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NO ANTIBIOTICS...  
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The Leading Producer of Certified Natural Meats

*Just Pure  
Simple Beef.™*

May 17, 1999

Mr. Fred Kirschenmann  
Route 1  
Windsor, ND 58493

Re: Allowing Judicious Use of Parasiticides For Organic Livestock

Dear Fred:

I am the President of Coleman Natural Products ("Coleman"), a producer of high quality beef that comes from cattle raised from birth without antibiotics or added hormones. I am writing to you at the suggestion of Bob Anderson and Keith Jones because I am very concerned about the ability of organic beef producers to profitably produce enough high quality meat without using parasiticides.

The NOSB recommendation prohibits the "regular, planned or periodic use of parasiticides" and allows them only as a "last resort" in accordance with strict guidelines. The recommendation also prohibits the use of parasiticides in "slaughter stock that is labeled or sold as organically produced." The recommendation goes on to state that parasiticides may be used on a restricted basis in breeder and dairy stock and that sheep, goats and swine are exempted.

We do not agree with a total prohibition for the reasons set forth in this letter. For at least the next five to ten years, or until some natural substitute product is available on a large scale, I am afraid parasiticides are a necessary evil. What we would like to propose is to allow the use of certain parasiticides, but under strict guidelines.

Coleman currently slaughters about 50,000 cattle annually. These cattle are purchased from over 700 different Coleman certified ranchers in over 20 states. We do not rely on antibiotics to solve our problems. Instead all of the ranchers are required to follow very strict protocols which are designed to promote the health and well being of the cattle, which is our first priority. Our protocols are at the heart of our whole food safety initiative, and we believe they are responsible for the fact that our cattle grade 84% choice while the industry is at 59%. These practices enable us to produce a high quality,



consistent product, and consumers are willing to pay up to a 100% premium for this meat versus conventional beef.

Coleman Natural Beef is currently distributed in a total of 900 grocery outlets out of the 30,000 supermarkets in the U.S. Our plans are not to convert our entire line over to organic any time soon due principally to a lack of "qualified" cattle available on a weekly basis. We estimate that we would need at least 26,000 head of organic cattle (500/week) based on a 15% store penetration rate and a movement rate of 20% of our current level. At a 50% store penetration 78,000 head (1500/week) are needed.

In an ideal world, I agree that parasiticides should not be used. However, based on experience, we have found that they are necessary to keep animals healthy, stress and disease-free. Parasiticides allow us to profitably produce a high quality, consistent beef product. As part of our wellness program, we allow the use of only "one time kill" parasiticides, meaning they do not remain active after they pass through the animal. In this way there is no ecological impact. In our program, parasiticides are administered most often when the calves are weaned, when the cattle are 500-600 pounds, and then again before they go into the feedlot where they are in proximity to many other animals.

Parasiticides are necessary in slaughter stock care. If there is any place in the country where a producer might not need to use parasiticides, it is here in Colorado where the combination of low humidity and high altitude keep the insect population to a minimum. However, in tests conducted at the Coleman ranch here in Colorado, we have found that animals not treated with parasiticides were sickly, took longer to gain weight and produced a lower quality of meat.

The main arguments for allowing parasiticide use are:

1. Parasiticides help improve the overall health of the animal. In a recent publication titled, *The Use of Drugs in Food Animals: Benefits and Risks*, the Panel on Animal Health, Food Safety and Public Health, which is a joint activity of the National Research Council's Board and the Institute of Medicine's Food and Nutrition Board stated that, the elimination or reduction of the population of vectors (e.g. the face fly, which transfers pink eye; the mosquito, which transmits anaplasmosis; and the culicoid, which transmits bluetongue) is critical to preventing diseases in beef cattle. Additionally, adequate and balanced nutrition, the prevention of stress and maintaining clean facilities and environment are also factors in disease prevention.
2. Parasiticides are needed to eradicate stomach worms and liver flukes. In a study conducted at the Royal College of Veterinary Medicine in London, researchers found that 75% of the negative impact of internal parasites comes in the form of appetite suppression. When cows don't eat, their body condition deteriorates and conception rates go down.

3. Humane animal treatment demands the use of parasiticides, especially in humid areas like Texas and Florida where insects and parasites proliferate. We have found that animals who have not been treated tend to be more stressed. They are often found rubbing themselves against trees, fences or posts until patches of hair are worn away.
4. Without the use of parasiticides the economics of raising organic beef will be such that the industry may never grow beyond meat from "spent" dairy cows. Unfortunately, these cows tend to be older, and the meat that is derived from them is primarily ground beef. The remaining cuts of meat can be tough and lacking in taste. We are concerned that after paying a premium price for this meat, the consumer will be dissatisfied with the quality, and not want to buy organic beef again.
  - The cost of raising organically fed cattle will be higher than even our natural cattle. Currently, we are paying our producers a 10% premium over the conventional market reflecting the higher cost of gain. We estimate an organic animal will require at least a 15-20% premium reflecting not only the higher cost of gain, but also the higher price of organic feed. Certification is an additional cost. Without the prudent use of parasiticides there is a high probability of increased stress on the animal. This in turn can lead to more sickness, tougher meat, more "dark cutters" and poor grading, all of which will lower the price the producer will ultimately receive.
  - When the animal reaches 1150 pounds it is ready for slaughter. Without using parasiticides there is a high likelihood that:
    - \* the hide, which might have brought a premium because it is organic, will, in fact, be a #2 or damaged hide. The damage will come from the heel fly, whose larvae live in the loin meat and back. Purple spots and holes appear on the hide, and there can be areas where the hair has fallen out. A good hide is worth about \$50/head, while a damaged hide can be discounted by as much as 10-20%.
    - \* the animal is more apt to grade select rather than choice. When this happens, the producer will lose another \$50/head at today's prices.
    - \* the heel fly will severely damage the loin meat which is the part of the animal that brings the highest premium. If the only parts that are truly marketable are the chuck and round, the producer/packer will face a significant loss.

- \* the liver fluke will destroy many of the livers which bring \$1.50/head.
  - When the average profit that producers make is \$25-\$50/head, using parasiticides and antibiotics, it is hard to conceive of why anyone would want to go into the business of raising organic fed cattle, just to lose money. We have proven beyond a doubt that fed cattle can be raised from birth without antibiotics, and that profits can be achieved. Unfortunately, we have not proven this to be the case where parasiticides are concerned. In fact, our own experience shows that not using parasiticides is a financial disaster and inhumane way to raise the animals. In our opinion, the higher cost of raising cattle organically coupled with the lower value received will probably never allow the organic fed cattle market to get started.
5. We are confused as to why slaughter stock and poultry are being singled out for prohibition. The NOSB recommendation provides for species specific exemptions including sheep, goats and swine. All these species get worms and other parasites. Why is the NOSB allowing for them to be treated with parasiticides? Sheep and swine certainly produce fresh meat that is used for food.
  6. Parasiticides are often lumped together with antibiotics in the category “animal drugs.” Antibiotics and parasiticides are very different from each other and they should not be regulated together. We are against the use of antibiotics. However, in our opinion, until some effective, natural parasite control products are developed for the mass production that is required to fill demand, parasiticide use is not only necessary but required.
  7. The NOSB recommendation prohibits the “regular, planned or periodic use of parasiticides.” What does all this mean? Coleman has prided itself on being the gold standard when it comes to raising healthy animals, following strict protocols for animal wellness programs, treating animals humanely, environmental stewardship, and giving the consumer the best tasting, highest quality, consistent fresh beef products. As a part of our animal wellness protocols we allow the use of certain parasiticides as long as they are administered properly and at the right time of year for the particular insects being treated. Finally, good records must be kept regarding parasiticide use. Isn't it better to have a “planned” use that is set forth in the organic plan and wellness program, than waiting until parasites attack and the animal suffers?
  8. The NOSB is trying to set rules that apply to both dairy cows and fed cattle. Everything about these animals is different. The dairy cow's

reason for being is to give milk. The economics are such that this is where the profits are made. Once the cattle are finished producing organic milk, they can then be sold as organic slaughter stock, which is all additional profit. In the case of fed cattle, there is no milk and the only product is the beef itself. The producer must raise the animal for 18-24 months with no revenue coming in and then receive his revenue and any profit when the animal is slaughtered. In our opinion, based on everything we have tried to lay out in this paper, it will be virtually impossible for the producer to maximize the economics without using parasiticides.

9. As a member of the U.S. Delegation for the recent Codex meetings I participated in the development of the draft guidelines for organically produced livestock and livestock products. The issue of pesticide use never came up. We instead recognized that certain substances are used for maintaining the health of the livestock and that their use should be allowed as long as certain criteria were met. In the description section of the Codex document, they talk about states the "respect for the physiological and behavioral needs of livestock....livestock husbandry systems appropriate to behavioral needs and animal management practices that minimize stress and seek to promote health and prevent disease." We contend that the animals behavioral needs, health and disease prevention cannot be achieved without using parasiticides.

I have had discussions with leading people in the organic community about pesticide use. The concerns seem to center on ecological impact as they pass thru the manure, the fact that the focus should be on prevention through natural means and finally that it is a synthetic compound. At Coleman we pride ourselves on our animal management and wellness programs, as well as our concern for the environment. The parasiticides we allow become inactive after passing through the animal. Secondly, the only natural product anyone is aware of for potentially treating parasites is diatomaceous earth. Unfortunately, according to Ohio State University Extension Bulletin 473 "Although diatomaceous earth is labeled as feed-through for fly control, there is no scientific data to support efficacy regarding control of internal parasites and specifically fly larvae in animal manure." Finally, the fact that parasiticides are synthetic should not be a reason for prohibition when the health, well being and humane treatment of the animal are concerned.

In summary, parasiticide use should not be prohibited. Instead, its use should be allowed as long as the particular product is on the national list. It should also be made part of that producers overall organic plan, and strict records should be maintained regarding its use.. We believe that this is the only way to help ensure that its use is not abused, and that the market for high quality, choice organic beef can grow and prosper.

Thank you in advance for your consideration of our proposal. I hope that I will have time to talk to you before the NOSB meeting in June.

Sincerely,



Lee N. Arst  
President/CEO

cc: Robert Anderson  
Keith Jones ✓