March 01, 2013
Livestock, Poultry and Seed Program

TO: Resident Shell Egg Graders
    Shell Egg Plant Management
    Shell Egg Label Manufacturers

FROM: Roger L. Glasshoff
      National Supervisor, Shell Egg Section

SUBJECT: Shell Egg Label Approval

This memorandum establishes Poultry Grading Division policy for the approval of shell egg related packaging material bearing official identification (USDA grademark). All previous instructions on this subject are superseded by this memorandum.

I. Approval of Official Identification

A. Label Approval

The Regulations Governing the Voluntary Grading of Shell Eggs (7 CFR Part 56) and the United States Standards, Grades, and Weight Classes for Shell Eggs (AMS 56) require that all labeling materials bearing official USDA grademark identification receive approval from the National Office prior to use by a firm. For purposes of this section, the term “label” will include all cartons, sleeves, overwraps, cases, or other types of packaging material for shell eggs. Carton manufacturers or other interested parties must submit examples of proposed labels (preferably a printer’s proof) to the National Office for review. Graders may not authorize the shipment of eggs in packaging material bearing the official grademark until the labeling has been approved by the National Office. The contact information for the National Office is as follows:

National Supervisor, Shell Egg Staff
USDA/AMS/Livestock, Poultry and Seed Program
Poultry Grading Division
Room 3936-S, STOP 0258
1400 Independence Avenue, SW
Washington, DC 20250-0258
Fax: (202) 690-2746
Phone: (202) 720-3272
Upon approval, each label will be assigned an official approval number. This approval number will consist of an alpha-numeric configuration enclosed in a rectangular box (for example, H-924, see figure 1 below) and may be printed anywhere on the consumer container. The National Office would prefer the approval number be situated near the USDA grademark.

Figure 1:

H-924

Labels bearing a USDA approval number are to be initialed and dated by the grader. The actual label or a photocopy of the label and a copy of the issued Form PY-221, Label Notice, are to be placed in the grader's file (File Folder # 14). The USDA grader must review any provisions listed on the Form PY-221 prior to packaging shell eggs identified with the USDA grademark. If there are any discrepancies or questions, the supervisor is to be contacted. If a label(s) format for an additional size egg is identified with the same approval number, place only one label in the file and list all sizes with the approval number being used. It is the responsibility of plant management to provide the resident grader a copy of the approved label and Form PY-221, prior to use.

B. Management Responsibility

Plant management must submit labels for approval to the National Office whenever labels are received which do not bear the approval number. It is the responsibility of the firm, not the grader, to submit material for approval. USDA stationary or envelopes must not be used to submit labels for approval. The label manufacturer or the firm is to submit a copy of the label to the National Office for review.

When plant management proposes to package specialty eggs or eggs identified with a specific marketing claim (Cage-free, Omega-3, Organic, etc.) the USDA grader must be notified prior to the processing of the source flock(s) and the identity of the eggs from the egg producer. A physical break on the egg conveyor separating the specialty eggs from the traditionally produced eggs to assure proper identity of the finished product. The physical break is subject to verification by the USDA grader.

C. Display of Label Information

Mandatory information required on the label format, is as follows:

1. The Principal Display Panel (PDP) means the part of the label that is most likely to be displayed, presented, shown, or examined under customary conditions of display for retail sale. The PDP must bear as the statement of identity, the word, "Eggs." The type size must be reasonably related to the most prominent printed material on the label.

2. The statement of net contents; i.e., "One Dozen", "12 eggs", "18 eggs", "15 Dozen", "30 Dozen", etc., must appear on the PDP. The net contents must be declared on each container. The use of a net weight declaration on consumer containers is optional on the part of the packer or distributor. When used, it shall be expressed as "Net Wt. 24 oz. (1 lb. 8 oz.) 681g", "Net Wt. 24 oz. (1.5 lb.) 681g" or "Net Wt. 60 oz. (3 lb. 12 oz.) 1.70kg."
3. The grade must be shown on the PDP. The USDA grade may be declared within the grade mark or be printed elsewhere of the PDP. AMS labeling policy requires the grade declaration be printed in a minimum type size (printer’s type size) of ¼ inch.

4. The weight class or egg size (Jumbo, Extra Large, Large, Medium, and Small) must be shown on the PDP in a minimum type size (printer’s type size) of ¼ inch.

5. The label must bear the name and address (City, State, and Zip Code) of the packer or distributor. If the word "Distributor" is used, qualify with such statements as "Distributed by." The terminology "Packed for," or words of similar import are also permitted.

Note: State license numbers for the marketing of eggs have no bearing on the legal line. For example the legal line declaring a general office address, such as, Distributed by ABC Egg Company, TX License 12345, Johnson, OK may be packaged by ABC Egg Company processing plants located throughout the United States.

6. The Nutrition Facts Panel (NFP) information is required by Food and Drug Administration (FDA) regulations and must be included on a label of a container identifying eggs for retail sale to the consumer (Exhibit I). Abbreviated formats may be used in accordance with PDP size limitations stated in FDA regulations.

7. The plant number preceded by the letter "P" must be placed on the consumer package (carton, sleeve) and the case label or PDP of the commercial shipping container. It may be preprinted. When the plant number is preprinted on the label, USDA approval for use in another egg packing facility must be authorized.

8. The Safe Handling Instruction required in FDA regulations must be shown on all containers of shell eggs packaged for the ultimate consumer.

Safe Handling Instructions: To prevent illness from bacteria, keep eggs refrigerated, cook eggs until yolks are firm, and cook foods containing eggs thoroughly.

This statement must be surrounded by a rectangular hairline print and be conspicuously printed on the label. The Food Safety and Inspection Service (FSIS), USDA, retains the authority for the labeling of containers stored or transported in commerce. Under this regulatory authority, the terminology "Keep Refrigerated," "Keep Under Refrigeration," "Keep Refrigerated at or below 45° F," or words of similar terminology must appear on each container, whether a primary package or a shipping container. Printing the Safe Handling Instruction on a primary container label meets the FSIS labeling requirements. Consequently, "Keep Refrigerated" is not required in the label format.

9. The Safe Handling Statement must be shown on each carton of shell eggs that have not been specifically processed to destroy Salmonella microorganisms. FDA regulations provide an option to place the safe handling instructions on the in-lid
panel of a shell egg carton. When the safe handling instruction is printed on an in-lid panel, the terminology, “Keep Refrigerated” must appear on the PDP of the container (for example, the PDP visible to the consumer) in a conspicuous color and size (at least 1/16 inch in height and must be legibly printed).

10. The label shall also bear the lot number corresponding to the consecutive day of the year that the eggs were packed (i.e. 213, 092, etc.). Alternate lot number coding systems may be authorized by the Federal-State Supervisor. A written description by plant management of an USDA-accepted alternate system shall be maintained by the USDA grader with specific information regarding plant operations.

11. There shall be no false or misleading statements on the label or the packaging material to which a case end label is affixed.

D. Special Label Approval

Occasionally, labels are submitted to the National Office that contain specific statements regarding the location where the eggs were produced, production practices, or other types of marketing claims. These types of labels will require special review and approval before they may be used.

For labels with marketing statements such as:

- **Produced from vegetarian feed** – Management must provide documentation of feed ration contents.

- **Eggs produced in (State)** – The eggs must originate from the state declared on the label.

- **Brown eggs fresh from (State)** – The eggs must originate from the state declared on the label.

- **Locally Grown** - This statement requires the eggs to originate within a 250-mile radius from the packaging facility.

- **Cage Free** – The confinement of layers during the production cycle is limited to a building, room, or area with unlimited access to fresh food and water and freedom to roam within the area. This claim requires Livestock, Poultry, and Seed Program verification of source flocks. Refer to the Shell Egg Graders Handbook, Section 9, Special Gradings, for verification procedures.

- **Free Range** – Layers are free to roam within the provided shelter with continuous access to the outdoors and fresh food and water at all times. The outdoor area may be limited to an area that prevents interaction with wild birds and migratory water fowl to reduce the risk of the transmission of avian diseases. This claim requires Livestock, Poultry, and Seed Program verification of source flocks. Refer to the Shell Egg Graders Handbook, Section 9, Special Gradings, for verification procedures.
• **Organic Eggs** – Management must present supporting documentation (i.e. certificate of approval) from an accredited certifying agent verifying the source flock(s) is organic.

• **Omega-3 eggs** – Laboratory analysis is required to verify the quantity of Omega-3 Fatty Acids per egg claimed on the label.

• **Kosher** – The eggs must meet kosher standards. Refer to the Shell Egg Graders Handbook, Section 9, Special Gradings, for verification procedures.

A letter supporting the statement must be provided by management to the USDA grader. Additionally, the Form PY-221 will carry a provisional statement, such as, “The shell eggs packed under this label must be produced in (Name of State).”

For labels with marketing claims, including statements such as “cage free eggs,” “fertile eggs,” etc., management must submit supporting data or documentation to the National Supervisor prior to obtaining approval.

If a label includes a nutrient content claim (i.e. Excellent Source of Vitamin E), laboratory analysis of eggs originating from the source flock(s) must be submitted with the label to support the claim. Use of marketing claims on a label may result in a request to provide additional information.

Once procedures have been established for monitoring the marketing claim(s), the National Supervisor will approve the label by completing Form PY-221. Any specific restrictions concerning the use of the label will be listed on the Form PY-221. Additionally, the National Supervisor will forward a copy of the label approval, supporting data and documents, and the established monitoring procedures to the Regional Director. The Regional Director will forward this information to the applicable Federal-State supervisor and grader(s).

E. **Label Approval Notification**

Approval notices, approved labels, or letters concerning printed labels that bear a USDA approval number will be distributed from the National Office to the label/consumer container manufacturer or packing plant, as applicable. When requested, copies will be sent to the distributor or general office.

F. **Reassignment of Approved Labels**

When approved label formats are redesigned or altered; such as a change to the artwork, an addition/subtraction of marketing claims, a change to the U.S. grade, size, etc. the labels are to be submitted to the National Office for review, to determine if reassignment is required prior to use by a firm. It is the distributor and/or plant management’s responsibility to submit the reassigned label formats to the National Office for approval.

G. **Obsolete Approvals**

When a company indicates that an approved label is obsolete, the grader will notify the Federal-State supervisor. This information will be forwarded to the National Office for destruction of the approval record.
H. Requests for Label Review

Periodically, the National Office may request graders to send copies of labels bearing specific approvals or labels manufactured by certain companies to the National Office for review purposes.

II. Transfer of Approved Labeling Material

Officially approved labeling materials bearing a USDA approval number may be transferred from one official plant to another without National Office approval if both plants are within the same region. When applicable, the Regional Director may authorize the transfer of the approved labeling materials (Exhibit II). Additionally, the transfer or authorization of temporary use of labeling materials must define a time period or state a quantity to be transferred. The period of authorization shall be limited to a 12-month time frame in order to allow the opportunity to develop the correct label format or use of a previously printed inventory of labels.

A. Preprinted Plant Number

Labels bearing a preprinted plant number may be used provided the packing plant number is applied by the second plant at the time of packing. Furthermore, the firm which has the plant number preprinted on the label must give the applicable resident grader/area supervisor written authorization to use the labels.

B. "Packed By"

Labels with the name of the packer or the qualification "packed by" may be used only in the plant which has the name and address shown on the consumer container. Please refer to C.5 above, for the exception of the use of an address declaring a general office’s address. These labels may not be used in other plants unless permission is obtained from the National Office.

C. Incorrect Labels

If any label appears to be incorrect, a sample or machine copy of the label is to be sent to the National Office for review and comment. It is the distributor/packer’s responsibility to provide the USDA grader at the egg packing plant with all of the supporting information for marketing and nutrient content claims identifying the source flock(s) prior to packing eggs in containers identified with the transferred label.
<table>
<thead>
<tr>
<th>Nutrition Facts</th>
<th>Nutrition Facts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serving Size: 1 egg (38g), Servings: 12, Amount Per Serving: Calories 50, Fat Cal. 30, Total Fat 3.5g (5% DV), Sat. Fat 1g (5% DV), Trans Fat 0g, Cholest. 140mg (47% DV), Sodium 55mg (2% DV), Total Carb. 0g (0% DV), Protein 5g (10% DV), Vitamin A (4% DV), Vitamin C (0% DV), Calcium (2% DV), Iron (4% DV). Not a significant source of dietary fiber and sugars. Percent Daily Values (DV) are based on a 2,000 calorie diet.</td>
<td>Serving Size 1 egg (50g) Servings per Container 12</td>
</tr>
<tr>
<td><strong>Amount Per Serving</strong></td>
<td><strong>Amount Per Serving</strong></td>
</tr>
<tr>
<td>Calories</td>
<td>70</td>
</tr>
<tr>
<td>Calories from Fat</td>
<td>45</td>
</tr>
<tr>
<td><strong>Total Fat</strong></td>
<td>5g</td>
</tr>
<tr>
<td>Saturated Fat</td>
<td>1.5g</td>
</tr>
<tr>
<td>Trans Fat</td>
<td>0g</td>
</tr>
<tr>
<td>Cholesterol</td>
<td>185mg</td>
</tr>
<tr>
<td>Sodium</td>
<td>70mg</td>
</tr>
<tr>
<td>Potassium</td>
<td>70mg</td>
</tr>
<tr>
<td>Total Carbohydrate</td>
<td>0g</td>
</tr>
<tr>
<td>Protein</td>
<td>6g</td>
</tr>
<tr>
<td>Vitamin A 6%</td>
<td>Vitamin C 0%</td>
</tr>
<tr>
<td>Calcium 2%</td>
<td>Iron 4%</td>
</tr>
<tr>
<td>Vitamin D 10%</td>
<td>Thiamin 0%</td>
</tr>
<tr>
<td>Riboflavin 15%</td>
<td>Vitamin B6 4%</td>
</tr>
<tr>
<td>Folate 5%</td>
<td>Vitamin B12 8%</td>
</tr>
<tr>
<td>Phosphorus 10%</td>
<td>Zinc 4%</td>
</tr>
<tr>
<td>Not a significant source of dietary fiber and sugars.</td>
<td></td>
</tr>
<tr>
<td>* Percent Daily Values are based on a 2,000 calorie diet. Your daily values may be higher or lower depending on your calorie needs:</td>
<td></td>
</tr>
<tr>
<td>Calories</td>
<td>2,000 2,500</td>
</tr>
<tr>
<td>Total Fat</td>
<td>Less than 65g 80g</td>
</tr>
<tr>
<td>Sat fat</td>
<td>Less than 20g 25g</td>
</tr>
<tr>
<td>Cholesterol</td>
<td>Less than 300mg 300mg</td>
</tr>
<tr>
<td>Sodium</td>
<td>Less than 2,400mg 2,400mg</td>
</tr>
<tr>
<td>Potassium</td>
<td>3,500mg 3,500mg</td>
</tr>
<tr>
<td>Total Carbohydrate</td>
<td>300g 375g</td>
</tr>
<tr>
<td>Dietary Fiber</td>
<td>25g 30g</td>
</tr>
<tr>
<td>Protein</td>
<td>50g 65g</td>
</tr>
<tr>
<td>Calories per gram:</td>
<td></td>
</tr>
<tr>
<td>Fat</td>
<td>9g 10g</td>
</tr>
<tr>
<td>Carbohydrate</td>
<td>4g 4.5g</td>
</tr>
<tr>
<td>Protein</td>
<td>4g 4g</td>
</tr>
</tbody>
</table>
Approval to Transfer Labeling Material

This form is to be used when seeking approval to transfer USDA labeling materials bearing an approval number between two or more companies. Labels bearing a preprinted plant number may be used provided:

1.) Packing plant number (P-Number) is applied by the second plant at the time of packing and provided further that the firm that has the plant number preprinted on the label provides verbal or written authorization to use the labels.

2.) Distributor provides verbal or written authorization to use the labels.

Label Transfer Information to be Filled Out

Label approval number(s):______________________________________________________________
Size/Brand__________________________________________________________________________
Labels transferred to_______________________________________________________________
Labels transferred from_____________________________________________________________

Quantity of pre-printed labels being transferred and estimated time to use____________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________

Additional Comments________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________

TO BE FILLED OUT BY AN USDA REPRESENTATIVE (REGIONAL OR NATIONAL OFFICE STAFF)

Label transfer approved by___________________________________________________________

Date of Regional/National Office approval_____________________________________________

Comments__________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________

Labeling-01
03/01/13
Note: The quantitative nutrient values shown are for illustration purposes only and do not constitute validation of the stated value.
BRAND X FARMS
18 GRADE AA EXTRA LARGE FRESH EGGS

Nutrition Facts
Serv. Size: 1 egg (56g)
Servings 18
Amount Per Serving
Calories 80  Fat Cal. 45
Total Fat 5g  8%
Saturated Fat 1.5g  8%
Trans Fat 0g
Cholesterol 240mg  79%
Sodium 70mg  3%
Total Carbohydrate 1g  0%
Protein 7g  15%

Percent Daily Values (DV) are based on a 2,000 calorie diet. Your daily values may be higher or lower depending on your calorie needs.

*Calories: 2,000  2,500
Total Fat Less than 65g  80g
Sat. Fat Less than 20g  25g
Cholesterol Less than 300mg  300mg
Sodium Less than 2,400mg  2,400mg
Total Carbohydrate 300g  375g
Dietary Fiber 25g  30g
Protein 50g  65g
Calories per gram:
Fat 9  Carbohydrate 4  Protein 4

NET WT. 40.5 OZ.
(2 LB. 8.5 OZ.) 1.15kg

KEEP REFRIGERATED

These eggs are processed, packaged, and certified for grade and size under continuous supervision of the U.S. Department of Agriculture (USDA). Plant processing equipment, facilities, sanitation, and operating procedures are continuously monitored by a USDA grader.

Note: The quantitative nutrient values shown are for illustration purposes only and do not constitute validation of the stated value.