  
10 or extremely important, it was highest in the low  
11 income group, which was up to 20 percent and other  
12 income groups decreased down to I think 11 or 12  
13 percent and highest in the older age groups, those  
14 over 55.

15 Oh, I'm not sure what was there.

16 So, what is the regulatory framework in  
17 Canada governing logos and symbol. There are no  
18 specific regulations in Canada governing the use of  
19 symbols that imply a nutrition or health benefit on  
20 food; however, like all other claims, symbols or  
21 food labeling, the, they are subject to Section 5.1  
22 of the Food and Drug's Act which says they must not

0085

1 be false, misleading or deceptive.

2 There is also a policy on the use of  
3 third-party endorsements, logos and seals and this  
4 policy actually dates back to 1991 and it's  
5 published in the CFIA guide to food labeling and  
6 advertising but it was never really developed to  
7 deal with the situation of logos and symbols. It  
8 was really developed to give companies information  
9 in their educational programs around healthy eating  
10 messages, so it really wasn't developed for the type  
11 of situation we're seeing in the marketplace and  
12 most recently we have come out with guidelines on  
13 how to use the principles for using Canada's food  
14 guides in advertising and labeling.

15 So, where are we at right now? We're  
16 looking at the situation with regards to the front  
17 the of package labeling, including symbols, and  
18 we're in the preliminary phase of looking at that.  
19 We plan to consult on the use of front of package  
20 labeling this Fall. We have a discussion paper



21 entitled towards a modernized framework for managing  
22 health claims on foods and we expect to release it

0086

1 this Fall and it has a chapter on the whole issue  
2 and questions surrounding the use of front of  
3 package and symbols on, in labeling. And it will be  
4 used to form our future policy development in this  
5 area.

6 We're also planning consumer research on  
7 the use of front of package labeling and we'll be  
8 guided by the information that we receive from  
9 stakeholders this Fall as well as some targeted  
10 consultations on the issue of front of package  
11 labeling, which will all in turn lead to our policy  
12 development in this area.

13 So with that I'd like to thank you very  
14 much and if you want more information, you can find  
15 it on the Health Canada Website, I've given you the  
16 address here and if you search under foods and  
17 nutrition, you can find more information on the food  
18 guide, nutrition labeling, the regulations and  
19 issues around nutrient content claims, health claims  
20 as well as our regulations. Thank you very much.

21 (Applause)

22 LESLYE FRASER: I'd like to thank you

0087

1 all of our panelists again for those excellent  
2 presentations and one of my observations as the  
3 Government regulators and regulator to regulator, we  
4 do share a concern and observations of trying to  
5 help consumers make healthy dietary choices, the  
6 obesity theme, poor choices on the conflict side  
7 also resonated.

8 As Mr. Landa comes forward, he's going  
9 to moderate the question and answer period, but I  
10 guess a question I have for each of the panelists  
11 and I think various ones touched on it, but related  
12 to question seven, do you see the use of symbols in  
13 your countries being used by consumers who do look  
14 at the package to supplement what's on the nutrition  
15 facts panel or the ingredient or to replace what's  
16 on, replace their consideration of what's on the  
17 nutrition facts panel, so that's sort of my initial  
18 and you each touched on it in a different way, but  
19 perhaps not quite expressly in that manner.

20 Whoever would like, and if you could  
21 turn on the microphones on the panelists table,  
22 please.

0088

1 CLAIRE BOVILLE: Yeah, and it's a good  
2 question. In the UK, certainly the sign post  
3 labeling recommendations are in addition to the back  
4 of pack nutritional information. There's no  
5 intention that it would be instead of because the  
6 nutritional back of pack information provides more  
7 detailed information and it covers other nutrients  
8 which are not covered on the sign post labeling.

9 The reason that we have recommended that  
10 we have this sort of shorthand on the front is  
11 because it is making the consumer very much aware of  
12 the nutrients which we know they're eating too much  
13 of. So it's giving, making that top of mind for  
14 them, so it's doing an education thing as well as an

15 information exercise in the same time.  
16 And what we know from the consumer  
17 research is that the consumer uses it in that way.  
18 They, when, we have to be realistic here about what  
19 happens in the shopping environment. When you're  
20 zooming around a supermarket with a four-year-old  
21 screaming its head off, you want to get in and get  
22 out fast and you want to be able to make healthy

0089

1 choices quickly at a glance and you need some system  
2 which is simple and works for you that you can  
3 understand intuitively and without a whole lot of  
4 education.

5 And what we know from the consumer  
6 research that I touched on in one of the slides is  
7 that the traffic light approach, the benefit of it  
8 as the consumer sees it is that it enables them to  
9 do that. They can see at a glance the -- how,  
10 whether something is high, medium or low in an  
11 individual nutrient that they need to be concerned  
12 about, but they can also look at the overall balance  
13 of the food because they've got the color-coding for  
14 each of those nutrients. So they make that judgment  
15 themselves and weigh up, they do the trade-off when  
16 they're putting this item and that item in the  
17 basket to see well, look, how many reds have I got  
18 here, can't -- do I need to put some more greens in  
19 there, what kind of occasion is it that I'm shopping  
20 for.

21 All of those kind of decisions, whereas  
22 the scheme that doesn't have the traffic light

0090

1 color-coding, what the consumer told us was that  
2 they didn't really get that sense of the overall  
3 balance. They only used it when they were looking  
4 at a particular nutrient, so if somebody was  
5 concerned about high blood pressure, they would zoom  
6 in for the salt thing and they really scrutinized  
7 that piece of information, but that's only one of  
8 the nutrients. They don't get that overall sense  
9 of, of the composition of the food and that's,  
10 that's the major difference with how the consumer  
11 uses those two pieces of information.

12 The only time they may use this scheme  
13 without the color-coding is if they're particularly  
14 concerned about food, so if they're going to -- a  
15 culprit food, as they described them, so something  
16 that they're a bit suspicious about and they think  
17 it might not be too good for them, then they might  
18 scrutinize it. But they have to do quite a lot of  
19 work themselves to interpret the information and  
20 what we know is that for a lot of the UK consumers,  
21 they were concerned that they weren't confident that  
22 they were interpreting those numbers correctly, that

0091

1 they didn't have that concern with the color-coded  
2 scheme.

3 LESLYE FRASER: Thank you. Go ahead.

4 MR. van den BRINK: Sorry, yes. Well,  
5 in Netherlands we, like the UK, have the same  
6 regulation because it's European community  
7 regulation, but we also see it as a supplement, as  
8 an extra way of informing consumers about the

9 nutritional quality of the products.  
10 And like Ms. Boville's pointed out, the  
11 at a glance is very important with one single thing  
12 that is probably the best glance I could think of  
13 and, but from, so we've -- it is supplemental, but  
14 I'm, I think many consumers will base their, their  
15 purchase on it because the -- but research has shown  
16 in the Netherlands is that although consumers want  
17 the nutritional panel on the back of the pack,  
18 hardly used, at least not to buy by all groups of  
19 consumers.

20 So, it's -- and we are researching that  
21 at this moment also, whether or not people try to  
22 use the back of pack information or the front of

0092  
1 pack when they buy a product.

2 DR. MARY L'ABBE: I guess I probably  
3 don't have too much to add to what's been said.  
4 We're probably very much in the earlier, more  
5 preliminary stages, so we haven't got good  
6 evaluative data on the use of symbols and logos, so  
7 we're really just presented some of it today, but  
8 we're probably very much in the preliminary stage to  
9 make any definitive answers on that one.

10 TIPVON PARINYASIRI: Okay, since in  
11 Thailand we have a unique system, we have a  
12 question -- since we introduced the nutritional  
13 labeling for nine years, we don't have any success  
14 on the, how to educate consumer because they think  
15 too complicate.

16 We have to deal with the advertisement  
17 and they have some research statement that the  
18 advertisement make consumer's choice before they  
19 even go to supermarket, so they already decided  
20 before they go to the shop; therefore, they don't  
21 have time to, I mean they just want a minute to, to  
22 decided what information or even labeling, even

0093  
1 general regulation on labeling.

2 We, the consumer in Thailand, read very  
3 few on the labeling and they still, some research,  
4 they say that Thai consumer doesn't understand fully  
5 format of nutritional labeling. So Thai FDA move  
6 forward to have a simplified, simple format for the  
7 food which is related to children. So we think the  
8 sign post will be the good choice for children to  
9 decide it; however, we think the education,  
10 educational program, we call edutainment, is very  
11 important to make the children understand.

12 So we have to do campaign and do the  
13 research if the children can decide it themselves  
14 through the simple nutritional labeling or sign  
15 post. I have, we have to do a lot of work on that;  
16 however, the first step will be the five type of the  
17 snack, I'm not sure I mention on the slide, but the  
18 next step would be 19 snack and the next one would  
19 be the meal, which is in the packaged food and also  
20 we have the program to campaign between the Health  
21 Department, nutrition division also.

22 So, we think we need something simple

0094  
1 and educated for the young consumer in Thailand.  
2 Thank you.

3 LESLYE FRASER: Thank you very much.  
4 MICHAEL LANDA: Thank you. For the  
5 panel, why don't we start with Dr. Schneeman.  
6 DR. SCHNEEMAN: Actually I have several  
7 different questions for different panelists, but  
8 I'll just do one, okay.  
9 I'll start with Barbara --  
10 (Your mic's not on).  
11 DR. SCHNEEMAN: Well it says it's on.  
12 Is that better, can you -- can you still  
13 not hear?  
14 MICHAEL LANDA: Can you get closer to  
15 it, maybe.  
16 DR. SCHNEEMAN: I get to do my  
17 performance mode, is that -- there we go.  
18 One of the things that I'm, several of  
19 you have referred to additional consumer research  
20 and I'm particularly interested in whether or not  
21 the consumer research will get at the question of  
22 what the total diet looks like. Obviously there's

0095

1 one aspect of making a choice relative to the food,  
2 but the ultimate goal, of course, is that the  
3 overall dietary pattern that consumers select is, in  
4 fact, a healthful diet pattern and I'm wondering as  
5 you construct your research, are you primarily  
6 looking at how they understand the food and whether  
7 or not they judge the food correctly, but are you  
8 also then, do you have a means to look at the total  
9 diet and the total diet impact of such a program?

10 MR. van den BRINK: Thank you.  
11 We are trying to see if we could have  
12 the information in our dietary intake databases and  
13 be combined with, with the information on which  
14 product is eligible for a stamp and carries a logo  
15 and so it's, it should be possible, but I must  
16 admit, it's not our primary concern at this moment.  
17 It's more that the, the option to -- people buy the  
18 same product probably or at least they buy a product  
19 which they have in their diet, in their basket, I  
20 mean, every week and this logo will help to identify  
21 in the shop the products that fit the criteria and  
22 are they healthy.

0096

1 So I must admit that although the, it's  
2 attempting to find that out eventually, but at this  
3 moment it's not our primary focus, to be honest.  
4 MICHAEL LANDA: Anyone else on the panel  
5 care to respond?  
6 CLAIRE BOVILLE: Well we're doing it in,  
7 sort of in an iterative way. The research that  
8 we've done to date has looked at individual food  
9 stuffs and it's looked at comparative food stuffs so  
10 if you're choosing within a category, if you've made  
11 up your mind you're going to have pizza, if you're  
12 going to have a pizza, you can chose between them,  
13 so we've done it on an individual level and  
14 comparative.

15 We've also got information on what's  
16 happening in terms of sales trends, so we know what  
17 consumers are purchasing by the people that have  
18 adopted the various schemes and what we were seeing  
19 is that they are moving to healthier options in

20 particular product categories.  
21 In terms of the overall diet, we  
22 obviously have our national dietary survey, but

0097  
1 that's carried out -- it's not carried out every  
2 year at the moment and we are moving to a rolling  
3 program starting next year, hopefully, so we will  
4 have that type of information, but it will take a  
5 little while to collect and obviously we will  
6 compare it to that.

7 But the big independent study which  
8 we're hoping to commission later this year will look  
9 very closely at what consumers do in practice and  
10 understand, try to get behind the rationale for the  
11 decisions that they make and how they use food in  
12 the homes. So we'll look at not only what they  
13 purchase in the shop, but what happens when the food  
14 goes, is at home and how long is it stored in the  
15 cupboard, in the freezer, how they make their meals  
16 together, how they use all that information.

17 But I can't really give you any more  
18 details on that at this time because we haven't  
19 commissioned the research.

20 DR. MARY L'ABBE: I'll just say one  
21 comment, in our planning, one of the data that we  
22 have so far is really on, just on consumer attitudes

0098  
1 and that's why one of the main objectives of our  
2 consumer research that we're planning is to actually  
3 see how those consumer attitudes and opinions will  
4 translate into actions, which is sales and changing  
5 in eating habits and I think that's the next step  
6 that's an important one to capture in this  
7 evaluative process.

8 TIPVON PARI NYASIRI: Right now I cannot  
9 answer that question, but they have some research  
10 going on with the University and Tesco Lotis in  
11 Thailand, so I will see if they have some research  
12 on the, that one on the total diet impact; however,  
13 we, we, as a Government, we will think about  
14 multiple traffic light since the company, they move  
15 forward to that GDA, but they afraid of the multiple  
16 traffic light.

17 So most, a lot of academy would like to  
18 introduce that system which food company already  
19 accept and going to announce this guideline soon and  
20 we will, we think in the future I, we can answer  
21 that question since we need the research in Thailand  
22 more.

0099  
1 Thank you.

2 MICHAEL LANDA: Robert Post, do you have  
3 a question for the panel?

4 ROBERT POST: I do, oh, good, this is  
5 working. That's always nice to know.

6 I've got a question for Ms. Boville and  
7 it relates to the definition of processed foods and  
8 how the definition came about and how broad things  
9 and how detailed it is and the consideration given  
10 to that.

11 CLAIRE BOVILLE: We don't really define  
12 processed foods as such. We have a list of  
13 categories of foods which broadly encompass that and

14 those categories of foods were determined on the  
15 basis of the consumer research.

16 We broke down foods into about  
17 25 different food categories and we asked them which  
18 of these particular categories they felt front of  
19 pack sign post labeling would be helpful on.

20 And the summation of all of that  
21 research, which was done with over 2,600 consumers  
22 and across the UK, different age groups, different

0100

1 socioeconomic backgrounds, et cetera, came to the  
2 conclusions that it should be pizzas, sandwiches,  
3 ready meals, breakfast cereals and meal centers, so  
4 that's kind of the burgers, the re-formed type of  
5 foods. So it was chicken fillets, that type of  
6 thing, and it was largely because they were the  
7 foods that they felt -- that they had the most  
8 difficulty understanding the nutritional composition  
9 of. They didn't think it was necessary on the  
10 chocolates, the snacks, the fizzy drinks, those kind  
11 of convenient foods because largely they know what  
12 was in them and they didn't feel that any kind of  
13 sign post labeling was going to add anything to them  
14 in terms of understanding what was or was not in  
15 them from a nutritional health point of view.

16 Does that answer your question?

17 ROBERT POST: It does.

18 CLAIRE BOVILLE: Yeah.

19 ROBERT POST: Actually, I have a  
20 follow-up also for you.

21 Did you consider or have you considered  
22 other aspects of dietary guidance, for instance, the

0101

1 healthy lifestyle contributions of physical activity  
2 and how that contributes also to providing  
3 meaningful information to consumers?

4 CLAIRE BOVILLE: Well, the whole  
5 Government program to deal with obesity and healthy  
6 eating has many, many strands and I've just touched  
7 on one of those strands which is the labeling  
8 aspects. And those strands of the policy are  
9 divided between different Government departments.  
10 Physical education is not an activity -- is not an  
11 activity which is -- has the food standards Agency  
12 has the mandate for.

13 So while obviously it's important, it's,  
14 we're more concerned with the composition of what  
15 goes into the food and the information to the  
16 consumer about the food. So other parts of the  
17 Government are dealing with that aspect.

18 However, I think that, that there has  
19 been quite a lot of people who maybe overplayed the  
20 role of education and physical activity in terms of  
21 what it can do to, to turn the corner on this, this  
22 big issue that we have in the UK. Not saying

0102

1 they're not important, but they're just one, one  
2 piece of the jigsaw and what we know from the  
3 labeling initiative is that it's having a big impact  
4 in large ways. It's not just about telling -- it's  
5 driving the food, the production of the food that's  
6 available to the consumer and it's empowering the  
7 consumer and educating in the way that the consumer

8 can make choices that they always wanted to make but  
9 they just weren't able.

10 So, it's having those, it's achieving  
11 those two goals and so it's, you know, they're  
12 working together. I think it will have a bigger  
13 impact in the long-term, but we're only at the start  
14 of the process.

15 MICHAEL LANDA: Thank you. Steve  
16 Bradbard, you have a question.

17 STEVE BRADBARD: Good morning, very  
18 interesting presentations, thank you.

19 We know from our FDA research what  
20 people do and do not use the nutrition facts label  
21 for. We know that people from our national survey  
22 data will use the nutrition facts label to compare

0103

1 the profiles of products from similar categories.

2 We know also that people will use the nutrition  
3 facts to track nutrients of particular interest to  
4 them. We know that they don't use it much to plan  
5 their daily diets and we know that they don't use it  
6 much to decide how much of a certain food they  
7 should eat.

8 And looking at your front panel symbols,  
9 I did hear Claire mention that people seem to be  
10 reporting that they may want to look at their basket  
11 and see how many greens, how many yellows and how  
12 many reds and that does go toward planning the, how  
13 all foods fit together and that's encouraging to  
14 hear.

15 As far as how much you should eat, and  
16 I'm wondering in terms of that question, is it  
17 overly ambitious to think that these front panel  
18 symbols can cue people on how much they should eat  
19 beyond just saying this is for a single serving or  
20 is there a way to, you think, to use these front  
21 panel symbols to actually remind people what we're  
22 talking about with these declarations of signs is a

0104

1 single serving of that product.

2 If you eat, if you eat 8 servings of the  
3 most healthful frozen pizza, it probably would be  
4 better if you chose the less healthful one and only  
5 ate one or two servings.

6 CLAIRE BOVILLE: Yeah, yeah, for sure.  
7 I think in the UK what we know is that the consumer  
8 understands that you have to, all of this  
9 information is useful, but if you don't put it into  
10 the context of the quantity and how often you eat  
11 it, then, then you're kind of -- that's the other  
12 side of the equation, as it were, and the consumer  
13 understands that in the UK.

14 Of course understanding is not always  
15 the same as doing, but we're working on that. As  
16 part of -- it's not, it's not in my area of  
17 responsibility, but the Agency does have a strategy  
18 which it's just consulting on at the moment on how  
19 to try to -- we've done a lot of work on salt  
20 reduction and it's been hugely successful. In a  
21 sense that's been easy because you can take it out,  
22 you know, step by step, and replace it with herbs

0105

1 and things and it doesn't have a big cost on cost

2 for the industry, so that's been easy. But we're  
3 trying to do the same with saturated fats and with  
4 calories, trying to get them so that they are  
5 healthier foods, re-formulation.

6 And one of our proposals is also to try  
7 to encourage the industry to think carefully about  
8 the portion sizes with which it produces the food  
9 and to make them a bit more realistic. I mean if  
10 you're going to offer a muffin, do you really need  
11 to have a jumbo-size muffin because if you eat a  
12 muffin, you know when you buy, when you buy these  
13 kind of foods, you eat what's provided, whether you  
14 really need it or not because it's kind of, same  
15 with a bottle of Coke, do you really need 330 mls  
16 of Coke. Did you really need that, did you really  
17 want that amount of Coke when you bought that Coke,  
18 just to give examples off the top of my head. And  
19 so we're encouraging the manufacturers to think  
20 about what is a realistic and sensible portion size.

21 Now, we have another thing that's  
22 happening in the UK in some cases, where we have

0106

1 some manufacturers using a GDA type of sign post,  
2 the one without the traffic light color-coding.  
3 Some, they -- that system works on the basis of the  
4 portion size and it's the portion size as determined  
5 by the manufacturer.

6 And there are some examples of products  
7 out there where I would suggest that the portion  
8 size information that's been provided is not  
9 terribly helpful. There is an example of a  
10 chocolate bar where the information is given on the  
11 basis of one square. Now I don't know about you,  
12 but if I'm eating a chocolate bar, I don't eat one  
13 square and I have some real concerns about that  
14 because to think about the children, if you've got,  
15 if you've got a parent who kind of understands that  
16 chocolate isn't something that they should be eating  
17 that often, it's a treat food and they're trying to  
18 educate their child in that way, too, and then  
19 you've got a scheme which has -- apparently is  
20 giving something on the basis of one square and the  
21 child goes up and says look, mom, mom, it's only  
22 got, it's only got 1.5 percent or whatever, it's

0107

1 only 1.5 of the fat here and the mom doesn't really,  
2 you know she's busy, she's got lots of stuff going  
3 on here and she goes oh, that's not as bad as I  
4 thought.

5 If she hasn't really read, read it  
6 properly, the information is all there, but she has  
7 to understand that she has to multiply that by the  
8 number of squares that the kid's going to eat or  
9 she's going to eat to get the correct information.

10 So, you have to be a bit careful about  
11 this stuff, I think. I don't know if I've answered  
12 your question. I've rambled a bit there, I'm sorry.

13 STEVE BRADBARD: No, I appreciate it.  
14 Again, anyone else on the panel, too, as far as  
15 whether it is reasonable to think that you can  
16 communicate with these front panel symbols  
17 information about serving size will really get  
18 people's attention and hopefully change their



19 behavior, as well.

20 DR. MARY L'ABBE: I'll just make one  
21 comment and it really depends on what vehicle you  
22 choose for that education message. In Canada we

0108

1 focused a lot of the education on serving size on  
2 the food guide and not only does it list the foods,  
3 when you open it up, there actually are portion  
4 sizes reflective to what a serving should be, so  
5 right now that's the vehicle we've chosen to give  
6 the messaging about serving size, is the Canada's  
7 food guide.

8 MR. van den BRINK: Very briefly. It's  
9 often that problem you pointed out is also the  
10 problem I try to emphasize on the sheet that it is  
11 the healthy eruption, but you shouldn't, of course,  
12 eat six pizzas, although it could be the healthier  
13 pizza in range. And I think the most important that  
14 are other projects and communicating them on a  
15 healthy and balanced diet should, should be focused  
16 on that and the Health Choice logo is not related to  
17 the portioning and as a -- I have to check the  
18 criteria on that, as well, but it's not, it's not  
19 saying that this portion is the healthy option,  
20 something like that.

21 TIPVON PARI NYASIRI: Since FDA, Thai FDA  
22 responsible only labeling but the other campaign on

0109

1 the school, for example, soft drink campaign so they  
2 think, you know, combination of the program put in  
3 Thailand, for example, now education ministry joined  
4 with the public health, now they remove the soft  
5 drink out of some school, you know, they have orange  
6 drink.

7 And also they add on the TV to motivate  
8 the consumer to eat a lot of food so that -- for  
9 example, the children, so we have a limitation of  
10 the ad, maybe eight minute during the weekend, not  
11 more than eight minute and also we have, I heard  
12 that the UK also have the campaign limitation and  
13 also we have the group CDC also joined the program  
14 on the reduced fat and salt amount community.

15 And in Thailand we have the, another  
16 campaign on the children on the Thai, Thai children  
17 eat less wheat, so with the combination we hope it  
18 affect on the total diet and also other physical  
19 activity.

20 So I think the approach should be  
21 combination and then we, we'll see what, what the --  
22 I mean pre, before and after what it really affect

0110

1 on the health of the children in Thailand.

2 We have to do the survey since my  
3 presentation that the 40 children in the school have  
4 an overweight, so we, we'll see after we put all the  
5 program in the, intact, I hope it will affect the  
6 total diet of the, you know, and health of the  
7 children in the school.

8 MICHAEL LANDA: Thank you, I think that  
9 concludes our first session. We're running a little  
10 late.

11 I would ask that people resume, I'd like  
12 to resume at 11:30, which is the regular schedule,

13 and how about a round of applause for our first  
14 panel .

15 (Appl ause)

16 Thank you.

17 (Recessed 11:12 a.m.)

18

19

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0111

1 SECOND SESSION SPEAKERS:

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3

4

Leslye Fraser, Moderator

5

Josephine Wills

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Mike Rayner

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Breda Mitchell

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Terry Dean

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Trevor Webb

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(Reconvened 11:31 a.m.)

2

LESLYE FRASER: Good morning, again. If

3

I could ask our panelists to join us at the front,

4

we will get re-started.

5

We will continue our informational

6

exchange on the international experience and at this

7

point we will turn to research and other

8

perspectives. And this panel is comprised of

9

international non-Government, non-profit

10

associations and one retailer.

11

So starting with my far right, we have

12

Ms. Josephine Wills from the European Food

13

Information Council, followed by Mike Rayner from

14

the British Heart Foundation, Breda Mitchell from

15

Tesco. We will then have Terry Dean from the Heart

16

and Stroke Foundation of Canada and we will then

17

follow up before we return to our panel for

18

questions, our discussant will be Trevor Webb from

19

the Food Standards in Australia.

20

So with that, I welcome Josephine Wills.

21

I was also asked to ask the panelists if they could

22

speak directly into the microphones as well as on

0113

1

the table because the back of the room is having a

2

little bit of difficulty hearing as people move in

3

and out and the same for the people as they're

4

asking their questions on the front table.

5

Thank you very much.

6

JOSEPHINE WILLS: Thank you. Good

7 morning and thank you to the FDA for the invitation  
8 to present our work in this area. There are two  
9 pieces of work that I'm going to cover. First we  
10 looked at energy-based front of pack communication  
11 both energy in and energy out and with obesity being  
12 such a growing public health issue, we felt that  
13 communication and energy balance might be a good way  
14 forward.

15 The second study is a review conducted  
16 for us by Professor Klaus Grunert of the our house  
17 school of business in Denmark. This is a review of  
18 research on consumer response to nutrition  
19 information on food packaging in EU member States  
20 from 2003 to 2006.

21 Now I'm not going to be able to cover  
22 this work in much depth in 15 minutes, so it will

0114

1 just be an overview, however the papers are now  
2 published online, prior to publication in the  
3 Journal of Public Health Nutrition and that's the  
4 energy one and in the Journal of Public Health and  
5 that's the review. And if anybody wants copies of  
6 these papers, subject to copyright restrictions, I'd  
7 be happy to, to either give you a link to them or  
8 let you have them.

9 Now this work forms part of our  
10 commitments to the European Commission's platform  
11 for action on diet, physical activity and health.  
12 That's a multi-stakeholder platform that was set up  
13 two and a half years ago to collectively address the  
14 issues, the growing issues we've got in Europe on  
15 diet, obesity and health and lack of physical  
16 activity.

17 Now the mission of the European Food  
18 Information Council is to communicate science-based  
19 food information to healthy nutrition professionals,  
20 educators and journalists in a way that promotes  
21 consumer understanding.

22 Now we're supported by companies of the

0115

1 European food and drinks industries going from farm  
2 to fork, companies that are interested in animal  
3 health and welfare on --

4 (Microphone problems).

5 JOSEPHINE WILLS: Oh, I've been shot,  
6 all the way through to ingredient suppliers, food  
7 processors, retail and the food service. And we're  
8 also receive funding from the European Commission.  
9 To find out more about what we do and the materials  
10 that we produce, that's our Website, EUFIC.org, it's  
11 a multi-lingual Website.

12 Now previous studies have shown that  
13 calories are often on the top of the list of the  
14 most frequently looked for nutritional information  
15 on label. Consumers understand the concept of  
16 calories and energy, but they find it hard to apply  
17 or to even estimate their daily needs. So this  
18 qualitative research was carried out in focus groups  
19 based in France, Germany, Netherlands and the United  
20 Kingdom. It looked at a range of life stages and a  
21 range of socio demographic criteria. Half of the  
22 respondents were self-reported regular users of

0116

1 nutrition labels and half were occasional users.

2 These were the eight different front of  
3 pack options that were, were shown to the  
4 respondents, not exactly in this manner because they  
5 were actually on products that the consumers were  
6 familiar with in those different countries.

7 The first two is -- the energy content  
8 of the per 100 grams, then per serving, then per  
9 serving with an encouraging phrase, balance your  
10 energy. Four, five and six there also include a  
11 guideline daily amount for energy, male and female,  
12 expressed as a percentage or an absolute number or a  
13 bar chart and in number seven is an energy out, how  
14 much activity would a consumer have to do to  
15 compensate for the energy in that product, not  
16 strictly correct as we know from a nutrition and  
17 metabolism physiology perspective, but it gives you,  
18 gives them the idea that they'd have to do something  
19 to use up the energy in that food and then the last  
20 one was everything combined.

21 So, summary reactions to these  
22 proposals. They found that communicating energy

0117

1 front of pack was highly innovative, they found that  
2 quite a promising approach. A preferred energy to  
3 be expressed in calories, some liked kilocalories.  
4 Nobody really liked kilojoules, but overall using  
5 the same energy measure is key. In some, on some  
6 European packs of foods you can get all three  
7 measures there, calories, kilocalories and  
8 kilojoules on the same pack.

9 But just having energy front of pack,  
10 calories front of pack did not fulfill everybody's  
11 requirements. Some consumers, particularly those  
12 over the age of 55, wanted specific nutrients or  
13 ingredients such as salt and fat and that was in  
14 particular from the UK.

15 The clear front of pack winners are the  
16 simpler front of pack flags, so calories per portion  
17 or calories per 100 grams, with or without reference  
18 to a guideline daily amount for calories.

19 But one thing that was key is that there  
20 needs to be more clarity around defining a portion  
21 or a serving size, which we've already discussed  
22 earlier on this morning. They want something that

0118

1 is a well-defined consumption unit that's easy to  
2 relate to.

3 Complex front of pack flags with graphs  
4 and percentages are least liked by the elderly. The  
5 younger consumers found it more easy to relate to  
6 graphs and percentages.

7 Now reference to exercise or energy out  
8 was extremely polarizing. The respondents  
9 understood that it's a clear message and it's a  
10 simple message, but it was not for food packaging.  
11 It propagates guilt, it takes away the pleasure of  
12 buying and consuming food and the pleasure of what  
13 food is all about and for some it's hard to believe  
14 that you'd have to do, expend so much energy for  
15 that piece of food that you're consuming. It's a  
16 feeling of frustration and it is quite  
17 confrontational.

18 The results were quite consistent across  
19 all countries. France and UK wanted front of pack  
20 calorie flags, simple ones with the guideline daily  
21 amount. Germans and Netherlands preferred that  
22 guideline daily amount reference to be on the back

0119

1 of pack and the German respondents, the focus groups  
2 in Germany were the least positive about the energy  
3 out exercise aspect.

4 So in summary of what respondents liked,  
5 they liked front of pack flagging. They liked  
6 calories as a message front of pack. They liked  
7 simplicity, they want it on all packs, they want a  
8 consistent execution. The back of pack needs to be  
9 more clearly laid out.

10 Reference values for energy could be  
11 front of pack or back of pack, but they do want  
12 reference values and a Website to provide further  
13 information, but for the elderly, because they might  
14 not be familiar with the Web, also wanted a phone  
15 number.

16 What they didn't like is complex graphs,  
17 calculations with percentages and energy out message  
18 on the front of pack, poor legibility and redundant  
19 terminology such as kilojewels on the back of pack,  
20 the additional advice phrase on the front of pack,  
21 non-official Websites, a Website in a language other  
22 than their own and this unclear definition of

0120

1 understanding a portion size or a serving size.

2 So that was the first study or the first  
3 piece of work that I'm going to take you through.  
4 The second is this review that we did with Professor  
5 Grunert of research on consumer response to  
6 nutrition information on food packaging from 2003 to  
7 2006 in EU member States.

8 So a comprehensive research was carried  
9 out in scientific databases for refereed peer  
10 reviewed publications, but to locate all of that  
11 research that's unpublished or research that's in  
12 the so-called gray literature, EUFIC contacted  
13 companies, retailers, modern restaurants, either  
14 directly to those companies or through their trade  
15 association or via the EU platform for action on  
16 diet, physical activity and health, the  
17 multi-stakeholder platform I referred to.

18 In total, there are 58 distinct separate  
19 studies, of which 13 are peer reviewed academic  
20 papers and 45 are from a range of reports and  
21 presentations.

22 And these came from a variety of

0121

1 stakeholders, from food companies, retailers,  
2 official bodies, consumer groups and so on.

3 None of those reports or presentations  
4 at this point were peer reviewed. Some of them are  
5 starting to become peer reviewed now.

6 Breaking the 58 studies down by country  
7 and basic methodology, quantitative and qualitative  
8 methodology, you can see that the most studies were  
9 from the UK. These mainly focused on a variety of  
10 front of pack formats that included traffic light  
11 color-coding of nutrient levels and also guideline

12 daily amounts of energy and specific nutrients.  
13 Data extracted from the studies and  
14 categorized and analyzed using this theoretical  
15 framework and the framework involves consumer  
16 decision-making, attitude information and change.  
17 Now research is looking for the information and that  
18 increases the chances of exposure to that  
19 information. Perception is reading the information,  
20 taking it in and perception leads to a degree of  
21 understanding and liking and that understanding can  
22 be subjective or perceived or it can be objective.

0122

1 So subjective is what the consumer thinks they've  
2 understood from the label and objective is when  
3 they're tested what do they really understand, is it  
4 what the purveyor of the information is trying to  
5 get the consumer to understand.

6 Now liking of the label may not be  
7 linked -- needn't be linked to understanding, but it  
8 does seem to have an impact on use and consumers are  
9 all individuals, so their level of interest in  
10 nutrition, their knowledge of nutrition, their  
11 demographics all obviously have an impact on these  
12 results and as does the label format, itself.

13 Now I've gathered some of the label  
14 formats that were reviewed in this consumer  
15 research. Now some of these may not be currently on  
16 the marketplace because they could have bombed out  
17 in the consumer research, but just to give you an  
18 idea of the types of things over the last three  
19 years in Europe that have been tested through  
20 consumer research.

21 So, these are, we've gathered as front  
22 of pack health indicators, which may be nutrient

0123

1 profile based or logos, you see stars and smiles  
2 and ticks and protection factors. We've heard about  
3 the my choice logo, the Swedish keyhole statement  
4 there that's on some confectionary about being treat  
5 wise.

6 I've talked about energy. Another  
7 grouping is different education -- executions of  
8 guideline daily amounts, the absolute numbers, pie  
9 charts, bar charts, over on the far right there,  
10 that's what the European food and drinks industries  
11 are using at the moment, which is the absolute  
12 number with the percentage of an adult's guideline  
13 daily amount.

14 And then different uses of color-coding  
15 of nutrient levels or the use of the term low,  
16 medium and high. And Claire's already taken you  
17 through all of the work that the food standards  
18 Agency has done and people are using. And then  
19 combinations of traffic lights and guideline daily  
20 amounts, which again Claire also alluded to where  
21 you've got the guideline daily amount and it's  
22 overlaid with the traffic light nutrient level.

0124

1 So in results, again, just headline  
2 results, first of all on interest and knowledge,  
3 nutrition and health is not the first interest with  
4 food for consumers and I'm afraid we have to, yeah,  
5 we have to admit that. Taste is, is paramount.

6 Cost is also quite close, but freshness, best before  
7 date in some studies have a higher priority. Most  
8 interest is from women for aesthetic reasons or for  
9 weight management, parents, particularly of  
10 pre-teen-aged children, the elderly, particularly if  
11 there's a medical problem and there does seem to be  
12 a divide north Europe, south Europe with northern  
13 Europeans having more interest, less interest coming  
14 from France, Spain and Greece.

15 Interest is mostly with regard to  
16 processed products, as Claire mentioned. They're  
17 not particularly interested in knowing about fruit  
18 and veg or meat when it comes to nutrition labeling.  
19 There's confusion over terminology, we've already  
20 mentioned the issue over how to express energy and  
21 when there is new and conflicting information in the  
22 nutrition field and as nutrition research

0125

1 progresses, there's always different conflicting  
2 information coming out.

3 Consumers have good understanding of  
4 calories, of fat, of carbohydrates, of sugar and  
5 salt, but less understood is saturated fat, fatty  
6 acids, cholesterol and sodium and consumers are  
7 aware that they should decrease their fat and sugar  
8 consumption and increase their fruit and vegetable  
9 consumption.

10 LESLYE FRASER? You have about two  
11 minutes.

12 JOSEPHINE WILLS: Two minutes. Fine.

13 Main results on liking while in a real  
14 shopping situation, consumers have limited time. So  
15 simplify nutrition labels and front of pack  
16 information is liked by consumers, but the degree of  
17 liking is determined by three dimensions.

18 First, simplification, they like it to  
19 be simple, but they also want complete information.  
20 What does this information stand for, what does this  
21 symbol mean, how was it derived. And thirdly, they  
22 don't want to feel as though they're being pushed or

0126

1 patronized or coerced into, into making a decision,  
2 into making their choices about what they're going  
3 to eat or what they're buying for their family.

4 The simple traffic lights where you've  
5 got one color on a product and health logos are less  
6 liked, that's probably because it answers the  
7 simplification side of things, but it isn't  
8 answering the two other aspects, which is they want  
9 complete information and they don't want to feel as  
10 though they're being coerced into making a decision.

11 Comparisons of guideline daily amounts  
12 and multiple traffic lights, now a lot of research  
13 has been carried out in this area in the UK, there  
14 is no clear result one way or the other whether  
15 multiple traffic lights are liked more or less than  
16 guideline daily amounts or the other way around.

17 Looking at the format of guideline daily  
18 amounts, there's less liking for bar charts and pie  
19 charts and when you compare per 100 grams with per  
20 serving of what do they like, it depends on how the  
21 consumer is going to use the information.

22 If you're comparing two products, they

0127

1 want it per 100 grams. If they're just going to  
2 consume a product, they want to know how much is in  
3 it per serving. But as I said before, there needs  
4 to be clarity on exactly what is a serving.

5 Main results and understanding.

6 Subjective understanding, they say that all simple  
7 sign post schemes are easy to understand, so when  
8 you ask them do you understand it, they, you know,  
9 they'll say, they'll say yes.

10 Objective understanding, when they are  
11 tested to see if they really do understand it, most  
12 consumers can repeat back the information that's  
13 given on the label, but the percentage of correct  
14 answers does depend on the way you're asking the  
15 question and the way the information is there on the  
16 pack. If they have to do any sort of processing,  
17 they'll get a decrease in percentage of correct  
18 answers.

19 No particular format works better with  
20 lower socioeconomic groups. Different results come  
21 using different formats and there doesn't seem to be  
22 one better than the other. And there is no data

0128

1 from real life setting.

2 This is my final slide, looking at main  
3 results and use. From the papers they were grouped  
4 into self-reported use, hypothetical use, buying  
5 intentions and actual use. Self-reported use is  
6 high. It's probably highly over-reported. From  
7 the, say if you ask do you use nutrition labels and  
8 then the answer comes back yes, yes, I do. It's  
9 highest in the UK, about 57 percent. 20 to  
10 30 percent in other European member States.

11 If you look at hypothetical use for sign  
12 posting information, so you're asking the consumer  
13 if you had this in the marketplace, how would you  
14 use it, using it as a means to screen products  
15 rapidly, but again coming back is that red lights  
16 would not be a deterrent over taste or if they  
17 wanted to purchase the product as a treat.

18 Buying intentions for less healthy  
19 products decreased when sign posting information is  
20 available and that again doesn't seem to be  
21 dependent on the format of the sign post, and most  
22 importantly there's very little insight into actual

0129

1 use. Sales figures from UK retailers using either  
2 the multiple traffic lights approach or the  
3 guideline daily amounts approach are starting to  
4 show behavior shifts to better viewed products and I  
5 think we'll probably hear more about that from the  
6 Tesco's from Breda later on.

7 Thank you very much.

8 (Applause).

9 LESLYE FRASER: I'd like to thank  
10 Ms. Willis for a very concise presentation of quite a  
11 number of studies. We appreciate her participation.

12 And we next will hear from Mike Rayner  
13 from the British Heart Foundation. Thank you.

14 MIKE RAYNER: Thank you very much for  
15 inviting me here today.

16 I should say I'm here in my capacity as



17 the director of the British Heart Foundation and  
18 health promotion research group in the University of  
19 Oxford. I'm not representing the British Heart  
20 Foundation, their views are slightly different from  
21 mine, but generally the same.

22 In my presentation I simply want to

0130

1 present what I think is a logical framework for  
2 thinking about nutrition labeling, including front  
3 of pack nutrition sign posting or symbols.

4 This framework assumes that such  
5 labeling is and should be designed to communicate  
6 comprehensible information about the nutrition  
7 content of foods. And this logical framework sees  
8 nutrition labeling as a way of helping consumers  
9 make sense of dietary guidelines or population  
10 dietary goals.

11 To use nutritional labeling to make  
12 sense of population dietary goals, labeling has to  
13 direct consumer's attention to what is important  
14 about the nutrient content of food and secondly to  
15 convey to the consumer that information in a way  
16 that makes sense to them. So my presentation  
17 addresses issue one, questions three to four of  
18 issues and questions for discussion in the Federal  
19 Register Notice.

20 So in this presentation I will argue --  
21 how do I do this. That population dietary goals  
22 leads to guideline daily amounts or daily values in

0131

1 the U.S. and having done that to a percentage of  
2 GDAs per serving or per reference amount of food,  
3 these lead to traffic light labeling of nutrients  
4 and those lead to traffic light labeling of foods.

5 In the remainder of my talk I will  
6 amplify this logical framework or progression.  
7 So here's the basic front of pack format  
8 for nutrition labeling prescribed by EU law. This  
9 is the labeling for a pizza. Almost everyone agrees  
10 and all the research points to this that this form  
11 of nutrition labeling is almost impossible for  
12 consumers to understand. Here is a quote from a  
13 piece of research which we did in the mid-1990s when  
14 this former labeling that I just showed you was  
15 virtually the only form.

16 For this research, we taught consumers  
17 some basics of thinking aloud and then persuaded  
18 them to think aloud to a tape recorder when they  
19 were going on their regular shop.

20 Why can't the consumer understand this  
21 form of labeling? I think this is for two main  
22 reasons. Firstly, there's just too much information

0132

1 and no indication of which piece of the label is  
2 most important.

3 Secondly, the information it contains  
4 seems to bear no relationship to their personal  
5 health and most nutritionists have sought to  
6 characterize what would be a healthy diet for the  
7 population by producing tables of dietary goals,  
8 such as this one. This is the one for Europe.

9 As you can see, this is of little help  
10 in helping the consumer interpret the nutrition

11 labeling table should they even attempt to do so  
12 because the ideal levels for nutrient intake in the  
13 table of population goals are expressed in a way  
14 that bears no obvious relationship to the way  
15 nutrient levels are presented in the nutrition  
16 labeling table.

17 To get around this problem,  
18 nutritionists have turned population dietary goals  
19 into amounts per day. These are called guideline  
20 daily amounts in the UK and in Europe, but daily  
21 values in the U.S. and Carol Williams and I were the  
22 first people to develop guideline daily amounts in

0133

1 the UK in this leaflet published by the UK  
2 Government's Ministry of Agriculture, Fisheries and  
3 Foods in 1996 and these were the guideline daily  
4 amounts that we came up with.

5 In the UK the food industry initially  
6 opposed the use of GDAs but have more recently come  
7 around to putting them, have started to putting them  
8 on food packets here. This is an old packet from  
9 Oxon Spencer's dating back about five or ten years  
10 now.

11 The next logical step was to display the  
12 percentage of GDAs in the serving of food within the  
13 nutrition labeling panel, as here. Now you can see  
14 that what was a list of rather incomprehensible  
15 numbers becomes somewhat more comprehensible. The  
16 pizza is now found to contain 22 percent of the GDA  
17 for sodium rather than .5 grams. Some UK companies  
18 have started to put GDAs, percent GDAs in the  
19 nutrition labeling panel and of course this is  
20 essentially the format prescribed by the  
21 U.S. Nutrition Labeling and Education Act.

22 And about two years ago now, some UK

0134

1 companies started to put the percent GDAs for the  
2 selection in percent of nutrients on the front of  
3 pack, so-called nutrition sign posting and the  
4 companies agreed amongst themselves what the GDAs  
5 should be and these were essentially the ones that  
6 we used -- we developed for to use your label.

7 They are, they agreed to what the  
8 nutrient levels should be, what nutrient levels  
9 should be displayed and as you can see, they agreed  
10 the basic shape of the signpost and the basic shape  
11 was developed, first developed by the biggest  
12 retailer in the UK, Tesco's and I'm sure we're going  
13 to hear more about that later.

14 But this format to my mind has, presents  
15 two problems, firstly, because it is voluntary, it  
16 is not star, in particular there is no standard list  
17 of serving sizes, so food manufacturers chose their  
18 reference amounts unlike, of course, in the U.S.,  
19 here's particularly a rather awful example.

20 And this brings me to the second major  
21 problem with this format, it gives the consumer no  
22 idea whether the percent GDAs are high, low, or good

0135

1 or bad. And a simple way around this is to convert  
2 the levels into bands. In using your label we came  
3 up with some simple rules of thumb for using GDAs to  
4 create definitions of what count as a lot or a

5 little of a nutrient in food. And we said that  
6 3 percent of the GDA was a little and 20 percent was  
7 a lot. And the words that are most logical to use  
8 seemed to be high and low. These are the sort of  
9 words that manufacturers use for nutrition claims.

10 And in the mid-1990s, like that, it was  
11 the, the co-op retailer in the UK started to use  
12 this form of nutrition labeling on back of pack.

13 Although this format is clearer than  
14 numeric formats, the simple way of making it even  
15 clearer is to color code the levels of the  
16 nutrients, red for high, orange for medium and green  
17 for low and this speeds up recognition of which of  
18 the levels of key nutrients are high or low and this  
19 also gives the impression the overall healthiness of  
20 the food. A food with lots of red is basically  
21 unhealthy and a food with lots of greens is  
22 basically healthy.

0136

1 In UK some food manufacturers and  
2 retailers have started to use this so-called traffic  
3 light labeling or nutrients back of pack for packs  
4 more significantly. They've also started to use  
5 traffic light labeling front of pack. In fact,  
6 Tesco was the first retailer to experiment with this  
7 form of sign post, sign posting shown here, but they  
8 gave it up in favor of the percent of GDA format  
9 which I showed you earlier. And Sainsbury's of  
10 the -- second biggest retailer in the UK has also  
11 used this form of traffic light labeling of  
12 nutrients.

13 And this all prompted the UK Government  
14 or UK, as I say, to do some research into front of  
15 pack nutrient sign posting which Claire has told us  
16 all about so I just summarize that.

17 And you'll know that as she said, their  
18 recommended format means that traffic light labeling  
19 of nutrients, fats, saturated fat, sugar and salt  
20 using three colors to indicate high, low and medium  
21 and using, they recommend that people use them at --  
22 their criteria and also to represent the amount per

0137

1 serving on the pack.

2 But of course not all manufacturers and  
3 retailers have seen the sense behind the FSA's  
4 recommendation which note, of course, are  
5 recommendations only, they can't be part of the UK  
6 law because food labeling law is controlled by the  
7 European commission.

8 And this resulted in a competition  
9 between two forms of nutrient sign posting  
10 represented by the two major retailers in the UK.  
11 But what is quite interesting that both these  
12 retailers are beginning to produce data from sales  
13 data to show that these, both these forms of  
14 labeling have had effects on sales.

15 And as many have pointed out, this, this  
16 form of labeling is proliferating in the UK and  
17 partly in Europe, as well, so on the left you have  
18 different iterations of the percent GDA based  
19 format, on the right we have different iterations of  
20 the traffic light labeling format. Indeed we have  
21 compromised formats where you give percent GDAs and

22 the traffic lights.

0138

1 But of course the two formats are not --  
2 of course they're not a million miles apart based,  
3 they are really on the percentage of, the traffic  
4 lights being based really on the percentage of GDAs  
5 in a serving.

6 I still think there are problems with  
7 the traffic light labeling of nutrients. It works  
8 really well for foods at the extremes. Here on the  
9 top left is the traffic light labeling for apple  
10 crumble, on the bottom is that for an apple and you  
11 can easily see at a glance the apple is healthier  
12 than the apple crumble. It's not so easy when the  
13 distinction between the products is subtler.

14 On the top right you have the traffic  
15 light labeling for a pizza and on the bottom the  
16 traffic light labeling for a breakfast cereal and  
17 I'm suggesting you might go for one or other if  
18 you're looking for a healthier snack, but can you  
19 tell whether three oranges, a green and a red are  
20 healthier or less healthy than three greens and two  
21 reds. I don't think so.

22 The solution to this is to come up with

0139

1 traffic light labeling of foods as here, in other  
2 words, to produce a summary score of the levels of  
3 key nutrients in the food.

4 How would this work? Well firstly being  
5 an algorithm for determining healthy, intermediate  
6 and unhealthy foods and the process for doing this  
7 is coming to be called at least in Europe nutrient  
8 profiling, defined as the signs of categorizing  
9 foods according to their nutritional composition.

10 And of course this has been going on for  
11 years, lots of people have produced healthy eating  
12 symbols, i.e., the healthier food, coming up with  
13 definitions of healthier foods. We have the Swedish  
14 keyhole here on the left, the Australian Heart  
15 Foundation's tick scheme next, the sensible solution  
16 mark for Kraft and the healthy eating logo for, from  
17 Pepsi Co.

18 I'm suggesting, however, that that's not  
19 enough and what we also need is a mark for less  
20 healthy foods, as here.

21 Nutrient profiling is a way of coming up  
22 with definitions of healthier and unhealthy foods

0140

1 and in the UK the most significant work on nutrient  
2 profiling has been done under the auspices of the  
3 Forwards Standards Agency, again, in connection with  
4 developing a nutrient profiling model for defining  
5 an unhealthy food, for new rules on the television  
6 advertising of foods to children and these rules  
7 have now come into force as of July and these foods  
8 defined as unhealthy by the FSAs model cannot be  
9 shown during programs targeted at children.

10 The FSA funded -- that's the final  
11 report on the new regulations. The FSA funded my  
12 research group to help with the development of the  
13 model and this is it. It's a simple,  
14 across-the-board model based on seven components,  
15 energy, saturated fat, total sugar, sodium, protein

16 and fiber, fruit and vegetable and nuts. You score  
17 points for the top four nutrients and you lose  
18 points for the bottom four nutrients. You come up  
19 with an overall score and if you get more than four,  
20 you're deemed to be a less healthy food and in the  
21 future you won't be able to show that, that  
22 product -- advertisements for that product in

0141

1 advertise -- in programs specifically designed for  
2 children.

3 And it characterizes foods in this sort  
4 of way, so examples of healthier foods would be  
5 peaches, lettuce, whole meal bread and walnuts.  
6 Intermediate foods, mackerel, oven chips, fried  
7 rice, whole meal and diet cola and examples of  
8 unhealthy foods, Mars bars, crisps, jam doughnuts,  
9 currants and cola, not entirely uncontroversial.

10 (Laughter).

11 But it works reasonably well and there  
12 are always going to be exceptions and this model is  
13 a simple model based on seven nutrients and no model  
14 is going to be perfect.

15 This model, I should say, was not  
16 designed for food labeling but it could be. The FSA  
17 in its consumer research, well just to point out  
18 that we've been doing some work on validating this  
19 model against whole diets. We showed in this study  
20 published in public health nutrition, it's  
21 forthcoming in public health nutrition that people  
22 are eating less healthily in this country, are

0142

1 eating about twice as much, many of the less healthy  
2 foods as defined by a model as the most healthy  
3 group.

4 I could talk for ages on nutrient  
5 profiling, this is really my favorite subject, but  
6 talk to me about it afterwards.

7 As I said, the model wasn't designed for  
8 food labeling, but it could be. And as you  
9 remember, the food sciences Agency tested two  
10 different or a varying -- lots of different formats  
11 and it came up with this one as its recommended  
12 format and they rejected this format on the basis of  
13 really I think on consumer preference studies.

14 As Josephine has pointed out, a lot of  
15 the research points out to the fact, points to the  
16 fact that people don't like very simple apparently  
17 dictatorial schemes, but I don't think this is  
18 sufficient to overturn the idea that this scheme,  
19 the top, top scheme might, might also be helpful to  
20 consumers as sort of evidence by the proliferation  
21 of healthy eating logos as we heard earlier today.

22 So I had suggested that also that

0143

1 they're not mutually exclusive and they give you  
2 different sorts of information, the format on the  
3 top, the traffic light labeling of foods gives you a  
4 summary information, the traffic light labeling of  
5 the nutrients gives you more detailed information.

6 LESLYE FRASER: Two minutes.

7 MIKE RAYNER: And this is basically how  
8 it would appear on a packet of fish fingers, fish  
9 fingers is in, according to our model, an okay sort

10 of food, an intermediate sort of food and it would  
11 have the traffic light labeling of nutrients on it,  
12 as well.

13 So, what I'm arguing for, that there's a  
14 natural progression, as I said earlier. Once you  
15 have population dietary goals and once you have  
16 nutrition labeling on foods, you need to relate the  
17 two to help the population meet the goals.

18 Firstly, the goals need translating into  
19 guideline daily amounts, daily values in the U.S.  
20 Then it's logical to put the percentage of the GDA  
21 in the food on the label as you've done in the U.S.,  
22 but the percentage isn't enough. It needs to be

0144  
1 translated into plain English to indicate whether  
2 the percentage is high or low and these levels can  
3 then be color-coded, i.e., traffic light labeling of  
4 nutrients.

5 Once that's been done, the consumer can  
6 get a general impression of the healthiness of the  
7 food but to get a more precise idea, the levels need  
8 to be integrated into an overall score which allows  
9 foods to be categorized on the basis of healthiness  
10 and this categorization can be displayed on the  
11 label and it's called traffic light labeling of  
12 foods.

13 Thank you very much.

14 (Applause).

15 LESLYE FRASER: Thank you very much.

16 Our next presenter will be from the  
17 retail perspective and Breda Mitchell will tell us  
18 Tesco's experience. Welcome, Breda.

19 BREDA MITCHELL: Good morning, everyone,  
20 and thank you for the invitation to come along and  
21 speak today.

22 I'm not quite sure that I've actually

0145  
1 got much left to say because I think most of my  
2 presentations appeared on the screen already in one  
3 form or another.

4 But what I thought I'd do is just tell  
5 you a little bit about who we are as a retailer,  
6 introduce you to some of the health initiatives that  
7 we've actually had over the last 20, 25 years.

8 Say a little bit about the customer base  
9 that we have in the UK, that's where I'm primarily  
10 basing my presentation on today. Introduce --  
11 sorry.

12 Introduce you to our GDA sign post,  
13 excuse me, also provide some data on the outcomes  
14 and then talk a little bit more about the work that  
15 we've put in place to actually support the launch  
16 and help customers understand a little bit more  
17 about the initiative.

18 So hopefully I've tried to address all  
19 the questions that were outlined in the briefing  
20 paper, but we'll see.

21 Okay. So who are Tesco? Well we are  
22 the number one retailer in the UK. We have about

0146  
1 14 million customers coming through our doors in the  
2 UK alone every week. We also have operations in  
3 Asia and Central Europe and I was glad to hear my

4 colleague from Thailand mentioning our operation  
5 there where we're actually working very closely with  
6 the Government.

7 And we're not new to the health debate  
8 and I just wanted to put something up on the screen  
9 to give you a little overview of some of the work  
10 that we've been involved in since the early '80s.  
11 So back in 1984 we developed something called our  
12 healthy living range, it actually was called healthy  
13 eating range at that point in time because the focus  
14 was very much on food and the food ranges that we  
15 had.

16 One thing I should just say to put  
17 things in context, as a retailer in the UK, about  
18 50 percent of the product range that we offer in our  
19 stores is actually private label. So this gives us  
20 an opportunity to actually develop schemes ourselves  
21 and bring things to market very quickly and that,  
22 that applies and extends to some of the healthy,

0147

1 healthy food initiatives that we've run.

2 So the Tesco Healthy -- excuse me,  
3 living range was brought around by us talking to  
4 customers, they telling us they want something that  
5 would help them make healthier choices in food, and  
6 remember, this is back in 1984. And what we did  
7 then was we created something called a pillar brand  
8 within our overall private label range and we  
9 actually indicated to customers on front of pack  
10 that there was, what was healthier about this  
11 product versus the overall standard product that we  
12 had on our shelves and I will have an example later  
13 on just to show you.

14 We moved on, we actually brought in  
15 quite a high range of organic. We created something  
16 called our healthy living club and as you can see,  
17 it's not an insignificant number of members and this  
18 is about communication with our customers on how  
19 they can change their lifestyles. Food obviously  
20 being essential to that, but also about exercise and  
21 just basically healthier lifestyle choices.

22  
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Our Tesco free from range, this was very  
1 popular, we created it back in 2002 and that  
2 actually offered customers with food intolerances or  
3 allergies a range to select from. So we have gluten  
4 free or wheat free ranges and they've proved quite  
5 popular with our customer base.

6 In 2002 we did actually undertake review  
7 of the back of pack information and in 2003 we  
8 introduced our very first front of pack labeling,  
9 and I'm not talking about the actual GDA labeling  
10 which came a little bit later, we then went on in  
11 2004 to introduce GI or glycemic index information  
12 on the front of pack.

13 Again, this is something that our  
14 customers were interested in finding out about, so  
15 we had actually indicated where they were low GI  
16 values in a particular food or associated with a  
17 particular food.

18 In 2005 we moved on and we did some work  
19 with, on your kids range, we had a kids range for a  
20 number of years, but again, we increased that and we

21 reviewed the actual nutrient content of the range in  
22 2005 and re-launched it and put some emphasis on

0149

1 things like lunch boxes and helping families select  
2 something healthier for, to send with their children  
3 to school.

4 In 2005 we started to launch our GDA  
5 scheme. The figure there actually is slight  
6 underestimate, so we've now got it on just under  
7 7,000 lines on our store, so it's across all of our  
8 private label range and I should mention that in  
9 addition it's also, I believe, featured on something  
10 around 3,000 branded lines, so that's just about  
11 10,000 products in our stores that carry the  
12 labeling at this point in time.

13 Whole foods is another pillar brand that  
14 we have which has helped customers understand the  
15 benefits of nuts and pulses, et cetera.

16 So I thought you might like to see a  
17 little bit about who exactly are our customers.  
18 We've done some analysis looking at, because  
19 understanding customers is key to our business, as  
20 you can imagine, and we have a wide range of ways of  
21 capturing feedback from them, but we understand that  
22 actually roughly 27 percent would fall into the less

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1 healthy category, 41 percent, which would be more  
2 health challenged, 12 percent dieters and then the  
3 remaining would be the health leaders or people who  
4 are actually more informed about their food choices.

5 I know this is very busy slide so  
6 apologies for that, but it tries to capture some of  
7 the feedback that we get from these groups and about  
8 their constant struggle to help understand what it  
9 is they're eating and how they go about achieving a  
10 healthier diet.

11 And I think it's, you know, if you look  
12 at the, the comments and the summaries on the  
13 bottom, I think it sums it up for itself, but I  
14 think, you know, if you look at the health  
15 challenge, it's hard, I try and steer the kids in  
16 the right direction, but they always want to buy  
17 sweeties.

18 Well, I think we all appreciate and  
19 recognize that. Or I constantly feel under pressure  
20 to watch what I eat.

21 So in all of that we've been trying to  
22 help people make these choices and make it easier

0151

1 for them to understand what it is that's in the food  
2 that they're buying.

3 So they wanted the labeling to be at a  
4 glance and to answer the questions is this good for  
5 me and is it safe to key things that they're very  
6 concerned about and they didn't like some of our  
7 initiatives. I talked earlier on about how we  
8 actually reviewed our back of pack information back  
9 in 2003 and it's still quite busy.

10 I mean we've captured everything from  
11 cooking instructions, the ingredients, the standard  
12 nutrition panel and the GDA information and some  
13 other information that customers were interested in  
14 and then we also, we did try to summarize some of



15 this by putting a panel on the front of the pack,  
16 which is some basic information about what the per  
17 serving and fat calories and salt content was, and  
18 that was just an extract from the back of pack and  
19 flashing it on the front helped shopping a little  
20 bit easier.

21 I think I've heard some, a piece of  
22 market research that customers on average spend

0152

1 something around 14 seconds making a product choice  
2 in a supermarket, so they don't have much time to  
3 actually stand around.

4 I think Josephine's telling me it's even  
5 shorter.

6 So, this is what we came up with. And  
7 we did actually put, it's exactly as has been  
8 described earlier on, so we started off, we chose to  
9 provide the information on front of pack around  
10 sugar, fats, saturates and salt. We gave the basic,  
11 the standard nutritional information and then we put  
12 that in context for customers by placing it as a  
13 percentage of their GDA intake and that's now  
14 appearing, as I said, on 7,000 of our own lines in  
15 our stores.

16 So just to help you put it in context a  
17 little bit, I've put it on, showed you one of our  
18 product labels. I've chosen baked beans as being a  
19 standard British fair, some people can understand,  
20 but I talked earlier about our healthy living range,  
21 just so you can understand.

22 So this was one of the healthy living

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1 products that we launched some time ago and what was  
2 healthier about this compared to our standard beans  
3 was that it was half the salt level compared to our  
4 standard offer and that was flagged on the front of  
5 pack already for customers to understand that if  
6 they were interested in salt, so that's been on the  
7 pack for a number of years.

8 We also have some indications about  
9 whether it's suitable for vegetarians, the GI  
10 measure that I talked about earlier and also just an  
11 indication it was a benefit from this product, it  
12 was a source of fiber.

13 And then we said each can contains, this  
14 is a relatively small can and those were the stats  
15 for that particular product.

16 So, I've talked about how we talk to our  
17 customers, but they have a very effective way of  
18 talking back to us. And this is what they told us  
19 about some of the products we had on sale after we  
20 put the nutritional sign posts on the front of pack.

21 So we looked first of all at sandwiches,  
22 that was one of the first ranges that we tackled,

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1 and as you can see, there was a significant impact  
2 on our sales on the less healthy products, so these  
3 sandwiches just, to put this in context, were side  
4 by side on the shelves, so everybody could actually  
5 make the choice and make the decision for  
6 themselves.

7 They had the information now and it's  
8 obvious that maybe people weren't turning over to

9 read the nutrition pack, panel before, but this  
10 actually highlighted the importance of reading that  
11 information to them and you could see there was a  
12 significant impact.

13 And what we took was the weekly sales  
14 eight weeks before and then eight weeks after the  
15 GDA sign posts were added. I do have some other  
16 examples. Lower salt ready meals outsold higher  
17 salt products by 10 percent when the GDA sign posts  
18 were placed on the front of pack.

19 Now this is in, a line Claire mentioned  
20 earlier on some of the work that was going on in the  
21 UK around salt and salt reduction and it was a very  
22 significant campaign run by the Food Standards

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1 Agency at the time and it actually focused people's  
2 minds, so it created a demand for lower salt  
3 products and this actually helped people understand  
4 a little bit more about, you know, what was going on  
5 in our products.

6 Again, these products would all be  
7 pretty much side by side on the shelves, so they  
8 could actually see for themselves. Just another  
9 example on this time, it's concerned with lower fat  
10 ready meals.

11 This is quite an interesting slide,  
12 but -- well interesting for me, it was around the  
13 impact on cereals. The red bars indicate negative  
14 impact on sales and the green, the opposite. So  
15 that we had a 39.1 percent increase in muesli sales,  
16 and a 50.7 percent decrease in Tesco Choco Snaps, so  
17 again, the customers were able to make up their own  
18 minds about what was in the product and what they  
19 wanted on their breakfast table.

20 So, I think we've all talked a little  
21 bit this morning about the importance of helping  
22 customers understand the information that's put in

0156

1 front of them, so there's no point in launching the  
2 GDA sign posting without actually helping customers  
3 understand what it was about. So we did quite -- we  
4 had quite a few initiatives running.

5 So, for instance, to promote the sign  
6 posts we delivered it to major program of customer  
7 education and information. This was in January of  
8 2006, we started to launch the sign posts in 2005,  
9 so we did a big re-launch again in January the  
10 following year where we had this type of information  
11 going on in the stores.

12 One million new leaflets were circulated  
13 at the time to explain the labeling and then we gave  
14 out some little credit card style guides to the  
15 labels and they were given out to customers.

16 We also gave just another fact, we gave  
17 our store staff, because it was important that they  
18 actually were able to communicate to customers on  
19 this as well, so we launched a big program of  
20 education with them and they all had a GDA sign post  
21 T-shirts to wear around the stores for the first few  
22 months after the launch, so again it was prompting

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1 customers to ask what's this about, tell me a little  
2 bit more about it, what does it mean for me.

3 And then moving on to health in store,  
4 we have, we are continuously promoting the issue of  
5 health around the store. You can see here this is  
6 some signage that appears. I think one of the  
7 things that I would like to say as well is that the  
8 actual, the GDA sign post and the feedback that  
9 we're getting from customers is actually making us  
10 re-formulate the products, so we have a significant  
11 campaign going on internally about stripping out the  
12 fats, saturated fats, salt and sugar and we had  
13 already started that work. And this was again in  
14 line with some of the work that was going on with  
15 the Food Standards Agency and we were telling  
16 customers a little bit about that.

17 So, that was a, a flag in the middle and  
18 then just providing some key health messages, as  
19 well.

20 LESLYE FRASER: You've got two minutes.

21 BREDA MITCHELL: Okay. We also tried  
22 to, we launched a media campaign just to help our

0158

1 customers again understand what was going on and it  
2 was quite a significant number of customers. So our  
3 TV ads, and again, we tried to make them  
4 light-hearted because the whole idea was to make  
5 customers want to buy into this and understand what  
6 it was and that it was for their benefit, so sort of  
7 a sponge being an example, serving suggestion, one  
8 every now and again.

9 In addition to all of the other  
10 activity, we also have our food club magazine which  
11 goes out to 700,000, actually, sorry, customers four  
12 times a year and we use every opportunity to promote  
13 the information to customers through that and also  
14 this contains a lot of information on lifestyle  
15 choices. And we also have another healthy living  
16 magazine that goes out, so we do a lot of  
17 communication with our customers.

18 And finally the last slide I had was on,  
19 something that was on our Website which actually  
20 helps people if they want to go on and research  
21 something about our products or understand a little  
22 bit about putting together a lunch box selection and

0159

1 what the actual GDA information, what's the nutrient  
2 profile of the actual products that they could put  
3 in there.

4 I should also say that we've just  
5 recently added the information to our Tesco.com  
6 on-line grocery shopping service and there's been a  
7 significant demand for that as well so when  
8 customers log on to make a purchase now, they can  
9 actually understand the GDA information for any  
10 particular product before they buy it.

11 Thank you.

12 (Applause)

13 LESLYE FRASER: Thank you very much,  
14 Breda.

15 Our last panelist before we hear from  
16 our discussant is from the Heart and Stroke  
17 Foundation of Canada, Terry Dean, thank you.

18 TERRY DEAN: Good afternoon and on  
19 behalf of the Heart and Stroke Foundation of Canada,

20 I'd like to thank the FDA for the opportunity to  
21 speak about our Health Check program.

22 It's one of many healthy eating

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1 initiatives that the Foundation has launched, one  
2 that is clearly very close to my heart, pardon the  
3 pun.

4 I'll very quickly go through what we're  
5 going to cover in the next 15 minutes and we'll give  
6 you a little bit of background on the program, we'll  
7 talk about the nutrition criteria, we'll speak a  
8 little bit about some of the results we're  
9 experiencing.

10 We'll talk to you about what we think  
11 would be critical elements if we're going to develop  
12 a single front of pack approach and then very  
13 quickly go through the environment in Canada which  
14 Dr. L'Abbe nicely covered off this morning.

15 So, let's talk about Health Check, we  
16 developed 24 guiding principles before launching the  
17 program in 1999 which we continue to use to manage  
18 the program on a daily basis and it, it really, the  
19 program started in response to consumer questions  
20 about how to identify healthy food products.

21 We're not in the food business, but  
22 people do view us as a health authority and ask

0161

1 those subsequent questions.

2 So we very quickly looked and said we  
3 wanted to do a public awareness campaign that would  
4 focus on helping people identify healthy choices.  
5 We positioned it as a nutrition information program.  
6 It's not an approval or an endorsement program and  
7 it's certainly aligned with all of health Canada's  
8 recommendations.

9 We use Canada's food guide as a basis  
10 with a general healthy eating approach. We look at  
11 it from a total diet approach, not just heart  
12 health, and certainly it applies to all chronic  
13 disease diet-related components. It's open to all  
14 products but they must first meet the nutrient  
15 criteria and we evaluate the product in its  
16 totality, not just a specific ingredient or a  
17 nutrient.

18 We operate the program in a cost  
19 recovery model so we don't take any money from the  
20 foundation's efforts, nor do we receive any money  
21 from the Government, however a small manufacturer  
22 can join the program for as little as 300 dollars.

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1 One of those guiding principles is also that those  
2 prices would not result in increased food prices in  
3 Canada.

4 So why were the program, or why would  
5 the foundation enter into this type of thing. Well  
6 unfortunately many Canadians eat poorly and we know  
7 that a high fat diet is certainly a risk factor, a  
8 major risk factor for heart disease and stroke.

9 As we looked around the world, and in an  
10 article published in the Canadian Journal of  
11 Dietetic Practice in 2002 told us that they, in  
12 fact, do have an impact. They impact people's  
13 purchase behavior, they do have an impact on their

14 dietary intake and they can impact the healthfulness  
15 of the food supply.

16 We continue to do ongoing market  
17 research here in Canada. We heard this this  
18 morning, it's the same in Canada, many Canadians  
19 certainly acknowledge nutrition as important, but  
20 today they find the information very confusing and  
21 insufficient to help them make the proper choice.  
22 92 percent of Canadians trust the foundation to run

0163

1 a program like Health Check and finally the notion  
2 of an unbiased third-party certainly resonates from  
3 a trust perspective when it comes to impacting and  
4 assisting the consumer.

5 The consumer message is very simple, it  
6 really provides a quick visual reference for them.  
7 The logo guarantees that the product meets specific  
8 nutrient guidelines that are based on Canada's food  
9 guide. We talk about a general healthy diet and  
10 it's important to understand this, it's not all  
11 about heart health, although the foundation has  
12 taken on this, but we go to great lengths to explain  
13 that we're looking at the product in its totality.

14 Our nutrition criteria is supported as  
15 many of the efforts of the foundation are by a  
16 volunteer technical advisory committee. It's made  
17 up of dietitians and nutrition experts from across  
18 Canada as well as representatives from the United  
19 Kingdom. Our current marketing campaign in fact  
20 incorporates that and certainly resonates with  
21 consumers. When we say check for Health Check, it's  
22 like shopping with the foundation's dietitians.

0164

1 Very quickly here's what the, it would  
2 look like in store, we've chosen a cereal product,  
3 but everyone must display three critical elements.  
4 First and foremost, the Health Check logo.  
5 Secondly, the nutrition facts table which we've  
6 demanded on product since we launched it in 1999,  
7 became mandatory in 2005, and the third thing is an  
8 explanatory message which helps a consumer  
9 understand how this specific product fits into a  
10 healthy diet.

11 We believe Health Check actually  
12 compliments mandatory nutrition labels. When we  
13 speak to consumers, they tell us that their biggest  
14 challenge in the grocery store is time. The other  
15 thing we know is that 40 percent of Canadians have a  
16 literacy challenge, so they really do appreciate  
17 that Health Check has done the math for them and we  
18 hear this many times when we're speaking to  
19 consumers.

20 How do companies join the process? It's  
21 very easy. We can turn a company around in as  
22 little as two weeks. It all starts with the

0165

1 product. So you provide a certified lab analysis  
2 that details the nutrients that we require that  
3 match up with our criteria, we evaluate and  
4 certainly assess the nutrients to ensure they do  
5 comply. You sign a mandatory legal agreement  
6 through a licensing agreement.

7 You submit all marketing and the

8 packaging to our group for approval to ensure it  
9 aligns with our graphic standards, as well. We do  
10 annual monitoring and evaluation, we pull randomly  
11 products on an annual basis and I'm proud to say  
12 that since we've launched in 1999, we've yet to ask  
13 a company to leave the program because they've been  
14 out of compliance.

15 And finally, as I said earlier, the  
16 fleas -- the fleas, the fees are flexible and  
17 certainly we try to keep them down. As I said, a  
18 small company can join for as little as 300 dollars  
19 and we have both corporate and company maximums to  
20 ensure to an incentive for companies to add products  
21 to the program.

22 Here are some of the guidelines. As I

0166

1 said earlier, they've been developed and they're  
2 actually maintained by our volunteer committee. It  
3 must comply with all Federal regulatory guidelines,  
4 which are all detailed in the Food and Drug Act as  
5 well as we use nutrition recommendations for  
6 Canadians. We reflect the messages and the key  
7 direction of Canada's food guide and will be  
8 changing our criteria because our food guide went  
9 under a change that was launched in March of 2007.

10 It's a very comprehensive criteria and  
11 we ensure that the product is assessed for its total  
12 contribution to a healthy diet. We incorporate  
13 nutrient content claims as well as health claims and  
14 DRI recommended amounts as well.

15 We certainly consider market realities  
16 as an example, a soup product with 120 milligrams of  
17 sodium probably wouldn't do very well in the market  
18 so we try to work with manufacturers to try to put  
19 them within the content claim amounts and then  
20 certainly make sure that we continue to monitor  
21 that. Sodium is our biggest challenge in Canada,  
22 there's a lot of energy around that right now and

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1 we're continuing to work with the food industry to  
2 try and lower those levels even though they are at  
3 very restricted levels right now with our criteria.

4 We have a very regulated food  
5 environment. Some might argue overly regulated, but  
6 we know that the regulations certainly help us from  
7 a monitoring perspective. We have a very safe  
8 supply of food in Canada and certainly the  
9 regulatory environment helps us with compliance with  
10 our program, as well.

11 We look at a number of nutrients and  
12 here's a long list. Our criteria is transparent.  
13 It is on our Website, it is available for anyone to  
14 take a look at. I've summarized it here. We've  
15 taken Canada's food guide and broken it into over  
16 70 different categories at this stage, largely  
17 because we started out with the five -- four food  
18 groups and other foods, but certainly as companies  
19 brought products to us that didn't quite fit the  
20 definition, we looked to ensure that we could enroll  
21 them and provide the proper criteria limits.

22 But we do look at fat, we do look at

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1 sodium, fiber, carbohydrates and protein, calcium,

2 certain vitamins and sugar, because there's a new  
3 directional statement within Canada's food guide on  
4 this issuance is something that we've adopted and  
5 we'll be putting in in 2007.

6 We, I talked about the total diet  
7 approach and its contribution, so we look at the  
8 negative nutrient contributors but we also look at  
9 the positive nutrients such as fiber and protein to  
10 ensure that those are being consumed in adequate  
11 amounts and are represented in each of the products  
12 in the program.

13 Are we having an impact, we believe we  
14 are. An envi ronics pool in 19 -- or, sorry, in 2005  
15 said that 64 percent of consumers use the logo to  
16 identify healthy products. A large percentage of  
17 dietitians are recommending the program as people go  
18 to the grocery store. We know that many new  
19 products have been, either been developed as a  
20 result of our criteria or we've seen some very  
21 significant re-formulations as a result of the  
22 criteria that we've got and certainly if an existing

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1 product fits the criteria, that's very easy to  
2 enroll as well.

3 We've spoken to retailers, we've spoken  
4 to manufacturers and we know that many companies are  
5 tying sales of their products to participation in  
6 the program. In Canada we have one source of market  
7 information, it's very expensive and beyond our  
8 ability to purchase today but we were able to get  
9 some sneak peaks at some of the data that the  
10 manufacturers have. It's very compelling.

11 We're also proud to say that we have  
12 three of Canada's top five retailers in our program,  
13 Lablas is number one, we're still working on them,  
14 but we have Sobeys, Overwaita's and Safeway who all  
15 have developed products to meet our criteria.

16 We're talking about front of pack  
17 grocery products today. In Canada 40 percent of the  
18 food consumed in our country is consumed on meals  
19 created outside products bought in the grocery  
20 store. It's a 50 billion dollar business in Canada.  
21 I suspect the 10 to 1 rule would say it would be  
22 500 billion perhaps in the U.S.

0170

1 We want to take a look at that and we've  
2 now gone into that sector. In 2006 we have two  
3 national restaurant chains on board, we're speaking  
4 to two other ones and we're working on a, sorry, a  
5 project in British Columbia, our western most  
6 province working with the Government to try and  
7 change the restaurant food supply in that province  
8 as a lead-up to the 2010 Olympics.

9 Taking a look at some of our results,  
10 we've had some tremendous growth and you'll note the  
11 correlation between 2005 and mandatory nutrition  
12 labeling in Canada. We've experienced tremendous  
13 growth there. We ended our year, which was  
14 August 31st, at 1,225 products, 1,400 is very doable  
15 and since my boss isn't in the room, I'm able to say  
16 we should achieve that by the end of this calendar  
17 year, actually, so we're very pleased with the  
18 growth. I'm hoping he's not listening on line.

19 So that's the manufacturers and when we  
20 talk to the consumers, we use a public service  
21 announcement, PSA to communicate to consumers  
22 because we are a health charity so we develop a

0171

1 product that's multi-media, both in, all in TV,  
2 radio and print and promote the program that way and  
3 we've seen amongst principal grocery shoppers we've  
4 grown to a 73 percent awareness number.

5 In order to proceed with a single front  
6 of pack approach, we think it requires three things  
7 and that would be clearly a very strong  
8 science-based, in Canada, Canada's food guide  
9 provides that for us and certainly you have to  
10 comply with the local regulatory environment.

11 We believe transparent governance and a  
12 sufficient promotional support are also critical, we  
13 have to be able to tell consumers about our efforts  
14 and certainly a meaningful visual identity and a  
15 third-party endorsement when it comes to trusting  
16 people that we're doing the right thing certainly  
17 resonates in our market today and Health Check  
18 embodies all of these initiatives.

19 When it talks to trust, a recent survey  
20 we did in March of this year showed us that the  
21 industry type program as well as those from health  
22 authorities, per se, certainly are looked upon very

0172

1 differently when it comes to trusted sources, when  
2 it relates to identifying healthy food products.

3 Dr. L'Abbe went through this this  
4 morning so I certainly won't belabor the point, but  
5 our Government is acting on the recommendation of  
6 the standing committee on health and certainly will  
7 be partaking in the consultations that are going on  
8 to help Canada develop the best model.

9 That said, we believe Canada has a front  
10 of pack logo, it's called Health Check. We've been  
11 in the market since 1999. It's embraced by both  
12 industry and consumers, we have retailers and we  
13 also have the food service industry also coming on  
14 board.

15 It's very comprehensive at this stage.  
16 We'll participate in the consultations, it's going  
17 to take some time, but we will continue to market  
18 forward with our program and at this stage, I'm  
19 happy to say thank you very much for your time.

20 (Applause)

21 LESLYE FRASER: I will now turn the  
22 floor over to our discussant for observations and

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1 perhaps initial comments and then Mr. Landa will  
2 come forward and take questions from the panel.  
3 Thank you.

4 TREVOR WEBB: Good morning and thanks  
5 for the opportunity to be here today, I come from  
6 Food Standards Australia New Zealand, although my  
7 tag does say that I'm from Food Standards Australia  
8 Canada, so I don't know if there's something still  
9 hanging on from the mother country there, but I'm  
10 not sure.

11 FSANZ is the, is a bi-national regulator  
12 in Australia, it looks after -- sorry, Australia and



13 New Zealand, it looks after the regulation of food  
14 labels and additives and composition for food for  
15 both countries. We are a regulatory body and not an  
16 enforcement body. The States and the country of  
17 New Zealand itself is responsible for enforcement  
18 and implementation, itself.

19 Front of pack labeling has become an  
20 increasingly important topic within Australia and  
21 New Zealand and many of the comments that we've  
22 heard this morning, particularly the concerns around

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1 competing programs, the proliferation of programs,  
2 the combination of traffic lights versus GDA type  
3 programs are, are very prominent within the debate  
4 within Australia and New Zealand at the moment, so  
5 we're really fortunate that you guys were holding  
6 this public hearing to save our Government the money  
7 of doing so.

8 We're in the process at the moment of  
9 trying to develop a scheme or look at the evidence  
10 towards a scheme and that's at a very preliminary  
11 stage, a bit like Canada I suppose in terms of where  
12 we go.

13 To sort of summarize the full  
14 presentation which is a bit of a task in itself,  
15 they come from four different directions and cover  
16 four different topics, in a way, but I think the way  
17 I sort of look at them I suppose is we started off  
18 with two, two talks by Josephine and Mike that  
19 looked at some broader issues.

20 Josephine looking primarily at the  
21 literature around consumer behavior and how  
22 consumers respond and use nutrition labeling as one

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1 of the part evidence base, and Mike took us through  
2 if I like a natural history of the development of  
3 traffic light labeling in the UK as the example and  
4 highlighted the importance in that, in that context  
5 for the development of some sort of system or  
6 nutritional profiling, the science, if you like, of  
7 categorizing foods based on their nutritional  
8 content.

9 We then had two examples of systems in  
10 place, one of them being the check for Health Check,  
11 which is very similar to other systems around  
12 including in Australia, a voluntary system around  
13 the pick the tick around National Heart Foundation  
14 and an industry-based system based on GDA, which is  
15 also quite prominent in Australia, using thumbnails  
16 and GDA promotions.

17 The sort of evidence that we were  
18 showing about the various schemes was information  
19 about levels of awareness of schemes, information  
20 about hypothetical levels of use and we're starting  
21 to get some information about changes in actual  
22 sales which I think is the really exciting area in

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1 this, in this part of the debate, this sort of work  
2 to see where the front of pack labeling and  
3 nutritional labeling in more simplified formats,  
4 because we know that people have difficulty with the  
5 nutrition facts labels, whether those labels  
6 actually have an impact on peoples purchasing

7 choices as a, you know, as an indication of their  
8 consumption behavior.

9 I suppose as a summary or as an opening  
10 question the question I'd like to pose to the panel  
11 would be given that much of the research shows that  
12 people in lower socioeconomic sort of groups have  
13 difficulty with nutritional information and  
14 nutritional labeling in general, to what extent do  
15 you think that front of pack labeling in the sorts  
16 of schemes that you're talking about will assist  
17 particular groups as opposed to broad populations  
18 which is the sort of data we have rather than data  
19 on individual groups?

20 MIKE RAYNER: I do think on the evidence  
21 based around consumer understanding of different  
22 forms of front of packs nutritional labeling is very

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1 poor, but that, but our question was specifically  
2 about difference in, say, understanding among  
3 socioeconomic groups.

4 I think there is some research, notably  
5 recently for example from FSANZ Agency, research  
6 shows that, showing that people in low socioeconomic  
7 groups have particular problems with things like  
8 percentages and things like more interpretive forms  
9 like sign posting, color-coding are helpful to  
10 people in lower socioeconomic groups but I don't  
11 think we know really enough to be honest and  
12 particularly in actual use.

13 I think we are at an interesting stage  
14 that we now are beginning to get these forms of  
15 labeling proliferating and it has its problems, but  
16 it also has the opportunity of actually carrying out  
17 some real life analysis of what the impact of these  
18 forms of sign posting on, on consumption patterns.

19 JOSEPHINE WILLS: There's research out  
20 there that will, that shows that low socioeconomic  
21 groups have troubles with some forms of labeling and  
22 then there's repeated research that shows that they

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1 don't have problems with certain forms of labeling,  
2 so it really, I think at this stage it's very  
3 difficult to come to a hard and fast conclusion  
4 about low socioeconomic groups.

5 I think one of the big questions is in  
6 actually, in practice, will low socioeconomic groups  
7 actually use them anyway, it's the difference  
8 between what they say they might do and what they  
9 actually do in practice.

10 So how important is this area to lower  
11 socioeconomic groups.

12 BREDA MITCHELL: If I could just add, I  
13 agree that I think there's little research at the  
14 moment but I think what we were trying to do was  
15 actually create a consistent approach across our  
16 store so that they would get used to actually see  
17 the type of labeling and sign posting.

18 But just to emphasize again, labeling is  
19 just one small part of the overall key to this and a  
20 lot of it is based around ongoing consumer or  
21 customer information and education and I think, you  
22 know, as long as retailers and the Government

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1 continue to do as much as they can in those areas,  
2 we'll wait and see.

3 TERRY DEAN: Our challenge for our  
4 program up until the last year was that with  
5 500 products in the grocery store, we pretty much  
6 knew what the answer would be to our question but as  
7 we approach 1,400 to 2,000 products, we now have a  
8 critical scale that will help us understand that for  
9 a couple of reasons. We want to understand how we  
10 target our messages to certain groups and certainly  
11 from a health perspective as a national health  
12 charity, we need an answer to that question and we  
13 have money budgeted in our 2008 budget to take a  
14 look at it specifically.

15 MICHAEL LANDA: Thank you, I think we'll  
16 turn now to the FDA panel.

17 Louisa Nickerson.

18 LOUISA NICKERSON: Yes, we've heard that  
19 when there are some products with, say, a green  
20 light and others with red that consumers tend to  
21 shift away from the red light products to the green  
22 light products, but I'm wondering when you've got a  
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1 voluntary symbol system and some products just have  
2 no symbol on them at all with regard to nutrition  
3 quality, how does that affect sales of products?

4 TERRY DEAN: I can really only speak to  
5 the products that are in the program. The evidence  
6 would support them doing very well versus their  
7 competitive set, but we don't really get a chance to  
8 speak with the companies who have chosen not to  
9 enter our program so it's something I'm not able to  
10 comment on on that stage.

11 MICHAEL LANDA: Mike Rayner.

12 MIKE RAYNER: Yeah, I think there is a  
13 real problem with voluntary food certification  
14 schemes such as the tick schemes and the Swedish  
15 keyhole schemes and some of the industry schemes  
16 because of this issue, but what is, what does a  
17 product which doesn't bear the tick or the keyhole  
18 actually mean to a consumer and even the best of  
19 these schemes, and I would think the Canadian scheme  
20 is a good scheme in this regard, only extreme --  
21 achieve very small penetration in the market, so we  
22 were talking earlier about, I think it's only about  
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1 20 percent of products actually could carry their  
2 tick; is that right?

3 TERRY DEAN: A little higher, about  
4 60 --

5 MIKE RAYNER: And what percentage of the  
6 products?

7 TERRY DEAN: We would be about  
8 10 percent right now.

9 MIKE RAYNER: 10 percent of the eligible  
10 products actually carry the tick.

11 So it is still very low in terms of the  
12 penetration and similarly for the Australian tick  
13 scheme, they are really only talking about  
14 16 percent of the eligible products carrying the  
15 scheme actually have the tick on the foods.

16 So, I mean this is an argument clearly  
17 for mandatory certification schemes if nothing else,

18 I think.  
19 MICHAEL LANDA: Barbara Schneeman has a  
20 question.  
21 DR. SCHNEEMAN: Great, great, thank you.  
22 I will try to get closer to the mic.

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1 Actually I was very interested in  
2 Louisa's question as well and I note the person from  
3 Tesco did not comment and I thought since you  
4 mentioned specifically trying to create an  
5 environment where there was more information, it  
6 might be interesting to hear you comment on that,  
7 that same aspect.

8 I don't know the degree to which the  
9 labeling is throughout the store on all products,  
10 but I also wanted some comment or some information  
11 as one has looked at the research, it seems like  
12 there may be some unevenness in what has been  
13 referred to as the back of the pack or perhaps the  
14 side of the pack, that where there's not a standard  
15 format, that's one thing to ask a question of how  
16 does a consumer use the front of pack in the context  
17 of back of the pack information, but where there is  
18 a standard format, is there research to tell us how  
19 consumers use that front of the pack?

20 I'm just, perhaps the broader question  
21 is how does the research deal with those two  
22 different pieces and control for that in the

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1 studies.

2 Thank you.  
3 MIKE RAYNER: Again, I think you asked  
4 this earlier, I mean I don't, I mean Josephine will  
5 know better because I think the EUFIC review is a  
6 very good review of the available literature on the  
7 understanding of the front of pack labeling, but I  
8 think there's very little information to, very  
9 little research evidence that look at the  
10 interaction between use of front of pack and back of  
11 pack and I would suggest that's a rather obvious  
12 research hole, but I don't know whether Josephine  
13 would agree on that.

14 JOSEPHINE WILLS: Yeah, I mean this  
15 whole area of actual uses of before is an area that  
16 needs to be filled. We need more research on how  
17 are they actually using all of the information  
18 that's available to them and it's not just back of  
19 pack, it's even the ingredients list, you know, so,  
20 you know, consumers make inferences about the  
21 healthiness of a product and that could be based on  
22 a number of different factors.

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1 And I don't think we know exactly what  
2 the balances of all the different factors of  
3 information that's on the panel, you know the  
4 ingredients, it's the back of pack information, it's  
5 the front of pack, it's the symbols and where you've  
6 got a number of these things playing, what is it  
7 that's driving that choice.

8 So, for example, with the Tesco's, were  
9 they looking at the, the sales of the better for you  
10 product, what was it that drove that choice, was it  
11 the calories, that it was lower in calories, was

12 that it was lower in salt. I don't think we know.

13 BREDA MITCHELL: I think what we were  
14 trying to do is actually provide a snapshot from the  
15 back of pack on to the front of pack so that  
16 customers would help -- you know, hopefully it will  
17 promote their use of the back of pack even more  
18 because all we've done is literally take that  
19 snapshot and put it right in their face, so, again,  
20 I don't actually know what that level of interaction  
21 is, unfortunately.

22 You asked about the level of

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1 participation across the store and just to say that  
2 I said that just under 7,000 products in our store  
3 in our private label range, food range have now been  
4 labeled, well that probably accounts for all of our  
5 private label food range so that's right across the  
6 board. There are very few categories or products  
7 that we haven't labeled, so, for instance, tea and  
8 coffee or perhaps flour, which is used in a wide  
9 range of settings, and it would be very difficult to  
10 actually define a GDA measure.

11 But then I think we've seen that the  
12 branded manufacturers are also using a similar  
13 scheme and their presence in our store brings the  
14 numbers up to just under 10,000, that's the latest  
15 figures I had.

16 DR. SCHNEEMAN: Just as a follow-up, do  
17 you do any shelf labeling for products that are not  
18 part of your store brand, but do you do any shelf  
19 labeling at all with the same sort of format?

20 BREDA MITCHELL: When you say not part  
21 of our store brand, so this is for branded lines?

22 DR. SCHNEEMAN: Just for things that

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1 you're not putting the GDA on, do you use shelf  
2 labeling for those other products in the store?

3 BREDA MITCHELL: Well as I say, it's a  
4 very, very limited range that isn't actually  
5 included now, I said teas and coffees and I think  
6 flours and some of the other smaller grocery lines,  
7 but apart from that, no, we don't tend to flag  
8 anything there, but the information is right across  
9 our store, so for all of the other lines. But, no,  
10 we don't actually put anything on for those that we  
11 have exceptions to the rule.

12 MICHAEL LANDA: I just have one, one  
13 follow-up, I think you said 10,000 products you  
14 estimated.

15 BREDA MITCHELL: Yes.

16 MICHAEL LANDA: And that's of, how many  
17 products do you carry, what percentage is that of  
18 the products you carry, roughly?

19 BREDA MITCHELL: I don't know, to be  
20 honest, because I know that we have, it's probably  
21 60, 70 percent.

22 MICHAEL LANDA: Okay, thank you.

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1 JOSEPHINE WILLS: Bred, just to add to  
2 that for clarity, I think, I think the question was  
3 for branded goods that are not Tesco's goods, do you  
4 convert the information on those products into GDAs?  
5 I think the answer is no.

6 BREDA MITCHELL: The answer is no, we  
7 don't, because we obviously don't have access to the  
8 detailed nutritional information in order to allow  
9 us to do that, so where manufacturers, where branded  
10 manufacturers are offering that information on their  
11 products, it's obviously visible for our customers  
12 but we don't, the other manufacturers are not, that  
13 haven't chosen to take up this scheme, well then  
14 there isn't any other information other than the  
15 back of pack information available to the customer.

16 MICHAEL LANDA: We have a question from  
17 Kathleen Ellwood.

18 KATHLEEN ELLWOOD: Okay, the first  
19 speaker from EUFIC stated that consumers had a good  
20 understanding of calories, fat, carbs, sugar and  
21 salt, but then went on and named so many nutrients  
22 that consumers were less familiar with, like

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1 saturated fats and cholesterol, but these are  
2 encompassed, some of these other nutrients, under  
3 the nutrients they supposedly had a good  
4 understanding, so I was curious what kind of  
5 understanding did consumers take away then, because  
6 this seems to be what's being targeted in the  
7 program, these major kinds of nutrients, so what is  
8 it that they do understand and you also say that  
9 they don't want any additional advice on the  
10 package, so if you could just elaborate, that's what  
11 I'm asking.

12 JOSEPHINE WILLS: Well they understand  
13 terms such as energy and fat, but they don't  
14 understand saturated fat. I mean some research,  
15 where you start to break down different types of  
16 fat, they don't really know what's a good fat or  
17 what's a bad fat, so, and this is over a number of  
18 different types of qualitative research.

19 Then your point about additional  
20 statements, one was, one area is being what we've  
21 done on energy, they don't like the exercise, a  
22 balance your energy needs type statement and they

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1 don't like reference to energy on the front of pack  
2 of how much they would have to, activity they'd have  
3 to conduct.

4 KATHLEEN ELLWOOD: So energy as a  
5 physical activity.

6 JOSEPHINE WILLS: As in physical  
7 activity rather than energy as a figure of calories?

8 MICHAEL LANDA: We have a question from  
9 Alan Levy.

10 ALAN LEVY: Hi, this is directed --  
11 (Microphone not on).

12 ALAN LEVY: Oh, I'm sorry.

13 Hi, this is directed at the Tesco  
14 representative. Have you considered looking at the  
15 impact of your GDA program on the sales of the  
16 branded products in the same categories that you've  
17 introduced your own private label branding?

18 BREDA MITCHELL: Well, I think that they  
19 would probably be doing that piece of analysis  
20 themselves, actually. I'll be surprised if we don't  
21 hear more from them later on today, but, no, we  
22 haven't, we've analyzed our own, our own sales data.

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1 MIKE RAYNER: I think that's a very  
2 interesting question and I have personally thought  
3 of trying to do that, to using sales data from  
4 Tesco's and Sainsbury's and the other people who are  
5 introducing this thing.

6 One of the problems with the existing  
7 data presented by the retailers is that it's very  
8 difficult to get a hold of the methods, so some of  
9 the, I showed a slide where you're looking at  
10 equivalent changes in sales of Sainsbury's ready  
11 meals and Tesco's ready meals but of course they're  
12 over different time spans, you're not really  
13 entirely sure what else is going on even in terms of  
14 things like price and other forms of labeling. Are  
15 these products selected products or are they  
16 representative products and so forth.

17 And I think it would be -- I mean as I  
18 said earlier, if Governments and retailers could get  
19 together at the moment, it's a fantastic opportunity  
20 to collect some of this data and to analyze the sort  
21 of question that you've just asked.

22  
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23 MICHAEL LANDA: We have a question from

1 Rob Post.

2 ROBERT POST: Yeah, this may have just  
3 been addressed by Dr. Rayner, but labeling I guess  
4 is really something that's taken in its full context  
5 in terms of its value to consumers or lack of value,  
6 as we heard in some presentations, but to what  
7 extent has the research that you're familiar with  
8 considered the implications of other information?

9 I know Breda mentioned allergens-related  
10 statements that might be front of pack, it's  
11 actually transferring information from ingredients  
12 on to front of pack. Price, taste, we heard about,  
13 but price or convenience of preparation or even,  
14 even other safety-related things where, you know,  
15 recalls that are, you know, recent might affect  
16 purchase decisions and how has that been dismissed  
17 or separated from testing the value of the nutrition  
18 information?

19 MIKE RAYNER: Well it hasn't, I don't  
20 think, is the question. I mean there are  
21 interesting ways you can do this, I mean the sort of  
22 studies that I -- we've done and I know a few others

0192

1 have done in terms of follow -- protocol analysis  
2 where you follow consumers around stores getting  
3 them to think aloud about the sort of decisions  
4 they're making when they're shopping gives you some  
5 of that sort of opportunity. Take the transcripts  
6 of their thoughts, you can unpick to some degree, I  
7 mean interactions between informations, but clearly  
8 that's not entirely satisfactory.

9 Again, sales data, you could in theory  
10 unpick some of these effects, but my impression  
11 being, Josephine might be able to answer this, is  
12 that the research is very poor in this area, but,  
13 and needs to be cleared up.

14 I mean what we do know from protocol  
15 analysis, for example, is that consumers aren't  
16 using nutrition information very much or at least

17 in, in the UK, as far as I'm aware, they're using  
18 price and taste and other things as, in, in the  
19 decision much more than nutrition information, but  
20 information that's partly because the format is so  
21 incomprehensible in my view.

22 JOSEPHINE WILLS: I agree with Mike

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1 that, no, we need to start to unravel all of these  
2 things and the research isn't there, it's not  
3 sophisticated enough, it has to be more  
4 sophisticated where it is trying to unpick and  
5 unravel all of these aspects to see what are the  
6 main factors that is influencing consumer  
7 decision-making around food choice.

8 ROBERT POST: Thank you.

9 MICHAEL LANDA: We have a question from  
10 Jordan Lin.

11 JORDAN LIN: Yeah, I have a question  
12 regarding the GDA labeling. I understand that the  
13 GDA has been on food labels on the back in several  
14 countries for quite a while and now some new symbols  
15 just, you know, summarize the information and put it  
16 on the front.

17 Is there any consumer research that  
18 shows that by doing this, does consumers'  
19 understanding of the GDA and its contents been  
20 improved by the front symbols or there hasn't been  
21 any change or other findings?

22 BREDA MITCHELL: So I think, yeah, we've

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1 put GDA information on the back of our packaging for  
2 several years and when we actually took that  
3 snapshot and put it on the front of pack, I think we  
4 were surprised ourselves about the actual impact on  
5 the sales and Robert was asking about the data and  
6 the analysis.

7 I mean what we tried to do was take a  
8 period of time as close as possible to when we  
9 actually started to do the roll-out and we allowed  
10 for eight weeks pre and post, so that was as much as  
11 we, we could do to narrow it down at that point in  
12 time. We will be continuing to look at this.

13 But I think just about the general use  
14 of GDA and the general understanding, I think what  
15 we're hoping is, the answer is I don't, I don't  
16 know, I mean there is research and there is another  
17 organization within the UK called the IGD which has  
18 done quite a significant piece of research on the  
19 understanding around GDAs and that's been quite  
20 interesting in that it did actually support the  
21 premise that people understood what, you know, what  
22 it was about.

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1 But what we're hoping is that the level  
2 of information and consumer training that we're  
3 putting in place and the leafletting and all the  
4 rest is going to raise the profile of GDAs and  
5 therefore enhance customer's understanding of what  
6 the overall messaging is about.

7 MIKE RAYNER: Although you're right to  
8 say in the UK, for example, GDAs have been put back  
9 of pack, I mean the initial stage was just to give  
10 you GDAs, not the percentage of GDAs in a serving of



11 the food. It's only relatively recently have  
12 manufacturers and retailers in the UK and in Europe  
13 put percentage of GDAs in, within the nutrition  
14 information panel or the nutrition facts panel,  
15 unlike of course your situation where you've had it  
16 for years.

17 And the revolution in the UK is to put  
18 percent of GDA information on front of pack and  
19 that's the quantitative difference, people generally  
20 have put the GDAs straight front of pack, they're  
21 putting percent GDA per serving of the food and that  
22 I think is what's making the difference. And I

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1 think, you know, as a format, although I'm in favor  
2 of traffic light labeling of nutrients, it's better  
3 than nothing and it's like, and it is -- I think if  
4 you, if you look at the, some of the sales data that  
5 people like Tesco's and others are producing having  
6 some influence over consumer purchasing behavior,  
7 but, you know, to my mind it doesn't go far enough.

8 MICHAEL LANDA: Question from Felicia  
9 Billingslea.

10 FELICIA BILLINGSLEA: Yeah, my question  
11 actually follows up on Robert Post's question a bit  
12 regarding other information that may appear on front  
13 of pack with the GDA or sign posting.

14 From what I've observed, the GDA sign  
15 posting typically focuses on those nutrients that  
16 are advised to limit or reduce.

17 What about claims about products that  
18 contain vitamins or minerals in increased amounts or  
19 health claims, has there been any consideration or  
20 research that looks at the impact of both types of  
21 statements on front of pack and how that might  
22 affect consumer choice?

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1 MICHAEL LANDA: Mike Rayner.

2 MIKE RAYNER: Sorry, yes, the basic  
3 format which has generally been agreed is for  
4 calories, saturated fat, fat, sugars and sodium, but  
5 some manufacturers and retailers have put percent  
6 GDAs for other nutrients along the front of -- also  
7 part of the sign post, so there has been a few  
8 instances, actually not a few, quite a few instances  
9 of putting calcium and fiber, iron and so forth,  
10 along the, along the sign post. Is that the sort of  
11 thing you mean?

12 And actually in Australia, for example,  
13 the sign posting which the Australian food industry  
14 are proposing has within the sign post not just  
15 those -- not just energy, saturated fat, fat, sugars  
16 and sodium but also protein and carbohydrate because  
17 those are the components of the nutritional  
18 information panel, the nutritional facts panel. So  
19 they're putting them as part of the sign post, so I  
20 think, I think that introduces an extra level of  
21 complexity. So sometimes the percentage of the GDA  
22 in the food will be good with the vitamins, minerals

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1 and fiber and possibly protein, but sometime it will  
2 be bad when it's for the other saturated fat, the  
3 fat and the sugar and so forth.

4 So I think there's a question there

5 about the understanding of some of these sign posts  
6 where you have percentages of GDAs which sometimes  
7 are good and sometimes are bad.

8 MICHAEL LANDA: Question from Alan Levy.

9 ALAN LEVY: No, I'm sorry.

10 MICHAEL LANDA: I guess we don't. Then  
11 the last question of this morning will go to Leslye  
12 Fraser.

13 LESLYE FRASER: Thank you. In  
14 reflecting on the first panel this morning, in  
15 particular some of the comments from the  
16 representative from Thailand with respect to obesity  
17 in children, are you aware of any research that  
18 looks at, in terms of the use of the various  
19 symbols, how that may affect children as children  
20 are in particular the tween group ages, 9 to 12 or  
21 13, or are we just looking at research that's using  
22 the purchaser as a surrogate for, you know, mom

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1 brings home or dad brings home the food assuming  
2 that it's going to be better for the child, but is  
3 there anything that you're aware of that's targeted  
4 to what is maybe not only what that tweens or  
5 children prefer and/or understand about the  
6 healthiness of a product?

7 MIKE RAYNER: No.

8 BREDA MITCHELL: I could add that just  
9 from the point of view who's making the purchase,  
10 what we're trying to do is actually enhance their  
11 knowledge of what the GDA for a child is and there  
12 has been some new developments in that area so there  
13 is now that similar information available for  
14 children in the UK, at least, and I'm not sure  
15 whether Josephine wants to talk a little bit more  
16 about that from a European perspective.

17 JOSEPHINE WILLS: No, I mean I'm not  
18 aware of a huge amount of research that has used  
19 focus groups of children or young adolescents and it  
20 would be quite interesting just to see how that  
21 group might respond to, to something like a red  
22 traffic lights to see, is it going to make them say

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1 right, I'm going to eat more of these rather than  
2 less, so I think that -- you know, when the next  
3 phases of research get carried out just to see how  
4 they respond to those authoritative messages.

5 MIKE RAYNER: I think the answer  
6 probably is no, but I think under, what is  
7 interesting I think is that traffic light labeling  
8 of foods which is what I'm advocating, where that  
9 has been most tried out has been in school canteens,  
10 but there again, the Australian experience is worth  
11 looking at here but some other, and British canteens  
12 and so forth where they do use traffic light  
13 labeling of foods to help the kids choose between,  
14 between foods in the canteens and I think, you know,  
15 well what's good for the kids is good for the  
16 adults, but.

17 MICHAEL LANDA: Thank you. I think this  
18 concludes our morning session. Let's have a hand  
19 for the panel.

20 (Applause)

21 Until 2:00, we're scheduled for lunch.

22 There's a, there are two restaurants, one as you  
0201  
1 enter this building and one down the corridor on  
2 your right. If we could resume at 2, that would be  
3 great.  
4 Thank you.  
5 (Morning session concluded 1:08 p.m.)  
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0202  
1 AFTERNOON FIRST SESSION SPEAKERS:  
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4 Barbara Schneeman, Moderator  
5 Richard Black  
6 Nancy Green  
7 Kathy Weimer  
8 Celeste Clark  
9 Douglas Balentine  
10 Linda Myers, Discussant  
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0203  
1 BARBARA SCHNEEMAN: Okay, once again we,  
2 we'll have a tight schedule with some excellent  
3 presentations planned for the afternoon session, so  
4 I'd like to get started and first of all, my  
5 compliments to the panel. You are seated and in  
6 place and ready to go.  
7 So the panel for this afternoon is now  
8 focusing more toward the U.S. experience and our  
9 panelists this afternoon will be speaking to  
10 manufacturer activities. And it's over the next two  
11 panels that we'll examine then the U.S. experience  
12 with front of pack labeling and focus first on the  
13 U.S. food manufacturers.  
14 Our presentations will be given by Kraft  
15 Foods, we have Richard Black here. Nancy Green is

16 here from PepsiCo, Kathy Weimer from General Mills,  
17 Celeste Clark from Kellogg Company and Douglas  
18 Balentine from Unilever.  
19 And Linda Myers from the Institute of  
20 Medicine, the National Academy of Sciences has  
21 graciously agreed to be our discussant at the end of  
22 the panel.

0204

1 And I should point out to the panelists,  
2 we are providing time information so you don't have  
3 to wait for me to say something nasty to you. We  
4 have two people here who will hold up yellow and red  
5 to signal you.

6 So with that, we'll begin with Richard  
7 Black, Kraft Foods.

8 RICHARD BLACK: Thanks very much,  
9 Barbara. Good afternoon, everybody. I hope this is  
10 going to go fairly quickly and on time. Given it's  
11 right after lunch, I know we're all going to have  
12 the afternoon doxies for a bit.

13 I'd like to take you through the Kraft  
14 Food Sensible Solution program. I'll go through it  
15 reasonably quickly because of time constraints.

16 Quickly what I'm going to be covering,  
17 just the background goals and guiding principles of  
18 Sensible Solutions which is our on pack logo if you  
19 want to identify better for you products, some of  
20 the alternate standards that we evaluated, a  
21 description of the program, itself, some of our  
22 consumer insights and I think this is really where

0205

1 the rubber hits the road.

2 Sensible Solution implementation, the  
3 market performance of those products. It has been  
4 exceptional, we've all read recently about Hannaford  
5 stars and how that's grown their businesses. We're  
6 seeing the same thing with Sensible Solutions and  
7 then some recommendations for the FDA to consider,  
8 based on our learnings, not answers, but just things  
9 to consider.

10 So, Sensible Solution nutrition  
11 standards were introduced in 2005. They were  
12 developed internally within Kraft by our nutrition  
13 experts, reviewed with our worldwide health and  
14 wealth advisory council, as well there are two key  
15 goals for our Sensible Solution programs, one is to  
16 expand better for you options. This does not say  
17 healthy, this says better for you.

18 We had the example this morning from the  
19 UK of two different kinds of crisps, which one is  
20 the one that I should choose if I'm going to eat  
21 potato chips or crisps, I don't think either one is  
22 going to be a healthy food, but one of them could be

0206

1 the better for you choice and that's what this  
2 program's designed to do, significantly better for  
3 you choices.

4 New products and product re-formulations  
5 then to drive those things, also to enable then  
6 consumers to easily identify the better for you  
7 products within the category. This is critical,  
8 we've heard before all about consumers and what they  
9 look for on pack and what's easy and simple and

10 straightforward. If they don't know what the symbol  
11 means, it's useless.

12 Three guiding principles, then,  
13 practical, category specific guidelines and we chose  
14 to base these on serving size, ensures the  
15 outcomes -- ensuring outcomes that support the  
16 dietary guidelines. A one size fits all approach we  
17 felt was inconsistent with the diet, the 2005  
18 dietary guidelines.

19 The achievable, achievable targets to  
20 encourage positive outcomes, we didn't set the  
21 hurdle at 15 meters high, we set the hurdle at  
22 something that the business and the product

0207  
1 formulation -- or the product developers could jump  
2 over.

3 So, healthier versions of familiar foods  
4 are more realistic versus eliminating entire  
5 categories. For example, cheese, you could say,  
6 gee, there's a lot of saturated fat in cheese, but  
7 we think there's a lot of good in cheese.

8 Overly prescriptive targets limit choice  
9 and may not promote positive changes in eating  
10 behavior. We've all seen what happens if you get  
11 overly prescriptive, people just tune you out, so we  
12 have to move people along at a reasonable pace.  
13 Reasonable small step change then is crucial to  
14 implementation.

15 We looked at doing this on a 100 gram  
16 basis, we heard about that this morning, as well.  
17 It's easy to compare between foods in different  
18 categories on that basis, but we didn't feel it was  
19 relevant to the nutrition facts panel and serving  
20 sizes and that's the way food is consumed here in  
21 the U.S. and that's the way it's labeled in the U.S.

22 One set of upper limits for all foods,

0208  
1 we looked at that, as well. This does not have  
2 unfortunately any recognition for the roles of  
3 different foods in the diet nor of unique nutrient  
4 contribution of specific food groups, so, for  
5 instance, under that kind of a scenario, olive oil  
6 is always going to have a red, don't eat this kind  
7 of a flag on it.

8 Single algorithm system, we didn't feel  
9 that was transparent, it was very complex. And  
10 remember, what we're trying to do is give guidance  
11 to product developers that make the foods people  
12 eat. If the system is overly complex, they don't  
13 know where to push on a food formula to get the  
14 outcome that they want in terms of an overall  
15 healthy balanced profile.

16 You've got to be able to know where the  
17 inputs are that you have control over as a food  
18 developer so that you know what you're going to get  
19 on the other side. And an overly complex formula is  
20 not going to allow us to do that, giving potentially  
21 unbalanced results and also eliminating categories  
22 of food, unrealistic and not sustainable in our

0209  
1 view.

2 Sensible Solution program is, in fact,  
3 then grounded in public health recommendations, the

4 2005 dietary guidelines, the FDA labeling  
5 regulations and we also looked at Canadian  
6 regulations and guidance and from the EU, as well.

7 Nutrition criteria per serving, we have  
8 limits on nutrients of concern, so all the different  
9 standards that we have have limits on these specific  
10 nutrients.

11 Calories, a lot of them don't pay  
12 attention to total calories and it's beyond me given  
13 the obesity issue. Fat, sat plus trans, we lumped  
14 these together. We felt that we did not want to see  
15 if trans are going down, we didn't want to see the  
16 solution being saturated fats going up. They go  
17 together. Sugar and sodium.

18 We also encourage positive foods, or  
19 nutrients, so we looked at dietary guidelines  
20 shortfall nutrients, fiber is part of it, whole  
21 grains, fruits and vegetables.

22 There we go. Criteria varies by

0210

1 category, as I indicated. There were 12 main food  
2 and beverage categories, 42 altogether if you take  
3 the subcategories. It does get a little complex at  
4 that level. That's not what the consumer sees. The  
5 consumer sees a single flag icon on the pack.  
6 Packing and canning, beverages, bars, biscuits,  
7 cereal, cheese, you can read the rest of the  
8 different categories that we have here.

9 All qualifying products are limited in  
10 calories. They're limited in fat, as I said before,  
11 saturated fat, plus trans fat, sodium and/or sugar.  
12 Many are reduced or low or free when compared to  
13 similar products.

14 Again, to highlight, this is a better  
15 for you choice within a category. Many provide one  
16 or more of positive benefits such as 10 percent or  
17 more of the DV of Vitamins A, C and E, could be  
18 calcium, Magnesium, potassium, iron, protein or  
19 fiber. Could be half a serving of fruit. We put  
20 the limit at a half of serving of fruit as defined  
21 by, at the time by the USDA, vegetable or whole  
22 grain or a functional benefit.

0211

1 Consumers often don't pay attention to  
2 the labels, we know that already. Many of you may  
3 not know that a consumer typically spends about two  
4 seconds evaluating a label. The first -- when  
5 they're going through the store, two seconds. Not a  
6 lot of time, so the icon that we're talking about  
7 has to be very, very visible, absolutely draw  
8 attention to it.

9 Consumers say they tend to use the  
10 information on the first purchase and then possibly  
11 for comparisons later on. They focus on a few key  
12 nutrients, different consumers, we heard this this  
13 morning and I'll echo that, focus on different  
14 nutrients. I don't pay attention to sodium, at all,  
15 just not concerned with it. Fiber I pay attention  
16 to, Potassium I pay attention to.

17 Varies based on the level of nutritional  
18 sophistication and understanding. We categorize  
19 people as nutritionally savvy, nutritionally naive  
20 and I don't care. The vast majority of people fall

21 into the I don't care category.  
22 Awareness of specific front of pack

0212

1 systems is modest and the understanding is low and  
2 the information needs vary among the consumers.

3 Sensible Solution was most useful for  
4 consumers who want to make changes but are not sure  
5 how. This nutritionally savvy know what they're  
6 looking for, they go to the nutrition facts panel,  
7 they'll make use of it but that's not who we're  
8 trying to change.

9 The majority of people are receptive,  
10 they perceive these things as being credible and  
11 trustworthy, the information is more accessible, it  
12 does help with purchase decisions in some instances,  
13 it increases their confidence in food choices.  
14 Some, however, are very skeptical or unclear about  
15 the nutrition criteria used.

16 What we have done, we've chosen to put  
17 all these criteria on the Website, you can look it  
18 up on our Website and get all the information you  
19 need.

20 The potential solutions include  
21 communicating the scientific basis through a  
22 third-party endorsement, perhaps, calling out

0213

1 relevant attributes within the flag, for example, 2  
2 grams of fat.

3 Best practices for a front of pack  
4 labeling system based on our consumer insights, the  
5 logo or size and placement is critical, it has to be  
6 large enough to grab attention, to locate it quickly  
7 and easily. It has to be consistent, in a  
8 consistent location on the front panel, consistent  
9 appearance and format. Don't separate the elements,  
10 don't reverse or change the colors, it's got to be  
11 consistent.

12 Drop-down nutritional information is  
13 helpful to highlight to four key nutrients by  
14 category but again, you want to be consistent within  
15 the category. Consumers expect that. They do allow  
16 that between categories, yeah, they can change  
17 because what's relevant for breakfast cereals is  
18 potentially not relevant for deli meats. You're not  
19 going to worry about dietary fiber in deli meats.  
20 We make Oscar Meyer for those of you that don't  
21 know. Always, always list it in the same order, it  
22 gets down to the consistency.

0214

1 The full flag for us includes one to  
2 three nutritional ingredient statements, it's  
3 relevant to consumers and communicates product  
4 qualifications. For the execution on product  
5 packages, you have full flag on one of the primary  
6 display panels, its consistent green color, it's  
7 clearly visible and legible with type size  
8 requirements and the nutrition call outs, again, are  
9 relevant to the categories and/or the product.

10 To give you an idea of what this is  
11 doing in the marketplace, over 500 of our products  
12 now carry the flag, more than one, it's more than  
13 one-third of our total sales but it represents two  
14 to three times the total growth of our revenues. So

15 its significantly outpaces the growth of all the  
16 other products that we have.

17 So I'm going to go through seven  
18 recommendations here and I'm going to tell you right  
19 off the top, we don't have the right answer, we just  
20 have an answer, an execution of front of pack  
21 labeling. It is, I think, critical that we come to  
22 an agreement on a common way of doing this.

0215

1 Be realistic, use category-based  
2 nutrition criteria, and I say that because of the  
3 expectation that if you don't use category specific,  
4 you're going to get funny results. So avoid  
5 unintended results and model out your approaches  
6 using real world examples, you really need to model  
7 these things out, I would encourage that.

8 Be flexible and implement these in a  
9 step wise manner. You can make positive changes  
10 over time. You can even map out where you want to  
11 get to with the standards and you might have far  
12 more success doing this in a step-wise progression  
13 which is agreed to up front.

14 Improve the nutrition quality with  
15 positive nutrients. This was raised this morning.  
16 I think this needs to be emphasized, it's not just  
17 about removing or limiting nutrients of concern,  
18 which you want to reduce, but you want to emphasize  
19 shortfall nutrients to encourage their inclusion.

20 You want to monitor if you're having an  
21 impact and I don't think short of the Hannaford  
22 system, that's the first data I've seen from a

0216

1 retail outlet, I know we have our own system, data,  
2 I'm sure all the other food manufacturing companies  
3 do as well, you need to see if what you're doing is  
4 being effective.

5 Remain current. I don't think you need  
6 to re-define what are the shortfall nutrients, what  
7 are the things we want to avoid. There are  
8 processes in place for that. The scientists are  
9 getting together under the guidance of the USDA of  
10 the dietary guidelines for that. Rely on those,  
11 don't create another process to do that, that way  
12 you'll stick to the evolving science.

13 And then finally, communicate and  
14 educate to fully leverage the problem -- or program,  
15 excuse me.

16 Simple, clear explanation of criteria  
17 and rationale and common industry front of pack icon  
18 opportunity for consistent messages. If we don't  
19 take the time to educate the consumer, we're not  
20 going to win in this at all.

21 And that's it. Thank you.  
22 (Applause).

0217

1 BARBARA SCHNEEMAN: Great, thank you.  
2 And our next presentation is Nancy Green  
3 from PepsiCo.

4 NANCY GREEN: Good afternoon, thank you  
5 for including PepsiCo in the forum today. I want to  
6 give you a little bit of background on our launch of  
7 the Smart Spot program that we have at PepsiCo and  
8 some of the consumer research we did with the



9 launch, a little bit about implementation, what  
10 we've learned from the logo in marketplace and then  
11 finally conclusions and learnings  
12 79 percent -- 78 percent of consumers  
13 are confused about health and wellness. I don't  
14 think that's a surprise to anyone in the room today,  
15 and 76 percent say they're confused about what to  
16 eat.

17 How do they cope with that, 47 percent  
18 say they rely on the nutrition label, however  
19 37 percent say they're confused by the nutrition  
20 label or have difficulty understanding it.

21 So, in 2004, PepsiCo launched our Smart  
22 Spot program and this program had two goals. One

0218  
1 was to try to make it easier for consumers to  
2 identify our portfolio of products that were better  
3 for you or good for you, and secondly, to  
4 demonstrate that PepsiCo was part of a solution  
5 provider. And you see on the right-hand side and  
6 you've seen it a couple of times already today, the  
7 symbol we use with Smart Spot -- smart choices with  
8 a tick made easy.

9 When we were doing the consumer research  
10 prior to the launch, there were four key factors  
11 that we came up with that we felt like were critical  
12 as far as communication to make the program  
13 successful. Simple, optimistic, real and  
14 transparent.

15 Keeping it simple with one simple logo.  
16 Every time we tested using stars or rating systems,  
17 it never scored as well with consumers as a simple  
18 logo. Keeping it optimistic, having a positive  
19 message rather than a negative message. Making it  
20 real, and there's a mandatory statement on our  
21 packaging to say why the particular product  
22 qualifies, and then finally, making it transparent.

0219  
1 Richard referred to an educational  
2 program. We've relied a lot on our Website, the  
3 Smart Spot Website which is referred to on every  
4 package that has the logo. On that Website you can  
5 get additional nutritional information as well as  
6 nutrition information about healthy lifestyles, BMI  
7 calculator, a number of tools that are there.

8 Our logo system has really three  
9 components that are mandatory, the first, as we  
10 mentioned, is the smart choices logo, which is on  
11 the front right-hand package of all of our products  
12 that qualify. Secondly, there's a referral  
13 statement on the back of the package that says why  
14 the product qualifies. And then third, the  
15 reference to our Website.

16 And I want to point out, in those  
17 referral statements it starts out like diet Pepsi is  
18 a smart choice if you're choosing a soft drink  
19 because. Baked Lays is a smart choice if you're  
20 choosing a potato chip because, so it's not trying  
21 to say this is the best snack you could have or this  
22 is the best beverage, but if you're in this

0220  
1 category, this might be a better choice for you and  
2 this is why, it's lower in fat, it's lower in

3 calories. So that transparency was important to  
4 have there and then the reference to the Website.

5 And anyone that's worked with these  
6 programs, I think I would echo what Richard said, we  
7 don't have the right answer, we have an answer.

8 And in looking at the guidelines that we  
9 use, there are three ways that products could  
10 qualify for our program. The first way was really  
11 based on FDA definition of healthy. And we  
12 supplemented that with some requirements around  
13 trans fat and added sugar.

14 A second way is if a product qualified  
15 for -- a specific health benefit such as qualifying  
16 for an FDA approved health claim; and then the third  
17 way was products that qualify as reduced and again,  
18 qualifying for a reduced claim for calories,  
19 saturated fat, sodium based on FDA criteria.

20 I'm not going to go through this chart,  
21 but again, the importance of being transparent,  
22 here's FDA criteria for healthy, here's what our

0221

1 criteria are for beverages, foods and snacks and  
2 then where we used recommendations from National  
3 Academy of Sciences about added sugar and also you  
4 can see the other two ways with the functional  
5 benefit or reduced, so there are three ways.

6 When we talked with consumers about  
7 trying to indicate on label which of these three  
8 ways it qualified, it just got too complex and they  
9 rejected that, but that would be in the flag that we  
10 have on the back of the package.

11 Now I want to move to talking a little  
12 bit about how consumers have reacted to this in  
13 marketplace and what we've learned. The data that I  
14 will be showing is from what we call our attitude  
15 and usage study. We track this at least twice a  
16 year, the population is geographically diverse  
17 enough and large enough that it's generalizable to  
18 the general population and what we learned is that  
19 there are about 45 percent of the population that  
20 was interested in a logo type symbol.

21 And about 50 percent of people said that  
22 that would help them in making purchase decisions

0222

1 and that they would be interested in purchasing  
2 products with the logo.

3 We did see if it would hurt purchase  
4 intent because somebody alluded to earlier, is  
5 saying that this product is healthier for you going  
6 to turn some people off and there was a small  
7 percentage that said they were unlikely to buy the  
8 product, but around 50 percent showed interest.

9 The next thing we did was look at this  
10 by brand users, what affect does this have on users  
11 of these particular brands. And you can see here in  
12 an increase in purchase intent and you see this is  
13 slightly higher than when we had non-, just a  
14 general population and weren't specifically looking  
15 at brand users.

16 But I would point out that you saw the  
17 biggest increase in interest among those brands that  
18 are our healthier products with Quaker and Tropicana  
19 having the highest increase in purchase intent with

20 the logo.

21 As far as consumer attitudes on what  
22 they think about the label, again, you can see

0223

1 mid-30s, low 40s of people that say that it does  
2 help them identify healthier choices, that they feel  
3 like it increases the variety of healthier choices  
4 they can look at in the diet. The area where you  
5 see the least impact is motivation. This helped  
6 inform, but it didn't, it wasn't particularly  
7 motivational as far as causing them to really change  
8 habits and I think that's a continued challenge for  
9 all of us.

10 As far as source of awareness, the  
11 consumers learned about the logo primarily from  
12 seeing it on package in store. There was some who  
13 saw it at retail, in retail events that increased  
14 awareness, but by far the majority learned about it  
15 from the package and then the Internet was another  
16 place where there was some increase in knowledge  
17 about it.

18 In ask -- one of the questions were  
19 asked about how does this impact diet. One of the  
20 things that we were able to look at were people who  
21 were Smart Spot users who used that in their  
22 purchasing, how, how healthy was their shopper,

0224

1 shopping basket. IRI has a tool that they track  
2 looking at number of service of fruits and  
3 vegetables, lean meat, low fat dairy and you'll see  
4 that 53 percent of Smart Spot shoppers had a healthy  
5 market basket where 47 percent of non-Smart Spot  
6 shoppers had a healthy basket. So a slight increase  
7 there in how healthy those overall market baskets  
8 were.

9 So, from our consumer attitudes in  
10 looking at the data that we've collected since the  
11 launch in 2004, I think our learning, again, keep it  
12 simple so that it's easy for them to understand. It  
13 has to be relevant to fit their situation. If you  
14 put a logo on a package but I'm not in that  
15 category, it's not going to drive me to that  
16 category, so it really does need to be relevant to  
17 them and it has to be credible.

18 To really inspire adoption and use, it  
19 has to help them overcome hurdles and we saw the  
20 logo being particularly used by moms because, again,  
21 pressed for time, it didn't drive them to purchase  
22 the product, but it was a shortcut for them to look

0225

1 to say this product might be of interest to me. But  
2 it really does need to help them in the long run for  
3 it to be adopted.

4 And as far as the endorsement by a third  
5 party, as far as nutrition or health-related  
6 organization, our research is mixed on that as far  
7 as how much that helps with credibility or not. But  
8 we do know consumers react better to information  
9 that includes what to do rather than telling them  
10 what not to do. To keep it positive and with the  
11 message.

12 Now, looking at results in the  
13 marketplace, which was another question we were

14 asked to address, when we launched the Smart Spot  
15 program in 2004, it made up 36 percent of our  
16 revenue for North America. By 2005 that was up to  
17 40 percent and by 2006 it was up to 43 percent and  
18 it continues to increase this year.

19 When we launched the program on that  
20 logo, it said over 100 smart choices from PepsiCo,  
21 we're now up to 300. So by having this criteria,  
22 it's definitely driven product innovation to

0226

1 innovate and develop more products that meet the  
2 criteria.

3 Internally we have a goal that by 2010  
4 we want to see 50 percent of the North American  
5 revenue coming from products that are Smart Spot  
6 eligible, so definitely seeing the growth in  
7 higher -- in Smart Spot products.

8 As far as costs for implementation, this  
9 is not trivial. There's technology costs in order  
10 to drive that product innovation, whether it may be  
11 different oils that have a healthier profile, less  
12 saturated fat, proprietary ingredients, increasing  
13 the fruits and vegetables in some of these products,  
14 people investment.

15 The symbol cost, itself, our symbol is  
16 one of the simpler ones, it only has two colors in  
17 it, but I will tell you the cost per package can  
18 vary anywhere from 5,000 to 30,000 to make the  
19 change in packaging graphics. The larger the  
20 package, the simpler it is, the lower the cost.  
21 When you get a package that has a lot of colors on  
22 it to begin with and you start increasing these,

0227

1 adding these symbols, it is a significant cost to  
2 industry.

3 There's also costs for consumer  
4 education and as a number of people have alluded to,  
5 if there's not an education component that goes  
6 along with this, it just isn't going to have the  
7 impact that you need.

8 We've had -- the Website has been our  
9 primary tool for consumer education and we update  
10 that routinely so that we have consumers coming back  
11 to that. In addition, we have a Smart Spot dance  
12 program that encourages physical activity that's  
13 sponsored by Smart Spot. We've had a pretty strong  
14 health professional outreach, more to health  
15 professionals than direct to consumers to have  
16 health professionals understand the program, what  
17 the criteria is and how products do or do not  
18 qualify. And then we've had retail programs where  
19 we've grouped Smart Spot eligible products together  
20 at retail, again to try to drive awareness.

21 Overall, again, to be useful, it, it  
22 just, our learnings would say needs to be simple.

0228

1 One of the questions that we keep asking ourselves  
2 is can you explain it to your child. Nutrition  
3 standards need to include room for both good for you  
4 and better for you products.

5 For most consumers, you start with  
6 small, manageable changes, so they need to have  
7 ways, it's critical to identify reduced products and

8 products that can help them with small changes.

9 The nutrition standards need to be based  
10 on credible consensus science and anchored in  
11 nutrition authoritative statements. We tried to  
12 avoid having a select group of experts come up with  
13 criteria, but basing it on FDA, National Academy of  
14 Science consensus statements that evolve over time  
15 so that it is updated as the science evolves. There  
16 is a need for different criteria for different  
17 categories and keeping in mind that those profiles  
18 change.

19 The other thing that's very difficult is  
20 that we have a lot more guidance about diet than we  
21 do about individual foods. Actually with FDA's  
22 guidance on the term, healthy is one of the few

0229

1 statements that you can find that really address a  
2 food as opposed to a diet and when you start putting  
3 a logo on a food product, it's hard to convey that  
4 concept of balance and that indulgent products,  
5 you'll have some in your diet, but it's a matter of  
6 balance.

7 And then finally, questions that weren't  
8 asked but that we asked ourselves internally, when,  
9 what has the front of pack labeling done for  
10 PepsiCo; and I would say it has created a set of  
11 standards that we've used to innovate against -- for  
12 products, as you can see with the increased number  
13 of products, it created an umbrella that we've used  
14 in retail and it also created a tool for  
15 communicating with consumers.

16 And I think we probably did better with  
17 the first as far as increasing the number of  
18 products because the standards are there and we  
19 measure performance.

20 What would we have done differently? I  
21 think if we had it to do over again, we would have  
22 sought to build an industry-wide coalition to create

0230

1 criteria and logo from the very beginning. PepsiCo  
2 is a supporting member of the Keystone initiative on  
3 front of pack nutrition communication and we do  
4 support the development of a common industry  
5 criteria and icon.

6 Thank you.

7 (Applause).

8 BARBARA SCHNEEMAN: Great, thank you.

9 Our next panelist will be Kathy Weimer  
10 from General Mills. Kathy.

11 KATHY WEIMER: Thank you very much for  
12 inviting me to present today.

13 I guess I better figure out how to run  
14 this. There we go. I will be giving our  
15 perspective around the use of nutrition symbols for  
16 front of pack labeling. Oops.

17 Sorry. This side. Oh, okay. I need to  
18 get it up more.

19 All right, just some background on  
20 General Mills. We are the sixth largest food  
21 company in the world, 12.4 billion in net sales and  
22 we market in more than 100 countries, but clearly

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1 we're based here in the U.S. and these, this is just

2 a sampling of many of the products that we have. It  
3 ranges from shelf stable to frozen to refrigerated  
4 and people don't necessarily know our products by  
5 General Mills, you know them by the brands,  
6 typically.

7 Just what I'd like to cover today in the  
8 presentation, to address the questions that FDA has  
9 raised, I won't be able to address all the questions  
10 in the 15 minutes, but I'd like to just address what  
11 we've done from front of pack labeling initiatives,  
12 both symbols and criteria, and then what we've  
13 learned, go over and share some of the research that  
14 we've done and then also just some of the things  
15 that as we've learned what we would recommend be  
16 considered for a system as we moved forward.

17 We started out in 2004 with a program  
18 that we called the Goodness Corner where these icons  
19 that we put on the front of our package were used to  
20 communicate key nutrition facts. It was a  
21 fact-based system that was tied to FDA's labeling  
22 and claims regulations.

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1 So we are really initially --  
2 essentially taking the nutrition facts information  
3 and putting them on the front of the pack to  
4 highlight key things. We use both calories along  
5 with positive and negative nutrients and in some  
6 cases food group combinations, and again, this was a  
7 very simple communication of the food's nutritional  
8 contribution to consumers.

9 We have used this with and in  
10 conjunction with nutrition and health claims and the  
11 symbols are pretty simple, straightforward and  
12 self-explanatory. We did some research using these  
13 symbols and what we found is that consumers do want  
14 labeling to have key nutrition facts that they can  
15 use to make purchase decisions in a quick fashion.  
16 They do like the idea of full disclosure of  
17 nutrients, both positive and negative, and they said  
18 that they liked to have the right amount of  
19 important information. And again, that varies I  
20 think among different consumers, but they do like  
21 having the percent daily value that we use here in  
22 the U.S.

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1 The idea of being endorsed by a credible  
2 third party, not a manufacturer brand was also  
3 something that they thought was a good idea and they  
4 thought that Government endorsement was important  
5 for credibility. And then, tangible, believable and  
6 easy to understand and I think we've heard that in  
7 many of the presentations today.

8 And actually, the top-rated format in  
9 this consumer test is the one that I'm showing here  
10 that includes the icons with the percent DV and that  
11 was not the program that we started out with, we  
12 only had the icons, not the percent DV associated  
13 when we first started this.

14 Then, also, our counterparts at Cereal  
15 Partners Worldwide, which is our cereal group in  
16 other parts of the world than the U.S., also did  
17 some research looking at the GDA system versus some  
18 of the other formats, so this is some research that

19 they did, but I want to raise it because it kind of  
20 leads me to where we're headed.

21 The top-rated format and the research  
22 done in Europe was this icon plus GDA approach. The

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1 consumers found that it was trustworthy, that they  
2 felt they could understand the information and had  
3 relevant information for them to make their purchase  
4 choice and that was included in this research with  
5 the traffic lights, the icons and the checkmarks.  
6 And the feedback they got from consumers was that it  
7 just didn't provide them enough information for them  
8 to make an educated choice.

9 So, as we've evolved, we are moving  
10 toward a system that we are going to be calling  
11 nutrition highlights and this should start appearing  
12 on packages in October, on our cereal packages in  
13 October. And what it is is very similar to the GDA  
14 approach that had -- that we've been talking about  
15 today with the thumbnail sketches.

16 The front panel, which is on the left  
17 side, we have the icons and then on the side panel  
18 we will include some explanation for the consumer as  
19 to how to use this and what the different icons  
20 mean. We will also have some information on the  
21 back panel, but basically what we're doing based on  
22 the research is to add the percent DV to the

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1 fact-based system on the cereal package to help  
2 consumers quickly see the nutrition facts.

3 There will be six icons showing the  
4 amount, the gram amount and also the daily value for  
5 calories, saturated fat, sodium, sugar, although  
6 sugar doesn't have a daily value currently, and then  
7 two positive nutrients contributed by the product.  
8 So again, the idea that we're emphasizing both  
9 positives and negatives is an important aspect.

10 Again, I mentioned there will be side  
11 and back panel communication to help consumers  
12 understand this and beginning in October you'll  
13 start seeing this on the shelf. We also have a  
14 research plan to learn more.

15 We are, there's a joint project that  
16 General Mills and Kellogg is initiating this Fall  
17 and I know Celeste will be covering what they are  
18 doing on their packages. It's similar, there are a  
19 couple of differences where we're using saturated  
20 fat and Kelloggs will be using total fat for the  
21 thumbnail and we're using the percent DV and I  
22 believe you're using the GDA terminology, but other

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1 than that, they're very similar and so we felt it  
2 was a unique opportunity to learn how the fact-based  
3 system works in the cereal category. It's a large  
4 category. The cereal package is one of the most  
5 read items in any home and we're looking to measure  
6 consumer awareness and healthfulness of this  
7 fact-based system.

8 So, again, as we've worked through this  
9 and we're a part of the Keystone dialogue as well  
10 and have had many discussions in that arena so far  
11 and I know they're going to continue, but one --  
12 some of the principles that we feel are very

13 critical for any front of pack labeling is that it  
14 align with existing regulatory framework, that it  
15 should be fact-based, truthful and objective and  
16 therefore grounded in science, that it should help  
17 consumers make informed food choices and that it  
18 should involve the consumer in determining the  
19 healthfulness of the food.

20 And we feel that calories are a really  
21 critical first step since obesity seems to be the  
22 key issue that we're all trying to address. When

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1 you think about calories and look at the science and  
2 Government recommendations, the dietary guidelines,  
3 for example, emphasize that Americans need to eat  
4 fewer calories, be more active, make wise good  
5 choices and that for weight loss, calories count,  
6 not, it's not just about the proportion of fat,  
7 carbs and protein. And also in the FDA calories  
8 count report, it says that it's a scientific fact  
9 that weight control requires caloric balance and  
10 that consumption and expenditure of calories is the  
11 most important for maintenance of a healthy weight,  
12 not the proportion of macro nutrients.

13 So we feel that calories are really an  
14 attainable first step and likely to have fairly  
15 wide-spread support. And again, nutrition isn't  
16 just about calories, so we feel like it's very  
17 important that the nutritional quality of the  
18 product be considered. And again, the idea of  
19 highlighting both positive and negative nutrients,  
20 including those deemed critical. And again, we've  
21 talked about in some of the other presentations the  
22 dietary guidelines identified certain nutrients of

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1 considerable concern that were lacking in the diet  
2 such as calcium, Potassium, fiber, Magnesium and  
3 Vitamin E and then also the idea that we should be  
4 limiting intakes of sat, trans fat and cholesterol,  
5 sodium and added sugar. And then it also, there's  
6 an opportunity to highlight some of the key food  
7 groups that we're also not getting enough of, such  
8 as fruits, vegetables, whole grains and low fat  
9 dairy.

10 So if you think about a fact-based  
11 system, there, it's a quantitative and objective  
12 nutrition facts for simple communication and it can  
13 be applicable to all foods. Again, Government  
14 defined criteria are transparent and there's  
15 scientific grounding in those regulatory  
16 definitions. It's aligned with the dietary  
17 guidelines. It enables consumers to make their  
18 decision based to best meet their dietary needs.  
19 There's no need for consumers to understand  
20 individual manufacturers systems. These, this, this  
21 system can be applied to all products.

22 It assures regulatory compliance without

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1 significant economic impact and it motivates ongoing  
2 nutrition improvement for products while maintaining  
3 taste and consumer appeal.

4 And also, advances in nutrition science  
5 can be nimbly incorporated which results in a  
6 sustainable system so as the science evolves, we can



7 continue to evolve the system to make sure that  
8 we're addressing those issues. For example, right  
9 now we don't have a specific criteria for trans fat,  
10 but partly because there's not a DV established, we  
11 have not gone down that path, but ultimately if that  
12 becomes part of it, I think that would be something  
13 we'd have to be looking at very seriously.

14 And then there's no unintended  
15 misunderstanding from an oversimplified system for  
16 the consumer.

17 There's, we have some concerns around  
18 potential and intended consequences, if you focus on  
19 a better for you system, a system where it's only  
20 carried on foods that meet criteria that consumers  
21 don't really understand or see. And I think one of  
22 the concerns is that there's an underlying

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1 assumption that selecting foods designated as more  
2 nutrition would, will stem obesity or that they are  
3 better for you and I think that as was pointed out  
4 this morning, a person that might select a product  
5 with a good for you symbol that might be a low fat  
6 pizza or something but decides they're going to eat  
7 six slices versus picking the higher fat one slice,  
8 I guess there is something to be thinking about  
9 regarding that.

10 And again, the, we feel like there's an  
11 opportunity where, as far as better for you symbols  
12 may not enable consumers to understand the  
13 importance of calories and nutrition when they're  
14 making their dietary choice. It doesn't rely on  
15 their judgment of a food's healthfulness and whether  
16 it meets their own dietary needs and what they're  
17 looking for in a food product. And also the concern  
18 around perpetuating a good versus bad food, there is  
19 that potential.

20 And also there, I think there's some  
21 opportunity to understand does the system make a  
22 difference at point of purchase versus in home and I

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1 don't know that -- I know that we don't know a lot  
2 about how our system is used in home, but I think  
3 that might be another area where we, where it would  
4 be valuable to get some more consumer research.

5 There's also incomplete information may  
6 impact the consumer's understanding of the product  
7 nutrition attributes or the product in the context  
8 of the daily diet.

9 So, again, consumer research is  
10 definitely needed to identify the most appropriate  
11 system and testing the concepts to determine the  
12 understanding or the influence on behavior or  
13 dietary change is really a critical step.

14 So from our standpoint, ideally the  
15 front panel labeling system should be fact-based,  
16 truthful and objective and fit within the existing  
17 labeling regulatory framework. Be applicable to all  
18 foods, be science based and adaptable as new science  
19 emerges and that, you know, again, the opportunity  
20 to align with the dietary guidelines.

21 Address both calories and nutrients and  
22 with nutrients including both positive and negative

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1 nutrients, have a realistic goal as to what a system  
2 can accomplish. And again, I think this is really  
3 important, that, you know, we, we need to provide  
4 information to help consumers make appropriate food  
5 choices that fits their needs, but I also think we  
6 have to keep in mind that if the system, itself,  
7 probably isn't going to be able to reduce chronic  
8 disease including obesity, it has to be a bigger  
9 picture and part of a broader approach in trying to  
10 address some of the chronic diseases.

11 And again, involve the consumer as a  
12 decision-maker of the food's healthfulness and be  
13 relatively easy, simple and understandable for  
14 consumers and obviously more research will  
15 facilitate this objective.

16 Thank you very much.

17 (Applause)

18 BARBARA SCHNEEMAN: Thank you very much.

19 Our next presentation is from Celeste  
20 Clark, the Kellogg Company.

21 CELESTE CLARK: Thank you, Barbara, and  
22 good afternoon. I am very pleased to be here on

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1 behalf of Kellogg Company to share with you our  
2 experiences on front of pack labeling and because so  
3 much has been said this morning about GDAs and  
4 because of the experience we have from other  
5 markets, we've chosen to talk to you about our  
6 experience with GDAs and our plan to launch GDAs in  
7 the U.S.

8 So, I'll just begin. What I'm going to  
9 cover really gets into how GDAs are being used and  
10 the consumer reported benefits of using GDAs. And I  
11 say consumer reported because we need to understand  
12 that sometimes what consumers say and what they  
13 actually do may be two different things. Also share  
14 with you the learnings that we have from some of the  
15 other markets that we've launched GDAs in and then  
16 looking at the economic impact.

17 So what are GDAs? As you've heard this  
18 morning, they are front of pack, easy-to-use symbols  
19 that share with consumers at-a-glance information  
20 that they can quickly use to make an informed  
21 consumer decision.

22  
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1 They actually provide nutrients, the GDA  
2 system includes those nutrients that consumers  
3 should consume more of and those that they should  
4 consume less of, and I'm going to come on to show  
5 you the label. You can, if you look at the  
6 right-hand corner of the slide, you can actually  
7 see, to the left those are the nutrients that  
8 consumers should consume less of according to the  
9 dietary guidelines, Anne Heins data, and other  
10 consensus statement on nutrition and health.

11 And then to the right they are those  
12 nutrients that consumers should consume more of. In  
13 order for a product to declare those nutrients, they  
14 must be present at a 10 percent or above amount and  
15 so those again are those nutrients that have been  
16 highlighted as nutrients that consumers should have  
17 more of.

In terms of easy to use, we also wanted

18 a format that some have referred to as an executive  
19 summary of the side panel. The information that's  
20 used in the U.S. based on GDAs is really taken from  
21 the nutrition facts panel and we know that consumers  
22 have indicated through various pieces of research

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1 that we've conducted that there are certain  
2 nutrients that they're looking to minimize or avoid  
3 in their diets and we felt similarly that we should  
4 also point out those nutrients that consumers should  
5 have more of in their diets.

6 And then based on our experience, we've  
7 launched GDAs in a number of markets. In addition  
8 to markets in Europe, we also have launched them in  
9 Mexico and Australia and then of course what we try  
10 to do is to take the learnings from those markets to  
11 expound or improve upon that in the U.S.

12 For example, when we first launched them  
13 in the UK, we had the horizontal format that someone  
14 referenced this morning. We changed that horizontal  
15 format to be the thumbnail format.

16 Okay, so what do consumers say? And  
17 this is just in summary, now I'm going to come on by  
18 market to tell you. But basically based on the  
19 research that we've done, in all the markets that  
20 we've launched GDAs in, consumers have indicated  
21 that they have critical information that is needed  
22 in order to make an informed choice. Now whether or

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1 not that choice is translating into behavioral  
2 changes is another piece of information that we  
3 really, another piece of research that we really  
4 need to get at and uncover.

5 We also know that in the States, because  
6 we have the nutrition facts panel and daily value,  
7 that our use of GDAs basically in a very simplified  
8 manner provides easy access to information from the  
9 side of the panel, pulls it to the front of the box.  
10 And then of course what we're hoping to do is that  
11 once that information is on the front of the box,  
12 that consumers would be able to use that to develop  
13 their own individual, individualized diets.

14 So, here we are, and I've mentioned that  
15 in Europe Kellogg, along with a number of other  
16 companies, are using GDAs and so we've talked about  
17 the nutrients, the fat, sugar and sodium and in some  
18 countries it's called salt instead of sugar, are  
19 shown on pack and along with a number of other  
20 companies in Europe are using the similar format as  
21 well.

22 In North America we're going to be

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1 rolling it out, in Canada next month, as well, as in  
2 the U.S. next month, as well. Mexico, I mentioned  
3 we're already on shelf in Mexico as well as in  
4 Australia and with plans for South Korea, as well.

5 Now, it's really important, we believe,  
6 that when you're using a front of pack labeling  
7 schematic that you design a very extensive  
8 educational campaign. It needs to be a very  
9 integrated approach so that there is information on  
10 the pack that explains to a consumer how to put the  
11 information in perspective relative to the total

12 daily diet.

13 So we have information that will appear  
14 on the side of the pack as well as on the back of  
15 the pack. We also have established a Website where  
16 consumers can go to to get more detailed information  
17 on guideline daily amounts as well as an 800 number  
18 for those who do not have access to a computer, they  
19 would be able to call us on the 800 number and get  
20 information, as well. And then in all of the  
21 markets that we've launched in thus far, we also  
22 have a television advertising campaign and we

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1 believe that that is an important education  
2 component that will help inform the public on how to  
3 use GDAs.

4 And I brought with me a clip and I'd  
5 just like to share that with you.

6 Can we go back, yeah. Okay. Thank you.  
7 (Short video playing.)

8 Every day we use signs to inform us and  
9 help us make decisions at a glance. So why are the  
10 signs so complicated when it comes to choosing the  
11 food we eat. Kellogg's cereals now include guideline  
12 daily amounts which shows at a glance what's in a  
13 serving of Kellogg's cereal and the percentage it  
14 contributes to your daily diet. Nutrition at a  
15 glance, it's a good sign, from Kellogg's.)

16 No sound. This is obviously the  
17 execution from Mexico, sorry about the sound.

18 (Another video playing, no sound)

19 And the last one's from Australia.

20 (Short video playing.)

21 With the new what's inside guide on many  
22 of your favorite foods, you can tell exactly how

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1 much of your guideline daily amounts are inside  
2 here, here and here. So you can decide what to put  
3 inside here, here and here. The new what's inside  
4 guide, now on many of your favorite foods in store.)

5 Okay, so that gives you an idea of the  
6 commercials that will accompany or will be a part of  
7 the educational campaign in the markets that we've  
8 already launched as well as the U.S. version that I  
9 showed to you at the beginning.

10 Now, in terms of consumer learnings,  
11 what have we learned, and I don't go into detail due  
12 to the time constraints, but I will tell you that,  
13 again, on a self-reported and an aided basis, what  
14 consumers have told us is that they're, indeed, much  
15 aware of GDAs being on pack and in the markets where  
16 we've launched this, I should clarify that we've  
17 used the monochrome color for GDAs, that they find  
18 them easy to understand and points out the  
19 information that they need to help make decisions  
20 for an informed choice.

21 What we have not done is to take that  
22 another step to say, well, did it really influence

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1 you, your purchase decision. I know Tesco has some  
2 data, but the research that we're planning that I'll  
3 come on to talk about we're hoping will go that  
4 extra step to be able to do that.

5 For those consumers who actually had the

6 concepts in front of them and were able to look at  
7 the panels, they said that they thought they would  
8 be able to use, and this is using some of their  
9 verbiage, from again what they reported with having  
10 not being in store but just from having the packages  
11 in front of them, that they thought that the  
12 information would be useful in helping to control  
13 portion sizes, make them more cognizant of the  
14 portion sizes that they were eating, compare within  
15 categories and also it would be useful to compare  
16 across categories when presented on a per serving  
17 basis.

18 And again, I emphasize on a per serving  
19 basis because in the States we're doing it on a per  
20 serving basis and the other markets we did per  
21 serving, we also had to factor in the per 100 grams  
22 according to the regulations, as well.

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1 And then as I mentioned, Tesco had some  
2 data that showed that, indeed, when consumers are  
3 presented information in a very simplistic format,  
4 that they are able to choose more often those foods  
5 that they should include in their diet and to  
6 minimize those that they should avoid.

7 Australia, very similar.  
8 Now in the U.S., and Kathy alluded to  
9 us, what we're hoping to do in the U.S. is to do  
10 some pre and post data, again some data on consumers  
11 so that we can inform the literature. Our hope is  
12 not to just use this on a proprietary basis which  
13 typically we do at our prospective companies.

14 What we're hoping to do is to design a  
15 study that will get at not only awareness but also  
16 usage and purchase intent. And once we do that on a  
17 pre-basis, before we implement GDAs in market and  
18 then we'll go back six to nine months later and  
19 assess the consumers experience once those products  
20 have been in market to really get a feel for what  
21 they thought at the pretest was actually what they  
22 found after having some use with them.

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1 In addition to that, we have the ability  
2 to use panel data, or market basket data from RI to  
3 get a sense did they purchase more of those products  
4 that had the call-out of a GDA on the front panel  
5 versus what they would have done had it not been  
6 there.

7 So when we gathered this literature,  
8 gathered this information, our intent is to make it  
9 available on a public, for public use so that we can  
10 have better insights as to whether or not GDAs is  
11 really the answer or is there some other tool that  
12 we should use in order to ultimately inform the  
13 consumer about what is the nutrient content of that  
14 product and how can that content be used to help  
15 them make informed choices.

16 So, that's our hope going forward and  
17 I'm sure you'll hear more about that.

18 Thanks a lot.

19 (Applause).

20 BARBARA SCHNEEMAN: And our last  
21 presentation from industry is Douglas Balentine from  
22 Unilever.

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1 DOUGLAS BALENTINE: Good afternoon.  
2 Unilever appreciates this opportunity to present our  
3 vision on how the front of food packages can be  
4 enhanced to assist U.S. consumers in making  
5 healthier dietary choices.

6 I'd like to discuss the experience we  
7 have in the United States and internationally with  
8 developing and implementing an on pack front of pack  
9 logo system. We'd like to explain why we believe as  
10 a company that simple front of pack logo systems  
11 represent an -- that represent an analysis of  
12 nutrition information can provide a lock step change  
13 that benefits the consumer in the marketplace.

14 In the course of this presentation we'll  
15 also address a number of the questions posed by FDA  
16 in their notice of hearing.

17 We believe that a front of pack symbol  
18 program should be based on sound science and help  
19 meet the goals of dietary guidelines. We believe  
20 that a simple system is the best system that  
21 synthesizes for the consumer all of the nutritional  
22 information they need about a product in a simple

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1 graphic message that is a simple tick or checkmark  
2 that is a positive message.

3 We also believe that this system does  
4 not indicate bad foods or unhealthy foods that  
5 should be avoided with a red mark or a stop sign.

6 We believe that all these programs  
7 should be endorsed by a credible third party or  
8 parties and we believe that it should be supported  
9 by a broad-based consumer education campaign.

10 We believe that Unilever's current U.S.  
11 logo program has a lot of the elements that we want  
12 in this program. We fully endorse a process by  
13 which we can develop a voluntary, newly-designed  
14 industry-wide system that is developed to replace  
15 the various logo systems currently in the  
16 marketplace. We believe this will benefit the  
17 consumer by helping to maximize the potential of  
18 common education in advertising and promotion around  
19 logos with the consumer that may make a difference  
20 in public health.

21 In the United States last year we  
22 launched the Eat Smart, Drink Smart logo program.

0255

1 It's a single tick mark logo program with a positive  
2 message called Eat Smart or Drink Smart and it's  
3 endorsed by saying that it's based on dietary  
4 guidelines.

5 Like the Kraft system, we have an  
6 explanatory text, in that explanatory text that  
7 accompanies the logo, we inform consumers positive  
8 health messages about following dietary guidelines.

9 It is here that we also communicate with  
10 positive components of a food such as that it  
11 contains a serving of vegetables or provides  
12 meaningful amounts of certain nutrients. It's also  
13 here that we direct them to the nutrition facts  
14 panel because it's important that we direct them  
15 there to deal with more-detailed information that  
16 can be found on the nutrition facts panel.

17 And we also direct them to our Website  
18 where they can get educational materials about  
19 healthy eating patterns and find recipes that  
20 accompany the Eat Smart, Drink Smart program.

21 We launched this program in September of  
22 2006. You'll find the Eat Smart, Drink Smart Logos

0256

1 on certain Ragu pasta sauces, Slim Fast meal  
2 replacements, Promise spreads, Skippy peanut butter,  
3 Lipton Tea, Hellmann's and Best Foods mayonnaise and  
4 Bertoli Olive Oil.

5 By the end of this year, we'll have  
6 implemented the logo on over one-third of Unilever's  
7 food portfolio in the U.S. based on NPS, excluding  
8 ice creams.

9 The basis and the criteria for the  
10 program were founded in Unilever's international  
11 nutrition enhancement program. This is an internal  
12 program where we've evaluated over 16,000 products  
13 around the world for their nutritional content.  
14 We've used this as a basis for innovating and  
15 re-formulating our product portfolio and it's led to  
16 removal of significant levels of trans fats,  
17 saturated fat, sodium and added sugars in our  
18 product globally.

19 Products bearing the Eat Smart, Drink  
20 Smart logo in the United States must meet strict  
21 criteria for saturated fat, trans fat, sodium,  
22 sugar/added sugars and cholesterol. These criteria

0257

1 are aligned with U.S. and international dietary  
2 guidelines.

3 The symbol is designed to inform  
4 consumers that the program's criteria are based on  
5 U.S. dietary guidelines and it is currently  
6 implemented, the details of this program will be  
7 submitted in writing as part of this hearing.

8 The U.S. Eat Smart, Drink Smart program  
9 is also part of Unilever's international choices  
10 program which is now operating in over 22 countries  
11 around the world. These are some examples how the  
12 same simple logo graphic can be modified to  
13 different marketplaces, the commonality is in each  
14 logo there is a positive health message such as Eat  
15 Smart, Drink Smart, I choose wisely, et cetera, and  
16 each logo has, also have the endorsement based on  
17 international dietary guidelines or based on a local  
18 guidelines that are relevant.

19 Unilever is also actively participating  
20 in the International Choices program which was  
21 launched in Paris at the Federation of Nutrition  
22 Sciences meeting this July. You heard a little bit

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1 about that program this morning. The International  
2 Choices Foundation aims to help consumers select  
3 healthier foods and beverages through the use of an  
4 industry-wide system. The governance of the  
5 International Choices Foundation resides at national  
6 levels within countries where it's operating.

7 And most importantly, the Foundation is  
8 supported by an independent, scientific advisory  
9 Board that constantly reviews and updates the  
10 eligibility criteria for the program so that it

11 stays consistent with changes in nutrition science  
12 and food technology.

13 In the Netherlands, as you heard this  
14 morning, Unilever was part of helping to  
15 establishing and participating in the Dutch choices  
16 industry-wide Government system, the IKB system  
17 which was discussed earlier today.

18 Globally Unilever entails strict  
19 criteria to qualify for its products. It must meet  
20 criteria for all of the benchmarks, not independent  
21 ones. The qualifying criteria are based on  
22 international dietary guidelines in science and

0259  
1 aligned with local regulations. This is consistent  
2 with the U.S. approach.

3 The simple symbol designs to inform  
4 consumers that the program criteria are based on  
5 either international dietary guidelines, again, this  
6 is consistent with our U.S. approach.

7 Unilever supports the development of the  
8 IKB industry-wide system that is now working in the  
9 Netherlands. The IKB system was derived from the  
10 original Unilever Choices program and is based on a  
11 set of criteria which encompasses benchmarks for  
12 trans fats, saturated fat, sugar/added sugar and  
13 sodium, similar to the Unilever system globally.

14 However, this system has moved forward  
15 and in addition to looking at just nutrients to be  
16 limited, it also now looks at positive nutrients  
17 for -- that need to be added to the diet and it's  
18 included in energy element. We understand that you  
19 should receive more details on this IKB system in  
20 writing from the Dutch authority.

21 How did we go about developing these  
22 logo programs? We began by the assessment of our

0260  
1 foods portfolio, as I said, through the nutrition  
2 enhancement process. We then developed our own  
3 global system and in the U.S. the Eat Smart, Drink  
4 Smart system. Our thinking in terms of the relevant  
5 nutritional criteria that the system should be based  
6 on that define the logo continues to evolve,  
7 particularly as we participate and have learned  
8 through the discussions we've had in developing the  
9 industry-wide systems at IKB and the International  
10 Choices Foundation criteria that is being explained  
11 around the world.

12 We are now interested in applying this  
13 learning to the U.S. situation and we are doing this  
14 around the world as part of the International  
15 Choices Foundation.

16 Unilever's primary goal as a company is  
17 to make it easier for all consumers to make  
18 healthier choices, including consumers that don't  
19 have the time, the inclination or the knowledge to  
20 evaluate nutritional information that is provided on  
21 many nutrition facts panels around the world.

22 We believe that the solution is a simple  
0261  
1 front of pack symbol. We believe that this symbol  
2 should synthesize and not repeat existing  
3 nutritional data. It should be positive and it  
4 should convey a positive message, an okay message



5 that this is a good choice -- good food to chose and  
6 does not signal that any food should not be included  
7 in the diet, for example a red or a stop light  
8 signal.

9 The label appears or it doesn't appear  
10 on a product based on meeting the eligibility  
11 criteria. The symbol should not appear on all food  
12 products but only the ones that are meeting  
13 criteria. It is based on avoiding nutrients of  
14 concern and avoiding the -- encouraging positive  
15 nutrients and positive food groups. It must be  
16 endorsed by credible third party or parties. It is  
17 supported by a comprehensive multi-platform  
18 educational campaign to help consumers understand  
19 what the symbol means, how to use it and to make  
20 better health choices.

21 Such a symbol would build consumer  
22 confidence in the message and ultimately help

0262  
1 enhance the health of the U.S. population.

2 Although Unilever has invested heavily  
3 in its own symbol programs, we believe there is an  
4 opportunity to develop a uniform industry-wide  
5 program that represents the collective thinking and  
6 experiences of all of us together.

7 We are currently participating as the  
8 other companies in the Keystone conference program  
9 to work towards developing a voluntary industry  
10 uniform symbol program based on the expectation that  
11 this program can reach some serious work by the  
12 years end.

13 As mentioned earlier, a successful  
14 industry-wide program is already in place in the  
15 Netherlands. Unilever's and others have helped  
16 create this program and has broad acceptance by this  
17 program in the industry and is it widely used among  
18 retailers.

19 The sales of the logo program based on  
20 this year's experience in the U.S. is that we've  
21 increased 10 percent in Q 1 and Q 2 in products  
22 containing the logo in margarine, soups and

0263  
1 mayonnaise. So, like the other companies, we've  
2 seen significant up ticks in products that, that  
3 bear the logo versus those that do not bear the  
4 logo.

5 We've also begun discussions in Canada  
6 that we also will hope will lead to a uniform front  
7 of pack logo system.

8 We also believe that placing calories on  
9 front of pack near the logo may be a benefit and  
10 we're willing to consider that option if it will  
11 help lead us toward a uniform industry-wide logo  
12 system in the United States.

13 Like many of the other companies you've  
14 heard from, we have invested in consumer research.  
15 We know that many consumers spend little time  
16 reading label information in any kind in the grocery  
17 store. Our data says about five seconds looking at  
18 packages. Many consumers do not have the knowledge  
19 they need to analyze nutrition information and  
20 consumer research is showing that it's confusing  
21 with existing nutrition information.

22 As mentioned before, the sales data in  
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1 the United States and in the Netherlands indicates  
2 that consumers are responding to simple tick logo  
3 systems.

4 We have conducted a number of research  
5 projects like the other companies. We found in the  
6 U.S. based on quantitative research that putting a  
7 tick mark on a healthier choice product  
8 significantly increases the health perception of  
9 those products. In Europe, quantitative research  
10 indicates that a simple front of pack logo system is  
11 as effective as more elaborate systems and is more  
12 useful to less educated consumers. It's also  
13 quicker to evaluate.

14 In the U.S. and European research, we  
15 have also found that having some credible  
16 endorsement by a Government authority or saying that  
17 it's based on U.S. dietary guidelines or  
18 international dietary guidelines add credibility to  
19 the logo.

20 It is our view that a qualifying  
21 criteria for an industry-wide logo system should be  
22 based on broad sciences consensus about nutrients

0265  
1 that should be reduced in the diet and nutrients or  
2 food groups that should be encouraged in the diet.  
3 It should be designed to both support a symbol  
4 program for consumers and encourage manufacturers to  
5 formulate healthier foods and to innovate.

6 I'd like to spend a few minutes just  
7 sharing with you how through the Netherlands process  
8 we've learned how to develop criteria for a logo  
9 system.

10 Step one was to set generic benchmarks  
11 for nutrients of concern, that's trans fat,  
12 saturated fat, sodium, sugar/added sugar and  
13 cholesterol. These benchmarks should cover all  
14 foods and drinks and they should be aligned with  
15 dietary guidelines whether they are U.S. or  
16 international.

17 An example of how this is done is, for  
18 example, if you look at the -- right there's the  
19 nutrients of concern. We have dietary guidelines  
20 that have been set either within the U.S. or some  
21 numbers that have been set internationally. There's  
22 been a slight adjustment because not all of foods

0266  
1 that you eat during a day contain each of those  
2 negative nutrients to set a calorie-based set of  
3 generic benchmarks.

4 So, for example, just to name one,  
5 saturated fat. For a product to qualify, it should  
6 contain no more than 13 percent of energy as  
7 saturated fat. And in our system to qualify for a  
8 logo system you must meet those benchmarks for each  
9 of those logos, not just one of them.

10 Step two in this system is to set  
11 benchmarks for categories because we do believe that  
12 you need to allow differences for categories. This  
13 is the recognition that different food categories  
14 provide certain nutrients and are important to the  
15 diet in different ways. It also is a recognition

16 that here is where you need to add considerations  
17 for energy or calories.

18 In this system the foods have been  
19 broken into two basic groups called basic foods and  
20 non-basic foods. Based on their role in the diet,  
21 they're evaluated separately for different criteria.

22 So these are examples of the basic food  
0267

1 groups, which are fruits and vegetables, breads,  
2 grain, pastas, et cetera, and non-basic foods.

3 And it is in this place where dietary  
4 fiber, energy and other positive nutrients are  
5 considered as additional benchmarks to qualify for a  
6 logo.

7 The third step in the system, and you  
8 heard a little bit about this this morning, is to  
9 allow exceptions to some of the category specific or  
10 the generic benchmarks. If a food group is an  
11 important source of nutrition in the diet, and very  
12 few of those products in the marketplace can  
13 actually bear a logo and the rule of thumb is for a  
14 basic food, the target should be that when  
15 appropriate, at least 20 percent of foods in the  
16 marketplace should be able to carry a logo and for  
17 non-basic food 10 percents of products should be  
18 able to carry a logo.

19 So this is just an example of how this  
20 might look for a few basic foods. For a main dish  
21 product, you must meet the criteria for each of the  
22 nutrients to be limited. Saturated fat, trans fat,  
0268

1 an adjustment was made here for sodium and also  
2 there's the inclusion that it must contain fiber, in  
3 addition 150 grams, which is about one-third of the  
4 daily requirement of vegetables per portion and  
5 they've set an energy limit.

6 Fruit juices, again, benchmarks for  
7 nutrients to limit. They've also said no added  
8 sugar, just one minute, and a requirement for  
9 dietary fiber.

10 For non-basic foods you see a similar  
11 set of criteria have been established where there's  
12 calorie limits, sodium limits and added sugar  
13 limits. All other foods must simply meet the  
14 generic benchmarks.

15 The cost of nutrition symbols from  
16 Unilever's point of view are part of product  
17 development. The cost of educating consumers for us  
18 are part of promotional costs. Unilever has not  
19 increased the costs as a result of the program.  
20 Unilever products that bear the symbols do not  
21 differ in costs from similar products in our  
22 categories and we anticipate that once a uniform  
0269

1 program is developed and voluntary for industry,  
2 costs would be minimal because companies have  
3 already compiled the data and are already updating  
4 their packaging on a regular basis.

5 In conclusion, we believe that a simple  
6 front of pack system that synthesizes nutrition  
7 information for the consumer could represent a  
8 meaningful step forward and make a significant  
9 contribution to public health. This symbol should

10 be based on sound science and dietary guidelines,  
11 convey a positive message, be endorsed by credible  
12 third parties and be supported by a broad-based  
13 education program.

14 Such a program should be voluntary  
15 rather than mandated by regulation because a  
16 voluntary program would minimize cost to the  
17 Government, promote flexibility in rapidly modifying  
18 the criteria as science and food technology emerges  
19 and facilitate providing uniform symbols to consumer  
20 as quickly as possible.

21 Thank you very much.

22 BARBARA SCHNEEMAN: All right. Thank

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1 you.

2 And now we've invited Linda Myers from  
3 the Institute of Medicine, National Academy of  
4 Sciences to make some discussant comments.

5 LINDA MYERS: Thank you, I'm really  
6 pleased to have been asked to make a few comments.  
7 As you noted I'm, as it's noted in the program, I'm  
8 from the Institute of Medicine. The Institute of  
9 Medicine was actually established in 1970 under the  
10 charter of the National Academy of Sciences to  
11 provide independent, objective, evidence-based  
12 advice to policy-makers, health professionals, the  
13 private sector and the public.

14 And we, I think as you know, we achieve  
15 our mission through a variety of mechanisms,  
16 including ad hoc expert committees made up of  
17 experts who serve without remuneration and who  
18 prepare consensus reports.

19 As many of you know, the Institute of  
20 Medicine develops the dietary reference intakes and  
21 we are pleased that they, these numbers have been  
22 useful in developing assorted schemes.

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1 Further, over the past three years, IOM,  
2 the Institute of Medicine, has issued several  
3 reports that have included considerations related to  
4 labeling, usually in the context of obesity  
5 prevention in children.

6 I'm just going to mention a couple  
7 briefly because they pertain to the discussion  
8 today. The 2005 report preventing childhood  
9 obesity, health in the balance, found that childhood  
10 obesity is a serious national health problem  
11 requiring urgent action and that it required  
12 individual efforts and societal changes and multiple  
13 stakeholders needed to be involved.

14 It then made a variety of  
15 recommendations to different sectors and in  
16 particular, called on industry to make obesity  
17 prevention in children and youth a priority by  
18 developing and promoting products, opportunities and  
19 information that will encourage healthy eating  
20 behaviors and regular physical activity. And this  
21 is clearly happening.

22 With regard to labeling, it recommended

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1 that nutrition labeling should be clear and useful  
2 so that parents and youth can make informed product  
3 comparisons and decisions to achieve and maintain

4 energy balance. One of the implementation actions  
5 was consumer research to maximize use of nutrition  
6 label and other food guidance systems and these  
7 steps have also been taken clearly to achieve this.

8 The 2006 report food marketing to  
9 children and youth, threat or opportunity, called on  
10 food and beverage companies to use their creativity,  
11 resources and full range of marketing practices to  
12 promote and support more healthful diets and to  
13 implement this recommendation, the report called on  
14 companies to work with Government, scientific,  
15 public health and consumer groups to develop and  
16 implement labels and advertising for an empirically  
17 validated industry-wide rating system and graphic  
18 representation that is appealing to children and  
19 youth.

20 It's clear from the discussion today  
21 that there's support for this and I know that there  
22 are some discussions in progress with the Keystone

0273  
1 dialogue.

2 That report also called for some  
3 development of some mechanism for sharing  
4 proprietary data.

5 Then the last report, the 2007 report on  
6 progress in preventing childhood obesity, how do we  
7 measure up, noted, as we've heard today, progress by  
8 the food industry in a number of areas and called  
9 for evaluation of industry efforts to promote  
10 healthier lifestyles and re-emphasized the need for  
11 development of a mechanism for sharing proprietary  
12 data as part of fostering information sharing of  
13 research and evaluation findings.

14 So, clearly there has been a lot of, a  
15 lot of progress and we're pleased that it, it  
16 follows along the recommendations that our expert  
17 committees have made. I think we all agree and  
18 these reports agree that there is more work to be  
19 done.

20 And as I look back on the  
21 recommendations, and there were more than three in  
22 each report, as I look back on the recommendations,

0274  
1 the ones that still jump out that need further work  
2 are how can -- relate to how can the tremendous work  
3 and lessons learned thus far be harnessed and best  
4 accelerated to achieve the industry-wide validated  
5 rating system and graphic representation that is  
6 appealing and that does benefit public health; and  
7 related to that, how can we achieve development of a  
8 mechanism for sharing proprietary data to enable  
9 broader evaluation of actions.

10 Thanks.

11 BARBARA SCHNEEMAN: So we will now have  
12 the opportunity to address questions from the panel  
13 to the panel of industry representatives here.

14 Can I ask a question, first?

15 MICHAEL LANDA: As a panel member, sure.

16 BARBARA SCHNEEMAN: Actually what I'm  
17 hoping, I know all of you spoke to different  
18 educational efforts that you have been using and I  
19 think the Web was cited by all of you as a tool that  
20 you've used in educational efforts.

21 I would like to just have your own  
22 perspective very quickly, what do you regard as

0275  
1 perhaps the most effective way to reach out to  
2 consumers to, for you to feel that they do, in fact,  
3 understand how to use the programs that you've put  
4 together?

5 RICHARD BLACK: I can actually answer  
6 that perspective -- that question, not necessarily  
7 from Kraft's perspective, but certainly from my own  
8 and that's outreach to young children in schools,  
9 educational programs in schools. I don't think  
10 we're going to be able to educate adults to the same  
11 extent we can educate kids.

12 CELESTE CLARK: I'd like to just add  
13 that the primary purchaser is an adult and so I  
14 think that messages where you can help influence the  
15 adult of the packaging and of course advertising  
16 would be effective means as well.

17 KATHY WEIMER: I would also agree that  
18 on package, since it is at point of purchase when  
19 they are in the store trying to make that decision  
20 is probably the most, the biggest priority followed  
21 by I think clearly advertising to raise awareness  
22 and then the opportunity to expand the message

0276  
1 through the Websites.

2 DOUGLAS BALENTINE: As the Unilever  
3 Choices in the international system launched in the  
4 Netherlands. It was really a multi-faceted system.  
5 There was TV advertising, there was print ads, there  
6 was radio ads and there was signage in retail  
7 marketplaces that consumers really got them from all  
8 the different touch points that you have. And I  
9 think that that's what we're learning is key, is to  
10 make it visible in all places, particularly where  
11 they shop and where they see signage on a regular  
12 basis.

13 MICHAEL LANDA: Camille Brewer has a  
14 question.

15 CAMILLE BREWER: I have a question of  
16 clarification for Dr. Black. You mentioned that you  
17 consider saturated fat and trans fat together. In  
18 your drop-down logo example, the example showed  
19 3 grams of saturated fat.

20 What would the consumer assume about  
21 trans in that example?

22 RICHARD BLACK: I'm sorry, I should be  
0277

1 clear, when I said we consider sat and trans  
2 together, that's for our criteria within a  
3 particular, for a particular product. So that if  
4 you had a certain amount of sat plus trans, you want  
5 to get the trans down in the formulation, you could  
6 not exceed that number of sat plus trans, if you're  
7 just trans -- or sat by itself.

8 From the consumer's point of view, in  
9 the drop-down lists we'll still call them out  
10 separately because that's what's in the nutrition  
11 facts panel. But for our own, what we're trying to  
12 do is ensure that product developers don't get  
13 around the trans fat issue by simply adding  
14 additional saturated fats and so you have to meet

15 the guide -- they both count equally in our sense  
16 that, from our perspective.

17 The other part of that, as Kathy  
18 indicated, there's no DB or hard number for trans  
19 fats so rather than say it's 10 percent for sat  
20 fats, oh, it's 12 -- it's 2 percent for trans or  
21 1 percent for trans, therefore we've got 11 percent  
22 to play with now.

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1 No, we just said 10 percent, this is the  
2 sat number and trans are included in there. You  
3 don't get to bump it up any further than that.

4 MICHAEL LANDA: Barbara Schneeman has a  
5 question.

6 BARBARA SCHNEEMAN: There was a comment  
7 made during the discussion about the, it is  
8 interesting that we have two basic systems, one is a  
9 better for you type system and the other is the GDA  
10 and I think, Nancy, you may have made a comment  
11 about the better for you symbol keeping people  
12 within the category and then choosing within the  
13 category and I'm just wondering about that in terms  
14 of thinking about the overall healthful diet  
15 choices.

16 Is there any way that the better for you  
17 symbol also encourages consumers to think more  
18 generally about their total diet and how that food  
19 then fits into their total diet choices and  
20 healthful diet choices?

21 NANCY GREEN: I think that's, I think  
22 that's a challenge with either one of these systems,

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1 is to kind of relate back to total diet for  
2 consumers.

3 What we found that this was used  
4 primarily in store, so I'm standing in front of a  
5 retail set of X products and I'm trying to make a  
6 health -- the healthier choice within that category,  
7 so that's what this was quickly aimed at and then  
8 consumers could pick up the package, look at the  
9 fact, nutrition fact panel to get more information,  
10 see the statement on the back about why this  
11 qualified. But we felt it was important to say this  
12 is looking within category so that we were not, that  
13 we were being transparent and not trying to mislead  
14 and say this is, you know, the best beverage you  
15 could consume.

16 DOUGLAS VALENTINE: One of the  
17 experiences on that question from the International  
18 Choices Foundation within the Netherlands was that  
19 actually when it went across industry, you now had  
20 logos in all categories in the grocery store and  
21 when they modeled the typical Dutch diet on a daily  
22 basis, if people simply switched from choosing the

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1 same products without logo to the same products with  
2 a logo and you looked at the impact that that would  
3 have on their diet pattern, you found that their  
4 calories and most of their intake of nutrients to  
5 limit fell at or below dietary guidelines.

6 So it would have that impact of actually  
7 moving people to be aligned with dietary guidelines  
8 if you just model it on the diet basis.

9 CELESTE CLARK: I was just going to add  
10 that in, I think that in a fact-based approach, on a  
11 per serving basis, it does to some extent allow  
12 consumers to compare across categories and I think  
13 it's important because consumers don't just eat  
14 within one category. The way they fashion a diet is  
15 across multiple categories. So I do think that's an  
16 important consideration.

17 Not sure how best to get at that, but I  
18 think that whatever system we look at should allow  
19 those comparisons to take place.

20 MICHAEL LANDA: Felicia Billingslea has  
21 a question.

22 FELICIA BILLINGSLEA: Yes, my question

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1 is primarily directed at I think Kelloggs and  
2 General Mills and I know that, you know, we do have  
3 information that U.S. consumers have some difficulty  
4 in understanding and applying daily values and what  
5 that term means. And in looking at the GDA  
6 approach, it seems like that's introducing another  
7 term for U.S. consumers.

8 Has there been any consideration of how  
9 they can align the two, if they understand that a  
10 GDA, or what its relationship may be to a daily  
11 value, how they take that information and then  
12 consider what's on a nutrition facts panel?

13 KATHY WEIMER: At this stage, General  
14 Mills is using DV here in the U.S., so we will be  
15 applying, the percentages will reflect daily value  
16 and we'll be calling that out on the package.

17 And what I didn't mention when I talked  
18 about our consumer, our U.S. consumer research is we  
19 looked at different icon-based programs, those with  
20 and without DV and it was found that the DV did, as  
21 long as they understood what that meant with some  
22 information, then that was proved to be very useful

0282

1 to them.

2 CELESTE CLARK: In the other markets  
3 outside of the U.S. where we have used guideline  
4 daily amounts, our research shows that consumers  
5 have an understanding of guideline daily amounts in  
6 the U.S.

7 We are using GDAs pretty synonymously  
8 with daily value. However, when we do the research  
9 in a few weeks, one of the things that we want to  
10 get at is whether or not there is any confusion  
11 created by adding the concept of daily value -- of  
12 GDAs versus daily value, so we'll be able to get a  
13 read on that.

14 MICHAEL LANDA: Any other questions from  
15 members of the panel? Jordan Lin.

16 JORDAN LIN: Yes, I have a question  
17 regarding the claims versus the symbol impact on  
18 sales.

19 I mean we have noticed that there is  
20 some products in the market now which not only have  
21 the symbol but also some content claims, say like  
22 low fat or other similar kind of claim.

0283

1 Then has there been any research done in  
2 terms of how the -- what are the marginal impacts of



3 adding the symbol to the product if it already has a  
4 claim on the product package?

5 NANCY GREEN: I can answer from a  
6 PepsiCo perspective, all of the products that had  
7 Smart Spot symbol, a number of those products  
8 already had nutrient content claim, either for  
9 positive nutrients like X -- good source of calcium  
10 or, you know, low in saturated fat, so those  
11 nutrient contents claims were already on package.  
12 They stayed on package when we added the logo, the  
13 logo was added as yet another tool to try to aid the  
14 consumer, but certainly not to replace anything as  
15 far as nutrient content claims.

16 And so it would be hard to  
17 differentiate, you know, the effect because they  
18 were already there.

19 KATHY WEIMER: From General Mills'  
20 standpoint, again, we also had claims prior to doing  
21 the icon programs or the, now the nutrition  
22 highlights and I mentioned that we carry both on the

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1 package, but, you know, the research that we've  
2 focused on so far has really been to understand, you  
3 know, the icon system and we haven't teased out that  
4 aspect of do the claims, how do they work together,  
5 but they certainly were in existence prior to the  
6 icons.

7 MICHAEL LANDA: Any other questions from  
8 the panel?

9 Rob Post.

10 ROBERT POST: Based on Nancy's last  
11 comment, I have a question about the use of nutrient  
12 content claims, for example, and logos or symbols  
13 and is there a tendency or what is your experience  
14 in testing sort of the shorthand terms used  
15 sometimes to abbreviate nutrient content claims like  
16 using two letters to reflect low fat, is that part  
17 of these systems, is that intended to be part of a  
18 system that you're aware of, has that been tested?

19 And it isn't necessarily Nancy, it could  
20 be anybody.

21 KATHY WEIMER: Originally the first set  
22 of icons that we used, and I'm Kathy, from General

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1 Mills, but the first set of icons that we used were,  
2 did have like low fat written out inside them and  
3 then usually some pictorial symbol to try to help  
4 consumers grasp that. So I don't believe that we  
5 used just like LF or something like that in any of  
6 our, in any of our little icons.

7 NANCY GREEN: Low fat would be part of  
8 the criteria that we would have but that would be  
9 trans -- the consumer wouldn't see that when they  
10 saw the logo. So the product could carry the logo  
11 if part of the reason it was qualifying was because  
12 it was low fat, that might be on the statement in  
13 the back why we say why it is Smart Spot but we  
14 would still have probably a nutrient content claim  
15 on front of label.

16 I think consumers are used to those, we  
17 certainly would not want to walk away from that  
18 because I think they're very impactful from our  
19 research.

20 RICHARD BLACK: I would just add from  
21 Kraft's perspective, we have no desire to see a  
22 short form in letters like that, LF.

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1 If icons could be developed, and I saw  
2 the glass of milk, for example, for calcium, I think  
3 that might be appropriate, but I've seen some really  
4 startling research on how different people interpret  
5 the same icon and you may think it's obvious, but  
6 half the other people in the room may not and so  
7 that's problematic, as well.

8 ROBERT POST: Okay, thank you.

9 MICHAEL LANDA: We have a question from  
10 Barbara Schneeman.

11 BARBARA SCHNEEMAN: A comment was made  
12 that, about some reference to how, there might be a  
13 difference in how consumers use these symbols at the  
14 point of purchase versus how they might use them in  
15 the home and I'm wondering if you all could comment  
16 on that, do you perceive there would be a difference  
17 and what do you think might be the difference?

18 Do you have any consumer data on how  
19 they would use that in those two different ways?

20 NANCY GREEN: We have some ethnographic  
21 research that I did not present today just given  
22 limitation on time and not wanting to go through,

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1 explaining about that, but what we learned from  
2 consumers when we went shopping with them as well as  
3 when we were at home with them when they were in  
4 their pantry and said what does this mean to you  
5 when you see it there, it kind of led to my earlier  
6 comment. When they're in the store, they tend to be  
7 comparing to things in the shelf close to them, so  
8 that it is within category.

9 When they get home, then is when they  
10 may be opening their pantry and looking at what they  
11 have in the pantry and they may be then comparing it  
12 against something that would not necessarily have  
13 been located close to each other in the market.

14 Consumers told us that they use the logo  
15 if, if they were interested in the category, they  
16 would turn and look at the nutrition fact panel, if  
17 they were label readers. If they were not label  
18 readers, it didn't tend to cause them to read a  
19 label.

20 So, there wasn't a change in behavior  
21 there.

22 KATHY WEIMER: We, I brought that point

0288

1 up but we have not done that type of research yet  
2 and I think that would be very interesting to  
3 understand the differences. I know EUFIC did some  
4 research, some preliminary kind of ethnographic  
5 research looking at uses of the label and there was  
6 a little bit of a difference between what they did  
7 in store versus at home. So I think, you know,  
8 given that, it's very possible that it could be a  
9 similar situation and so that's why I wanted to  
10 raise that.

11 MICHAEL LANDA: I just have one  
12 question.

13 The research you've just described, did

14 it include, follow through to include actual use in  
15 the home, consumption?  
16 NANCY GREEN: It did. We actually spent  
17 time, it was 40 different consumers and we spent  
18 like an afternoon and evening with them, so it did  
19 follow them through.  
20 MICHAEL LANDA: All right. Thank you.  
21 If that concludes this panel, it's now  
22 20 to 4, if I can read that clock correctly. Why  
0289  
1 don't we resume at 5 minutes after 4. Thank you.  
2 (Recessed 3:39 p.m.)  
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1 AFTERNOON SECOND SESSION SPEAKERS:  
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4 Barbar Schneeman, Moderator  
5 Caren Epstein  
6 Paul ette Thompson  
7 Elizabeth Pivonka  
8 Rose Marie Robertson  
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1 (Reconvened 4:05 p.m.)  
2 BARBARA SCHNEEMAN: Good afternoon.  
3 We're about ready to start our last session for the  
4 day to be followed by a reception, so you have to  
5 keep that in mind, panel.  
6 We know that today has been a long day  
7 and we really appreciate everyone sticking with us

8 getting through these presentations which have been  
9 excellent.

10 So in the panel this afternoon, we will  
11 continue the U.S. experience. In this particular  
12 panel we have both retailers as well as some  
13 non-profit organization to talk about their  
14 experience with the use of symbols.

15 And I'll just read through the panel  
16 names, we have Hannaford Brothers Company, Caren  
17 Epstein, Giant Foods, Paulette Thompson, Produce for  
18 Better Health Foundation, Elizabeth Pivonka and the  
19 American Heart Association, Rose Marie Robertson.

20 So we'll start with Caren Epstein, the  
21 Hannaford Brothers Company.

22 CAREN EPSTEIN: Let me begin with a

0292

1 brief disclaimer, I don't typically testify so I  
2 don't have a Power Point presentation and I got up  
3 at 3:30 this morning to catch a flight to get here,  
4 so if I'm slightly less coherent and less polished  
5 than some of the previous speakers, I apologize.

6 With that as a lead-in, let me begin by  
7 saying that I'm here today to talk about Guiding  
8 Stars. Guiding Stars is Hannaford's store-wide  
9 nutrition navigation system.

10 Just a little bit of background about  
11 Hannaford, we are a 160 supermarket and pharmacy  
12 chain located in the northeast United States with  
13 stores in Maine, New Hampshire, Vermont,  
14 Massachusetts and New York.

15 In 2008, Hannaford is going to be  
16 celebrating its 125th anniversary and one of the  
17 reasons that we've been in business for 125 years is  
18 we've stayed very closely connected with our  
19 customers.

20 Three years ago we asked 3,300 of those  
21 customers -- excuse me while I adjust this, 3,300 of  
22 those customers to identify some food-related issues

0293

1 that were of interest or concern to them. Depending  
2 on life stage, their responses varied, but one thing  
3 they had in common was that they were confused.  
4 They found the plethora of information in the media  
5 regarding good and bad foods overwhelming and often  
6 conflicting.

7 They viewed the proliferation of symbols  
8 on packaging as unclear and sometimes self-serving  
9 and while they read nutrition labels anywhere from  
10 rarely to fairly often, they agreed that they were  
11 unsure of how to interpret the information on those  
12 labels.

13 Based on those responses, Hannaford  
14 developed and tested a series of concepts, which was  
15 then called Three Stars to Health, which  
16 subsequently became Guiding Stars, was the clear  
17 winner.

18 Guiding Stars is a simple, easy-to-use  
19 tool that helps our consumers find the most  
20 nutritious foods in the store quickly and easily.  
21 Why is Guiding Stars different or how is Guiding  
22 Stars different from any of the other systems you

0294

1 may be familiar with? For one thing, it's a

2 store-wide system. It's not just private label or  
3 branded product, it's the entire store, because  
4 that's how customers shop. They're not comparing an  
5 apple with an Oreo, they're comparing an apple with  
6 watermelon and an Oreo with a graham cracker.

7 Before we introduced the program in our  
8 stores, we tested four versions of the concept. One  
9 used just the stars, we called that our control, to  
10 denote those products with good, better and best  
11 nutritional value.

12 A second used a combination of the stars  
13 with a checkmark in what was designated, forgive me  
14 for this, best of the worst. In this version those  
15 products that wouldn't normally earn a star but are  
16 still better for you than other products in the  
17 particular category would receive a checkmark.

18 The third version combined the stars  
19 with My Pyramid. This version color-coded the stars  
20 to correspond to the food group the product  
21 represented.

22 The fourth version designated Eat

0295

1 Nutritious used just the stars, but instead of  
2 defining the system from a good, better and best  
3 nutritional standpoint, this version defined them as  
4 one star eat regularly, two stars eat these foods  
5 every day and three stars eat these foods several  
6 times a day.

7 Both the control concept and the eat  
8 nutritious concept were preferred over the My  
9 Pyramid and the best of the worst, what a surprise.

10 Armed with that information, Hannaford  
11 began the Guiding Stars efforts by forming a panel  
12 of nutrition experts to translate scientific studies  
13 and identify a set of criteria that differentiate  
14 nutritious foods. Given the limited scientific  
15 criteria available to support the eat nutritious  
16 concept, the control concept was selected.

17 Drawing from leading national and  
18 international health organizations, including the  
19 FDA, the USDA, the U.S. Department of Health and  
20 Human Services, the World Health Organization, the  
21 National Academies of Science and others, the panel  
22 developed an algorithm to assess all foods sold by

0296

1 Hannaford.

2 I want to address up front that we've  
3 been challenged about not making our algorithm  
4 public. Let me simply say that we've invested  
5 heavily in this program both in terms of dollars and  
6 intellectual property and the program is patent  
7 pending. Having said that, we have offered to meet  
8 with any vendor or manufacturer who has a product in  
9 our store to go over the ratings and how we  
10 determine them for every one of their products.

11 Guiding Stars is based on information  
12 contained on the nutrition facts label. For those  
13 items that do not have nutrition facts labels, such  
14 as produce, we relied on the USDA national nutrient  
15 database. The formula debits a product for the  
16 presence of trans fat, saturated fat, cholesterol,  
17 added sodium and added sugar and credits a product  
18 for vitamins, mineral, dietary fiber and whole

19 grains.  
20 The resulting score represents a  
21 weighted total of a product's nutrient content.  
22 Ratings are based on 100 kilo calorie serving sizes.

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1 At the time the program was launched in September of  
2 2006, 24 percent of all foods received at least one  
3 star. At the end of August 2007, 28 percent of  
4 foods received at least one star.

5 More than 25,500 edible products are  
6 currently in the database. Some examples of ratings  
7 by category include 100 percent of fruits and  
8 vegetables, 51 percent of cereals, 41 percent of  
9 seafood, 22 percent of dairy, 21 percent of meat,  
10 7 percent of soups and 7 percent of bakery.

11 We did not initially rate baby foods,  
12 bottled water, fats and oils, coffee, tea and spices  
13 and alcoholic beverages. Our baby food rating will  
14 be out next week and we expect to have fats and oils  
15 rated in the fourth quarter of this year.

16 Let me just say that the reason that  
17 those were not rated initially is because they  
18 require adjustments to the algorithm.

19 It's important to note that with the  
20 exception of those items that do not have unit price  
21 tags, all stars appear on shelf labels, not on  
22 product packaging. Those items without UPTs, unit

0298  
1 price tags, have stars on either the scale labels  
2 for items sold in the deli and meat department or  
3 department signs for fruit and vegetables and  
4 seafood.

5 If the shelf tag has no stars, it means  
6 that either the product does not meet the  
7 nutritional requirements for a star or it is not  
8 rated by the program. In the latter case the  
9 information is indicated by shelf signs in the  
10 category.

11 We communicated the program to consumers  
12 on our Website, in brochures, in flyers, bags,  
13 stuffers and signs throughout the store. We also  
14 have a toll free hotline, an ask the nutritionist  
15 line and E-mail or phone line point of contact as  
16 well as on-air advertising.

17 Customer response has been  
18 overwhelmingly positive. It's important to note  
19 that Hannaford did not change our merchandising  
20 strategy to support Guiding Stars. We did not  
21 market, merchandise or advertise products based on  
22 their star ratings. Starred products were not moved

0299  
1 on the shelves and there were no co-marketing  
2 efforts tied to starred products.

3 Despite no additional merchandising  
4 efforts, however, consumer surveys of 744 primary  
5 and secondary Hannaford shoppers conducted in August  
6 of this year indicated that awareness of Guiding  
7 Stars is at 81 percent, the highest for any program  
8 we've run, and close to half of those surveyed  
9 indicated that they are using the program regularly.

10 That's what customers are saying, but  
11 what are they doing. One year into the program,  
12 data shows that consumers are choosing more nutrient

13 dense items in many categories.  
14 For example, the selection of starred  
15 foods defined as edible grocery, that is cereals,  
16 canned fruits and vegetables, pasta sauces, soups,  
17 crackers, snack foods and beverages where more than  
18 31 percent of all edible items can be found has  
19 increased at twice the rate of those without stars.  
20 Similar results can be found in categories such as  
21 yogurt in dairy, where selection of yogurts with  
22 three stars grew three times faster than their no

0300

1 star counterparts. Selection of starred frozen  
2 dinner entrees grew approximately four times faster  
3 than those without stars.  
4 Similar results can be found in cereals,  
5 soups and salty snacks.  
6 I'm going to give you some examples to  
7 sort of help put this in perspective. I'll use the,  
8 I'll use yogurt I guess for an example. Customers  
9 selected cups of yogurt with stars 18 percent more  
10 frequently than they did at this time last year,  
11 while cups of yogurt without stars were selected  
12 only 4.73 percent more often than last year. And I  
13 can give this information for multiple categories.

14 One thing that's important to note is  
15 that with few exceptions, sales of all products  
16 starred and no starred are up and it's not  
17 surprising that we would see sales of more  
18 non-starred items since they outstrip sales of  
19 starred items. Sales of starred items represent 28  
20 percent of all products in the store which means  
21 that 72 percent of the products do not have stars.  
22 So clearly that's a 2.5 to one ratio, so we expected

0301

1 to see sales of more non-starred products at this  
2 time also.  
3 Fresh fruits and vegetable selections  
4 remained constant, however this wasn't a surprise  
5 given that virtually all fresh fruits and vegetables  
6 received either two or three stars.  
7 Can we prove that Guiding Stars is the  
8 reason for what we're seeing unequivocally? No.  
9 Many elements influence shoppers decisions,  
10 including price, coupons, special promotion, time of  
11 year, advertising, convenience, et cetera.

12 Because Guiding Stars was rolled out in  
13 all Hannaford stores simultaneously, we cannot  
14 factor in all of these variables. We can say,  
15 however, that the combination of awareness, reported  
16 usage and product selection would suggest that the  
17 program is impacting customers purchasing decisions  
18 to some degree.

19 Similar results have occurred at our  
20 sister chain, Sweet Bay, based in Tampa, Florida.  
21 Sweet Bay introduced the Guiding Stars program in  
22 March of 2007.

0302

1 In conclusion, we are participating in  
2 the Keystone center discussions working towards a  
3 uniform system. I'd like to note that shoppers  
4 visit supermarkets on average of 2.1 times per week.  
5 That means that supermarkets are uniquely positioned  
6 to help educate consumers about nutrition. While

7 we're not suggesting that Guiding Stars is the  
8 solution to the issue of nutrition symbols or  
9 product labeling, we encourage the FDA to consider  
10 its merits as part of this proceeding.

11 Thank you.

12 (Applause)

13 BARBARA SCHNEEMAN: Great, thank you.

14 Our next presentation is Paulette  
15 Thompson from Giant Food.

16 PAULETTE THOMPSON: Maybe I better put  
17 this down, too, us short people. Okay. Okay, good  
18 afternoon and it's a pleasure to be here today and  
19 I, too, want to thank Dr. Schneeman and the Center  
20 for Food Safety and Applied Nutrition for asking me  
21 to speak today.

22 I'm going to speak about our information

0303

1 icon program and I think my talk is going to echo  
2 much of what we heard today, but that might be a  
3 good thing at the end of the day.

4 A little bit of background about Ahold  
5 and Ahold USA. I've been billed as Giant Food and I  
6 am Giant Food and I'm also Stop and Shop and I'm  
7 Ahold, so I wear multiple hats here, but Ahold is an  
8 international retailer and we're based in Europe, in  
9 the Netherlands and in Europe. Ahold operates under  
10 three major business segments, there's a few others,  
11 but the major ones are ICA, which is based in  
12 Sweden, Albert Heijn, which we heard a little bit  
13 about today which is based in the Netherlands and in  
14 the Czech Republic operate under the banners of  
15 Albert and Hypernova, altogether over 500 stores in  
16 eight countries.

17 In the United States, Ahold, USA, has  
18 two major arenas, two separate businesses. One is  
19 Stop and Shop and Giant Landover and the other one  
20 is Giant of Carlisle, Pennsylvania, and also they  
21 operate under the banners of Tops and Martin's. And  
22 if you're confused, we're still confused over two

0304

1 Giant Foods, so, but we are sister companies and we  
2 work together but we are two separate businesses.

3 Altogether, Ahold USA has approximately  
4 800 stores in 11 States and the District of  
5 Columbia.

6 Okay, I'm going to talk about, as I  
7 said, our information icon program today. Over on  
8 the right side of the screen you can see some  
9 graphics of what the icons look like. They are a  
10 front of package labeling program and which we've  
11 heard a lot about today and they are on the packages  
12 of all the U.S. banners, so again, that's Stop and  
13 Shop, Giant in Landover, Giant in Carlisle, Martin's  
14 and Tops.

15 So it's really, it's also I guess Ahold  
16 USA corporate brands program. We rolled out these  
17 icons in 2005 and so it's been about two years now.

18 Our purpose in putting out these icons,  
19 I guess if you want to put it that way, is to help  
20 customers make an informed positive choice for their  
21 health and dietary needs and to highlight the  
22 presence or the absence of relevant nutrients and

0305



1 ingredients.

2 And we also, I think it was Kraft or  
3 someone had three guiding principles, we have three  
4 guiding principles here also in this program. One  
5 is we do feel we have a social responsibility to  
6 help customers make informed positive choices for  
7 their health.

8 We are a full service supermarket and,  
9 in fact, one of my colleagues in, in the Netherlands  
10 often refers to us as selling the good, bad and the  
11 ugly and, and since we do sell the good, the bad and  
12 the ugly, we do feel that we need to help our  
13 customers identify those choices or at least be able  
14 to see which choices are the healthy ones.

15 Our claims must be scientifically sound  
16 and regulatory compliant. Our third principle is  
17 that our icons be consumer relevant for the product.  
18 You will hear that we limit to the number of icons  
19 on a package, so some products may qualify for many  
20 icons and in that case, we have to make some -- a  
21 decision, a judgment call on which ones should we  
22 put on the package and it is our goal to pick the

0306

1 ones that are the most consumer relevant for the  
2 product.

3 Our information icon program was an  
4 off-shoot of an existing program that Giant Food in  
5 Landover had for many, many years, that program was  
6 a shelf label program. It was developed with the  
7 Food and Drug Administration and it was called  
8 special diet alert. Giant Food was one of the first  
9 retailers to identify the absence of negative  
10 ingredients, or the presence of positive ingredients  
11 and that was, as I said, over 20 years ago now,  
12 although we're still hearing the same things today,  
13 aren't we.

14 And we did highlight whether products  
15 were low or reduced in sodium, low or reduced in fat  
16 and cholesterol, low or reduced in calories or high  
17 in poly unsaturated fat was a nutrient of concern at  
18 that point in time. And you can see the shelf  
19 labeled graphic there where we used arrows right on  
20 the unit price tag identifying, I don't know if  
21 there was any product that really met all of those  
22 criteria, but it showed how it could have up to five

0307

1 there on the unit price tag.

2 In the late 1980s we worked with the  
3 National Cancer Institute and added good source of  
4 fiber to help reduce the risk of cancer.

5 So, this was Giant Foods shelf label  
6 program and as I said, over many, many years.

7 So, why did we end this program and  
8 start with the icon program which was expanded, as I  
9 said to all of Ahold's USA companies. A number of  
10 reasons, really.

11 One was that we maintained a nutrient  
12 database ourselves in order to maintain this program  
13 and it was on brand name products, not just private  
14 label products. And it became evident by the early  
15 2000s as supermarkets, when this program started in  
16 the 1980s, there was also a booklet that was  
17 published along with the shelf labels that listed

18 all of the foods that were in the program and gave  
19 the specific numbers for the nutrients.

20 This was, again, too, before the  
21 Nutrition Labeling and Education Act so that  
22 information wasn't even necessarily on the package

0308

1 label. So the book was definitely of prime  
2 importance so people had the data, as we've been  
3 hearing today. That the data is on the package.  
4 Well in those days, it wasn't even there.  
5 But that book was like 100 -- started  
6 out as like 100 items. By the time 20 years later  
7 came around, it was over, it was about 6,000 items  
8 that qualified for the program and the database had  
9 over 14,000 items in it. What became apparent was  
10 that it was very difficult to, for us with our  
11 resources that we had in our company to maintain  
12 that database, so we began to look at alternative  
13 ways of providing this information to our customers,  
14 and what we could do.

15 So one of the things that we explored  
16 was, or our conclusion was that perhaps we should  
17 concentrate on private label because that's what we  
18 had the accurate and up-to-date data for.

19 And so when we went to private label,  
20 though, also, we went to putting it on the package  
21 and it was not a decision to remove it from the  
22 shelf label. It is no longer on the shelf label.

0309

1 That wasn't a conscious decision made that we were  
2 going to put it on the packages and now we're going  
3 to take it off the labels. That actually was just  
4 what happened with an integration of Stop and Shop  
5 and Giant Landover in a change in systems and no  
6 longer being able to put it on the shelf label at  
7 that point in time so that that just sort of  
8 occurred simultaneously.

9 So we looked at putting it on package  
10 labels and we thought, again, what research do we  
11 need to do to sell this program, I guess you could  
12 say, to all of the operating companies and not just  
13 Giant Landover.

14 And we did have some research from our  
15 program at Giant Landover, that was done with the  
16 Food and Drug Administration and that research  
17 published results of a comparison. And at that  
18 point in time we had done control stores in  
19 Baltimore and rolled the program out in the D.C.  
20 stores and we, too, found that sales of shelf  
21 labeled products, and this was in eight categories,  
22 increased significantly in the Washington test

0310

1 stores over the Baltimore control stores.

2 And one point to make here is that we  
3 were able to determine that because it was -- we had  
4 control stores, some of the promotions were the same  
5 in both places, so we were able to get, remove those  
6 factors from, from the data which can complicate  
7 things.

8 So we were able to maybe more  
9 definitively say that it was due to the shelf  
10 labels, themselves, and that the relative increase  
11 in market share was 4 to 8 percent for shelf labeled

12 products. Also it was a two-year test period which  
13 was also significant in that it gave some evidence  
14 anyway that consumers maintained this over a fairly  
15 long time period, that it may indicate a real  
16 behavior change and again not just for a certain  
17 promotion or a launch of a new product.

18 But recent consumer research, and we've  
19 heard a lot today, consumers use the nutrition facts  
20 panel, here's some other data, FMI shopping for  
21 health, 83 percent, sometimes or always checked the  
22 nutrition facts label. Our own Stop and Shop data,

0311

1 we do do an overall -- overall health and wellness  
2 survey of our customers every Fall. They are  
3 primary Stop and Shop and Giant Landover customers  
4 as well as some secondary shoppers and 72 percent  
5 indicated that they use product labeling in the last  
6 month. Some data from Yankelovich, 54 percent  
7 indicated that they frequently read nutrition  
8 labels.

9 So we know that customers use the  
10 nutrition facts panel. We also can see from  
11 different research, though, that consumers want a  
12 simpler message. Package icons make it easier.  
13 This is a study by the beef and pork producers to  
14 identify specific attributes; however, that it did  
15 not help them plan an overall healthy diet.

16 Consumers will seek symbols for  
17 simplicity according to the Hartman group and I did,  
18 there is some research by Juan Sing and actually, I  
19 apologize, but I think part of this sentence has  
20 been deleted, it was a, he found that combining  
21 short health claims on the front of the package with  
22 more information on the back of the package leads

0312

1 consumers to more fully process and believe the  
2 claim, which was some interesting research that was  
3 on food policy.

4 We also know that time constraints and  
5 cost are barriers and so a simple icon, again, may  
6 help with those time constraints that's on the front  
7 of the package. 40 percent of our own customers  
8 told us that they felt products called healthy or  
9 with health claims usually cost more than regular  
10 items and of course putting it on our private label,  
11 we hoped to dispel that belief in that they are a  
12 good value compared to the name brand product.

13 Our own customers also told us, though,  
14 that really it's not that many of them, maybe  
15 19 percent, 1 out of 5, that they want supermarkets  
16 to help them identify healthy food choices and that  
17 they wished that we would provide more information  
18 to help them eat healthier.

19 Here are our icons. Our program is word  
20 reliant. I say it was an off shoot of our shelf  
21 type program which used arrows. This program also  
22 generally uses arrows or very simple graphics. It's

0313

1 word reliant and uses low, very low, reduced, vegan,  
2 whole grain, heart healthy and it is generally on  
3 the lower left corner of a package and here is a  
4 cereal package that has three icons. The claims are  
5 all Federally defying claims for nutrients, the

6 allergin claims are for the absence of the allergin  
7 in the ingredients and possibly through  
8 cross-contamination. Our suppliers do provide us  
9 that information.

10 We -- gluten free is one of the icons  
11 and I would say as working in consumer affairs where  
12 I'm based, it is, I would say, the most frequently  
13 looked at icon. It is certainly the one we get the  
14 most questions about is gluten free.

15 Vegan, also, seems to be a very popular  
16 one and we have gotten compliments on including  
17 vegan.

18 So our strategy was in rolling out the  
19 information icon program is our demonstration of our  
20 commitment to health and wellness and I would also  
21 say as I've heard some other speakers say today,  
22 though, that as a retailer, we have many other

0314

1 vehicles to also show our commitment to consumers  
2 for health and wellness, how we communicate with our  
3 customers.

4 So this is just one part of what we do.  
5 We saw an opportunity, though, to launch these  
6 package icons with the trans fat labeling  
7 requirements and you will see in my next slide that  
8 there is a cost, as we heard before, of packaging  
9 changes, but we saw an opportunity that with the  
10 packaging changes we are going to be doing for trans  
11 fat, that it was an opportune time to roll these out  
12 on our private label and also on new products. And  
13 we were launching a new natural organic line so they  
14 were the first products really to have the icons.  
15 As I said, we use up to three icons and we do also  
16 note allergins.

17 Consumer marketing, as I said, Nature's  
18 Promise, we had a brochure that listed the icons,  
19 they are on our Website. We use our regular  
20 communication vehicle such as our consumer advisor  
21 column.

22 BARBARA SCHNEEMAN: And we do need you

0315

1 to finish up.

2 PAULETTE THOMPSON: Finish up, okay. I  
3 have two more slides.

4 Current status, over 300 products, all  
5 new items, we really haven't had to do many  
6 re-formulations due to the icon program, just trans  
7 fat and it hasn't affected the price. I think we've  
8 already heard some of the costs that can be incurred  
9 if one does do re-formulations or packaging.

10 And in summary, it's a private label  
11 packaging only, highlights the presence or absence  
12 of nutrients and ingredients. It's word reliant,  
13 not a symbol program. It's built on the existing  
14 shelf labeling program we had and it enhances the  
15 nutrition facts panel.

16 Thank you.

17 (Applause).

18 BARBARA SCHNEEMAN: Our next  
19 presentation is Elizabeth Pivonka from the Produce  
20 for Better Health Foundation.

21 ELIZABETH PIVONKA: Good afternoon and  
22 thank you, Barbara, and it's a pleasure to be with

0316

1 you this afternoon and thanks to FDA for inviting me  
2 to speak here today.

3 I know when they first asked me to  
4 present I thought, gee, I don't know if we really  
5 belong in this session because I looked at the  
6 Federal Register and said we can't answer half of  
7 your questions here, but anyway it's a little bit  
8 different presentation maybe than some of the others  
9 that you've seen.

10 For those of you who aren't familiar  
11 with the Produce for Better Health Foundation, we've  
12 been in existence since 1991 and basically we came  
13 into existence to partner with the National Cancer  
14 Institute on the Five a Day Program as it was going  
15 from a State of California program to a national  
16 program.

17 Five a Day started in California in 1988  
18 and then we took it national in 1991 and PBH was  
19 incorporated to interface with the industry because  
20 our Government partner didn't want to have to deal  
21 with all of the different industry groups, or little  
22 fruit and vegetable companies, so that's who PBH is.

0317

1 We've been, and we've been working with  
2 the National Cancer Institute since 1991 at the  
3 national level. About a little over two years ago  
4 the lead Federal health authority for the Five a Day  
5 Program transferred from the National Cancer  
6 Institute to the Center for Disease Control and  
7 Prevention which was a big step for the program.

8 Also right about that time the dietary  
9 guidelines were changing and from our research, we  
10 could see that consumption wasn't increasing as  
11 rapidly as we wanted it to. In fact, at the rate we  
12 were going, it's going to be about 100 years before  
13 fruit and vegetable consumption is going to increase  
14 to the minimum of five servings a day and our  
15 dietary guidelines were recommending anywhere  
16 between 4 and 13 servings. So we decided we ought  
17 to step back and take a look perhaps at our  
18 messaging and see if, see if there was something  
19 better that we perhaps needed to do.

20 So we hired a branding firm out of  
21 New York to actually help us with a re-branding of  
22 Five a Day and we weren't even sure going into it

0318

1 that we were going to re-brand Five a Day, but we  
2 wanted to step back and take a look at it.

3 After, and I won't go into all of the  
4 detail, but after quite a bit of research over a  
5 period of a year, a lot of intensive consumer  
6 research and consumer research that was done largely  
7 with moms and moms because they are still the  
8 primary gatekeeper to what the family eats and they  
9 are still the primary gatekeeper to the health of  
10 the family.

11 What we learned from all of our research  
12 is that moms didn't want to be made to feel guilty  
13 about not doing what they know they should be doing  
14 and that is getting their families to eat fruits and  
15 vegetables. They didn't want to be preached to and  
16 they didn't want to be scared into eating fruits and

17 vegetables.  
18 One of the other things that we learned  
19 is that people who weren't even close to five a day  
20 felt alienated by the number, whether they were  
21 close or not, it was their perception of whether or  
22 not they were close because, and I had often felt

0319  
1 for 15 years that perhaps we were doing more to  
2 explain what a serving was as opposed to really  
3 getting people to increase fruit and vegetable  
4 consumption.

5 So basically what we did is we stepped  
6 back from the number and basically just tried to  
7 develop a, a message based on positioning, work with  
8 moms, a message that tapped into her sense of  
9 responsibility to feed her family well.

10 So we tested this message with moms and  
11 then we tested it with a broader population to make  
12 sure that it wasn't a turn-off with men's -- with  
13 men and with consumers of various age groups.

14 So just to give you a quick overview of  
15 what we had in the past and where we're going. Five  
16 a Day was very functionally-based and instructional  
17 because it was numeric.

18 More Matters, we believe, is more  
19 emotionally based because we are tapping into that  
20 sense of responsibilities of moms and, therefore, we  
21 believe it's more inspirational. Five a Day, in  
22 theory, was constantly changing because the dietary

0320  
1 guidelines were updated every five years on fruits  
2 and veggies. More Matters we believe is a stake in  
3 the ground and one that we intend to keep we hope  
4 for the next 15, 20 years and hopefully by then we  
5 won't have to use it anymore because consumption  
6 will be where it needs to be.

7 Five a Day in the past was a perceived  
8 fresh program and I emphasize the word perceived  
9 because it was never intended to be a fresh program.  
10 It was always fresh, canned, frozen, dried and  
11 100 percent juice, but for some reason, and we saw  
12 this in our research, consumers felt guilty if they  
13 weren't feeding their family anything but fresh  
14 fruits and vegetables which was a bit of a concern  
15 for us because in this day and age of convenience,  
16 canned and frozen, dried, 100 percent juice of other  
17 ways of getting fruits and vegetables into  
18 consumers. So we're making a re-doubled effort to  
19 promote the fact that all forms of fruits and  
20 vegetables count.

21 Five a Day very much focused on all of  
22 the benefits and why you should eat fruits and

0321  
1 vegetables and pretty much consumers know fruits and  
2 vegetables are good for them.

3 Moving forward, we're spending a whole  
4 lot more time on the how to, how to incorporate more  
5 fruits and vegetables quickly and easily into your  
6 daily lives.

7 So with that as a bit of background, I  
8 wanted to talk to you about what we do as a  
9 non-profit organization in trying to get our message  
10 out to consumers when you virtually have no budget.

11 Remember, the fruit and vegetable  
12 industry doesn't have a lot of profit margin so they  
13 really don't have a lot of money to market their  
14 product. We are not a check-off program like the  
15 beef or the dairy industry, we are a voluntary  
16 contribution organization and in part because the  
17 fruit and vegetable industry is so fragmented.

18 You know, what happens in apples in  
19 Washington State is completely different from onions  
20 that are grown in the ground in Colorado, so a very  
21 fragmented industry and this is, this is one message  
22 that everybody can rally around.

0322

1 The other interesting thing about the  
2 fruits and veggies More Matters research is that  
3 just seeing the logo, itself, consumers said, almost  
4 two-thirds of consumers said just seeing the logo  
5 itself would increase their interest in eating more  
6 fruits and vegetables either extremely well or very  
7 well.

8 So, our goal was just to get this logo  
9 out in front of consumers as a gentle reminder to do  
10 what they already know that they should be doing.

11 So, so what we, what we do at Produce  
12 for Better Health Foundation is try to encourage  
13 message, dissemination of this message. So as with  
14 Five a Day, our background structure is similar with  
15 Five a Day so we get our message out in the same  
16 venues that we did before.

17 So right now we have about 23,000  
18 supermarkets who have licensed the use of fruits and  
19 veggies More Matters, that represents about 70  
20 percent of all of the fresh produce volume. Just to  
21 give you an idea of how many supermarkets that is,  
22 there's about 30,000 supermarkets in this store, so

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1 all of these folks are licensed to use it, most of  
2 them are starting to use the logo in their  
3 advertising. About three of them, and I can't tell  
4 you which ones yet, but three of them are working on  
5 their private label products, both frozen and canned  
6 and several of them, probably half of them are doing  
7 even more intense activities beyond just their  
8 advertising.

9 We also work to get our message out  
10 through the media, so a lot of work both with PBH  
11 and the Center for Disease Control reaching  
12 consumers through the media.

13 In our research over the past year as  
14 we've been launching fruits and veggies More  
15 Matters, which by the way was launched in March of  
16 '07, this Spring, the three ways consumers knew  
17 about Five a Day in the past, supermarkets, the  
18 media and packaging, so media and supermarkets are a  
19 real key part of how we get our message out to  
20 consumers.

21 We also have a network of other partners  
22 who are helping us increase fruit and vegetable

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1 consumption and these are all, all, some of our  
2 partners, CDC and USDA are probably playing the  
3 biggest role at this point right now and certainly  
4 more that they could all be doing, but we are

5 reaching consumers through all of these venues.

6 I'll point out the one at the bottom,  
7 National Council of Fruit and Vegetable Nutrition  
8 Coordinators, these used to be our State Five a Day  
9 coordinators so we had to change their name, they're  
10 now our fruit and vegetable nutrition coordinators  
11 and there is a State coalition in every State that's  
12 promoting fruits and vegetables, so we use our  
13 grass-roots effort basically to reach consumers.

14 So here's an example of what some of  
15 them did for the launch, North Dakota, for example,  
16 has about nine billboards in North Dakota helping  
17 promote the message. A lot of TV work in  
18 preparation for the launch and September is National  
19 Fruits and Veggies More Matters Month, so a lot of  
20 other activities starting up again here this month.

21 We reach out to educators and health  
22 professionals with a number of educational

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1 materials. Again, this is how we get our message  
2 out to consumers everywhere we possibly can, we try  
3 to include that, that logo. A new Website,  
4 FruitsandVeggiesMoreMatters.org was developed as an  
5 interactive Website largely targeted to moms,  
6 younger moms, in particular, and that's how we're  
7 getting our message to consumer, consumers.

8 So it just so happens that we like to  
9 use the packaging as well as a way of getting our  
10 message to consumers and we wanted to use the  
11 packaging because without a budget it was another  
12 way of reaching the consumer to make an impression,  
13 but because we were using packages, we were assuming  
14 that if anybody saw the logo on a package, they  
15 would think that it would mean automatically that  
16 the product was exceptional or good for you. We  
17 didn't have any research, we just assumed that that  
18 was the case.

19 So, assuming that that's the case, that  
20 consumers might see it as an endorsement. We  
21 developed criteria, what we affectionately call our  
22 products promotable criteria and this criteria is

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1 basically the criteria by which a product can carry  
2 the logo. I've highlighted those in red that are a  
3 little bit different than FDA's healthy definitions  
4 by and large, we followed FDA's healthy definitions,  
5 but for processed fruits and vegetables, one serving  
6 of fruit or vegetable, and those are USDA serving  
7 sizes, the product, it has to contain one serving,  
8 for sweeteners it has to be less than or equal to  
9 8 calories per serving and concentrated fruit juice  
10 counts as a sweetener. We allow a quarter-ounce of  
11 nuts per serving because of that healthy fat so we  
12 don't count that healthy fat against you and then  
13 there's a fiber requirement.

14 So I just, I pointed out in red some of  
15 those areas that are new that are not FDA healthy  
16 definitions.

17 Just so that you know what we consider a  
18 serving of fruit or vegetable, all of these are what  
19 we consider a serving, fresh, canned, frozen, dried,  
20 100 percent juice. The questions that we're getting  
21 today largely from food manufacturers is do flakes



22 or powders or concentrated purees count and those

0327

1 are questions that are interesting questions that we  
2 haven't been able to answer yet, but those are the  
3 kinds of questions that we're getting.

4 So, as you can imagine, these are the  
5 products that we're starting to see the logo on and  
6 this is a PLU sticker down in the lower left-hand  
7 corner. I've been trying to get the industry to use  
8 more PLU stickers with the logo on it and it's just  
9 an added cost that they worry about.

10 There's an exception, so, for example,  
11 some non-edible items that are useful in helping  
12 promote fruits and vegetables, we allow these people  
13 to carry it on their product.

14 Some off package reminders, now keep in  
15 mind we're trying to get our message out to  
16 consumers as many places as we can since we don't  
17 have an advertising budget, but we also want to be  
18 careful that we're not endorsing a product.

19 So, with CDC's permission, and we take  
20 this on a case-by-case basis, we are working with  
21 particular companies to help us get the message out  
22 to consumers. So here's an example of a neck hanger

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1 with Hidden Valley Ranch who if any of you saw it  
2 this past Spring, there was a nice magnet on the  
3 front with fruits and veggies More Matters and  
4 they're helping us, they reached a million  
5 consumers, there were a million magnets on these  
6 products. It wasn't on the label, itself, it was a  
7 neck hanger that went on to the salad dressing, so  
8 we were very thankful that they were able to reach a  
9 thousand -- a million consumers via that venue.

10 Here's another example of one of  
11 Unilever's products, Knorr has a size plus with  
12 additional veggies in it. Now it didn't meet our  
13 product's promotable criteria to carry the logo on  
14 the product, itself, but they did provide a full  
15 serving of vegetable in the product. It was a  
16 little high in sodium and what they're doing is  
17 they're helping us use their product in recipes that  
18 do meet our criteria, so we're promoting the recipes  
19 that meet our criteria and they're using down at the  
20 bottom of this FSI, you can see they're using a  
21 proud supporter of the fruits and veggies More  
22 Matters campaign.

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1 A Website, Lean Cuisine, is another  
2 example of a product that was a little bit high in  
3 sodium, but they have twice the veggies in their  
4 products, some great products, they're helping us on  
5 their Website. They're also helping us in some  
6 tradeshow signs, they're proud supporters of fruits  
7 and veggies More Matters, so trying to get the  
8 message out that way.

9 McDonal d's, while their products didn't  
10 quite qualify to carry the logo on their new salads,  
11 they actually have been including our messages in  
12 case-by-case approved efforts and this happens to be  
13 a tour that they did this Summer with in 10 cities  
14 promoting some of their new salads. So you can see  
15 this was a, it was an exhibit for moms, basically.

16 And I'm almost done. So, just a quick  
17 summary, research, a lot of research supports the  
18 fact that fruits and veggies More Matters is a  
19 stand-alone motivational message for consumers.  
20 There is no research that we have on what consumers  
21 think of it on packaging in particular.

22 There's no research on the sales impact  
0330

1 of it on packaging either. We've been asked that  
2 information, we don't have that information. We, we  
3 would be interested in a standardized nutrient  
4 criteria for symbols on packaging, so if that's  
5 where you're headed with this, we would be very  
6 interested in entertaining that.

7 And I'll stop there and thank you.

8 (Applause).

9 BARBARA SCHNEEMAN: Great, thank you.

10 Great, thank you, and then our last  
11 presentation in this panel is Rose Marie Robertson  
12 from the American Heart Association.

13 ROSE MARIE ROBERTSON: Thanks, Barbara,  
14 and thanks for the opportunity to present the views  
15 of the American Heart Association, American Stroke  
16 Association. I'm Rose Marie Robertson, chief  
17 science officer of the AHA. The AHA is the nation's  
18 largest voluntary health organization with more than  
19 22 million volunteers and supporters committed to  
20 reducing disability in death from cardiovascular  
21 disease and stroke.

22 And let me first -- I'll talk to you a

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1 little while we're getting that together. And I was  
2 going to begin in any case by conveying the AHA's  
3 support for the FDA's efforts to improve how  
4 nutrition information is communicated to the public.  
5 We strongly believe that getting  
6 scientifically-based and understandable nutrition  
7 information out to the public is critical.

8 We think that, as clearly many of you do  
9 here today, that doing that on the package and in  
10 stores is important. We think it also needs to be  
11 supported by a well-designed and rigorous consumer  
12 education program and that that consumer education  
13 needs to be consistent to have the most impact.

14 It seems to me that just from being here  
15 today that the, this meeting should move us in that  
16 direction.

17 We'll talk, what I'll talk about quickly  
18 are the three, your three basic questions, what  
19 we've done with the AHA's food certification program  
20 and our consumer education, what our consumer  
21 research shows about the impact of that program and  
22 then end with our suggestions for a standardized

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1 icon system.

2 We, we, I think we all again agree that  
3 the nutrition facts panel is one way consumers can  
4 get information, but it's clear that consumers both  
5 need and recognize that they need more guidance,  
6 they need information that they can get quickly, at  
7 a glance, on the front of the package. And  
8 recognizing that, in 1995, the AHA created a food  
9 certification program to provide consumers with

10 really a reliable and easy-to-use method to look for  
11 heart healthy food products in stores.

12 The Heart Check program is not a general  
13 health promotion program. It really deals only with  
14 heart disease prevention allowing consumers to  
15 identify products in stores that meet our criteria  
16 and the FDA's criteria for heart healthy foods, so it  
17 really serves as a first step but not the whole, not  
18 the whole of a sensible eating plan.

19 The, participating in the food  
20 certification program is voluntary. The program is  
21 revenue neutral to the association, just supporting  
22 its own, its own activities, and the food -- the

0333

1 food products that meet our certification are  
2 eligible for one of two marks, either the standard  
3 certification, but also for a whole grain  
4 certification.

5 A wide array of products are eligible  
6 for certification, with the exception of candies or  
7 confectioneries and cooking oils and by AHA policy,  
8 food products from, that are from companies that are  
9 either tobacco companies or their subsidiaries. We  
10 will certify any other food. There are about  
11 800 products currently certified and carrying the  
12 AHA mark, a small sample of which I would have  
13 showed you on the screen and may eventually as we  
14 bring that up.

15 To meet the AHA's criteria, and I think  
16 we can do this without slides just as well, because  
17 the criteria are criteria you'll all recognize.  
18 These products have to be low in saturated fat,  
19 cholesterol and sodium and they have to meet at  
20 least 10 percent of the daily value of the shortfall  
21 nutrients, Vitamin A, Vitamin C, iron, calcium,  
22 protein or dietary fiber and meats and seafood have

0334

1 to also meet the standards for extra lean. The  
2 whole grain products have to be at least 51 percent  
3 whole grain by weight and meet the minimum dietary  
4 fiber content criteria.

5 Our criteria are not product specific or  
6 type specific. All the products have to meet the  
7 same requirements and you'll notice that one, or you  
8 would notice that for those of you who had watched  
9 this program over more than the last decade, there's  
10 been a small but significant change recently to  
11 include a trans fat criteria of less than 0.5 grams  
12 per RACC. As of January of 2008, all the new  
13 products have to meet the trans fat criteria and  
14 existing products have to be re-formulated by the  
15 end of the year.

16 The whole grain certification has  
17 included trans fats from the beginning, and I'd  
18 point out as I will again in a minute that the  
19 consumer education part of that we think is quite  
20 important. We, we agree that the public is, is a  
21 little confused about fats, saturated fats and trans  
22 fats and we were quite pleased to begin a trans fat

0335

1 education program. I'd say that McDonald's is  
2 supporting that as well because money from the  
3 settlement of their trans fat suit is supporting the

4 trans fat education program we're doing, that  
5 program which actually includes cartoon characters,  
6 the bad fats, brothers sat and trans, kind of a cute  
7 thing that we're using both in schools and in public  
8 education, we thought was important to help us get  
9 across the message.

10 Although we're not a bad food, good food  
11 people, we are a bad fats, good fats, better for you  
12 fats people.

13 So the trans fat program we think,  
14 having an education program there is quite  
15 important.

16 The criteria we selected for the food  
17 certification program were selected carefully and  
18 they were selected to align with the FDAs A Level  
19 unqualified health claims related to the risk of  
20 coronary heart disease and comprised of AHA's  
21 nutrition recommendations as well.

22 In addition to having those criteria,

0336

1 one thing that we have thought was important in this  
2 program was to maintain a stringent monitoring and  
3 enforcement program. For example, we -- ah, and  
4 there are the criteria. And I'll, I don't think  
5 I'll go back. I think those are criteria that you  
6 would all be -- well all would recognize.

7 And, and here again, these were put  
8 together to align with these unqualified claims in  
9 our nutrition recommendations.

10 So, the enforcement program not only  
11 includes pre-approval of packaging and promotional  
12 materials, but actual annual grocery store audits.  
13 We randomly select and test products, verify that  
14 the correct products display the mark, we check  
15 in-store promotional displays and we don't hesitate  
16 to say that the mark has to come off products that,  
17 that slip because of a re-formulation or other issue  
18 above the criteria.

19 So, we think that's, that's been an  
20 important aspect of this.

21 We require the products to display the  
22 mark in its entirety, including the Heart Check

0337

1 symbol here, the AHA name and the statement about  
2 meeting AHA food criteria for saturated fat and  
3 cholesterol for healthy people over the age of 2,  
4 and adding in whole grains for the whole grain  
5 certification.

6 So, in addition to actually having the  
7 mark on products, we also have a consumer education  
8 program that includes a wide variety of things.  
9 You'll have seen editorial placements in newspapers,  
10 TV spots, a lot of in-store campaigns, direct mail.  
11 We have a Heart Check mark Website that contains  
12 easy-to-use information about the program for  
13 consumers. It has a grocery list builder so people  
14 can, can select healthy foods, pop-up nutrition tips  
15 that help consumers because we think simply having  
16 the information in stores is not sufficient.

17 We also work with health care  
18 professionals, that's a fairly substantial part of  
19 our activity in general and we provide them with  
20 free Pro Packs, which are basically a tool that they

21 can use when they're counseling their patients about  
22 diets.

0338

1 These are all, these educational  
2 activities associated with the Heart Check program  
3 are a small part of what we do in consumer education  
4 and nutrition in general, which is much broader, but  
5 the Heart Check program gives us the opportunity to  
6 engage consumers in some of these other activities.

7 Let me tell you a little bit about what  
8 consumer research we've done about the, about the  
9 program, the most important question from your  
10 perspective I think is does it, does it work, does  
11 it have an impact. And what we've found through  
12 several sets of market research is that more than  
13 90 percent of people are aware of the Heart Check  
14 mark, 89 percent say that it's helpful for the AHA  
15 to certify products and put our mark on food  
16 packaging, 91 percent say that it's good or  
17 excellent.

18 And I think to a great extent this  
19 speaks to the credibility of a third party, but also  
20 to the credibility of a third party that has, that  
21 is a major trusted brand in and of itself.

22 Research also found that consumers

0339

1 pretty much understand what the hard checkmark  
2 means, they, 82 percent will say it means heart  
3 healthy or good. Not all of them understand that  
4 that means it meets certain requirements.

5 Again, some say that it's good or  
6 healthy for me. A substantial portion, but  
7 certainly not all, even though it says it on the  
8 box, understand that it means that it's low in  
9 cholesterol or fat.

10 Now, in terms of product selection, what  
11 does the consumer actually do with this, 92 percent  
12 of people say that it influences the decision to  
13 purchase a food. I think what's interesting is that  
14 if you compare it with generic hearts or a product  
15 that has a manufacturer's symbol, not everybody says  
16 they're more likely to select that if it has the AHA  
17 mark, so there really has been I think a  
18 proliferation of marks and the consumers are clearly  
19 using all of these marks, no question they use this  
20 one, this one as well and use it to a great extent.

21 If we, if we do comparisons of how  
22 useful consumers find it, the, we get a 78 percent

0340

1 for the AHA mark, but a substantial percentage also  
2 find that manufacturer run programs are helpful.

3 I think a place where this mark gives  
4 more credibility is that they, consumers really do  
5 believe that this mark is backed by strong research  
6 whereas that's less the case for manufacturer  
7 programs. And I think that's the case for, you  
8 know, again, a third party, a third party coming in.

9 Consumers who, who find a product more  
10 healthy and believe that that's backed by science  
11 are more likely to purchase that, as well. What's  
12 interesting is is that it depends on where the  
13 product starts, so if an apple a day keeps the  
14 doctor away, an apple with a Heart Check mark still

15 keeps the doctor away, it's not much different.  
16 If the product is something like lean  
17 pork where the consumer is a little less certain  
18 about it, might even think that it was less, that it  
19 was a less healthy food, there having a Heart Check  
20 mark makes a big difference.

21 For example, we don't do research  
22 looking at, looking at sales and the affect on

0341  
1 sales, but companies tell us that if they display  
2 the mark and do some promotion, they see an increase  
3 in sales.

4 Again, fresh produce not very much, but  
5 lean pork saw a 40 percent increase and this ranges  
6 in general from 4 to about 20 percent. Pork was an  
7 unusual, had an unusual affect there.

8 Again, we don't have information because  
9 we're a third-party program on, on the costs of  
10 product development or re-formulation. On the other  
11 hand, it's clear that the program has encouraged a  
12 number of manufacturers to offer better food  
13 choices. Every year we work with manufacturers on  
14 between 20 and 40 products that are being  
15 re-formulated that require some sort of formula  
16 modification to get certification and many other  
17 companies re-formulate before they apply for, for  
18 certification.

19 So, that's not to say this is a perfect  
20 program, but it does have an impact on the quality  
21 of the food. It doesn't provide, as a number of the  
22 programs we've seen today do, detailed information

0342  
1 about which components might be healthier or less  
2 healthy in a food. We're very pleased to be part of  
3 the Keystone dialogue talking about all of those  
4 issues as well and would certainly, certainly think  
5 that that's helpful information to give the public.

6 Finally, our thoughts on the future of  
7 nutrition symbols on food labels, we firmly believe  
8 that icons can be of benefit to the customer, to  
9 communicate important nutrition information,  
10 encourage customers to make better food choices.  
11 We're concerned that there are so many different  
12 systems and that they not only very substantially  
13 but are not all as transparent as they might be,  
14 although we understand how that has developed in the  
15 marketplace.

16 We, we'd very much encourage the FDA to  
17 establish a standard, standardized comprehensive  
18 front of the package food icon system that has  
19 unified criteria as others have said based on the  
20 best available science, featuring consumer education  
21 as the ultimate goal. And we think that the system  
22 shouldn't be disease specific, despite the fact that

0343  
1 we, that that's what we do with ours, but  
2 generalized to the entire population, highlighting  
3 foods and nutrients that are good for you and those  
4 that should be minimized or avoided.

5 We think all foods and beverages really  
6 should be required to display an icon and there are  
7 a couple of additional elements that we'd like to  
8 see, we think would be helpful in a standardized

9 icon system.  
10 We think a clear self-explanatory  
11 nutrition symbol, adequate consumer testing of the  
12 system so that we're sure that we understand and  
13 consumers understand what it means, a nutrition  
14 education campaign. We think that there should be a  
15 robust enforcement and monitoring program that  
16 includes random sampling and we think it should be  
17 re-evaluated on a regular basis, at least every five  
18 years to ensure that it's, that it is consistent  
19 with the dietary guidelines and DRIs.

20 We, we think that in the absence of such  
21 a program, there will be a continued proliferation  
22 of health-related icons and, you know, certainly

0344  
1 feel that we and others will want to continue those  
2 to provide consumers the information they need,  
3 certainly the AHA is committed to doing that, to  
4 objectively and inform and educate the consumer and  
5 certify products that comply.

6 Thanks, very much, and I'm happy to take  
7 questions when you all start talking.

8 (Applause).  
9 MICHAEL LANDA: Barbara Schneeman has a  
10 questi on.

11 BARBARA SCHNEEMAN: Thank you.  
12 I think it's interesting to reflect on  
13 the experience of the retailers and my understanding  
14 from what we heard from the Hannaford system, one  
15 could easily have the star system on the shelf and  
16 then manufacturer logos on the packages and from  
17 what I understood, Giant, you may have your own  
18 logos on the package, but I don't know if you're  
19 also still using a shelf system at all.

20 But I'm just, I would like to hear  
21 comment on how consumers are reacting in that  
22 environment, do you have any data to indicate what,

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1 what, how do consumers react when they see something  
2 on the shelf, something on the package, is that  
3 message in conflict, is it consistent? Do you have  
4 any data on that?

5 PAULETTE THOMPSON: I think we haven't  
6 had any consumer comment on that and I think because  
7 ours is just a nutrient specific program that  
8 identifies, enhances the nutrition facts label and  
9 just identifies nutrients. It doesn't conflict  
10 with, say, a Sensible Solutions or a Pepsi Smart  
11 Choice, which is an overall symbol program, so we  
12 haven't experienced questions from our consumers on  
13 that.

14 CAREN EPSTEIN: We, on the other hand,  
15 have. I think what we have found is that consumers  
16 are confused. If they see a product that has no  
17 stars and yet they see a symbol on it that would  
18 seem to indicate that the product is a good for you  
19 product, then they are, in fact, confused.

20 BARBARA SCHNEEMAN: Are you trying to  
21 address that in any way with your educational  
22 programs or do you have ideas in how to address

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1 that?

2 CAREN EPSTEIN: Guiding Stars is a good,  
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3 better and best system as opposed to a good and bad  
4 system. We're saying that items with one star have  
5 good nutritional value, two better, three best. So  
6 in that way, a consumer may see a product that only  
7 has one star but has a particular symbol on it and  
8 what we've tried to explain to consumers is that our  
9 program looks at several elements whereas the symbol  
10 on the package may just look at a particular  
11 element.

12 Is it challenging for consumers, what  
13 they're telling us is that they feel comfortable  
14 with the star system and as I mentioned, at the risk  
15 of doing irreparable harm to the relationship that  
16 we have with manufacturers, is that sometimes they  
17 have found those symbols to be self-serving as  
18 opposed to informational in nature.

19 MICHAEL LANDA: Alan Levy.

20 ALAN LEVY: Some of the programs that  
21 we've heard described today, they vary in the extent  
22 to which they're mandatory or voluntary. Based on

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1 your experiences, what, what are the advantages of a  
2 mandatory program versus a voluntary program or vice  
3 versa?

4 Anyone could take that up.

5 CAREN EPSTEIN: Oh, okay. One of the  
6 things we did when we introduced Guiding Stars is we  
7 were very clear about saying this is for those  
8 customers who are interested in learning more about  
9 or making decisions regarding nutrition in food  
10 products. We were asked early on by some members of  
11 the medical community, not Dr. Robertson here, to  
12 put the star symbol on the register receipts so that  
13 people would know if what they were buying was  
14 nutritious and in talking to consumers, we quickly  
15 identified that that would be the death of the  
16 Guiding Stars system.

17 Clearly this needs to be voluntary. If  
18 you, what we don't want to do is say if you came  
19 into our supermarket, for example, and it's your  
20 child's birthday and you bought a cake and some ice  
21 cream, loser.

22 So, we have found that consumers just

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1 react much better when they believe that it's a  
2 voluntary system, they can use it if they wish and  
3 they can ignore it if they wish.

4 ALAN LEVY: Just as a clarification, the  
5 Hannaford system which covers all the products in  
6 the supermarket, the way I would use that, I would  
7 consider that to be a mandatory system because all  
8 products have to carry the system. A voluntary  
9 system would be one where it was up to the  
10 manufacturer or the retailer to put the symbol on  
11 the product.

12 CAREN EPSTEIN: From that perspective, I  
13 guess we don't think about it in terms of mandatory,  
14 but we do put every product in the store through the  
15 algorithm and it does get rated.

16 ALAN LEVY: And do you think that's a  
17 good thing, helpful in creating an impact or would a  
18 voluntary system work just as well where everything  
19 wasn't rated in the store?



20 CAREN EPSTEIN: I couldn't answer that  
21 question because in our store everything is, so I  
22 would defer to someone else on that.

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1 ROSE MARIE ROBERTSON: You know, we've  
2 had, so our system is the opposite, it's a voluntary  
3 system and there's no question we've had good  
4 success working with industry and industry has been  
5 eager to re-formulate and create healthier foods and  
6 has been innovative in doing that.

7 That said, if I were to look at what's  
8 possible for the, for the country and what consumers  
9 would prefer to have when they walk into a store, I  
10 guess I think they would prefer a mandatory system  
11 because then they would, in fact, have that  
12 information, even if it was simply, you know, an  
13 absence of stars and criteria, you know, and then,  
14 you know, benefits above that.

15 I think they would prefer to have more  
16 information and as people become, you know, more  
17 competent consumers and are, and are thinking about  
18 their individual health issues, so they're not  
19 simply thinking about, you know, what's generally  
20 healthy for me but they're thinking gee, I've got a  
21 terrible family history of osteoporosis, I really  
22 want to know if there's calcium in that, I think the

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1 more information people have, the better they'll do  
2 for their health.

3 PAULETTE THOMPSON: I would add that I  
4 think a system, whether it's mandatory or voluntary,  
5 that having consistent criteria in the system, if  
6 it's Federal criteria that everyone has to follow is  
7 a benefit to the consumer and I think also and with  
8 our old shelf labeling program which was name brand  
9 and private label that customers did use it to  
10 compare products within a category as, you know,  
11 they do the nutrition facts label.

12 The book we published was organized by  
13 categories and we knew that customers used it to  
14 plan their meals. They would open the book and, and  
15 decide before they ever went in the store what they  
16 were going to purchase based on being able to  
17 compare the products.

18 ELIZABETH PIVONKA: I would echo  
19 Paulette on how important it is to be consistent in  
20 the criteria and I'll give you a couple of examples.

21 We've had manufacturers come to us to  
22 see if our logo could be used on their product and

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1 they've worked hard to re-formulate it to meet the  
2 Heart Association logo but it doesn't qualify to use  
3 ours and that's very frustrating for some of these  
4 companies.

5 That being said, I know I've also heard  
6 from some industry groups in the Hannaford program  
7 that some of the fruits -- some of what we would  
8 count as a qualifying fruit or vegetable don't have  
9 very high stars in the Hannaford program, so  
10 whatever it is, ideally if it could be consistent,  
11 it would be better for the consumer that way.

12 MICHAEL LANDA: David Zorn has a  
13 question.

14 DAVID ZORN: I'd like to -- excuse me,  
15 I'd like to follow up a little bit on that issue  
16 that Alan raised.

17 We've heard and it was mentioned  
18 throughout the day and you just mentioned putting,  
19 putting a nice symbol on products that people  
20 already know are good for them doesn't really change  
21 things very much. People know they ought to eat  
22 fruits and vegetables, so telling them that again

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1 doesn't really change the, sales didn't change.

2 But there's certainly, if you make it a  
3 mandatory across all products, there's a cost of  
4 putting that, that symbol on those products and if  
5 the retailer is not sort of doing it at Hannaford,  
6 you've, you've borne the cost, Hannaford is paying  
7 to put those little labels, you don't tell the  
8 manufacturers they have to do it.

9 If there's a different scheme, I'm  
10 curious as to how that would play out. You could  
11 certainly see situations where consumers don't  
12 really feel like there's a whole lot of, or put it  
13 this way, I might be able to have a conjecture that  
14 consumers wouldn't feel a whole lot of benefit from,  
15 additional benefit from seeing a symbol and yet they  
16 might be, manufacturers or whoever is going to do  
17 the symbol placement is told that they need to  
18 expend the resources to do that.

19 I, if I could just, one more thing,  
20 because with all of your, especially the vegetable  
21 and the Heart Association symbols, those are,  
22 customers come to you sort of, they say can we use

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1 your symbol.

2 If -- that's a very voluntary system.  
3 If it's, if it's you will put, you will use the  
4 American Heart Association symbol if you can make it  
5 and if you can't, then you won't, that's quite a  
6 different situation.

7 ROSE MARIE ROBERTSON: Yeah, and I  
8 think, you know, I guess an issue that actually  
9 Elizabeth can probably address better than I can is  
10 you don't want to disadvantage, you know, the fruit  
11 and vegetable producers, for example, you know, who  
12 are a small margin.

13 You also don't want to disadvantage  
14 small companies who are working hard to make  
15 healthier products and, you know, and don't have the  
16 large margins that larger companies do.

17 So, I do think that that needs to be  
18 taken into account as we put a system together.

19 I don't know that I'm, you know, I think  
20 I'm not certain if the premise is exactly right that  
21 everybody knows fruits and vegetables are okay, so  
22 it doesn't make any difference. It does make some

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1 difference,

2 I think your mark does make a  
3 difference. It also makes a difference because  
4 people didn't, weren't thinking about canned and  
5 frozen and dried fruits and vegetables, so I think  
6 there are, there's a lot of teaching that still  
7 needs to be done and, you know, doing it in an

8 economically feasible way is important.  
9 MICHAEL LANDA: Steve Bradbard has a  
10 question.  
11 STEVE BRADBARD: Yeah, hi, Caren, I've  
12 got a question for you, a follow-up to some of the  
13 information you presented in your presentation.  
14 Are there, how many product categories  
15 are there actually in Hannaford's system, how many  
16 different categories are there of products?  
17 CAREN EPSTEIN: It's not broken down by  
18 category, it's broken down by products.  
19 STEVE BRADBARD: Okay.  
20 CAREN EPSTEIN: So we actually looked at  
21 over 25,000 individual products. I suppose if I  
22 wanted to look at it as category, we would look at  
0355  
1 the perimeter of the store as individual categories.  
2 STEVE BRADBARD: Okay.  
3 CAREN EPSTEIN: And then we would look  
4 at the interior of the store as individual  
5 categories. I will be guessing but my guess would  
6 probably be 30 or 40.  
7 STEVE BRADBARD: All right, so let's say  
8 within one of those 30 to 40 might there be a  
9 situation where in that product category you'd have  
10 ranging all the way from three stars to no stars at  
11 all?  
12 CAREN EPSTEIN: Absolutely. There are  
13 several of those.  
14 STEVE BRADBARD: Okay, so in your sales  
15 data, have you found in those categories, I don't  
16 know if you have this information with you, that,  
17 say, the two and three star products have increased  
18 greatly, the zero and one star products just aren't  
19 selling anymore?  
20 CAREN EPSTEIN: No. What we have found  
21 is that the any star products, so it could be a one,  
22 two, or a three.  
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1 STEVE BRADBARD: So the ones aren't  
2 suffering with the threes increasing --  
3 CAREN EPSTEIN: Ones aren't suffering  
4 with the threes increasing. It's more the any stars  
5 versus the no stars --  
6 STEVE BRADBARD: Right, but then --  
7 CAREN EPSTEIN: -- where we're seeing a  
8 significant difference.  
9 STEVE BRADBARD: Okay, so the no star  
10 products, though, in that category, you'd be seeing  
11 a large decrease, but not --  
12 CAREN EPSTEIN: Yes.  
13 STEVE BRADBARD: Any conjecture in terms  
14 of why it is that, you know, they have the choice  
15 then between a one, two and a three star product and  
16 you're saying that the three is clearly superior to  
17 the one?  
18 CAREN EPSTEIN: Because in some  
19 categories there are only ones, in some categories  
20 there are twos and threes, there are probably a  
21 handful of categories that have ones, twos and  
22 threes.  
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1 STEVE BRADBARD: Okay.

2 MICHAEL LANDA: Could I just ask a  
3 clarifying question there, so your data do not show  
4 that, again, with any given category, the three star  
5 product has, sales have gone up more than the two  
6 and the two more than the one?

7 CAREN EPSTEIN: Varies by category.  
8 There isn't a one single answer I can give you for  
9 that. In some categories, yes, in others, no, and  
10 we don't have data to account for why that is.

11 MICHAEL LANDA: Okay, thank you.

12 Kathleen Ellwood has a question.

13 KATHLEEN ELLWOOD: Do you see symbols  
14 replacing nutrient content claims as they appear  
15 now, because, and my question is you have limited  
16 real estate on packages unless you're a cereal  
17 company, they -- and, and if that's the case, then  
18 some of these symbols you could have a nutrient  
19 content claim such as, I'll just say a good source  
20 of calcium but you don't have a symbol for that, is  
21 that confusing consumers?

22 I mean what happens then, are you going  
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1 to limit what can be on that package, say, well  
2 we're going to use this one, but we're not going to  
3 use that one? I think Paulette, I know you don't  
4 have the icons, but you said you're going to limit  
5 yours to three.

6 Is that because you feel that's the most  
7 consumers can handle and which three then would you  
8 use and I think you know what I'm --

9 PAULETTE THOMPSON: Right, I think that,  
10 yes, you will see, in any package that would use an  
11 icon system you would see fewer call-out, other  
12 call-out claims on the packaging.

13 Yes, we're only using up to three and,  
14 therefore, there is this judgment call that has to  
15 be made as to which are the three most relevant,  
16 which of course is true if you were doing it as, you  
17 know, just 10 percent of -- or excellent source of  
18 calcium on the front of the package.

19 Our concern with our corporate brands  
20 office was the look of the icons in the architecture  
21 of the brand. And, in fact, our Nature's Promise  
22 icons, which you probably couldn't see in that

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1 little brochure did have a different look than the  
2 icons on our regular Giant or Stop and Shop brand  
3 packages because the Nature's Promise icons, same  
4 information, but the look of them is slightly  
5 different to fit into the brand architecture.

6 And of course to marketers, which I'm  
7 not a marketer, but to marketers, that's very  
8 important so they want to call out those claims but  
9 they also want to keep that, that brand of the  
10 package.

11 So I think, you know, those are some of  
12 the decisions that a company has to make as to how  
13 they're going to call out those attributes.

14 MICHAEL LANDA: Louisa Nickerson has a  
15 question.

16 ELIZABETH PIVONKA: Well actually let me  
17 follow up on this one.

18 MICHAEL LANDA: Oh, okay, sure.

19 ELIZABETH PIVONKA: Related to fruits  
20 and vegetables, first of all, a lot of the fresh  
21 stuff doesn't have a package so it's hard for them  
22 to label other than what the supermarket could do

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1 for them. For those that are fresh cut, for  
2 example, they may have a lot of nutrient content  
3 claims which they can make, it's just far too many,  
4 it's too wordy, so in those instances our, our icon  
5 would probably substitute, so.

6 ROSE MARIE ROBERTSON: You know, I was,  
7 I was really struck today, we've always felt that,  
8 you know, the real estate's very valuable and you  
9 can't use too much of it, but the GDA kind of system  
10 that gives you, I suppose, the most important items  
11 in that they actually have sufficient scientific  
12 evidence to say that they really do meet a health  
13 claim I would think would be the ones that, that  
14 would appear most often.

15 It's not that you're going to get rid of  
16 other places to put things, I mean the facts panel  
17 could still have other items, but the things that  
18 either are very important for a health promotion or  
19 disease prevention or differentiate the product from  
20 others would I think be the ones that would make it  
21 on to that front page real estate.

22 LOUISA NICKERSON: I just wanted to

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1 follow up on the Giant representative's response to  
2 Dr. Ellwood's question.

3 Why was it that you decided to limit the  
4 number of icons per product to three?

5 Was that about consumers can only take  
6 in three nutritional attributes or was it something  
7 else?

8 PAULETTE THOMPSON: It was something  
9 else, it's, again, our brand architecture people.  
10 They really don't, I guess, take, take ownership of  
11 what that look and feel of that package is and don't  
12 want to clutter it.

13 MICHAEL LANDA: Rob Post has a question.

14 ROBERT POST: Thanks. This is for the  
15 AHA rep. I have a question about the population you  
16 tested and whether, in fact, the population was a  
17 general population that you tested in terms of the  
18 response or the value of the AHA certification text  
19 and the mark and also in that regard, do the -- of  
20 that population, would they have viewed this  
21 information or is it your intent for the information  
22 to be general nutrition information or something

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1 that those with a disease like high blood pressure  
2 or a condition like that would be looking for?

3 ROSE MARIE ROBERTSON: Yeah, so to  
4 answer your first question, the, the two studies I  
5 cited, and we survey this from time to time, were  
6 the primary shopper in one study and then the  
7 primary or secondary shopper, so, you know, these  
8 are largely women, they're, you know, largely women  
9 in that kind of child-bearing years but can  
10 certainly be older. So it's not, it's not anybody  
11 in the household, it's with a family income of above  
12 35,000, so it's, you know, it does get down to

13 relatively low and this program is designed not to  
14 be for patients, but to be for healthy people over  
15 the age of 2.

16 So it's not meant for people with  
17 hypertension or with high cholesterol. We have  
18 specific recommendations for them that are more  
19 stringent than the ones that we would have here.

20 These would be actually absolutely in  
21 keeping with the USDA dietary recommendations and  
22 the dietary guidelines that we have for prevention

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1 of cardiovascular disease and stroke and would fit  
2 very well with the Cancer Society and Diabetes  
3 Association's recommendations as well.

4 ROBERT POST: So even though it's  
5 oriented to heart health, it would still be general  
6 nutritional information?

7 ROSE MARIE ROBERTSON: Yes, yes.

8 ROBERT POST: Okay. Thank you.

9 MICHAEL LANDA: Dr. Schneeman has a  
10 question.

11 BARBARA SCHNEEMAN: Actually I have a  
12 question, one question for Elizabeth and one  
13 question for Paulette.

14 And my question for Elizabeth, actually  
15 both of the third-party logo, it's my understanding,  
16 I just want to clarify, the American Heart, really  
17 you only would work with the manufacturer, you don't  
18 work with retailers in terms of the use of the logo,  
19 whereas Elizabeth, if I interpret your comments  
20 correctly, you actually are working with both  
21 retailers as well as manufacturers?

22 ROSE MARIE ROBERTSON: So we would work

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1 with the manufacturer in terms of having the logo on  
2 the product and we would work with anybody in terms  
3 of getting information out so when we do in-store  
4 educational programs, we would, you know, be happy  
5 to have -- and have the AHA logo available to use in  
6 consumer education and encouraging towards healthy  
7 foods.

8 ELIZABETH PIVONKA: And as we work with  
9 supermarkets, we provide them tool kits with a lot  
10 of already prepared ad copy and downloadable photos  
11 that they can use. We've even drafted, many of them  
12 have magazines now that go out to their consumers  
13 and we've even drafted what an ad might look like  
14 there, so we provide them a lot of tools that they  
15 can use at their whim. It used to be back in the  
16 '90s we provided materials to retailers that were  
17 all pretty standard, but they all wanted to  
18 customize it so now we give them all of the tools  
19 that they can use to customize it.

20 BARBARA SCHNEEMAN: And then, Paulette,  
21 my question for you is I noticed that several of  
22 your logos used an arrow and of course an arrow

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1 could mean several different things and I was just  
2 curious the degree to which you have consumer tested  
3 that to see whether or not consumers understand that  
4 arrow to mean what the intent is in terms of the  
5 information for that symbol.

6 PAULETTE THOMPSON: We have used arrows

7 on the shelf labeling in Giant shelf labeling  
8 programs, so we didn't feel the need to do any  
9 consumer research in addition for the icons and the  
10 icons are word reliant in that the words are there,  
11 it either says low fat or it says very low sodium or  
12 it, so, it can be clear to the consumer exactly what  
13 the arrow indicates. And an up arrow, again, too,  
14 it says good source or excellent source and  
15 identifies the exact claim.

16 MICHAEL LANDA: Are there any other  
17 questions from the panel members? Oh, Kathleen  
18 Ellwood.

19 KATHLEEN ELLWOOD: A lot of speakers  
20 today have talked about the need to re-evaluate the  
21 criteria and look at this and there's, it's been  
22 generalities, nobody's been really specific about

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1 what needs to be done to set new criteria.

2 Dr. Robertson, you were a little more  
3 specific in saying you should re-evaluate it every  
4 five years, which is going along with the dietary  
5 guidelines for Americans cycle. I don't, not sure  
6 about the DRIs, that's not quite every five years.

7 Could you be a little -- expand on this  
8 a little bit more how you would envision this, who  
9 would be doing this? It's --

10 ROSE MARIE ROBERTSON: You know, I guess  
11 the, in thinking about this, we hadn't envisioned a  
12 change in how the dietary guidelines or the RDIs  
13 were generated, you know, the system for that as I  
14 think someone else said today, there's a system for  
15 that and that system seems to be a pretty good  
16 system.

17 You're asking about how do you then take  
18 those criteria and roll them into, roll them into  
19 the system, into the icon system or symbol system,  
20 just as the My Pyramid was developed with the new  
21 guidelines.

22 I do think that it needs to be done by

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1 people who, who are very good at selling to the  
2 consumer. I was really struck by the clips we saw  
3 earlier today that showed, you know, what you put in  
4 your food and what it means on the package. Boy,  
5 that was a wonderful explanation in a short period  
6 of time.

7 So I think you need to have advertising  
8 people be part of how you do that and I think you  
9 probably need to revisit that as you move forward  
10 because what appeals to consumers changes over time.

11 I guess I, my, you know, we would think  
12 that that might be an FDA task with sufficient  
13 resources to provide it. No question -- yeah. No  
14 question that there would be, you know, that there  
15 would be, I mean, voluntary health organizations,  
16 you know, many of them would be more than happy to  
17 help with that, with those sorts of activities and  
18 of course many of our volunteers, you know, work for  
19 and volunteer for Federal agencies, as well.

20 So, I guess I think a uniform system  
21 with uniform criteria seems to us that it might,  
22 might come from the FDA. If it seems that that's

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1 impossible, it should come from some other  
2 sustainable organization or body that can do that  
3 over time and that could do that, you know, across,  
4 across different health areas.

5 ELIZABETH PIVONKA: Let me add to that,  
6 my initial thought was, gee, it would be difficult  
7 because some systems are based on nutrients and  
8 others are based on food, but, for example, the  
9 whole grain or the fruit and vegetable, if you used  
10 fiber as a marker and there was a fiber as a  
11 nutrient requirement, that might get at the fruit  
12 and vegetable or the whole grain preference that  
13 we'd like to have on some products, so you probably  
14 could work something out. It might not be as  
15 difficult as it first sounds.

16 MICHAEL LANDA: Any other questions?  
17 Hearing none, I want to thank the  
18 presenters today, the members of the panel and also  
19 the folks who take care of logistics for us, I think  
20 the day went off nearly without a single hitch and  
21 so I think a round of applause is in order for all  
22 of those folks.

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1 (Applause)  
2 A couple of notes. We'll start,  
3 registration tomorrow is at 8 with a Continental  
4 breakfast. We'll resume the hearing at 9:00.  
5 Reception today starts at 5:30 and actually runs to  
6 7:30, I think the program says 6:30, but it is in  
7 the Chesapeake room down the hall.

8 Thanks again and hope to see you  
9 tomorrow.

10 (Hearing adjourned at 5:36 p.m.)  
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1 CERTIFICATE OF TRANSCRIBER

2 I, Monica Voorhees, do hereby certify that  
3 this transcript was prepared from tape to the best  
4 of my ability.

5 I am neither counsel nor party to this  
6 action nor am I interested in the outcome of this  
7 action.  
8  
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10 Monica Voorhees  
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