UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURE MARKETING SERVICE (AMS)
NATIONAL ORGANIC PROGRAM (NOP)

MEETING OF THE NATIONAL ORGANIC
STANDARDS BOARD (NOSB)

WEDNESDAY
OCTOBER 27, 2010

The National Organic Standards Board convened at 8:00 a.m. at the Best Western InnTowner, 2424 University Avenue, Madison, Wisconsin, Daniel G. Giacomini, Chairman, presiding.

MEMBERS PRESENT
DANIEL G. GIACOMINI, Chairman
STEVE DeMURI

JOE DICKSON
KRISTINE "TINA" ELLOR
KEVIN K. ENGELBERT
JAY FELDMAN
BARRY R. FLAMM
JOHN FOSTER
WENDY FULWIDER

JENNIFER M. HALL
KATRINA HEINZE
TRACY MIEDEMA
JEFFREY W. MOYER
JOSEPH SMILLIES
STAFF PRESENT

MILES McEVOY, Deputy Administrator, National Organic Program

MELISSA BAILEY, Director, Standards Division, National Organic Program

LISA BRINES, Standards Division, National Organic Program

MARK LIPSON, Organic and Sustainable Agriculture Policy Advisor, Office of the Secretary

ARTHUR NEAL, Director of Program Administration, National Organic Program

EMILY BROWN ROSEN, Agricultural Marketing Specialist
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MR. GIACOMINI: If we can bring the meeting back to order please.

All the Board Members are in their seats. Everybody in the gallery please find a seat. And if you need to continue conversations, please take them out in the hallway.

Thank you.

Today is, I believe, entirely public comment. We have a few items that we need to accomplish before the meeting is over that are not actually on the agenda. Presentations and things we're going to hope that was can get some of them in today.

I'd like to encourage the Board to try to have as much consideration and feeling for what's going on. The same concern in the morning session as they would for the late afternoon session between 5:00 and 9:00 p.m. We tend to be a little more freewheeling in
the morning. It's not a problem. But then
there's times in the evening when some people
begin to feel that we shouldn't have -- should
cut people off in time or not ask questions
and that's not fair to them either. So, let's
try and be as consistent as possible.

I do want to make one statement
regarding a statement that I made yesterday in
the sunset discussion on the time line for
resetting the sunset clock. I'm fairly sure,
I'm almost positive that a new listing for an
annotation change based on a complete
technical review would reset the clock. I'm
not sure if a re-listing based on a technical
correction would reset the clock. That may
not be considered a complete enough review by
the Board to reset it. But in my experience
of working with the government, it may be
determined that the re-posting of a new
annotation change is the re-posting of a new
annotation change and it's easier just to
start it over -- start the clock over. So,
that may be something that would adjust what
I -- Miles?

MR. McEVOY: Yes, we looked into
that this morning and we could -- if there's
an annotation change during sunset we would
just make it effective on the same date of the
sunset date so it would not reset the clock.
Just make it effective on the date -- the
sunset date. So, there's no need to reset the
clock if you change the annotation during the
sunset process.

MR. GIACOMINI: Okay. Thank you.

We are ready to proceed -- are
there any other announcements or comments?
We're ready to proceed with public comment and
I have only the screen behind me to know
what's going on. So, Charlotte, Julie and
John in the hole.

So, Julie, you will be --
Charlotte's first, you'll be going on this
podium. We have two podiums for the people
who were not here before. We're alternating
speakers. It does create some discomfort and, you know, hair on the back of your neck but standing up for some of the Board Members where someone is talking right behind their head. We apologize for that. They would prefer to be able to look at them in the face and we understand that. We're trying this to see how much we can expedite the process with two podiums. But there's always the constraints that you have to work with regarding the layout of the room and the length of AV cords. So, we're doing the best we can. If this doesn't work with two podiums we'll go back to one or we'll try to change something else next time. But we're seeing if we can proceed with this at this meeting.

Thank you. Go ahead.

MS. VALLAEYS: Good morning.

My name is Charlotte Vallaeys. I'm with the Cornucopia Institute.

First off I'd like to thank the NOP for their April 2010 memo on Accessory
Nutrients and I urge you to set a firm deadline for companies to come into full compliance, especially formula and baby food manufacturers who are currently putting Martek's DHA and ARA in there.

We've become involved in this issue because it was brought to our attention that DHA and ARA, hexane-extracted ingredients from algean soil fungus manufactured by Martek Biosciences Corporation are not found in the National List who are nevertheless being added to organic infant formula.

We soon discovered reports have been filed with the FDA of adverse reactions to formula with these additives. Diarrhea, vomiting and other gastrointestinal symptoms experienced by infants disappeared as soon as they were switched to the exact same formula but without DHA and ARA.

I completely understand that one of the major concerns is that by taking these additives out of formula you are creating an
inferior product and that organic babies would
be missing out. I understand that concern
because that's exactly how I felt three years
ago when I started gathering scientific data
on this topic.

I was astonished to see a real-life example of corporate interest influencing
science. Two independent scientists who
conducted meta-analysis studies published in
peer reviewed academic journals come to the
same conclusion. I will quote one of them.
"The results of most of the well-conducted
randomized clinical trials have not shown
beneficial effects of DHA and ARA
supplementation of formula milk on the
physical, visual and neuro-developmental
outcomes of infants." Dr. Beyerlein in
January 2010, Journal of Gastroenterology and
Nutrition, a completely separate independent
study review comes to the exact same
conclusion.

Scientific data does not support
the hypothesis that adding DHA and ARA to infant formula is necessary or beneficial for infant development. And this is why neither the FDA nor the American Academy of Pediatrics has recommended it. Why then are we led to believe that DHA and ARA are necessary and beneficial? Because it's a great marking tool and scientific data has been interpreted in such a way that it leaves mothers to believe that they have to buy the more expensive DHA supplements in formula.

One example, again, just don't take my word for it. A study led by a scientists from Abbott Laboratories which makes Similac formula found no benefits to adding DHA and ARA. Yet in an article published in Pediatrics they write --

MR. GIACOMINI: Charlotte, could you please refrain from using company names?

MS. VALLAEYS: Oh, okay.

MR. GIACOMINI: Thank you.

PARTICIPANT: No, Mr. Chairman, I
need to hear --

MR. GIACOMINI: No. You're not even at the podium now, Mark, so please sit down. No. You're out of order. You're out of order, Mark.

MS. VALLAEYS: Okay. This is a public meeting and apparently I have the right to say whatever I'd like.

MR. GIACOMINI: We are asking you to -- you can state your issues, you can make your points, but this is a public meeting. It's on the public record. We are not a jury. We're not a court of law. We're not any of those things and we just -- we would appreciate if you would please not use specific company names and which would be viewed as that type of an attack. That's all we're asking.

The full policy is fine. Okay. Miles?

MR. McEVOY: Yes. I don't see why they can't mention company names. If it's in
the public record, why can't they mention company names? You're making the request that they don't but I don't see -- this is a public comment period. They're able to express their opinions.

MR. GIACOMINI: Okay. The Chair has been overruled by the program. Please proceed.

MS. VALLAEYS: The conclusion from this article was they intentionally misled pediatricians into believing that the researchers found benefits they didn't.

As Will mentioned on Monday, the infant formula manufacturers got these additives into organics by lobbying the former head of the NOP who then overruled her staff which had concluded that they were not allowed in organics.

This story that I just told of hexane-extracted additives, insider lobbying to bypass federal regulations, corporate interest influencing science to get people to
spend money on things they don't really need.

All of that sounds like it's part of the conventional food system. Organic is supposed to be an alternative from that.

One mother, Suzanne Stock, gave me permission to share her story with you. She knew about the possibility of DHA causing adverse reactions so she always bought Baby's Only organic formula for her daughter which does not contain Martek's oils.

When the family ran out of formula she sent her husband to the store. And he knew enough to look for the organic seal. But he picked up a different kind of formula which is organic but contains Martek's oils.

Their daughter experienced diarrhea pretty much right away after drinking her first bottle of this formula with DHA. And it disappeared again immediately when she was switched back to the Baby's Only formula.

Suzanne's husband was right about choosing formula with the organic seal and
such incidents should not happen to organic families. Please keep unnecessary and potentially harmful ingredients out of the organic food supply.

The standards as written are fine, allowing vitamins and minerals which by the way includes Vitamin K but do not open the door to just about any synthetic accessory nutrient out there.

Thank you.

MR. GIACOMINI: Thank you. We do have one other announcement that I would like to request. We have an additional videographer in the room and if you could find a program microphone I'd like you to please state who you are so that we know -- or actually the microphone there with the podium Julie is at. Just state who you are and why you're here.

MS. SHILL: Hi. I am Donna Shill. I'm a University of Iowa student and this year I'm working on my Master's project studying
organic farmers in Iowa actually. And I thought it would add to my project to see how decisions are made and was excited that you're doing a meeting in the Midwest. So, that's why I'm here.

MR. GIACOMINI: Joe.

MR. SMILLIE: Your focus on the issue is that the hexane extraction that you feel is the problem or the AHA/DHA?

MS. VALLAEYS: The hexane extraction is how this issue was brought to our attention initially. Right now the hexane extraction is not the focus.

MR. SMILLIE: Okay.

MS. VALLAEYS: It's the fact that an accessory nutrient not on the National List which says vitamins and minerals was put into organics and so that's why we're asking the NOP to take enforcement action because we do believe that right now they can do that based on what the standards currently say.

And, second, asking the NOSB to
clarify that it's vitamins and -- vitamins and minerals, but if you open the door to -- by adding accessory nutrients to that, you would open the door to -- I mean, if anything that's FDA GRAS can be in organics which I know some people have argued for it, you open the door to just about anything out there.

MR. SMILLIE: Well, just to follow up. I think we're clarifying what the intention of the 1995 recommendation from the NOSB to the program was and my understanding is that it was allowing accessory nutrients. So, I don't think it's necessarily opening the door. The door may be open, although that's what we're trying to clarify whether that door was opened or not.

So, if an extraction of AHA from an algal organism, you would still -- that wouldn't change your opinion on the product then? I'm just trying to --

MS. VALLAEYS: I'm sorry?

MR. SMILLIE: If there is a non-
hexane extraction of AHA/DHA from algal sources in algae, that wouldn't change your opinion on this?

MS. VALLAEYS: It -- I think if it's an accessory nutrient I think it would still need to be individually petitioned for inclusion because currently the rule does refer to 21 CFR 104.20. And meaning, it needs to be required by the FDA, right, which this isn't. Or it says recommended by an independent professional organization, which again I think you're going to run into problems because what is an independent -- you know, the American Academy of Pediatrics has not recommended it. So, you know, it is an organization that has some funding from the industries that are independent or not because that, again, is going to get very tricky.

MR. GIACOMINI: Tracy.

MS. MIEDEMA: Thank you, Mr. Chair, and thank you, Charlotte, for sharing your thoughts with us again.
There seems to be two issues each time you've got up and given testimony. One is the legalistic argument that nutrient vitamins and minerals don't include accessory nutrients. And we're really working hard on that to understand exactly what is and is not allowed and what was the intent of 95 and how we're going to move forward.

It seems that there's another issue that you persistently bring up and it's this implication that people in this room don't care about babies. And that there is some sort of deliberate lack of care or love for babies. And that, you know, that there's even a machine that's working against babies. And since you have put on the record, you know, about these companies deliberately doing things, I'd like to put on the record that this room is just chock full of parents who love babies and have absolutely no intent with any of our discussions to ever do any harm. And I wondered, do you take this argument to
American Pediatric Association because I assume you care about all babies, not just organic babies? And if these are really true concerns about baby formula, it seems like it's a much bigger question mark than an organic question.

MS. VALLAEYS: Definitely. First of all, I know from experience that this room is indeed full of people who love babies. I've experienced that over the past couple of days. So, by no means am I, you know, would I by what I'm saying that people don't love babies and that it's intentional. I don't think that at all.

Your second point. Yes, we have done that. We are very concerned and this is not just an organic issue. It's an issue for all babies out there and, in fact, our Board has questioned why as a farm policy group are we getting involved in childhood nutrition by doing things like, you know, we have contacted the formula makers. We have shared these
reports with them and these are formula manufacturers who are not even involved in organics. And so we are working on the issue of these adverse reactions in general, not just in organics who are certainly involved in that. But at the same time, as a farm policy group we have to focus on the organic issue.

MR. GIACOMINI: Further questions?

Okay. Thank you, Charlotte.

Next up, Julie, John and Jim. I'm trying to get this document from Lisa and hopefully I'll just be able to just have it on my screen here in a bit if we can get that together.

Julie is next up. This reminds me of another request I had yesterday. Just very briefly, Julie is a former NOSB member. Went off the Board this last year. I was able to spend four years with her. The request was, could we have all former members of the NOSB and NOP staff that are in the audience to please stand up so that we can all see who you
guys have all been over the years. There we
go.

(Applause.)

I think there were a lot more of
them two days ago. We've had a few additions
this morning and yesterday. Welcome. Thank
you for coming back and back to public
comment.

Julie.

MS. WEISMAN: Those other former
members are sleeping late because they can
nap.

Hello, everyone. I actually -- I
don't have to say who I am now because Dan
just introduced me. But I will. My name is
Julie Weisman and, yes, I am a former NOSB
member. And I thank you for this opportunity
to address you.

Now that I no longer have to worry
about conflict of interest in this room I am
finally free to speak on behalf of my
companies which I guess I can mention, Elan
Vanilla and Flavorganics who began producing
certified organic vanilla extracts,
concentrates and flavors in 1996 for both
commercial and retail use.

As a former member of the NOSB,
who participated in the first sunset review,
I'm acutely aware of the effort you are making
on behalf of the organic industry and of the
task before you.

At this time, I specifically wish
to address the matter of the continued listing
of flavors non-synthetic on 205.605(a). I'll
ask you to refer to my written comments for a
more detailed description of the growth of
organic flavors and I apologize for not having
a copy in front of all of you. The toner in
the business center wasn't doing so well at
2:00 this morning.

But for now, suffice it to say
that in 14 years we have gone from one
manufacturer that were my companies to what
according to one certifier's recent estimate
is 30 certified operations offering 1,500
different flavor formulations. It seems as if
this ought to meet anyone's definition of
commercial availability. Yet despite the
breadth of certified organic flavors now
available, many certified organic food and
beverage makers do continue to use what are
called in the flavor industry, NOP-compliance
flavors, aka flavors non-synthetic.

I'm starting to sound like a hop
grower right now, right? But it would be
difficult to discover the exact percentage,
but go with Katrina the next time for a trip
down the grocery aisle and you'll see.

As long as the current listing of
flavors non-synthetic remains unchanged, and
it's the current position on 605(a) where they
are immune from commercial availability
requirements, there is little motivation for
some -- there's no motivation for some makers
of organic products to switch to certified
organic flavors. And I say some because there
are certainly organic product makers who have always gone beyond what is required and it was one such maker that actually pushed my company to develop organic extracts in the first place.

So, anyway, there's a strong case to be made for allowing flavors to sunset from the National List. But that is not what I am here to do today. I am here to support the handling committee's recommendation to relist flavors non-synthetic. What? Is she crazy? Why would she do that? Here's why. I'd like to bring to the attention to the NOSB, the NOP and the organic industry a little known fact for your consideration.

Most, though not all, certified organic flavors make use of flavors non-synthetic as is currently listed within five percent of nonorganic ingredients that are allowed.

If flavors were to sunset completely with no other accompanying rule
change such as, I mean, additions to the National List, the vast majority of currently certified organic flavors would need to be reformulated in such a way that organic food makers and consumers would find the flavor profiles of their products substantially and negatively altered.

Given that this is the case, there are two -- not only but I would like to outline two possible courses of action.

One, allow flavors non-synthetic to sunset requiring flavor manufacturers to petition 100 to 200 individual flavor ingredients onto 605(a), (b) and 606 in order to avoid a major disruption to organic commerce. And requiring the NOSB to consider those petitions. So, dropping -- the zeal to drop one item from the National List would prompt potential addition of hundreds of new items in order for commerce to continue. And in order for the demand for organic agricultural products to continue, more
importantly.

Both options require that the industry petition the NOSB for either the addition of new materials or a change of annotation. And yesterday's discussion on Sunset Review policy notwithstanding. I wrote these comments before that discussion happened.

So, the first option. Sunset date of October 2012 seems far enough away to allow time to bring the necessary petitions before the Board. But it would be a huge gamble. You know, most of you, the amount of time it takes to consider the volume of petitions that would have to be generated for a 100 flavor ingredients to be placed on the National List. And so for this reason I believe the second alternative is the best way to raise the bar.

So, please refer to my written comments for more detail. I do want to end by making two offers. It's my intention to bring such a petition, either individually or with
a group before the Board, and I volunteer to participate and would perhaps even be willing to co-chair any working group that might be formed to do a more thorough review of the category as you described in your recommendation.

MR. GIACOMINI: Thank you.

Questions, comments?

Steve.

MR. DeMURI: Julie, thank you very much for your comments and as you and I have talked in the past, flavor has been on our work plan for, you know, a couple of years now. Kind of on the back burner. Now that we're getting through all these sunset items, it will rise to the top -- near the top at least. So, I appreciate your offer to help us with that because we will definitely take you up on that.

MS. WEISMAN: Thank you.

MR. GIACOMINI: Julie, in your experience on the Board would most of those
substances that you would look at that would
need to be added, especially because of their
processing and everything else would require
a TR?

MS. WEISMAN: A lot of them would.

MR. GIACOMINI: Okay.

MS. WEISMAN: Yes.

MR. GIACOMINI: That's also a

substantial factor.

Any other questions/comments?

Katrina.

MS. HEINZE: I just wanted to
thank you, Julie, for helping to articulate
why flavors is complicated. Not being a
flavor person, it's been hard for me to
explain. So, I really appreciate the
perspective that you brought.

MR. GIACOMINI: Comments and
questions? Are we ready on the next podium
please whoever is -- oh, there you are. I'm
sorry. I didn't see you sitting there.

MR. PECK: That's fine.
MR. GIACOMINI: Thank you, Julie.

So, John, Jim and then Richard.

Go ahead, John.

MR. PECK: My name is John Peck.

I'm the Executive Director of Family Farm Defenders. We're a national group based here in Madison. We have about 5,000 members in all 50 states, Canada and Mexico. And we've been involved with defending organic integrity since the founding of our group years ago. We were one of the first group to oppose bovine growth hormone and the attempts to put bio-tech into the organic standard way back when.

I was here mostly to speak on three different topics. One is the organic hops concern. We have many growers here in Wisconsin now going into organic hops and they're very concerned and now I guess it's okay to mention corporations. Anheuser Busch, just because they're the largest beer brewer in the world should not be dictating organic hop rules at the Organic Standards Board.
There are going to be organic hops available. We should not make a loophole so they can find other hops.

On the issue of nanotech. We're very concerned that nanotech is even being considered. It should not be approved at all. We've had the same problems, the substantial equivalence arguments that Michael Taylor brought up at the FDA years ago for biotech. Nanotech is not -- should not be approved at all. They already are using two million pounds of titanium dioxide in our food supply. Under the GRAS rules, GAO came out with a report in February showing that GRAS is a huge loophole for food safety concerns in this country.

The European parliament is considering a ban on nanotech in all food. We can kiss organic exports goodbye if we put nanotech into our organic food. So nanotech should not be even on the plate for consideration by this body. I hope you reject
any further discussion of nanotech as part of organic.

The last point I want to bring up is pasture rules. Many of our farmers, our organic dairy farmers, some of them are pioneers of the organic dairy movement in Wisconsin. They are very concerned about the pasture rule not being adequately enforced. Still is not being adequately enforced. We've been trying to get enforcement for years.

Cows eating chopped food on a concrete tarmac is not grazing. Lactation is not a stage of production. That should be exempt from organic rules, including pasture access. And now we're dealing with the same situation with eggs and the poultry industry.

I grew up on a farm in Minnesota. I was one of the investigators for Cornucopia on this report. I went and visited farms. I was very proud to find large-scale organic egg producers in Minnesota who are using pasture. You saw some of the photos I took yesterday.
apparently at the Shultz Farm near Owatonna. He has 5,000 chickens out on pasture. It's not a hobby operation. But he is being driven out of business by fake organic production facilities. His eggs go all the way to Texas he told me. North Dakota, Minnesota, Wisconsin, Texas. So, that is not a hobby farm. But, unfortunately, as long as they don't enforce genuine organic standards in the poultry industry in egg production, he is not going to be able to stay in business. And I spent over two hours talking with him about the struggles he has.

He has been in organic egg production for a long time and we need to really respect the hard work of these farmers. I mean, I grew up on a farm. I did pasture chickens as a kid. That's how I made money for FFA. It's work, but we need to give these producers a fair shot at the marketplace. And by not enforcing these pasture rules, not enforcing, you know, standards, it just makes
-- it really jeopardizes consumer confidence and integrity to the organic standard.

And I was in Copenhagen in December, the Climate Change Conference. And sad to say, a lot of Europeans -- their opinion of U.S. organic is not as good as it once was. And that's unfortunately a market we'd like to be involved with. If you have any questions.

Thanks for the opportunity to speak today.

MR. GIACOMINI: Questions, comments?

MR. SCHAHCZENSKI: Yes, just for the record, while we're bashing everybody these days.

Anheuser Busch doesn't produce an organic beer anymore. I don't really drink their beer and I'm not a big Anheuser Busch fan. But they had nothing to do with this issue. In fact, Anheuser Busch signed on to the hops petition for organic hops just to
make the record clear.

MR. PECK: Well, that's after they had gotten -- I'd talked to some independent brewers here in Wisconsin. They said that they were pushing -- they wanted to have a loophole originally and then they got pressure and maybe they changed their mind. But that's not what I heard from talking to microbrewers here in Wisconsin.

MR. SCHAHCZENSKI: Well, we got the original petition and it wasn't from Anheuser Busch as was falsely reported. It was from a smaller organic brewery but anyway --

MR. GIACOMINI: Joe, there were -- there were two petitions for hops submitted to the program which in 2007 -- 2006/2007. One of them was from Anheuser Busch but it was never deemed to be complete. It was not presented to this body. And it was not what we reviewed to put hops on the list and I don't even -- I don't recall but I'm not aware
that Anheuser Busch had any public comment on
this or made any statement at all that
influenced this Board's decision in any way.

MR. PECK: Okay. Well, that's
reassuring but I'm still concerned about
what's happening in the industry.

MR. GIACOMINI: Miles.

MR. McEVOY: Yes, just a comment
about the EU organic standards. There is some
perception in Europe that the U.S. standards
aren't as strict, but that is a misconception.
U.S. standards are much more strict than the
European standards in terms of European
standards allow antibiotics in nonorganic feed
for livestock production and they certainly
don't have anywhere close to the oversight and
enforcement capacity that the NOP has. So, I
just want to put that into the record.

MR. GIACOMINI: Further questions?
Okay. Thank you.

Excuse me, Jim. Jim, Richard and
Jeff in the hole.
MR. RIDDLE: Thank you. Thanks for the opportunity to comment.

My name is Jim Riddle. I work as Organic Outreach Coordinator, University of Minnesota. I also was an organic inspector for 20 years and founding chair of the Organic Inspectors Association and served my term on the Board. Thanks for the acknowledgment of that.

And, first, I'd just like to thank the outgoing members for your service and to all the NOSB members for your hard work leading up to this meeting once again. You'd think it would get easier but it doesn't.

I was going to comment on hops but it appears the Board is doing the right thing so I'll just say cheers on that one. But I will comment on the corn steep liquor and it's not in my written comments.

Just a couple of things on that. I think the Board should really focus on the first part of the definition of synthetic
that's in OFPA and the NOP and that is a substance that's formulated or manufactured by a chemical process or -- you're focusing on the chemical change aspect. The first part is, is it manufactured by a chemical process? I think everyone can agree that, yes. Corn steep liquor is manufactured using a chemical process. And the analogy is not hair or holding hands but fish. Fish emulsion. It's on the National List. It appears natural. You could soak fish in water and have fish emulsion. But once you've added an acid it became synthetic and had to be petitioned and on the National List. It's a direct analogy to what you're considering today.

I did submit some comments to the Livestock Committee on apiculture draft which I really appreciate. I had chaired the working group that did the initial work on that. I think you've done some excellent improvements from that original work. Have some specific language changes. I'm
suggesting -- I'm not going to go through those orally right now except to say I do think there should be a clear prohibition on maintaining organic and conventional hives at the same BER. That's not in the draft and I think it would strengthen it and be a good step to prevent contamination and potential co-mingling.

On the nanotech, for the Materials Committee, a few issues with your draft. I think it's really good work. You say in there that the nano materials are synthetic particles that should be prohibited. Well as synthetic materials they actually are prohibited. And I would ask that you correct that. Not that they should be. They actually are prohibited and in the draft there's no mention of language that's both in OFPA and the Rule pertaining to packaging materials, storage containers and bins. They're prohibited if they contain synthetic fungicides, preservatives or fumigants. And
the nanomaterials if added to packaging would be added for those functions so they're also prohibited in packaging if those are functions. And I just on your current draft I suggest one change on the second to last bullet point where it says "whether compliance is possible." Change that word "whether" to "how" compliance is possible. And that's a summary.

I guess, you know, I was reading through all the draft recommendations and everything was going fine until I hit the one from the CACC creating this new label -- front panel label claim "certified to USDA regulations." Now it's been changed. I really feel that that is deeply flawed and should be either removed, tabled or rejected. It's based on some really quite unsubstantiated claims that should be substantiated if they are indeed true. It says that most organic producers have chosen to use the USDA's seal. Well, in the Midwest,
most organic products are actually, you know, being sold by farmers are bulk commodities. Grains, beans, milk. They don't carry the USDA seal. And a lot of the organic producers at farmers markets don't display the USDA seal. So, there would need to be some factual analysis to back up that claim.

It also says that the actual size of the organic products market is underestimated due to the amount of Made with Organic products that are sold without any substantiation. And I would posit that the opposite is probably true where a lot of made with products are being counted as organic. And if you shift to giving the made with category this front panel status of saying the word "USDA" you're going to have manufacturers moving more to that because they can cash in, sell at a higher price without going to the full USDA organic level.

MR. GIACOMINI: Questions, comments, John.
MR. FOSTER: Thanks, Jim for pointing out that the Materials Committee recommendation closes the door on nanotech by calling it synthetic. Thanks for pointing that out.

Also, I have a question. When juice manufacturers use ascorbic acid, right, which is a synthetic on the National List, is that in your opinion -- I think this is yes or no. I think. I am phrasing it that way on purpose. Is that juice synthetic as a function of the addition of synthetic ascorbic acid?

MR. RIDDLE: Is it being used as a farm input because that's really where the synthetic/non-synthetic paradigm applies. It depends on the use.

MR. FOSTER: We will get to that question later. My question is, is that juice synthetic by virtue of the use of synthetic ascorbic acid, in your opinion?

MR. RIDDLE: I don't have an
opinion on that. I'd need to know more information.

MR. FOSTER: Okay. Thanks.

MR. RIDDLE: How it's going to be used.

MR. GIACOMINI: Questions, comments?

Okay.

MR. FELDMAN: Thanks, Jim.

I guess I need to return to your question, John, about closing the door by virtue of defining nano as synthetic. Is that a correct characterization of what it is?

MR. RIDDLE: Well, I think if the recommendation were strengthened and the language cleaned up a little bit I think it would for the time being take the steps necessary to close the doors. But, yes, we need a lot more training information, knowledge to keep that door closed. But I think it's a good first step and sends the right signal if it's tightened just a little
bit. I think it sends a signal to consumers that nanotech is not allowed.

MR. FELDMAN: Can I have another question please?

MR. GIACOMINI: Yes.

MR. FELDMAN: Thank you.

You mentioned the fish emulsion. I love the analogies. We're all looking for a clean analogy that we can relate to on this on the CSL issue.

   Do you think that the effect of that decision if it were to be deemed non-synthetic would cause other previous decisions to have to be reversed such as fish emulsion? Are there any other examples?

MR. RIDDLE: Well, I think fish emulsion sets the precedent for something that appeared natural but in analysis was deemed synthetic and therefore -- and then went through the review process and appeared on the National List. So, it's clear to everyone that it is allowed.
So, I don't think it means you go back. You deal with the topic at hand but the precedent is already there with fish emulsion, aquatic plant extracts, other things that start off natural but some acid or base has been added.

MR. FELDMAN: Well, I guess, we rely heavily on previous Board decisions. It seems to be the default in a lot of our decision-making but if, in fact, this Board were to set the precedent of defining corn steep liquor as non-synthetic, even though we're adding a synthetic into the manufacturing process, would that -- for consistency sake, would that at least require to some degree us revisiting these issues around fish emulsion and other extracts?

MR. RIDDLE: It would reverse the precedent. You know, I can't predict what it would take to revisit but the precedent has been set.

MR. FELDMAN: But you say it would
inconsistent.

MR. RIDDLE: It would be inconsistent for sure.

MR. FELDMAN: Very good. Thanks.

MR. GIACOMINI: Jim, I don't know if there's any other questions.

Could you for the sake of our time, could you please get at least to me those references in OFPA and the Rule regarding packaging and bins and all that kind of stuff? The specific notation?

MR. RIDDLE: They are in the written comments I circulated.

MR. GIACOMINI: Okay. I'll try to pull that out.

MR. RIDDLE: In Point Number 3. You mean as it applies to nanotech?

MR. GIACOMINI: Yes.

MR. RIDDLE: Yes. They're right there.

MR. GIACOMINI: Okay. All right.

Good.
MR. SCHAHCZENSKI: Hold on, one more question.

MR. GIACOMINI: Save my sanity.

But a couple of the other corrections aren't, Jim.

MR. RIDDLE: Right. How rather than the whether?

MR. GIACOMINI: Right. I was hoping, Joe, that Board Members --

MR. RIDDLE: I think we can find that one.

MR. GIACOMINI: We can find that one and, yes. Okay. Yes. It's just that the annotation, I mean, the citations that I'm concerned with not having to read through 300 pages tonight.

Jay.

MR. FELDMAN: Thanks. Another question on sunset. Given your vast experience dealing with these issues, what's your sense of the sunset proposal and moving forward on that?
MR. RIDDLE: Yes. Unfortunately, my time sunsetted before I got to that issue. But I was on the Board when we formulated the original proposal for the sunset process. And I actually was the person who was very firm that annotations are not open to change during sunset. And I'm sorry for that. Because it's left us stuck with bad annotations.

I think there should be some flexibility to correct them and the Board has the authority to further restrict them. But I was very concerned that annotations would not -- that uses would not be expanded either inadvertently or deliberately without going through the full review process during sunset. And so that's why I really was firm about that.

But, no. I think your recommendation corrects that, allows the Board some flexibility to make -- to improve the annotations during sunset. But without -- but you still draw a line so that they can't --
uses cannot be expanded during that process without a full review.

MR. GIACOMINI: Any other comments or questions?

Thank you.

Okay. Richard, Jeff and John with a proxy.

MR. SIEGEL: Okay. Good morning.

I'm Richard Siegel of Washington, D.C. Richard D. Siegel Law Offices, an attorney. I'm not going to speak about yeast this morning even though that may be my billing.

I was not planning to use my time for yeast. However, while since arriving at the meeting I was contacted for the first time by a company that asked for my assistance on another matter pending before the Board through the Handling Committee. And these are two materials that on 605(a) -- 605(b) for sunset. The glycerides and silicon dioxide.

The company that I'm speaking for at this time
is RIBOS, an organic ingredient manufacturer in St. Louis that has a produce called Nu-RICE, N-U-R-I-C-E, which is an organic rice alternative to glycerides and silicon dioxide.

Now, I will first talk about glycerides and then silicon dioxide.

On glycerides I heard the discussion yesterday. I gather that the Handling Committee wants to continue to consider the sunset decision for glycerides because of public comments.

One of the public comments that has been received -- that was received prior to the deadline was from Richard Theuer in which he said that as a member of the original Board that determined the listing for diglycerides if he knew at that time that there had been an organic rice alternative, their vote would have had a different outcome.

Now, there were several comments that were submitted on diglycerides by the deadline.

The company that asked for my assistance has
given me additional comments which it
collected but did not manage to submit by the
deadline. So, I have brought these comments
here. And if they're circulated to the Board
in some way so that they can be in their
books, I have 30 comments here for that.

The second point -- the second
topic is silicon dioxide. Now, in light of
the discussion yesterday, there is support to
continue the listing of silicon dioxide under
the sunset because a petition is pending to
remove silicon dioxide.

There were additional comments on
silicon dioxide that were also collected but
not submitted by deadline. I did not bring
them to this meeting, to this session this
morning, but I can see that they're filed and
through the appropriate vehicle. Maybe by
just sending them to the website post the
meeting.

So, those are the two matters that
I have and I thank the Board very much for all
its work and for all its patience and I have been sitting through a lot of the meetings and I know that the Board has to sit through even more than I do. I can at least cherry pick what I'm going to listen to. But the Board has to listen to everything. And that's a very admirable and a very diligent performance on the part of the Board.

Thank you very much.

MR. GIACOMINI: Questions and comments?

Thank you, Richard.

Next up Jeff, John and Julie.

MR. SCHAHCZENSKI: Good morning.

My name is Jeff Shahezenski.

First of all, I want to invite everyone in the room, including the Board, to a great meeting next week because you're going to need a vacation to Montana. Beautiful Montana and not at least of which we're going to have Maria Rodale. We're going to have Robert Quinn, a former member of this Board. And
last but not least, Barry Flamm will be there.

So, you're all invited to Montana next week and we have a great program.

    My name is Jeff Schahczenski. I'm a Program Specialist at the National Center for Appropriate Technology, a national nonprofit organization.

    I want to take a few minutes today to inform everyone about a new joint project between the National Organic Program and the National Center for Appropriate Technology.

    The outcome for the project will be a set of publications which will be helpful for certifiers as well as organic and transitioning farmers.

    NCAT's mission is to help people by championing small-scale local and sustainable solutions to reduce poverty, promote healthy communities and protect natural resources.

    Our work on organic agriculture is an important part of that mission. The
organization has nationally recognized programs in sustainable agriculture and renewal energy as well as successful track record for state and regional projects. We have offices in Montana, Arkansas, California, Iowa, Pennsylvania and now Texas.

Many of you are familiar with ATTRA, the National Sustainable Agriculture Information Service, ATTRA provide free information to farmers through a toll-free information line, over 350 publications and a website which millions of visitors frequently visit each year.

Through ATTRA, I and other specialists answer questions related to organic certification, marketing and agriculture which we receive by phone, email and on the web.

This summer a cooperative agreement was signed to allow NCAT to develop compliance tools for organic agriculture producers and certifying agents. Many of
these publications were developed several years ago and are being revised and updated to reflect new standards. These materials will be available both on the National Organic program and ATTRA websites and will be available through hard copy through request to NCAT's ATTRA project.

The publications are as follows:

Understanding the NOP Access to Pasture Rule. This is a new workbook for livestock producers that explains the calculations that will be needed for ruminant livestock feed and provides worksheets that will simplify the calculations for the farmer.

Organic System Plans for both crop production, ruminant livestock and nonruminant livestock. The system plan templates are primarily for the convenience of the accredited certifier agencies. Some ACAs may choose to use these templates where certifiers may choose to design their own.

The templates were reviewed and
approved by the National Organization Program before they were posted.

Inspection Report Forms for crop production, ruminant livestock and non-ruminant livestock. The Inspection Report Forms are primarily for certifiers and inspectors. They will be designed to be parallel with the organic system plans.

This will be reviewed and again approved by the National Organic Program before they are posted.

Documentation forms for livestock producers. The documentation forms assist producers with the record-keeping required for organic operations. Organic Certification Workbooks again for crop production and livestock production. The two workbooks are geared toward farmers, new to organic agriculture. They explain the certification process and serve as a guide to the national organic standards.

And number six, compliance
checklists for producers, again for crop
production and livestock production. In the
checklist, there are a series of questions to
help farmers assess whether their operation
complies with the National Organic Program
standards.

And we'd be happy to answer any
questions and feel free to contact us anytime
about this.

Thank you.

MR. GIACOMINI: Questions and
comments?

Thank you.

John, Julia and Amelia please.

You're ready to go.

MR. PECK: The dairy farmer I was
hoping to be here is not here. So, I'd like
to yield the time -- I guess he must still be
milking his cows -- yield the time to a future
farmer in the afternoon which I'm sure
Cornucopia can identify at that time.

Thanks.
MR. GIACOMINI: Okay. I am not sure that fits into our schedule but we will see.

MS. WEISMAN: Hello. It is me again, Julie Weisman. I'm a former NOSB Member who chaired the Handling Committee for several years. I was also Vice Chair of the Board for the time and my comments now are my personal opinions and do not represent those of my company or other groups of which I may be a member.

Thanks again for this opportunity to address you. It is killing me that I can no longer be recognized by the Chair. This is like now the only way -- one of the only ways I can make my opinions heard. It's hard. And I also want to say that I have new and deep respect for the commenters I have been listening to for the last five years.

It is hard to keep to five minutes on a subject about which one feels passionately. And commercial availability,
606, is one such subject for me.

I originally promised Joe that I would address this issue because, at the time about a month ago, he was being skewered along with the program in the media for recommending the relisting of hops. But the beauty of this participatory transparent process with adequate advance notice and public comment -- you can tell I love it. Right? Is that the matter seems to have been somewhat amicably resolved for all parties at least for now.

Also, I was challenged by our deputy administrator a couple of weeks ago to provide proof of my strong belief that listing materials is an incentive, not a bar to the development of organic alternatives to listed substances.

Miles, I'm still working on the facts you asked for. I do believe that I provided some metrics in my previous comments on flavors. The sound bite would be 1 to 1,500 in 14. That's one organic certified --
one certified organic flavor to 1,500
certified organic flavors in 14 years.

I would like now to turn back to
hops as a case in point.

First of all, I would like to say
that hops are not just hops in my opinion and
I'm not involved in growing hops or brewing
beer. But I see them as flavors in a way. I
hear brew masters talk of notes contributed by
different variables the same way I hear
flavors talk about notes of different flavor
ingredients that they add to their most prized
and secret formula.

There will surely be other
instances in which something was put onto the
list as a single substance but progress
towards full commercial availability and de-
listing will only be made in a step-wise
fashion, form by form.

Lecithin and flavors to name two
also seem to be taking this course.

Secondly, the issue is not only
whether or not it is possible to produce high-quality hops via organic production, that's not even a question at this point, it is a fact in the field. But a question that is just as important is whether it is possible to produce high-quality beer with the varieties that are currently available? So, what's possible isn't always the same thing as what's actually happening at any given moment. And all this is to say that commercial availability should not be seen as an event but as a dynamic, even a dialectical process between ingredient producers and the makers of organic products.

But back to my main point. That listing is an incentive, not a bar. Clearly, since 2007 -- since the listing in 2007 of hops on 606, the number of varieties available and the number of regions where it's being cultivated have expanded. This is the outcome that we hoped would result from listing on 606

The fact that brewers do not yet
have all the tools they need available to them
should not be viewed as evidence that listing
on 606 is a disincentive to the development of
organic alternatives, if anything, the fact
that so many organic hop growers have been
clamoring both before this meeting and at this
meeting for the listing not to be renewed is
evidence of just how well listing on 606 works
as an incubator for even minor ingredients.

I do not dispute that there are
some amount of specing out that goes on and
this goes to another point about commercial
availability that I cannot stress enough.

I believe that the way to address
specing out is through certification process
and the producers annual review. But this
burden should not be borne alone by ACAs. ACAs
need the assistance and support of the program
which, for instance, could, as part of
periodic certifier training, give ACA better
tools to vet out the claims by handlers that
organic varieties do not meet their
requirements.

And in a few seconds, I just want to comment that I support annotation change at Sunset but they should only be introduced and come before the Board after having made it through committee and the public comment process.

I refer people to Tim Dietz's comments, written comments about the possible consequences.

Flavors, you already heard my comments. Yeast, an elegant solution. Bravo. Colors. I support the annotation to exclude those made with synthetic substance carriers and relisting of mono and diglycerides. I agree with the recommendation, NOSB Sunset petition process should not be used to further the interests of the single manufacturer or interest group for that matter.

And for the record, anyone who thinks that the NOSB has been using EPA or FDA minimums as the bar for listing materials does
not know the history of this Board, which is a very well documented matter of public record. My advice is to go learn it, the rest of the commentary.

Thanks.

MR. GIACOMINI: Thank you.

Comments or questions for Julie?

Julie, you will always be recognized by the Chair. You just may not always be allowed to speak. So, I think, you know, as I'm getting ready to go off the Board in my work I talk to -- as I'm so active in the dairy industry. A lot of dairymen go out of business and there is no one who finds themselves more frustrated and less influential in the process than a former dairyman. They may have been the most active political when they had a cow. But when they don't have cows anymore, nobody will listen to them. I don't think that is true with the NOSB. I think the current Board and existing Boards and I hope the future Boards always
I give extreme respect to the inputs from former Board members and the experiences they can bring back to the table. So, thank you and thank you to all of us.

Okay.

Amelia, Harriet and John.


MS. SLAYTON: Hello. My name is Amelia Slayton. I'm the Managing Director of Seven Bridges. We're an exclusively organic hop broker. And we have been since 1997. And I'm here to talk about the favorite subject of the week. And I came prepared with a lot of comments that don't seem relevant now that you have decided to take hops off the list. And that's really encouraging news for us. So, some of my comments are more about concerns about the implementation.

When I came to the meeting in the spring, I was asked to work on some industry statistics and so I do have some of those
figures and I know that the North American Organic Hop Association already provided some of these. Kind of reinforce that but I also have figures for international hop supply.

So, my projections were for 2012 and by 2012 looking at the available supply to U.S. brewers of certified organic hops, we're looking at close to 200,000 pounds of available hops, most of those coming from U.S. growers but significantly 25,000 pounds from Germany, 18,000 pounds from New Zealand, 10,000 pounds from Great Britain and Belgium. Those countries are producing far more than those numbers, but those are the numbers that they're currently exporting to the U.S.

And working with figures from the Organic Trade Association for U.S. organic beer sales in 2009 which were 41 million, and projecting a growth of 10 percent when the average for the industry is 15 percent, so just being conservative, we're looking at sales around 55 million in 2012.
Using industry averages, that translates to roughly 72,000 barrels of beer or 72,000 pounds of hops. It is my hope that with the change in organic standards and the removal of hops from the list that the growth curve will be exponential as more brewers realize the potential for organic beer and we'll see, you know, the supply and demand equaling out over the next few years.

Speaking to my concern about implementation, because it has always been the requirement for brewers who want to use non-organic hops to seek out organic supply first. You know, over the past five years we've had very few calls from brewers and even fewer calls from certifiers checking facts.

And so, my concern is that this will continue right up until the end and we're sitting on, you know, hundreds of thousands of pounds of hops in inventory that we need to see before they expire and we'd like to see that happen. So, I guess I have a question
for the Board if there's a plan for
implementation and enforcement of --

MR. GIACOMINI: Let's have her
complete. Is that your completion?

MS. SLAYTON: No, I had a few
other comments to make that I just want to --

MR. GIACOMINI: Yes, let's
complete your comments --

MS. SLAYTON: Okay.

MR. GIACOMINI: -- and then we'll
try and wrap up our answering your questions
and any other questions.

MS. SLAYTON: Okay. I'm just
going to be really brief on the rest of the
points since I know they've been made already.

Currently, we offer 30 varieties
of certified organic hops and so the variety
has increased significantly. Most of those
varieties we inventory small amounts of
because we just can't afford to have 5,000
pounds of 30 different varieties of hops. We
need communication from the industry to know
which hops they need or want and as we get
that communication we'll be able to inventory
the types of hops that they want. But the
varieties are already out there and growers
are willing to grow them.

One of the things that we've been
investing time and money in is export because
we've been so frustrated with the market here
in the U.S. and that's obviously going to
continue for a lot of good reasons. But, you
know, one of the concerns is that if we're
exporting all the organic hops, what U.S.
brewers going to use when they're required to
use them?

We've been doing a petition, a
consumer petition, for the past two years and
we've gathered over 1,000 signatures from
individuals and trades people who want hops
off the list and I will be delivering those.
We will be closing that petition now that the
goal or the date has been set.

MR. GIACOMINI: Thank you.
Questions/comments? Joe, do you want to respond to that?

MR. SMILLIE: Yes. We're very clear in our recommendation that we were concerned by the commercial availability function of 606. We mentioned it prominently in our recommendation that there seemed to be, we don't know, but there seemed to be a disconnect between that requirement between the certification organizations and the brewers. We don't know that to be a fact and, in fact, it could be there's been very assiduous work on that. But there seemed to be, because the hops growers and yourself have said we've never been contacted -- so, we've put that clearly in our recommendation to the program that the implementation for hops in January 1st, 2013, also bringing their attention to the fact that the commercial availability requirement and basically we send that -- there's nothing more we can do. We have a 2007 recommendation currently in the
hands of the program that talks about commercial availability and the need for more training and more guidelines on it. And they have that. They now have our recommendation for hops and I think the program will follow through on the question of the commercial availability.

MS. SLAYTON: I did have one more question if I have time.

It's regarding the labeling of organic beer and is there any plan to require additional information on labels before 2013?

MR. GIACOMINI: I think we heard a phone. All right. Own up.

I'm sorry, we didn't mean to interrupt you, but that is a significant event here.

MR. SMILLIE: You've been so good so far.

MR. GIACOMINI: I have or whatever.

MR. SMILLIE: That's a thing that
CCOF pointed out very clearly in their comment is that, because of the current alcohol labeling, there's not an ingredient panel required. But I have it upstairs. I should have brought it. But you can. In the enrollments language and the title of beer you can make it known that you're using organic hops. It's just the labeling requirements per se and I'm not even sure, Miles, they don't allow for ingredient panel listing or you don't have to do it?

MR. McEVOY: I believe they do allow for organic or ingredient labeling on beer but you don't have to do it. It's not required. We don't have any plans to make that change. We're waiting for your recommendation on hops and then we'll move forward with that.

MS. SLAYTON: I think the concern is that the — the consumer concern right now about the distinction and consumers right now can't make an informed choice when they look
at a label on beer and a lot of beer labels do say barley, malt, hops. The list of ingredients. It doesn't distinguish whether the hops are organic or not. And usually it's the brewers advertising that makes that distinction if they are. But a lot of breweries who aren't using organic hops really want to gloss over that. And so the consumer really has no way to know for sure.

MR. SMILLIE: I think the market place will fix that. I think that the brewers of organic beer will make it really clear that they are using organic hops. And, again, as of 2013, you won't be able to call the beer organic at all if you don't use organic hops. So, that will be resolved in 2013 and I think the years leading up to 2013, I think the marketing of the people who market organic beers are going to be really clear about their use of organic hops. So, I think we'll leave that one to the market place to settle.

MR. GIACOMINI: Dave.
MR. DICKSON: Thank you for your comments. I'm sorry I have my back to you here.

First of all, what's the shelf life of hops once they're harvested?

MS. SLAYTON: It is somewhat varietal specific, anywhere from a year to three years, depending on package and storage. The value decreases significantly after the first year.

MR. DICKSON: Okay. Secondly, are you aware of brewers that are using nonorganic hops in organic beer when you have hops available for -- organic hops available?

MS. SLAYTON: Yes.

MR. DICKSON: And have you lodged a complaint with the USDA?

MS. SLAYTON: I'm not aware that you can when it's something permitted.

MR. DICKSON: You can do that and I would highly recommend you do that. If you're aware of any brewers that are using
nonorganic hops when you have some available, 

lodge a complaint.

MS. SLAYTON: Thank you.

MR. GIACOMINI: Especially if it's 

the same variety.

Okay. Any further -- okay.

Harriet -- we are up for a 9:15 

break. Let's do Harriet and then we'll take 

a break and we're already half an hour behind 

schedule. So, go ahead, Harriet.

MS. BEHAR: Hello. I'm Harriet 

Behar, the MOSES Organic Specialist and today 

I have a variety of comments.

On the change to animal health in 

the regulation, I believe clarification needs 

to be made that the pain medication mentioned 

in the recommendation are limited to only 

those on the National List.

I support adding verifiable and 

consistent animal welfare standards for all 

species of livestock to be an LP reg, although 

I have hesitancy with only outcome based
standards.

            Many conventional cattle could
have high body scores. However, the process
and inputs by which these were achieved are
not compatible with organic agriculture. Both
the process, such as stocking rates as well as
the outcome, healthy animals must be part of
the organic animal welfare standards.

            For nonruminant animals such as
poultry and swine, I would like to see the
recommendation include a minimum vegetative
cover to be maintained in the outdoor access
areas such as 50 percent. This honors the
mandate for soil and water conservation as
well as providing a healthy environment that
a bare lot would provide.

            I'm going to tie animal welfare
and corn steep liquor together. The corn
steep liquor, this product is distinctly
different from the corn from which it was
made. There is more sulphur as a result of
the addition of the synthetic sulphur dioxide.
Again, it is not just the outcome but the process and the inputs by which the outcome was achieved that must be reviewed.

I strongly urge this Board to postpone your decision on corn steep liquor due to the lack of clarity of the organic acceptability of the method, input and outcome. What is at stake is too far-reaching and should not be made without clear Board agreement and broad consensus on this core definition relating to chemical change.

This decision will set precedent causing a chain reaction affecting many materials currently approved or not approved under the USDA organic seal. The Board's fundamental responsibility is first to OFPA. Legal consequences and market disruption have been the result when statutory mandates were not followed in the past.

I urge more investigation and research before making what could be a problematic decision.
For the Made with Organic label recommendation. I do not believe we need to provide greater visibility and, therefore, higher stature to the Made with Organic label than it currently has in the marketplace. This is the label where manufacturers can go when they choose to not use organic ingredients that are commercially available, usually due to price. This is not the case with all Made with Organic products but it does happen.

If the concern is that consumers do not view the Made With Organic label as equivalent to organic or 100 percent organic, well, they're saying it truthfully. It is not equivalent. The 30 percent of the ingredients of the Made with Organic product can contain non-approved flowing agents, use non-approved processing aids such nitrates and, of course, have them produced with conventional agricultural inputs.

The non-organic agricultural ingredients in the Made With Organic category

Neal R. Gross & Co., Inc.
202-234-4433
does lower the organic integrity of the product since it is a co-mingling of organic with non-organic.

The non-organic ingredients are produced with non-approved inputs from the field through processing. This product is not equivalent to organic or 100 percent organic even though it goes through the inspection and certification process.

If we want to increase organic lands, we need to promote the organic label. There are products in the marketplace using the organic word incorrectly on their label. I agree. But that can be dealt with as a separate issue.

The argument that now technology is a synthetic that organics should leave the door open for future possible use is the same door that the GMO community would like us to give for their methods. Just as GMOs are banned under the precautionary principle, so should nanotechnology be banned.
And lastly, I just want to say to remember that we are a process-based standard. We are not a standard that tests the final product to see if it is free of whatever we don't like in it. We are process-based. So, I ask you again to keep remembering to look at the process, look at the inputs and then also look at the outcome when you're reviewing materials and methods.

Thank you.

MR. GIACOMINI: Questions?

MR. FELDMAN: Thanks, Harriet.

When you look at previous Board decisions on this issue of synthetic, do you concur with Jim Riddle on the previous classification of chemical change, his example being fish emulsions or extracts?

MS. BEHAR: Yes, I do. Yes, I think that that was a very good analogy.

MR. FELDMAN: Yes. Okay. Thank you.

MR. GIACOMINI: Wendy.
MS. FULWIDER: What is your hesitancy on the outcome-based standards for livestock?

MS. BEHAR: I believe that we should be looking at the outcome. But we also need to be looking at the method and the inputs used to get that outcome. So, it's not just only outcome. That's too narrowly based. You're supposed to be looking as well. We're a process-based standard which -- so, we have to have a process to get to that outcome and so that's what I'm saying. And it can be a slippery slope like I said for body scoring. A lot of conventional cattle operations can have excellent cattle that score very high. But the way they got to that score, those things are not compatible with organic.

MR. GIACOMINI: Joe.

MR. SMILLIE: I used to sell fish emulsion. In fact, I remember one time when it exploded on me and I wasn't allowed in the house for three days.
Fish emulsion is not a fermentation product. Creation of fish emulsion is definitely a chemical process. I watched it being made. It's a chemical process. There's no question about it. The way we dealt with it is absolutely correct. It's not a good analogy to corn wet milling. Corn wet milling is a lactic acid fermentation process. It's not designed to be a chemical process, whereas, fish emulsion is a chemical process. You're basically taking the acids, pulling it off and we've allowed it because it was a traditional method of nitrogen fertilization in the organic industry and I think it's a good allowance. It's one of those synthetics that I think we need and we want farmers to have and it is synthetic and it is a chemical process. It's been correctly handled in the past and I think it will stay that way.

Our decision on CSL will not affect the view of fish emulsion because it's
not a good analogy. Maybe we'll find a good analogy sometime today. But that's not a good one based on my understanding of both of those processes.

MS. BEHAR: My response would be that I just do not believe that there is clarity yet on that. You've heard from public comment that some people do feel it is chemical change. And so, therefore, I really think you should postpone this until you have more broad consensus because this would have far-reaching effects. And so until the Board -- when you're going to get, you know, a 14 to 1 vote versus a 7 to 6 vote or whatever.

MR. SMILLIE: That's different. I wanted to point the analogy is not a good analogy.

MR. GIACOMINI: Jennifer.

JENNIFER: Thank you, Mr. Chair.

Thank you, Harriet, for your comments.

I kind of want to nip this growing idea about the fact that I see either I or the
committee but certainly me as a representative
that I see Made with Organic as equivalent to
the other two categories because that is
clearly not the case. But I do think that
there are those cases where either
manufacturers or consumers do need to make
choices because of price and not everybody can
afford to be perfect but a lot of people
really do want to try to do better with their
diet. And we have this tool called the Made
With Organic label in our tool kit and I think
that we're potentially missing a huge
opportunity to satisfy the needs that exist
and just help consumers do better.

Thanks.

MR. GIACOMINI: Any further?

Okay. Before we wrap up, you made
a reference to qualifying the 238(c)(2)
document for only pain relief on the National
List.

A strict interpretation of right
now would be that even natural non-synthetic
pain relievers would not be allowed in the absence of illness. And so we're trying to make sure that those are reasonably to be used. The other thing more directly to your point is that again we deal with, we have this recommendation but when it's enforced it's enforced to the final rule. No synthetic pain relief medication that's not on the National List would ever be allowed. Okay. If it's synthetic it would have to be on 603.

What we're trying to do here is now that it's on 603 you need to be able to use it to relieve pain in the cases where you're using it in the absence of illness. Where, again, in the strict interpretation of what that language says, you could be prevented from doing that and really harm animal welfare.

MS. BEHAR: Well, I think the same logic could be made that in the strict interpretation we should be very clear for preventative measures and pain medications
that things that are consistent with our
material inputs which would be natural or on
the National List.

MR. GIACOMINI: Okay. I think the
committee would feel that that's --

MS. BEHAR: Redundant.

MR. GIACOMINI: -- included. Yes,

MS. BEHAR: Redundancy doesn't
hurt.

MR. GIACOMINI: Okay.

Twenty five after. Fifteen-minute
break. Please be prompt.

Thank you.

(Whereupon, the above-entitled
matter went off the record from 9:27 a.m. to
9:42 a.m.)

MR. GIACOMINI: Okay. We have a
quorum of the Board. Hopefully, the speakers
we have -- on my stuff here is a flash drive.
Is this anyone's flash drive? Tracy is this
yours? Okay. Maybe Tina. I'm certainly not
going to put a strange flash drive into my computer. No, but they hacked into CIA or something. Somebody hacked into CIA doing that once. They dropped flash drives in their parking lot and people went into the -- oh, what's in the flash drive? Got a virus in their systems so they could hack in.

Okay. We have a missing flash drive if anybody is looking for it.

Okay. First of all we're ready to resume. Joan Smiley, Tony and Paul.

Before you get going though, Joan, we've had some conversations among members of the Board. Miles. It's always been the policy of the Board not to allow derogatory statements specifically related to a company or an individual. I guess there could be debate over how that company name was addressed in that public comment, but the very next person came up and said, okay. Well, now I can make statements about Anheuser Busch, about another company.
We would respectfully ask you to review FACA and OGC and see what the ability of this Board in that regard really is.

MR. McEVOY: Yes, certainly support a very respectful dialogue and respect of all the companies, all the people involved in the business. So, we will take a look at that and get back to you specifically about that.

I would say that it is a public comment session so people do have the right to make public comments but they need to do so in a respectful manner.

So, mentioning a company name, I don't see how we could censor that. Certainly, we have a very well-informed and educated public here and I think they can discern between what is a truthful statement and not. You can certainly enter into the public record things to put a different perspective into what a comment is speaking.

MR. GIACOMINI: Okay.
MR. McEVOY: So, respect is certainly very, very important, but I don't see how we can censor someone mentioning a company's name.

MR. GIACOMINI: Okay. But just so everyone knows, we will I guess re-evaluate the line but the Chair will not tolerate disparaging, derogatory comments to companies or individuals. Maybe the question there was whether it was truly derogatory or factual. But we'll just proceed from there.

So, any other announcements or anything? We're ready to go so Joan Smiley.

MS. SMILEY: Yes. Well, my name is Joan Smiley. I'm with Falcon Lab and Falcon Lab is a developer or herbicides based on naturally occurring sustainable resources.

Thank you for the opportunity. I'd like to outline for the Board a petition for ammonium nonanoate which is currently in technical review.

To familiarize you with this
substance I will quote from June 2010 EPA document. "Ammonium nonanoate is a naturally occurring substance, has a non-toxic mode of action and has a significant history of exposure to humans and the environment. Ammonium nonanoate is closely related to other salts of fatty acids known as soap salts."

As a soap-based herbicide, ammonium nonanoate is current NOP allowed for organic use with restrictions to non-food areas. But it is also EPA approved for food use as a bio-herbicide. Ammonium nonanoate has its own distinct singular substance CAS number and it is the only ammonium soap that both occurs in nature and has herbicidal qualities.

The essence of the current position is to add ammonium nonanoate as a synthetic substance allowed for use as a herbicide in organic food crop production as follows: (1) One, prior to planting food crop; (2) As a directed spray at the base of
grapevines and fruit trees; and (3) using shielded hooded sprayers between food crop rows.

I'd like to begin with some supporting evidence for the need for another organic herbicide. Here is a quote from the USDA's own June 2009 economic information bulletin titled "Emerging Issue in the U.S. Organic Industry.

Despite the potential for organic agriculture to improve the environmental performance of U.S. agriculture, the national standard is having only a modest impact on environmental externalities caused by conventional production methods because the organic adoption rate is so low."

And another quote from the Northwest Agricultural Research Foundation from 2010. "Weed management in new wine grape vineyards was identified as a primary constraint to organic production in the region at a meeting of the NARF alternative crops
grape advisory committee composed of representatives from the area grape grower groups.

USDA itself has been funding research through IFR studies to identify better, more cost effective organic herbicides and on several occasions has included ammonium nonanoate in their field tests. Each time ammonium nonanoate performed substantially better than other naturally occurring substances and ammonium nonanoate is, at minimum, a third the cost of other substances and one-fourth the cost of almost all organic herbicides.

In addition to cost and efficacy issues, there are other challenges with currently certified organic herbicides. For example, clove oil and lemon grass oil are only available from foreign sources and have the potential risk of an unreliable less pure supply.

Higher strength acetic acid at 20
percent which is needed to kill weeds is very corrosive to human tissue, to metals, including stainless steel and the use of such would likely violate OSHA handling requirements plus require the signal word danger. None of the herbicide substances currently considered organic are a part of the normal human diet. Ammonium nonanoate is. Another compelling reason for an efficacious cost-effective organic herbicide aligns with the performance objective 1.3.1 stated on Monday morning at this very meeting. Increase the number of organic production operations by 25 percent by 2015."

As noted in the earlier quotes, the high cost of weed control in organic crops will almost certainly impede the progress of this objective. As far as being natural organic and sustainable as noted in detail in the petition, ammonium nonanoate is constantly forming in nature. It is only synthetic in
that it biodegrades within 24 hours so it never accumulates and, therefore, is not harvestable. It is produced identically to how it forms in nature using FIFRA 25(b) raw material, folic acid which is part of our daily diet and oxygen from the air.

The EPA Red states that ammonium nonanoate has low toxicity and that residues from its pesticide use are not likely to exceed the levels which are naturally occurring and it would be indistinguishable to know if the source was nature or intentional spray.

Lastly, we would like to highlight for the Board as we wonder how can some substances be organic for some crop use and non-organic for others? Insecticidal soaps were renewed in April 2010 for use in organic crop production with no restrictions. Ammonium soap can be sprayed on crops as an animal repellant. Soap-based herbicides were renewed in April 2010 with restrictions but as stated
earlier, ammonium nonanoate is the only ammonium soap that both occurs in nature and has herbicidal quality.

Thank you.

MR. GIACOMINI: Thank you.

MS. ELLOR: Thank you for coming.

Just one comment.

Herbicides are not certified organic. They're allowed for use in organic agriculture. It's a very important line.

MS. SMILEY: Good point.

MR. SMILLIE: Where is this on the crops work plan or --

MR. GIACOMINI: Its out for TR.

Questions? Thank you.

I'm working on getting an update on my system so we're Tony, Paul and Jackie.

MR. DRYAK: Thank you for the opportunity to present today and I'm here presenting on behalf of my organic farm located in Wisconsin as it relates to how organic layers are handled.
When I began farming out of college I viewed the opportunity to farm as an opportunity and a privilege and a situation in order to enable me to do something right that was dictated by the growing season. There are many jobs out here that give a person many chances to get it right. But when you're on the land and committed to do doing things correctly on the land and you stay in one place, whatever God's gift is for our life dictates how many times we get to do it correctly. The organic opportunity which we began to participate in early '90s gave us and afforded us that chance.

We have a multi-faceted organic farm in west central Wisconsin. And have had the chance to travel around the world to see how other people do things. And we know that the kind of standard that I believe this Board would like to work toward in allowing chickens to exhibit their natural behaviors, whether it be within a laying house or outdoors is very
Earlier there was some exchange between what the Europeans believe and what we believe and I truly believe because I am in those economies in another venture that I'm part of, the U.S. organic standard really tries to ascribe for one of the highest standards out there.

It is true that, for example, between the European standard as it relates to layers that they do allow certain, what they call exceptions to allow production to occur. Here, as soon as we can settle on a true standard that's meaningful and gives us teeth to bite into the opportunity, we can have the highest standard and still allow for efficient egg production.

When we began producing organic eggs we started out with an experiment of 2,000 layers. And the opportunity was brought to us by Organic Valley and they had some general guidelines. This is back in the mid-
'90s.

We took that as a challenge and tried to find ways of making it work. At the end of our production, we were in a house situation with 8,000 birds that had true outdoor access and not limited to two square feet. We did not beak trim or DB whatsoever. We had no cannibalism.

And what we learned as we explored other opportunities around the world is that the housing can work if you allow for flex housing. So, given one's location in this country you can create a living environment for the bird so that as we have to deal with very extreme winters, we still can have the allowed space for the bird but still preserve a lot of heat in the building.

The arguments that the industry will have to go through change and that it will be higher to produce an organic egg, those are valid arguments. And as we move on and explore the opportunities, we have to find
ways of making it work.

   Lastly, I want to just emphasize
since I've talked about opportunity that the
organic poultry producer that produces eggs
for this market has a great chance to get this
thing right.

   I have as an operation begun
experimenting with the use of heritage breeds
to see what their efficiencies are and that as
I stand here today can say that there may be
some solution there.

   Thank you.

MR. GIACOMINI: Thank you.

Questions or comments?

   Wait -- wait, sir. Questions.

   Wendy.

MS. FULWIDER: What is your
experience then with the heritage breed?

MR. DRYAK: Using five heritage
breeds, I can give you more information. I
have the data, but out of the five we
selected, two looked to be promising Rhode
Island Red and Barred Rock.

The challenge with poultry breeding because most organic layer operations use what we call a GM type of chicken that's highly genetically changed from the way it used to be and it was all designed around efficiency. And as a result we have aberrant behaviors that are exhibited in birds.

But there's an opportunity there.

It's just that there has to be funding and there has to be renewed research directed in that in a meaningful way. Throughout Europe they're doing it.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: What are your specific allowances for your birds for outdoors? How many square feet and in the barn?

MR. DRYAK: For 10,000 birds allocation to 25 acres. I don't have it computed to the exact square footage because my -- I have visited egg-laying operations in
five countries in Europe and there they use outdoor access in the truest sense of the word where there are acres and acres devoted. And, frankly, the birds use a lot of that space.

In my experiment this year, 100 percent of the birds go outside, if given the opportunity. The larger the population though, how they participate in the outside varies on what other activities they need to be up to whether it's scratching, creating a nest, laying an egg and so forth.

So, the space requirements you're suggesting here or at least I would view as very minimum requirement. Now, the California operations don't have to deal with the winter that have here. So, again, the concept of flex housing, and there are many examples that can be found, that will enable this to work and be commercially feasible.

I didn't answer your question of square footage, but I'm allocating 25 acres for 10,000 birds.
MR. GIACOMINI: Thank you. Further questions/comments?

MR. MOYER: Yes. Thank you for your comments.

Thinking about methionine in feed, do you have any in your feed that you're using? If so, how many pounds per ton?

MR. DRYAK: I'm buying a commercially available organic layer feed. But in the past and the last time I made comment at NOSB which was in LaCrosse many years ago, I had withdrawn all methionine from the feed and I saw a direct impact of 10 to 15 percent reduction in yield. As long as the market understands that's a possibility, it's going to lead to a higher cost egg.

When birds have access to supplementing their feed in a truest sense, they can augment that.

And one last comment around that. I'm trying to create an operation that will meet the EU standard organic. The EU standard
requires that chickens be fed silage. This year we'll begin that experiment by through the wintertime providing silage to them. It is labor-intensive. But it also allows the bird behavior to be maximally expressed in a positive manner. You simply don't have the issues of pecking in a manner that they go crazy in a barn.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: What type of silage and did you see any health -- did you have any health issues? You say you lost production, but did you have any increased health issues when you set the methionine?

MR. DRYAK: I didn't notice any aberrant behavior. At that time, which was a number of years ago, we weren't measuring exactly how the outdoor interaction was working. But to have a house full of 10,000 birds and to not have it beak trimmed, as an example, how dangerous that was when I raised this bunch of pullets and one of the Amish
testifiers here day before yesterday was one of the people I was involved with. I told them, don't beak trim the birds that you're providing -- and I got them as 10-week old birds. He said, well, what do you mean? I said don't trim the beaks. He said well I do it for everybody. I said, well, you're not doing it for me.

We had a really excellent result with that flock of birds. We didn't have cannibalism and then I asked myself, well, what am I doing differently than what the industry claimed as an impossibility? And by giving the bird the opportunity to express itself in a natural manner really enhanced that production.

Now, I used to be in the retail trade in a small regional market and consumer feedback was they tasted very good and they like the color of the yolk. So, I guess another way of concluding. When I finally slaughtered that flock the USDA/FSIS inspector
came up to me and said, what did I do to the
birds? I said I allowed them to exhibit
natural behaviors. They didn't find any
significant parasite load and it was the
lowest condemnation rate they'd ever seen in
an organic flock.

So, that was testimony that it's
more than just luck.

MR. ENGELBERT: And what silage
did you feed and how much?

MR. DRYAK: I have put into silage
clover and grasses. Less stemming because it
has to be almost, you know, a clover petal
size, the bird will eat and swallow and
digest.

MR. GIACOMINI: Jennifer.

JENNIFER: Yes, back to the
methionine questions. And when you reduced
your methionine --

MR. DRYAK: I took it completely
out.

JENNIFER: Took it completely out.
Did you at that time have any heritage birds or have you ever seen any studies of lower methionine diets with heritage birds?

MR. DRYAK: I haven't seen any studies. At that time I did not have a heritage breed.

JENNIFER: Thank you.

MR. GIACOMINI: Jeff.

MR. MOYER: Quick follow to the methionine question. You say you're using commercial feed. How many pounds --

MR. DRYAK: I don't know the inclusion rate.

MR. MOYER: Thank you.

MR. DRYAK: It's according to this standard because they're inspected by MOSA.

MR. MOYER: Got you.

MR. GIACOMINI: Wendy.

MS. FULWIDER: Do you vary your methionine levels by the feathering of the age of the birds?

MR. DRYAK: I have not. I have
not. This year's experiment of the five heritage breeds, we used a commercially available feed. We noticed that feed consumption was severely reduced because they had outdoor access to basically white and red clover.

MR. GIACOMINI: Any comments/questions? Thank you.

Paul Frey, Jackie and Lisa.

MR. FREY: Good morning. My name is Paul Frey and I'm with Frey Winery. We've been making organic wine for about 30 years without sulfites added.

So, this is a brief Power Point presentation. We tried to condense it all because what normally takes about an hour, we're going to condense it down to five minutes.

So, organic wine standards must be upheld. The proposed sulfite amendment would weaken organic standards.

Next slide please.
We can go through a brief history of organic wine-making. This is sort of the finest part.

Most of nearly 8,000 year history of wine-making was from organic grapes with no sulfites added. Organic no sulfite added wine-making is nothing new. There's no solid evidence sulfites were used in either Egyptian, Greek or by the Romans. The Roman writer Cato has said as Pliny said that live oil with the fruition which is boiled down for each use for a pound and a half of salt from time to time crushed marble, sulfur and resin. He's not specified burning sulfur or to create sulfite. This single passage is worth something. The Romans used sulfites.

The real way to use it is consequently unknown.

There were prohibitions against sulfites in adulteration of wine in Europe and the 14 countries and after.

Next slide please.
This is a so-called Roman natural wine movement. Again, there's no proof they added sulfite but they wanted pure stuff. For that line which is most excellent which is given pleasure by its own natural quality. Beautiful. Nor should anything at all be mixed with it by which its natural flavor would be obscured.

We regard as the best line any kind that can be kept without preservatives. They did have resin and other things as a preservative, but that is no longer the course because of filtration.

Here we have the European natural wine movement of the 1400s. 1472 Sturm-wine having sulfites was prohibited in Frankfort, Germany. 1495, sulfur in wine was prohibited in Freyburg and Lindau, Germany. From the extract of the law 1497. Wine shall be kept in its natural form and not be destroyed by noxious, detrimental additions.

The decrease of 1487 and 1497
declared that to sell wine that contained added sulfites as a wine that was made without added sulfites. This is 500 years ago. They had rules, they had to specify.

Wines had to be declared that they contained sulfite or did not. So, the purchaser knew what they were buying. The same as today.

Prohibitions against adulteration of sulfites were established to protect regional wine reputations that were being damaged by adding excessive sulfites and to protect the consumer because they have related consequences.

Another prohibition of changing the natural character of wine was raised by King Albert II.

Next slide.

Some say that sulfite use was extensive over the last 500 years. That isn't quite the case. Here's a quote by Jules Guyot, famous French wine viticulturist. There
was actually an institute named after him in France. He's the inventor of the Guyot Trellis. Anybody who has studied wine-making, the Guyot Trellis and vineyard management.

He says, wines well made are never unsound. With regards to sulfur in the cask which is where they added the sulfite by bringing the solution into the wine, I cannot recommend it for it kills the wine and give it a bad taste.

So, here you have one of the premier wine people over 100 years ago in France saying it's basically not necessary. There is one more under that.

Another guy, Jules Chauvet who is really the father of the no sulfite movement in modern France in 1960. "Sulfite in wine is not indispensable. The idea would be not to sulfur."

Next slide please.

Sulfites are unnecessary in advanced organic wine-making. Micron
filtration solved the microbial problems. Zurosh in bottling which is standard now and understanding the wines micro chemistry solved the oxidation issues.

Other recent advances in wine-making equipment and understanding wine chemistry make the use of sulfites unnecessary.

Next slide please.

This is since we've run metals, gold, silver and so on and these wines compete with any wines on the market.

Next please.

The proposal to allow 100 percent of the allergen sulfite into USDA organic wine would be dangerous and damaging. The proposal would allow up to 100 times the amount of sulfite that occur in wine naturally. A hundred times. Most organic red wine has euro parts per million sulfite. Organic whites have about five parts per million.

The proposal would allow up to ten
times above the U.S. and the EU governments consider as safe. All wine must have a contained sulfite warning label if they contain about 10 parts per million. The proposal would mislead consumers who today know that USDA organic wine has never had any added sulfites.

The World Health Organization recognized that four percent of the adult asthmatic population is dangerous for them.

Next slide please.

MR. GIACOMINI: Okay. Can you wrap it up please. That's your five minutes and a summary as quick as possible.

MR. FREY: Yes. World Health Organization says it's an allergen.

Next for the conclusion.

The European Commission rejects proposal on sulfite organic wine. I'm not really compromising organics generally because it sends the wrong signal to consumers on the quality policy. Organic wine has to be true
organic wine.

Conclusion please. Just go to the next slide.

Synthetic sulfite is a known allergen that is not allowed in organic foods and has never been allowed in USDA-certified organic wine. Recent events as wine-making, one the methods used to historically prove that sulfites are not essential. Consumers know that USDA certified organic wines have never had the synthetic allergic preservative sulfite added which can cause human harm.

MR. GIACOMINI: Thank you.

MR. FREY: Thank you.

MR. GIACOMINI: Questions/comments?

Jay.

Mr. Feldman: Thanks, Paul.

We're being asked to review the Made With label. How do you feel about that label and its impact in the market and protection of consumers?

Mr. Frey: It would be a --
MR. GIACOMINI: If you would stand at the podium it would be on the record.

MR. FREY: Yes, okay. To allow a synthetic allergic preservative into that category is -- the question is?

MR. FELDMAN: In terms of the Made With label, which is current practice.

MR. FREY: Yes. That's true in practice. That's true to labeling that there's no problem with that.

MR. FELDMAN: Okay. Why do you think more wineries -- I mean, you list eight or nine here that are producing wine without sulfites.

MR. FREY: Yes, there's more than that. That's just a few of them.

MR. FELDMAN: Why do -- can you explain to us why the market has not gone more toward the, you know, organic labels as opposed to the Made With? What's holding back the other wineries from moving to the organic label?
MR. FREY: Most of the wine makers are educated at universities where they basically say you cannot make wine without sulfites, even though there's an 8,000 -- actually 10,000 year history, evidence of wine-making in China 9,400 years ago. Even though most of the history is made without sulfites and most of those people have never made wine without sulfites.

MR. FELDMAN: So, do you believe that use of sulfites in organic wine is unnecessary?

MR. FREY: You don't need sulfites in any wine-making including organic wine.

MR. FELDMAN: Okay. Thank you.

MR. GIACOMINI: Okay. The Chair is going to please ask the public to be as responsive as possible to the buzzer. We've had a number of people already this morning that have gone on and on a bit. We're going to try to be more responsive to the buzzer without the Chair needed to resort to be
appearing rude.

So, thank you.

MR. FREY: Thanks a lot.

MR. GIACOMINI: Thank you.

Yes, if you can just stay at the podium with the microphone there, I think it will come up better on the record.

Next up Jackie, Lisa and Shannon.

MS. VonRUDEN: My name is Jackie Von Ruden. I'm the Farm Certification Manager for MOSA. I'm speaking for Holly Born who is unable to be here today. She is also a Certification Specialist and Staff Inspector for MOSA.

I would like to comment on the handling and slaughter discussion document. First, from the processor's prospective and second from the certifier prospective.

I recently surveyed all the meat and poultry processors that are currently certified by MOSA for their reaction to proposal parameters. Meat processors did not
express any concern. I'd like to note some concerns that two MOSA-certified poultry processors have expressed regarding the proposed guideline.

Both of these processors are small scale and like most small scale poultry processors, do not stun the birds before placing them in a scalder, but they put them in cones and cut the jugger vein to kill the bird before it goes into the scalder.

One processor in Illinois says he feels that the proposed guidelines would add excessive time and cost to his operation.

Additionally, this operation is operated under the Amish church rules as much as possible so any camera systems would not be allowed.

A Wisconsin processor says that in his opinion, stunning does not produce any adequate bleed out of the birds and that this has a negative effect on meat quality. He is also not convinced that stunning is really
more humane. He thinks that the proposed
guidelines as biased towards larger processors
and points out that in small scale operations
like his he can give more time and care in
handling the birds properly and observing that
they are indeed dead before they enter the
scalder.

However, he is open to adopting
these guidelines but needs more research-based
data to show that stunning is superior in
terms of meat quality and animal welfare and
access to training to learn how to stun
properly.

Next, I'd like to comment on the
proposed guidelines from MOSA's point of view.

Although MOSA supports the intent
of the guidelines, however, we have a lot of
questions regarding how as organic inspectors
and certifiers we will need to verify that
these parameters are being met.

The discussion implies that
organic handler inspections will need to take
place on slaughter days at processing plants which are certified processors have told us is really difficult to manage. Additionally, most inspectors will need training on how to effectively verify that the stunning has been effective.

We also wonder how scoring methods described in the document would be implemented. Will inspectors need to observe 100 animals being stunned? This could really increase inspection time and thus cost.

For a small-scale plant how would the score be aggregated over time? Would more than one inspection be needed to achieve the 100 animal score?

The discussion also implies that organic inspections of crop producers would need to take place on days when animals are being handled for transport to the plant so that handling and condition of transport can be observed. How would this translate into real life? For example, would an inspector
need to verify the poultry were caught after
they had settled in for the night and then
return the next morning to further observe the
handling and processing?

Further clarification will also be
needed. For example, the discussion document
notes that Halal and Kosher slaughter method
with some conditions would be allowed for
mammals but does not say whether these methods
are allowed for poultry. Thought discussion
yesterday did clarify that both methods would
also be acceptable for poultry, we request
that this be clarified in the document.

In summary, it appears that these
guidelines, if implemented, would increase
animal welfare and could be quite acceptable
to both processors and certifiers. But a more
defined inspection and certification protocol
procedure would need to be -- would be needed
for certifiers to be able to truly verify that
they're being met.

MR. GIACOMINI: Comments/
MS. VonRUDEN: Thank you.

MR. GIACOMINI: Thank you.

Lisa, Shannon and Bea James.

MS. McCROY: Hi. My name is Lisa McCrory and I work for the Northeast Organic Dairy Producers Alliance. And I'm going to be making some points on the animal welfare discussion document and if time permits, origin of livestock.

NODPA is an organic dairy farmer organization with a membership of 836 organic dairy farmers. NODPA's mission is to enable organic dairy family farmers situated across an extensive area who have informed discussion about matters critical to the well being of the organic dairy industry as a whole.

We want to first take this time to thank Kevin Engelbert for his excellent work and dedicated service as a member of the NOSB. We also want to recognize that it takes a family to support a farmer as NOSB member and
Kevin's wife and children have worked along side to make it possible for him to donate his time and knowledge to his NOSB work on behalf of organic agriculture.

We hope he continues to share his knowledge with the Board in the future and wish he and his family every success in the future.

And we also want to make note that the financial sacrifices if Kevin and his family while serving on the Board highlights the need to provide stipends to NOSB members who are either full-time farmers or self-employed industry professionals. The lack of a stipend has prevented many good farmers how earn their living from farming from volunteering their time to serve on the Board. For a dairy farmer this would include the cost of a relief milker, extra help to complete field work and an acknowledgement that when a farmer leaves their farm in the control of someone else, there are inevitable losses of
income if only through a loss of milk production.

We urge the USDA and NOP to address this issue to insure that we have a balanced membership on the Board that truly reflects the unique mix of organic agriculture.

And NODPA welcomes the recent work of the NOP to provide guidance and more clarity on how inspectors and certifiers interpret different regulations. The most recent recommendation by the NOSB Livestock Committee assumed a certain level of knowledge and understanding of livestock behavior during the annual inspection by inspectors on behalf of certifiers.

While we applaud the large number of highly qualified inspectors that do a tremendous job with their interpretation of the health and welfare of livestock, we also have reports that some inspectors prefer to work only from a checklist and have little
experience and knowledge of livestock.

We hope that the NOP as a creditor of the program will increase their oversight when it comes to the qualifications of inspectors and the training that they received from certifiers.

And in relation to 205.239, livestock living conditions, the mammalian section. Regarding the invitation for public input on stock rate charts. We strongly believe that the organic animal welfare guidance and standards must be sensible and based on reasonable standards that are determined by the realities of farming, good husbandry, grazing, natural animal behavior and natural healing.

We do not support any space requirements within the regulations for dairy animals. Rather, an education of inspectors to insure proper standards are achieved based on guidance from the NOP.

We recognize the importance of
requiring adequate space for animals to exhibit their natural behavior during the non-grazing season or during times of temporary confinement. Dairy animals are managed in a variety of different geographic locations and under many different constraints to preserve soil and water quality. Inspectors need to be trained to recognize conditions that are adverse to the animals exhibiting their natural behavior during the times they are temporarily confined.

An animal confined for breeding will have a different requirement to one confined for tabbing or one confined during the winter storms. And animals confined in northern Maine will need different housing than one confined in southern California. Detailing minimum average standards would cause some operations to work to those standards which may be inappropriate to their location and facility.

The Livestock Committee's
recommendations contain the table with a minimum square footage for each animal dependent on their size. There's no guidance as to how that area is measured and we have the following questions which have been raised by our members.

Thank you.

One, what is included in this space in a free stall barn? Does it include the feeding alley ways or just the stall area? In a tie-stall barn does it include the lunging area that a cow uses to stand which could also be the feeding area? If you have a mixed herd with variable sizes, do you need variable sizes of stalls or is the total designated area for bedding space divided by the weight of the total number of animals using the space to find the average bedded space needed? Does the inspector need to come in with a tape measure or will they be required
to have the building dimensions and take an average for the whole herd?

So, we recommend that the inspectors use a score card of the general health of the individual cow as a percentage of the whole herd which allows for many different criteria to be used including breeding, time of lactation, age, time of year. That way if a producer is excelling in most areas but weak in others they would not be penalized.

Thank you.

MR. GIACOMINI: Thank you.

Questions? Kevin.

MR. ENGELBERT: First, thank you very much for those comments we're getting from the farmers. I'm very appreciative.

And as far as the stipend, I'd be very careful to go down that road. I'd hate to see that influence whether or not some was put on the Board and I'd hate to see that any type of resentment develop from other Board
members that didn't receive the stipend. I would think if it was considered it would be either all of none for Board members for any type of stipend.

And, yes, we have lost income by me being on the Board and as I said Monday, no one is going to be happier when I graduate than my sons. But I knew that coming in and I have a unique situation that they finally came of age where I was comfortable doing this and that's why I decided to run for the Board. So, it could be a very touchy situation, but I appreciate the sentiment.

MS. McCORORY: I just want to say that I recognize that and there's lots of wonderful producers of many areas within the organic sector that I think would also play a critical role and probably they can't be involved on the level that you've performed because of their constraints. And I agree that if there is a stipend that it should be universal.
But if we want to have good representation from the whole organic community, I think we're missing out on certain key contributors.

MR. GIACOMINI: Other comments or questions?

All right. Thank you.

MS. McCORRY: Thank you.

MR. GIACOMINI: Shannon, Bea James and Phil LaRocca.

MS. SZYMKOWIAK: Hello. My name is Shannon Szymkowiak. I may have Jim beat with the last name there.

I'm the Promotions and Education Manager at Whole Foods Co-Op in Duluth, Minnesota, current receiving five inches of snow.

Although I don't do inspections I am an IOI trained inspector and a novice bee keeper.

I grew up in the State of Minnesota and I'm the granddaughter of two
sets of dairy farmers. And spent a lot of
time out on the farm to keep me out of
trouble. They were traditional farmers and
they focused mainly on dairy, pork and egg
production. And they also grew alfalfa and
field rotation as their primary methods of
completing that cycle.

Their care of the land and animals
illustrated the spirit of sustainability and
good animal husbandry. They wouldn't consider
keeping animals in a barn that wasn't
regularly cleaned and they wouldn't let their
animals suffer by way of heat, cold or
crowding. It was just the way it was done. If
an animal was going to give you something,
milk, eggs, meat, whatever, it's your duty to
care for that animal in a way that you'd be
cared for if someone was in charge of feeding
and caring for you.

Respectfully, panel, this is your
job. When I purchase organic food you are in
a way in charge of feeding me. The decisions
you make gave a direct and profound effect not only on the life quality of the animals in our care but the effect on my quality of life and the quality of life of everyone who puts their trust on the label reading USDA Organic.

When I first began working in the natural foods industry about 17 years ago, it was right before the very first organic standards were released. When the initial rule was presented for comment which allows GMOs, the Radiation Commission of Sewage Slage's field input, I began to pay attention. I stopped being the deli worker who was in charge of the cheese crew every Wednesday and became an agent of change.

Many people including myself spoke up about this and it made a difference and we appreciate that. Thank you very much.

I now work for a natural foods co-op in Duluth that is a certified organic retailer in every department of our store. I train our staff on the basics of the rule and
I do outreach in the community about natural and organic food and I'm asked at nearly everyone of my 50 to 75 presentations a year. Is paying for organic food worth it? Is there really a difference? And I would argue that if we don't take a stand I'll soon have to say no.

The situation regarding chicken and egg production in organics must be addressed both from a food safety and animal husbandry standpoint. We cannot allow the organic label to become pointless.

Organic products do get a premium price in the marketplace and when you're buying from a small to medium farmer who is not gaining subsidies, who uses manual labor and documenting, this premium is a small price to pay to insure good quality for the life of the farmer as well as the animals in his or her care. However, when as a customer I see chicken houses that hold thousands of animals who have little to no access to the out of
doors, I start to lose confidence in that label.

The argument has been brought up that it is impossible to be profitable unless an operation is a large one. But many farmers out there would prove the larger companies wrong. Someone earlier was speaking about Larry Schultz and I've known Larry Schultz for years. I bought eggs from him when I was a dairy buyer at Line Hille Co-Op in the '90s and we purchased his eggs and meat products now at a foods co-op where I work currently.

He's a successful example of how you can do the right thing and still raise your family. He got the 5 egg rating and I wouldn't doubt it for a second. He really does a good job.

I ask you today to put firm, clear language into the NOP regarding animal housing, clean water, access to the out of door for all of the animals and enforcement of this rule is imperative to the assurance in
the organic label.

I also ask you to disallow organic labeling by companies who do not abide by this clear language. Equal footing for all producers is vital to customer confidence and the survival of the smaller farmer.

I do not believe that if a farmer is large they shouldn't be allowed organic as long as those companies play by the same rules. Organic is supposed to be another way. Shoppers make choices sometimes sacrificing other things in their households to buy organically certified food. This label should mean more than another value added product to large producers who have no interest in following the spirit of the law and barely skirt the letter of it.

I'm thankful for the opportunity to speak out about this issue and I hope the interest of the independent organic farmer, the consumer and the animals are considered implemented in enforcement of the national
organic program.

Thank you.

MR. GIACOMINI: Thank you.

Questions/comments.

Jay.

MR. FELDMAN: Thanks for being an agent of change. We need that.

I'm curious because you intersect with consumers about some of your thoughts on integrity issues. And have you been listening to the debate on synthetic/non-synthetic?

MS. SZYMKOWIAK: I just caught it this morning. I just came in today for this one.

MR. FELDMAN: Maybe I'll ask you a more general question then.

I find on my experience with the Board so far that we face sometimes questions that lack clarity in terms of their answers. Especially on issues -- this issue of synthetic/non-synthetic. And I'm wondering from a consumer prospectus, where do you think
the precautionary principle on issues like that fit? In other words, where do you think we should air as a Board when we are face with decisions for which there is disagreement on basic issues -- that some would define as issues of integrity -- organic integrity? Do you get a sense from consumers that they would prefer we air on the side of caution or that we just wing it?

MS. SZYMKOWIAK: The sense that I get is airing on the side of caution because I do get questions not only about our own ruling on our own organic standards, but I also get questions because we're in northern Minnesota we do get a lot of produce from Mexico, California about the integrity of those products and are they being inspected to the same standards that a farmer in Wisconsin is. There's a lot of skepticism out there. And I run into that just about every presentation I give.

MR. FELDMAN: Thank you.
Thank you, Mr. Chair. I just want
to correct my comments. I don't want to
mischaracterize. I know a lot of work has
gone into this on the Board of this issue of
synthetic/non-synthetic. But I'm trying to
grapple with this issue of disagreement,
honest disagreement on how we define things
without denigrating the important work that's
gone on by this Board to try to create clarity
around these issues.

Thank you.

MS. SZYMKOWIAK: If I may?
Sometimes you'll see an ingredient
label where non-organic producers will list
their sourcing, you know, behind the
ingredient so that the customer -- the
consumer is knowing what it is and that is
something that I point out when I'm talking
about label reading to groups that I speak to
and that may be a possible solution.

MR. GIACOMINI: Yes, the -- yes,
thank you.
Are there any other questions?

Yes, thank you.

The presentation of an action of this Board as winging it if I heard you correctly is a bit of a misrepresentation with the amount of work we do on it.

MR. FELDMAN: That's why I offered the correction, Mr. Chair.

MR. GIACOMINI: Yes.

MR. FELDMAN: I believe that there is sincerity on all sides of this issue.

MR. GIACOMINI: Thank you.

Okay. Bea James, Phil LaRocca and George Bass.

MS. JAMES: Okay. This is going to be fast forward so hold on.

For the record, my name is Bea James. Good morning, Mr. Chairman, esteemed NOSB Board Members and NOP.

I'm here today before you as a retail representative from Lunds Food Holdings, a small family owned 21 store retail
chain in Minneapolis with certified organic produce departments, a certified organic distribution center and over 11,000 organic and natural products throughout the store.

Regarding Made With Organic. The general direction of the recommendation is correct because the majority of consumers are still at an entry level with understanding organic products. Organic food is still a small percent of the total retail sales in the market and your mainstream consumer needs clear direction on the front of the package to help grow the organic industry.

Somehow we need to do a better job of explaining the organic content to our consumer on products that fall below 95 percent. That's 95. But to add certified to USDA guidelines mocks the USDA seal and adds more confusion to an already puzzling organic packaging.

My suggestion is to clearly tell the consumers what they're getting. The NOP
might want to consider requiring manufacturers that fall below 95 percent organic ingredients to put the percent of the organic ingredient in the USDA seals. Yes, I did say in the USDA seal. Just say it like it is and add the percent of the organic ingredients right in the USDA seal. Yes, bold. Yes, possibly a nightmare for certifiers and manufacturers, but consumer would love it. And this would eliminate any consumer confusion and cut down on my training and education time in the store.

Exhibit A for your consideration.

Animal welfare discussion.

Consumer expect animal welfare from organic production and the pictures on organic packaging has led them to believe that we are taking good care of our smiling, dancing, happy cows and chickens. Please carefully consider the use of the word "access". Access does not mandate animals to be outside and as we learned from the pasture
rule you need to look carefully at where you
should be prescriptive to restrict loopholes.

I ask these questions for the
Livestock Committee.

1. Do animals go outside just
because there's a small door for access or is
this a learned behavior that must be
encouraged by the farmer?

2. Should inspectors just look
for access to outdoors to be in compliance or
should they also be inspecting from our
concrete evidence that animals are accessing
the outdoors for a healthy amount of time?

Animal welfare is so important that I thank
the Livestock Committee for bringing it to the
forefront.

Nutrient vitamin and mineral
discussion document. Fortification is a
byproduct of over-processing. Industrial
processing often removes nutrients to get to
a final product that generally is developed
for longer shelf life and to mask the hardy
fibrous and favorable quality that comes from unaltered whole foods. However, if the organic industry is going to have highly processed organic versions of junk food then we should fortify it.

There's a nutrition value program for retailers called New Val. Retailers like Wegman's, Coburn's and HI-V and many more are using it. In a nutshell, the program tells consumers what to eat based on a number that is shown on the shelf tag.

The algorithm considers nutrient sin the numerator and trans fat, sodium and sugar and such the denominator to determine a score. A high score is good and means lots of nutrients and a low score is bad and means poor nutrients. Added nutrients go a long way in the New Val program. And so it is troubling to see Strawberry Captain Crunch score higher than Peace Cereal or Alvarado Street Sprouted Wheat Bread score lower than Wonder Bread.
Now, Exhibit B for your consideration, information on the New Val Program.

Personal care. Last year the NOSB directed the NOP to solve the problem of mislabeled organic personal care. While the NOP has been slow to act, whole foods market is leading the way. In June of this year Whole Foods became the first retail chain to adopt an organic integrity policy for health and beauty care products sold in their store. Congratulations to Whole Foods for setting the bar for our industry and to the many co-ops who have also adopted Whole Foods' lead. We at Lund's believe in this direction and will be following suit in holding not only the natural organic body care industry to the same standards but the conventional body are industry as well.

Many of these conventional cosmetic companies misuse the word "organic".

Although the USDA has no authority over
production and labeling of non-agricultural

body care products, they should have authority

over the use of the term "organic" on these

products.

205.300 needs stronger language

regarding the use of the term "organic" as a

marketing or branding term. I respectfully

ask the NOP to consider this in their response

to the NOSB personal care recommendation to

reduce this type of mislabeling in my

exampling.

In my examples, Exhibit C for your

consideration and for your grooming pleasure

if you're brave enough to use those

conventional products.

And last, congratulations Kevin,

Dan, Jennifer, Jeff and Joe for your five

years of service. Enjoy your soon to be open

slots in Outlook. I know your family, friends

and pets will enjoy seeing you again.

I have a huge box of chocolate as

a way to show appreciation and respectfully

Neal R. Gross & Co., Inc.
202-234-4433
submit them as Exhibit D and there is plenty for everybody.

Thank you.

MR. GIACOMINI: Thank you.

Comments or questions for Bea?

Kevin.

MR. ENGELBERT: I was very interested in your comments about fortifying food. Even if you had all the vitamins and nutrients that were certified organic you couldn't live on them alone. You've got to have wholesome food.

How do we go down the road of allowing organic food to be fortified because of all the processing that's done and yet still make the distinction between that food on the shelf and the one that is local, hasn't been processed and get consumers to pay assuming the extra cost and what is, I would consider to be, a true organic food as opposed to one that's been fortified?

MS. JAMES: Well, I agree with you
wholeheartedly, Kevin, and I think that's a question that should have been posed when we decided -- the organic industry decided to get into processed food.

If we're going to have processed food a lot of the nutrients are taken out of processed food and you've got conventional like products that are being fortified with synthetics. And to Joe's point, you know, and I know it might shock him to hear me say this that some synthetics are not all bad. And when you've looking at the nutrition of a product and if you need to fortify it to re-enter the nutritional value that was lost during processing, then I just ask the Board to respectfully consider that.

MR. GIACOMINI: Joe.

MR. SMILLIE: Right. On the Made With label, you recommend the direction of our recommendation but not the details of it. So, in other words, you also believe that this label claim needs some support? You just
didn't like the way we proposed the support by adding the word?

MS. JAMES: Yes. I think it's confusing.

For instance, if on the shelf you have a product with the USDA organic seal, and then you have a product right next to it that doesn't have the seal but says Made to USDA Guidelines or Regulations, that is very confusing for the consumer and it dilutes the message that I think we've tried to build around the USDA seal.

So, somehow -- we just need to have truth in labeling and that's why I passed around -- my son helped me with that. He has Photo Shop, that example of the USDA seal where it says organic and then it says the USDA and it has the percent right there. And that opens up the door for truth in labeling and it cuts to the chase and it tells the consumer exactly what they're getting. And I know certifiers are probably cringing at the
idea. But I do think that it's a healthy solution for the consumer. And the consumer perspective is one of the things that I think needs to be more highly acknowledged as we're developing what the final end product is going to be on the shelf.

So, you know, to answer your question. Yes, the Made With is directionally accurate, but I think that it needs more work in figuring out what the solution is.

MR. GIACOMINI: Jay. Oh, Joe, follow up?

MR. SMILLIE: Yes, I just wanted to go back to Miles. I don't want, you know, to take wind out of your sails or spill the beans or whatever the right expression is. But the upcoming guidance that the department is going to be issuing for the Made With labeling. Do you feel that there's any synergy between what we're struggling, groping to try to present to the consumer and what you're dealing with on an enforcement level
about the Made With label? Is there anyway
that our recommendation could be helpful in
clarifying and clearing up this what we
believe to be valuable label claim that
somehow is just really not working out there
in the marketplace?

MR. McEVOY: We haven't looked at
your recommendation in light of the
development of the Made With Organic draft
guidance. So, we haven't done that work.

We'll take a look at it whether or not you've
passed it as a recommendation or not. We can
take a look at it in terms of how it relates.

What the draft guidance on Made
With Organic labeling -- Made With Organic
Products addresses is the percentage claim on
a Made With Organic Product and the types of
ingredients that can go into the 30 percent.
So, those are the two issues that are being
addressed in that particular draft guidance.
So, it's not directly related in terms of what
you're doing with your proposed recommendation
on Made With Organic. Certainly doesn't have anything about using the term "certified" to USDA guidelines. On the Principal Display Panel it does talk about the percentage claim on the Principal Display Panel and the draft will say that if you do have a percentage claim on the Principal Display Panel then you must also have a claim that it is a Made With Organic Product.

MR. GIACOMINI: Okay.

MR. FELDMAN: Just one question.

Thanks, Pete.

You're talking about labeling percentage ingredients on those products for which -- that fall below the 95 percent category. So, how do you deal with the 95 to 100 percent and, you know, wouldn't consumers want to know, for instance, that there is somewhere between 95 and 100? A 100 would be labeled certainly. And then we currently have the organic label which is 95. How do you reconcile not displaying the percentage 95 and
above?

MS. JAMES: Well, I guess and this is just my opinion about this. Ninety-five to 100 I think is almost the same thing. I think it's very hard to get to a point where you actually can say 100 percent organic and for reasons that I know you are all familiar with. So, 95 percent to 100 is something that we've already done diligently on the packaging by just having the USDA seal having that option that the 95 and 100 are the only two categories where you can actually put the USDA organic seal on the front of the package.

So, why change that? That seems to be working. It's everything below that that's where it falls apart for the consumer.

MS. HEINZE: Thank you for your comments and thank you, in particular, for bringing in these lovely personal care products which are a great example of the problems we're seeing on the retail shelf.

I was just hoping that once they
get to you, John, you could just directly take
them to Miles.

MS. JAMES: I think it's a pretty
good example. I think it's a pretty good
example of how we're confusing the consumer.
When you have that one pamphlet that I have
there that shows a bunch of carrots with the
wrap-around organically grown which is, you
know, that's the only thing. It has to be
organic on an agricultural product if you see
that twist tie in the supermarket. And then
that's part of their marketing campaign is
saying that, you know, organic carrots,
essential oil is in the product and they're
calling the front of it organic and I included
it in there a list of the percentage of all
the different body care products and most of
them fall within 30 percent. And they're
calling right on the front organic. So, here
you've got body care totally messed up saying
organic. And then you've got the Made With
that actually has organic and they're not
getting credit. And it's just kind of a mess and I think from the consumer perspective, it needs to be fixed.

And I thank you for listening to me.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: I spoke with NOP staff years ago when I first got on the Board about the percentages on the label and like you said I got completely shot down. Because I thought it ought to say 100, 95 or 70 and the argument then was and it's probably still valid, some of these labels are so small consumers aren't going to be able to distinguish between those numbers.

MS. JAMES: Well, and that's something that should be taken into consideration.

If you go the route of putting a percent right in the USDA seal, there should be guidelines like they're currently are about how to use, you know, organic in labeling.
There needs to be guidelines about how that is actually executed on the package.

MR. ENGELBERT: But I had never thought of the idea of only having it for the 70 percent. That may very well work. I hadn't thought of that because then if they do see a percentage, no matter how tiny, they know that it's a 70 and anything else is 95 or above.

MS. JAMES: I got you. I got you.

MR. GIACOMINI: Okay.

MS. JAMES: Thank you.

MR. GIACOMINI: Further questions/comments?

Okay. Thank you.

We're reached out time for another break in our scheduling. Since the last break we've gone from a half an hour behind schedule to an hour behind schedule. So, we're asking everyone to please be more considerate of our time requirements as we move on through the day.
Fifteen minutes. I'm asking everybody. Fifteen minutes.

If at 10 minutes we could have Miles and if I could have Miles and Richard Matthews and Kim Dietz and Tina, we have some issues to go over. If we could meet with those in 10 minutes and then we'll reconvene in 15.

Thank you. So, five after.

(Whereupon, the above-entitled matter went off the record from 10:49 a.m. to 11:11 a.m.)

MR. GIACOMINI: We have a quorum of the Board. We're ready to restart, again asking everyone to please be aware of the time situations. We still have a unknown flash drive up here if anybody -- oh, we found that. Thank you. This time I got a chocolate. All right. I'm not sure you get a chocolate with an unknown flash drive.

Okay. Lisa, are we ready? Sound ready? Okay.
First up as we continue Phil LaRocca, George Bass and Beth Unger for the proxy.

Go ahead.

MR. LaROCCA: Good morning. Thank you for the time to speak here. It's been many years since I've addressed this Board but in the past I have worn a lot of carpet out.

My name is Phil LaRocca. I have been an organic -- in the organic industry for 35 years. I was first certified in 1975. I believe I was the first certified apple organic grower in the State of California.

I've been an organic inspector. I've sat on the California Certifier Organic Board. I've been the Vice President-- I've been President on the Board and in the interim of the USDA taking over the standards, my title went from President to Chairman of the Board.

Twenty-six years ago I started in the wine business. I started off with the
French guy at the time that seemed kind of old but as I look back at it now he was only a couple of years older than I am now. But we decided to make an organic wine and there was no rule sand regulations. There was just an organic community and it was in the organic community that we all knew that synthetics weren't allowed in organics. So, I didn't waive this anti-sulphur dioxide flag, it was just that we felt that you couldn't add synthetics in wine and that's why we started making a wine with sulphur dioxide. We started off with 500 cases. My winery is now 25,000 case production. In the early days making an organic wine just says that growing certain organic crops wasn't very easy. But we figured it out with new chemistry that we brought to the table, with new wine-making equipment, we made a damn good wine. I throw this out in jest. But one of the arguments that people say about organic wines is they
won't keep.

Well, on New Year's Eve Martha Stewart drank one of my sparkling wines that we had and gave us a write-up. So, you know that Martha would not drink a bad wine. So, we got Martha on our side.

At any rate, I dealt with this issue 10 years ago. And to this day still believe that synthetics should not be allowed in organic production. But I was very much involved with working with this Board and the NOP at the time to come up with the Made With Organic label. And we did that to satisfy the grape growers that were growing grapes organically and then bringing them to a winery that wanted the process some organic grapes.

I want to point out at this time too that there are organic wine made before there was Made With Organic Grapes. The Freys in Little Rock is one of the first people that grow grapes organically and then process our wine organically.
So, we work really close on this and if you don't know the history, this Board should look it up. But to get organic--- Made With Organic label is not an easy thing. We had to do some back door ing and I worked with this Board, a couple of senators from the State of California and Kentucky where they piggy back this Made With Organic because if you remember the Food and Production Act of 1990 outlawed sulphur dioxide in any form of organic production. So, this thing was piggy backed and if I remember correctly on a bill to give senior citizens a lower price for genetic drugs. Oh, and by the way, sulphur dioxide can be used in Made With Organic Grapes in the NOP program. So, that's the story behind this.

I, you know, spent a lot of my time and my passion in this thing here.

I do teach viticulture in one of the local colleges but 99 percent of my income comes off of my organic wine. I have four
kids. All four kids are making their income
off of my organic wine.

And if you'll look at the Frey
paperwork, when people say you can't do this,
there were 3.75 million bottles and this is
just a rough estimate on the low side that
were produced and consumed in 2009. So,
you're going to tell the 3.75 million people
that bought certified organic wine that it is
no good, then you should be asked of yourself.

And in conclusion, I want to say
that I used to testify 10 years ago and this
figure has gone up but it was 119 different
synthetics that were allowed in the use of
commercial wine-making. And the only one that
the public has to be notified about is the use
of sulphur dioxide. So, it would be an awful
oxymoron to have a USDA certified organic wine
that has -- that's going to allow the only
chemical that the FDA makes it mandatory for
wineries to put on their bottle.

Questions.
MR. GIACOMINI: Questions/ comments?

John.

MR. FOSTER: Let's just say the rule changes and one would be able to make an organic claim. Would you highlight the fact that you do not use sulphur dioxide even more than you do the same amount you do?

MR. LaROCCA: We've talked about that. We're actually afraid that we might not be able -- just like you can't put -- we don't use genetically modified yeast on our label. They might stop us from using saying that we don't use any sulphites on our label just like the bovine growth hormone issue with wine.

And I'd also like to add on this too, John, that in terms -- I don't know why the opponents are pushing for this if they think that they're going to make -- if this is going to be an economic factor to them which shouldn't be factored into organic. But we have to factor it in because as being the
first people that pioneered this industry,
it's going to hurt our business. And I don't
think that that would be fair.

Joe.

MR. GIACOMINI: Again, Joe.

MR. LaROCCA: Excuse me. Joe and
I go way back. Excuse me. Mr. Chairman,
excuse me.

MR. SMILLIE: So, Phil, I just
want to be clear for the public record that
you're certified organic wine, but you're not
opposing the continuation of the Made With
Organic Grapes. So, you're more than happy to
continue to allow organic grape growers to
have their grapes sold as -- in wine that is
Made With Organic Grapes and the distinction
being that the sulphites aren't allowed and
the certification -- that the grape growers
could still have a market for their
organically grown grapes?

MR. LaROCCA: That is correct,
Joe, and if you look at what is it. 2118 says
if you can do it naturally, then you shouldn't add a preservative or you shouldn't have to add a synthetic. So, I'm going along with that with organic but I also say, I feel if you make a crappy potato chip when you put organic potatoes in it, you can tell the consumer that. So, I'm not opposed to the Made With category.

MR. GIACOMINI: Jay.

MR. FELDMAN: Thank you for your comments.

Are there any examples that you can come up with that would justify the need for sulphites in organic wine production?

MR. LaROCCA: Absolutely not. And I say that because it's harder. You can go to, for example, go to an organic carrot grower and ask him if he could use a pre-emergent Round Up before he plants his carrots. Of course, he's going to make it easier for him. You know, sulphites make it easier for the wine maker. So, other people
that are listed on that presentation that Paul
gave you, they'll tell you, we work harder at
it.

MR. FELDMAN: Thank you.

MR. GIACOMINI: Thank you.

MR. LAROCCA: Thank you.

MR. GIACOMINI: George Bass, Beth

Unger with the proxy and Dave Martinelli.

MR. BASS: Unfortunately, our

manager had a family death so we have another

proxy that's doing our time.

So, to the committee and the staff

many thanks for all your time, all your hours

helping the NOP and NOSB, producers and

customers. Thank you especially for the

volunteers.

I want to talk to you about those

barns, the hens, the porches and then two

surveys.

Number one, we have about 6,600

layers in each barn. We have about 12 barns.

We have wonderful windows on each side of the
barn. We have benches on both sides with feed
and also water. In the center are the nests.
There is a division in the middle so they're
for 3,200 or something and another 3,300. So,
that's really what goes. It's an old pipe,
but it's good. I think it's wonderful.

Also, I just want to explain a
little bit of hens. A lot of people don't see
a hen --

MR. GIACOMINI: George? You not
only need to be at the mic but you need to be
at the podium because on the record it's
collected through the other microphone.

MR. BASS: Oh.

MR. GIACOMINI: So, one is the amp
system, the other one is on the record. So,
yes. Just stay right there and--

MR. BASS: Right here?

MR. GIACOMINI: Yes.

MR. BASS: Okay. All right.

Trying to explain -- I think
they're very happy. I think those hens are --
I think they're very, very happy.

Early in the morning they start at about 5:30 for breakfast. Take feed and water on the benches. And then number two, the hens jump down onto the floor and they jump up again to the nest too. And they walk, they run, they jump again. They jump up and down, up and down. And they're having a wonderful time. They have good exercise.

Then afterward they have a little bit of a burrow into the nest and so they have a nap. And their eyes are shut, quite a few. And then others stay in the burrows and then they have a great dusk bath. I don't know if you've ever seen them. Maybe a lot of people here -- maybe they have some, they understand. They really have a lot.

But we think it's good and I think they have -- I think those hens are much, much better inside while they're outside.

Not the moon space but anyway. And then there is more exercise, more social
interviews, Then the day is done at about
6:30 p.m. And the porches -- this is a
problem but I think it's not a problem at all.
I think it's at 2002, the porches were
certified. They are compliant and they are
legal. I think the porches have a lot of air,
a lot of sun, especially on the sides and good
health. And we don't have any diseases, no
worms, no migration of wild birds with Avian
Flu, no fox and coyotes, no manure, goes into
a huge reservoir. A lake very close to us for
the water of Boston of about 30 towns. So,
they need -- okay.

I've got two surveys. One to talk
about 100,000. They finally got 80.5 positive
of about thee hens inside. And then two we
had another survey and then we had about 450
fertilized and this time the positive was
96.2. So, therefore, summary.

I just want to talk about one
thing a 250 million dead of the poultry people
in China in that area. It's not here in the
United States but actually there are 63
countries at least of this Avian Flu. It's
very hot and the porches -- summary. The
porches continue as a compost of the past and
all the future.

Thank you very much.

MR. GIACOMINI: Okay. Thank you.

Questions and comments? Okay.

Lisa, could you put the picture of
the porch back up?

Could you tell us what the floor
and the roof on those are?

MR. BASS: Say that again, sir?

MR. GIACOMINI: Could you tell us
what the floor surface and the roof on those
porches are?

MR. BASS: The floor.

MR. GIACOMINI: At the mic please.

MR. BASS: Right here.

MR. GIACOMINI: No, the floor in
the porch, what is the flooring and what is
the roof?
MR. BASS: The boards outside.

MR. GIACOMINI: Boards, okay. And then what's the roof on that?

MR. BASS: This is plastic so the sun comes through.

MR. GIACOMINI: Okay.

MR. BASS: Yes.

MR. GIACOMINI: Okay. Thank you.

Okay. Beth Unger, Dave Martinelli and Edward Gildea.

Beth. You're the proxy.

MS. UNGER: Good morning. I'm Beth Unger with Crop Cooperative and I'm going to give you a little time back and keep this very brief.

I was pretty impressed with yesterday's discussion and I just want to respond to that a little bit. But first I want to thank Lisa McCrory for her comment on the animal welfare document. I thought that was very well thought out and very well presented.
And second to finish up my comment from Monday, I wanted to address the nutrient vitamin and mineral and Sunset Review portions of the agenda in tandem.

But beginning with OTA's comment. The Organic Trade Association comment on this particular topic was pretty well done and they did address the questions of the Handling Committee and I thought that was way better than my comments.

But I want to go on and tie those two together. Because unless I am not understanding what is being said at the April meeting and then again at this meeting, this is my understanding.

I have the National Organic Program twice now in reference to the nutrient vitamin and minerals discussion, comment on having the committee take a look at the 1995 recommendation. I think that is appropriate. I think that is appropriate because the recommendation really had a different
intention in what the ultimate listings did.

Also, a completely different Board, the 2000 Board in response to the pending final rule, the proposed rule that commented on the items in there and made it perfectly clear in their comments that they disagreed with the annotation that was put on nutrient vitamin and mineral listing which was at 21 CFR 104.20. I think that both of those things are very relevant things to review and to look at.

And going back to, you know, those two comments, and how it relates to Sunset Review, the policy that you have before you that took up a considerable amount of meeting time last evening in discussion which was a very healthy discussion, I'm going to go back to being probably the only person in this room or on record that stated I think that the NOSB is limiting itself when they want the annotations to only be more restrictive. That was a comment that Jay had mentioned in his
presentation about respect the work of other Boards. There were two other Boards in relation to this one specific listing that had an issue with how everything played out.

If the Policy Committee's recommendation goes through with that restrictive part of annotations, the Handling Committee's hands are tied. Why bother reviewing the 1995 recommendation or the 2000 omnibus response to the proposed rule?

Dan and Kevin, thank you very much for your discussion during the 101B discussion. I thought you two brought great clarity to that whole recommendation. I would hope the committee would go back and take a look at the things Dan and Kevin had to say about it because I believe in that recommendation clarity is important and the two things that they clarified were good audit trails and ownership issues and I thought those were quite relevant.

I promised I would shorten my
time. And so in closing, just to give you about 45 seconds back, please when the next Livestock Committee takes up the methionine thing all over again, we need a new text review. The first one was flawed and secondly I'm totally looking forward to the USDA supporting the research of methionine -- synthetic methionine in poultry diets.

MR. GIACOMINI: Questions?

Joe.

MR. SMILLIE: You weren't the only person. I was also thinking that but again the idea as our charge is to restrict synthetic use which I've always felt uncomfortable with but I didn't say anything. But you brought up an excellent point that simply limiting it to restricting annotations really does tie our hands. There are many things beyond -- as well as restricting and the example of the accessory nutrients is one that I hadn't thought of. But that is a good example where we would want to not expand but
change, you know. I don't like necessary the word "expand" and that is a good example that serves the illustration that maybe we should look at the simple phrase.

                Mostly that's what we will be doing. My feeling is that -- that is the general intent is to restrict. But we should keep it open so that if necessary, if there's a very good reason as you pointed out, we may want to have the ability to expand an annotation. And won't necessarily mean -- yes.

                Thank you.

                MR. GIACOMINI: I think the difference here -- I'll get to you next, Jay, if you need to supplement my comment here.

                The difference here is that the framework of this recommendation is the annotation change within the Sunset process. There's no restriction on annotation changes outside of the Sunset process within this document. Okay. So, it's just within when
it's done with in the Sunset.

Now, we have all that debate of whether that's the appropriate time and how --
but this document as I understand it would only be limiting the annotation change within that document.

MS. UNGER: Can I please respond to that, Dan?

MR. GIACOMINI: Okay.

MS. UNGER: This is a Sunset Review item. It is very relevant to this discussion.

MR. GIACOMINI: Thanks.

Jay.

MR. FELDMAN: Thanks, Beth.

I would like to hear your response to this line of thinking. And this goes to your point, Joe.

Are we not constrained by the statutory language that uses the term "Sunset" which means remove? The process of sunsetting is to re-evaluate the existing uses that are...
on that list, you know, in a technical sense to remove those uses and all we're doing with this proposal is we are restricting the removal of those uses. I would argue that given the construct of the statute that our hands are tied on that point -- on your point of expansion and that issue of expansion is really left to the petition process which offers anybody an opportunity to come in and expand the uses of a particular material or substance.

Having said that, I think the issues that we need to be able to deal with perhaps during Sunset which may be viewed by some as an expansion, are clarification issues. So that like we were talking yesterday about a clarification of a previous understanding at the time of allowance or at the time of a decision. So, I think we are constrained by the law which requires us to sunset or remove and that what we're doing through this proposal is seeking to restrict
the removal of that product in certain ways at
the same time that we allow it to remain for
the allowable uses.

MR. GIACOMINI: Well, I think
there's some debate over what OFPA is
requesting us to do there, but we won't get
into it here.

Kevin.

MR. ENGELBERT: Yes. I'd just
like to briefly reiterate basically what Jay
has said that the committee was firm in its
belief that any expansion of an annotation or
any additional annotation should be done
strictly through the petition process so that
in keeping with what's been done in the past.

MR. GIACOMINI: Joe.

MR. SMILLIE: In spite of the
Chairman's grimace, Beth's point though is
that the sunsetting of the 104.20 which was
not our recommendation, which was not the NOSB
recommendation, was the NOP's interpretation
of our recommendation. So, in a real sense by
changing that annotation we would be expanding it from their current interpretation of it

MR. GIACOMINI: Okay.
I have a relevant question for Beth.

Have you had a chance to review the methionine White Paper that was submitted by and posted -- I'm positive it was posted from the Methionine Task Force? And if you have, when we reviewed it, we felt that it filled in fairly well, very well. Even though some may consider aspects of it bias from the source, we felt that it considered and filled in very well any holes that may have been in the methionine tap. Have you ever had a chance to review that document?

MS. UNGER: Not thoroughly.

MR. GIACOMINI: Okay.

MS. UNGER: Yes. I have seen it but --

MR. GIACOMINI: Okay. I agree, it's getting -- you know, they're all getting
old but at the time that was what we were able
to use that as a -- and I was wondering if you
had the same perspective. Okay.

Anymore questions?

Okay. Thank you.

Dave Martinelli, Ed and Aaron
Brin.

MR. MARTINELLI: Dave Martinelli,
Common Natural Foods.

My topic is Animal Welfare and I
had promised myself I was going to come up
here and not say the M Word but unfortunately
I'm going to talk primarily about methionine.

You know, first in acknowledgment,
I do want to thank strictly the program for
working so quickly from the time of the last
meeting to actually coming out with in turn
final rule. I know the time frame was short.
The pressure was severe, producers were very
concerned but we're very appreciative of the
fact that it was in final rule and we could at
least have some clarity for the next 24 months
or 23 months soon.

I guess the frustrating part, I expect it's frustrating for the Board. It's certainly frustrating for producers is that I really sense the Board wanted to kind of come to a final resolution of methionine at the last meeting but unfortunately the whole step-down leg of the process has kind of left the Board back facing the issue again and producers are very concerned about what happens in 2012.

So, I think in the spirit of trying to put this into a little bit of context and not cover a whole lot of ancient history, I do think it's important coming out of the last meeting that we all focus on the fact that there are a couple of key areas within the methionine discussion that I think the industry and the NOSB have agreement.

For one, I think this whole notion of organic standards prescribing a vegetarian diet for an animal that is essentially an
omnivore is unnatural and I think the actual commentary at the last meeting was that it's an abnormal diet. And at least I think there's a recognition that we're not asking for methionine for any purpose other than to correct a diet that is fundamentally unbalanced not in nature but unbalanced in organic statute.

The second thing is that different species of birds have different methionine needs and even with any given species or given type of birds such as layers and broilers, there are different needs of different stages of live. For example, young birds, whether they're young broilers as chicks of young pullets have higher -- generally higher methionine needs than birds that are older. And that was really the reason behind the task force's suggestion that it be computed as an average methionine usage over the life of the bird as opposed to an absolute fact.

So, I think the acknowledgement
that we have of fundamental need for methionine as well as different needs for different species, I think the only outstanding issue and it's not insignificant, but the outstanding issue is, the justification of the step-down.

Okay. The NOP is struggling with economic and scientific support for the stepdown levels. I can tell you from the producer's side, nutritionists have struggled with formulating for not even the stepdown levels. They're struggling to formulate the levels we're currently operating out of effective October 1.

To achieve the step-down levels as proposed my feedback from the nutritionists that we've talked to, our own and others within the industry is that they will have to formulate using an excessive level of crude protein. I mean, that's really the only way to get methionine to the animals and obviously that has significant economic, environmental
and health issues for the birds. I mean, you're going to have issues with them in the house.

So, what I'd like to pose and in the interest of kind of moving this forward is that, you know, the task force has been active. It continues to fund research. It will continue to stay active obviously. But we will focus our efforts in the very near future on working with our resources, working with our nutritionists on really trying to come up with what is the scientific number? What is the minimally acceptable level of methionine that we can live with?

And I'm not here today to tell you what that number is, but we want to go out and canvass our resources, come up with what we propose the number to be, submit that in petition form to the NOSB. We understand that, you know, given kind of the process it needs to go through for the time line for this is really compressed, even though we're
talking about 2012 deadline. I understand how 
the years turn relatively slowly. So, we will 
be focused on trying to get this done as 
quickly as possible, get something to you all 
prior to the next meeting, prior to the spring 
meeting. Hopefully in time to be discussed at 
the spring meeting or if not there certainly 
in the meeting in the fall so we can hopefully 
come to resolution on this and move forward 
and move past it.

And that's really my methionine 
task force hat, not so much my Common Natural 
Foods hat. We've got a whole Common Natural 
Foods presentation but I'm going to allow Mark 
McKay who is here from Common as well to 
really get into that and talk about the animal 
welfare -- our perspective on the animal 
welfare recommendations.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: That minimal 
number is something we have been after since 
I've dealing with this on the Board and the
sooner the better. Thank you.

MR. GIACOMINI: Questions, comments?

Tracy.

MS. MIEDEMA: Will the methionine task force be able to help with this other data point that the Livestock Committee has been tasked with trying to figure out the economic impact of the stepdown?

MR. MARTINELLI: I think we can certainly help with that. I would ask for if it's possible if we can get a little guidance maybe from the program in terms of what -- what we need to provide in that regards. But I'm happy to pitch in in any way possible.

MR. GIACOMINI: Well, I think it would be hard for you guys to pitch in because overall from the task force you didn't fully support the stepdown.

MR. MARTINELLI: In terms of getting the information though --

MR. GIACOMINI: Yes.
MR. MARTINELLI: -- in terms of
assessing what the economic implications are.
MR. GIA COMINI: Yes.
MR. MARTINELLI: We can do that.
MR. GIA COMINI: We will try.
Any other questions? Okay.
Thanks, Dave.
All right. Edward, Aaron and
Bill.

MR. GILDEA: Good morning. My
name is Edward Gildea. I'm the President of
Converted Organics. Converted Organics is a
publicly held company with its share of common
stock traded on NASDAQ under the trading
symbol COIN.

Converted Organics manufacturers
organic fertilizers by recycling food waste.
The recycled food waste using a proprietary
microbial digestion process that we call high
temperature liquid composting.

One of the food wastes that we
recycle is corn steep liquor. Thank you for
the opportunity to express my support, though
I'm in a minority position of the Crop
Committee that corn steep liquor is not
synthetic and should be allowed for continued
use in organic crop production.

Converted Organics operates its
high temperature liquor composting process at
a manufacturing facility in Gonzales,
California. No prohibited substances are used
in the process.

Corn steep liquor is an ingredient
that is used in our products. It is always
digested or run through the microbial
digestion process before it is offered as a
product. We never use it directly as a
product without having gone through the
digestion process. To my knowledge no one in
the industry uses corn steep liquor as a
fertilizer without first processing it in some
fashion either by digestion or composting.

Food wastes are allowed as a feed
stock in compost operations regardless of the
sources of the food waste. Corn steep liquor is a food waste resulting from the manufacturing of corn products such as organic corn starch.

As a food waste if it is digested or otherwise treated by a composting process, it ought to remain allowable feedstock acceptable for use in organic crop production.

Corn steep liquor is a food waste resulting from corn wet milling processes. It contains an insignificant amount of the processing aid sulfur dioxide. Corn starch which results from the exact same wet milling process is included on the National List under 17 CFR Section 205.606 as an agricultural product allowed in products labeled as organic as a result of a determination made in 1995 by this Board.

The determination was correct in 1995 and it's still correct today. Sulphur dioxide is the same. Corn starch is the same. The waste called corn steep liquor is the
Admittedly, we add to the process by recycling the corn steep liquor and reducing the amount of the SO2 that's in the corn steep liquor that we received through the digestion process.

It's important for manufacturers and growers to have consistent decisions from organizations such as this. When a small manufacturers cannot rely on consistency in decision making by the NOSB or other committees, the inability to rely on it is detrimental to our success as an organic fertilizer manufacturer.

Moreover, consistent decisions arrived at through a consistent process do not contemplate behavior such as publishing and untimely revised committee decision discussion paper. Apparently, in support of a majority opinion. This kind of casual disregard for process doesn't fit within the definition of consistent decisions arrived at through a
consistent process.

As confused as it may be, the decision of the minority position ought to stand. There are other examples of food wastes that result from food processing that contain minimal amounts of processing aids that are permitted to be used as an ingredient in the manufacturing of products permitted for use in organic crop production.

For example, food wastes from conventional tomato processing facilities that use potassium hydroxide as a processing aid to remove the skins as residues in insignificant amounts and the food wastes from these facilities may be used as a feed stock in compost for organic production. Notwithstanding the fact that potassium hydroxide is not permitted for use in organic crop production.

Corn steep liquor should be allowed for use even if the So2 synthetic -- because the So2 synthetic levels are
insignificant and virtually non-detectable in our final fertilizer products.

As an important part of any NOSB decision, it is not necessarily whether the product is synthetic or not but it is whether or not the product is harmful or toxic to the soil. The NOSB should focus on the fact that corn steep liquor is not harmful to the soil. In fact, if you focus on the presence of So2, you should note that sulphur can be beneficial to the soils.

If the corn wet million process is determined to create a synthetic due to the use of So2, then all products in this process -- is that my five minutes?

MR. GIACOMINI: That is five.

MR. GILDEA: Sorry. MR. GIACOMINI: No, that's fine.

Okay. Any -- Tracy.

MS. MIEDEMA: I want to make sure I understand your concern. For your business you have that digestate that comes from your
anaerobic facility and that digestate was
produced in part with corn steep liquor.

MR. GILDEA: Well, no --

MS. MIEDEMA: -- is that today?

No.

MR. GILDEA: We have a product
that we manufacture through aerobic digestion,
not anaerobic digestion. And we use corn
steep liquor as an ingredient in that product.

MS. MIEDEMA: And is your concern that if
this was -- corn steep liquor was deemed
synthetic that your product would then not be
allowed in organic production or are you
simply arguing the case for corn steep liquor
in organic crop production?

MR. GILDEA: Well, the real reason
-- the real reason I'm here arguing is our
business is built around recycling food waste.
And if this committee can decide that this
particular food waste can't be used in
creating organic fertilizers then I have to
ask, what's next? What other food waste that
we currently use in creating our products is going to be banned because of a process unrelated to us?

       We currently process all manner of different kinds of food wastes from all different kinds of waste sources. We don't always know where it came from. It comes in garbage trucks that are dumped in a tip floor and we clean it up and we put it through the digestion process and we create fertilizer.

       Could you decide that, I don't know. Pick a crop. Lettuce with pesticides can't be used as part of our process anymore, we have to take out the lettuce.

       MS. MIEDEMA: I have a follow-up question then for the program.

       My understanding is that the rules for compost and what can go into compost is very different than what can be applied directly to the field. And that a compost could have a bunch of say Twinkies thrown in it. That's not an issue. But something like
corn steep liquor is what we're debating as being potentially prohibited in organic crop production. Is that a correct way to characterize this?

MR. McEVOY: The debate is about corn steep liquor and whether or not it's a synthetic or non-synthetic. In terms of crop residues, food processing waste that consists of residues of vegetables or fruits from food processing, that's allowed as an input in organic systems. In compost or directly applied to soil, it's green waste. Food processing waste, a natural substance. It's allowed as a soil amendment to organic fields.

MR. GIACOMINI: I am not sure I understood that answer either, Miles, but maybe we'll take that up later.

Jeff.

MR. MOYER: Just one quick question. Maybe you can't answer or won't answer it.

In terms of CSL in your compost,
what percentage of your business is --

MR. GILDEA: Thirty percent of what we produce in California is the product based solely on corn steep liquor and another 20 percent has corn steep liquor product blended with other organic products.

MR. MOYER: Point of clarification. Are you saying 30 percent of your compost is corn steep liquor or is there corn steep liquor in 30 percent of your product?

MR. GILDEA: What I am saying is 30 percent of the products that we sell in California use corn steep liquor as the base of the product.

MR. MOYER: I see.

MS. MIEDEMA: Miles, I want to ask you a more specific question. Hopefully, we'll be able to get to the bottom of this. If Corn steep liquor is deemed synthetic can this gentleman use corn steep liquor to create his product and use it in
organic --

MR. McEVOY: If corn steep liquor
is considered a synthetic, then no, he could
not use it as an input in a compost.

MS. MIEDEMA: Would he be able to
use a Twinkie in that compost?

MR. McEVOY: Yes, a Twinkie so far
is considered a food product of food, I guess
that could be put into organic compost. That
could be applied to an organic field.

MR. GIACOMINI: Jay.

MR. FELDMAN: Another question for
the program.

MR. GIACOMINI: It's your guys'
dinner.

MR. FELDMAN: Yes. Could this
company consider its end product a soil
amendment and if the Board were to choose to
allow a synthetic soil amendment in the form
of corn steep liquor could he -- could this
product be applied in organic production?

MR. GIACOMINI: Jay, mic.
MR. McEVOY: Okay. So, if the Board decides that corn steep liquor is a synthetic, then it's not on the National List as an approved synthetic then it's a prohibited substance and could not be used for either direct application or as an ingredient in a compost.

MR. GIACOMINI: Follow up.

MR. FELDMAN: Quick follow up.

Now, if the Board were to take the next step to put it on the National Organic Program could it be used under 601, whatever that is?

MR. GIACOMINI: 601 is fine. What we --

MR. FELDMAN: 601(j), Section (j) as a plant or soil amendment.

MR. GIACOMINI: Kevin.

MR. McEVOY: So, if the Board consider it a synthetic and adds it to the list, it would have to then be -- go through a proposed rule and the final rule process
before it would be allowed. So, during that interim it couldn't be allowed and then the question is, does it meet the OFPA criteria in terms of an allowed synthetic? So, there's a couple of questions there that would need to be answered in order for corn steep liquor, if it's deemed a synthetic to go onto the National List as an approved input.

MR. FELDMAN: I would just like to say for the record here that and Kevin pointed this out to me so I don't want -- if you'd like to explain this I -- that the Board has previously under 601(j)(7) allowed liquid fish products with the annotation, can be Ph adjusted with sulfuric, citrus or phosphoric acid, the amount of acid you shall not exceed the minimum needed to lower the Ph to 3.5.

So, there is precedent here on the Board to allow as a soil amendment a material that has been manipulated with sulfuric acid.

MR. GIACOMINI: Tina.

MS. ELLOR: So, here would be my
question. And I don't know the full history
of why we were asked to look at corn steep
liquor and not other food processing wastes.
But in the future if somebody lodged a
complaint about tomato processing wastes being
processed with a synthetic and, therefore,
it's a synthetic. Would we be taking a look
at that too?

MR. McEVOY: The reason why this
came up is because OMRI and WSDA had been
allowing corn steep liquor as a non-synthetic
input for many years and they made a
determination through their process that it
was not non-synthetic but that it was
synthetic.

The process of how they did that
was inconsistently being -- was being applied
inconsistently because they have different
procedures. So, WSDA was starting to tell
growers that they couldn't use products with
corn steep liquor in it and OMRI was still
allowing products. Some products were not
being allowed to be used because of the way that their systems are set up. So, from a fairness perspective, we thought that this should be a determination not by OMRI and WSDA but it's really a Board decision to determine whether something is a synthetic or a non-synthetic. And so for many years this was accepted in the organic certification arena as a non-synthetic. A change was being contemplated. We feel that that's an NOSB decision, not the decision by an individual certifier.

So, we brought the issue to the Board for the Board to consider as one specific subject or top, corn steep liquor. Long term, I think what needs to happen is that the NOP in consultation with the NOSB needs to create a generic list of approved substances. OMRI already has a generic list of approved substances. Most certifiers and producers rely on that list, but that need sot be endorsed or accepted by the National
Organic Program in collaboration with the National Organic Standards Board so that it's a comprehensive list of everything that is allowed to be used. It includes non-synthetics and synthetics and then we would not have to answer these individual questions through this process but through some other process.

MR. GIACOMINI: Do you have a follow up?

MS. ELLOR: Yes. What I am trying to wrap my mind around is this is a -- I think this is a food processing waste and so any waste of food processing then would need to be on some sort of generic list to be used? I'm just not, I mean, you know, I don't want to beat this because I know we're going to beat it again tomorrow.

MR. GIACOMINI: Okay. We'll continue this right now but does anyone have direct questions for our speaker? Okay.

We will let you sit down then.
MR. GILDEA: Thank you.

MR. GIACOMINI: And then Jeff.

MR. MOYER: Unlike Tina I do want to beat this one just a little bit more anyway.

I mean from my perspective I see that we're asking two totally separate -- well, maybe interconnected but two totally separate questions.

One is, is the product synthetic of non-synthetic? The other is, can it be used in a composting process to clearly -- many of us as farmers make compost that use products that could conceivably have synthetic ingredients in it, whether it's from food waste, from manure products, from grass clippings to tree leaves. There's lots of materials that come into my site that could conceivably and most like do have some synthetic materials vested in that that as far as I know that doesn't mean we can't use it to make compost.
So, I don't understand. I mean, if the question is, are those materials synthetic? Yes, clearly they are. But that doesn't stop us and never has stopped us as an organic community from using those materials in compost, not as -- we could not take those and put them directly into our production system but through the compost process we can. And so I think we're looking at two questions here and I need some clarification.

MR. McEVOY: Yes, I think you're looking at one question and that's whether or not corn steep liquor is a synthetic or non-synthetic. And then we've clarified this in the guidance on green waste where the distinction is if you're creating a compost that any of the ingredients that go into that, any of the feed stocks have to be non-synthetic. Have to be natural feed stocks. So, lawn clippings, food processing waste is considered non-synthetic.

Now, those lawn clippings may
contain some pesticide residues which are synthetic but that doesn't make the lawn clippings synthetic in terms of the green waste guidance that is in the program handbook. This came up with the bifenthrin issue in California last year where the question was, after the composting process there were still bifenthrin residues in the compost, did that make that compost ineligible to be used as an organic input? We've determined that the bifenthrin residues are residues. They're not ingredients so therefore that can be allowed as long as it doesn't lead to contamination of the soil or their crops. And with the bifenthrin in particular there was no evidence that it did lead to contamination of the soil or the crops.

If you want to eliminate non-organic crop residues or food processing waste as an organic input or non-organic manure and that's a whole different question than what I
think is on the table here today which is whether corn steep liquor is a natural or synthetic.

MR. GIACOMINI: That is -- okay.

MR. MOYER: I just wanted to say that was very helpful in clarifying that in my mind and I appreciate that. Thank you, Miles.

MR. GIACOMINI: However though, Miles, if we're really going to look where this goes, I would question the answer that you gave to Tracy on the Twinkie. The Twinkie contains synthetic substances, OFPA 605 and not OFPA 601 and going into a compost for 601, usage in crops, may contain things that are not allowed.

So, Kevin, did you have a comment? Okay. Any more comments on this one? Joe.

MR. SMILLIE: Yes, I'm less enthused about your answer because if you were following -- I may have this wrong, but my thinking is if you were following this line of
thinking on your green waste issue, then you wouldn't have brought up the CSL issue as an issue because it is compost. It's not applied directly. It's compost so it should have been part of the green waste guidance document and not a special synthetic issue is the way I look at it.

MR. McEVOY: No, the difference is that in a compost you can't use urea. You can't add urea as a synthetic input. If corn steep liquor is considered synthetic you couldn't use corn steep liquor as a feed stock in compost. That's why it's a very different situation.

MR. GIACOMINI: Okay. Can we get back to public comment? I think this is a huge debate, whether we continue it tomorrow or later on today. We were an hour behind when we started this session and like I said, it's your dinner.

So, Aaron, Bill and Ed.

MR. BRIN: Hi. I'm Aaron Brin.
I'm a beekeeper in southwest Wisconsin. I'm also the Inspection Manager at MOSA and I've been a member of the ACA working group on apiculture guidance.

I'm here to support the recommendation of the Livestock Committee and also I support adding formic acid to the National List for varroa mite control in honey bees.

Listening to some of your questions, Monday I guess, it was -- I wanted to -- I saw that you were concerned about the land area, the forage area. 1.8 miles. It's a large area to be either organic or wild crop. I understand that. It's a very large area. However, I want to say in a lot of ways it's a compromise with the 2001 NOSB task force standards which ask for a four-mile forage area. So, it's a lot smaller than that.

It is an area which is consistent with organic standards in Europe and in
Canada. I think it's a reasonable area.

There were questions about how do you inspect an area that is that large? And that's also a good question.

I think one of the great tools we have right now is Google Earth. When you get a satellite view of an area around an apiary, you can see pretty easily what areas are wild areas and what area is a cultivated area. That's going to help an inspector and the certifier a lot.

There's also hand-held GPS. People can actually walk through the area.

I know there were comments by Vermont Organic Farmers and NOFA Vermont which were basically amendments to these recommendations and they kind of questioned the reasonableness of this 1.8 forage area. They wanted to have two acre or less areas within the forage areas which could be considered non-organic production.

I'm not in favor of that.
Interestingly enough, I think most of the organic beekeepers in the United States are from Hawaii. We haven't heard anything from Hawaii or organic farmers that they're complaining about the 1.8 forage area. They can handle that in Hawaii. This seems to be only something in Vermont that's a problem. It's not a problem in northern Wisconsin. It's a problem in northern Minnesota or upper peninsula Michigan.

I would also say it's a larger question than that because it's really a question of international trade. We're going to be getting most of our organic honey is going to be coming in from Mexico, from Central America, from Argentina, Brazil, other areas in South America. And I really think we need strict standards to uphold the quality of organic honey coming into this country.

Okay. There were other questions from Vermont organic farmers about transition time. They only wanted a 60-day transition
time. What they didn't look at was it's going
to take a full year for most beekeepers to
develop and draw out organic wax. And that
would be important. The wax tends to take in
chemicals and to have organic production I'd
like to see organic wax being used for the
development of bees and for holding honey.

They're also not wanting this
replacement bees to be limited to 25 percent
of all bees. The reason the replacement limit
is there is so that beekeepers can't just buy
bees, harvest the honey crop and then start
all over again with fresh bees again. We need
to -- organic people need to be developing
genetic stocks.

MR. GIACOMINI: Thank you.

Questions/comments?

Kevin.

MR. ENGELBERT: What are your
thoughts on using wax-coated plastic as a
foundation?

MR. BRIN: Yes, good question.
And, you know, as a beekeeper of course a completely -- just a wax foundation, I think is better in some ways. It's an incredibly labor-intensive way to make frames. And I don't -- for myself I don't even have time to do that anymore.

I think it's a reasonable alternative to use wax -- organic wax-coated plastic frames and it is kind of a standard in the industry.


MR. DICKSON: Thank you, Aaron.

A commenter earlier today asked that the standard be modified to not allow split operations where organic and conventional hives are in the same bee yard. What are your thoughts on that?

MR. BRIN: Yes. We had discussed that and I would agree with that. There is drift between bee hives. Bees don't always go back to their own hive. They get mixed up and we never anticipated that an organic and a
conventional apiary could exist side by side. If it's a split operation, I believe it should be a separate aviary. Or they have to have some kind of other plan which makes sense to the certifier.

MR. DICKSON: Could an organic and a non-organic apiary share a forage zone or a surveillance zone or should they be completely separate operations?

MR. BRIN: Again, I guess it would be up to a certifier but I believe they could. If there were two apiaries on two sides of the forage zone, I don't see a problem with them sharing the forage zone. It's a question of them drifting from one hive that's like five feet away from another hive. MR. DICKSON: Do you have a relative distance on how far apart you think they need to be?

MR. BRIN: That's a good question. A lot of beekeepers try to hold drift down to a minimum. You can paint hives different colors. You can orient them in different
directions. So, they get used to understanding knowing where their hive is. We'd like them to go back to their hive, not -- they cause trouble when they go back to somebody else's hive.

So, if there's a plan, you know, that makes sense to a certifier --

MR. GIACOMINI: Okay. That's fine.

Any other questions?
All right. Thank you.

MR. BRIN: Thanks.

MR. GIACOMINI: Bill.

MR. ARDREY: Yes, sir.


MR. ARDREY: And I do have a PowerPoint presentation I'd like to go through.

Thank you for allowing me to be here today. I'm going to introduce you to some new technology that should improve animal
welfare and help reduce or help improve animal
herd health.

Next slide please.

SmartStock developed an electronic
herd health monitoring device based on an
active RFID bolus for ruminant animals. If
you could pass that around this way.

It's a true animal ID that unlike
the Iratek cannot be removed. The bolus is
adjusted by the ruminants early and remains
with them for their life.

Once ingested, the bolus will
transmit their core body temperatures up to
300 feet to a network of receivers placed
around the pens, paddocks and barns. There is
no need to parade the animals past a panel
reader which in itself adds additional stress
and gives false temperature readings when the
bolus itself will last for five years.

Go ahead with the next one.

The temperatures are collected and
retransmitted by the receivers up to five
miles to a bay station and computer where the
information is available via the Internet. The
herd manager will immediately be altered to
the majority of the dairy cow's disorders and
her physiological state including estrus and
parturition.

Oklahoma State University under
the direction of Dr. Robert Wittiman has
detected estrus in 100 percent of the test
cows with one false positive. There was an
average of eight to twelve hours notice to
allow for AI breeding. This is an example of
the estrus detection in the animals under test
at Oklahoma State University.

Go to the next one please.

This is an example of the data we
collected on parturition or calving of the
animals. There's approximately eight hours of
notice for the managers in case they need to
assist that cow during calving.

Next slide please.

Blind studies at multiple
universities have shown that there is a 24- to
72-hour advance notice before clinical signs
of an illness that cause a temperature spike
including most common curable disorders and
including epidemic outbreaks. This is an
animal -- one of the first trials we did. This
animal was in Omaha, Nebraska. I was in
Pawnee, Oklahoma, a couple hundred miles away.
I pulled this up on the Internet and I noticed
that this animal was about 105 degrees but you
can see the spikes where the animal is
drinking a lot of water and trying to cool
herself down. Eventually she gave up and
stopped drinking water and her temperature
went up to about 107. I called the manager
and asked him to take a look. He said there
were no clinical signs that that animal was
sick. He pulled her. Administered
antibiotics and within two days she was
healthy and back in the pens.

Okay. Next slide please.

This is some of the equipment that
we use. The bolus is in the center. It's ingested into the animals. The animals then transmit that information to a receiver that's going out. The receivers are solar powered, easy to install, and then they retransmit the information up to five miles.

Major universities in the U.S. and Canada have validated the system in finding no less than 28 university -- no less than 28 advanced university degrees including master's and PhD's were achieved on studies based on this SmartStock system.

This graph that's up here now is an indication of the potential cost savings. Seven thousand head herd if we can reduce the death loss by 50 percent we can potentially save that herd manager $7.5 million in a five-year period.

Next slide please.

Something that's worth discussing.

We placed the system on a herd of 1,200 dairy cows. The unexpected death loss due to
infection was around six percent. We hope to reduce that to three percent. After 15 months and even to our amazement, the dairy had lost a total of two cows. That's not two cows a month. That's a total of two cows. They were heat-stress related and a manager was away from the herd but the conditions were flagged by the computer.

Medication costs were reduced by 50 percent and the hospital pens were virtually empty. Mr. Jeff Beyers, the dairy manager, said that we have saved him $500,000 in one year.

With this system we have detected mastitis, neuritis, other infections, estrus calving and this product has been tested for the last five years and studies continue, but there is an opportunity for savings to the organic dairy industry.

Okay. Thank you very much.

MR. GIACOMINI: Thank you.

Comments and questions.
Okay. I have one.

On one of the slides there do you have an ear-tag version or just the bolus?

MR. ARDREY: We match it to an ear tag.

MR. GIACOMINI: You match it to an ear tag. Okay.

MR. ARDREY: The ear tag gives you the visual indication. If the ear tag falls off, we can still identify that animal with the bolus. You cannot get that bolus out without surgery.

MR. GIACOMINI: There's no ID with the ear tag though other than visual?

MR. ARDREY: No ID other than visual if the ear tag --

MR. GIACOMINI: No transmission?

Okay.

MR. ARDREY: No, sir.

MR. GIACOMINI: Okay.

MR. ARDREY: Just the bolus.

MR. GIACOMINI: Thank you. Any
other questions/comments?

Thank you.

MR. ARDREY: Thank you very much.

MR. GIACOMINI: Ed. Am I in the right spot here? Yes. Ed Schaller. Is he here?

Bruce Drinkman. Bruce. Ed.

MR. DRINKMAN: I'm Bruce.

MR. GIACOMINI: You're Bruce.

Okay.

George Bass with a proxy. Kelly Shea.

Lisa, what is the note on John? Can you explain that? Next one down after Kelly. Or did I not get -- is he in that slot? Okay. All right. Okay. Just trying to keep it straight. No Ed. Okay.

Go ahead, Bruce.

MR. DRINKMAN: I was going to say good morning, but I'll say good afternoon to you folks.

My name is Bruce Drinkman. My
wife, Mary, and I operate a 50 cow organic dairy in north central Wisconsin. We raise our own crops for the entire operation.

I have three main areas of concern that I want to address.

The stock charts, I have come up with some answers in regard to that while I've been down here today. I do feel that it's very important though that you keep the farmers in touch with any adjustments that will be made. It's not going to be an overnight fix for anybody that gets this thrown at them.

Sometimes the rules are rather confusing for us on the farm end. And, you know, we try to keep in touch with the certifiers but it's not always easy. The 50 square feet recommendation that I saw come up I wasn't sure if that was going to apply to tie stalls but I've been advised that that's going to be exempted is my take on that.

And I think you need a little more guidance as
far as how that will be calculated in the event it comes into play.

My second area of concern is the origin of livestock. I believe that once an operation has been certified the animals should be brought in -- has been certified. No outside animal should be brought onto the operation unless they are certified organically from another operation. And they should be raised in the last stage of gestation.

I also believe that transitioning is a distinct one-time event. The conversion provision should not be used to bring non-organic animals into the operation on a continuous rotation.

The third issue that comes to mind for me and was brought to my attention is the products listed for Sunset Review on the 205.603, synthetic substances. I hope that those substances will be renewed as I use several of them on the farm. And the one that
kind of tripped my trigger was sodium hypochlorite. That's the chlorine I use to sanitize my milking equipment which I need to keep in compliance with Uncle Sam. So, you know, we have to be very aware of issues on that end of it.

And I know phosphoric acid was another one that was thrown out and I've tried other alternatives. I haven't come up with any that works as well as these. I've looked at other options in the past.

And the other thing as far as chlorine in general goes, my wife is a registered nurse for over 20 years. It's kind of the standard in the health industry too to use that. I mean, it's not like it's just strictly for dairy farm use.

The other products on that list I also see a similar situation. Aspirin is as old as we are and then some so that shouldn't be an issue. I strongly encourage you also to do what you can to keep in touch with farmers
in general. I being a dairy farmer if you have questions, feel free to contact us and talk to us. Ask us what our thoughts are. We're an honest lot. We'll try to tell you where we're at with this stuff.

Thank you for your time.

MR. GIACOMINI: Questions, comments?

Okay. Thank you.

MR. DRINKMAN: I have one thing. Kevin, I've never met you, but I do thank you for your time and input over the years.

MR. ENGELBERT: Thank you.

MR. GIACOMINI: Okay. Is Ed here?

Okay.

One second please. Ed's not here.

Is Richard next up? Okay.

Richard.

MR. MATTHEWS: Richard Matthews, President of NLP Solutions, Incorporated speaking on behalf of the Country Hen.

This week we have heard a lot
about access to the outdoors for poultry
including the call for enforcement by NLP.

For poultry, Miles and his team already have
reviews and investigations underway. I have
every confidence that he will vigorously
prosecute violations by producers and their
certifying agents.

I also have every confidence that
he will note any regulatory provisions needing
enhancement to facilitate enforcement. Should
he identify such needs, he will surely bring
the issues to the Board for its
recommendations.

Some speakers have called for the
NOP to enforce pasturing of poultry. NOP
can't do that. Why? Because no such
regulation exists. In fact, Section
205.239(a)(1) merely requires that animals
have access to the outdoors. It doesn't
define access to the outdoors. It doesn't
mention pasture, grass or for that matter
dirt.
This lack of detail is what led the NOSB's May 2002 recommendation on access to the outdoors and the NOP's acceptance of that recommendation.

One of the things that I like and admire about Katrina is her focus on reviewing the history of past Board activities. And for access to the outdoors, the record is rich in history.

George Sieman was chair of the Livestock Committee that crafted the NOSB's May 2002 access to the outdoors recommendation. Compare the final recommendation to the original recommendation. Read the May 2002 transcripts and you work your way back through the record including the comments. You will read discussion on AI and other health, safety and well-being risks as well as risk to water and the related challenges imposed by state environmental agencies.

You will see an evolution of the
recommendation based in compromise. You will
discover the origin of the NOSB's approval of
outdoor access areas consisting of concrete or
wood provided they are covered with scratch
materials. It's this record and the NOSB
recommendation that led to the NOP policy on
the acceptability of porches.

Porches are a compromise. Porches
address the risk to water quality issues faced
by some producers. Porches address the
health, safety and well-being issues raised by
producers. Porches take away the excuses for
not providing access to the outdoors. Porches
are an animal plant health inspection service
approved bio-security practice. Porches have
been an approved practice for eight years.

Producers who don't provide access
to the outdoors are in noncompliance.
Certifying agents that don't require access to
the outdoors are in noncompliance. Certifying
agents that prohibit porches are in
noncompliance.
The Country Hen uses porches to comply with Massachusetts environmental regulations. The Country Hen is and I emphasize is in compliance with the NOP.

Dan, you raised the question to George and I'd like to follow up on that.

You asked him what the floor of the porch was made of. And he responded wood. What didn't happen was the follow up question. What's on that wood besides the hens and the hen-processed food. The answer is shavings for scratch material.

MR. GIACOMINI: Questions/comments for Richard?

Kevin.

Richard, don't go away.

MR. ENGELBERT: Thank you. Does the Country Hen or any other labeled egg producer tout the benefits of their porches on their advertising material or their cartons or their websites?

MR. MATTHEWS: I can't speak for
all of the producers who use porches. But
George is very open on it. In fact, one of
his surveys asks the questions, how do you
feel about the use of porches?

MR. GIACOMINI: Further questions,
comments?

I'll tread into this a little bit
with you, Richard.

Would it be and I understand your
disposition on a number of these issues, so
I'm going to try to be selective on what I
ask.

Would it be appropriate for this
Board to look at the amount of access into the
porch and the size of the porch as an
appropriate consideration to animal welfare
under your understanding and interpretation of
what the regulations are? Would those be
appropriate?

MR. MATTHEWS: Most definitely.

MR. GIACOMINI: Okay.

MR. MATTHEWS: I think that you
would find that George Bass is more than willing to do anything that you find necessary with regard to the porches. If you wanted him to expand the porches he would. If you said that the opening wasn't big enough, he'd make the opening big enough. And I think that it's really vital that the openings be big enough and that there be reasonable space. Not everyone has enough space, even though those that do use porches.

MR. GIACOMINI: Right.

MR. MATTHEWS: So, there's work to be done in the area of porches as well, but my emphasis is that it's a compromise position. It's something -- we saw it in the dairy pasture rule. Where in California there's areas where the animals can't be on pasture during certain times of the year because of the environmental regulations. And that's the same thing that some of these producers are facing is environmental regulations. As George mentioned, he's in a watershed for the
water supply for the City of Boston. And

there's restrictions on him as to allow those

birds out onto the ground.

So, instead of just keeping them

in the hen house, he went the extra mile to

find the compromise position and I think

that's what all producers should be doing

where they have concerns. Go the extra mile.

MR. GIACOMINI: I think though it
does need to be recognized that as you use the
example of dairy. You could use the analogy

that that porch is, except for the chicken

wire on the side, that porch could be viewed

as very similar to a pole barn. A pole barn

whether it's open housing, whether it's free

stall barns, whatever, on a dairy. I don't

know of anybody that would find that pole barn

as acceptable to access to the outdoors.

MR. MATTHEWS: I'll put it this

way. When there is a thunderstorm outside and

I want to get outside to enjoy the light show,

and enjoy the sounds of nature, I'm outside
when I go out on my porch. The only
difference is I'm not getting wet. But I am
outside.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: Richard, how do
you respond? I mean, you've been here since
Monday morning and we've heard poultry farmers
come up here and say that they provide what I
would consider to be true access to the
outdoors with pasture and scratching dirt and,
you know, no wire, no boards under their feet.
And they say it can be done. They're doing it
and there's -- anybody who doesn't do it is
simply making excuses. How do we respond to
those farmers that have come up here and given
testimony to that effect?

MR. MATTHEWS: The thing that you
have to consider is the regional differences.
This whole rule is based on consideration of
regional differences. I mean, the pasture
rule was a great example of what we went
through with regard to that. There are areas
where the risk of bio-security through AI are higher than other places. So, there's some legitimate concerns by the producers.

There are areas where the hen houses were located long before the NOP went into place. And there's environmental issues in those areas. And so the Board in past history has taken all of that into consideration and they have worked diligently to find the compromises.

Now, I'll grant you, the testimony from 2002 didn't mention porches, but it is a natural extension once you've got the approval to have wood surfaces and you've got the approval for concrete surfaces. And there's a whole history as to why they went to that as an approved practice.

And so, yes, Kevin, in an ideal world where everyone is the same and all areas are the same, maybe you could have a requirement that every bird be out on pasture. But we don't have the ideal situation. We
don't have the perfect world. We have regional differences. We have environmental differences, but we have one worldwide standard.

MR. GIACOMINI: But the new pasture rule specifically states if an area can't meet the 3120, it's likely just an area that you can't be an organic dairy.

MR. MATTHEWS: That's true, but there's all kinds of provisions in there that enable somebody to meet it.

MR. GIACOMINI: Okay.

MR. MATTHEWS: I mean, there's intensive grazing, there's irrigation of the fields, there's additional pasture land. I mean, there's all kinds of examples within those regulations where you can get up to the 30 percent. And the 120, that's the minimum and there's no place in the geographical United States or very few places in the geographical United States, contiguous states,
where you would see where you couldn't get 120
days. I mean, it was selected because of the
average is like 120 days. That's why it was
the minimal number.

MR. GIACOMINI: Okay. Anything
else for Richard?

Kelly, you are just so ready, I
think we'll let you go ahead but we'll break
for lunch after this.

MS. SHEA: It's up to you, Mr.
Chair, whichever one you want. It's up to the
Board.

MR. GIACOMINI: Let's go ahead.
Hopefully, we won't drag out questions too
badly. I know you won't go over. But we are
an hour and a half behind.

MS. SHEA: Well, with that in
mind, I'll speak swiftly.

So, good morning to everyone. I
really want to thank everybody on the Board
for all the efforts the last couple days. You
are stuck to your chair. We can wander out in
the hallways so when my butt gets sore and I want to complain I think of you.

And a lot of mud leading up to the meeting, so I've heard a number of comments from you guys about workload and challenges with gathering information. And so I would really urge the Board Members to reach out to individual members of the community and to organizations like the OTA, NODPA and its sister organizations, OMRI, the National Organic Coalition just to name a few. We'd be more than pleased to be arms and legs for the Board.

We can mobilize our colleagues together. Data for the Board. I do know of two Board Members that reached out to OTA. The Trade Association organized conference calls so the Board Members could present their draft recommendations and gather feedback. It was an excellent process. And it serves the dual purpose of both strengthening the recommendation for the Board Member and
informing the public.

You know, there were only 16 business days for people to absorb over 180 pages of very important information that could lead to regulatory changes. The Board's own policy manual says although not required by FACA, the Board strives to post a provisional agenda, et cetera, et cetera, and they talk about no later than 90 days before the meeting is scheduled to begin and then a final agenda no later than 45 days and Federal Register no later than 45 days.

So, I don't want to be critical. I'm just pointing out that because public input is so crucial and because it's really difficult to get all the documents out to the public, you know, 45 or 90 days ahead of time, that it's even more important that the Board begin to engage their colleagues in the organic community as the work is being done. So, if this happens, I think the Board deliberations will be much more informed.
As to the Made With recommendation. Since this was a request from NOP staff that are no longer at the program, and since the current NOP staff are already working on this project, I would just suggest that the committee volunteer to withdraw its document.

Yesterday I was pretty concerned to hear a Board Member say that we should get rid of the 100 percent category. That would not be good. Hundred percent ingredients are really critical in ingredient percentage calculations. What we need is clarification, not elimination.

A great area of clarification needed is in washing or cleaning of surfaces where agricultural products are handled. I mean is raw milk from a farm not 100 percent organic because the farmer needed to wash his milk equipment?

The 238 recommendation that you worked on. It's really a good start and I
I have no problems with you guys passing that but I think it needs to go a little further.

See, the National List for livestock is broken into categories ostensibly by use. But use crosses categories. For example, minerals and vitamins are used for health care, not only as feed additives. So, as the NOP very appropriately pressures certifiers for consistency, certifiers are now reading the regulations and the National List with a more restrictive eye which is great. So, this will lead to some decisions that maybe have been made in the past using common sense, being made using a black and white lens. And that's not bad. But I think it can have unintended consequences in areas where the regulations were, you know, were imperfect when they were written.

So, give a little though to that and Dr. Pierman is going to be speaking as well and maybe he can elaborate on that a little bit more.
Silicon dioxide, so I just learned at this meeting about the petition to de-list silicon dioxide. And this is a really important material for use in anti-foam. So, silicon dioxide is actually an ingredient in the certified anti-foams that are in use today.

So, I just don't know if kind of just a whiff of an alternative, you know, should cause the Board not to relist the material currently in use. So, I think the community really hasn't had time to adequately comment on alternatives or research alternatives.

Cleansers and sanitizers, chlorine, phosphoric acid, others. Farmers and processors already have so few options for sanitization and food safety. I really liked Jay's comments on the issue. And so I would suggest that, you know, some more work can be done to make sure we have the right materials on the list but I don't think we can do that
work before the Board's vote tomorrow. So, we
would like to see those relisted.

And in closing, just really a
heart-felt thanks to Kevin and the Board and
as he always says his two sons. To Dan
Giacomini, Jennifer Hall, Jeff Moyer, Joe
Smillie. Thank you for five years of service
to the community. It's really appreciated.

MR. GIACOMINI: Joe.

MR. SMILLIE: Well, yes, that was
enough.

One issue that I want to get
clarification on. One I don't think a lot of
people understand. They could be wrong, is
the 100 percent.

There's two different things we're
talking about, Kelly, and I think you know but
just to be sure. There's 100 percent claim.
That's a claim that you can make that your
product is 100 percent. That claim also
includes the fact that you cannot use any non-
organic processing aids.
For example, nitrogen-flushed coffee cannot currently make the claim 100 percent coffee on a package that says it was flushed with nitrogen. However when that coffee goes into a coffee cake, you can use the 100 percent as the calculation formula. It is 100 percent. Whether they'd be allowed to put 100 percent organic ingredients on the package without making the 100 percent claim, I don't know. I'll leave that to the wisdom of the program.

But in our talking about trying to allow nitrogen-flushing back to the old inerts, you know, fiasco, that was the point we were trying to make is to get across is that we believe that, you know, processing aids like nitrogen that shouldn't prevent the 100 percent claim. But, again, it doesn't prevent counting it as a calculation on the 100 percent.

MS. SHEA: I do understand that.

It's not well understood --
MR. SMILLIE: Right.

MS. SHEA: -- policy.

MR. SMILLIE: Agreed. I certainly agree. We meet it every day as a certification agent.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: Very briefly.

Thank you very much for the warm wishes. But it's three sons, not two. And I don't know if I would be here if it was only two sons.

MS. SHEA: Don't tell any of them that I left them out. Okay? I'll get your wife on that as well.

MR. GIACOMINI: Further comments or questions?

Okay. Steve.

MR. DeMURI: Just thought of one. You had an opinion on the silicon dioxide. What about the glycerides for sunset?

MS. SHEA: I have no relationship
with glycerides.

MR. GIACOMINI: That's on the record.

MS. SHEA: Seems I brought some mirth to the room today.

MR. GIACOMINI: Okay. Thank you. Any announcements before we break for lunch?

I have just before 45. One hour, we'll start at 1:45 again.

Please be prompt.

Thank you.

(Whereupon, the above-entitled matter went off the record at 12:44 p.m. and resumed at 1:45 p.m.)
A-F-T-E-R-N-O-O-N  S-E-S-S-I-O-N

1:52 p.m.

MR. GIACOMINI: The Board please find their seats, we're getting ready to start. Any conversations, please move them to the hallway. Please. We're going to be going with Jon, Susan and Steven Frenkel.

Any announcements or anything we need to do, Lisa, before we proceed?

MS. BRINES: No.

MR. GIACOMINI: Okay. Programming thing, are we on with sound? Okay, thumbs up from sound. Okay.

Jon? Okay, go ahead.

MR. CADOUX: Thanks for your time, guys. I will be very direct and quick.

I'm Jon, the founder and president of Peak Organic Brewing Company. We're one of very, very few brewing companies in the world that strictly do organic beer. So organic is not a line extension for us, it's not ten percent of our volume, it's not twenty
percent, it's 100 percent. Every single ounce of beer we've ever brewed is certified organic.

We support the Handling Committee's recommendations to take hops off the list in January 2013, and we think it's a real win/win for organic beer, organic brewers, like us, organic growers and also the consumer. We also think, especially me, I think it's a big win for 606, to be honest, too. Over the next few years, just our company, Peak, will support and purchase, you know, untold thousands of pounds of organic hops, quite literally millions of pounds of organic grains, malted barley. And were it not for 606, I frankly don't know if we'd be around to purchase a single pound. And so I think that's a lot, and we're really looking forward to January of 2013.

MR. GIACOMINI: Questions and comments? Kevin?
MR. ENGELBERT: So do you mean to say that you think that hops had never been put on 606 and always been required to be organic, that there would be no such thing as organic beer right now?

MR. FOSTER: It's hard to say for sure, but if I had to bet, I would bet against it. I don't think I'd be around. I don't think we would have survived.

MR. GIACOMINI: Other questions, comments?

Joe?

MR. SMILLIE: Just a comment, because we were challenged by the program to prove, in dollars and cents and actual facts and terms and pounds and acres, that 606 spurs organic growth. So as Miles now knows, it's in the testimony, we have some figures to start with, and I'm convinced there will be more.

MR. GIACOMINI: Love that sample size, but that's okay. I'm a scientist.
Jon, I just have a question for you. I'm ideal with, you know, harvest seasons and crop years, with the crop years the time you need to go between harvests. And this seems right in the middle of your crop year. Granted you have big times of brewing and lax times of brewing, you know, you're getting through all the holiday season. Is this the right date?

MR. CADOUX: It's the right date because this is based on the 2012 harvest, which will be in roughly the September, October time frame. However, hops go through a multi-month processing phase that brings us to January. So by January, we believe that the 2012 hop harvest will be fully processed and ready for purchasing.

MR. GIACOMINI: So even though you have the September, October is the harvest, it doesn't really come into the market -- it's not in the pipeline until January?

MR. CADOUX: That's exactly right.
MR. GIACOMINI: All right, that makes sense, thank you. I'm fine now.

Any more questions? Comments?

Okay, thank you.

Okay, Susan Cheney, Steven Frenkel and Dragan.

MS. CHENEY: Hello, Susan Cheney with Martek Biosciences.

I would like to thank the Board for the opportunity to voice our support for the Handling Committee's efforts to fully review the historical, scientific and legal requirements regarding the supplementation of Organic Certified Products. The 1995 proposed annotation regarding vitamins and minerals remains a valid and integral part of the authorization for responsible supplementation of organic products and should be revalidated and incorporated into the National List as originally recommended by the 1995 NOSB.

Organic food products should have access to the same science-based nutritional
ingredients that may appear in conventional products, subject to standard National List procedures. Consumers of organic products should be allowed to choose appropriately enriched organic products and not be forced to purchase conventional foods due to the lack of availability of enriched products in organic form. The clearest path to this outcome would be to revisit the existing annotations for vitamins and minerals and correct it to reflect the original NOSB recommendation.

Lastly, in response to the unfounded allegations made against my company this morning, I would like to say that Martek and its customers stand by the strong safety record of our ingredients and the health benefits that they provide.

Thank you.

MR. GIACOMINI: Questions and comments?

Joe?

MR. SMILLIE: Same question I
asked last time. Do you absolutely need hexane in order to extract DHA and AHA from ALGO sources?

MS. CHENEY: From one of the ALGO sources right now, the answer is yes. From one of the ALGO sources we currently have, we do not use it. The ARA is a fungal source, just to correct that --

MR. SMILLIE: Oh, I'm sorry.

MS. CHENEY: -- and that also requires hexane at this point in time.

MR. SMILLIE: Do you believe it's possible in the future to have AHA and DHA available --

MS. CHENEY: I do believe --

MR. SMILLIE: -- without hexane in this fashion?

MS. CHENEY: I do believe the science will catch up eventually. The science isn't there now, or the technology isn't there now. It's not something that's not being looked at, I can assure you of that. The
technology's just not there.

MR. GIACOMINI: Question --

further questions or comments?

MR. DeMURI: Although the
technology isn't there at this date, is this
something that you folks or suppliers are
working on currently?

MS. CHENEY: I can say we are
working on it, and I am bribing my team on a
regular basis.

(Laughter.)

MR. GIACOMINI: Okay. All right,

I think that's it. Thank you.

Where's my screen -- Steven

Frenkel, Dragan --

MS. BRINES: Jim Goodman.

MR. GIACOMINI: Jim Goodman, I
don't have that one. Okay. What else is --
okay, he just slipped in and moved down.


MR. GOODMAN: Yes, thank you for

allowing me to slip in. My cows need me so I
have to get home to milk, too. Thirty years
I've been trying to make them get along
without me but they haven't got to that yet.

I'm an organic dairy farmer. I
don't -- and we also do direct marketing here
at the Farmer's Market in Madison, we sell
beef and cheese. I'm not specifically a
poultry grower but I have some comments
related to that. We've been through a few
years struggling over a pasture rule, what
defines access to pasture, dry matter cause
need, and I think this relates pretty well to
some of the discussions you've been having on
poultry.

Selling at the Farmer's Market,
you deal directly with customers and they have
certain expectations and assumptions about
what organic means. And I think if we could
sell eggs, if we raised chickens, if we sold
eggs, we could get rich because people want to
buy organic eggs. They want to know how
they're raised.
And we've heard a lot of comments about how these chickens in these large thousand and multi-thousand bird houses are happy. And I guess I've always wondered if they're so happy, why don't we see pictures of thousands of chickens in the barn on the egg cartons instead of the chicken laying in the grass? It seems to me that people want to buy eggs from poultry that has access to pasture where they can do their natural activity and be the omnivores that they're designed to be. And that's what the industry sells eggs as.

You never see a large multi-thousand chicken poultry farm on an egg crate. You never see a confined dairy on a milk carton. It's always a happy cow next to a little red barn or a chicken laying in the grass. As was mentioned, poultry are omnivores. If they have access to the outdoors, to pasture, to grass, to bugs, they can supply their dietary needs.
solutions people have proposed to getting by
the rules and fitting them into their large-
scale productions are just that, a way to fit
rules into a production model that they know
is very profitable. And I don't necessarily
think that's the mission of the organic
program or the NOSB. If you want to make
profit in a conventional system, sell
conventional poultry, sell conventional eggs.

Another thing I wanted to briefly
address was nanotechnology, which I assume has
been discussed in the last couple days but I
haven't heard much mention today. I think
nanotechnology is one of those things that
needs to be included with the big forbidden
parts of organic; GMOs, sewage sludge. I just
really don't see any need, I don't see any
benefit to farmers, I don't see much benefit
to consumers. I looked up a few things on
nanotechnology, some of the products that
they're making. One is a nutritional drink
with nano particles of iron. Safety testing
on nanotechnology is not really done, it's not required. The theory with the small particles of iron that are passed through cell membranes, they're more bio-available, how do we know that children drinking maybe more of this chocolate drink than they should aren't getting too much iron in a day? Iron can be toxic.

Adhesive for McDonald's hamburger containers, I guess, well, that's really nice. But I don't think we need to worry that much about McDonald's in organic at this point. Nano-silver particles as disinfectants in cutting boards and tools, that's another thing that fits into large-scale production, you know, we've gotten by fine with soap and water for many years to keep things clean.

One needs to look at the list of companies that already have nano products and production. Altria, which is Kraft, BASF, Bayer, Cadbury, Cargill, DuPont. These are not organic companies. This is a technology
that's being developed for the conventional
industry and I really don't think it has any
place in organic. I would again urge you to
put that on the top of the list with GMOs and
sewage sludge as things strictly denied to
organic.

Joan Gussow who was a member of
this board quite a few years ago, and this is
just a short quote from her. She observed
that, while sustainable agriculture cannot be
defined, organic agriculture is being defined.
And it's definition is being rendered
serviceable to an existing agri-food industry.
And I think nanotechnology is a great example
of that; large-scale confinement, livestock
operations are a great example. People have,
for years, wanted to create a parallel
industry and create the organic Twinkie, which
maybe is already out there. I don't know.

But I don't think that we need to
be going that way. I don't think that's what
people who buy organic food expect, I don't
think that's what they'd want. I don't think we should allow huge corporate interests to bend the rules to fit their standards of production when these rules should be in place to keep farmers in business and keep consumers with a safe product.

Thank you.

MR. GIACOMINI: Questions and comments?

(No response.)

MR. GIACOMINI: Okay, you're done. Thank you. If you can figure out that once-a-day cow and weekends off, let us know.

Steven and Dragan -- I hope I'm getting that right -- and Christopher Ely in the hall. Go ahead.

MR. FRENKEL: Hello, I'm Steve Frenkel.

As the owner of Organic Vintages, a licensed distributor of organic wines, and wines made with organically-grown grapes in the states of New York, New Jersey and
Connecticut, I would like to offer my comments regarding the recent petition for a change in the NOP regulations to permit wines made with 100 percent organically-grown grapes with sulfites added to be labeled as organic wine. I am emphatically opposed to such a change.

I have been supplying wines to stores and restaurants in the New York Metropolitan area and the Tri-State region for 22 years. And by the way, one of the first to win at the organic wine distribution business way back. Currently representing more than 35 wineries, some producing USDA organic wines and others producing wines made from organically-grown grapes.

I feel exceptionally fortunate to be able to provide the fine wines from these producers in the marketplace, and am grateful to all the purveyors we work with. I, our sales team and our office staff have developed good relationships with our customers and have also been in direct contact with consumers on
a regular basis. Invariably, we find that all concerned, consumers and retailers, prefer clear, honest, forthright labeling.

In response to the issues raised in the petition and based on my many years of personal experience, I believe that the majority of our retailers and their customers desire that only a wine made with 100 percent organically-grown grapes, with no added sulfites, should be labeled as organic wine. I am also of the opinion that wine made with 100 percent organically-grown grapes, with added sulfites, should continue to be labeled, made with organically-grown grapes, contains sulfites, or better yet, should be allowed to state, if made this way, made with 100 percent organically-grown grapes, contains sulfites, but not carry the organic wine description. Wine made with 70 percent organically-grown grapes should be labeled, "Made with 70 percent organically-grown grapes", or "Contains 70 percent organically-grown grapes".
grapes".

Sulfites in the high
concentrations of around 100 parts per million
act as an allergen to many people, and
therefore would be a significant disservice to
provide the USDA logo and organic wine
statement that could mislead the consumer into
assuming they are purchasing a pure, non-
allergenic beverage. Many of our retailers
carry only wines that state organic wine and
have the USDA organic logo since they have
found that their customers, in most cases, are
more inclined to want a wine that is made with
organically-grown grapes and also without
sulfites. Other retailers carry both and find
that since they can be distinguished easily,
their customers are able to choose according
to individual preferences.

However, if a rule changed that
allowed wines made with organically-grown
grapes and added sulfites to be labeled
"organic wine" is implemented, retailers and
their customers would be more easily confused, even fooled into thinking an organic wine they have purchased doesn't contain sulfites. I also don't think it is in the best interest of the consuming public to be potentially misled, even if it is beneficial to the growth of the organic wine industry.

My business has grown exponentially over many years, and only has leveled out recently due to the current economic climate. I do think that our industry will continue to have steady, continued growth and interest in all things organic will remain strong, especially if we adhere to careful, truthful labeling and maintain the integrity of the organic standards as already established. To now clog the labeling standards with potentially vague or unclear messages could endanger the longstanding trust of the organic consumer.

MR. GIACOMINI: Questions and comments?
MR. GIACOMINI: Thank you.

Dragan, Christopher Ely and Mark McKay. Go ahead.

MR. MARCURA: My name is Dragan Marcura, I am the founder and the chief science officer of AgroThrive, Incorporated. And like Tina yesterday, I accept all responsibilities for all things associated with CSL because it was my application that initiated the discussions and I'm still living the consequences.

So first of all, thank you for all the hard work that you've done on that, and I'd like to get into some of the -- my -- we handed out two handouts. One of them is the detailed summary of why we don't think it should be synthetic and the other one is -- and you can read this at your leisure -- the other one is excerpts from the only research study that has been published on this particular topic, the question of whether
sulfur dioxide breaks disulfide bonds in steeped corn. And so I will be referring to some of these details in the second handout, the one that has the graph in front of it. The second page of that handout has the process.

This is the steeping process of the counter current steeping kind, which is the only process that is being used for steep liquor that my company and Converter Organics uses. There is -- this was -- this graph was made up from the visit that I personally did to Corn Products International in Stockton and you have detailed description -- the page following, detailed description, step by step. Let me just go through a couple of very important aspects of this process, which seems to be lost in this whole discussion.

As you can see there, we have 12 different circles that represent large stainless-steel tanks, each one of them called steeps. And you see, we have steeps going
from number one through number twelve, and it's a continuous process. The reason it's called counter-current is that the corn goes into the number one, for the process to start it goes into the number one tank and the sulfur dioxide, the sulfurous acid goes into the last steep, number twelve, when it's added in fresh form.

What happens during the process, the corn is -- each tank is filled with 37,500 pounds of corn, and it's also steeped in the oldest steep liquor. The oldest steep liquor meaning that it has the lowest amount of sulfur dioxide and the highest amount of -- the highest amount of lactic acid. At the same time as the -- where's the button, oh, here's the button. Okay. At the same time as the corn is being added to the -- to steep number one, the oldest steep liquor is added on top of it and at that point, we have a very, very active lactic acid fermentation going on. Lactobacilii -- it's dominated by
lactobacilii and lactobacilii are known to convert sugars starches to lactic acid and also they are known to hydrolyze proteins. They're normally used in culture dairy products such as yogurt, such as cheeses, that ripen cheeses because of their percolative ability. They also digest milk, for example, in culture dairy products.

So the process, the steep liquor is moved down the process and the oldest corn receives the -- receives the new sulfur dioxide and is then immediately taken to grinding. So that by the time the steep liquor reaches steeps one and two or three, the sulphur dioxide is very low and it's the lactic acid fermentation and the hydrolytic power of the microbes that breaks the proteins or releases of the starch.

That is in opposition -- if I can just --

MR. GIACOMINI: How much longer do you think you have?
MR. MARCURA: Just a minute.

MR. GIACOMINI: Okay. Let's be quick, this is my understanding this would help.

MR. MARCURA: Okay, yes. Next slide, please.

Okay, this slide here shows what happens in the methodology, which is what a lot of the people have been discussing. This is a lab -- bring it up, please, so you can see the caption underneath. This is the laboratory setup situation, the model system where the -- where there is no lactic acid fermentation and where sulfur dioxide is added every five hours to keep the concentration of sulfur dioxide in the process -- can you please bring it down -- keep the concentration in the process at its maximum level.

So this is where the big difference is. In order for the sulfur dioxide to get into the corn and actually do any -- cause any chemical change, it has to be
in a very, very high concentration at the beginning, at the -- which is not the case in the steeping process, counter-current steeping process.

I'll leave it at that for some questions if --

MR. GIACOMINI: Okay. Questions, comments? Joe?

MR. SMILLIE: Yes, I need you to walk us through a little bit more.

MR. MARCURA: Yes.

MR. SMILLIE: What is the active form of the sulfurous acid that's capable of breaking the disulfide bonds?

MR. MARCURA: Okay. The -- we have a slide, I think it's number five, please.

This slide here shows the association chemistry of sulfurous acid. And it's all -- whether there's a possibility of the disulfide bond breakage or not depends on this association chemistry. The only moiety
that is capable of breaking disulfide bonds is the SO3 minus 2 moiety. The -- all the other versions of the SO2, which is sulfurous acid, are incapable of breaking disulfide bonds. So this is only available at the pH of about 7. At the pH of about 7, pK 2 of 6.99 means that at that pH, those two versions are at equilibrium.

And as we go in this direction, we're losing the concentration of the active form of sulfur dioxide that is available at the active site in the solution.

MR. SMILLIE: So it's the new sulfur goes into the old corn?

MR. MARCURA: Yes.

MR. SMILLIE: And what's the pH when the --

MR. MARCURA: The pH --

MR. SMILLIE: -- sulfurous acid is at?

MR. MARCURA: Yes. The pH of the corn, by the time the corn reaches the last
steep or the last -- by the time it will enter
the last steep is about four. So the -- in
order for any activity, any disulfide bonds to
be broken, we have to have this moiety. And
at pH four, you can see that from seven to
four, there is a large difference in pH. And
when you look at the concentrations of these
two moieties, you will -- some of the chemists
in the room will probably agree that, at the
pH of four, which is where the corn is when
sulfur dioxide is added, the concentration of
this moiety is -- compared to this moiety, is
about one in 1,000 versus 999 in 1,000.

So at this level, at this level,
we have very little chance of the active form
of sulfur dioxide being present in the system.

MR. SMILLIE: Yes, well, learning
my chemistry year by year.

In your opinion then, just to sum
it up, is it a chemical change? Is it
splitting a covalent bond?

MR. MARCURA: For this process, in
addition to the concentration of the active moiety being very low at the active site, we also have the lowest concentration of sulfur dioxide inside the liquid. So if we do the proportionate analysis of how much of SO$_3$ minus two is present at the active site, when sulfur dioxide is added, we find that, even though those sulfur dioxide is approximately 100 parts per million, we are one-tenth of that -- of a percent possibility of SO$_2$ minus three being present at that point, which ends up being one-tenth of a parts per million -- one-tenth of a parts per million versus 99.9 parts per million of the inactive form.

So you know, anybody that's a betting person or an individual of proportions or at least -- would realize that the, not only is the chemistry inside the steeping process against this -- the possibility of this reaction taking place for this particular process, but the particular concentration of the active moiety is miniscule at best.
So in my opinion, no possibility of the disulfide bonds being broken by sulfur dioxide in this particular process.

MR. GIACOMINI: Joe?

MR. SMILLIE: Is this process a standard corn wet milling process?

MR. MARCURA: This is what's been practiced by, as far as I know, all of the steep -- at least the corn refineries and the producers of corn steep liquor that's being used in fermentation in liquid fertilizers.

MR. SMILLIE: So if all this data is correct, the lactic acid fermentation process --

MR. DARCURA: No, no. Not necessarily the lactic acid but the digestive capability of lactic microbes, lactobacilii, same as they ripen cheese, same as they hydrolyze dairy protein, for example, the milk proteins. They are most likely digesting the protein that's encapsulating the starch in this particular process.
And further evidence to that is that there are free amino acids in the analysis of steep liquor, there is the vitamins, B vitamins are produced in fair amount, fair quantities, none of which are components of corn but it's actually the microbes that are producing.

MR. GIACOMINI: Anything further? Kevin?

MR. ENGELBERT: Why do you add the sulfur dioxide to that?

MR. MARCURA: In my opinion, sulfur dioxide is being added to keep down the putrefactive organisms, to select for lactics. And at the end of the process, at the end of the process, to kill the lactics so that the digestion of the proteins doesn't continue. That's consistent with the use of sulfur dioxide in wine, it's consistent with the use of sulfur dioxide in a few other processes.

MR. GIACOMINI: Any other comments, questions? Jay?
MR. FELDMAN: Thank you.

So it's -- you guys buy corn steep liquor for your product, right?

MR. MARCURA: Yes.

MR. FELDMAN: You're not the manufacturer?

MR. MARCURA: We don't manufacture.

MR. FELDMAN: You don't manufacture.

MR. MARCURA: Yes.

MR. FELDMAN: And you mentioned that there were free amino acids in the end product?

MR. MARCURA: Yes.

MR. FELDMAN: Okay. So there's cysteine in the end product?

MR. MARCURA: Probably yes.

MR. FELDMAN: Okay.

MR. MARCURA: But there would the twenty-whatever, four or five --

MR. FELDMAN: Where does the
cysteine come from?

MR. MARCURA: Probably from the corn protein.

MR. FELDMAN: Okay. How did it get into the steep water?

MR. MARCURA: By digestion, microbial digestion.

MR. FELDMAN: Okay.

MR. MARCURA: The sulfur dioxide breaks only the disulfide bonds, according to the -- to some research -- only the disulfide bonds, but not the primary bonds of the protein backbone. It only breaks disulfide bonds. It has no activity against primary bonds, carbon-to-carbon or carbon-to-nitrogen bonds. So the fact that there are free amino acids only proves that the lactic acid bacteria or lactics are doing digestion as I've outlined.

MR. FELDMAN: Okay. So to answer Kevin's question, though, if -- I mean, you're bringing interpretation to Bis and Cogen --
MR. MARCURA: Yes.

MR. FELDMAN: -- which I'm not sure there's agreement on, given --

MR. MARCURA: There is --

MR. FELDMAN: -- where their conclusion is, I'll read you --

MR. MARCURA: There is full agreement.

MR. FELDMAN: -- what they're saying the major role of sulfur dioxide in steeping is to cleave disulfide linkages, thereby loosening the protein matrix that encapsulates the starch granules.

MR. MARCURA: Can you also read the second to the last -- could we have slide number six, please, and I'll show you what they say about this particular process.

The reason they're making -- the last slide, number six, please.

Contrary to the above, contrary to the process which you're talking about, and they've decided -- they've done the study
where they've shown that sulfur dioxide does break disulfide bonds. But in order to do that, there has to be a high concentration of sulfur dioxide, which they do in their laboratory setting, they replenish sulfur dioxide every five hours to 2,200 parts per million, every five hours, throughout their steeping process. In addition, they have no lactic fermentation in their artificial steeping process.

So under those circumstances, yes, disulfide bonds are broken by sulfur dioxide. But in order to do that, there has to be three conditions that have to be met, and I've outlined them in my submission. The first one is that sulfur dioxide has to be in its active form. SO$_3$ minus two. The second one is that the corn has to be at a high pH, they say 5.8. And third one is that there has to be a driving force, the concentration gradient between sulfur dioxide in the liquid and the sulfur dioxide at the active site, which is
the interior corn. Those three conditions are present under lab conditions, which is what most of their paper is about.

However, they are not present under the commercially-produced steep liquor, counter-current steeping process which is practiced by 100 percent, as far as I know, of North American steep liquor production, which is being used in fertilizer production. Those conditions are absolutely not met. The reason they are not met is -- that's why it's called counter-current. New corn is added to oldest steep liquor, high concentration sulfur dioxide, high concentration of lactic acid, very active fermentation going on. Microbes are dividing and growing very rapidly.

If we could have slide two, please? I'm sorry, slide one, and I'll show you the graph. Slide one, please. Oh, slide two then. I need the graph that shows -- right here.

Right here, we have -- this is the
zero time edition, zero time before the process starts. The process starts with old steep liquor -- with old steep liquor, right. At this point, the acidity is at its maximum. Sulfur dioxide concentration is at its very minimum. There is a very, very vigorous lactic fermentation going on at this point. The corn itself gets steeped and soaked within 15 hours. Can you please take a look at the -

MR. FELDMAN: I have it in front of me.

MR. MARCURA: Yes, okay, good.

Within 15 hours.

So within this 15 hours, the corn goes from about 6.8 to pH 4 because that's where this process is buffered out. When the corn is down at pH 4, it is not able to -- the sulfur dioxide is not able to break disulfide bonds because it is in its inactive HSO3 minus four. Even if it gets in there, it can't do it. The only reason that Bis and Cogen are
achieving the breakage of bonds is because
they are replenishing sulfur dioxide every
five hours in order to keep that driving force
behind it, in order to be driving the sulfur
dioxide into the corn. And it only happens
while the corn is at a higher pH than 4.

And if you read their conclusion
on the last paragraph there, contrary to this
process that we have set up in the lab, if you
see every one of these, every one of these
says, okay, this is the convert -- this is the
counter-current process. But if we go to
figure -- to slide three, please. To slide 3,
please bring it up so you have the caption.
This is the model solution system. This is
the laboratory setup system. They say, look
at that, solution contains 2,200 parts per
million, et cetera, but it is replenished with
sulfur dioxide every five hours. Please read
the caption and you will see. That's where
the misinterpretation on this whole discussion
has been all along.
And I, for the life of me, can't understand why people -- unfortunately, this is sort of the devil is in the details. As a scientist, I go into the experimental design when I don't understand what's happening and when I want to evaluate what the actual results mean. The experimental design here is that they used 2,200 parts per million every five hours for the duration of the process. And the counter-current process in industry uses about 2,000 parts a million two hours before the corn is ground. In other words, at the very end of the process.

If they wanted sulfur dioxide to break disulfide bonds, they would have added that at the beginning, not at the end. They leave it after the fermentation process to break disulfide bonds and to free the starch. And they use sulfur dioxide at the end of the process to kill the fermentation so that it doesn't continue hydrolyzing proteins when they need the proteins as whole. Because when
they harvest proteins, they don't harvest
polypeptides. They harvest whole proteins.

MR. FELDMAN: Okay. So basically
your bottom line is that, the methodology the
researchers used is different than the
methodology used in industry?

MR. MARCURA: Totally different.

MR. FELDMAN: Totally different?

MR. MARCURA: Totally different.

And unfortunately it uses the same agents, it
uses similar terminology, but unfortunately a
lot of people misunderstand those two and
think they are the same. They're absolutely
not the same.

MR. FELDMAN: How do you -- how
would you suggest that the Board, the NOSB --
because it seems to me that you're saying, if,
in fact, the breaking of the disulfide bonds
occurred and the -- you know, the reactions
occurred in terms of breaking of covalent
bonds associated with the manufacturing
process, that that indeed would yield a
process that could be characterized as chemical change. It seems like you're implying that, I don't want to put words in your mouth.

MR. MARCURA: No, I'm not.

MR. FELDMAN: You're not implying that?

MR. MARCURA: No, I'm sorry, I'm not implying that.

MR. FELDMAN: You're not implying that Bis and Cogen created chemical change in their laboratory study?

MR. MARCURA: No, that's absolutely what they did.

MR. FELDMAN: They did do that?

MR. MARCURA: Yes, they did.

MR. FELDMAN: So I guess what I'm asking you is --

MR. MARCURA: That has nothing to do with the process that's used for making --

MR. FELDMAN: I understand that.

MR. MARCURA: Yes.
MR. FELDMAN: But if the process were to be similar to that described by Bis and Cogen, you would consider that a chemical change?

MR. MARCURA: I still wouldn't because disulfide bonds do not determine primary structure of proteins. Disulfide bonds determine tertiary and quaternary structure of proteins, not the primary. A common understanding among chemists, among protein chemists is that primary structure is chemical structure of the proteins. Secondary as well. Tertiary and quaternary are only the functional properties of proteins that determine orientation in space or biological activity. So enzymes, for example, will have quaternary structure where not only are the chains of proteins bound by disulfide bonds but larger proteins are bound in a particular configuration that gives it biological activity. So disulfide bonds do not qualify as the chemical structure bonds of proteins.
MR. FELDMAN: Okay. So this is where -- I hate to drag this on, but I just want to say that this is where we're having a problem in terms of applying Appendix C of the basic chemistry in the NOSB Policy and Procedures Manual because there we're talking about a process of denaturation which causes physical change. The most observable result is a loss of biologic activity --

MR. MARCURA: Exactly.

MR. FELDMAN: -- except for cleavage of disulfide bonds, denaturization stems from changes in secondary, tertiary and quaternary structures through disruption of non-covalent interactions.

MR. MARCURA: But not --

MR. FELDMAN: But what we're seeing in the Bis and Cogen piece is a two-step process. And that's why -- I mean, you don't seem to be acknowledging that they've -- they've created a process which, I believe, according to our definition, a two-step
process which includes the first part being
denaturization -- would it be denaturization
and naturation and the displacement reaction.

MR. GIACOMINI: Excuse me, Jay, I
understand --

MR. FELDMAN: All I'm saying is --

MR. GIACOMINI: I know, but just
your time here has gone through as much as he
would have been speaking. So we need to move
on.

MR. FELDMAN: I just want to --
what I'm worried about is that there's a
process here that scientists have identified.
It seems to conform to the basic chemistry in
our guidelines. You are dismissing that.
You're saying two things to us. One, we're
not using the process that Bis and Cogen adopt
in the laboratory. I understand that. But
then you're also dismissing their findings as
well as not replicating -- as not establishing
chemical change. And that's where I have a
problem because I want to get to the point
where we can identify the process you're using, if in fact it doesn't cause that reaction.

MR. GIACOMINI: Okay. We've got to move on, please.

MR. FELDMAN: So I think we have a problem --

MR. GIACOMINI: Jay, Mike, please. And Katrina?

MS. HEINZE: I appreciate your insight today.

What I was going to say is, I know we have a lot of public commenters today and I want to make sure they have their time. I was wondering if you would be here tomorrow, I expect we'll have more questions.

MR. MARCURA: Yes.

MS. HEINZE: Okay.

MR. GIACOMINI: Tracy?

MS. MIEDEMA: Super quick question. Is it possible to buy Bis and Cogen style corn steep liquor?
MR. MARCURA: No.

MS. MIEDEMA: Okay.

MR. MARCURA: Nobody makes it.

That's only a laboratory creation.

MR. GIACOMINI: Okay. Further questions?

(No response.)

MR. GIACOMINI: Okay. Thank you very much.

MR. MARCURA: Thank you.

MR. GIACOMINI: Okay, Christopher Ely, Mark McKay and Doug Swantner.

MR. ELY: I'm Chris Ely, co-founder of Applegate Farms.

Applegate welcomes the idea of a single national organic animal welfare standard and we applaud the NOSB for defining these standards with input from stakeholders. Applegate has been working with livestock farmers who have closely modeled what is now the organic production industry since 1986. As such, these producers have shown us a full
range of animal welfare practices and we have learned what is critical for animal welfare.

We have discovered that there are often two categories of standards. Those which are science-based and those which are based on perception. We believe the NOP standards must be based on a scientific criteria that enhances the lives of organic livestock while maintaining the consumers' positive perception of our industry.

With 24 years of experience working with farms that raise animals without the use of antibiotics, growth promotants or other drugs that enhance or insist with CAFO-style livestock practices, we have learned that the two critical criteria in this model are stocking densities and management.

We would suggest the following recommendations to the proposed stocking densities. The statement at the beginning of the stocking density charts reads, young must be kept indoors when there is a danger of
frostbite. We would recommend changing the
statement to young may be kept indoors during
extreme weather conditions and/or the threat
from predators. Due to mortality, we believe
that stocking densities need to be defined as
forecasted numbers and weight at the time of
slaughter, not at the time of placement in the
barns.

The stocking density for bovines
seem to be similar to those found in CAFOs.
According to the standard of 40 feet -- 40
square feet for a 770 to 1,100 pound cow or
steer, an acre of ground could contain over
1,000 cattle. I put it that way because I
have my own farm and it's easy for me to look
at what an acre of land can hold. This is an
unhealthy and unsustainable practice, even for
a sacrificial paddock.

Applegate would suggest that input
from organic beef producers be gathered as a
way of defining a realistic standard. The
proposed stocking density of seven pounds per
square foot for turkey is more than half the recommended stocking density of the conventional turkey industry as seen through the National Turkey Federation Animal Handling Guidelines, which is 15 pounds per square feet -- 15 pounds, yes, I said it right.

Although we are not proposing that 15 pounds per square feet is appropriate, our experience with both organic and antibiotic-free turkey grow out is that 12 square feet is more than sufficient to maintain a healthy environment and allow birds to roam freely, open their wings, have ample feed, water and scratching space and to practice natural behaviors. This standard also allows for lower than 25 ppms of ammonia levels recommended by the NOSB.

Applegate believes that 25 ppms of ammonia standards allows for a substandard growing practice in poultry barn and therefore we recommend a standard of 20. When density is reduced, also is ammonia reduced. Twenty-
five ppm is a commercial industry standard but 20 ppm is achievable for the organic industry. Although at certain times of the year under certain weather conditions, ammonia can spike over the standard of 20 ppm. Most times this is a temporary situation and can be quickly resolved by a well-managed poultry farm.

There seems to be a perception among the general public, and even within the industry, that organic handling of slaughter standards address animal welfare at a higher level than commercial operations that follow the AMI guidelines written by Dr. Temple Grandin. This is not true. Applegate believes, and has experienced the standards written by Dr. Grandin and adopted by much of the conventional industry during the last decade are science-based and ensure the highest level of welfare currently available to livestock slaughter operations. The criteria focus on the measurable outcomes that are clearly defined and quantifiably measured.
These present AMI animal welfare handling of
slaughter standards are reviewed annually and
updated accordingly as seen through the recent
release of the transportation standards.

Applegate recommends that the NOP
adopt the AMI recommended animal handling
guidelines and audit guide for slaughter. If
NOP adopts the AMI standards, it would save
having to train organic auditors on slaughter
standards as many plants have already been
audited by CAFO-trained third-party auditors
on the same standard. The adoption of these
slaughter standards could save plants which
currently slaughter organic livestock an
additional third-party audit specific to
organic.

MR. GIACOMINI: One more thought.

Oh, you're done. Okay.

MR. ELY: Done.

MR. GIACOMINI: Questions,

comments?

(No response.)
MR. GIACOMINI: So you're done.

Thank you very much.

Mark? Okay, Mark, Doug and

Gwendolyn.

MR. McKAY: Mark McKay. I'm with
Coleman Natural Foods. I appreciate the
opportunity to address the Board and the NOP.

My comments today are going to be
specific to, actually the same as the previous
speaker, addressing the stocking density,
outdoor access and animal welfare guidelines.

Coleman Natural Foods has been in
the national organic broiler production
business for over 25 years. We have
operations in both California and
Pennsylvania, and hopefully within a couple
weeks we will be in organic production in the
state of Washington as well. Within the last
two or three years, we were actually the pilot
company for the Global Animal Partnership and
their U.S. rollout and pilot program for the
STEP program for animal welfare. When we
started that in Pennsylvania three years ago, we have 70 family farmer operators who all have achieved either the step 2 level grade or higher within both our organic and our antibiotic-free raising operations.

As a broiler producer, we're very supportive of the discussion documents. However, we would encourage, actually, that the Livestock Committee in particular take into consideration some additional standards that we think should be added to the discussion. We do believe -- and I heard one of the speakers earlier mention this as well, that precise standards create a very level playing field among the producers, and I think, in turn, that will generate higher level of confidence among the consumers which I think, in turn, will benefit the entire organic industry.

We at times resist the urge to turn our packages, our consumer packages, into a NASCAR car with the proliferation of label
claims and attributes about the products. But one thing that does come up, and I think probably because people see it within the places where they buy these products is that animal welfare and animal welfare certification is an amendment that typically gets added before all others and is added in addition to the organic certification for certified organic poultry products. And in my opinion, I think that organic and the organic certification for these products should say it all, that you don't have to add an incremental statement about certification for animal welfare, that it should be included with what comes along with all the rest of the things that we do from an organic standpoint.

I would also comment that, in general, I'm not as familiar with the AMI guidelines, but the National Chicken Council has a broad range of what they consider to be animal welfare guidelines for conventional producers. I would actually say that they're
fine and the -- in general, the conventional industry adheres to them fairly rigorously. I actually see those as a foundation, as a starting point, and that there are additional things that our industry should do incremental to that to encourage natural behavior and promote the additional welfare of the animals in our care.

I'll skip through to this. I'll speak specifically to stocking density and outdoor access. We actually have some farms where we've been frustrated in the past, and I'll speak first about access. That the birds don't -- at least have not gone outdoors, have not gone and enjoyed the access to the outdoors as much as we would like. And so we've actually taken a lot of effort recently to modify the things that we do from a husbandry practices standpoint in order to encourage that behavior. So we've started to work on the things structurally that we have to do in order to promote and encourage birds
to go outside.

And a lot of the things that are actually in the discussion document from the Livestock Committee are very similar to some of the things that we've found. That it's not just enough to have a door. You have to have a wide opening that gives a large amount of access across the entire length of the barn. It helps to have that at ground level rather than high -- rather than have a ramp up and a ramp back down. When the birds first start to go outside, it is very helpful to have some kind of protective covering, either a shade cloth or a little overhang or something else like that. In fact, we found that the most amount of birds that were able to go outside to go out on their own, is where we give them a significant amount of protection over the top of their barns or over the top of their forage areas.

I will also comment on this. On both transport, handling and stunning
procedures, there are a significant amount of incremental items that can be measured that the industry is currently doing that are far in addition to the industry standards relative to catching, handling, transportation and holding of the animals. And even that part, just prior to the primary process within the slaughter plants as well, that can be very clearly defined, that the industry can very confidently and comfortably live up to at standards that are greater than the quote, unquote, industry standards.

We look forward to the continued efforts and we're here to help in order to continue to build the confidence in the consumers in our organic products. Thank you.

MR. GIACOMINI: Questions, comments?

(No response.)

MR. GIACOMINI: Thank you.

MR. McKAY: Sure.

MR. GIACOMINI: Okay, Doug? Okay,
Doug, Gwendolyn, Peggy Miars, just letting the Board and everyone know we are moving quickly past over two hours behind schedule. So we'll see how things go.

Go ahead.

MR. SWANTNER: Good afternoon. My name is Doug Swantner and I'm a retired government worker. I spent 30 years working with the Department of Interior and Department of Agriculture and Fire and Aviation, specifically with Forest Service and Bureau of Land Management. I'm speaking as a concerned consumer concerning the sulfides in organic wine issue.

Let me start by saying that I have a sensitive constitution and have learned what I can comfortably eat and drink and what things adversely affect me. I'm allergic to bee stings and scallops and seem to have a sulfide intolerance also. I carry an Ana-kit with me at all times in case of allergic reaction and have experienced going into
anaphylactic shock twice.

I never was much of a wine drinker in my earlier days, a glass or two always made me feel bad and I would get headaches and intestinal discomfort for at least a day afterward. I pretty much quit drinking wine after that, just feeling that something in it inherently didn't agree with me. Like I mentioned, I've always been conscious of my food and beverage intake and, as the organic movement gained momentum, I got into it more and more as it made sense to me not to be consuming harmful chemicals and pesticides when there was a more healthy alternative available. Plus I felt a whole lot better eating organically. And with things like wine, which I thought I could never drink, I found that organically that could be a whole different thing for me.

I knew Phil LaRocca from earlier days in Quincey, California, where I still live, before he started his wine-making
business in the Sierra foothills a few hours
from where I live. He had been an early
pioneer of the organic movement and was also
teaching natural food classes at Chico State
University. I knew he was growing grapes
organically and taking it to a step further by
not adding any sulfides in the process of
cleaning containers or as a preservative. And
when he started making his wines, I mentioned
that I was not really into wine as I seemed to
get sick and -- whenever I drank it. He
commented that I probably had an allergy to
sulfides and that many people had this and
weren't even aware of it, and that I should
try his wines and see how they treated me.

To my amazement, I found that I
could drink his wines and feel good while
drinking and then not have the headaches and
intestinal discomfort I had experienced in the
past. It was then I decided that I definitely
had an allergy to sulfides. When I drink a
wine that contains added sulfides, I'm like a
barometer. I immediately get stuffed up and congested. The more sulfides, the more immediate and intense the reaction. And this was my first indicator that my body has ingested something that it is rejecting. I have tried to stay away from anything with added sulfides and the fact that wine grapes have some naturally occurring sulfide content seems to be okay with my body.

With a heavily-sulfide wine, I can actually smell and even taste the sulfides. So now I have been drinking the LaRocca wine for about 20 years, along with a few other truly organic wines that I have learned to trust. When I buy wines, I stay away from the bottles that say, made with organically-grown grapes, because I know that they have added sulfides. And looking at the back of the bottle, on the label, you can confirm this. When I see a bottle that is labeled organic wine, then I am comfortable know that the whole process, from the growing to the
bottling, has been accomplished without any
added chemicals compromising the organic
quality. I don't have to look on the back
label to see if it contains the clause,
contains sulfides. When I see the organic
wine label, that is what I have grown
accustomed to expect, is just that, a
completely organic wine.

I don't want to be misled into
drinking something that is labeled organic but
is allowed to have a certain percentage of
added sulfides. It's misleading and could be
dangerous for me and potentially many other
consumers who might not even know they are
sulfide sensitive. I understand now that a
proposed amendment is before the USDA and NOSB
that wants to allow 100 percent -- or 100
parts per million into wine of sulfides and
still have it retain the organic wine label.
I don't understand what the rationale is
behind this. When I buy organically-produced
products, why should I have to second-guess
that? I don't want to buy an organically-labeled wine, or yogurt for that matter, and essentially not really know what I'm getting. What's the point if, by some law, that these products can actually contain a certain amount of additives or chemicals? It makes a mockery out of the organic philosophy and the people who are trying to eat and drink as naturally as possible.

I say let organic be just that, totally organic, otherwise you will never know truly what you are buying as a consumer. And to me, that is a breach of the freedom of information that we hold so dearly in this country. This compromise in the case of organic wines is a bad idea and can only lead to more of the same in other products.

MR. GIACOMINI: Thank you. Any final -- do you have any final word, or --

MR. SWANTNER: I just wanted to say that I trust that people like the Freys and the LaRoccas will continue to make truly
organic wines, whatever happens with the labeling issue. But I just -- what bothers me is that their efforts would be invaded if their wines get grouped in with other products that are added to allow the 100 percent or 100 parts per million sulfide and still use the same label.

MR. GIACOMINI: Okay. Questions, comments?

(No response.)

MR. GIACOMINI: Thank you.

MR. SWANTNER: Thank you.

MR. GIACOMINI: Gwendolyn, Peggy and Lindsay.

MS. WYARD: Good afternoon. My name is Gwendolyn Wyard and I'm commenting today on behalf of Oregon Tilth, a non-profit organization supporting biologically sound and socially equitable agriculture. My position there is the technical specialist for the processing program. I'm going to highlight a few selected topics. You have all our
comments in writing where you can refer to the detail.

First on the USDA regulations with respect to the made with label, we don't believe that when consumers look at a label, if that label had statements certified to be USDA regulations, we truly don't believe that they'll immediately understand that the product or handler has gone through the same certification process as an organic product. Probably instead they would wonder what are those USDA regulations and certified to what?

For the record, we wholeheartedly support the made with labeling category and we would like to see consumers understand the rigorous certification process that is applied to this label. However, we feel that this should be done through educational efforts emphasizing any agricultural product making an organic claim on the principle display panel must be certified to the USDA NOP regulations, exemptions, exclusions and non-scope products
noted. So it's a young regulation and time, education and awareness is the answer, not another labeling claim that leads to confusion and label reading fatigue.

Yeast. This is my thirteenth consecutive Board meeting. In October of 2004 Oregon Tilth came to the Board and asked that you help to clarify the definition of non-agricultural. So for 13 meetings I've been listening to this discussion, following closely and helping out, and I've seen yeast be the holdup in many respects, trying to classify yeast, when really the issue here was giving yeast a chance, allowing it to have organic preference assigned to it. So I'm here today to say, let's give yeast a chance. I think it's a great compromise, it will promote the production of organic yeast resulting in increased organic acreage. It recognizes that yeast can meet the '95 five composition standards for a processed agricultural product without categorically
classifying all microorganisms as agricultural. It recognizes the difference in composition requirements for products intended for human consumption versus livestock consumption, and most importantly it's consistent with NOP's guidance and certification of organic yeast and processed agricultural products, NOP 5014, effective March 2nd, 2010.

Nanotechnology, we're in favor of the locked door, a.k.a., they are synthetic, therefore they're prohibited now today. And we support that the NOP take action now by adopting the recommended guidelines.

We also would like to publicly recognize that there is widespread public concern over the use of nanotechnology and emphasize that, in any possible future consideration of nanotechnology, the burden of proof must weigh strongly against the proponents to prove that the material is safe. At this point in time, too little is known
about the impact of nano particles on human health and the environment, therefore we do support the precautionary principle as we move ahead in our efforts to learn more about its applications. But we do not support a general prohibition of nanotechnology. It's synthetic, it's prohibited.

Limitations of 205.101(b), we request that the CACC make it very clear that the intent of this recommendation is to require traders, brokers and distributors to become certified when the conditions of 205.101(b) are not met, and ownership is transferred from the certified operator to the uncertified broker, trader and distributor. Please clarify that this does not include the third-party contracted transportation of certified product from one certified operator to the next.

And finally, I'd like to draw your attention to a comparison chart that we've included in our comments. This is with
respect to nutrient vitamins and minerals.

Our concern is that somewhere between the intent of the Board and the recommended annotation that wasn't accepted, the program's decision to reference 21 CFR 104.20 containing the nutrient listing that hasn't been amended since January of 1993, and then the FDA clarification of the interpretation on 104.2, we have or will lose the ability to use nutrients that may be essential or at very least reasonably desirable in the diet. So what I have done is I have put a side-by-side comparison of the vitamins and minerals listed in 104.20. The vitamins and minerals that are listed in 101.9(c)(8), and this is -- 101.9 establishes the declaration of nutrition information, and specifically that portion sets the RDI's and nomenclatures established for vitamins and minerals which are essential in human nutrition. So I'll just point out quickly to wrap up here that the highlighted ones, selenium, manganese, chromium, these
here that are listed in 101.9, these are commonly used. We, as an organization, have been allowing those vitamins and minerals because 104.20 specifically references 101.9 in the beginning, and it states that, from time to time, they recognize that the nutrients listed in 101.9 may be updated. And that has been more recently updated than 104.20. So this is a real problem for several products that are out there.

Thank you very much.

MR. GIACOMINI: Thank you.

Questions and comments? John?

MR. FOSTER: Thank you Gwendolyn, that's really helpful. I love a good analysis, you know?

MS. WYARD: Thank you, John.

MR. FOSTER: So on the 101(b) -- on the 101(b) deal, there's -- my question is about transfer of ownership being a lynchpin. In the case of a broker, it's often not a transfer of ownership but a transfer of
possession, not necessarily of title. Would it be fair to say that if an uncertified operator storing, accumulating, parceling out over time, is title absolutely necessary as a lynchpin for you or for Oregon Tilth?

MS. WYARD: I think it is. I think it's important.

MR. FOSTER: Title is important?

MS. WYARD: Title is important.

MR. FOSTER: Okay, thank you.

MR. GIACOMINI: Tracy?

MS. MIEDEMA: Does the program have any position on compliance of products that contain vitamin K currently?

MR. McEVOY: Yes, the position is that there was a broad interpretation of nutrient vitamins and minerals in reference to 104.20, and that's where we're issuing draft guidance to clarify what -- the FDA's interpretation of what is allowed under 21 CFR 104.20. So vitamin K would be currently allowed under the previous allowance by NOP.
and by certifiers.

MR. GIACOMINI: Okay. Jay?

MR. FELDMAN: Cut me off after three minutes, okay?

MR. GIACOMINI: Okay.

MR. FELDMAN: Thank you. You know, maybe you can help me with this, Gwendolyn, I'd appreciate it. We -- the Board received a technical review from the USDA's science and tech, and the world seemed simple back then because we received a document that says the sulfur dioxide added to the fermented material that -- I'm talking about CSL - the sulfur dioxide added to --

MR. GIACOMINI: Wait, wait, Jay. She didn't.

MS. WYARD: Oregon Tilth did not submit comments on corn steep liquor, and so I'm not prepared to make any comments.

MR. FELDMAN: Is that right?

MS. WYARD: It's true.

MR. GIACOMINI: I don't know, it's
listed here on the list, but I -- she
certainly didn't mention.

MR. FELDMAN: We know she didn't,
but it's in her --

MS. WYARD: We -- I certainly --
it's true, it is. But if I did answer any
questions it would be by Gwendolyn Wyard and
not Oregon Tilth.

MR. FELDMAN: Okeydoke.

MR. GIACOMINI: Lisa, can you take
us up to the top of that chart, please? And
the first column is the one that we're
supposed to be working with, right, Gwendolyn?
Okay.

MS. WYARD: That is the -- yes,

the -

MR. GIACOMINI: Have you ever had
to deal with an issue of added protein under
this listing?

MS. WYARD: We have had operators
submit a request for a formulation that
contained various proteins, yes, where they
were classifying them as a protein and pointing to 104.20. Now the problem as you see up there is that the annotation specifically references vitamins and minerals. So that was the other part of the clarification, that just because it's under 104-point -- well, (d)(3), the annotation doesn't include protein.

MR. GIACOMINI: Okay. Any other questions for Gwendolyn?

(No response.)

MS. WYARD: Thank you so much, and especially thank you to the outgoing Board members for your steady and absolutely fantastic service and, at times, entertainment.

MR. GIACOMINI: Okay. Peggy, Lindsay and Kyla.

MS. MIARS: Good afternoon, my name is Peggy Miars and as of about five weeks ago I am the executive director of OMRI. Thank you to the Board members for your
service in the organic industry -- service to
the organic industry, and thank you for this
opportunity to speak.

First of all, we're announcing
today that OMRI's products list has exceeded
2,000 products approved for use in organic
production and processing. And I've heard
OMRI's name mentioned several times over the
last couple of days, and I know that OMRI's in
a unique position as the global leader in
materials review. And along with that
position comes healthy debate and
disagreement. So I'm here today to affirm for
the analysts and the organic community that we
at OMRI strive for consistency and high
integrity in materials review. We are
supported by crops, livestock and processing
review panels comprised of individuals with
decades of experience in organic and many with
advanced degrees in sciences.

Our staff evaluates materials
based on chemistry, functionality and the
residue of synthetics. I personally look forward to enhancing OMRI's relationship with ACA's, the NOSB, NOP staff, EPA staff and other agencies and organizations. And our new management team is poised to take OMRI to the next step in our history, and I invite any NOSB members or organic stakeholders to contact me with questions, comments or concerns, just as some of you have been doing since before I even started my new job. However, I will defer any technical questions to our review program manager, Lindsay Fernandez-Salvador, who is our next speaker. In other words, don't ask me about corn steep liquor. I don't know.

MR. GIACOMINI: Is that -- oh --

MS. MIARS: That's it. I'm done.

Short and to the point.

MR. GIACOMINI: Questions and comments? I'm so not used to having someone not go past the buzzer that I'm just not ready at all. Okay. Thank you very much.
MS. MIARS: Thank you.

MR. GIACOMINI: Okay. Lindsay, is it Kayla or Kyla? Kayla?

MS. SMITH: Kyla.

MR. GIACOMINI: I had it right the first time -- and Tiffanie.

Lindsay, go ahead.

MS. FERNANDEZ-SALVADOR: Okay, thank you. I'm Lindsay Fernandez-Salvador. I'm a program manager at OMRI. I was going to spend most of my time talking about excipients and 205.238(c)(2), but the NOSB answered my questions and I sincerely appreciate your response. That was a very sweet victory for me, so I'm going to take it home and do something with it.

Unfortunately, though, that leaves me over four minutes to talk about my favorite topic, corn steep liquor. I oversaw the second of two votes that our advisory council hops committee made on CSL. I probably have the most intimate knowledge of how we arrived
at our synthetic classification than anybody in this room. So I encourage anybody that wants to know the truth about our decision making to ask me. I've distributed a copy of the decision tree that's in our policy manual, it looks like that this, that OMRI used to make our classification. This decision tree was proposed by the NOP in March 2006 based on NOSB recommendations. We use this decision tree when evaluating materials that need further clarification.

I'd like to start especially by supporting Jay's statement that the NOSB should base their vote on the process by which corn steep liquor is manufactured and not the compatibility to organics, because that is the question that we're charged with by the NOP, and that is what the public was asked to comment on.

OMRI looks to the NOSB for deliberations to inform our interpretations. On Monday morning, I have to go back to work
and I have to help my staff understand how to make classification decisions. Our decision making process does not include compatibility to organics. I strongly encourage members to return to the facts of the manufacturing process to inform your vote on the classification of this material.

I'd also like to take a moment to correct some misconceptions on part of the committee -- one some of the part of the committee members about classification materials, and we did touch on this a little bit during today's comment, but I just want to reiterate that. The simple contact with the synthetic not on the National List does not automatically make an input synthetic. It is the action of the synthetic during the manufacturing process that leads to a chemical change, and this is what renders the input synthetic. Using this logic, that simple contact causes an input to be synthetic, would cause a sizeable portion of the 2,000 OMRI
list of products to come off our list.

Further, the statement that because CSL is used in compost, it should be allowed is not accurate. Once a compost feed stock is classified as synthetic by virtue of the chemical change brought on by the manufacturing process, it is then prohibited as a compost feed stock. To give you a very obvious example, plastic will break down if put in a compost pile, if you give it enough time. But clearly we would not allow it as a feed stock because it is synthetic. The same is true about CSL, if it is first classified as synthetic.

So in conclusion, I am confident in OMRI's process by which we arrived at the synthetic classification for CSL. Given the debate I saw yesterday, I am not confident that the NOSB members are on the same page on how to make the classification, which is essential to consistent decisions for the greater good of the organic industry. I urge
you to consider the impact of your decision on those of us that must make consistent material classifications every day. Before taking your vote tomorrow, please ensure that everybody has used the same method to evaluate the material, and only focus on the manufacturing process and chemical change to determine the classification.

Thank you.

MR. GIACOMINI: Questions -- Joe?

MR. SMILLIE: Were you in the room for the previous testimony from --

MS. FERNANDEZ-SALVADOR: Yes.

MR. SMILLIE: -- the gentleman?

He went through the process and explained the actual process.

MS. FERNANDEZ-SALVADOR: Yes.

MR. SMILLIE: What disagreements with his -- would you have any disagreements with his explanation of the wet milling process?

MS. FERNANDEZ-SALVADOR: Dragan's
explanation was excellent. Thank you, Dragan,
for bringing that to light. I wish that he'd
have gone first because it was so thorough and
really explained the intricacies of the
process. And OMRI did take into consideration
his main points. And the main disagreement
was two-fold: One could argue that lactic
acid and lactobacilii is the only factor
causing the cleavage of disulfide bonds. And
that would then fall under naturally occurring
biological processes and we would remove this
from the classification of synthetic.

OMRI was not -- our advisory
council members on the crops committee was not
convinced that it was only lactobacilii that
was causing this cleavage. While that
argument is certainly true, that it probably
is causing some of the breakdown, it's
certainly not causing all of the breakdown and
that SO2 is probably also cleaving disulfide
bonds.

MR. SMILLIE: Well, that's not
what he said. He said, if I can summarize it in my layman terms, that basically that the SO3 has the ability to do that, and that's what the -- whatever their names are -- the scientists did. But that in the commercial wet milling process, because of the pH, it wasn't doing it. And that it was there to prevent putrefaction. So that the enzymes, the lactobacilis enzymes could do that work, and that the bulk of the work was being done by them, and in fact, the chances of the sulfurous acid doing the work was almost nil because it wasn't -- the pH for it to operate wasn't there at the time when that concentration was there -- if I got it right.

MS. FERNANDEZ-SALVADOR: I think you did, yes. And I would say that, without putting words in any council member, I would say that they were not convinced that it was only happening via lactobacilii. That sulfur dioxide or the active SO3 could and would also create the same effect. And that if it was
created by SO3, HSO3, then it was synthetic in that instance and would render the entire product synthetic.

MR. SMILLIE: Thank you.

MR. FELDMAN: Joe, I wish -- I really wish it was as simple as that. I mean, we started this whole odyssey with a technical review, which we try to do, you know, when we review this stuff. And the first thing that catches everybody's eye is the statement that it's a complicated process of chemical --

MR. GIACOMINI: Jay, can we stick to -- can we stick to questions for Lindsay, please?

MR. FELDMAN: Yes. I want to --

MR. GIACOMINI: We're trying to stay on the schedule.

MR. FELDMAN: Okay.

MR. GIACOMINI: We're getting back to somewhere even close.

MR. FELDMAN: -- that are not fully understood. So I guess what I'm asking
is, given that we received a technical report which explicitly says it's a complicated process not fully understood, and that the sulfur dioxide added to the fermented material to cleave disulfide linkages, which again was the only finding we found in here as to why sulfur dioxide was included, it's surprising to learn at the eleventh hour now that there is, in fact, a different process that does not cleave the disulfide bonds. Is that a surprise to you? Is this some new information to you, having gone through this review before?

MS. FERNANDEZ-SALVADOR:  No, it's not. We had the information that Dragan presented just a few minutes, and that's just a function of the person that you hire to do your TR.

MR. FELDMAN:  Yes, that's what we did. Okay. What about the different levels of sulfur in the end product? Why are we -- why do you believe we're seeing the different
levels of sulfur in the end product?

MS. FERNANDEZ-SALVADOR: We didn't take that into account. We were convinced by a lab result that there was a non-detect of sulfites as a proxy for sulfurous acid. That was not an issue in our synthetic, non-synthetic determination.

MR. FELDMAN: Okay. Just to summarize then. You've looked at the same information that we heard previously, but your position is that the reason for the introduction of the sulfur dioxide is to do, what?

MS. FERNANDEZ-SALVADOR: Our position is that, while lactic acid or lactobacilii is likely causing some or maybe even the bulk of the disulfide cleavages, SO2 cannot be ruled out that it is not cleaving disulfides.

MR. FELDMAN: Thank you.

MR. GIACOMINI: Okay, question. But your knowledge base -- I'm confused where
the knowledge base came from in the processes
that are used commercially to make corn steep
liquor. I'm confused where your knowledge
base came from to make that assumption, other
than it's just an assumption made to people,
for lack of a better term, without being --
without wanting to be intensive at all, but
these are things that made them comfortable?

MS. FERNANDEZ-SALVADOR: Well, the
knowledge base came from literature and the
same information that was presented just a few
minutes ago. And while some people are
convinced that it only happens by
lactobacilii, the evidence presented in these
papers did not convince our crops committee
that it was --

MR. GIACOMINI: They were corn
steep process or were they chemistry table
process?

MS. FERNANDEZ-SALVADOR: I don't
understand your question.

MR. GIACOMINI: They -- were they
the type -- were they corn stepped liquor
commercial processing processes or were they
studies looking at the -- like the other study
that he talked about?

MS. FERNANDEZ-SALVADOR: Corn steep liquor manufacturing processes and also
the chemical explanation that was laid out by
Dragan.

MR. GIACOMINI: Okay. Joe?

MR. SMILLIE: Chopped liver.

MR. GIACOMINI: No, I'm just
standing there, I'm looking that way.

Katrina?

MS. HEINZE: I'll ask you the same
question I asked before, because I want to
make sure that folks on other topics get a
chance with us today before we completely burn
out. Are you here tomorrow?

MS. FERNANDEZ-SALVADOR: I am here
tomorrow until one-ish.

MS. HEINZE: That's good to know.

Thank you.
MS. FERNANDEZ-SALVADOR: I appreciate the time. Thank you.

MR. GIACOMINI: A question from the Board. Dragan has requested time at the microphone to respond to this. What is the opinion of the Board?

(Off mic comments.)

MR. GIACOMINI: Wait, Dragan, we seem to be up for debate here. Are we going to need to be very brief on this or -- I mean, we're way behind schedule, folks.

MS. FERNANDEZ-SALVADOR: Might I say that I don't want to get into a big debate with anybody else. I'm relaying information from other people. So I prefer that we do not do that. At least I prefer not to be a part of it.

MR. GIACOMINI: I think the majority of the Board is to not right now. If you're here tomorrow, we may do that and we're just trying to get -- we think we understand both sides, and it's going to come down to
just people's impressions of where the -- what
the facts are and where the information comes
from, and all of that, to make a decision for
any individuals who want to make a decision,
and people will disagree. So anything further
here?

(No response.)

MR. GIACOMINI: Thank you very
much, Lindsay. Next is Kyla.

MS. SMITH: Kyla.

MR. GIACOMINI: Kyla, Tiffanie and
Mr. Wolf.

MS. SMITH: Good afternoon. My
name is Kyla Smith, I am a certification
specialist and an inspector for Pennsylvania
Certified Organics. I am here to give some
insight into the need for clarification around
101(b) with a specific example on how this is
affecting our certified farmers in regards to
the brokering of hay and impact this has on
organic integrity.

This has really come to a head
over the past year and a half. This issue has reared its ugly head at many inspections during this time where the farmer who purchased hay from a broker had a certificate from the certified producer of the hay, and an invoice from the broker whom is not certified. There is obviously a missing link in this audit trail which doesn't link the hay back to the original grower. It would be way too easy for a broker to acquire a certificate and pass any hay off as certified.

In my mind, the issue at hand is not whether the hay is considered a packaged product or not, rendering a possibly exclusion, the issue is whether the broker is taking ownership of the hay, which is clearly a function of handling as defined by the Rule.

For example, if a producer is using a custom operator to haul hay, this transport is put into their organic system plan and covered during the producer's inspection, including the audit trail. This
is clearly an instance where the trucker would not need to be certified. On the other hand, we are seeing these brokers take ownership of the hay they are transporting as they are reselling this hay and are providing a new invoice. In some cases, they are breaking up loads or combining loads from various farms. In most cases, they are providing the purchaser of the hay with a certificate but without an invoice to link it back to the original grower. Without that, the certificate doesn't really mean anything.

As it currently stands, these brokers are not seeking certification as they believe they are excluded, therefore they are not inspected, which greatly affects the organic integrity of the cows which are being fed this hay.

Sorry -- ultimately this falls on the shoulders of the farmer that purchased the hay. If they don't acquire the proper documentation, their certification is the one
that is in jeopardy. In some cases, buying
from a broker is a new process for them, and
they are unsure of what documentation they are
required to have. In many cases, they are
probably being told by these brokers that, as
long as they have a certificate, that is all
they need. Farmers are literally about to
lose their certification because they are not
able to provide the documentation required to
prove that they -- that the feed they
purchased is, indeed, organic because these
brokers are not forthcoming with the original
invoice or transaction certificate or weight
slip, or whatever you want to -- whatever they
need.

As far as the costs are concerned,
not all brokers would need to be certified.
If these folks are clearly just hauling hay or
working on commission and not reselling by
taking ownership of this hay, they would not
need to be certified. However, I know that
it's my goal, as I believe it is many people
here, to grow the organic industry while
upholding organic integrity through the
enforcement of the regulations. Requiring
certification of brokers that are clearly
handling would result in a nominal fee for a
few while growing the industry. I also don't
believe the cost should be a basis on whether
or not an operation is required to be
certified.

While I can't predict if this will
increase costs to the farmer, it would
certainly be very minor in comparison to
losing their certification or inadvertently
buying from a broker who does not have
verifiable documentation.

I know this issue goes beyond hay
brokering in Pennsylvania, but I thought a
specific example would help to clarify the
need for guidance from NOP on this issue.

Thank you for your time and
diligence in this matter.

MR. GIACOMINI: Questions,
(No response.)

MR. GIACOMINI: Thank you.

MS. SMITH: Thank you.

MR. GIACOMINI: Tiffanie?

MS. HUSTON-LABBE: Yes.

MR. GIACOMINI: Bill Wolf and Katherine -- Katherine.

MS. HUSTON-LABBE: Good afternoon.

I am Tiffanie Huston-Labbe, and I don't know if it matters, last name, H-u-s-t-o-n, L-a-b-b-e.

I'm the farm program manager at Oregon Tilth, so I'll spare you the details about Oregon Tilth, as you've already heard from Gwendolyn. But we do want to thank the members of the Committee and the NOP for their notable efforts and progress, and we really appreciate the opportunity to be present and comment and be a part of the process.

We have a few comments that echo many that were presented on Monday as well as
today. EPA List 4, quickly, not that our bid
for urgency will impact the speed of the
government, but we do hope that the workable
solutions for this issue will be pursued with
gusto, as it is very apparent it is needed to
help us move forward efficiently and with
clarity.

Agriculture, we want to thank ACA
and industry members for their work. We
strongly support the recommendation of the
livestock committee and join them in calling
on the NOP to implement these standards as
soon as possible. Doing so will provide the
opportunity and market to the many, many
producers seeking to have their products and
practices serve as a -- recognized as organic.

Animal welfare, with 238 we don't
foresee any enforcement changes as mainly due
to the fact that we were practicing under what
the Chairman referred to as the status quo.
However, since the language addition is
focused on technical interpretation, it is
suggested to include a definition of
preventatives along with the rule change.

Animal welfare discussion. The
inclusion of modern animal husbandry
principles and techniques is commendable. We
believe it is every livestock producer's
desire and best interest to handle animals in
a low-stress manner, and that animals' welfare
and condition is and should be at the
forefront.

A few comments with regard to the
discussion documents. Will there be an
economic assessment analysis conducted
regarding the implementation of these
proposals as there was with the pasture rule?
We believe there needs to be some
consideration on the rotation of outdoor
access areas with respect to the stocking
density, management and requirements. Clarity
is requested regarding the acceptable levels
of poor body condition, lameness and lesions.
It is our opinion that if requirements are
proposed for ruminants on physical welfare assessments, similar requirements should be set for all livestock except for bees because I have no idea how body condition score a bee.

Speaking of body condition score, if body condition scoring is not required, how can an inspector accurately assess and report on specific number of animals? Specifically, how can an inspector judge less than two or five percent if they are not required to assess a specific number of the whole herd or flock?

The science behind the suggestion of maintaining ammonia levels is also understood and appreciated. This is something that our staff and inspectors have already been auditing, assessing and taking enforcement action upon without the specific parameters, however the question with this proposal comes back to audit ability and economic impact. So certifiers would need clear understanding of testing requirements,
including documentation required and the responsibility of payment for those tests.

The science behind the suggestions that animals in contemporary have a herd/flock mate within visual contact is, again, understood and appreciated. It is common knowledge that herd animals are less stressed and easier to handle quietly and safely in the company of a herd mate. However certifiers will, again, need clear guidance on the documentation required and the audit ability of this requirement.

That's all I have. Thank you.

MR. GIACOMINI: Question or comments?

(No response.)

MR. GIACOMINI: Yes, I -- just for clarification, when we came forth with our document from the livestock a couple of years ago on body condition and lesions, Oregon Tilth was one of the most vocally opposed to that action. Has that changed? Does that
opinion -- did I understand that you've changed that feeling within your organization?

MS. HUSTON-LABBE: Our feeling on animal welfare has not changed. We've always felt that was very important and people should be conducting those. What Oregon Tilth historically has tried to get away from is very specific requirements on practices on the farm level. So the audit ability of counting lesions is not a problem. When it gets down to numbers and estimates and having to assess a whole herd, that just comes down to being prescriptive on management practices as well as the inspection, you know, timeliness and accuracy and those things. So that's been our perspective on those comments. And that has not changed.

MR. GIACOMINI: That wasn't quite the way it was expressed in some emails I received from -- so well, maybe it's evolved a little bit.

Okay. We appreciate that, though.
Okay. We're past where we should -- we're scheduled to take a break. Let's take one now. It is 3:30, 3:45 back in session. Please be prompt.

(Whereupon, the above-entitled matter went off the record at 3:31 p.m. and resumed at 3:50 p.m.)

MR. GIACOMINI: If the Board members can find their seats, audience, gallery finds their seats, take any -- oh, there's no conversations. You guys are getting so good at this.

Joe, we're ready -- the rest of us are ready to start. Bill, you can go ahead, it's only Joe.

MR. WOLF: Well, my opening -- does this slide? Okay.

My opening comment is to say I want to thank the five retiring Board members an the ten that remain. Extraordinary, extraordinary work this last six months.

I'm going to address a number of
broad issues, and I will point out that there were two public comments that we submitted in great detail to the Board and I hope -- did all of you read those comments? Thank you.

I want to cover -- I've got to find out how to run this -- there we go.

First of all, just to introduce myself, Wolf, DiMatteo and Associates are strategic consultants in the organic industry. I've been involved with organics since 1971, a broad range of experiences from farming to just about every aspect of organic, including being a pesticide manufacturer at one point.

I want to talk about basically some underlying principles that I believe are critical in the decision making here. And the roots of organics in soil, and in soil health, and the principles behind how the world's evolved. This guy, our little earthworm, is really one of the originators of the decision-making process. And I'd like to just bring our earthworm to the table in the process of
thinking about some of the decisions we make. We're trying to encourage earthworms and ladybugs and evaluate products in that context. And the criteria for materials decisions, to a great extent, are easy to understand when you think about what's good for them.

There's another aspect to the rule that's different from almost any other regulation, and that is that it's not static. It is built around continuous improvement. There are numerous sections of the rags that get involved in continuous improvement. Organic is more than just a no-chemical pesticides or fertilizers, and I think it's really important to think in terms of that -- the core underlying principles and not, per se, what we've marketed to the consumer and then respond to that consumer's misunderstanding of the depth of organic in making our decisions.

Okay, now my clicker's not
working. Next slide, that one. Okay.

About continuous improvement, one
of the most dramatic factors that's occurring
is that we really have not solved problems
with how to evaluate and manage commercial
availability. And I'd to address three
general recommendations that are going to help
in decision making about materials. One is,
I think it's critical that the public know and
the growers and the processors know what
commercial availability decisions are being
made by ACAs. That process alone will
increase the availability and solve the
problems as it has, for example, with hops.

We therefore just simply create a
list, have a mechanism where ACAs must report
what decisions they make, both around seed and
around 606 items. The second, apply organic
preference to all non-organic ingredients and
merge 605 and 606 as originally envisioned in
OFPA.
The last point I'd like to make is that we have fewer acres entering organic and that growers and processors are confused because we have a unstable regulatory environment. Four examples at this meeting that would be helpful that we should talk about is uniform certification and enforcement, which the Department is really moving forward with. Renew list for inerts for five years while this new program is being developed and allow a reasonable period for transition to the new program. Allow re-reviewed list for inerts to be used rather than creating a vacuum where nothing can be changed and vote CSL non-synthetic.

I appreciate OMRI's comments. I think there's been a lot of new information brought forward and I think that the processing committee of OMRI should have been involved in that original decision.

I do want to respect Oliver the earthworm, the USDA's earthworm at the -- at
the USDA peoples' garden, and I want to keep
him -- keep Oliver happy. So on that note,
I'm open to questions.

MR. GIACOMINI: Questions? Joe?

MR. SMILLIE: Bill, you said
something that caught my interest. You said
that you thought that OMRI's processing
committee should have been involved in that
decision, or was that an intended comment?

MR. WOLF: Yes, the advisory
council was originally structured to have a
expertise from throughout all aspects of the
community. I was the founding president of
the Board of OMRI and was -- served in that
role for seven years. And the advisory
council was intended to generically look at
many of these issues and function to really
bring together all kinds of experts from
industry, from all across -- across all
communities. And the crops committee made the
decision to send it to the crop advisory
compartment of the advisory board.
None of the members of the advisory board, as I understand it, that were on the -- it's been segregated rather than holistically looked at. And so corn steep liquor is a byproduct of food processing, so the decision about whether it was a synthetic process needed to include food processing experts. So that was the point I was making. And so I -- you know, I respect OMRI's process but I think that there's a lot of new information that's come to light since that decision was made.

I think it's also important to understand that some of that is the base. We're triggered by competitive complaints and that we are now embroiled in a debate that doesn't really move us forward as a community.

MR. GIACOMINI: Questions, comments? Katrina, did you have something?

(No response.)

MR. GIACOMINI: Okay, thank you, Bill.
Katherine. Kim Keitz, Gwendolyn Wyard next.

MS. DiMATTEO: Katherine DiMatteo and I'm the other part of Wolf, DiMatteo and Associates, but we have a third partner also, Sandy Mayes, so we are -- and we have associates also throughout the U.S. that work with us.

I want to make very clear that the comments that we did submit that Bill referred to reflect Wolf, DiMatteo and Associates, not as paid consultants for particular clients, but as individuals who work together who have experience, long experience in organic. And it does reflect our own opinions and our perceptions and our wishes for the organic community. And so I just want to credential myself a little bit for those of you who don't know me, and to remind those of you who do, where this comes from in terms of my -- how I look at the things that come before you and come before all of us in the organic
community.

I started out as a -- in consumer co-ops, I worked 20 years in consumer co-ops. I worked for a Peace and Social Justice organization. I worked for a sustainable energy organization. For 16 years I was the executive director of the Organic Trade Association, I'm currently the president of the International Federation of Organic Agriculture Movements. So there's a deep and broad and diverse background that I bring to thinking about. And my opinions, and our opinions at Wolf DiMatteo and Associates, I also want to say, clarify again, we're not influenced by clients. Rather we sometimes turn down prospective clients because they don't match what we would like to see come out in terms of either inputs or certified organic products or farms or participants in the organic community.

So I won't spend much time on corn steep liquor or try to repeat too much of what
we wrote in our comments. I do want to just point out that, unlike fish emulsion, corn steep liquor is not developed to be a soil amendment. It is a byproduct of food processing. And I think that must be decided to be a synthetic because it is a byproduct of food processing. It doesn't differ from other byproducts of food processing and the decision for it to be a synthetic would have great and long impact on many, many of the materials that are used in composting in our community today.

I also urge you not to put this decision off. I think you've spent a lot of time and with the changing of the guard and thanks to the five retiring members, I think the decision should be taken at this meeting.

Tina, thank you for clarifying the posting of the document, I appreciate that. I know we made comment about our concerns, but thank you for taking responsibility for that and explaining it to us.
The sunset review recommendations.

We're really pleased to hear that the NOP has been in discussion with the EPA and we're really hopeful that the outcome of those discussions provides a practical solution that doesn't overburden the National Organic Standards Board or discourage suppliers from providing organic compliant inputs. I think it's very important that we have a process that moves forward in an orderly way and doesn't disrupt or discourage the development of organic compliance and less toxic products that we can all use in many different ways outside of organic production.

In terms of the policy committee, sunset review process and their recommendation, thank you very much to all of the board members for the discussion that you had yesterday. I thought you made great progress and it was a great interchange and -- on the optic. And I appreciate the recognition by the policy committee members,
that they'll take that back and make some
adjustments to ensure -- to make the changes
needed to ensure, to allow for public comment
on annotations prior to a full NOSB vote.

So I just want to read one part
from our comment because it's important to me.
We realize that a limited list of allowed
synthetics is viewed by some as the correct
approach to ensure integrity of organic. We
disagree and believe it is not the number of
items that matters but the compatibility with
an organic system that is most important. It
is important to keep in mind that there will
always both new and experienced farmers and
handlers and the use and need for materials as
well as the effectiveness of alternatives is
dependent on the maturity of the farm or
handling operation.

Also the fact that an input is
synthetic or natural should not be the
paramount concern but rather it is the impact
on soil, crops, livestock, the environment and
human health as well a judicious use that
ensures integrity and sustainability of
organic systems.

Thank you.

MR. GIACOMINI: Thank you. Any
comments or questions? Katrina?

MS. HEINZE: When you were talking
about CSL, I thought I heard you say
classified as synthetic. And I'm wondering if
that was what you meant?

MS. DiMATTEO: It was not.

Classified as a non-synthetic.

MS. HEINZE: Thank you for
clearing that up.

MS. DiMATTEO: Because it is a
food processing waste material.

MS. HEINZE: I just wanted to give
you the chance.

MR. GIACOMINI: Okay. Any other
questions, comments?

(No response.)

MR. GIACOMINI: Okay. Thank you.
Tag team champions Kim Keitz, Gwendolyn Wyard, Cameron Wilson and Jim Pierce.

MS. KEITZ: We have come out of dormancy. The Material Working Group was founded about three years ago, somewhere around there, really to be an unaffiliated collection of individuals with technical and regulatory background.

Participation in the Group was open and available to any interested party. In other words, it was not a function or Organic Trade Association or any other group. It was Gwendolyn and I's mission to make sure that anybody and everybody who wanted to participate could so that we got a very well-rounded group of individuals to -- with their opinions.

So again our goal was to offer working papers to the NOSB on the materials issues and the list of individuals that participated or somewhat -- some participated more than others. But that was the group that
was on the entire email list there, so to speak. And what we're going to present to you today is really just a summary over the last several years of flow charts on material review. Our charge is just to make sure that we keep in front of you the history of materials and how those things are reviewed.

MS. WYARD: Okay, not much time here. Really what I'm about to deliver is a motivational speech, to get the horse in front of the cart and follow a process that involves a decision tree and a narrative that supports that decision tree and a worksheet that can be filled out. And I know that since you're getting beyond all the sunset materials, and you mentioned, Katrina, that this is now going to be a focus, that's really the intent of what I have to say here today.

So going back in time, this is the NOSB recommendation of 2005. And in this recommendation, some of the working concepts that were being applied here, this is where
the concept -- are you doing that, too, Lisa?

MS. BRINES: That doesn't work.

MS. WYARD: Okay, I appreciate your support. I wasn't sure who was moving what.

So at this point in time, this is where this concept started. I don't think it started here but it certainly was captured here in this recommendation, that as long as the extraction process does not chemically change a substance that's being extracted, as long as a chemical reaction does not occur. This is the idea that contact with a synthetic substance, a processing aid, would not render it synthetic unless a chemical change occurs.

The NOSB at this point spent a lot of time, they put together a chemistry 101 paper and they really delved into what would constitute a chemical change and exactly what they meant by chemical change. So coming down here, this -- that recommendation went on to the NOP, and then the NOP, I believed they
hired another organization to put together a document which is referred to as the NOP framework. And this is the decision tree of '06. And basically they took the --

everything that the NOSB had in their recommendation and they cleaned it up and they made suggestions to make -- to help it make more sense. And they put this decision tree together.

And the Material Working Group then came along and we looked at this decision tree and we spent a time, quite a bit of time, the group that you saw up there, improving this decision tree. So yet another decision tree was created. And the decision tree is what was presented to the NOSB. Our document was dated 4/20 of '09. And it basically took a lot of very, very good information that was put together in the NOP framework. We adopted almost everything in that document related to synthetic/non-synthetic and put it into our document.
I'm going to interject just a --

this next slide just to demonstrate. I'm
taking the liberty of bringing in something
that Oregon Tilth created. Simply as a
demonstration, what this is responding to is
the NOP response to the Board. What a
decision tree might look like if you were to
separate out agricultural and non-agricultural
from synthetic and non-synthetic. So as you
move ahead and you put your decision tree
together, we very much recommend, you know,
that the response from the NOP can be set up
this way where, right from the very beginning,
you ask, what are we dealing with? A crop
input, a livestock input, processing input.
So that's just sort of the starting map.

Now the first decision tree that
we presented to you, we did not include a
question about significant levels, because we
couldn't come up with very good, clear
criteria of what a significant level would be.
So we left that out. That has become very
much a part of the discussion and we think
rightly so, and that was definitely very much
a part of the 2005 NOSB recommendation as well
as the NOP framework.

So when you're looking at the
decision tree that the Material Working Group
submitted, here's -- we're going into examples
-- I'll just quickly wrap up -- these are
worksheets that you have to use, tools that
you can use. And make sure when you put these
worksheets together that you include -- and
this is information from the Material Working
Group document -- an explanation that goes
behind the definitions. These explanations
here didn't make it into your April
recommendation. You brought forward the
definitions, such as chemical change, but
there's very clear criteria that, you know,
gets into the explanation of what that means.
And that's very helpful. And you can read
through this document here and see how
incredibly helpful these types of
considerations would be to a determination of corn steep liquor, for example.

Thank you very much.

MR. GIACOMINI: Question, Katrina.

MS. HEINZE: I wanted to thank you for that summary and for the reminder. The Fall 2009 document did adopt most of what the Material Working Group recommended, and it does have a sentence in there that, for a full explanation of the thought process on how to include -- apply the definitions, you do need to look at the Material Working Group document. So I do appreciate that reminder, Gwendolyn.

MR. GIACOMINI: Further questions, comments?

(No response.)

MR. GIACOMINI: Kim, you -- I'd like to ask you a question. You were Material chair for a number of years, you co-chaired the working group. You showed the different trees, the framework tree which is almost
exactly the same as the OMRI tree that we gave
us, you showed us the other tree of
alternatives. Without getting into the
specific -- I'm not asking you whether you
think corn steep liquor is synthetic or non-
synthetic, and I'm hoping you won't have to
answer it from that perspective. Can you give
any of the Board members who are -- have for
whatever reason -- who are still looking -- as
we are still looking at this, so I'm going to
say everybody -- no one has fully decided, can
you give us any insight, recommendations, very
briefly on dealing with this issue? It's
complicated, it's that .1, .3 percent whatever
that's a problem.

MS. KEITZ: You know, it's painful
sitting out in the audience watching you guys
go through this because I know it's very tough
decisions that you have to make. I suppose my
advice would be that, you know, again, use the
tools that you've got in front of you. It's
your charge as a Board to make the best choice
that you can at the end of the day. It's --
you know, I see two sides. You've got
scientists saying this and scientists saying
that. Again, at the end of the day, you've
got to make the best balanced choice with
that.

You know, I do -- I disagree with
the statement made earlier that you have to
just make a synthetic or non-synthetic
decision. I think you do have to look at
evaluation criteria. You know, you have to
take -- you have to look at this material as
a whole, you know, and if you're on the fence
on something, I think you need to defer to,
you know, what you think is best for the
industry and for the material. I guess that
would be my advice to you.

MR. GIACOMINI: Katrina?

MS. HEINZE: I should have asked
earlier, are you guys around tomorrow?

MS. WYARD: Yes.

MS. KEITZ: Yes.
MS. HEINZE: Okay, thank you.

MR. GIACOMINI: Further questions?

(No response.)

MR. GIACOMINI: Okay.

MS. WYARD: Thank you.

MR. GIACOMINI: Thank you.

Cameron Wilson?

MR. WILSON: Yes.

MR. GIACOMINI: And Jim Pierce and Cameron Wilson.

MR. WILSON: Me again. So I'm not sure if I shift over there later, but --

MR. GIACOMINI: No, actually you stay at the podium.

MR. WILSON: Okay, all right.

I'm going to talk about EDDS which is a urgent matter we petitioned to the NOSB. I work for a company called Neudorff. Neudorff, German-based, family-owned company, specializes in the development of natural pesticides. Many of the products that we have are NOP and OMRI compliant. We've petitioned
the NOSB to add the biodegradable chelater at EDDS to be allowed as an inert and pesticide used in organic production. EDDS represents the next generation of chelaters and was developed to replace synthetic chelaters which are currently on the August 2004 list of inerts of minimal concern. EDDS, if improved, would result in less synthetic chelaters being put into the environment and our food system.

Many industries in Europe have already embraced the use of EDDS to replace synthetic chelaters due to the concerns surrounding the synthetics. EDDS is used in organic agriculture in Europe today. In Switzerland, the FiBL organization has approved EDDS for use in organic production and most recently received verbal approval from ECOCERT for the use of EDDS. We kindly ask the NOSB to do the same.

NOSB recommended not to allow EDDS to be added to the National List based on the perceived lack of need to do available
alternatives, the organic compatibility to agriculture and the lack of detailed information regarding the potential environmental health and impacts to the manufacturing process. When we first received the TAP review, our first reaction was, it looks like this was reviewed as an active ingredient. That was our first impression. And still we went through the process of responding, however we believe that it was put into a process that looked at it as an active ingredient, and we believe that the process is flawed and it has to be looked at in a different way because it is an inert.

I'm going to go on and state a couple of reasons why I feel EDDS is important, but I will -- I want to say my summary first in case I get cut off. It's that we ask the NOSB to defer the vote on EDDS until the NOP, USDA and EPA collaborate on the review process for inerts.

So let me go through now and
explain why we believe EDDS is important.

There is a need for chelaters and pesticide formulations used in organic production.

Chelaters are commonly used inert ingredients and are essential to the shelf stability of pesticide formulations. Without their use, less inputs would be available to organic farmers. This would result in higher food cost to the end user.

Metal ions introduced during the manufacturing and packaging process will oxidize both active and inert ingredients in pesticide formulations rendering them less stable and less efficacious. As mentioned, less biodegradable synthetic chelaters are currently on EPA's list 4(b) and allowed in pesticides for organic production. These chelaters are considered old chemistry and have been replaced in many industries in Europe with biodegradable chelaters such as EDDS.

We have requests from U.S.
customers to formulate with biodegradable inerts such as EDDS and to stop using synthetics. In Europe, EDDS is widely used in a variety of high-volume industries because of its excellent environmental profile. Some of the diverse applications that EDDS has replaced less biodegradable chelaters are laundry detergents, surface cleaners, personal care products, bleaching, photographic development and agriculture, pest control products and foliar fertilizers.

EDDS is compatible with organic agriculture. EDDS is naturally occurring and produced by soil microorganisms. EDDS is already present in the ecosystem and the mechanism for its utilization and degradation by soil microbes are also present. EDDS is completely and quickly mineralized by microbes into carbon dioxide, water and ammonia. The biodegradable nature of this compound led to the Manufacturer Award and The Green Chemistry Award in the U.K. and allowed for EDDS to
obtain several European eco-label approvals.

EDDS has no adverse effects on human, animals or the environment. EDDS is considered of low toxicity to human by the EPA and approved for use in food-contacting paper products by the FDA. There will be no adverse effects to people or animals when used as an inert ingredient in pesticide formulations. The toxicity to EDDS has been tested on a variety of non-target organisms such as earthworms, dafnia, algae and fish and found to be nontoxic at the concentrations well above what would reasonably we would expect to be using it at in inerts and pesticides.

As EDDS is naturally occurring and rapidly and completely biodegradable, there will be no adverse environmental impact. The manufacture of EDDS does not pose a risk. One of the things identified in the TAP was the manufacturing process -- I'll finish up. The process uses a compound dibromide ethane. It's carefully controlled in the production
method and contained and the product EDDS does not contain any dibromide ethane.

So --

MR. GIACOMINI: Thank you. Any --

MR. WILSON: -- I'll summarize and say --

MR. GIACOMINI: Okay.

MR. WILSON: -- it's already being used in Europe in organic products. And again, just to reiterate, we ask the NOSB to defer the vote until the process is collaborated.

Thank you.

MR. GIACOMINI: Joe?

MR. SMILLIE: I've got a lot respect for FiBL. They are a very well-known organization and do a good job. That's a very good sign. I think that a request for deferral until we've got the proper process for judging these is an appropriate request.

MR. GIACOMINI: Crops Committee, does that satisfy the request that you made
regarding these -- the substances?

    MS. ELLOR: It absolutely does.

In fact, we got together this morning as a Crops Committee and certainly we're willing to defer it until the next meeting. And we're certainly willing to defer it until the process is-- the complete collaborative process is up and running. So thank you so much for coming.

    MR. WILSON: Thank you.

    MR. GIACOMINI: Thank you very much.

    MR. PIERCE: Mr. Wilson, would it be easier for you to do your other presentation now and --

    MR. GIACOMINI: No, we're not doing that.

    MR. PIERCE: And Mr. Chairman and Ms. Secretary --

    MR. GIACOMINI: Jim Pierce,

Cameron again and then Lisa.

    MR. PIERCE: A slight request. I
should be able to finish my comments in about four minutes, at which point I'll take questions and then, if possible, I'd like to use my last minute to make you smile.

MR. GIACOMINI: You're not going to let us smile for four minutes?

MR. PIERCE: Not like that. So if you'll just start the clock please and then give me one more minute. All right.

I'm Jim Pierce from Oregon Tilth, the best certifier. For the record, these comments are on behalf of Oregon Tilth and/or myself and are not intended to advocate for any of our fine clients.

Most of you know from previous testimonials that my particular brand of organic zeal is as a lumper not a splitter and as a staunch standards conservative but an out-of-the closet materials liberal. You are about to draw a line somewhere between hair and fish.

OFPA 65.17 addressing the National
List is simultaneously verbose and vague on organic -- on synthetic materials, but it is clear that there is to be a list of allowed synthetic materials. And by my read, the crux of the assessment would be (c)(1)(A)(iii) that the use of materials is consistent with organic farming and handling.

As you debate and complete the criteria information forms, please do so in the spirit of previous Boards by weighing the impacts against outcome benefits. In the spirit of my NOSB mentor, George Siemon, also ask who dies? Nothing, including organic farming and convening an NOSB meeting is zero impact. As Jeff Moore astutely noted yesterday, Monday, if the weather turns icy cold tomorrow, the environmental impact of your decision to ban propylene glycol from arguably compatible organic input would be eclipsed manyfold as your plane is deiced. Irony? Yes, you bet ya, as they say here in God's country.
You need to draw a clear bright line between synthetic and non-synthetic but not here. If you decide that corn meal, corn starch and corn oil, and as a byproduct corn steep liquor are synthetic because of the process, and regardless of the outcome, you will certainly have set a precedent for a high bar for organic integrity but you will have done a disservice to the future of the entrepreneurial spirit as well as future NOSB Boards which will have to struggle with the impact of your decision.

Now, before I lunge headlong into the next lane of traffic, let me repeat that I'm not advocating on behalf of any of our fine clients, which include both the Montague Hop Growers and the Capulet Breweries.

Maybe you realize it, but if not here's the verbal two-by-four. Hops, like flavors, colors and soon hopefully yeast is not about listing or delisting, it's about commercial availability. Monday we learned
that 99 percent of hops are contracted, and although the Montagues are sitting on 80,000-plus pounds of inventory, the Capulets seem to be not only avoiding forward contracting for those hops but by specing their way around losing what's available. Shame on them and shame on us, the certifiers, for not settling this feud. Mr. Murray, dude, we blew it. Not so good. That is all.

Or is it? Transcripts will show that somewhere in these rants I address the NOP, and that would be now. Please prioritize commercial availability guidance based on the 2007 and 2008 NOSB recommendations, including language on proactive measures which would include forward contracting. Doing so will allow your agents, us the certifiers, to universally apply considerably more pressure on farmers and handlers to increase the use of organic seeds and ingredients. Without such guidance, we will continue to struggle with hop-like commercial availability abuse with
other ingredients such as flavors, colors, corn starch and very soon, hopefully yes, yeast.

In closing for the record, I love babies. And I love beer -- and I love beer. This is critically important. You're on the right track, good work and Godspeed.

MR. GIACOMINI: Okay. Now --

MR. PIERCE: Questions?

MR. GIACOMINI: Questions. Questions. I think you've just eliminated the possibility of any questions.

MR. PIERCE: Well, we'll see if this is in tune, but I'm not really thinking it's important. My G-string seems a little tight, but I'll get over it.

MR. PIERCE: (Sings a song.)

MR. GIACOMINI: Don't know why you didn't include that in the regular part of your comments. That's absolutely precious.

Kevin, you have a question about - -
MR. ENGELBERT: I'm just so pleased that I'll have a memory for my last memory from my last meeting that I'll never forget.

MR. GIACOMINI: Okay. You offered Cameron to go ahead of you, and now I understand why.

MR. PIERCE: That's a tough act to follow. I should have brought the bagpipes.

MR. GIACOMINI: Cameron, Lisa and Michael Brandt.

MR. WILSON: So I'm going to talk a little bit about the EPA list for inerts. Recommendation by the NOSB was to extend the list for five more years. Neudorff supports the relisting of EPA's list 4(a) and (b) inerts for five more years. We disagree that -- with the minority opinion that three years is sufficient time period for review of the list four inerts.

Neudorff is a 156-year-old company. Despite our small size, Neudorff is
recognized worldwide as a leader in developing pesticides for organic production. We rely on our decades of experience and knowledge rather than large research budgets that would enable faster formulation and reformulation work. Removal of some of the current inerts allowed in organic inputs in five years would put smaller companies, such as ourselves, at a disadvantage. Our research group is less than ten people.

We have spent a considerable amount of time and money developing, patenting, registering and marketing our intellectual property based on the current allowable inerts. Losing these inerts without enough lead time would jeopardize the future of our business in the U.S. It would also result in less inputs for organic growers resulting in potentially less yields, resulting in higher prices to the end user. This seems to contradict the spirit of the organic movement.
We understand the need for the NOSB to continue to revise and improve the list of materials allowed for use in organic agriculture. We support the continued use of the EPA's list 4(a) -- 4(a) and 4(b) inerts to allow a thorough review of chemistry and toxicology in these inerts. Developing stable efficacious products specifically for the organic sector and formulation changes resulting in regulatory changes takes years to effect. We urge the NOSB to provide enough lead time when the inerts list does change.

One of the features of natural active ingredients is that they typically break down readily. With organic pesticide formulations, the inert ingredients are especially important. They need to stabilize the active ingredients effectively in the end-use product. For this reason, formulation and reformulation of pesticides that continue to have natural ingredients is difficult and time consuming. Once a formula is determined to be
efficacious, stability must be confirmed.

The EPA, for example, requires one year storage stability studies. The EPA and Cal EPA must review and approve new formulas. OMRI must approve new formulas. For this entire process, R&D companies such as Neudorff, require a minimum of four to five years notice of any changes to the list of allowed inerts to prevent this disruption to growers.

Neudorff supports the NOSB's recommendation of relisting the current EPA's list 4(a) and (b) inerts for five more years. Anything else will result in fewer inputs available to the organic farmers, putting their business at a disadvantage.

And I just wanted to ask one question. Does the NOSB recommendation include list four inerts that were added after August 2004? Because there were -- there were inerts that were petitioned, that were added to list 4 and then they were actually
disallowed.

MR. McEVOY: Well, I can't speak for the NOSB recommendation, but I can speak for the list 4 materials that were added after September of -- what was that -- '04 -- August 2004 that are not included in the list of approved substances.

MR. WILSON: Okay. Just maybe this is a silly question, but what was the logic? Is that they picked the August 2004 list, they took some ingredients off, they put the -- other ones were petitioned after that to go on, and then those were disallowed. I'm just trying to understand the logic behind that. We got caught up in it a little bit, and we were able to clean it up. But it was a bit of a tricky situation.

MS. BROWN-ROSEN: Emily Brown-Rosen.

It had to do with EPA's procedures. They -- and they were reassessing the tolerance for all those inerts. And
initially they started handing out letters and
claiming they were going to update list 4, so
various certifiers and OMRI accepted them.
But then they finalized their process and
announced they were not going to update list
4, and it kind of left those inerters in limbo.
So NOP issued a new policy clarifying how
we're going to use the obsolete list and we're
really going to have to rely on the old -- you
know, the actual published list. So it's a
problem. That's why we need to go forward and
deal with this further.

MR. WILSON: Okay, thank you.

MR. GIACOMINI: Is that --

MR. WILSON: Well, that was my
question.

MR. GIACOMINI: Do you have any
more -- anything else?

MR. WILSON: I was going to ask
you that.

MR. GIACOMINI: Okay. Any
questions or comments?
(No response.)

MR. GIACOMINI: Okay, thank you.

MR. WILSON: Thank you very much.

MR. GIACOMINI: Lisa, Michael Brandt and Karreman. Go ahead.

MS. BUNIN: Good afternoon. My name is Lisa Bunin and I'm the organic policy coordinator at the Center for Food Safety. CFS is a non-profit member organization that works to protect human health and the environment by curbing the proliferation of harmful food production technologies and by promoting organic and other forms of sustainable agriculture.

Today I'm also representing CFS's sister organization, the International Center for Technology Assessment, a non-profit organization dedicated to providing the public with full assessments and analysis of the impacts of food-related technologies on society.

My remarks today will focus on
nanotechnology, but first I want to briefly comment on corn steep liquor in light of the Board's discussion yesterday. Although we believe that corn steep liquor meets the definition of synthetic because it is manufactured by a chemical process, we strongly urge the Board to postpone your decision. We urge more investigation and research due to the confusion surrounding the fundamental chemistry. What's at stake is far reaching and therefore the decision should not be made without clear Board agreement and consensus on such a core definition.

Okay. On to nano. CFS and ICTA are pleased to see the recognition by the materials committee that there is overwhelming agreement within the organic industry to prohibit nano technology in organic production and processing at this time. We wholeheartedly support the prohibition of nano technology and nano materials in organic, and so do 8,320 of our individual supporters who
wrote to this NOSB urging it to take immediate
action to protect the integrity of organic by
keeping nano out.

CFS and ICTA support the materials
committee's proposed definition of engineered
materials and its' acknowledgment that the
unique functions and properties of materials
at the nano scale could harm animals, humans
and the environment. We also support
excluding traditional food processing
technologies and naturally-occurring nano
particles which clearly differ from those that
are deliberately manufactured. We agree with
the committee's conclusion that deliberately
engineered materials are synthetic. It does
not matter whether the bulk -- original bulk
material comes from a natural source because
once materials are manipulated at the
nanoscale, the chemical and physical changes
that result render it a non-agricultural
synthetic material.

We do not support allowing
individual nano materials to be petitioned for
placement on the National List on a case-by-
case basis. Nanotechnology, like genetic
engineering, irradiation and sewage sludge is
antithetical to the letter and intent of OFPA
which limits the use of synthetics in the
production and handling of organic products.
Synthetics are intended to be the exception
rather than the rule.

To reinforce this intent, OFPA and
the organic rules state that, if the substance
is allowed on the National List, it must not
be harmful to human health or the environment.
Nanomaterials cannot meet the standard due to
the many documented risks of harm that we have
presented in our current and previous written
testimony to the Board. We strongly urge the
Board at this meeting to recommend a complete
prohibition of nanotechnology in organic
production and handling without any exceptions
or caveats, but adding it to Section 205.105
of the Rule in a new letter (h).
Packaging is a predominant product category where food-related nanotechnologies are being deployed to extend a product’s shelf life, particularly through the use of anti-microbials like nanosilver. This type of nano packaging is designed as a delivery system whereby the nano particles are embedded in the packaging act as a preservative, anti-microbial or anti-fungal, among other things. As such, we believe that the authority already exists within the organic rule to prohibit nano in packaging in Section 205.272(b)(1). The rule states that packaging materials and starched containers are bins that contain a synthetic fungicide, preservative or fumigant are prohibited for use in the handling of any organically-produced agriculture product and ingredient.

CFS and ICTA disagrees with the recommendation to delay making a permanent decision to prohibit nano in organic and instead hold a symposium. There is sufficient
evidence today about the environmental and
health risks of nano to conclude that it
contravenes the principles of organic and that
it needs to be prohibited. Failure to take
immediate action in the face of growing and
unregulated industry threatens to undermine
both the integrity of organic products, the
consumer confidence in the USDA seal.

In conclusion, when it comes to
nano in organic, we believe that a firewall
should be built without a door.

Thank you.

MR. GIACOMINI: Questions? Tracy?

MS. MIEDEMA: Lisa, I'm going to
ask the program a question based on what you
just said. We know that we created a problem
for you all with cloning and how we took a
very strong stand that was very hard to take
action on. At least that's our -- what we've
kind of gathered. What is or what would be
the most actionable stance that the NOSB could
take to prohibit nano?
MR. McEVOY: Well the cloning recommendation that you made, we issued a policy statement on that that cloning is not compatible with organic production. So the part that we couldn't take on was the part of the recommendation to prohibit the progeny of cloned animals. It's also prohibited because that's not specifically outlined in the current regulations. So I wouldn't necessarily say you caused a problem. We took your recommendation and did the best we could with what we could through a policy memo. And then, in terms of additional work on the progeny piece, that would have to be done through rule making.

In terms of your nanotechnology recommendation, when there's a final recommendation -- we've worked with you in terms of the development of the recommendation, but when you have a final recommendation, we'll look at that and we'll see how we can move towards implementing the
NOSB's recommendation. So it's hard to say specifically what's the best recommendation for us to have to move forward. It sounds like the intent is that you want to prohibit nanotechnology and we'll take that and see what's the best way to move forward on that.

MR. GIACOMINI: Thank you. Yes, we've certainly heard over the past year, as we said before, with all the caveats of the confusion around it, that no one wants nano in organic, including at one point in time the people, the 1,655 people who responded to my personal email being posted on a web site to respond to whether they wanted nano in organic. So we -- I know I certainly heard it in those 20 hours when I was -- before I was able to get that web site changed. So --

And next up is Michael Brandt, Hugh Karreman and Wendy Buckwalter.

MR. BRANDT: Good afternoon. My name's Mike Brandt. My connection to the organic industry is primarily that of a
consumer. I haven't been with you for what is now almost three days of hearing so I don't know what may have transpired. I'm not wishing to waste anyone's time. The first thing I need to ask is, is the topic of henhouse porches, as relates to outdoor access for laying hens, is this still a relevant topic for addressing the board? Great.

I live in Arena, Wisconsin in what's known geologically as the driftless area. Our region is characterized by wooded hills that are scoured with deep valleys, hollows and coolies, therefore mostly unsuitable for large-scale agriculture. One could always raise cattle there and grow enough feed for them, so for a long time the driftless area was dominated by family-run dairy farms.

During the past 50 years, industrialization of the dairy industry has made it increasingly difficult for small operators to survive on conventional product.
That a viable, even growing dairy business remains in the driftless area can be credited to one thing more than any other, it's the organic brand. The organic brand represents the margins needed to support small scale family farms. The evidence of this is everywhere throughout the driftless portions of Wisconsin, Minnesota, Iowa and Illinois and has come to encompass not only dairy products but meat, wool, fruits, vegetables, poultry and, yes, eggs. Hundreds if not thousands of producers in this region are in business, can only be in business, in fact, because of what the organic brand represents to consumers.

For over 35 years, my wife and I have gone out of our way to find and purchase organic product. We've done so for a variety of reasons, including nutrition, environmental impact, the humane treatment of livestock. It's only been within the last decade or so that we've come to appreciate the ways in which the organic brand serves to support the
health of our local economy and the farm families who contribute to it.

We buy our eggs and chickens from a neighbor who's certified organic. They and their young children also milk cows. When I drive past their farm, I can see the chickens in the field, I know they're getting exercise, I know they're getting fresh air, I know they're supplementing their feed with things that they're scratching out of the ground. What everyone in this room knows is that the scene I just described is exactly what the consumer imagines when he or she looks at the word organic.

The image of thousands of chickens crammed together, whether it be in an enclosed warehouse or on a concrete floored porch, that bursts the bubble. That is not what people think they're paying for. And it serves in the mind of the consumer to degrade the organic brand down to just another phony-baloney gimmick. And that will not enable
families like my neighbors to support themselves on a small farm.

I'm here today both as a consumer and as a concerned member of an agricultural community to remind members of the NOSB that the value of the organic brand has everything to do with matching the expectations of the consumer with the realities on the farm. In that context, eggs that come from a chicken that never sees the light of day are not organic eggs, and people will not knowingly pay an organic premium for them.

I therefore appeal to you to recognize hen house porches for the sham that they are and submit to the National Organic Program new rules excluding porches as a means of satisfying outdoor access requirements. Large producers who do not choose to comply with reasonable organic standards have other avenues for differentiating their product and increasing their margins. To allow them to do so by degrading the organic brand is a
disservice to the consumer, like myself, as
well as to my neighbors and the larger
community of driftless area organic farmers.
Thanks.

MR. GIACOMINI: Questions and
comments?

(No response.)

MR. GIACOMINI: Thank you.

Hugh Karreman, Wendy Buckwalter
and Jonathan Woolick -- Jonathan.

MR. KARREMAN: Good afternoon,
folks, glad to be back up here. It feels nice
to be near you but not stuck in those seats.
I'm Hugh Karreman, former Board member, near
my livestock folks here, and just
congratulations to the graduating class. Well
done Kevin and Jeff and whoever all else. I
still get a little nervous up here as I used
to before I was on the Board.

So anyway, I just wanted -- I have
a few thoughts here, I don't know how long it
will take. Less than five minutes though,
okay.

So last night I gave a talk at the veterinary school here in Wisconsin, here in Madison. It's about 40 students, to the Integrative Medicine Club which about three-quarters of them were dairy-oriented. Well, we're in Wisconsin, so that makes sense. And I invited them to come here if they had any spare time, to watch democracy in action, which this totally is and it's wonderful. They had a lot of questions throughout my talk -- of course, I'm talking about organic dairy cows, having been immersed in this 15, 20 years now. And they had questions which were pretty difficult to answer and -- such as, why is Ivermectin allowed in dairy stock but not beef, or why does the EU and Canada allow antibiotics and the U.S. doesn't? Those kind of questions.

And my answer to them, generally to any group, is that the organic industry, just like the other gentleman said, is very
consumer driven and you have to listen to the consumers. And because they're paying the premiums to the farmers, okay? So when you're talking about, I don't know, corn steep liquor, and you guys are getting into what I would call the realm of the absurd, think about what the organic consumer would think about just the big picture of what you're talking about.

So I mean, on that corn steep liquor, the thing I would say, I would sit on the that it's a non-synthetic type thing, or hold your vote, whatever, okay? Don't make the song come true that Jim so nicely sang.

Anyhow, on some other things, 239(c)(2), I agree with your recommendation, I also agree with Harriet Behar's addition that there needs to be a note that materials need to be on 603 and/or in compliance with organic standards, otherwise some non-listed items might be used as preventives. Okay, so you just have to make that extra statement
that it's got to be in compliance with organics in the list.

In animal welfare, I agree with the outcome-oriented stance, but always keep in mind that whatever resembles a factory-type farm, where a completely-enclosed facility will create at some point a black eye for the industry. And I agree with the person from, I think it was Coleman, who said that the organic label should say all so they don't have three or four different labels that add it's humanely raised and this and that.

Don't forget that the organic system, we use no sprays and that's why I really, really love organics. There's no herbicides, pesticides, fungicides, insecticides sprayed into the environment. And those humane stickers can't say that, or they don't, as far as I know. The organic sticker does. So the organic sticker also should have that humane aspect in it, just keep it in mind for the consumer so it's not
so confusing for them, so they can have it all in that one seal.

Natural behavior, definitely critical to animal welfare and is a function of being in their natural environment, not sawdust on wood flooring as a proxy for real outside living. Sawdust on wood flooring or concrete is pseudo-natural behavior -- that allows for pseudo-natural behavior.

Poultry houses. Has anyone asked if the land that they sit on is certified organic? I know one place in Pennsylvania where it is not. It's a certified organic poultry house, the land on it, under it and everything is not certified organic. That's a big question.

Let's see. Methionine. I think there needs to be a regulatory change to allow poultry to express their natural behavior by being omnivores and not herbivores. That's a forced condition. And it's a shame that methionine, as a residual, the cheapest way to
feed totally confined conventional poultry. Origin of livestock, poultry should be also made to be organic from whatever the equivalent is to the last sort of gestation and not just one day of live when they're given a variety of things on that first day. Mammals have -- mammal-type things have to be -- last through gestation, so should poultry. Vaccines, there's a lot of genetic -- not a lot, there's some genetically-engineered vaccines, there's 24 in existence with about 11 labeled for poultry. Are they being used? Ending thoughts, I would just say is that, always keep in mind what the organic consumer would think if they were standing wherever you are in the organic industry in real time outside on a farm, what they would think if they were standing there right then and there. Can you explain what is happening, would they accept it? Because they're the ones paying the premiums. So anyway, thanks.
MR. GIACOMINI: Questions and comments?

(No response.)

MR. GIACOMINI: Okay. Oh, wait, I do, Hugh. Back up, please. Could you give us -- we've got a number of other documents that we're working on, hopefully what we need to do on 238(c)(2). Could you give us some specific -- you can just write it down on a piece of paper and hand it to us later for us to consider tonight, the specific changes you'd like to see us consider on that?

MR. KARREMAN: Sure.

MR. GIACOMINI: Also on -- an on the poultry, the issue of the one-day-old chicks being organic is something that we've grappled with forever. Unfortunately that's the way OFPA wrote it. And unless, you know -- so as the former Deputy Administrator of the program -- no, I guess you would -- anyway, Barbara, whatever her highest title was, Congress trumps.
MR. KARREMAN: Oh, I would say, though, that I believe that is in OFPA, the basis for things, and the regulations can be tighter. I was just -- that was more to the NOP as far as the origin of livestock --

MR. GIACOMINI: Yes.

MR. KARREMAN: -- to make it consistent for livestock. If it can be done.

MR. GIACOMINI: Comments, questions?

(No response.)


MS. BUCKWALTER: Good afternoon. My name is Wendy Buckwalter. First I want to say thank you for the opportunity to participate in this process.

In a few minutes you're going to hear from my husband Gregg who is an egg processor. So while I do have ties to the egg industry through him, I'm not directly involved in the industry at all. So my
comments today are my own and are not affiliated with any specific company.

I should be considered more of an informed consumer. I buy organic and I believe in organic, especially when it comes to the topic of animal welfare. And I really appreciate the discussion on outdoor access that is going on, and I think this concept needs to be strengthened and clarified to maintain the integrity of the organic egg industry.

I support the idea of strengthening and clarifying the outdoor access requirement for several reasons. First, the standards state that outdoor access must be provided. There are several large organic producers that have small, sometimes even enclosed porches allowing only a small percentage of the birds outside, and the others have to remain inside. And I know that this was not the intent of the standard and I'm certain that any reasonable farmer would
understand that this is not the intent of the standard. Yet several organic farms are doing this, using the small porches or deck as their outdoor access.

Also, providing outdoor access is intended to allow for the chickens to engage in their natural behaviors, pecking, scratching, foraging, and a porch or deck obviously would not have soil or grass and would not provide for these behaviors. And again, anyone who's reasonably familiar with the philosophy behind the organic production should understand what the intent is, yet several farms seem to favor the idea of, quote unquote, meeting the standards without true regard for the animal welfare.

Another big reason why I support the idea of strengthening the outdoor access requirement is that, as a consumer, I and other consumers, I'm sure, too, want to know that buying organic means something. I personally care a lot about where my food
comes from. I care about the animals that are involved in producing my food. And if organic standards begin to slack, there are people who would probably switch to maybe cage-free which would be less expensive but still be perceived as having higher animal welfare standards than conventional eggs, or people like me. I'm vegetarian, I eat very few animal products as it is. I would simply stop eating eggs if I felt that they weren't produced with a high standard of animal welfare. So it would just be easy for me, and probably there are others that are kind of on that edge, not eating many animal products.

I can see the organic industry getting bigger, and I think that's truly a mixed blessing. While it does mean that organic products are easier for us consumers to get, it can also mean that organic farms being to look like factory farms and that's a slippery slope. My opinion on factory farms is that humans have taken an idea that is
basically good, that idea being that farming is a symbiotic relationship between humans and animals, and they've distorted this idea so drastically that it doesn't even resemble the simple premise that it was based on anymore. And I would hate to see organic farming go down that road.

In conclusion, I believe that the organic program has a very important place in this country, and I encourage you to keep organic standards high and to maintain the trust that consumers have in organic foods. Thank you.

MR. GIACOMINI: Thank you. Any questions or comments?

(No response.)

MR. GIACOMINI: Okay. Message from Lisa that Jonathan is not here. Go to Gary, Patty and then David. Good to see you, Gary. This will be interesting, I've never seen you under a clock before. So it will either be five minutes worth of words in two
minutes or eight minutes worth of words in five. So we'll see how it goes.

MR. ZIMMER: My reputation precedes me, I can tell you that. Yes, I'm Gary Zimmer, and our farm is 40 miles west of here, we're an organic dairy farm, and Midwestern Bio, my company, we consult on about 1,000 organic farms, of which about 900 of them are dairy, or 90 percent of that.

So anyway, my point is this, and I listened to the speeches and all the comments made, and I'm reading a book right now called The Need To Stick. So my ideas have got to stick. Of all the comments you've heard, how do I make them stick and what do I want to make stick? I'm not going to sing a song, Jim. And so that's how you make things stick.

And so my point is on animal welfare it this: I do think -- and I agree with Dr. Karreman, that the consumer's the one really we deal with. I'm having troubles with, and the farmers are having troubles with
the fact that we need more animal welfare but
we don't need more paperwork and regulations.
You can drive into my yard and take a look
around, and you ought to be able to recognize
that I'm within compliance.

Now we had an organic inspection
this year, and I happened to be gone which was
fortunate for somebody -- not somebody else.
Anyway, we were accused of only having 24
percent dry matter intake coming from our
pastures. Now we were offended because we're
about 55 percent. Now who will get the math
and how? So just like someone's going to come
and score my cows, you're going to score
wings, they're going to count lesions one day
a year? I mean, with NEB, that was really
money and I had to lock them in and they
looked dirty. Is that fair?

And so now I got my paperwork in
here and so I want to say that, in this whole
thing, that I do like the higher standards on
animal welfare, but how to manipulate and
monitor this? You ought to do a survey on how many farms the night before inspection fill out all that paperwork. Do a carbon measurement of the age of the ink on the paperwork when you do the organic takeaway. I know too many of them. I'm one, myself.

So my point is this: If you're going to -- and we're going to have those higher standards, we've got to get down to common sense. And you can drive in my yard, you ought to be able to recognize it by degrees. And so I'm asking and saying, if you're going to have higher rules, bring me someone skilled that can interpret and understand a dairy cow. Don't send me someone who doesn't even know the front from the back of a dairy cow. How many people know what 30 percent dry matter intake is? How many know how much my cows eat?

And so see, I'm saying that if you get that match in line to where this -- you know, the professionalism that comes onto my
farm. And so I know the DPO parts, but how we're going to do that paperwork, how we're going to do it, I think it needs to be more skilled, trained inspectors onto my farm.

In the old days, back in the '90s, I was the guy that was against the National Organic Program, because I figured if the government got in it, it was bound to screw it up. Now, I've changed my mind, kind of, because I was certified with three agencies in the late '90s. Because if that one didn't do it right then I took that paperwork and presented it. I'm afraid I'm getting back to that. I'm going to go to agencies that got the guys that know the most about dairy to inspect my farm. That's all I'm asking is that, make a higher standard, but then hire someone that's got dairy skills if they're going to do me an animal welfare thing on my farm. Have them come and help me and work with me, and I'll gladly share my farm. But one day a year isn't going to cut it.
Does it stick? I got my point across, thank you.

MR. GIACOMINI: How are we doing on time there, Tina?

MS. ELLOR: One forty-seven.

MR. ZIMMER: I got it in, huh?

MR. GIACOMINI: Got it in. The five minutes in three. There we go. I was wondering which was --

MR. ZIMMER: Three minute running my mouth.

MR. GIACOMINI: Questions or comments for him? Kevin.

MR. ENGELBERT: So you think, Gary, that you want more than one inspection a year, is that right?

(Laughter.)

MR. ZIMMER: I would actually -- actually now they come in the summertime for the grazing, either more or a communication that's different or a system that I'm more
involved with someone who's on my farm. I don't know how to do the more. Either you're going to have to entrust my integrity or we're going to -- so where do we go next? I don't like the one-day thing there. Maybe a connection with my veterinarian. I don't care what that connection is, if they're going to force a higher standard then we're going to have to have a better way of figuring out how people meet it.

MR. ENGELBERT: We talked about that in the committee, but we know that we can't put veterinarians in that kind of position. I understand exactly where you're coming from, but we're trying to meet consumer expectations, as you've heard, and maybe it's just simply a case of we're going to have more training or better training, more training, and maybe even some type of exam for a livestock inspector to pass to become a livestock inspector.

MR. ZIMMER: Especially when
you're bringing in health, welfare and
evaluating what sickness is. When we write
down how many sick animals we have on the
farm, we write down very few because we don't
have any drugs to give them. We have lost one
this -- a while ago to pneumonia that had to
be treated with an antibiotic, but otherwise
we see them looking rough and we give them
extra vitamins and minerals. Is that a sick
animal we treated? So we don't record that.
So I agree, maybe a higher standard of
training for those people that would do that,
in some means. And make sure that one day a
year doesn't judge me.

MR. GIACOMINI: Thank you. Patty
Lovera, Dave Will and Gregg Buckwalter.

MS. LOVERA: Okay?

MR. GIACOMINI: Yes.

MS. LOVERA: My name is Patty
Lovera. I work for a group called Food and
Water Watch. We're a non-profit consumer
advocacy group. I work in our Washington,
D.C. office. We're also a member of the National Organic Coalition, so we're also in support of the comments that have already been submitted by NOC, which I probably won't have time to get to all of those issues.

So we've already submitted a formal comment on nano technology and we also had folks who are our members and supporters weigh in as well. They were combining their concern on nano technology and hops at the same time, which is probably a first for us to be able to combine those two topics. But the short version of the easier one first. You know, our members and consumers are very concerned about ingredients in organic processed food and they were very anxious to hear about when hops would come off that list of commercially unavailable things, and so I think they will be encouraged that you're planning to do that faster.

On the more complicated topic of nano technology, I've been here before, lots
of other folks have been here before, we've all been doing this for a while. And the short version of this is we think it's time for the Board to say something definitive about nano technology to get the ball rolling. We understand there's a lot to figure out, we understand that it's complicated, and we have to figure out a way to enforce it. But it's time to take that step and to put that signal out there. And we think that that actually helps to start the process and sends the signal to the market that, if you are in the organic business, whether it's -- at whatever stage, or you're making materials that you want organic folks to start using, that there's a clear signal that it's not allowed. The first step of that comes with a vote from the Board.

You know, we saw a lot in the recommendation that we agreed with. Lisa from Center for Food Safety outlined some of these, the definition and the size, the -- specifying
that just because something is allowed in its bulk form doesn't automatically mean it should in its nano form. We agree with that and appreciate you spelling that out in the recommendation.

We would suggest a little bit of a clarification in the definition. We understand, and we're not quibbling with the need to talk about traditional food processes and homogenization in milling. We get that. We're not asking to reopen that can of worms. But we would like just a little bit of clarification to talk about the way we're using those processes now so that ten years from now someone doesn't find a way to do extreme homogenization or call something homogenization then we out what it really was intentionally done to produce a nano scan material. We have had this kind of slippage in words in other parts of the food industry when we fight about the word pasteurization being used to describe things that are nowhere
near what we think of as pasteurization. So
we would just like to put in there the way
we're using these traditional food
technologies now so we don't have some future
problem on our hands.

And so when it comes to dealing
with nano technology in the organic standards,
we think that they are synthetic, and we agree
with that assessment, and that does take you
down the road to, you know, food contact,
preservatives in packaging. All of that is
important. But given some of the current
challenges in dealing with synthetic materials
and given really the unregulated state of nano
technology in the rest of the economy, in the
food supply, we think that synthetic
classification isn't enough. And so we very
strongly urge the Board to go a step further
and to make it prohibited, to get it up into
Section 105.

We've had lots of analogies today,
and then the one, you know, for nano about
walls and doors, whatever. We think that the
doors option, no matter how you lock it, does
present a risk to the credibility of the
organic label to consumers. We think it's
time, at this stage, just to have a wall and
make it very, very clear that we don't want it
getting in there. And we feel the way to do
that is to put it up there in 105 as
prohibited.

You've -- a lot of your attention
and time and the burden that you have to deal
with being on this Board is dealing with this
synthetics process and adding nano materials
to that mix doesn't seem like a good idea to
us. You have enough to do without trying to,
in the future, deal with specific, you know,
case by case issues of nano versions of the
materials you're already struggling to make
decisions about. And so there's not -- and
there's not good technical information out
there to help you do that.

Some researchers have estimated
that we're 30 years behind in evaluating the potential health and safety impacts of nano materials, and it could cost billions of dollars to do so. So we think the best way to deal with that at this point is to just keep them out.

So I'll just stop there. I think you've heard this from us before, and lots of other folks before. We just think, you know, given the really unregulated state of these materials, no one is looking for them. You know, the FDA's not keeping up, the EPA's not keeping up, the best way for organic to try to deal with this is to just keep them out. And so we'll put in the organic principles of, you know, trying to prevent environmental harm and to think about human health, whether it's consumer health or worker health in the facilities that might have to deal with these things. And then acting in the interest of precaution, we think that that all leads us down the path of having to have a prohibition.
So I'll stop there.

MR. GIACOMINI: Questions? Jay?

MR. FELDMAN: Do you think -- is there a simple way to characterize the issue around homogenization, about what we're doing now in terms of current techniques that would be -- would we view, and we have defined in the document as acceptable processes that result in incidental nano particle size, is there -- do you think you have a suggestion for language for a simple way to characterize future abuses in those categories?

MS. LOVERA: Two things that we thought of, which I think we included in the comment we submitted a few weeks ago, was to talk about saying, that are in use now, you know, setting a point how things are being used now. And also another idea for homogenization might be to talk about milk, because we're hearing about homogenization for rice, you know, to make a different form of rice products that could be used in
ingredients. And maybe spelling out the way that they're being used now, the materials that are being used now, is one place to start thinking about it.

MR. GIACOMINI: Yes, question. In the final analysis I'm a little confused about what you recommend for us to do with this document. I think two points, first of all. I think the rewrite in the document to make a completely 105 prohibition would not be possible in the time we have before voting tomorrow, and the public disclosure and all those things. And also the risk that, with everything needing to be two-thirds off this Board with 14 people, that would need to be at least ten people voting in favor of it. And we're very concerned with the risk of that. Considering those two things, would it be your recommendation to proceed with this document as I was kind of hearing you say, take the first step, start down the road, you know, start going there, or to take
no action at all?

MS. LOVERA: I think we'd like to see you give it a shot on prohibition, and see how we do. I mean -- and then the other piece that I should have mentioned and didn't was, we don't see a need to wait for a symposium or for further work to really outline what you're going to do. I mean, we would like to see some action now. We feel very strongly that -- and other public comments might say this as well, that if there is time to put that prohibition in, that you should try it.

MR. GIACOMINI: But how do you feel about, if this document is the best we have right now, are we better proceeding with it or doing nothing? Understanding it's a step.

MS. LOVERA: Yes. I think we would like to see you go for the prohibition. I think we need -- you know, we need to draw that line. And if -- also, we'd like to see who doesn't want to prohibit it. We'd like to
MR. GIACOMINI: Okay. Any further questions, comments? Thank you. Oh, Jay.

MR. FELDMAN: Can you characterize for us the -- what you think the organic consumer is going to think? I mean, the perception here in crafting a compromise is that the consumer will see a relatively good definition, hopefully we can add a sentence in there that clarifies, that we're talking about technology, non-nano technology homogenization as it's used now. I think we need more -- we need to clarify that language. But I'm worried that, if the Board does nothing -- but I'm interested in your perspective as whether the organic consumer will perceive that as a failure on the part of the organic community to adequately -- or to move in the direction of regulating this. So that's why I got behind the compromise, although as I said yesterday, I think a number of us on the Board see where the votes are and what the problem is.
would prefer the 105 approach.

So to clarify, you think the
definition is okay with that one
clarification, and that will send a message to
consumers that at least we got the definition
right?

MS. LOVERA: I think the consumers
would like to know that we started the process
to get it settled. But putting out a process
that has what we think is a risk of not having
a prohibition, you know, I mean, I can speak
for the consumers that communicate with us,
that come to us, that ask us questions, and
they are increasingly concerned about the
synthetics issue, about the ingredients issue.
They couldn't articulate which lists, you
know, and the sunset process. But they're
increasingly concerned about those, it's not
allowed but except these are allowed. I mean,
there are people -- and that's why we're
getting a lot of response and concerns and
questions about, you know, when we have these
processes for individual chemicals.

And so I think putting in that track, for lack of a better word, reinforces the fears that are starting to nibble at their confidence in organics. So I think if there is a chance, you know, to have more discussion and to move quickly towards prohibition, I think it's worth that chance for the credibility and the confidence of consumers.

MR. GIACOMINI: Thank you. I guess where, you know, this is a body of stakeholders with different positions on this, and I'd like to send a clear signal that we are grappling with the definition, that we've met the expectation of the consumer community and hopefully, in terms of the definition, and that we'll initiate a process to collect more consumer input to, in effect, activate. I'm sure we'll see a lot more comments than we'd like to see, you know, in terms of processing. But I assume that this process will activate consumer involvement.
Anyway, I appreciate your comments on this.

MR. GIACOMINI: Program?

MR. McEVOY: Yes, I want to go back to what Tracy was asking about in terms of this document, and the cloning in particular. Because with cloning, we're eventually going to go into rule making around cloning, but currently, because of the NOSB recommendation to consider cloning an excluded method or prohibited practice, that the program was able to put out a policy memo and cloning became prohibited under the National Organic Standards. So you can make an analogy here to what you were -- what this proposal is. Synthetic substances are prohibited, unless they're specifically allowed. If the Board states that nano technology substances are synthetic, then therefore they are prohibited, and we can issue a statement that that, in fact, is -- that nano technology substances are prohibited because they are
1 synthetic by the Board determination.

2 To make a rule change to 105,

3 that's a much more complicated process. It's

4 going to take a much longer period of time.

5 So if you want this to happen now, the best

6 way to make it happen now is to call nano

7 technology substances and therefore, at least

8 initially, the wall is put up.

9 MR. GIACOMINI: Katrina?

10 MS. HEINZE: And does this
document do that for you?

11 MR. McEVOY: It appears to, yes.

12 MR. GIACOMINI: Tracy?

13 MS. MIEDEMA: Should that be

14 paired with the more plant-a-flag type

15 statement, too, that leads to a firm

16 prohibition? Like should we try to shoot for

17 both in the same document or do this

18 sequentially?

19 MR. McEVOY: Well, I'm not sure

20 how you handled the cloning recommendation.

21 Did you ask for both a rule change or did you
just make a statement that cloning was not compatible with organic production? If that was what the recommendation was, what the Program then did was issue a statement and then put it into the work plan that eventually it would require rule making. To get to the full extent of what your recommendation stated.

So the same consideration could be here. You just need to make a recommendation of what you want and we figure out the best way to implement that. If a rule change is required, then we can go forward with a rule change. If you want to make that explicit that you want the rule to be changed, you can do that as well.

MR. GIACOMINI: We proceeded with the document that, number one, we were fairly confident would pass, that we could provide to you on issues that you could take action on as soon as you could deal with the document. Whereas, within this definition of nano, of
engineered nano particles, they are synthetic
under the rule, they are not allowed unless
listed, and the recognition that the nano farm
particles of anything currently on the list
have never been reviewed in the nano form.

We further then asked you to
review the possibility of -- the issues of the
enforcement for primary packaging, for food
contact surfaces, which may or may not be
problematic. If they're not, that's great.
If they are, we would like to know about --
that we were -- we thought the Board should
know about them before they took full action.

I don't remember what the other
bullet points were off the top of my head, but
it was an effort to give you something to deal
-- to work with as soon as possible so that we
could then proceed. We called for a symposium
as a way to sort of bring all that information
together. That may not, in the long run,
being the absolute best mechanism, but it was
what we had to work from at the point in time
of preparing the document. But it was to give
you something to work with right now, or as
soon as you could get to it, anyway.

MR. McEVOY: Yes, it would be a
good document for us to work with, the
substances part will be very clear. It's the
things beyond the substances that the
regulatory status of that is -- needs some
evolution.

MR. GIACOMINI: And that's what we
asked for you to do.

MR. McEVOY: That's what we could
do.

MR. GIACOMINI: Jay?

MR. FELDMAN: The only thing I
heard missing from that, I think --

MR. GIACOMINI: I said I forgot
something.

MR. FELDMAN: Yes, I know -- that
I think I'm hearing from Patty and others is,

obviously their long-term goal is to stop this
use, to stop this substance from being used in
organic. And I believe that the proposal does that pending our consultation, either through a symposium or some other mechanism.

MR. GIACOMINI: Yes. Yes. We basically request that the Board do not review nano substances until it's fully resolved or are extremely judicious in consideration of what they're looking at on anything that comes forth as a nano particle for consideration before listing.

I mean, we can't say that someone can't submit a petition, but to come to this document and to look at where we are at this point, at least, before -- if they have to consider that petition.

MR. McEVOY: I guess we can talk about this tomorrow. I viewed it more as a moratorium until we collected the community's opinions, but --

MR. GIACOMINI: With as much authority as we can. Thank you, I think.

David Will -- let's see, we are --
three, four, five -- we need to take a break.

We are at 5:20, 5:15, 5:20. Let's take --

shoot for ten minutes, we will go 5:30. And

ty and be back promptly. And this is when we

should be recessing and I believe we have

about between 15 and 20 to go. So we may be

looking at another two hours.

(Whereupon, the above-entitled

matter went off the record at 5:18 p.m. and

resumed at 5:31 p.m.)

MR. GIACOMINI: Board members can

please find their seats. Gallery please find

a seat. Any conversations, please take them

outside. We'd like to get started again.

We'd like to be done, but we will get started

again. We try to offer you the full respect

we did for the first person speaker of the

morning, but it's hard.

Okay. We have a quorum and we

need to get going again here. Like I say, we

are close to two hours behind schedule. Let's

-- we're going to try to be respectful but
expedient. And we'll go with our first one up, Dave, Gregg Buckwalter and then Alexis.

MR. WILL: Thank you. Good afternoon, Mr. Chairman and the NOSB Board and the Program. I first want to thank you very much for the hard work you guys did in these last couple years with the methaniline issue, and I'm glad it looks like we may be closer to conclusion.

On behalf of our company --

MR. GIACOMINI: You haven't been paying attention.

(Laughter.)

MR. WILL: I just got here.

(Laughter.)

MR. WILL: I do want to let you know that, based on the comments earlier, that our company will be supplying to the MTF the -- our levels of need as a bare minimum for organic poultry, and we'll make sure to be in contact with all the other members of the
Methionine Task Force to make sure they get that to you as soon as possible so you can have that to review at the next meeting.

Also I just wanted to remind you again, as members of the NOSB, we would love to have you out to one of our ranches. During a break, you're more than welcome to come grab me for a card or I'll leave some here with the secretary so you can grab one. If we're not available for you geographically, I'm sure I can find somebody on the MTF, on the organic poultry side or the layer side, that would love to have you guys out to take a tour. I know the Program's been out and seen a couple ranches, and we'd sure like them to come to us as well and take a look at some productions there.

Third, we really like the guidelines that we've seen and the direction that MP-50.24 went, the guideline for outdoor access to organic poultry, and we'd like to see that go to rule making if at all possible.
We really liked a couple things in there which was, they addressed the threat of an avian influenza break or influenza break and dirt. We thought those were key changes to the existing rule and we're hugely in favor of those.

Also we, as a company, would oppose any rule making that would offer grand fathering in and anything that had a two-step program. We just think that the marketplace would be too confused by those and just would not see how that would benefit the organic consumer.

In 50.24, we do have one word that we'd like to change, and that's the word six where it refers to the age of pullets that need to go outside. And this is actually Ron Christiansen, he's our ranch manager at one of our facilities. He's been in the industry for 32 years and been in a dedicated organic facility for the last five. And I brought him along to specifically speak to or answer any
questions that you have on pullets.

So Ron, let me get the guitar for you. Here.

(Laughter.)

MR. CHRISTIANSEN: Again, thank you, Board, for your hard work. This is my first meeting and it's been encouraging to see your desire to listen to all parts of the organic family. We are a diverse family and sometimes it's very hard to bring all the components together. We don't agree all the time. And I thank you for listening very genuinely, to our concerns.

The issue at hand is the requirement to change to require outside access for grain pullets at six weeks of age.

As a poultry producer, I am given charge of many responsibilities, and two of those are to the health and safety of the birds that I am in charge of and care of. And then I'm also given responsibility of the food supply, the organic eggs that we put out. And requiring
pullets to the outside access at six weeks of age doesn't allow me, in my opinion, to do both very well.

On the outside, the pullets are subjected to higher risk being exposed to diseases and disease-causing agents, which that's obvious I can control the indoor environment much better than I can control the outside. Rodents and varmints and wild birds and the like, which is on the outside that I can control on the inside to a certain degree of success.

I have the tools available to me to protect the birds and to keep them safe and to protect their food supply. I just don't, with the six weeks of age, to implement this vaccination program that I need to to build the birds' immunity. The science behind that scene is the need for boosting, we follow vaccinations and the time needed to build adequate immunity in pullets are well established. At six weeks of age, I just have
begun the process.

As an example, on our particular ranch, I give four Newcastle vaccinations. At six weeks of age, I've only given two. I give four bronchitis vaccines. At six weeks I've only had time to give two. I give three E-coli vaccinations, and at six weeks of age, only one has been given. Salmonella, I give three, and at six weeks of age only one has been given. I have not yet even given a fowlpox vaccination or the Asian encephalomyelitis vaccine. And I understand that AE -- AI is on the horizon for vaccinations, and that will take a procedure or protocol.

I have talked with California State Animal Vet, Dr. Grey Cutler, and Texas State Animal Vet, Jose Aguirre-Ramirez and both agree that allowing birds outside access before their vaccination program is complete and they've had time after that last vaccination for the immune system to build, is
not in the birds' best interest.

MR. GIACOMINI: Okay. Can you --
your time is up.

MR. CHRISTIANSEN: Okay.

MR. GIACOMINI: Do you have a
final concluding comment? Otherwise questions
and comments. Kevin.

MR. ENGELBERT: To state the
obvious, you're very reliant on vaccines to
maintain the health of your birds. Has this
always been the case with raising poultry and
do you know offhand what percentage of these
vaccines are GMO?

MR. CHRISTIANSEN: On my operation
-- let me answer the second one first. I
believe I might have one, that might be the
only one. As far as -- I do rely heavily on
the protection that vaccinations provide. I
am a believer in that. We have the tools, and
given the time we can adequately prevent the
birds from getting the diseases that they're
challenged with.
MR. GIACOMINI: Questions --

further questions, comments?

(No response.)

MR. GIACOMINI: Okay. Thank you, gentlemen.

MR. WILL: Thank you.

MR. CHRISTIANSEN: Thank you.

MR. GIACOMINI: Gregg Buckwalter, Alexis and Jeff Richards. Go ahead.

MR. BUCKWALTER: Thank you. Good afternoon, my name is Gregg Buckwalter. And my wife, she was the vegetarian -- and I'm not --

(Laughter.)

MR. BUCKWALTER: -- that spoke earlier. I'm going to go ahead and give my conclusion or thoughts first before I go into my speech so that I have time to do that.

I applaud you in setting density figures to take away the interpretation of the law and making it clearer. Right now our operation can meet the standards as they are
intended, and be under the PEQAP program,
which is the Pennsylvania Egg Quality
Assurance Program, which is what FDA mirrored
in their egg rule. We have 50,000 birds of
organic in four farms that are on pasture at
the stated levels. We haven't done the
pullets yet at the moment, but we have -- we
do have 50,000 of our 100,000 birds of organic
that are right now compliant with these new
regulations.

And I would echo David as well as
-- don't allow two different organic
classifications. And don't grandfather. The
people that put up some of these facilities
that they did, they knew what they were doing
when they did them, they knew that they were
making -- taking something good and making it
bad, or making it less desirable, shall we
say. It's just different production styles.

I'm a third-generation egg
processor. I should have said that first.

But -- from Pennsylvania. The older I get the
more I understand the benefits of organic farming, and the more it makes sense to me. It bothers me to see the beautiful landscapes of farms, in Pennsylvania anyway, turn into blacktop and houses. In my opinion, the organic farming could be a solution to this following -- allowing smaller family farms to stay in business.

The United Egg Producers have a comment in one of their newsletters stating that if the U.S. would go to cage-free production styles, we would need tens of thousands more farms to produce that. Great, I thought. People complain about one of those things, that family farms are disappearing. I see that as a way for families to make good income for their -- off their farms instead of having to sell them for development.

In our company, we have made a decision not to bring in product or eggs from farms that have two or more houses or any aviaries. We feel that having too many birds
on a location is becoming a complex and is too much like the conventional-style production. We also believe that if paid well enough, that farmers can make a good living with what they have.

If you look at what happened in the organic egg industry over the last 30 years, it's starting to mirror the conventional industry. The mindset of the conventional guys, to offer what the customer wants so that no one else can get into the customer base. There's a large midwest producer that, in the past year, has talked about how bad cage-free and organic styles of production are, yet he bid on and supposedly got a contract for the cage-free and organic business of a large grocery chain in the southeast U.S.

Many of the conventional producers only see organic production in terms of dollar signs. If you look at most of the conventional guys' organic housing, it is an
aviary-style housing, 30 to 60,000 birds in one house and a row of houses beside each other. They don't know anything other than to cram birds into a house and they get away with it and sell as cheap as they can.

The conventional market has been very good to a lot of these producers and has given them money to put up houses, complexes and gain economies of scale to put the smaller the smaller producers with integrity out of business. They've also been flush with cash because of the conventional market being so high that it enabled them to outlast their competition and they can sell to low cost and play a few games.

In southeast Pennsylvania, close to one of our -- close to our facilities, there is one larger conventional farm that has an organic house that's two stories high with 30,000 birds in each level. Their access is a wooden porch with steps, and I'm not even sure, from what I understand, they don't even
let the birds out, according to their vet. That doesn't sound very organic to me, in fact, I understand that there are some certifiers that won't certify them, and -- but there's still one particular one that will. But that's a whole other story, I guess.

One certifier's idea of birds exhibiting natural behavior is different from another. A certifier wants to keep their income up. With these larger facilities they may be able to do that. I have one more comment. They may be willing to view things in a different light than others would.

If all the producers that had put up these new facilities can use them as cage-free, they don't need to be grand fathered in. They pretty much everyone that produces organic also produces cage-free along with them.

MR. GIACOMINI: Questions and --

Kevin?

MR. ENGELBERT: Thank you. How
much outdoor access do you allow your birds,
and if you feed synthetic methianine, at what
levels do you feed it?

MR. BUCKWALTER: Right now, we are
-- I know we're at at least the two -- minimum
of the two square foot. And as far as the
methianine, I believe it's what the levels had
ratcheted back to. I'm not exactly sure
offhand, I'd have to look it up. I'm sorry.

MR. GIACOMINI: Questions, comments?
(No response.)

MR. GIACOMINI: All right. Thank
you. Alexis, Richard and Paul.

MS. BADEN-MAYER: Hello, I'm
Alexis Baden-Mayer here on behalf of the
Organic Consumers Association and the 900,000
organic consumer activists who have worked
with us over the last decade to keep organic
standards strong.

On behalf of our 250,000 current E
activists and our 118,000 Facebook activists,
I'm here to talk to you today about phasing
out non-organic and synthetic ingredients,
keeping nano technology out of organic and the
importance of animal welfare, especially the
maximum stocking densities and outdoor access
for organic poultry.

On nano technology, over 13,000
Organic Consumers Association activists have
submitted comments to you about the importance
of keeping nano technology out of organic.
Nano technology is already being used in food
without being safety tested or labeled or
regulated. Very little is known about the
health and environmental effects of current
commercial applications of food nano
technology but the dangers are beginning to be
exposed. Nano silver, for instance, is a
powerful biocide that kills beneficial as well
as harmful bacteria and is toxic to fish.
Nano gold decreases earthworms' reproductive
capacity by 90 percent. Titanium dioxide nano
particles cause DNA damage in mice.

If you sincerely agree with
consumers that nano technology should be excluded from organic, please do not pass the current committee recommendation. The current committee recommendation simply states the current status quo. It doesn't require any action of the NOSB or the NOP to recognize products of nano technology are synthetic. They are not allowed in organic, and if a company wants to use engineered nano materials in organic production, processing or packaging, they have to petition the NOSB for permission.

A year ago, there was a committee recommendation to ban nano technology from organic altogether. That is the only recommendation worth voting for -- voting on, is what I meant to say. But if it didn't pass, it wouldn't be the end of the world. Nano technology still isn't being used in organic, and it isn't going to be without specific engineered nano materials being petitioned. So if you want to go ahead and do
the right thing, ban nano technology from
organic, but do not pass the current committee
recommendation.

Before I finish on nano tech, I
just want to refer you back to the statements
from the Center For Food Safety concerning
packaging. Nano technology is not allowed in
organic packaging.

On animal welfare, over 11,000
Organic Consumers Association activists have
submitted comments on the importance of animal
welfare standards. In favor of phasing out
synthetic methianine, and to enforce current
regulations that require hens to be able to
exhibit their natural behaviors and have
meaningful year-round access to the outdoors.
We will continue to submit comments in support
of the animal welfare discussion document on
stocking density. Please continue to keep up
the good work you all are doing on animal
welfare.

Now that the National Organic
Program has put out a draft item on outdoor access for poultry, we are directing our comments to the NOP. We would like to see much stronger guidelines. The NOP should implement the NOSB's recommendations as minimum standards that should guide the creation of organic system plans.

Sulfites in organic wine. So far nearly 6,000 Organic Consumers Association activists have submitted comments opposing the petition to change the annotation on sulfites in organic wine. Please reject the petition. Currently, wine made with organic grapes and no synthetic sulfites is USDA organic while wine made with organic grapes and sulfites is made with organic. USDA organic should continue to be reserved for sulfite-free wine. Wine makers are already getting a huge exemption to the general ban on sulfites in organic. Sulfites are prohibited in organic along with genetic engineering, sewage sludge and irradiation. The wine exception for
sulfites should not be expanded any further.

Non-organic ingredients. More than 4,000 Organic Consumers Association activists have sent letters in support of organic beer and bratwurst being made with organic hops and sausage casings. Please pass a recommendation on hops. The logic that was finally applied to hop should be applied to all agricultural products that are currently allowed in non-organic form. The commercial availability evaluation should require an investigation into whether the ingredient can be used on a contract basis.

It's time for companies to take responsibility for their supply chain. For example, imagine your -- an organic sausage brand that is owned by the third largest beef and pork processor. Your certifier should be talking to you about contracting for the production of organic sausage casings. The National List sunsets every five years so that producers have five years to look for,
contract for or create themselves ingredients
in organic form.

Just a few more issues. The OCA
would like to see the NOSB review each of the
lists for inerts. We would like to see the
Board pass the committee's corn steep liquor
recommendation -- could I just finish the
sentence? We do not seek a change in the made
with organic label and we oppose the use of
non-organic and synthetic vitamins in organic
food and we continue to submit consumer
comments to the NOP regarding passing the NOSB
recommendation on personal care products.

MR. GIACOMINI: Questions and
comments? Joe.

MR. SMILLIE: One of the best ways
that we've seen to get something off 606 is to
submit a petition. That way, the NOSB can
start to move. Sunset, I think, is still not
the best way. They have a battle at sunset.
I prefer to do it in the full light of day,
and I would suggest that your organization or
others submit a petition for removal of casings.

MS. BADEN-MAYER: Well, it's supposed to be in the law already, that says that sunset is a phasing out. You have five years to prepare for that. That's why it's called a sunset. You know, if it were called something else like, you know, consumer gets a petition to get ingredients off the list that the companies could make themselves, then we'd have a different process.

MR. GIACOMINI: Well, they could have called it orange, but we have -- it also has a definition as to what the process is. So there's two parts to it. It's not just a name.

MR. SMILLIE: Just giving you the benefit of my experience, the best way to get things done.

MR. GIACOMINI: Jay.

MR. FELDMAN: So what is the headline, if we pass this nano --
MS. BADEN-MAYER: Organic --

MR. FELDMAN: Can we write it down?

MS. BADEN-MAYER: Organic Board opens the door to nano technology.

MR. FELDMAN: Would you consider Organic Board sets moratorium ending further review?

MS. BADEN-MAYER: If that's what you guys actually do, but that's not what this recommendation looks like.

MR. FELDMAN: Why not?

MS. BADEN-MAYER: Because it's just saying it's a synthetic. It's not stating a prohibition.

MS. ELLOR: Yes, it does.

MS. BADEN-MAYER: So you have less -- you have the GMOs, irradiation, sewage sludge, nano technology. That's where it belongs. It is not a synthetic to be petitioned, in my opinion, into organic. But that's where this recommendation leaves it.
MR. FELDMAN: Yes, and I think many on the Board -- I don't think it's quite enough to pass, but many on the Board agree with that but want to establish -- the intent is to establish moratorium pending --

MS. BADEN-MAYER: Well --

MR. FELDMAN: -- pending now, but we needed to give the NOP -- this is my perspective, you know, anybody else can chime in here. But I believe we needed to give the NOP a definition of what to create a moratorium on. So if that's the case, if we're not achieving that, we -- would it not be better to do that than -- because I could read a headline, if we do nothing, that looks something like NOSB fails to restrict nano technology.

MS. BADEN-MAYER: It's a problem, because I came in the spring with another attempt to ban nano technology entirely forever, before somebody comes with the first petition for a nano material.
But you know, there are lots of
crazy technologies out there. They could all
potentially incorporate it into organic, but
we understand that they're synthetic. And we
already have a process to exclude them on a
case-by-case basis. What you all were trying
to do a year ago is say, I had a thought
process, we are letting everybody know, don't
bother petitioning nano materials to organic.
They are prohibited forever, excluded, an
excluded process. If you just did the
recommendation that's currently in front of
you, it's just stating the status quo, it's
not necessary. I think we heard from the
Program earlier that it wouldn't require a
regulatory change.

MR. GIACOMINI: I respectively
disagree. I don't think the Program has any
directive at all or any information that the
nano form of existing allowed substances are
considered any different than what the listing
is.
MS. BADEN-MAYER: I haven't seen any comments that say nano technology is not a synthetic. I haven't heard anybody on the -

MR. GIACOMINI: On the list of the allowed synthetics, currently the nano forms would be allowed.

MS. BADEN-MAYER: Okay. Well, if you're going to think that -- if that tiny issue is the problem that you think you need to address that tiny issue.

MR. GIACOMINI: It's part -- it's just part of the issue.

MS. BADEN-MAYER: Well, address it directly, then. But if this is -- because this is right now your statement on nano technology in general. And it is better to be specific than it is to say -- you know, it's sort of like passing this recommendation is sort of like saying, come on, petition nano materials to organic because we're leaving the door open to it. We have decided not to
prohibit, it is an exclusion method. We're treating it as a synthetic, it can be petitioned. I mean, that's where that currently stands. But there's no reason to announce that to the world and say that, you know, that's where --

MR. GIACOMINI: I --

MS. BADEN-MAYER: Let's keep that on the down-low until we get it --

MR. GIACOMINI: You know, we have a difference of opinion of what this recommendation does, and we worked very hard to try and come up with a path that gets to the place where we can have a recommendation that will pass and it's in the direction of where we all want it to go. Unfortunately, we don't control the yank at the end of the day.

Any other questions or comments?

Thank you, Alexis.

Jeff, Chris and Bob.

MR. RICHARDS: Good evening. My name is Jeff, I'm from Pines International,
Kansas. We're primarily a grower, organic
grower and manufacturer of wheat grass, barley
grass and alfalfa products for the last 34
years. Our most popular retail products are
tablets of which we used two excipients. A
percent and a half of silicon dioxide and half
a percent of magnesium stearate.

We were very excited to hear that
there could be an organic substitute for these
two ingredients, or two different substitutes.
One for the magnesium stearate and one for the
silicon dioxide. So we experimented and found
that the magnesium stearate substitute worked
excellent. And we're in the process of
switching over to it and changing our labels.
However, the silicon dioxide replacement, we
could not make a decent tablet, even when we
doubled the amount of the ingredient.

The substitute -- well, in
particular the silicon dioxide substitute
definitely has a place in the industry, but
obviously it is not acceptable or workable in
all applications. Last week I was at the supply side show and talked with another organic manufacturer that does vegetable and juice powders, and they use silicon dioxide as an anti-caking agent. He had also tried the rice substitute and with no success. He was not aware of this petition to get rid of silicon dioxide, and I think there's a lot of manufacturers out there that are not. And so I think there needs to be more manufacturer input on this subject.

If we cannot silicon dioxide, it will seriously affect our ability to continue our sustainable farming and also provide our consumers with inexpensive and convenient form of organic green leafy vegetables. Silicon dioxide is not harmful to the environment, neither its use or manufacture, and we sincerely ask the Board to continue to leave it on the National List.

Thank you.

MR. GIACOMINI: Questions or
comments?

(No response.)

MR. GIACOMINI: Thank you. Chris, Paul -- Chris, Paul and Bob. Chris, are you here?

(No response.)

MR. GIACOMINI: Paul, are you here? Let's go, Bob.

MS. BRINES: Paul is here.

MR. GIACOMINI: Pardon?

MS. BRINES: Paul is here.

MR. GIACOMINI: We will -- no, go ahead. You didn't know you were going to be next, so -- Silvia is next up.

MR. DURST: While she's loading that up, I'll start up.

I'm here as a proxy for Whitmeyer MicroGen, which in this case it's a facilities processing pesticide manufacturer. And one of the concerns that we have is -- and I'll point the question back to the Board and to the Program here, is that after -- it has to do
with inerts in pesticides. And what's showing there, I'm sorry it's not a very good copy, is after the August 2004 listing of inerts in pesticides, the List 4 stuff, EPA continued to reevaluate materials for inclusion on List 4.

And this is a letter from them, August 2006, and the materials in question here, you can read at the very bottom there, said that the materials on -- that they had petitioned for should be included in List 4B. So this is 2006. Obviously you know that that list got dropped later on and EPA quit evaluating things. But the Program in -- what was it, December of 2007 said, we're only going to use the EPA List 4 things from August 2004, minus a handful of items that had been excluded from List 4, but not including things that had been reevaluated in good faith between 2004 and when they ultimately dropped that.

And so a bunch of this stuff is orphaned until sometime when this new EPA NOP
thing gets sorted out. And I'm -- what I'm
asking and requesting, and we heard the same
from Cameron a little earlier this afternoon,
is they -- we would like these things that got
orphaned to be included in this interim period
while things get reevaluated. And I've had a
discussion with Miles and he says they're not
going to do that. But I'd like the Board to
say, gosh, what's the problem here, why can't
we include these things that got orphaned?
Because when that List 4 2004 publication came
out, there were things that people said, gosh,
it's not on our list, let's get it on our
list. In good faith they did that and they're
still out of luck with using them in the
interim time period.

Having said that, leave it at
that. This is the table of what those five
items were in this particular case here.
They're petroleum distolates, hydrocarbons
used as solvents in carriers for pesticides.

While I still have a little bit of
time, let me go on to the next slide here.

And first off, I want to say, I was speaking earlier on the CSL issue, and in a direct question or response to a direct question from Jay Monday, he asked whether disulfide bonds were covalent bonds. I said no. That was wrong. I should not have said that. They are covalent bonds but they're unique and very interesting in covalent bonds in that they're weak covalent bonds. They are reversible and the typical protein structure which has a covalent bond, covalent backbone, is not broken like disulfide bonds are broken, it only changes the quaternary structure of the protein and it doesn't change the character of that protein, just the physical shape of that protein. So I just wanted to correct some misstatement that I made earlier and clarify a little bit about what's going on with that.

So just for your interest, here are some photomicrographs -- go back one. This is what we're talking about here. These
are photomicrograph of the endosperm and what we're looking at, these are starch granules. And the little dimples, dots on top of there are actually the zein protein bodies which are the proteins that are surrounding the starch granules. And our next slide -- sorry it's a little hard to see, but here's a place where these protein bodies have been stripped off of the starch granule and there's little dimples left behind there. Here's a spot where the protein bodies are still present on there, they haven't been ripped off yet. Just to show an example of what we're talking about as we're dealing with the steeping process. The steeping process is releasing the zein protein bodies from the starch granules so that they can be used later on.

Here's another shot of what the starch granules look like when most of the protein bodies have been removed. You can still see some dimples from them here.

So my time is mostly up, I'll say
thanks. But I just wanted to show what was
actually going on with that.

MR. GIACOMINI: Questions,

comments?

Thank you.

Silvia. Next is Paul in the room
yet? Okay, next up, Erin, is Erin in? Is
that Erin? Okay.

All right, go ahead.

MS. ABEL-CAINES: My name is
Silvia Abel-Caines, I'm a veterinarian and
dairy nutritionist with Organic Valley Co-op.

I would like to focus my comments
on the animal welfare and animal stocking
density. Consumers today are increasingly
concerned about the welfare of farm animals,
and we in the organic community have led the
way in this regard, and I believe we should
continue to make progress to get closer to a
more clear definition of what an appropriate
indoor space and outdoor pen should be.

A couple of considerations I would
like to make. First, there is need to be --
there needs to be some clear definition on
species-specific confinement spaces. The
language is not precise on what are the NOSB's
specific conditions in which a ruminant could
be temporarily confined. To improve its
health condition and to change the status, the
health status of the animal.

When we take a close look at the
table provided in the Animal Welfare
Discussion document under the dairy cattle
section we have the space calculation base in
body weight. For instance, 770 through 1,100
pounds called for a 50 square feet indoor
space. But in reality, these need to be
refined because, in a typical operation we
have maternity pens, we have sick pens, which
will require different settings depending on
the condition and the reason why the animals
are staying there.

Also what kind of ventilation is
assumed for this kind of spacing? For this
amount of square feet in a sick pen with two
to three 1,300 pound cows, the 25 parts per
million ammonia level will be quickly
surpassed. Given the documented effect of
ammonia on upper respiratory health
conditions, I would like to suggest that those
levels should be lowered to at least 20 parts
per million for organic production.

Along these lines, I want to
mention the recommended stocking area for
poultry which is set around two square feet
per bird. We at Organic Valley have found
that five square feet provide the best
stocking density to minimize parasite load,
protect the soil and keep ammonia levels at
minimum.

I also want to bring the point
that, when it comes to definition of adequate
shelter design to allow for adequate exercise,
freedom of movement and reduction of stress,
the language is not clear and it's overly
prescriptive. For instance, there is no
consideration for tie-stalls or stanchion
barns. I believe the recommendations that
should come should be a guide and the language
we use should be minimized so the confusion
between producers and certifiers is kept at
the minimum.

And on another subject, regarding
the use of nanotechnology, I will say that
nanomaterials should stay out of organic
production. We don't completely understand
their mechanism of action but we must
differentiate between natural and synthetics.

And with that I will take any
comments and questions.

MR. GIACOMINI: Questions and
comments? Jeff?

MR. MOYER: Not so much a question
but just to go on the record to say that, what
we're trying to do is, when you look at --
when you're talking about tie-stalls and
stanchions, that was already addressed in a
previous document that this Board approved and
passed on to the program. I don't remember what the date was on that. But it's -- so there's two parts to the document, the one that's currently being reviewed by the public and the livestock committee and then the one that's already been approved by this Board.

So those two will have to be looked at in unison.

And the other piece is, the stocking densities that we're looking at, while those minimums may seem very small in some circumstances, what we're trying to do is we're trying to partner that minimum stocking density chart with an outcomes-based scoring system. So the two go hand-in-hand. If, for example, your animals are not meeting the conditions scoring that we're trying to achieve, you may have to have more space in your particular operation.

We're trying to be non-prescriptive and allow farmers as many management options as they can find to achieve
those two outcomes. But we're also trying to
set a minimum on how tightly they could
possibly dense -- pack their animals under any
circumstances. I just wanted that on the
record. Thanks.

MS. ABEL-CAINES: Okay.

MR. GIACOMINI: Other comments?

Katrina?

MS. HEINZE: Thank you, Jeff.

That was totally helpful. That's the first
time I've understood that point.

MR. GIACOMINI: Okay. Is Paul
here yet? If anyone knows Paul, if they could
going fetch him, that would be wonderful.
Otherwise he's going to miss out.

Erin, Dave Engel, is Dave still
around?

MR. ENGEL: Yes.

MR. GIACOMINI: Okay, Dave, you're
next. And then we'll -- go ahead.

MS. FREIBERG: Good evening, my
name is Erin Freiberg. I don't have a lot to
say so I'll probably be giving you some of
your time back. Hopefully that's appreciated.

I'm a mother of three kids under
the age of six and I'm a consumer of organic
foods. I'm here today and I've waited for a
couple of hours just to get the chance to talk
to you all and urge you to pass -- to issue
meaningful standards regarding outdoor access
for organic laying hens.

Now as an egg consumer, I'm just
kind of -- I'm not a scientist, I'm going to
bring you back to sort of a everyday shopping
experience. I'm confronted with numerous
labels at the grocery store, and I'm sure
you've all seen them also. Antibiotic free,
cage free, vegetarian fed, free range, the
list goes on. But I know, as a knowledgeable
consumer, that none of these labels is
required to be certified by a third party.
The only really meaningful label for me is the
one that reads USDA certified organic, that
you all are responsible for.
Now this label, let me remind you, because you're hearing from a lot of different stakeholders here, it's not primarily for the benefit of the producer, it's for the benefit of the consumer. Consumers like me that are in the grocery store and are looking for a certain standard. The certified organic label enables the consumer to choose to support agricultural practices that align with what they value.

I know that consumers purchase organic foods for a variety of reasons, but a major reason why I purchase organic eggs and other organic animal products specifically is because I believe animals should be raised in a way that allows them to exhibit their natural behaviors. For laying hens, this includes being able to go outside to forage for grit and insects and other things. I understand that large egg production factories have achieved economies of scale that allow them to produce far more eggs for a far lower
price in high intensity indoor facilities.

But my family and many others like mine have opted out of that and chose -- choose to pay more to get our eggs from farmers who allow and encourage their hens to go outside.

Now I know that under the current rules there are some large organic egg producers who don't provide meaningful access to pasture. They provide maybe a small door for outside access and the birds never actually go outside. Or else the birds are allowed to go on small porches, maybe sometimes even elevated on a couple of levels as we heard previously.

Frankly, it disgusts me. It disgusts me that producers are basically allowed to manipulate these rules or take advantage of the ambiguity, I should say, to deceive consumers. I feel like it really is deception. I feel like these producers are essentially scamming me into paying more for nothing, and I really resent that as a
1 consumer. I deserve better. Other consumers
deserve better in our organic label, and it's
up to you to provide it and make sure it
happens.

If you fail to issue strong
outdoor access regulations, the certified
organic label will no longer live up to its
name, and it will just become another useless
label that we see on our egg carton. I, for
one, know that I would rather not have to
raise my own hens in addition to raising my
children, so I need the help of this body to
ensure that I can make a meaningful choice
when I purchase organic food. We consumers
need you to issue a strong outdoor access rule
that requires more than two feet of space per
bird. I know there are farmers that currently
provide much more than that and will be happy
to comply with such a rule. We also need you
to require outdoor access to be to soil rather
than an artificial porch. And if that means
that some of the large conventional egg
factories cannot go organic or some existing, quote, unquote, organic farms can no longer be certified, so be it. I'd rather purchase my eggs from a farmer that truly cares about organic livestock practices, even if that means I have to continue to pay a premium.

Thank you so much for your hard work, for staying tonight and for taking these comments into consideration.

MR. GIACOMINI: Questions and comments for Erin? Katrina.

MS. HEINZE: I just wanted to thank you so much for your comments.

MS. FREIBERG: Yes.


MR. ENGEL: Is this thing working? I don't think it is, is it?

Want me to come over there?

MS. BRINES: Yes.

MR. ENGEL: Okay. My name is Dave
Engel. I'm a dairy farmer and that's where my comments are coming from primarily this evening. I also have been informed with 20 years of working for different certification agencies and that is definitely informing my comments also.

And I am struggling to find a way to share with you tonight what I'd like to. It has to do with pasture. Gary Zimmer here a few minutes ago shared a little bit of it in a nutshell. Gary Zimmer, an Otter Creek organic farmer at 24 percent on the dry matter intake, and it's October right now, or they were on the day of their inspection. And on Sunday, the Millers were at 35 percent. These are two premier farms here in Wisconsin, in the Midwest. They are in the know, they have resources that most farmers do not have, millions of dollars, and they're just scraping by.

Most of you know that from the beginning I have not been in favor of numbers.
They're problematic when one does not heed them. There have been few numbers in the rule to date, the three years, 36 months free of prohibited materials, 12 months organic management of a dairy cow before shipping organic milk. Having to keep records for five years, the 90/120 day raw manure restriction for food crops, the specs that were put in the rule for -- from the EPA for producing safe compost. And then there's a couple of other one-year mentions in the rule. For example, under seeds, for planting stock and then the obvious, 100 percent, 95.5 percent, greater than/less than 70 percent labeling. These numbers have made sense from the beginning, they worked. And they are what I call production neutral. In other words, they are broad, well-founded baselines that all operations must meet and they are not size biased.

But the numbers in the new pasture rule, from the beginning, are meant to get the
big guys. With the expectation that smaller producers, of course, would have to comply -- could comply. As it's turning out, the opposite is happening as the big guys have the resources, and I have not heard anything to prove otherwise, that they're having any problems with it. In fact, I've talked with one of them, the one operation that has -- I don't want to go in that direction too far.

Anyway, the numbers in the rule, though, that we have now. For example, a grazing season number must be established, plus the number of pounds, weight of the animals must be known. Drainage and dry matter to matter numbers must be established, and then the number of pounds of feed adjusted to a dry matter basis that are being fed when not on pasture, and must be established, to which must be compared then the number of pounds, feed adjusted to a dry matter basis being fed when on pasture, and at which point the difference in grazing must be greater than
that 30 percent and that greater than 30 percent number has to be averaged out over their established grazing season number, which number must be a minimum number of 120 days. And all of these numbers must be calculated for each of the different parts of the grazing season, early, mid-early, late-early, mid, early-mid, early-late, mid-late, late-late. And all of these numbers must be calculated for each of the different age and weight groups and similarly, for the different parts of the grazing season, for each of those different age/weight groups, as above and as applicable. And that's just for the 3126. There are another 10 to 15 numbers the pasture rule brought in.

If those numbers don't work for you, then there are other methods that the USDA and the NOP, in their graciousness, have provided and which you can use, but they are much more involved and difficult to both understand and to do. And then, of course,
whichever way you choose must be documented so
that a certification agency can come out for
a few hours once or twice a year and see if
you're meeting the numbers.

As you can see, it's not so simple
anymore. I don't have a whole lot more to
say. I'm personally meeting -- I've got four
groups of animals and I'm meeting minimum on
three of them, I think, I hope. I've got, you
know, a system of documentation that I'm
doing, one of them I'm not meeting it on. And
you know, there's questions that the
certifiers are having and are in discussions.
A big one centers around
correctable/noncorrectable. But I'll stop at
that. I think I've made my point.

MR. GIACOMINI: Questions or
comments? Kevin?

MR. ENGELBERT: Dave, I'd just
like to comment in case you're worried about
me. We have 300 animals. I did all those
calculations, we meet that requirement with no
problem whatsoever. The 30 percent, 120 is a -- guarantees a minimum of 10 percent of the animal's -- a ruminant animal's feed for an entire year, comes from pasture. What -- how much of their feed do you think should come from pasture in a year? And lastly, as you know, my wife works for a certification agency in New York. They have no super -- all their farms would be considered small, and every one of their farms is in compliance in 2010 with the new pasture rule.

MR. ENGEL: Yes, I -- it is very little time to try to express all the nuances of what I'm trying to say, Kevin. I am in support of trying to make this work. I do know that one of the things I would have said if had I gotten to it is, I think there's going to be 20 percent of the farmers, none in New York, thank goodness, that are -- that could be in a major non-complaint situation. And I will bet that there's 10 percent of the dairy farmers in the United States will be
having proposed sanctions against them, not
just major noncompliances. The Midwest is not
set up for this, it's not. We just haven't
done it. And you know, I'm saying let's go
ahead with it, obviously we are. But the part
that I got to in my comment here was, the
certifiers are the ones that are going to have
to be managing this and we just -- the idea of
continual improvement is not built into the
numbers here. That's what I said right at the
beginning. When you have numbers that are
there and you don't meet them, then in this
case here, we're out. So --

MR. GIACOMINI: Joe.

MR. SMILLIE: I would respectfully
ask everybody to leave the mic in the holder.
My ears hurt, a little sensitive at this
point, but that's okay.

But the other thing is, you know,
that's what -- that's what the badges said at
the pasture symposium. That's what the badges
said, they had those numbers on them. I
remember the pasture symposium, one of my first NOSB meetings as a member. The badges said 30 -- you know, 30/120. So it was a community that demanded the numbers and now we've got to live with them.

MR. GIACOMINI: Thank you. Okay, Paul and then I think I'm still up on the right order -- Paul and Will -- are we Paul, Will and JoAnna. Jim -- no, JoAnna. Okay, Paul, Will and Jim. Well, Will needs to be there next. So Paul, you go ahead. Will will be after you and we'll figure out who is left.

MR. HABHAB: Thank you, distinguished Board members. My name is Paul Habhab, I'm director for Islamic Services of America, founders basically of the Halal industry in North America since 1975. We have worked with the USDA, FDA over the years to develop credible, authentic and responsible Halal programs. Beginning I suppose in 1976 with Tamu Beef Pack and also with Louis Rich in 1978, with turkey.
Regarding animal welfare and the policies by the Organics Board, again we want to applaud the efforts of the NOSB to improve the understanding and compliance with humane animal care standards. But we also want to be sure that these standards are also in consideration of religious production standards. There are a great number of parallels between Halal and organic, as well as with kosher. However, when we look at proteins in that -- in those productions and processes, things become or can become a little more challenging by differences in opinions.

With regards to stunning, it is specifically written within the religion in Halal criteria that animals may not be subject to blunt force or bludgeoning or otherwise what would equate or similarly to captive bolt stunning, which is outlined in this version of the standard that I received. The one thing that I didn't see any clarification on,
relative to captive bolt stunning was whether it was penetrative or non-penetrative. And I apologize if it's already been pre-written and I didn't see this. But I would think that whether we're talking about penetrating or not penetrating the skull on the animal should be something of a critical point to at least address.

When we -- our organization understands that USDA intends to double its exports in the coming years. Global Halal industry is a $2.3 trillion industry. In the global economy, the Muslim world, whether we're talking about Southeast Asia, Indonesia, Singapore, Malaysia even Brunei and Thailand, as well as the Gulf, the Middle East, GCC region, UAE and so forth, they are demanding -- and these are extremely lucrative markets, and they are demanding Halal and that the products that come in there are in accordance with Halal standards.

I remember hearing some of the
other speakers that said, when you look --
when a consumer looks at the package and says
on the label and it says organic that it means
something, it means something specific. And
while there are exclusions or opportunities
for Muslims or consumers of Halal foods to eat
foods that are not specifically Halal, those
are under other -- a whole other set of
criteria and need to remain separate. Because
when you look at a product and it says Halal,
it means something very specific, just as the
organic label does.

I can't expect to educate or
inform -- pardon that word educate -- but
inform everyone about the criteria of Halal
and relative to Halal. But it is very simple.
We have been very successful. We have
dedicated plants, we operate in batch
production facilities, from beef to lamb to
veal to turkey, poultry, chicken, duck, et
cetera.

I just wanted to provide the
information on who we are and that we can and
we'll be more than happy to provide additional
information and resources for proper
development of Halal within the National
Organics standards. Thank you.

MR. GIACOMINI: Kevin.

MR. ENGELBERT: Paul, we
appreciate the information. That's part of
why we have kept these as discussion
documents. We're looking for input from the
public, but we're not trying to gear these to
any specific -- any other specific standard.
If Halal falls in with the standards we come
up with, that's fine, but that's not our goal.
We appreciate your input, we appreciate input
from any other group of people. But I just
wanted you to be sure that, you know, we're
not trying to meet your standard or anybody
else's. We're trying to come up with our own
standard for organic handling, transport and
slaughter.

MR. HABHAB: Sure.
MR. ENGELBERT: Okay.

MR. HABHAB: Understood, thank you.

MR. ENGELBERT: Yes.

MR. GIACOMINI: Is there -- okay, Joe, go ahead.

MR. SMILLIE: My understanding earlier, when I mentioned about the kosher stunning thing, you guys have already moved on that, though, right? That that's under consideration already, to have other methods other than the stunning that are --

MR. HABHAB: Yes.

MR. SMILLIE: Okay.

MR. MOYER: Are you considering --

MR. GIACOMINI: Jeff, mic.

MR. MOYER: We're considering everything, Joe. Like I said, we want input from everybody. We're not trying to exclude any type of anything, but we're also not trying to accommodate specific, you know, requirements of any other organization or
group of people. We're trying to set the
standard for what all consumers expect with
the organic label.

MR. SMILLIE: And so once kosher
and Halal organizations understand what you're
doing, they can have specific -- they'll look
at their standard and see which things would
bar and they can send that input to you.

MR. GIACOMINI: Program?

MS. BAILEY: Melissa Bailey. I
just wanted to raise attention to the Board
that there is a federal humane slaughter act,
and there are certain exemptions under that
federal act for ritual slaughter that you
would maybe want to take a look at as you're
entertaining what you're working on.

MR. HABHAB: If I might --

MR. GIACOMINI: Yes, go ahead.

MR. HABHAB: -- real briefly. We
really have a great respect for Dr. Temple
Grandin in the work that she's done over the
years. We have been big proponents of her
work, her kill methods as well, and her boxes and her restraint units. And we really think that the use of a restraint method, especially if we're talking about beef, of course it's a completely different process than poultry. But stunning really serves very little purpose, if the procedures are done correctly.

MR. GIACOMINI: And has Temple looked at these and -- I mean, have you worked with -- has your organization worked with --

MR. HABHAB: We're currently corresponding with Temple --

MR. GIACOMINI: Okay.

MR. HABHAB: -- because of the Halal industry, to -- so that she can actually see a correct, proper, authentic Halal slaughter. We've been under scrutiny by -- I won't say scrutiny, but we've been very closely watched by USDA. I mean, it's very sensitive. This whole entire industry is very sensitive, especially after Westland, you know, several years ago. But we have been
able to very easily satisfy the curiosity of any inspectors that are curious as to what -- if the procedures are done correctly, the animals are rendered insensible extremely quickly without -- there are -- have been previous studies.

There's an old study in '97 that was done in Europe where they said there was two and a half minutes of massive brain activity with -- via captive bolt stunning versus very limited brain activity for a period of less than 30 seconds, without stunning, with a proper cut. We're in the process of recreating that study. I can't elaborate on the university that we're working with at this point in time, but basically recreating that study and adding -- to understand what aversion is, what brain activity is, so on and so forth.

But Temple has done a great amount of work, and I think that's a good basis for any standard that you guys are establishing.
And I hope that we can find parallels between organizations and find that neither -- whether -- I won't say organizations, but industry segments, whether we're talking about Halal or kosher or organics or whatever, that neither one of us present ourselves as a barrier to the industry and the consumer. That's all.

MR. GIACOMINI: And we don't want to become a barrier for you to participate in that with us, either. So any further questions or comments? Go ahead, Wendy.

MS. FULWIDER: I just wanted to say that I have discussed this with Temple, and there are humane ways to do the Halal slaughter. So that's really not a problem.

MR. GIACOMINI: So we should be able to get those as this develops from the discussion document, get those more concretely and in acceptable format?

MS. FULWIDER: Yes, yes.

MR. GIACOMINI: Okay. I think we'll be able to work this out.
MR. HABHAB: Thank you.

MR. GIACOMINI: Thank you.

Okay. Will, Luis and Reg.

MR. FANTLE: Joe, may I ask you to shield thy ears while I adjust the mic here?

MR. SMILLIE: Okay.

MR. FANTLE: Thank you. My name is Will Fantle, I'm the co-director of Cornucopia Institute. Since we presented our testimony on Monday, we've had another 189 signed letters come in from stakeholders in organics around the country on the poultry issue. I'm going to leave those with staff. I'm not sure that we passed around a copy of the letter for the Board to review, I will do that as well.

I've got a couple of areas that I want to talk about, and I won't use up my five minutes. The first area deals with testimony that was provided earlier this afternoon by Martek --

MR. GIACOMINI: Excuse me, Will.
Could we have a little order, a little more order? We realize it's getting late and we're all distracted. But let's try to keep down on the additional discussions and give the attention to the speaker.

MR. FANTLE: Thank you.

MR. GIACOMINI: Please.

MR. FANTLE: Earlier this afternoon, there was a representative from Martek Biosciences that asked for a science-based approach as we assess the accessory nutrients and in particular the DHA-ARA issue. We totally agree. We think that it's the way to go, a science-based approach, and we welcome that and encourage you to take that approach to this issue.

We don't have a pony in this show, a horse in this game, a dog that we're backing. We don't make nutritional supplements, particularly those made from soil fungus or algae, so we're totally open to a discussion of this and a look at this through
the lens of science. And we would encourage you to adopt that approach.

Just for the new Board members that have taken their seats since January of 2008, when we released a report replacing mother imitating human breast milk in the laboratory, we included a rather detailed appendix in there of peer reviewed scientific studies. We'd be delighted to provide that to any of the Board members who haven't seen that. If not, you're certainly welcome to go to our website, there's a free download there. Our lead researcher on that has advanced degrees from Harvard and Tufts and she, too, is interested in participating in the science-based approach that has been asked for today.

The other area I'm just going to briefly comment on is the poultry issue. There was a discussion today about porches. And when the decision was made by the program some years ago to approve the first porch, I'd like you to recall or learn or know that this
decision was made without consulting with a
certifier reviewing the documents or
interviewing the inspector. We know this from
talking with people involved in that decision.
We also conducted a FOIA to obtain documents
from the program to help us understand how
that decision was made. Again, we would be
delighted to share these materials with the
Board if there's any interest in that. And
we're more than willing to do that.

Last remark, again, those that are
departing from the Board, thanks for your
service. This is a meat grinder of a job.
I've talked with former Board members and
current Board members about the amount of time
and effort and energy that's required between
meetings, for your committee meetings, reading
of documents, and we appreciate that. And
hopefulyl those that are interested that are
coming on the Board will still be willing to
do that because we know it's a lot of work.
So, thank you.
MR. GIACOMINI: Thank you.

Questions, comments?

(No response.)

MR. GIACOMINI: Thank you for the kind words, we appreciate it.

Luis and Reg. Reg, are you here? Reg? Gregg Stevens? I'm not sure which one you are.

MR. STEVENS: Gregg.

MR. GIACOMINI: Okay. Go ahead.

MR. MONGE: Thank you. I'm going to try to take your attention for the following five minutes. My children in here brought me this evening from Costa Rica. My name is Luis Monge, I work with Dole. And in order to express our support, the support of the whole industry, to the petition presented weeks ago by the company to amend the National List to include gibberellic acid on their 205.605.

These bananas made the trip from Ecuador to the States and this is happening
every week. The main organic banana producing countries for the U.S. market are Peru, Ecuador and Colombia. Bananas are a perishable crop, once bananas are harvested they have a limited shelf life. The shipping time from the tropics to the U.S. market could take from 15 to 21 days depending on the logistics. Some fungus and diseases have an effect over the banana's natural ripening process.

One of those fungus, by far, is the main concern in this, it's the fungus known as black sigatoka. Black sigatoka appears during the rainy season and rainy season could mean from three to six months a year in the tropics. And it means a -- or the black sigatoka has the effect to make the bananas ripe very fast. And in order to prevent the ripenings, the banana producers reduce their harvest and age of the fruit and the number of banana fingers per stem. It means that they are reducing the weight of the
stem and the yield of the plantation, and then
their income.

Quality claims during the ripening
-- no, quality claims due to ripeness can be
found all year round. Gibberellic acid, a
plant growth regulator found in plants, is
commonly used in conventional banana
production to prevent early ripeness problems.
Gibberellic acid is applied to the cluster
crown to the plants' fruit and increases the
shelf life of the product. Applying
gibberellic acid will mean one week more in
the shelf life of the bananas.

Gibberellic acid is a natural
byproduct of the fungus, known as gibberella
fujikuroi. Some presentation of gibberellic
acid are only registered and thus allowed to
be used in organic production. The use of
gibberellic acid in banana -- in organic
banana processing, post-harvest, is necessary
to prevent one of its major quality problems,
early ripeness. Without the use of this
substance, the producer's income is strongly
affected by a reduction in the plantation's
yield and the quality claims. The whole
industry is affected by a reduction in the
offer, the quality claims and the increase in
the production cost.

So we will see you in April when
the -- this issue will be hopefully on the
floor. Thank you.

MR. GIACOMINI: Joe.

MR. SMILLIE: You're asking for it
to be added as a post-harvest handling to 605?

MR. MONGE: Yes.

MR. SMILLIE: You're not asking
for it to be on 601?

MR. MONGE: No.

MR. SMILLIE: No?

MR. MONGE: No, it's already
considered a non-synthetic.

MR. SMILLIE: Okay. So it's
already considered non-synthetic, natural --

MR. MONGE: And there is a
document that is found -- that can be found on your database that the gibberellic acid is considered as non-synthetic.

MR. SMILLIE: Okay.

MR. MONGE: So out of the scope of the National List of the program.

MR. SMILLIE: So you're going to be requesting it to be added to 605(a)?

MR. MONGE: It's already allowed to be used as a crop use.

MR. SMILLIE: Okay.

MR. GIACOMINI: Katrina?

MS. HEINZE: Thank you so much for coming, and your comments. It is my turn to confess that your petition got lost in the Material Chair's email. So --

MR. MONGE: I would be happy to submit it again.

MS. HEINZE: No, no, I found it. We will be dealing with it post-haste.

MR. MONGE: We're praying that we will meet the 145 days requirement.
MS. HEINZE: So we will see what we can do, but there was some confusion about which committee needed to handle it, so the materials committee will be talking about it at our next meeting.

MR. MONGE: Thank you.

MS. HEINZE: It's already on the agenda.

MR. MONGE: Thank you, thank you.

MR. SMILLIE: Gibberella is on my computer and is already slowing it down.

MR. GIACOMINI: Okay.

MR. MONGE: May I make my final comment?

MR. GIACOMINI: Yes.

MR. MONGE: I want to thank for all the energy that you are putting during this week on this meeting. I am maybe one of the biggest fans of you guys, you can -- maybe you can recognize my face because I have been present several times. And you will continue to see me every time I consider that this is
needed, my presence here, to speak or present
a paper or something.

Believe me, if you were trying to
comply with the social standards that we have
to comply in Latin America, you won't make it.
You are working more than eight hours a day.

(Laughter.)

MR. GIORACOMINI: Does that mean
we're invited to visit you in Costa Rica?

MR. MONGE: Absolutely.

MR. GIORACOMINI: Okay.

MR. MONGE: Absolutely.

MR. GIORACOMINI: Kevin.

MR. ENGELBERT: What purpose does
this serve, to give you the extended shelf
life that you need by applying that?

MR. MONGE: Well, it means that
you can leave the stem on the plant hanging
one week more. It is extremely necessary to
enlarge the time of the fruit on the plant in
order to make it grow and the thickness, the -
- I don't know how to explain that in English,
I'm sorry. But it is extremely necessary in order to increase the yields and the quality also, and to avoid the early ripeness. It means that when you open the container at the port of destination, the bananas are still green. That's what we need.

MR. GIACOMINI: Okay.

MR. ENGELBERT: We have organic bananas right now. We buy them every week with no problems with quality whatsoever.

MR. MONGE: I brought a 14 pounds of bananas this morning for you guys. I put it on the desk. The problem is, this is happening and this is affecting the economies of the producers. In order to provide this quality, the producers are sacrificing their yields. It means that from one stem, maybe one stem could be, let's say, eight hands. Eight hands could be -- one hand will be three of them, okay? So imagine that.

In order to comply with the quality requirements, because the organic
consumers are not accepting anything less than this, okay? So in order to provide this quality, the producers are cutting the stem at the hub in order to provide all the clusters of the hands, that we comply with this quality.

The problem remains on, during the rainy season, the plant is seriously affected by funguses. It makes the -- many of the leaves of the plant will die. With few leaves on the plant, the stem will grow less, and it is -- the mature ripening process is affected. It is shortened. So what we want to do is to apply the gibberellic acid on the crown and it will give the harvested fruit one week more of shelf life. That is extensively proved by our research department.

MS. BRINES: Jeff?

MR. MOYER: I've got to admit, I guess I'm confused. If you're applying the material to the ground or to the plant while it is in the field, that is not a 605 item.
That would be 601, if it were synthetic. But if it's already a natural, then you can already do that. You don't need --

MR. MONGE: We apply the gibberellic acid post-harvest. When this is being processed, when this is being plucked.

MR. MOYER: I understand that. But you're not applying it post-harvest to the banana. You're applying it post-harvest to the soil?

MR. MONGE: No, to the banana.

MR. MOYER: Oh, to the banana.

MR. MONGE: What we want to do is to apply it here, in the crown, in the crown of the banana, right here.

MR. MOYER: I'm sorry, I apologize. You're applying it to the crown?

MR. MONGE: The crown.

MR. MOYER: How does that enable the plant to support more fruit?

MR. MONGE: Sorry?

MR. MOYER: How does that --
MR. ENGELBERT: It's two different uses.

MR. MONGE: It is already allowed to be used as a crop input. But we want to apply post-harvest.

MR. MOYER: Post-harvest, to the fruit?

MR. MONGE: Yes.

MR. MOYER: Thank you.

MR. GIACOMINI: Okay. Thank you.

Gregg.

MR. STEVENS: Thank you for giving me the opportunity to speak. My name is Gregg Stevens and I'm a new certification specialist with Vermont Organic Farmers, VOF. And I'm speaking on behalf of Nicole Dehne who is the program administrator there. She had to leave a little bit earlier today.

First and foremost, we all wanted to thank you for your hard work in covering so many important topics. And regarding the apiculture standards, VOF participated on the
ACA committee for apiculture regulations, and
generally are very supportive of this NOSB
recommendation. VOF currently has one
certified organic bee keeper that has been
certified to Vermont organic apiculture
guidelines since 2000, and it is of great
concern to us that the regulations for organic
honey and other apiculture products are
attainable and enforceable for all areas of
the United States.

Our current organic bee keeper has
hives in the northeast corner of Vermont, an
area that still has a great deal of
agricultural land and generally a low
population density. His forage zone is made
up of woodlands, hay field and some
residential lawns. We feel it would be an
unnecessary burden to ask this producer to
annually verify with every residential
property within the forage zone that they have
not used prohibited substances on their lawns.

Do they understand what prohibited
substances are? Are they willing to sign an affidavit stating this? Do lawns in the forage zone really post a serious risk to the contamination of the honey? Our producer has found that neighbors were more willing to sign a restraining order or a get-off-my-property affidavit. Not that Vermonters aren't friendly, but many people are suspect to having to sign off on a document such as that.

There is suggested language in VOF's written comments that have already been given, that could be considered for a compromise, or perhaps requirements for affidavits from land owners could be limited only to those land owners who grow crops on their land that can be expected to significantly impact the bees. We recommend the Board give certifiers the ability to make decisions about risks in the forage zone that may need to be evaluated on a case-by-case basis. These potential risks can then be mitigated by testing apiculture products for
chemical contamination.

In addition, it should be noted that, although the original NOSB recommendation required a four-mile radius from the hive, it also had an allowance for some non-organic land within that forage zone. Of course, the plants from which the bees collect pollen are important, it's what makes them organic, but the forage zone is not everything. Of course, standards for organic apiculture products should be strict, especially when it comes to hive management. Organic bee keepers differ greatly from their conventional counterparts when it comes to the pesticides that are used to treat the hives. Let's put the focus on -- put less focus on the forage zone and more focus on the things we can control.

And that concludes these written remarks.

MR. GIACOMINI: Questions or comments? Kevin.
MR. ENGELBERT: I spoke with a certifier from MOSA this afternoon, and they have a bee producer there that they certify that has 47 residential neighbors that they get an affidavit from. Does -- and have no problem with it. How many does your producer have?

MR. STEVENS: I don't know.

MR. GIACOMINI: Questions, comments?

(No response.)

MR. GIACOMINI: Thank you. We lost you, Lisa. What's the next one?

MS. BRINES: Stefan Hauke.

MR. GIACOMINI: Stefan, please.

MR. HAUKE: Good afternoon, everybody. I need to correct that a little bit. My name is Stefan Hauke, but I'm of Hauke Consulting, which is a consulting firm, and we have international companies to come into the organic market here in the United States. Lammsbrau happens to be one of my
I will just give you a little bit of a background. Lammsbrau is an organic brewery, the brewery is 230 -- 280 years old, and they've been brewing organically since the '70s, and they are certified organic since 1992 and they are at the forefront of organic brewing in Europe, certainly in Germany. So they have a lot of stake in the organic processes.

Lammsbrau is available in the U.S. for two years now. I guess they started in 2008 to export here. And we were at the show, at the trade show, the Expo East a couple of weeks ago, and we had a few attendees from the show coming to us to ask the brewery about the opinion on the organic hop petition.

Well, you know, we didn't want to give the opinion there, so we decided to wait a little bit and, you know, work on it and give you an official opinion. And I'm very glad that we were allowed to actually do that.
So we provided written opinion, which is right here, five pages to read. So if you have some time, I encourage you to do that. And I just want to quickly summarize what the opinion of the brewery is. Again, that is the leading German or leading European organic brewery.

Now the opening statement of that letter, and I'm just reading that for you, we are concerned that the NOSB handling committee recent recommendation to keep hops on the National List until January 2013 unnecessarily prolongs consumer confusion, continues to damage the integrity of the organic beer category as well as the USDA organic seal, and unnecessarily inhibits the growth of organic hop acreage. Furthermore, breweries selling organic beers made with conventional hops have enjoyed a substantial and unfair trade advantage for three years at the cost of breweries that choose to use organic agricultural ingredients exclusively.

The current recommendation of the
handling committee will prolong this unjustified trade advantage for another two years, penalizing breweries who support organic hop growers, the organic beer category and the integrity of the National Organic Program by using exclusively organic agricultural ingredients in their organic beers.

And I just want to give you -- it's a long document, I don't know if you have time to read that, but I just want to give you some key points the brewery believes are true. Lammsbrau believes that the petitioner made a compelling case that a wide variety and a sufficient quantity of good qualities hops are available. Lammsbrau concurs that it is unreasonable to expect that all hundreds of hop varieties should be available in organic farms. Lammsbrau concurs that for most beer styles, there are good organic hop substitutes available.

Lammsbrau believes that the
breweries serious about developing and brewing truly organic beers from organic hops will be able to do so with the organic hop varieties available in the market as proven by breweries which already make organic beers of very different styles with organic hops.

Lammsbrau, and that is very important to the brewery -- Lammsbrau believes that consumers have the right to know if an organic product is made exclusively with organic agricultural ingredients. Since beer is not required to provide ingredient information -- and no beer does, pretty much -- on the label, consumers have no way to know if a organic labeled beer is made with organic or with conventional hops. This, in Lammsbrau's opinion, is very problematic. Many consumers buy organic foods to avoid pesticides and other chemical processing agents. The consumer enjoying an organic-labeled beer has no way to know if she consumes ingredients she actually wanted to
avoid in the first place by choosing organic.

Lammsbrau believes that beers made from organic grains and with conventional hops have a place in the market, and that place is made with organic, whatever the grain might be. This is already there and that could be used. Lammsbrau is also concerned about the public trust in organic beer and the integrity of the USDA organic seal. Beer in its most simple form is made from two agricultural ingredients; malt and hops, plus water and yeast. Lammsbrau is concerned that the public, if it would become wide knowledge, would have a hard time to accept that a beer can be labeled organic if one of the two agricultural elements was grown conventionally.

And I just want to read to you the last sentence of the letter, and then I'm finished. We believe -- and that again is the brewery. We believe that every additional day hops remains on the list harms the integrity
of the National Organic Program, causes consumer confusion and distrust, inhibits the growth of organic hop acreage and promotes brewers using conventional hops at the expense of brewers using organic hops. For these reasons, we support the petition of the American Organic Hop Growers Association to remove hops from the National List.

And that is signed by Susanne Horne, who is the general manager of the brewery. Thank you.

MR. GIACOMINI: Thank you.

Comments and questions? Joe.

MR. SMILLIE: You make great beer.

MR. HAUKE: Thank you.

MR. SMILLIE: No question about it.

MR. HAUKE: And everybody is invited to visit the brewery when you are in Germany. It's very close by. Twenty miles.

MR. SMILLIE: We have reached, we think, a solution that is a win/win for
everybody, and I really urge your company to really promote and market its use of organic hops for all these years. That's, you know, a marketing advantage that you have over the people who don't use organic hops, and you are allowed to do that in the romance language, and even on the ingredient panel, as I understand the U.S. of A. So I think that's the benefit that you can go forward with in the marketing department.

But I think we have reached our recommendation for January of 2013, I think has been fairly well accepted by everyone, and --

MR. HAUKE: Well the brewery accepts the compromise and the brewery doesn't necessarily like it. And this is, you know, what the reasons the brewery thinks that's not the case. But again, you know, that is the comment of the brewery, which is the leading organic brewery in Germany, and probably in the world.
MR. SMILLIE: Thank you.

MR. GIACOMINI: Thank you. Any other questions?

(No response.)

MR. GIACOMINI: Okay folks, thank you very much. And we're done.

(Whereupon, the above-entitled matter was concluded at 6:59 p.m.)
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CERTIFICATE

This is to certify that the foregoing transcript

In the matter of: National Organic Standards Board

Before: US Department of Agriculture

Date: 10-27-10

Place: Madison, Wisconsin

was duly recorded and accurately transcribed under my direction; further, that said transcript is a true and accurate record of the proceedings.

______________________________
Court Reporter

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COURT REPORTERS AND TRANSCRIBERS
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