



November 14, 2008

VIA ELECTRONIC MAIL

Docket Clerk
U.S. Department of Agriculture
Food Safety and Inspection Service
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Docket No. FSIS-2008-0026

RE: Product Labeling: Use of the Animal Raising Claims in the Labeling of Meat and Poultry Products

On behalf of Meat and Livestock Australia (MLA) I am pleased to submit these comments regarding the use of the animal raising claims in the labeling of meat and poultry products. The Australian beef, sheep and goat industries are interested in the outcome of this policy review and the Food Safety and Inspection Service's (FSIS's) efforts in this regard.

MLA is a producer-owned company with 40,000 livestock producer-members. It provides services to Australian livestock producers, processors, exporters, foodservice operators, and retailers and represents many producer-members who export beef, sheepmeat and goat meat to the United States.

The Australian industry supports a flexible approach to marketing claims

U.S. consumers are not homogeneous. When purchasing meat products individual consumers demand different product attributes and have varying degrees of price sensitivity. Individual brands should have the flexibility to position products that cater to various target markets.

The Agricultural Marketing Service (AMS) should limit its standard setting to definitions for single production practices. To explain, "antibiotic free", "no hormones administered" and "free range" are marketing claims that cover a single production practice. In contrast, the proposed "naturally raised" standard and the finalized "grass fed" standard encompass multiple production practices.

- "Naturally raised" encompasses:
 - (1) No antibiotics administered,
 - (2) No growth promotants administered, and
 - (3) feed restrictions.

- “Grass fed” encompasses
 - (1) feed restrictions, and
 - (2) non-confinement.

Voluntary standards for marketing claims that encompass multiple production practices must be based on unbiased and independent consumer research. Therefore, we do not support AMS developing marketing claims that encompass multiple production practices unless consumer research is undertaken. This is the only way to validate beforehand what attributes consumers are looking for and that a market exists. In addition, there needs to be a capacity to supply. If the AMS does not substantiate the existence of a market and a capability to supply a product with specific attributes, then tax payer money may be wasted in the development of a voluntary standard that is never widely utilized.

Another alternative is to allow individual brands to develop their own product positioning by using the definitions for single production practices as building blocks. With this ‘free market’ approach individual brands will only invest in consumer research and the other costs of establishing a new product if they are convinced that a market exists and there is a capacity to supply the product.

Importance of integrity

In order for marketing claims to be truthful and not misleading, they must have integrity. Clear definitions, standardized labeling language and verification systems help to deliver integrity.

1. Definitions

Defining single production practice claims and establishing a minimum standard for their use would guard against these terms being misleading. For example, there is confusion regarding the term “antibiotic free”, does it mean that the animal was never administered an antibiotic during its lifetime or is the piece of meat simply free of detectable antibiotic residues? In addition, what is the definition of an antibiotic? Defining these single production practices and limiting FSIS label claim approvals to claims that at least meet the minimum standards set by the department would provide a framework for private brands to select the attributes that their target markets demand, while maintaining integrity.

Consistent adoption of definitions requires close coordination between the AMS and FSIS. AMS should only develop standards that can be upheld through the FSIS label approval process.

2. Standardized labeling language

Labeling language can be misleading. For example, the term “hormone free” is misleading because all animals produce hormones. FSIS’s requirement to use the term “no hormones administered” for beef products is more appropriate. Developing standardized language and requiring that private brands explain their product positioning at point-of-sale will assist in reducing consumer confusion.

3. Verification

Ongoing verification is necessary to maintain integrity and truth in labeling. Certifying entities can deliver ongoing verification. Recognizing that the United States imports meat products from many countries it is important that international certifying entities are performing to an acceptable standard. If possible the U.S. Department of Agriculture (USDA) should require these private certifying entities meet performance criteria that are already established by an international organization, rather than developing a new set of performance criteria. Certifying entities should be accredited by the in-country member of the International Accreditation Forum (IAF). In the case of Australia this is JAS-ANZ. As a member of IAF, JAS-ANZ requires that the entities they accredit comply with the appropriate international standards – ISO Guide 65 and ISO Guide 17021 being the appropriate standards in the case of marketing claims.

A private company with a brand incorporating a marketing claim may see value in incorporating “Verified by USDA” or “USDA Process Verified” in their product label and seek AMS approval to do so. This approach should remain voluntary.

FSIS and AMS must work together to ensure marketing claims appearing on meat and poultry products are meaningful, relevant, truthful and not misleading. By focusing standard setting efforts on single production practice claims, a workable system with integrity and flexibility can be achieved.

Sincerely,

A handwritten signature in black ink, appearing to read "M. A. Gorman". The signature is fluid and cursive, with a period at the end.

Michelle Gorman
Regional Manager, North America