

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURE MARKETING SERVICE

- - -

NATURALLY RAISED LIVESTOCK AND MEAT MARKETING  
CLAIM  
LISTENING SESSION

- - -

WEDNESDAY, JANUARY 17, 2007  
1:00 P.M. to 2:50 P.M.

- - -

HYATT REGENCY TECH CENTER  
7800 EAST TUFTS AVENUE  
DENVER, COLORADO 80237

1 ATTENDEES:

2 FOR THE UNITED STATES DEPARTMENT OF AGRICULTURE:

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3 Associate Deputy Administrator  
Livestock and Seed Program

4

MARTIN E. O'CONNOR

5 Chief, Standards, Analysis and Technology Branch  
Livestock and Seed Program

6 Agriculture Marketing Service

7 TAMMIE MYRICK

Office of Policy, Program and Employee  
Development

8

Labeling and Consumer Protection Staff  
Food Safety and Inspection Service

9

10 PUBLIC/STAKEHOLDERS:

11 BILL NIMAN

Chairman

12 Niman Ranch

13 NICOLETTE HAHN NIMAN

Niman Ranch

14

BILL FIELDING

15 Chief Executive Officer

Meyer Natural Angus

16

DUANE LAMMERS

17 Buffalo Wrangler

National Bison Association

18

KATHLEEN SEUS

19 Program Director

Food Animal Concerns Trust

20

MEL COLEMAN, JR.

21 Chairman

Coleman Natural Foods

22

DENNIS M. STIFFLER, PH.D.

23 Executive Vice President

Coleman Natural Foods

24

25

1 PUBLIC/STAKEHOLDERS (CONT'D):

2 MACK H. GRAVES  
Chief Executive Officer  
3 Panorama Meats

4 RALPH PETERSON  
President and Chief Operating Officer  
5 Montana Ranch Branch

6 DEBBIE NECE  
Regulatory and Packaging Manager  
7 Cargill Meat Solutions

8 REX R. MOORE  
President and Chief Executive Officer  
9 Maverick Ranch Natural Meats

10 ROY R. MOORE, JR.  
Chief Executive Officer and President  
11 Maverick Ranch Natural Meats  
Colorado Meat Packers

12 HOWARD VLIENER  
13 Producer  
Verity Farms

14 MICHAEL SMITH  
15 Special Programs Manager  
Harris Ranch Beef Company

16 MARIE B. WHEATLEY  
17 President and Chief Executive Officer  
American Humane Association

18 ROSEMARY MUCKLOW  
19 Executive Director  
National Meat Association

20 CORBETT KLOSTER  
21 Director, Quality Assurance  
Fieldale Farms Corporation

22 KENNETH MACY  
23 Rancher  
Rocky Mountain Farmers Union

24  
25

1 PUBLIC/STAKEHOLDERS (CONT'D):

2 TODD HAGENBUGH  
Rancher  
3 Rocky Mountain Farmers Union  
Routt County Cattlemen Member

4 CHARLES KLASEEN  
5 Rancher  
Rocky Mountain Farmers Union

6 MARY BLAIR McMORRAN  
7 Member  
Weston A. Price Foundation

8 SUE JARRETT  
9 Rancher  
Jarretts Ranch

10 CHAD MAXWELL  
11 Managing Director  
Natural Farrowing System, LLC

12

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1 P R O C E E D I N G S

2 WELCOME AND OPENING COMMENTS

3 MR. SESSIONS: Good afternoon. I'm Bill  
4 Sessions, associate deputy administrator of the  
5 Livestock and Feed Program of AMS. Welcome to the  
6 Listening Session for the Naturally Raised  
7 Livestock and Meat Marketing Claim. We appreciate  
8 you participating in this process and coming to  
9 visit with us this afternoon.

10 MARKETING CLAIMS AND THEIR

11 FUNCTIONS IN USDA PROGRAMS.

12 MR. SESSIONS: We're here today to  
13 listen to our customers, pure and simple. We're  
14 looking for recommendations and suggestions from  
15 you to enable us to develop a standard that will  
16 define the term "naturally raised." The standard  
17 that the Agricultural Marketing Service intends to  
18 develop will specify what protocols farmers and  
19 ranchers should follow to claim that the livestock  
20 they produce are "naturally raised."

21 Today's listening session is the second  
22 of three listening sessions AMS has scheduled.  
23 The first session was conducted in Washington,  
24 D.C., on December the 11th, last year, and a third  
25 is scheduled for tomorrow in Seattle.

1           As you know, FSIS currently permits  
2 processors to claim that meat and poultry products  
3 are natural provided these products undergo  
4 minimal processing and contain no artificial  
5 flavors or added colors, no chemical  
6 preservatives, or any other synthetic ingredients.  
7 However, consumers have also indicated an interest  
8 in natural livestock production practices. That's  
9 what we're here to discuss today.

10           Growing consumer demand for "natural"  
11 products and a variety of claims make a published  
12 uniform standard a real good idea, both for  
13 livestock producers and consumers. Today's  
14 listening session gives us a chance to hear what  
15 our customers view as appropriate guidelines to  
16 meet the claim of "naturally raised."

17           Our starting point is consumer  
18 research, which indicates that those who want to  
19 buy "natural" products particularly want the  
20 option to choose meat and poultry raised without  
21 the use of antibiotics and hormones. Some  
22 customers also want to be assured that the meat  
23 and poultry marketed as "naturally raised" comes  
24 from animals that have not been fed animal  
25 byproducts, have been raised on a vegetarian diet,

1 have lived under free-range conditions, and have  
2 been raised with careful regard to animal welfare  
3 concerns, just as some examples.

4           Without a uniform standard, it's  
5 difficult to sort through different claims in the  
6 marketplace today. A consistent understanding of  
7 "naturally raised" will reduce confusion in  
8 variation and bring transparency to the  
9 marketplace benefiting those producers and  
10 consumers.

11           Currently FSIS relies on testimonials  
12 and affidavits that producers provide to verify  
13 claims about livestock production practices that  
14 producers are calling "natural." These documents  
15 must include the producer's operational protocols,  
16 describing in detail the production practices that  
17 they use to support the labeling claims.

18           FSIS reviews this information on a  
19 case-by-case basis. However, having a standard to  
20 measure the claims against would reduce variation  
21 in the marketplace, increasing consumer confidence  
22 in the products.

23           Maybe a word of explanation about the  
24 roles of AMS and FSIS would be helpful at this  
25 point. AMS is responsible for developing uniform

1 marketing standards. The Agency often works with  
2 the FSIS blatantly and consumer protection staff  
3 to create voluntary standards for marketing claims  
4 that will be verified by a third party.

5           If AMS publishes a "naturally raised"  
6 livestock marketing claim standard, FSIS will  
7 consider this document as the minimum standard for  
8 approving producer assertions that their livestock  
9 and poultry are "naturally raised." FSIS will  
10 continue to have overall responsibility for meat  
11 labeling and oversight of the term "natural," both  
12 for processing and for livestock production  
13 practices.

14           Following the three listening sessions,  
15 AMS will take your comments and recommendations  
16 and work to develop a proposed standard for  
17 "naturally raised" livestock. The Agency will  
18 publish the proposed standard in The Federal  
19 Register for public comment.

20           After evaluating the comments, AMS will  
21 publish, again in The Federal Register, a final  
22 marketing claims standard for "naturally raised"  
23 livestock and the meat products derived from these  
24 livestock.

25           Again, I'm glad you all have joined us

1 today and are prepared to share your views and  
2 recommendations. We appreciate your taking the  
3 time to help us develop a standard that reflects  
4 public and producer interest and will provide  
5 increased transparency in the marketplace.

6           Now, prior to the public input portion  
7 of our meeting this afternoon, we do have formal  
8 presentations by Martin O'Connor, who is the chief  
9 of our Standards, Analysis, and Technology Branch;  
10 and this is the group that will actually be  
11 responsible for developing the "naturally raised"  
12 livestock marketing claims standard, and also  
13 Tammie Myrick, who is the project leader with the  
14 Labeling and Consumer Protection staff of FSIS.

15           And, again, the purpose of their  
16 presentations is to differentiate the roles of  
17 each of these two agencies in this process. So  
18 with that, I'll ask Marty to come up and provide  
19 us some information on the standards analysis and  
20 technology portion of this.

21           OVERVIEW OF REQUESTS FOR  
22           CERTIFIED NATURALLY RAISED

23           MR. O'CONNOR: Thank you, Bill, and  
24 good afternoon, everybody. As Bill pointed out,  
25 this is really a listening session, so we don't

1 want to get down too deep into our discussion, but  
2 we do want to provide a little bit of a background  
3 for everybody to have the same basis for where we  
4 project to move from at this point.

5           So with that, I will give you a little  
6 bit of the AMS perspective. I'll touch very  
7 lightly upon the FSIS portion, and then Tammie  
8 will reiterate some of those points as well.

9           So with that, the agenda for my section  
10 will be the roles of FSIS and AMS, a little bit of  
11 a regulatory background -- again, she will expand  
12 more on that -- the marketplace and consumer  
13 trends, what really is "naturally raised" or what  
14 expectations or what has been presented to us,  
15 alternative livestock production, the current  
16 regulations and negative raising claims,  
17 production practices, current FSIS verifications,  
18 and other key issues to be considered.

19           And then we have a few selected  
20 examples of current "naturally raised" or  
21 "natural" programs that impact the raising of  
22 animals, as well as some other questions that  
23 people have presented to us, and we want to put  
24 those out for scrutiny as well as some comments  
25 possibly from the people that have registered here

1 today.

2           The Agricultural Marketing Service, as  
3 many of you may know, we receive our authority  
4 through the Agriculture Marketing Act of 1946.  
5 And our mission is to provide assistance in the  
6 marketing of meat and meat products. And in this  
7 connection, we provide voluntary services for  
8 these activities that will assist this activity.

9           FSIS, Food Safety Inspection, has three  
10 acts in which they come under their requirements  
11 of, and, of course, it's the Federal Meat  
12 Inspection Act, the Poultry Products Act, and the  
13 Egg Products Inspection Act.

14           They are the public health regulatory  
15 authority within USDA. They look for the meat,  
16 poultry, and egg products' safety, wholesomeness.  
17 And where we overlap in our assignments and work  
18 area is accurately labeled product. So anything  
19 that we would approve or verify must also meet the  
20 requirements of FSIS and their regulatory  
21 authority sections.

22           FSIS permits naturally -- "natural"  
23 claims on meat and meat products on a voluntary  
24 labeling process. It's not part of their required  
25 labeling, but it is a section which you can

1 reference certain requirements and move forward  
2 with that. And I think Tammie will probably touch  
3 on that a little bit more.

4           I just put up a couple of examples that  
5 I pulled off the internet of products that are  
6 currently out there that are making these claims.  
7 And as you can see, they're highlighted for  
8 "natural" minimally processed, no artificial  
9 ingredients -- minimally processed, no artificial  
10 ingredients added. So those are requirements, if  
11 you label something "natural" through FSIS  
12 regulations.

13           But as Bill has pointed out earlier, we  
14 have gotten a lot of interest from the marketplace  
15 as well as the consumers, which are part of the  
16 marketplace. Consumers would like to have the  
17 scope of "natural" claims cover more than just the  
18 processing and ingredients of meat and poultry  
19 products -- meat and the products as well as the  
20 ingredients thereof.

21           So in other words, not just the product  
22 or the processing of that product, but how that  
23 animal got to that point where that product is  
24 then in a retail sales counter.

25           "Naturally raised" production

1 practices, what encompasses "naturally raised" or  
2 what is the scope of the standard that we need to  
3 develop? Does it take into consideration the  
4 environment, the ration that's fed to those  
5 animals, or the health maintenance program that  
6 those animals are under?

7           And there's just some examples of  
8 issues that people have brought up to us as we  
9 move forward in this issue.

10           And some of the issues that surround  
11 what the scope of the program is, is that there's  
12 no current uniform standard to be applied for  
13 something that's making these type of claims.

14           What's the minimum threshold for  
15 compliance? Is there one set of requirements that  
16 has to be met in order for a product to be labeled  
17 or to be advertised in this arena?

18           A couple of -- FSIS takes these into  
19 consideration now on a case-by-case basis. So  
20 there may be variation within acceptable and  
21 approved programs because they're looked at  
22 depending upon the scope of the program that is  
23 being presently presented.

24           What we contend and look forward to  
25 input on is should there be a minimum threshold or

1 a minimum standard for requirements for people to  
2 address. And then if they want to go further than  
3 what those are, then that is up to them, but to  
4 provide clarity within the marketplace, have a  
5 certain threshold in which the scope of the  
6 program's clearly defined.

7           A couple of those examples are there  
8 and just some issues that have been brought  
9 forward, and as you can see, on the further right  
10 of that, you know, maybe it's clear that no  
11 antibiotics and no growth -- no growth promotants.  
12 But when is -- when does that affect you? Is that  
13 for the full life of the animal? Is it just the  
14 last 120 days on feed? Is it during the whole  
15 feeding process or whatever?

16           So, you know, we're looking for clarity  
17 in defining what the minimum standard in those  
18 areas, if those are, in fact, important areas to  
19 be considered.

20           The alternative livestock production  
21 practices that are currently being approved  
22 through FSIS on -- they're also called voluntary  
23 claims standards and statements. These statements  
24 have provided for negative-type claims. And the  
25 term "negative claims" is that they're saying that

1 something is not present.

2           Well, in fact, for poultry it says no  
3 added hormones can be utilized in the production  
4 of poultry. Well, when, in fact, federal  
5 regulations require that it cannot be. So there  
6 must be a further disclaimer on the product at  
7 this point in order to provide the clarity to the  
8 consumer right now.

9           And, again, that's -- the only reason  
10 I'm pointing this out is that we're getting into  
11 the difference of processing and then there's some  
12 voluntary standards that people can make claim in  
13 addition to the requirements for a proper labeled  
14 product and is there need for distinction and  
15 clarity in the process.

16           As I pointed out earlier, these claim  
17 standards are looked at on a case-by-case  
18 various -- various program scopes. So one program  
19 might encompass more than another, but yet,  
20 they're both addressing the same need or want.  
21 And so there might be some confusion from the  
22 consumers if they're trying to compare apples to  
23 apples, but yet, they don't know the full story of  
24 each of the programs or what the minimum standard  
25 or requirements might entail for them to attain a

1 certain level of approval through USDA.

2           FSIS does make sure that these claims  
3 are truthful and accurate through the verification  
4 process, and they have several means to do that as  
5 highlighted there on the screen.

6           Key issues to consider -- be considered  
7 by AMS, since voluntary claims and statements are  
8 variable, what is an appropriate standard to  
9 publish? Should we apply or extend the "natural"  
10 claim of livestock production to include raising,  
11 or should they be separate and stand-alone  
12 initiatives?

13           Should "naturally raised" be  
14 definitively classed for clarity in the  
15 marketplace to ensure the consumer interests are  
16 better protected? AMS voluntary programs, if  
17 utilized in this arena, would be verified through  
18 a process-verified program. These are  
19 quality-managed system type evaluations that are  
20 audited and are based upon the concepts of ISO.

21           I just want to show a quick picture of  
22 a few programs that are currently out there that  
23 are making some type of claim to "naturally  
24 raised" or "natural" production activities. But  
25 with that said, what is -- like we said, what is

1 the scope? What else could be included? Should  
2 there be pesticides included in the -- the  
3 requirements? Should housing and confinement --  
4 again, these are things that have all been brought  
5 up to us. Should breeding be addressed?

6           And again, these are just a few of the  
7 issues that have been brought up, and there's a  
8 whole myriad of other issues that need to be  
9 talked about and/or included or excluded or at  
10 least addressed as we move forward to make sure  
11 that we have answers to issues that are brought  
12 forward when a standard is finally developed.

13           And while we're talking about  
14 development of a standard, well, what is our  
15 process? As Bill pointed out earlier, our first  
16 initiative was to get input. So we designed three  
17 different listening sessions. We held the one in  
18 December in Washington, D.C., currently we're  
19 conducting this one and looking for good input at  
20 that point, and tomorrow we'll finish this segment  
21 of our initiative by the final listening session  
22 held in Seattle.

23           At that point, we'll also be taking  
24 information from other interested parties that  
25 didn't come to the formal listening session and

1 make presentations. There's people that have  
2 already submitted documentation to us as to what  
3 their expectations are. And -- and we're very  
4 open to any of those inputs.

5           They don't have to come through the  
6 public listening sessions, however, it's a good  
7 forum for everybody to hear where we're headed,  
8 what we're doing, what some of the interests of  
9 your competition is, as well as the industry as a  
10 whole, to make sure that we're moving in the right  
11 direction.

12           With that, we also look for academic  
13 excellence and talk to those people that are out  
14 there working as well as other government agencies  
15 that are impacted by some of these activities.

16           Once we get that all brought together,  
17 we will develop a proposed standard and publish it  
18 for request for comments. So even though we've  
19 gathered information from everybody, we'll put  
20 that in the best form that we can from the  
21 information and input that we have, we will  
22 publish a proposed document with request for  
23 further comments so that we will have the  
24 framework there for people to look at to see what,  
25 in fact, where we are really looking forward to

1 moving.

2           And then at that point, we will address  
3 the comments that are received at that, and either  
4 come out with a final standard, or if there's a  
5 drastic change that needs to be made to that, then  
6 we would have to come out again with another  
7 proposed document with further requests for  
8 comments to make sure that the input of the public  
9 is being addressed.

10           What are the future activities for us  
11 and how can you track what we're doing? The  
12 website that we have up there -- and I think most  
13 people are familiar with it because it was in the  
14 announcement and the news release. We have the  
15 transcript from our December meeting that is  
16 presently posted at that site.

17           And after this session, it will  
18 probably take -- within two weeks we should have  
19 the information posted from this as well as  
20 tomorrow's meeting, and that will be posted there.  
21 And then as we make any progress towards the  
22 development or further input in this arena, all  
23 information will be posted at that website.

24           So that -- that concludes my comments.  
25 And, again, you know, we're looking for your

1 input, but I just wanted to give you a little bit  
2 of basic background from the perspective of AMS.  
3 And at this point, I will turn it over to Tammie  
4 Myrick from Food Safety and Inspection Services.

5 LABEL APPROVAL PROGRAM OF FSIS

6 MS. MYRICK: Good afternoon, everyone.  
7 My name is Tammie Myrick. I'm the program --  
8 actual program manager for the "naturally  
9 processed" products for FSIS.

10 First of all, I'd like to thank AMS for  
11 inviting us to come today and tomorrow for the  
12 listening sessions. And I'm just going to give  
13 you a brief overview of FSIS's involvement as far  
14 as the labeling aspects are concerned.

15 I have been asked to present a brief  
16 overview of Food Safety Inspection Service's label  
17 and approval program for meat and poultry  
18 products. The intent is to explain FSIS's  
19 authority regarding product labeling and how it  
20 relates to marketing claims as they are applied to  
21 the labeling of meat and poultry products. I plan  
22 on using some examples that directly relate to  
23 today's meeting and topic.

24 As many of you may know, FSIS is a  
25 public health regulatory agency that ensures that

1 meat, poultry, and egg products shipped in  
2 commerce for human consumption are safe,  
3 wholesome, and accurately labeled. FSIS operates  
4 to implement this mandate under the Federal Meat  
5 Inspection Act, the Poultry Product Inspection  
6 Act, and the Egg Product Inspection Act.

7           FSIS conducts a prior label approval  
8 system that is mandated by these laws as part of  
9 the Agency's meat, poultry, and egg product  
10 inspection responsibilities. The Acts state that  
11 the Secretary of Agriculture will authorize or  
12 approve the use of labeling.

13           On a daily basis, FSIS' Labeling and  
14 Consumer Protection Staff applies them as branding  
15 and provisions of the FMIA, the PPIA, and the EPIA  
16 in making judgments about whether the labeling of  
17 meat, poultry, and egg products is accurate,  
18 truthful, and not misleading.

19           The prior approval of labels is among a  
20 variety of responsibilities that the staff has.  
21 We do have many more, but this is just one of  
22 them.

23           Its primary purpose is to develop and  
24 implement and communicate national policies on  
25 meat and poultry and egg product labeling and

1 compositional standards.

2           In general, all labels applied to meat,  
3 poultry, and egg products destined for commerce  
4 are subject to evaluation and approval by FSIS  
5 under the prior label approval system required.  
6 Labeling is evaluated for compliance with required  
7 labeling features of which there are up to eight,  
8 depending on the particular product.

9           The required features are for products  
10 produced domestically are imported, there are the  
11 product name; the net weight; handling statements,  
12 such as "keep refrigerated," "may be frozen," or  
13 "keep frozen"; inspection legend; establishment  
14 number; nutrition facts; safe handling  
15 instructions; signature line; and ingredient  
16 statements.

17           Manufacturers must show that labels  
18 comply with the requirements for these labeling  
19 features in order for a label to be eligible to  
20 bear the USDA mark of inspection or be eligible  
21 for import with a foreign inspection legend.

22           Labels that bear the mandatory features  
23 that do not contain claims, special statements,  
24 guarantees, or foreign language, do not have to be  
25 submitted to FSIS for prior label approval or

1 evaluation.

2           On the other hand, generally,  
3 manufacturers of domestic and imported products  
4 must submit to FSIS all labels that bear voluntary  
5 claims and special statements for evaluation and  
6 approval by the FSIS labeling and consumer  
7 protection staff before applying these labels  
8 directly to products as for retail sales are  
9 destined for commerce.

10           Today manufacturers of meat and poultry  
11 products frequently make voluntary claims and  
12 statements on their labeling that are related to  
13 nutrient content, such as low fat and health,  
14 ingredient contents such as "gluten-free" and "no  
15 MSG added," processing methods such as "uncured"  
16 and "natural" and animal raising practices, such  
17 as "no antibiotics administered." Claims in these  
18 areas have a value in the marketing sense.

19           When claims and special statements are  
20 declared, the label submitted to FSIS for  
21 evaluation and approval need to be applied and  
22 accompanied by information that shows that the  
23 claims are truthful and not misleading to the  
24 consumer.

25           In some cases, for example, in the case

1 of nutrient content claims, specific provisions  
2 and conditions for using the claims are in the  
3 meat and poultry inspection regulations.

4           In some other cases, however, FSIS  
5 established policy guidelines, such as Policy Memo  
6 55 on voluntary claims. Policy Memo 55 is the  
7 claim or policy guidelines for "natural."

8           Many years ago, the Agency decided that  
9 policy guides would provide a helpful and  
10 transparent way for the Agency to set out the  
11 factors that the Agency considers in making  
12 judgments about whether labels bearing voluntary  
13 claims are truthful and not misleading.

14           Policy guides are conveyed as policy  
15 memos and entries in the FSIS Food Standards and  
16 Labeling Policy Book, which I'm responsible for  
17 editing and doing updates for.

18           Usually we develop a Policy Guide when  
19 we see a trend developing, such as "natural," in  
20 the marketing of products with certain labeling  
21 feature statements or claims that have not been  
22 explicitly addressed by the Agency in its  
23 regulations.

24           The guidance is intended to set out how  
25 the statutory provisions and regulations on

1 labeling apply to the developing and trends to  
2 provide consistent and timely advice to help the  
3 manufacturers develop labeling that could be  
4 approved by the Agency.

5           One area of marketing claims with  
6 growing interest is animal-raising claims, such as  
7 "raised without added hormones," "no antibiotics  
8 administered," and "free range." These types of  
9 claims are typically used on cuts and prepared  
10 whole-muscle products.

11           The Agency Policy Guide states that  
12 submissions of labels bearing such claims need to  
13 be accompanied by a production protocol and  
14 veterinarian records, testimonials, and affidavits  
15 to support the truthfulness of the claim. For  
16 many uses of claims related to animal raising  
17 practices, information to support the truthfulness  
18 of the claim is provided by the fact that the  
19 producer has opted to have AMS certify or verify  
20 that the animals are produced in the manner and  
21 claimed.

22           In fact, FSIS' Labeling Program and  
23 AMS' Livestock Seed Program have historically  
24 worked cooperatively to support and ensure that  
25 FSIS is apprised of standards AMS sets and its

1 programs.

2           The reason for this is that in cases  
3 where producers elect to have AMS certify or  
4 verify the animals are produced in the manner  
5 claimed through an AMS program, FSIS will accept  
6 AMS program certifications to support the accuracy  
7 of the claim for FSIS label and approval.

8           That is when you present the labels for  
9 approval, if you are under an AMS program, if you  
10 present your certificate with it, then that gives  
11 us the understanding that you've already been  
12 through a process program and that you're  
13 accepting the program based on the certificate  
14 that you're providing. And the certificates are  
15 usually up to date because you do have to go  
16 through your audits.

17           Another area in which an interest in  
18 marketing claims has grown related to the way meat  
19 and poultry products are processed is FSIS'  
20 historic view of the claim "natural," as it  
21 applies to the label of meat and poultry products  
22 related to the same way the food is processed. In  
23 other words, formulated and prepared, not the way  
24 the animals from which food is derived and raised.

25           In 1982, in recognition of the

1 industry's growing interest in marketing products  
2 bearing the voluntary claim "natural" on labeling,  
3 FSIS published Policy Memo 55 dated November  
4 the 22nd, 1982, on "natural" claims. It was  
5 intended to guide manufacturers in the development  
6 of labeling bearing the claim "natural" that FSIS  
7 was likely to find fruitful and not misleading.

8           The Policy Guide states that the term  
9 "natural" may be used on labeling for meat and  
10 poultry products provided that the manufacturers  
11 of the products bearing claim demonstrated, one,  
12 the product does not contain artificial flavor or  
13 flavoring, coloring, ingredient, or chemical  
14 preservatives, or any other artificial, synthetic  
15 ingredients.

16           And, two, the products and its  
17 ingredients are not more than minimally processed.  
18 Number -- minimally process was described as, A,  
19 those traditional processes used to make food  
20 edible, to preserve it, to make it safe for human  
21 consumption, such as smoking, roasting, freezing,  
22 drying, and fermenting, or, B, the physical  
23 processes that do not fundamentally alter the  
24 product or that only separate a whole intact food  
25 into component parts, for example, grinding meat

1 and processing or pressing foods to produce  
2 juices.

3           Relatively severe processing, on the  
4 other hand, for example, solvent extraction, acid  
5 hydrolysis, and chemical bleaching were considered  
6 more than minimally processed. Thus the Policy  
7 Memo explained that the use of a flavor, for  
8 example, that has undergone more than minimally  
9 processing when in general means that the product  
10 in which the ingredient is used could not be  
11 called "natural."

12           As with all labeling bearing voluntary  
13 claims, information must be provided to FSIS to  
14 evaluate whether the claim "natural" is truthful  
15 and not misleading in order to approve such  
16 labels. For example, sources and process  
17 descriptions of ingredients need to be provided if  
18 an ingredient is not known to be minimally  
19 processed.

20           Many times advances in marketing newer  
21 processing methods that become commonplace and new  
22 ingredients that serve multiple functions test  
23 policies, that is in the case with natural.

24           Over the past several months, FSIS has  
25 received a growing number of requests from

1 manufacturers to permit the natural claim on  
2 processed products that result from processing  
3 techniques and uses of ingredients that probably  
4 would not have been found in use at the time the  
5 policy was created in 1982.

6           For example, techniques such as  
7 high-pressure processing, multiple-barrier  
8 packaging methods with modified-atmosphere  
9 packaging, and multiple-function ingredients, such  
10 as sodium citrate, sodium lactate, which are  
11 regulated as flavoring agents and for  
12 antimicrobial effects also.

13           FSIS understands that there is a  
14 significant disagreement about aspects of the  
15 "natural" policy.

16           In October 2006, FSIS received a  
17 petition to codify the current definition of  
18 "natural", which I just described in FSIS  
19 regulation. The Agency has received questions  
20 about whether the product of new processing  
21 techniques and packaging systems and  
22 multiple-function ingredients, such as sodium  
23 lactate, can be fairly characterized as "natural."

24           FSIS has come to believe that these  
25 questions about natural and processed products are

1 best resolved through a rule-making process. The  
2 Agency sought comments about the petition it  
3 received in a public meeting that was held in  
4 Washington, D.C., on December the 12th, 2006.

5           The content of the rule-making will  
6 derive from FSIS' consideration of what we heard  
7 and received at the public meeting and comments  
8 received in writing.

9           And since the publishing of the notice,  
10 which was for December the 12th's meeting, we  
11 have extended the time. I don't know if you've  
12 seen it yet. It was on the Constituent's Update.  
13 But the time for comment has been extended from  
14 December -- or from January the 11th to March the  
15 5th. So you do have extra time to make your  
16 comments.

17           It was on the Constituent's Update last  
18 Friday. However, it will be published tomorrow on  
19 the FSIS' website. So you can check for that  
20 tomorrow.

21           The transcripts have already been  
22 posted. So you can look at the transcripts from  
23 our meeting that was held on December the 12th.  
24 So you can compare both of them, and if you'd like  
25 to made additional comments, or if you've already

1 made comments, or even if you haven't made  
2 comments, we strongly suggest that you do since  
3 you have the additional time until March the 5th.

4           In closing, I hope the points I raised  
5 will give you some useful perspective and a  
6 context to base your comments on, and on the issue  
7 of AMS considering a standard associated with the  
8 term "naturally raised" as is related to livestock  
9 production. Thank you very much.

10           (Applause.)

11           MR. SESSIONS: Thank you, Tammie.  
12 We'll now start the public input portion of our  
13 session this afternoon. But before we do that,  
14 just a couple of kind of operating ground rules  
15 that we'll be operating under this afternoon as we  
16 conduct the public input session.

17           Those who wish to publicly comment  
18 today must speak in the order in which they've  
19 signed in, and each of you were given a number to  
20 kind of remind you where you are in that process.  
21 And I will cite your number and call you up  
22 specifically by name when it's your turn.

23           I just want to reiterate that we do  
24 have a court reporter here today, and she is  
25 recording all of the comments. And that will be

1 posted to our website, and that will be part of  
2 the public record here. If you'll -- like I say,  
3 I'll call you up when it's your turn.

4           And my staff has asked me to please  
5 return -- if you would return your number to  
6 either the front or the back of the room when  
7 you're done, we're trying to do these listening  
8 sessions on a shoestring budget. So every --  
9 every dollar counts. And we've got one tomorrow,  
10 and we don't have time to purchase more of those  
11 numbers. So if would return your numbers, we'd  
12 appreciate it.

13           Speakers will be allowed three minutes  
14 to comment. We will be enforcing the timing.  
15 We'll have some slides up on the screen to kind of  
16 remind you.

17           Prior to starting your comments, we  
18 would ask that you provide your name and your  
19 affiliation of your company or agency to help us  
20 keep track of your comments.

21           If you wish to provide us with written  
22 comments, we'll certainly accept those, and you  
23 can turn those in either at the registration desk  
24 or up front, or you can turn them into our -- the  
25 site that's on your agenda -- that's the naturally

1 raised part there. And that's on your agenda.

2 And we'll accept those at any time at  
3 naturallyraised@usda.gov.

4 Also, we are providing parking passes,  
5 and those are available at the front desk that  
6 would help out on the cost of parking there.

7 As I'm sure that we'll all do, we ask  
8 that you respect the speakers as they will provide  
9 all interested parties who will provide input this  
10 afternoon.

11 And if there are any media inquiries,  
12 we ask that those be held in abeyance until the  
13 end of the session, and Marty and Tammie and  
14 myself will make ourselves available at that time  
15 to answer any of those.

16 So at this time, we'll call our first  
17 public speaker, and that will be Bill Niman with  
18 Niman Ranches will come forward, and then  
19 Nicolette Niman will be the second speaker. Thank  
20 you.

21 PUBLIC/STAKEHOLDERS INPUT

22 MR. NIMAN: So I'm Bill Niman, chairman  
23 and founder of Niman Ranch, which is an alliance  
24 of over 600 family-owned farms and ranches in  
25 about 15 states producing lamb, beef, and pork,

1 and marketing under -- raised and marketed under  
2 what we consider to be a very credible, published  
3 protocol or traditional and natural animal  
4 husbandry. I think I can speak for everybody here  
5 thanking the USDA, your panel, for addressing this  
6 issue.

7           There's an enormous amount of confusion  
8 in the marketplace as you all know. We, in fact,  
9 published a cookbook, and over one-third of that  
10 book just describes what natural means to us and  
11 describes our husbandry methods. And for those of  
12 you who don't yet have a copy, I suggest you buy  
13 one to learn from and enjoy that.

14           For those of you who are unwilling to  
15 do so, we have -- also have a copy of the paper  
16 that we turned in describing some of the important  
17 issues that we're all here today to wrestle with.

18           One -- one -- there are probably two  
19 important things that I would like to address.  
20 One is that we feel at Niman Ranch there's an  
21 implied contract between our customers, we feel  
22 it's actually an implied contract between all  
23 livestock and meat companies and producers,  
24 ranchers, farmers, processors alike, as well as  
25 the USDA, to provide the consumer -- to meet the

1 consumer's expectations, and especially in the  
2 context of what we're talking about here today, to  
3 meet the consumers' expectation of what "natural"  
4 means.

5           And I'm hopeful that the threshold that  
6 you establish, the minimal thresholds, will  
7 address what the consumer's perception of what  
8 "natural" means.

9           Certainly an example of -- an egregious  
10 example to me -- and we talk more about that in  
11 the paper -- is bull-seed beef programs, which are  
12 labeled natural, where the animals don't get  
13 mother's milk, they never eat a blade of grass,  
14 and I know that doesn't meet the consumer's  
15 expectation of what "naturally raised" beef is.

16           So it's specifics in -- in -- in these  
17 standards I think that you should address, and  
18 we'd like to see addressed, is that natural  
19 husbandry, allowing animals to realize their  
20 instinctive behavioral needs, for example, sows  
21 aren't kept in crates, grazing animals are allowed  
22 to eat grass, natural feeding, you mentioned no  
23 meat products right there. We agree with all of  
24 that. And certainly that we should not be allowed  
25 to use -- or producers should not be allowed to

1 use manmade compounds to replace good animal  
2 husbandry to promote growth. And that clearly is  
3 in the consumer's expectation. That's not what  
4 they want. So no manmade -- ten seconds -- no  
5 manmade compounds we feel is critical -- stop.

6 MR. SESSIONS: Thank you. Nicolette  
7 Niman will be followed by Bill Fielding.

8 MS. NIMAN: I'm Nicolette Hahn Niman,  
9 and I am Bill Niman's wife. And I actually don't  
10 have any formal affiliation with the company,  
11 Niman Ranch, but I am the person who on our ranch  
12 takes care of the animals every day. So I have a  
13 lot of opinions about this. And I feel this is a  
14 very important issue.

15 I'm also an attorney, and I've worked  
16 on issues related to livestock for the last  
17 several years of my career, and especially the  
18 environmental impacts related to livestock  
19 production. And that had a lot to do with  
20 different kinds of husbandry and how it affected  
21 the environment.

22 And in the course of all of this work,  
23 I've come in contact with probably hundreds of  
24 people that have opinions about this.

25 And I just wanted to echo what my

1 husband just said about the fact that consumers  
2 have very specific ideas about "natural," and that  
3 it's very clear that a lot of what's happening in  
4 the livestock industry today is in conflict with  
5 those ideas.

6           So allowing the use of the word  
7 "natural" on a meat label, just because it's  
8 minimally processed, is very clearly violating the  
9 consumers' perceptions and understandings.

10           And I thought it was very interesting  
11 that just today, Marian Burrows in the New York  
12 Times talks about the word "natural" and the fact  
13 that USDA is taking this up. And she says, well,  
14 I've just ignored -- I just ignore the word  
15 "natural" because it's meaningless.

16           So on the one end you've got people  
17 that say it means absolutely nothing, and then on  
18 the other end you have people that think it does  
19 mean something. And it's -- it's really meaning  
20 something very different than what they think it  
21 means.

22           And in our paper that we submitted, we  
23 urge that the -- that the word "natural" in  
24 consumers' minds, in our view, is very similar to  
25 the word "organic." It's clearly a different

1 word. And we're not urging that "natural" and  
2 "organic" are the same. But we believe, and,  
3 especially as a lawyer I believe, that a similar  
4 approach should be taken as far as establishing  
5 some clear standards.

6           And it's very clear that the word  
7 "natural" should indicate livestock husbandry  
8 practices, and it should -- it should deal with  
9 feeding and housing and all of the things.

10           I really just kind of echo all of the  
11 issues that you all raised in your introductory  
12 remarks as far as these are, I think, very  
13 important to consumers. And I think that they  
14 believe that's what it means when they see the  
15 "natural" on the label.

16           One other thing I just wanted to talk  
17 about specifically, and that is the antibiotic  
18 issue, and that is that -- I think it's very  
19 important that there be a distinction between  
20 antibiotic feeding and continual dosing of  
21 antibiotics in feed and water versus administering  
22 antibiotics to a sick individual animal.

23           And those are very different issues for  
24 the environmental impacts, and they're very  
25 different issues for the consumer safety.

1           Because when you -- in fact, FDA did a  
2 study -- I think it was in 2001 -- looking at how  
3 much antibiotic-resistant bacteria was on beef and  
4 poultry and found very high levels -- I mean they  
5 were shocked at what they found -- because it was  
6 being continually added to the feed. That's a  
7 totally different issue than if you treat an  
8 individual sick animal.

9           So I urge in the formation of these  
10 standards for that specific issue to be taken into  
11 account. Thank you.

12           MR. SESSIONS: Thank you. Bill  
13 Fielding followed by Duane Lammers.

14           MR. FIELDING: Hello. My name is Bill  
15 Fielding. I am the CEO of Meyer All Natural Beef.  
16 I've also been past president of Xcel, Creekstone,  
17 and Swift. Since that time, I'm a partner in a  
18 beef jerky business that is an all natural beef  
19 jerky business called Whittington's.

20           And I only mention that because I'm  
21 also a rancher and the consumers -- and from the  
22 perspective of the big factor or small factor of  
23 rancher or consumer, I commend you for what your  
24 responsibilities are in having this meeting. On  
25 the other hand, I think you've done a terrible job

1 of protecting the consumer, which you've said is  
2 your responsibility.

3           The consumer has been totally misled on  
4 the "all natural." And the main points are it has  
5 to be a hundred percent never, ever antibiotics or  
6 growth hormones. That's very simple. I think any  
7 consumer would say they would expect when they're  
8 buying product that says "all natural," that it  
9 would not be given growth promotants, and it would  
10 not have been given all -- antibiotics. I think  
11 in that respect, you should do something  
12 immediately.

13           I don't think you should wait to have a  
14 perfect system. You're always going to have to  
15 tweak it, you're always going to have to get the  
16 input that you're getting today. But on some of  
17 these things they're very basic, and they should  
18 have already been put in place, and they haven't  
19 been. And as a result, the industry has abused  
20 it.

21           One of the worst examples, I think, is  
22 a company I used to work with, National Beef.  
23 I've got and I will leave their brochure on three  
24 of their programs, one called "Natural well,  
25 Natural Beef." It's 120-day withdrawal program.

1           They also have one with no antibiotics  
2 and no growth hormones. And then they have  
3 another one called "Vintage Natural Beef," which  
4 are Holsteins, which, I think, were just referred  
5 to, which have a 300-day antibiotic withdrawal  
6 program.

7           And they sell to their customers, and  
8 their customers mislead the consumer. I think  
9 that should not be tolerated. It should be  
10 changed again immediately. It's sort of the old  
11 adage, you can't be half pregnant. When you do  
12 some of these things, it's very obvious, and it's  
13 common sense that that creates a product that's  
14 not all natural.

15           I can tell you personally I would  
16 not -- I sort of retired from the meat industry.  
17 I've come back because I believe in the integrity  
18 of the program that I'm working with today on the  
19 Meyer program. I also told people with  
20 Whittington, as we developed just recently an all  
21 natural program, and they looked at their raw  
22 material suppliers and they've got one  
23 requirement, make sure it is a never ever program.

24           Do not go into this trap of trying to  
25 do something -- which you could buy cheaper meat,

1 but you would be misleading the consumer.

2           And so I think it is, again, your  
3 responsibility to do something on this, and I do  
4 hope something is done as quickly as possible, if  
5 you can. Thank you.

6           MR. SESSION: Thank you. Duane Lammers  
7 followed by Kathleen Seus.

8           MR. LAMMERS: Hello. I'm Duane  
9 Lammers. I'm here with the National Bison  
10 Association. I actually work also with the name  
11 Native American Natural Foods.

12           Just a couple of points that we have  
13 concerns on. One is the use of antibiotics and  
14 hormones obviously. We would like to make sure  
15 that those are exited from anything that would be  
16 called "natural."

17           I'm not sure -- principally looking at  
18 the subtherapeutic antibiotic use -- I'm not sure  
19 that we have to worry about individual animal  
20 treatments.

21           Another thing that is a concern for us  
22 as we've gone through the verification process is  
23 the cost of audits. We would like to see USDA  
24 actually look at covering the cost of these audits  
25 rather than that being a burden on people who want

1 to be part of this program. I think that's really  
2 all I have to cover. Thank you.

3 MR. SESSION: Thank you. Kathleen Seus  
4 followed by Mel Coleman.

5 MS. SEUS: Hi. I'm Kathleen Seus. I'm  
6 with Food Animal Concerns Trust, and I'm happy to  
7 be here to provide public comments to the  
8 listening session today.

9 That supports an all-encompassing  
10 "natural" label that covers animal production  
11 practices from conception to consumption -- for  
12 conception to consumption. By that, I mean it  
13 should be comprehensive in scale, and that any  
14 time you see the word "natural" on a label, it  
15 should include the raising of livestock as well as  
16 the slaughtering and processing of livestock.

17 With that said, I applaud AMS for  
18 attempting to develop standards for "naturally  
19 raised." At a minimum, we ask for the following  
20 to be considered: Number 1, antibiotic use should  
21 be prohibited. Although, facts certainly support  
22 using antibiotics to treat animals therapeutically  
23 who are sick, we do not believe those animals  
24 should be included in a "naturally raised" label.  
25 Hormones and other growth promoters, including

1 ractopamine, should be prohibited.

2           Number 3, animal feed should be free of  
3 all animal byproducts. And, Number 4, animal  
4 welfare guidelines that allow the animal to  
5 express its natural behaviors should be included.

6           Our position is supported by consumer  
7 research and prior statements by USDA are included  
8 in the footnotes of my comments.

9           Because livestock production is so  
10 multidimensional and because the "naturally  
11 raised" label has potential to be very inclusive,  
12 we ask that USDA allow ample time to carefully  
13 consider all of the different issues that are  
14 involved.

15           We have some concerns. One of them is  
16 that there's been a lot of work put into the  
17 development of the four production claims  
18 previously proposed and includes grass-fed,  
19 raised without antibiotics, raised without  
20 hormone, and free-range claims. We do encourage  
21 the USDA to move forward on these claims.

22           Number 1, you can use it as a basis for  
23 the "naturally raised" claim, and the all markets  
24 going into that. And, Number 2, producers who do  
25 not wish to use an all-encompassing "naturally

1 raised" claim may still wish to use one or all of  
2 those other labels.

3           The next four and a half pages of my  
4 comments go through some of the issues that need  
5 to be considered. Feed, housing, animal welfare,  
6 antibiotic use, hormone use, other drugs and  
7 chemicals, environmental issues, food safety  
8 issues, labeling issues, and verification issues.  
9 Obviously, the list of considerations is long.

10           We hope AMS and the USDA will devote  
11 ample time and resources to the development of a  
12 "naturally raised" standard that is clear,  
13 concise, transparent, and meaningful to the  
14 consumers and producers. We also support  
15 meaningful collaboration between the USDA industry  
16 group, producers, farmers, sustainable ag groups,  
17 consumer advocacy groups, animal welfare groups,  
18 and animal scientists as part of this process in  
19 order to develop a meaningful standard. Thank  
20 you.

21           MR. SESSIONS: Thank you. Mel Coleman  
22 followed by Dennis Stiffler.

23           MR. COLEMAN: My name is Mel Coleman,  
24 Jr. I'm chairman of Coleman Natural Foods. As a  
25 fifth generation Colorado ranching family member,

1 I'm honored to be here today to comment on the  
2 value to ranchers, feeders, and other livestock  
3 producers for establishing standards and claims  
4 for the term "naturally raised." I'm also here on  
5 behalf of the 900 producers that are currently  
6 involved in the Coleman Natural Foods Producer  
7 Program.

8           It was only in the last 50 to 60 years  
9 that the livestock profession began to use growth  
10 hormones, subtherapeutic dosages of antibiotics,  
11 and animal-derived feed rations to improve  
12 profitability and production efficiency, all to  
13 the disdain of a growing number of consumers and  
14 producers alike.

15           In the late '70s at a time when the  
16 value of livestock at commodity market prices did  
17 not cover production costs, Coleman pioneered the  
18 idea of providing meats from livestock raised from  
19 birth without the use of added hormones or  
20 antibodies after listening to a group of consumers  
21 that were looking for and willing to pay for beef  
22 that came from these livestock.

23           In 1979 and '80, raising protocols, an  
24 audit trail for source verification, and an  
25 affidavit system were established by Coleman and

1 presented to USDA for the purpose of defining  
2 "natural" as a raising process.

3           In 1981, this "natural" definition and  
4 its raising and feeding protocol, was approved by  
5 the USDA. However, in 1982 under Memorandum 55,  
6 the term "natural" was altered to include  
7 processed meat and poultry items, which redefine  
8 "natural" to today's definition, minimally  
9 processed with no artificial ingredients.

10           This action created confusion with both  
11 producers and consumers. Did "natural" define a  
12 raising process or just how meat and poultry items  
13 were processed?

14           Under Memorandum 55, this definition  
15 opened the door for all fresh meat and poultry  
16 items to be labeled "natural." In the midst of  
17 the confusion that this created, only the astute  
18 consumer realized that the new definition had  
19 nothing to do with natural raising practices.

20           No longer were farmers and ranchers or  
21 feeders able to capitalize on the economic values  
22 of raising and marketing their livestock under the  
23 "natural" label that was originally defined in  
24 1981.

25           Times have changed. Today there's many

1 state and national producer organizations  
2 addressing the issues and opportunities by  
3 producing "natural livestock" in a manner that  
4 will meet consumer expectations.

5           As one example, MCPA later this month  
6 will have a session on "natural" and "organic"  
7 issues at its national convention and will address  
8 the growth of "natural" in the marketplace and  
9 what it means to the livestock industry.

10           I've got a lot more to say, but I'll  
11 close by saying this: Is that recently  
12 Agriculture Secretary Mike Johanns recently  
13 addressed in the 2007 -- regarding the 2007 Farm  
14 Bill to the American Farm Bureau at their annual  
15 meeting he stated, It must be tailored to provide  
16 strong support that is relevant to current trends  
17 and forward looking to the future growth.

18           The 1981 definition for "natural"  
19 referred solely to raising practices and was both  
20 forward looking and relevant. For producers and  
21 consumers alike, it's time to recapture "natural"  
22 and bring with it some clarity. A  
23 "natural-raised" label for livestock and an "all  
24 natural" label for processed meats and poultry  
25 derived from "naturally raised" livestock will

1 provide producers with greater opportunities and  
2 consumers with clear choices regarding how animals  
3 are raised and treated. Thank you.

4 MR. SESSIONS: Thank you. Dennis  
5 Stiffler followed by Mack Graves.

6 DR. STIFFLER: I'm Dennis Stiffler of  
7 Coleman Natural Foods. I'm executive vice  
8 president. Since 1981, as Mel indicated, Coleman  
9 has defined "natural" as the raising and  
10 processing, not the profits.

11 It's Coleman's belief that "natural  
12 raised" alternative livestock production practices  
13 should include animal well-being, care and  
14 production, identification, source verification,  
15 certain raising and feeding practices, such as a  
16 hundred percent vegetarian diet, no antibiotics,  
17 no added hormones, growth modulators, in  
18 obviously, the product.

19 In addition, the "natural raising"  
20 standard claim should be applicable to all food  
21 livestock species. The USDA, AMS, and poultry  
22 programs should be equally represented in these  
23 sessions. And lastly, AMS and FSIS should  
24 coordinate the standards and policy and  
25 synchronize livestock raising claims with the

1 "natural" product ingredients and processing.

2           Natural meat and poultry have emerged  
3 as important products of choice for consumers. In  
4 2006, close to 18,000 food products were  
5 introduced according to Mintel International. Of  
6 those, 3,761, or 21 percent, were either organic  
7 or had an "all natural" claim or label associated  
8 with it.

9           Consumer interest and a clear  
10 definition of "natural" label claims has been  
11 demonstrated by over 20 years of FDA and FSIS  
12 policy history. There is significant evidence of  
13 public concern regarding better food safety,  
14 improved animal welfare, awareness of alternative  
15 livestock production practices, information  
16 regarding the authenticity of these claims.

17           The "natural" nomenclature is  
18 meaningless unless the consumer knows the source  
19 of the meat and the poultry and exactly how it was  
20 raised. Consumers lack a clear understanding of  
21 the term "natural" and the difference between  
22 terms like "all natural," "natural with raising  
23 claims" and "organic."

24           Coleman's focus group experiences  
25 suggest consumers do use these labels to help them

1 choose.

2           The current FSIS definition does not  
3 meet consumer expectation for "natural." It's too  
4 vague, perhaps misleading, can be misrepresented.  
5 What the consumers believe natural to man was  
6 reported in a survey in 2003 by Simit Surveys  
7 Group. Three-quarters of those Americans believe  
8 "all natural" poultry, meat and poultry, should  
9 conform to regulated standards reflected  
10 without -- without antibiotics, without added  
11 growth hormones, processing using humane methods.

12           The above consumer research underscores  
13 that a clear definition of standard for "naturally  
14 raised" and further consumer livestock producer  
15 interest truly reflect consumer expectations of  
16 the term, and clear, concise, and enforceable  
17 standards will benefit consumers by giving them  
18 confidence in purchasing such products, reduce  
19 confusion in the variation of labeling, and bring  
20 greater transparency to the marketplace. Thank  
21 you.

22           MR. SESSIONS: Thank you. Mack Graves  
23 followed by Ralph Peterson.

24           MR. GRAVES: Good afternoon. My name  
25 is Mack Graves, and I serve as CEO of Western

1 Grasslands doing business as Panorama Meats of  
2 Vina, California. Our company markets both  
3 "natural" and "organic" grass-fed beef.

4           As I stated in my comments to an AMS  
5 December 11th listening session and the FSIS  
6 listening session December 12th regarding a  
7 "natural" label, the vagueness of the current  
8 "natural" definition, "minimally processed," "no  
9 artificial" ingredients, has sown seeds to  
10 consumer confusion.

11           It has encouraged clever marketers to  
12 trumpet the word "natural" on packages of their  
13 meat and poultry, even though such meat may have  
14 come from animals that were hardly raised  
15 naturally. Such confusion has lasted far too  
16 long, and a more meaningful definition of  
17 "natural" is necessary.

18           Panorama is proposing that both FSIS  
19 and AMS consider the term "naturally raised and  
20 processed" as the complete definition of "natural"  
21 on meat and poultry labels. This would eliminate  
22 any confusion on anyone's part, including those  
23 who raise animals through to those who consume  
24 meat and poultry from those animals.

25           The term "naturally raised and

1 processed" would mean animals raised with no added  
2 hormones, no antibiotics either fed or injected,  
3 including ionophores, no animal byproducts in the  
4 feed, individual animal identification from birth  
5 through processing, humane treatment,  
6 environmental stewardship, minimum processing, no  
7 artificial ingredients.

8           Again, we ask the question, how do you  
9 take meat or poultry from animals raised  
10 unnaturally, with growth stimulants, antibiotics,  
11 questionable humane practices, and poor  
12 environmental stewardship and make the meat  
13 "natural" by minimally processing it with no  
14 artificial ingredients?

15           Separating livestock processing --  
16 excuse me. Separating livestock raising from  
17 processing and marketing and developing a  
18 definition for "natural" will only add to the  
19 consumer confusion. However, "naturally raised  
20 and processed" properly defined and enforced would  
21 eliminate any confusion.

22           Too many live animal producers, meat  
23 and poultry processors, and marketers, and most  
24 importantly consumers will rely on a thorough and  
25 complete definition of "natural."

1           FSIS and AMS must work in concert on  
2 the definition of natural for the greater consumer  
3 good and not to mention food safety. "Naturally  
4 raised and processed" encompasses both agencies'  
5 oversight. If we can have different parts of the  
6 USDA cooperate on an "organic" definition, then we  
7 can expect them to work together on the "naturally  
8 raised and processed" definition as well.

9           In conclusion, any definition of  
10 "natural" must stretch from the livestock's  
11 lifestyle to their diet to the processing and  
12 marketing of meat and poultry. We are proposing  
13 that "naturally raised and processed" be the label  
14 declaration for animals raised naturally and meat  
15 and poultry processed naturally.

16           MR. SESSIONS: Thank you. Ralph  
17 Peterson followed by Debbie -- Debbie Nece.

18           MR. PETERSON: Good afternoon. My name  
19 is Ralph Peterson. I'm the president and COO of  
20 Montana Ranch Brand Natural Meats in Billings,  
21 Montana. We're a never, ever naturally raised and  
22 processed meat company processing beef, pork,  
23 lamb, and bison.

24           Our business, as well as many people in  
25 this room's business, exists today because of

1 consumers' demand for products that have been  
2 raised without antibiotics, growth promotants,  
3 hormones, vegetarian-fed, and verified to the  
4 source of origin.

5           This meeting and our coming here today  
6 is to discuss the basic consumer demands with this  
7 type of production and our responsibility as a  
8 result.

9           Consumers today have a perception of  
10 "natural" and "organic" are of the same intent.  
11 It's a matter of consumer trust. Due to the  
12 evolution of the term "natural," we have an  
13 obligation to protect the consumer's expectation  
14 in the terminology.

15           To allow Bob's Natural Meat to simply  
16 mean minimally processed and no artificial  
17 ingredients to compare to Montana Ranch Brand All  
18 Natural or Coleman All Natural or Meyer's All  
19 Natural or any number of other names, which means  
20 way more, is not serving the public's trust.

21           It is irresponsible to have the  
22 consumer who once purchased bottled water labeled  
23 "100 percent pure" to actually be sold water that  
24 was from a town named "Pure." The expectation of  
25 the term "pure" is free from impurities, not the

1 location of the well.

2           As in the case of natural meat, the  
3 public's expectation is process and production is  
4 done in a naturally based methodology. We believe  
5 that "natural raised" needs to be directed as a  
6 manner of production as well as processing.

7           Our experience is that consumers  
8 believe "naturally raised" means, one, no  
9 artificial processes to the raising of animals,  
10 and specifically the use of chemicals and chemical  
11 processes in the feed and water, specifically  
12 antibiotics, growth hormones, steroids, beta  
13 antagonists.

14           Number 2, vegetarian-fed is interpreted  
15 meaning no animal byproducts period. Number 3, by  
16 default, the consumer expects the product to be  
17 source verified and humanely handled as it's the  
18 only way to verify the production claims.

19           Number 4, I don't believe the consumer  
20 is concerned about the breeding method, whether we  
21 use bulls or artificial insemination, but they  
22 will be intensely concerned about cloning.

23           Expectation by the consumers expect  
24 these references to mean never, ever, and to mean  
25 a hundred percent of the time, not just to have

1 finished in your last 120 days. As somebody said  
2 earlier, you can't be a little bit pregnant.

3           No antibiotic-feed -- or no  
4 antibiotic-fed should not be allowed to be  
5 confused with an antibiotic claim, as in how many  
6 times can you doctor an animal before you've  
7 doctored it too much.

8           No artificial handling processes such  
9 as crated calves with no access to grass and  
10 processed without -- processing products with  
11 water injected or artificial ingredients. We  
12 should not make the consumer have to determine  
13 what the meaning of "is" is.

14           In closing, integrity is integrity. We  
15 either have it, or we don't. It's urgent that we  
16 take these matters up and have clear choices.

17           MR. SESSIONS: Thank you. Debbie Nece  
18 followed by Rex Moore.

19           MS. NECE: Good afternoon. My name is  
20 Debbie Nece. I'm with Cargill, Incorporated. We  
21 would like to thank AMS for allowing us the  
22 opportunity to speak today. As we considered our  
23 thoughts on this topic, we believed that a  
24 favorable outcome of this discussion would be  
25 policy and labeling that would ensure the

1 following: One, creation of product claims that  
2 are meaningful to the consumer. Two, creation of  
3 product claims to minimize confusion in the eyes  
4 of the consumer. And, three, development of  
5 guidelines that enable the animal production  
6 supply chain to successfully deliver on the  
7 promises that they've made to the consumer.

8           We feel that there is much confusion in  
9 food service and retail marketplace on what  
10 "natural" means, and that many feel misled by this  
11 confusion. "Natural" has become a buzz word in  
12 the marketing of food items. Without a set of  
13 regulations to enforce what are the standards, we  
14 have ended up with various uses of what "natural"  
15 means.

16           Cargill raises, purchases, harvests,  
17 and processes livestock that are raised under  
18 various types of programs. Some of these programs  
19 include the restrictions of the use of antibiotics  
20 and hormones, as well as certain feed sources and  
21 controls in animal husbandry.

22           It's critical that we can offer the  
23 consumer a variety of programs. However, it is  
24 also critical that each major type of program or  
25 tier program have minimum standards that must be

1 met and assured in order to bear the legend of  
2 each tier.

3           The first tier is that of organic. The  
4 minimum standards have already been set forth on  
5 this regulation and a seal established to convey  
6 that a particular product has met those standards.  
7 Organic covers deep into the environment of how  
8 the animal is raised, and because of this, it  
9 represents a very limited amount of livestock  
10 production today.

11           We recommend that the next tier would  
12 be products from animals that have not been  
13 exposed to antibiotics, hormones, or growth  
14 promotants from the time of birth to the time of  
15 harvest. These two restrictions should be the  
16 minimum standard for this tier.

17           Our consumer research shows that these  
18 are the two biggest concerns of those who are  
19 looking for "natural" products. We feel that  
20 rather than referring to the products in this tier  
21 as "naturally raised," we should have a seal and  
22 just state what it is, "no antibiotics," "no added  
23 hormones."

24           We further feel that this tier should  
25 have a third-party certification similar to what

1 is in place for organic. We feel that it should  
2 be clear in the regulation that "no hormones"  
3 encompasses all levels of growth promotants,  
4 including feed additives, including, but not  
5 limited, to beta antagonists.

6           In short, any synthetic substance  
7 delivered to livestock, regardless of the method  
8 of application, for the purposes of growth  
9 promotion will not be allowed for the production  
10 of animals in this tier.

11           The minimum standard in the third-tier  
12 product should solely be based on those products  
13 that are minimally processed and use no artificial  
14 ingredients. However, if meat and poultry ITMS  
15 from organic or non-antibiotic, no hormone tiers  
16 were further processed, then they should meet the  
17 requirements of like "natural" meats and further  
18 processing of the third tier.

19           One of the fundamental points of our  
20 discussion is that we should not develop a  
21 classification system that uses the term "natural"  
22 in multiple applications. The purpose is to have  
23 categories of "natural" products as well as  
24 "naturally raised" products is a proposal that  
25 creates far too much confusion in the minds of the

1 consumer.

2           We encourage that the regulation be  
3 imposed at the same time with FSIS on their  
4 proposed regulations, and that they continue to  
5 work together with the consumer in the industry.  
6 Thank you for your consideration of these items.

7           MR. SESSIONS: Thank you. Rex Moore  
8 followed by Roy Moore.

9           MR. MOORE: Good afternoon. I am Rex  
10 Moore, president and family owner of Maverick  
11 Ranch Natural Meats. We have been in the business  
12 since 1985 in raising of natural meats, and we  
13 appreciate the opportunity that AMS, as well as  
14 FSIS, is here today working together on developing  
15 and redefining the definition that governs our  
16 industry.

17           We strongly urge that all agencies work  
18 together to have one definition on the animal  
19 harvest side as well as the meat processing side.  
20 We feel that we should see two definitions evolve  
21 here. One is "naturally raised," which addresses  
22 raising and animal handling practices, including  
23 that of poultry. The other should be "naturally  
24 processed," and that should address the issues of  
25 the product processing and ingredients used after

1 animal harvest. So that it's very clear to the  
2 consumer what "natural" means.

3           When we talk about "naturally raised,"  
4 it should be a never, ever program for the  
5 lifetime of the animal, including no use of  
6 antibiotics, growth promotants, steroids, and the  
7 lack of residue pesticides. All old residue  
8 avoidance programs and the use of -- not used  
9 within the last 180 days should all be obsoleted.

10           "Naturally raised" beef on the  
11 pesticide testing side of it should be verified  
12 for the lack of chemical residues. Within the  
13 last 18 months, our laboratory found heptachlor  
14 epoxide in a load of beef, which had violated  
15 levels of heptachlor epoxide on "naturally raised"  
16 beef. This load of beef was destroyed as  
17 hazardous waste in a landfill here in Colorado.

18           "Naturally raised beef" or all meats  
19 should be or involve a mandatory process  
20 verification program under AMS. So if you want to  
21 make a "naturally raised" claim at retail on your  
22 product, there should be a supporting PVP program  
23 underneath it. This should be verified by  
24 independent, third-party auditing agencies just as  
25 EU certification is or EUB as well as

1 organically-raised food products.

2           When we look at "naturally raised"  
3 poultry, it should not be called  
4 "naturally-marinated" poultry. I think that's  
5 kind of a little bit of an oxymoron to have  
6 injected or marinated poultry be determined or  
7 claimed as being "natural." I think that confuses  
8 the consumer. So that should be done away with.  
9 All poultry should be raised cage-free.

10           Antibiotic-free should be an acceptable  
11 term under the naturally raised definition when  
12 we're looking at various species because growth  
13 promotants aren't (inaudible).

14           In looking at any definition as it's  
15 changed and reimplemented, we should allow a  
16 six-month to 180-day time period to implement the  
17 new definitions to allow producers and  
18 manufacturers to meet the new regulations.

19           MR. SESSIONS: Thank you. Roy Moore  
20 followed by Howard -- I can't read the name -- but  
21 it's with Verity Farms. Roy Moore.

22           MR. MOORE: I'm Roy Moore, CEO of  
23 Maverick Ranch Natural Meats and also the  
24 president of Colorado Meat Packers and Guarantek  
25 Analytic Laboratories the accredited lab. Time

1 permits me speaking only on one subject today, and  
2 that is the use of hormones in beef.

3           Having owned a lab for years, I agree  
4 with FSIS that there are absolutely no scientific  
5 evidence that there are health hazards. However,  
6 there are huge economic implications to the use of  
7 hormones in beef. I will list you four of them  
8 here.

9           First of all, hormones increase  
10 tonnage, which creates oversupplies and lowers  
11 prices to the producers. It decreases marbling,  
12 which decreases grades and significantly lowers  
13 the price. This last summer there was a  
14 difference between -- over a hundred dollars a  
15 head -- between select and choice cattle. This  
16 was -- I -- years ago I attended a meeting -- I  
17 was on the NCBA grading committee, and CSU  
18 presented a paper which proved this.

19           Lately, the major packers who have all  
20 got into the "natural" meat production have found  
21 this to be true, too. Hormones also decrease  
22 tenderness, which lowers demand. Mainly, though,  
23 it lowers our ability to export and compete in  
24 what is now a global beef market.

25           And having traveled abroad, I have

1 found that other countries are exceeding the U.S.,  
2 and that the U.S. is now being viewing as a  
3 second-rate beef producing country, because of our  
4 hormone use.

5           An example of this is Uruguay, which  
6 banned hormone use and raised their exports  
7 13 percent. It raised the price enough that some  
8 of their cuts now outsell the USDA choice beef,  
9 and this is using grass-fed beef against grain-fed  
10 beef.

11           I support "naturally raised" claims  
12 that include no hormones added, but recommend that  
13 a "naturally raised" program be AMS process  
14 verified and there be third-party verification.  
15 The U.S. must develop an image that is acceptable  
16 worldwide. So just simple producer affidavits  
17 will not do this. We have to have a strong  
18 program that is recognized as the leader in the  
19 world. Thank you.

20           MR. SESSIONS: Thank you. Howard -- I  
21 think it's Howard Vlieger with Verity Farms  
22 followed by Michael Smith.

23           MR. VLIEGER: My name is Howard Vlieger  
24 with Verity Farms. Our program has all of the  
25 claims that have already been mentioned, the

1 minimum processed and no artificial ingredients  
2 added, no antibiotics for life and no hormones,  
3 growth promotants administered for life, no animal  
4 byproducts fed.

5           But we go to another level as far as  
6 our crop production. The soil is guaranteed --  
7 tested and guaranteed to be free of chemical  
8 residues, as is the grain and the feed stuff, so  
9 they're fed through the livestock on our program.  
10 I don't see that that's going to become a standard  
11 among the industry far and wide.

12           If -- if the best thing the USDA could  
13 do would be to put "natural" and no genetically  
14 modified crops being fed, because we have seen an  
15 unbelievably high coincidental poor-health issue  
16 in the livestock directly associated to the GMO  
17 crops, whether it be soybean meal and/or corn.

18           There again, it's a coincidental thing  
19 that mold and mycotoxin levels that are  
20 coincidentally present in the growing number of  
21 crops that are raised in that type of system. I  
22 don't expect that to be the standard by which the  
23 USDA follows as strictly the term "natural."

24           I don't know that I agree totally with  
25 the young lady from Cargill, but I do agree with

1 the concept of maybe a tiered program, that the  
2 marketplace is going to sort out what it wants.  
3 The producer is extremely educated nowadays, and  
4 the consistency of the quality of the product is  
5 going to determine your success or failure in the  
6 market. Thank you.

7 MR. SESSIONS: Thank you. Michael  
8 Smith followed by Marie Wheatley.

9 MR. SMITH: Good afternoon. My name is  
10 Mike Smith, and I represent Harris Ranch and Beef  
11 Company. We're a family-owned,  
12 functionally-integrated beef producer located in  
13 the San Joaquin Valley of California. Harris  
14 Ranch commends AMS for its attempt to define  
15 "natural" as it relates to live animal production  
16 claims and believes it is appropriate that these  
17 "naturally raised" definitions are considered  
18 separate from the meat processing criteria  
19 codified by its sister organization or agency, the  
20 Food Safety Inspection Service.

21 Consumers have demonstrated a desire to  
22 purchase products generated from animals produced  
23 under certain production scenarios, i.e., raised  
24 without the use of antibiotics, produced without  
25 added hormones, or not fed animal byproducts. And

1 while it's true, "natural" sales have increased  
2 significantly in recent years, it is equally true  
3 that taking in their total, these markets still  
4 represent a relatively small niche, and thus  
5 far -- excuse me -- and thus caution is warranted  
6 not to disparage meat produced under normal  
7 production practices.

8           Clear definitions of terms used in  
9 making "naturally raised" claims are long overdue.  
10 Not only is the consumer concerned or confused,  
11 but companies marketing "natural" programs are  
12 often frustrated with the inconsistencies  
13 regarding which products and/or feedstuffs are  
14 allowable when making "naturally raised" claims.

15           To provide consistency and effectively  
16 level the playing field, the onus should fall on  
17 USDA to identify those products that can or cannot  
18 be used and/or feed at the production level in  
19 making a "naturally raised" claim, especially as  
20 it relates to the use of antibiotics and growth  
21 promotant compounds.

22           Harris Ranch believes the term  
23 "all-vegetarian diet" is false and misleading and  
24 would disallow many commonly used feedstuffs. The  
25 more appropriate term should be no animal

1 byproducts fed. The term should in no way  
2 preclude the use of feedstuffs that provide a  
3 source of protein, such as a nonprotein nitrogen,  
4 extend shelf life, provide preharvest food safety  
5 benefits, such as lactobacillus acidophilus, or  
6 involve the use of other co-products from food and  
7 fuel production.

8           Finally, credible third-party  
9 verification should be an absolute minimum  
10 requirement for companies wishing to utilize the  
11 "naturally raised" marketing claim. It is indeed  
12 unfortunate, but self-certification, be it  
13 producer affidavit, should no longer be an  
14 accepted form of verification. In its place, the  
15 President Ronald Regan inspired phrase, "Trust but  
16 verify," should be employed.

17           As "naturally raised" production claims  
18 are linked to Process Verification Programs or  
19 PVPs, the USDA should employ verification  
20 activities similar to those utilized in the  
21 organic certification program.

22           The fact of the matter is the cost of  
23 program activities requiring USDA oversight -- and  
24 here I'm talking about beef export verification  
25 programs, system assessments programs, and PVPs

1 are very burdensome to the industry.

2           All efforts should be made to minimize  
3 the cost associated with verification activities  
4 by allowing market-driven competition among  
5 USDA-approved, third-party certification  
6 companies. Thank you.

7           MR. SESSIONS: Thank you. Marie  
8 Wheatley followed by Rosemary Mucklow.

9           MS. WHEATLEY: Thank you very much. My  
10 name is Marie Belew Wheatley. I'm the president  
11 and CEO of American Humane Association. The  
12 American Humane Association observes its 130th  
13 anniversary this year as the oldest and largest  
14 national organization dedicated to the mission of  
15 protecting the welfare of both animals and  
16 children.

17           Founded in 1877, our organization's  
18 beginnings stemmed from the need to address the  
19 inhumane treatment of workhorses and inspecting  
20 stockyards, railcars, and slaughterhouses in an  
21 effort to improve the welfare of farm animals.

22           Over 13 decades, American Humane has  
23 evolved and grown to encompass an array of  
24 services to protect and enhance the well-being of  
25 those who can't speak for themselves, children and

1 animals. And among its many current programs is  
2 Free-Farm Certified, a monitoring and  
3 certification program that allows agricultural  
4 food producers who raise animals -- who raise food  
5 animals to promote and label their products as  
6 humanely raised and processed according to  
7 American Humane standards.

8           Free Farm is the first and is one of  
9 the most widely recognized farm animal welfare  
10 programs in existence in America. American Humane  
11 is agriculture friendly and a reasonable and  
12 thoughtful organization when it comes to humane  
13 treatment of animals raised for food.

14           In addition to our role in certifying  
15 the humane treatment of food animals, we also seek  
16 to educate consumers on food terminology and how  
17 to distinguish between true humane treatment and  
18 misleading marketing jargon.

19           American Humane supports the  
20 developments of "reasonable" and "understandable"  
21 or "consumer friendly" standards and rules for the  
22 marketing term "natural" or "naturally raised,"  
23 and we applaud the fact that AMS seeks to develop  
24 a standard that will better define the term and  
25 specify protocols that farmers and ranchers must

1 follow to claim that the livestock and poultry  
2 they produce are "naturally raised."

3           Further, we believe those terms and  
4 labeling can and should exist side-by-side with  
5 legitimate third-party certifications for the  
6 humane treatment of animals, such as Free-Farm  
7 certified.

8           And as others who have spoken before  
9 me, we believe that any claim labeling "naturally  
10 raised" should require no synthetic growth  
11 promotants or synthetic additives; no antibiotics  
12 during the lifetime of the animal, except for the  
13 treatment of ill animals, and those would be  
14 removed from the program; no animal-derived  
15 products that were ever contained in feed, and  
16 further, that such animals lived under humane  
17 conditions for their entire lives with regard to  
18 animal welfare.

19           Legitimate third-party certification,  
20 such as American Humane Free-Farmed certification  
21 may be used to ensure that the humane treatment  
22 standard is met. Thank you.

23           MR. SESSIONS: Thank you. Rosemary  
24 Mucklow followed by Corbett Kloster.

25           MS. MUCKLOW: There isn't a chance that

1 somebody as loquacious as me can give you all I  
2 want to tell you in three minutes. I'm not even  
3 going to try. You can read my paper later.

4 I would like to say here today on  
5 behalf of National Meat Association that it is  
6 gratifying that you have a representative of FSIS  
7 along with you to receive comments.

8 This issue, the definition or  
9 understanding of what the term "natural" means  
10 cannot be decided by one agency alone. There  
11 needs to be a collaboration between the two  
12 agencies. And up until this point, there has been  
13 a substantial deficiency in the exchange between  
14 the two agencies. You can't have one definition  
15 for "naturally raised" and another one developed  
16 by the sister agency across the hallway.

17 It is encouraging to have you both  
18 together, and we hope that this collaboration will  
19 result in matching understandings.

20 The second major point that I would  
21 like to make is that -- it's gone. I should have  
22 let you read the paper. FSIS has a complicated --  
23 their process is complicated by how the product is  
24 handled.

25 And as I stated in a submission in

1 December, a hundred years ago the butchers in San  
2 Francisco came together and said we don't want  
3 mechanical refrigeration. It brings us chemicals.  
4 We'd rather stay with the old fashion . Well,  
5 obviously they lost. A hundred years later we  
6 used mechanical refrigeration. It's the Holy  
7 Grail of food safety.

8           Therefore, we need to think very  
9 carefully as we think about the various processing  
10 techniques that we use to make food safe for  
11 consumers and carry it through the distribution  
12 chain so that people in the great metropolitan  
13 areas can safely eat food that is grown and  
14 produced in Montana. Now, that is very admirable.

15           There are a lot of people here today  
16 who say let's have the "never ever" principle.  
17 The "never ever" principle is a fundamentally  
18 solid principle, and I think you're going to hear  
19 a great deal of that as you continue.

20           Finally -- it says stop now -- finally,  
21 this issue should be agreed as a matter of policy.  
22 If you go through a rule-making process, it will  
23 take years. We cannot wait for this decision for  
24 years. It needs to be considered and collaborated  
25 on as a matter of policy by these two great

1 agencies under the leadership of their outstanding  
2 Secretary of Agriculture. Thank you.

3 MR. SESSIONS: Thank you. Corbett  
4 Kloster followed by Kenneth Macy.

5 MR. KLOSTER: My name is Corbett  
6 Kloster. I am representing my company, Fieldale  
7 Farms Corporation, which is a poultry processing  
8 operation in north Georgia. I just have a short  
9 comment on a detail about an "all natural" label  
10 request. Mr. O'Connor touched on this detail in  
11 his presentation about negative labeling terms.

12 The current definition for "all  
13 natural" needs to be redefined and clarified as  
14 its current definition is often a source of  
15 confusion to the consuming public. While  
16 redefining clarifying the meaning of "all  
17 natural," it would be entirely appropriate to  
18 clarify the use of hormones and steroids on the  
19 packaging of poultry products.

20 The "all natural" label should  
21 unquestionably -- excuse me. I lost my place.  
22 The "all natural" label should unquestionably be  
23 allowed under the terms of a new definition for  
24 clarification of "all natural." This would be in  
25 line with the current perception of the consuming

1 public.

2           At the same time, we are not advocating  
3 that the appearance of such terms should foster  
4 the belief in the mind of the consumer that  
5 hormones and steroids are routinely used in other  
6 forms of poultry production. In fact, they are  
7 precluded by law as there are no approved hormones  
8 or steroids for use in poultry production.

9           Today many consumers believe that  
10 hormones and steroids are permitted and used in  
11 poultry production unless labeled with the "no  
12 hormones" or "steroid" statement. I respectfully  
13 submit that USDA clarify the use of these terms on  
14 the labeling of poultry products.

15           Since hormones and steroids are not  
16 approved for use in poultry production, it would  
17 be entirely appropriate that the "all natural"  
18 claim uniformly clarify that hormones and steroids  
19 are not used in any poultry production. Thank  
20 you.

21           MR. SESSIONS: Thank you. Kenneth Macy  
22 followed by Todd Hagenbugh.

23           MR. MACY: I submitted my written at  
24 the front desk. I'm Kenneth Macy of Pine Bluffs,  
25 Wyoming. I produce natural beef and lamb for some

1 of the companies you've heard from today, some  
2 lamb for some companies you haven't heard from  
3 today. I would like to make a few statements from  
4 the producers' aspect of this labeling  
5 development.

6           One, as you heard many times, that  
7 animals be raised and fed using no antibiotics, no  
8 synthetic hormones, no steroids, no synthetic  
9 growth promotants, and no ionophores. That to the  
10 producers' knowledge, any and all animals  
11 receiving any of the above be identified and  
12 removed from the animals to be harvested for a  
13 "natural" meat label. Some farms even make the  
14 removals as the production goes on. That just  
15 should be part of the process.

16           A good vaccination program and the  
17 proper use of parasite controls should be used to  
18 help produce animal healthy animals and  
19 vaccinations should be administered properly.  
20 That's all -- that applies to all, but especially  
21 to the "natural."

22           Beef and lamb should not be fed any  
23 animal byproducts. Again, that should be both  
24 "natural," but it should -- the public needs to  
25 have that certainty.

1           Producers should provide signed  
2 certification for animals to be harvested and sold  
3 under a "natural" label. This may be in different  
4 forms as used by different companies and brands of  
5 meat, provided that the certification contains the  
6 required information. This would allow different  
7 brands to have additional information on their  
8 certification forms.

9           At this point, I do not support  
10 third-party verification, because I believe that  
11 most of the producers I know in this business and  
12 most of the companies in this business have high  
13 integrity and intend to continue to develop this  
14 product for its value and will do that without the  
15 need for third-party verification.

16           If I'm wrong, and after you have this  
17 label development with these other items that  
18 we're asking for and you find cheaters out there  
19 and feel that later on the rule of third-party  
20 needs to come to the table, then I would certainly  
21 open my view to that. But at this point, I am not  
22 supporting of mandatory third-party.

23           Age determination should not be a  
24 criteria for a "natural" link, and so a separate  
25 process should not be a part of that. An

1 individual animal identification should be  
2 something that is optional to the producers and  
3 the companies, and again, if some choose to do  
4 that, but that should not also be mandatory  
5 individual animal I.D.

6           And what should not be "natural"  
7 labeled -- I walked in the grocery store a few  
8 years ago and they had a sign that said "natural  
9 meat," and I asked the butcher behind the counter  
10 what it meant, and he said oh, it don't mean much.  
11 It means we didn't add any water, didn't add any  
12 marinade, didn't put in any soybean meal. I would  
13 hope it means a lot more than that when we get  
14 done with this process. Thank you.

15           MR. SESSIONS: Thank you. Todd  
16 Hagenbugh followed by Charles Klaseen.

17           MR. HAGENBUGH: Good afternoon. Tom  
18 Hagenbugh from Steamboat Springs, Colorado,  
19 northwest of here about three hours. I'm happy to  
20 be here this afternoon. I am a member of Rocky  
21 Mountain Farmers Union and the Routt County  
22 Cattlemen's Association. I can't say I'm CEO or  
23 COO, but I'm chief mechanic and fence builder at  
24 the ranch, and I'm very proud of that.

25           Tammie, you took us back earlier to

1 1982 and discussed where the term "natural," what  
2 that label means now. I'd like to take us back  
3 just a little bit further to 1880's, when my great  
4 grandfather came here from Switzerland and  
5 home-sitted in beautiful Pleasant Valley where we  
6 still ranch today, and he started producing  
7 "natural" beef.

8           What did that mean to him at that time?

9 That meant it didn't have antibiotics in it, it  
10 wasn't fed byproducts, it had no growth hormones,  
11 the food it was fed, it was grown right there in  
12 the valley, and in the summer the cows lived on a  
13 hill, and they better get it themselves, and in  
14 the summer they would come down and it was fed to  
15 them.

16           And that hay that was grown in mountain  
17 valleys didn't have pesticides, didn't have  
18 herbicides. And the only fertilizer that was on  
19 that hay was fertilizers that the cattle had put  
20 there the winter before when they ate the hay.

21           And I think that's important because  
22 that is the product that my family, four  
23 generations later, is still producing today, and I  
24 think it's important that consumers know that.

25           Now, a lot of this has changed in the

1 last 100 years, and our neighbors aren't ranchers  
2 anymore. We have a Hollywood movie producer who  
3 lives next door to us. We have an insurance owner  
4 who insures all of the Chicago Bears from Chicago  
5 that lives next to door to us, and a car  
6 dealership owner from Texas.

7           But all of those people have one thing  
8 in common, and that is that they go to the grocery  
9 store and they seek out the label that says  
10 "natural." And what they intend when they eat  
11 that food is that the cattle that they're eating  
12 is produced in the same manner as the cattle that  
13 they see out that window that's produced on my  
14 ranch. And I think that's only fair to them that  
15 they know that is what they're getting when they  
16 buy it at the grocery store.

17           Just a little antidote to say labeling  
18 is only as good as the intention behind it.  
19 There's an old couple -- I suppose like Charlie  
20 here and Betty -- that went to their favorite  
21 steakhouse. There's a new label above the door,  
22 and it said "serving vegetarians." And they were  
23 like what in the world is going on with our  
24 steakhouse? And they went inside and they said to  
25 the owner, you're serving vegetarians? And the

1 owner said, you bet, cows are vegetarians.

2 MR. SESSIONS: Thank you. Charles  
3 Klaseen followed by Blair McMorran.

4 MR. KLASEEN: I'm Charles Klaseen. I'm  
5 from Crawford, Colorado, cow/calf operator with my  
6 son and son-in-law, and we run about 700 cows and  
7 produce -- we try to produce "all natural" calves.  
8 And -- but if we do have to doctor one, we take it  
9 out of the program, and let somebody else have  
10 that kind of meat. And I feed out a lot of my  
11 cattle in the commercial lots all naturally. And  
12 we don't use any growth hormones at any time, and  
13 we are -- we run on mountain range and alfalfa hay  
14 and grass mostly.

15 We need to enforce this country's words  
16 and labeling. That was in the 202 farm bill,  
17 because that will help weed out some of this meat  
18 that comes to the consumers that you don't even  
19 have the slightest idea what they've had to eat or  
20 didn't eat.

21 We need to educate the consumers on why  
22 our "natural" product is healthier than the  
23 average product that has no specific origin.  
24 Inspection need complete enough to verify the  
25 facts included in the label. All the rule-making

1 on "natural" products should involve the producers  
2 so we have a realistic rule for the quality of  
3 health standards that will meet the consumers'  
4 expectations of a consistent product.

5           Our final product goes to the  
6 consumers. So we want a consistent product so  
7 they'll be back at our doorstep next year.

8           MR. SESSIONS: Thank you. Blair  
9 McMorrان followed by Sue Jarrett.

10           MS. McMORRAN: I want to thank the USDA  
11 for sponsoring this hearing. My name is Mary  
12 Blair McMorrان. I am volunteer for the Weston A.  
13 Price Foundation, a group of consumers whose  
14 mission is to educate people about nutrient-dense  
15 foods. I hope this session will start an open  
16 dialogue that will educate Americans about their  
17 food sources.

18           Our motto is know your source. Over  
19 the last 50 years, large producers use science and  
20 technology to increase yields, profit margins, and  
21 food shelf-life. At the same time, government  
22 guidelines increasingly favored corporate  
23 interests at the expense of small farmers and  
24 ranchers.

25           Somewhere along the way, we lost sight

1 of animal health and that connection to human  
2 nutrition. The devastating health effects of  
3 those decisions are widespread. Confined animal  
4 feeding operations must radically change under any  
5 label.

6           Instead of grass, they feed GMO, corn,  
7 and soy. Corn creates an acid environment where  
8 E. coli thrives. Soy is known to cause mastitis  
9 in dairy animals, and mineral deficiencies that  
10 result in stillborn calves, or calves that cannot  
11 stand up after birth, as well as lesions in their  
12 liver. Soy-fed cattle live less than half as long  
13 as grass-fed cattle. Phytoestrogens abundant in  
14 soy cause fertility problems.

15           Feeding corn and soy to animals is not  
16 biologically appropriate feed. It disrupts  
17 natural growth patterns and promotes deadly  
18 bacteria. We are what we eat.

19           Grass-fed cattle, on the other hand,  
20 although longer to market, grow at a normal pace  
21 and have strong, healthy babies that can survive a  
22 winter storm and need no hormones or antibiotics  
23 to sustain them. E. Coli and other bacteria are  
24 dramatically reduced, often non-existent in  
25 grass-fed animals. Their meat has heart-healthy

1 CLA, which is Conjugated Linolenic Acid, an  
2 abundance of trace minerals, much higher Omega-3  
3 content, and much lower amounts of saturated fats.

4           60 days in a feed lot will reduce the  
5 CLA content by 50 percent. Today science reveals  
6 clear and undeniable evidence that feeding animals  
7 biologically appropriate foods, allowing them free  
8 access to pasture and sound animal husbandry  
9 produces robust, healthy animals. This same  
10 energy is transferred to humans when we eat the  
11 nutrient-dense food.

12           The American Grass-Fed Association has  
13 recently adopted the standards for its members  
14 that defines grass-fed as an animal that has  
15 received only plant materials, no grain, and  
16 mother's milk, without confinement, as its food  
17 source over its entire life. We would like to see  
18 these standards be the norm for any lifestyle,  
19 regardless of the marketing label.

20           We urge you to adopt standards that  
21 address the health of both animals and humans. My  
22 perception is that the various USDA labeling  
23 standards will confuse the consumer, yet please  
24 the corporations, and naturally, prices will  
25 increase.

1           None of these proposed labeling  
2 standards ensure that any livestock purchased in  
3 the retail market was raised in a healthy  
4 environment. It takes a half gallon of gas to  
5 produce one pound of hamburger in confined animal  
6 feeding operations. Further, these crowded  
7 conditions contribute to greenhouse gases.

8           Please endorse suitable farming  
9 practices that help our environment, address our  
10 dependence on oil, global warming, and restore our  
11 depleted soils and polluted waters. We urge you  
12 to cease trying to legislate bacteria. They  
13 outnumber us and will easily --

14           MR. SESSIONS: Thank you very much.  
15 Please conclude your remarks. Sue Jarrett,  
16 please.

17           MS. JARRETT: You didn't say another  
18 name after me. So I must be the best for last.  
19 My name is Sue Sharon Jarrett. I come from  
20 northeast Colorado. I arrived a little late. So  
21 I didn't hear your ground rules, but I think  
22 they've been explained to me.

23           I'm a rancher. I'm the youngest of six  
24 girls. Trying to take over my family ranch. And  
25 a few years ago my daughter started raising what

1 we call "natural meat" and direct selling it.

2           One of the things that has to go along  
3 with this is as we lay different claims to things,  
4 that those claims do mean something because  
5 consumers want to know. Most of the people that  
6 we tried to market to, "natural" meant that those  
7 animals were born and raised on our ranch,  
8 finished on our ranch, and the only processing was  
9 when they were killed, and those people picked it  
10 up.

11           They understood that they might receive  
12 a little corn at critical times when the animal  
13 needed extra energy, but they did not understand  
14 that those animals would be confined in a CAFO and  
15 fed corn for a significant period of time. They  
16 didn't want any hormones in there. They didn't  
17 want subtherapeutic antibiotics. In fact, they  
18 didn't think, other than an animal being doctored  
19 when its sick, they should have antibiotics.

20           And if those animals got sick and were  
21 doctored, that they were pulled from the food  
22 chain, because after all, we have pet food, and  
23 that's where the culled animals go, and they  
24 considered animals that got sick would be culled.

25           So I learned a lot as we tried to

1 direct market and build a very niche market out on  
2 the eastern plains. I tried to get into some of  
3 the bigger natural programs. But because I became  
4 an activist and a bit of a political hellraiser,  
5 we got targeted, and it was very hard for us to  
6 get into programs. So we did it on our own where  
7 we sold the live animals.

8           State-inspected meat plants, you can't  
9 sell meat. You have to sell the animal. We've  
10 lost a lot of our USDA-inspected plants.

11           When I went political, I was appointed  
12 to co-chair the small-farm advisory committee by  
13 Secretary Dan Gliggman, and he made a comment to  
14 me once. I kept saying we've got to go back to  
15 smaller producers and small-family farms and  
16 ranchers. And he kept saying, Sue, we need both  
17 to survive out there. We've got to have the  
18 bigger consumers -- or the bigger producers and  
19 processors that do sell into the international  
20 market, but we also need the small-family farmers  
21 and ranchers that sell direct and into the local  
22 markets.

23           My goal is not to sell to New York City  
24 or Japan. My goal is to feed my community and my  
25 local region so the less energy use the better. I

1 appreciated Todd's comments to mean "natural"  
2 truly means "natural," nothing. Those animals are  
3 born and raised and fed on that ranch.

4           They don't go to a CAFO. That includes  
5 corn feeding to the extent that it's a CAFO. So  
6 no hormones, no antibiotics, no artificial  
7 ingredients. That would be GMO corns and stuff  
8 like that. Animals did not traditionally eat corn  
9 and other feeds. We used those as supplements to  
10 help get us by.

11           That the consumers have confidence in a  
12 product label is what the government's job is. I  
13 look to the government to do their job, and I'll  
14 do my job and follow the rules as best I can.  
15 Thank you for your time and thank you for this  
16 hearing.

17           MR. SESSIONS: Thank you. Maureen, do  
18 we have any further sign-ups?

19           UNIDENTIFIED SPEAKER: No.

20           MR. MAXWELL: Excuse me. Would it be  
21 possible to sign up still?

22           MR. SESSIONS: Yes. I was just going  
23 to call for any last-minute speakers here.

24           MR. MAXWELL: Yeah. What do you want  
25 me to do?

1           MR. SESSIONS: State your name and  
2 affiliation and go to town, go to work.

3           MR. MAXWELL: I like that. Thank you.  
4 Maybe I can get a little head start on my three  
5 minutes. My name is Chad Maxwell. I'm the  
6 managing director of a company called Natural  
7 Farrowing System.

8           On behalf of the Natural Farrowing  
9 System, we would like to commend USDA on  
10 attempting to create the definition for "naturally  
11 raised" livestock and meat marketing claims.

12           We believe that it's extremely  
13 important to do this as the market is continually  
14 getting grayed. If we don't do it soon, it's  
15 gonna -- it's gonna be a meaningless term, if it  
16 isn't already.

17           The Natural Farrowing System is a  
18 patented standardized alternative to confining hog  
19 production. With producers raising pigs in seven  
20 different states, at NFS we are dedicated to  
21 bringing hog production back to the family farm  
22 and the low cost, low labor, low impact, and  
23 odor-free environment.

24           The "natural" in our system doesn't  
25 necessarily refer to the product that's being

1 produced, but how we raise the animal. It's about  
2 how that animal is raised. And to that we've set  
3 some standards that we think need to be  
4 incorporated into the hog production.

5           First is for the gilt of the sow. She  
6 wants to do some natural instincts. Those  
7 instincts being to isolate herself from the herd  
8 24 hours before she's ready to farrow, to seek a  
9 warm, dry area to root and nest in, to begin  
10 nest-building 12 to 15 hours before farrowing, and  
11 have the freedom of movement, to vocalize with  
12 their pigs after their born, seek to defecate,  
13 urinate away from the rest of her herd, to isolate  
14 herself from the herd after birth for 10 to  
15 14 days, and then to start to reintegrate and wean  
16 her pigs somewhere at five to six weeks after  
17 that.

18           Furthermore, we believe that for  
19 anything to be termed "natural," you have to  
20 outlaw or not allow the use of farrowing crates or  
21 gestation crates in the production process. While  
22 we believe that these crates and gestation or  
23 farrowing have their purpose in a larger  
24 confinement operations, they have  
25 positive-production attributes, we don't believe

1 that they qualify to meet what we believe to be  
2 "natural" production, allowing that animal to  
3 display her natural instincts.

4           In addition to that, we think that if  
5 it's going to be raised in some type of facility,  
6 and we do need to use facilities in raising  
7 product animals, they need to have natural  
8 sunlight, natural air ventilation, deep bedding or  
9 access to the outdoors, and any facility  
10 supporting farrowing be a free stall. That she's  
11 free to come and go, and that she's not confined.

12           We also think you need to address a few  
13 other things in hog production, antibiotics,  
14 worming, vaccines, teeth-clipping, tail-docking,  
15 and the feed. I'll quickly try to hit them.

16           Antibiotics, while we don't believe  
17 that a shot should make an animal unnatural, we do  
18 believe that it offers the opportunity for misuse.  
19 So the never ever claim must -- must be adhered  
20 to.

21           We're running out of time. We believe  
22 you need to be able to worm. We need to be able  
23 to vaccinate. We also need to believe that it's  
24 up to the producer on how they clip teeth, and in  
25 using it in a producer-appropriate manner because

1 of the animal welfare associated with it. We  
2 don't believe tail-docking is necessary. You only  
3 need to dock tails if you've got your animals in  
4 the wrong type of environment, too crowded or poor  
5 nutrition.

6           And we believe that the feed needs to  
7 be free, a vegetarian diet, free of meat  
8 (inaudible). But the consumer is looking for more  
9 in that level of protection, and we believe you  
10 need to give it to them. Thank you.

11                   CLOSING COMMENTS

12           MR. SESSIONS: Thank you. I'll have  
13 another last call for speakers. That being the  
14 case, then we'll close out the session this  
15 afternoon.

16           First and foremost, I want to thank  
17 each and every one of you for attending this  
18 afternoon either as a participant or as a speaker.  
19 I want to assure you that we are -- want to make  
20 this process and the developing of marketing  
21 claims standard as transparent as possible.

22           We will listen to your input, and we'll  
23 use it as the development of a consensus standard.  
24 Your input is important to us; your participation  
25 in this process is important to us, and we

1 encourage you to continue to provide us input  
2 through our website, through written submissions,  
3 and so forth.

4           We have heard the industry. We will  
5 move this process along as expeditiously as we  
6 can. So we will move it forward as we being  
7 practical. We -- you have the website information  
8 where you can follow and track our development of  
9 this particular standard.

10           Again, we thank you for coming out this  
11 afternoon. We appreciate your participation, and  
12 just a reminder, we will conduct a session  
13 tomorrow afternoon in Seattle, Washington. Again,  
14 thank you so much.

15           (Applause.)

16           UNIDENTIFIED SPEAKER: A really quick  
17 question. You asked -- you said you'd continue to  
18 take comments. Have you established a deadline  
19 yet for when comments will stop, and you'll start  
20 developing the standards?

21           MR. SESSIONS: We will -- we will  
22 continue to take comments. We have not set a  
23 deadline. We hope to start the developmental  
24 process in collaboration with FSIS shortly after  
25 the listening sessions are over.