



MEMORANDUM

TO: REBECCA THISTLETHWAITE, LAUREN GWIN
FROM: DENISE PERRY
SUBJECT: NASC REGIONAL MEETING BETWEEN FSIS AND SM/V.SM PROCESSORS
DATE: JUNE 13, 2017

On Tuesday, June 13, 2017 stakeholders with various interests in the Meat Processing Industry attended a small group session with five key officials from the Food Safety Inspection Service (FSIS). Those officials were Administrator Al Amanza, Deputy Director, Labeling and Program Delivery Staff, OPPD, Jeff Canavan, Deputy Assistant Administrator OPPD Rachel Edlestein, Assistant Administrator OFO, William Smith, and Assistant Administrator OOEET, Michael Watts. Of the stakeholders, two individuals worked for two separate small meat processing operations, and a representative from a fish processor. Others in attendance were a sheep producer, the American Grassfed Association, the National Sustainable Agriculture Coalition, and a group from a food safety consultant service.

To kick off the meeting Administrator Almanza noted that there are greater than 6,000 USDA facilities in the United States, and of those, about 5,000 are small and very small. These statistics are why he feels these regional meetings are so critical as they are a direct way to speak directly to the processors that his over 10,000 staff are serving within the meat processing industry. Mr. Almanza also noted that Secretary Perdue has directly expressed his concern about how the new budget proposal may negatively impact the small and very small processors relative to the proposed user fee based inspection service which would replace the current federally funded service. Mr. Almanza expressed his optimism of Secretary Perdue's devotion and genuine care for not just the U.S. Agriculture industry, but specifically the small and very small processors in our country. Mr. Almanza also noted that now is the time to be heard, because he truly believes you will be heard by our current Secretary of Agriculture. Secretary Perdue wants to hear first-hand the issues concerning those within the various agriculture sectors. Dr. Perdue is ready, willing and able to engage with passion about agriculture. ***In particular, he wants to know how FSIS/USDA can help small and very small plants, especially relative to the new proposed budget.*** From the meeting participants' viewpoint, the best and easiest way to make your voice heard, especially regarding the current proposed fee-based inspection service in the proposed budget is for all processors and Meat Processor Associations to reach out to their senators/congress people since they are the ones that will ultimately vote on this proposal.

The next point of discussion was led by Deputy Director Jeff Canavan. The labeling division has been working hard with Deputy Assistant Administrator in getting out a guidance document regarding LSAS documentation expectations for labeling claims in regards to generic approval vs. submission. They are currently almost done getting through the 4000 comments that were submitted and should have a final guidance very soon. They are making some great improvements to limit the necessity of resubmissions for basic elements such as brand differences, establishment number changes/flexibility. They are also working on a system that will allow approval holders to update existing claims with updated supplier information so as not to bog down with a whole new submission. In addition to being a helpful labeling reference for processors, the intent of this guidance is to provide the plants a reference to use as an official supporting document during in plant personnel (IPP) verification activities or labeling questions. Processors are encouraged to obtain a copy of this guidance as they can be extremely helpful, especially when it comes to the complexities of label claims and proper documentation for verifications.

The major discussion that ensued over this point was relative to the effective dissemination of all guidance documents. These materials are specifically written with the small and very small processors in mind and are extremely helpful. However, all participants agreed that not all small and very small plants are obtaining these helpful guidances. With that said, the main question prompted by the FSIS officials is ***“how can we (FSIS) better disseminate this information to the extremely busy small and very small plants?”*** FSIS wants the small and very small processors who struggle to keep up with regulatory guidance (due to operational demands and limited resources) to speak up and offer plausible solutions to FSIS information distribution. Perhaps NMPAN and other State and National Meat Processing Associations (AAMP, Missouri AMP, Wisconsin AMP, Minnesota AMP, etc.) can reach out to their members and report back to AAMP or NSAC with their ideas. User testing, making better use of weekly FSIS meetings (inspection personnel) as well as webinars presented by groups such as NMPAN were mentioned as potential outreach opportunities. Ultimately, Administrator Almanza and the other FSIS officials acknowledge that a communication gap between the small and very small processors and regulatory exists and would love to hear from these small and very small plants with limited time and resources on how FSIS can better disseminate the information to better serve the processors.

Another discussion that took place was relative to label claim verification and the burden of proof being placed on processors relative to raising claims and how perhaps the only way to truly “police” the authenticity of producer affidavits and protocols would be via requirements for 3rd party certifications relative to any claims (e.g. 100% Grass Fed, Never Antibiotics, Never Hormone). Administrator Almanza did caution this as a potential slippery slope of over-regulation. Although acknowledged, it was duly noted within the last 9 months or so an FSIS directive came out that placed the burden of claim compliance on the processor. The new raising claim labeling guidance should offer some aid for the small processor to ensure the proper documentation is on file, but processors and FSIS are both limited in regards to verifying the authenticity of the farm/producer affidavits and protocols, absent of going out and visiting farms themselves.

The next agenda item was led by Assistant Administrator OFO William Smith. Based on conversations revolving around challenges with getting communications to small and very small plants, Mr. Smith noted that originally the role of EAIOs was both a regulatory role as well as an outreach (helpful) role. He acknowledged that this role has slowly shifted to almost solely regulatory with very limited outreach. He would like to start working on getting his EAIOs back into plants in more of an outreach role, rather than regulatory.

Stakeholders brought up the challenges presented across districts and within plants relative to inconsistencies in response times, regulatory actions, challenging inspectors and resolutions to conflict. In particular, challenges seem most prevalent when plants experience a “revolving door” of inspection personnel. This is further heightened in plants that are within states that allow state inspectors to act as Federal Regulators. ***Mr. Smith’s bottom line was that FSIS personnel should never take action that cannot be explained to plant operators at the time the action is taken. If plants find they are facing issues in which plant personnel are not responsive (not providing direct information to what regulation is being violated within the plant), yet are affecting business operations, plants are encouraged to call their district’s 24-hour emergency number. You can find the number for each respective district following this report.***

Mr. Almanza and Mr. Smith both concurred that there is no excuse for a plant to have to wait to learn what is going on if inspection personnel have disrupted business, no matter if FSIS has gone “home” for the day. One improvement they are working on to help prevent such incidences is Assistant Administrator Watts and Mr. Smith are in the early phases of a “Help” button for in-plant FSIS personnel to call in the event there is an issue. This would provide a quick reference “hotline” for inspection personnel to determine if they should take action per regulation. This should expedite the in-plant personnel’s (IPP) needs to sift through the CFR

themselves to make such a determination. The “help” button is currently being tested with supervisors and the hope is to expand access to IIC’s and other IPP.

The “help” button conversation transitioned into Assistant Administrator Michael Watts’ update relative to other improvements being made to training. Mr. Watts works with training and outreach. Mr. Watts and Mr. Almanza have some real challenges as they are limited by how inspection personnel get trained due to labor union road blocks. Training improvements are still being made and Mr. Watts has been currently working on a new project which involves virtual reality scenarios where trainees actually go “inside” a virtual plant and deal with various inspection scenarios. Mr. Watts believes getting them into the virtual world of small plants will aid in the assimilation to a small and very small plant environment. ***Mr. Watts expressed his interest in working with more small and very small plants to continue to build the virtual training program so that more scenarios at the small and very small plant scale are available to trainees.*** Any small or very small processor that is interested in participating in building this program into a more robust training for small and very small plants are encouraged to reach out to Mr. Watts as he would really appreciate small plant examples to better facilitate training for his inspectors. His office number is (202) 205-0194 (Fax: (202) 205-0159).

Assistant Administrator Watts is also working on creating a course to help better prepare IPP for the actual processing of HACCP information. Right now, many inspectors start on the line in large slaughter facilities and then transfer directly to complex processing environments consequently missing out on learning the more finite understandings of how product is getting from point A to point B from a HACCP operations perspective. He is currently working on how to develop better training relative to this challenge.

A stakeholder asked about shadowing as a potential training solution especially in regards to new inspectors coming in to take over for long-term inspectors. Mr. Smith acknowledged this has been done to an extent but formalization of such a method would definitely make the tool more robust. Another suggestion made was to create regular inspector scenario tests that are distributed to and mandatory for all IPP/supervisors, etc. This test would be consistent across all districts and would end with leadership providing the solution that is supported by regulation and not overreaching. This would perhaps help with consistency and getting IPP on the same page across all districts.

Overall FSIS leadership expects IPP to be absent of adversarial persona with plant personnel—despite best efforts it was acknowledged by all that both realms have work to do in this department.

There was some discussion relative to specific challenges that Maine processors face regarding state versus federal plant needs. They are looking for more flexibility to meet the demand of farmers. This discussion will likely continue in more detail on the NASC listserv for those that are interested.

Coastal Enterprises International is a Maine Investment firm looking to help start-up meat companies with financing, etc. They admitted that there are significant financial risks in investments in any agriculture entity, meat processing included. Despite this risk they would like to ramp up support for more agriculture entities and are looking for those interested in working with them. They are primarily based in Maine, but said they do have a national presence and would be willing to speak with any interested parties.

The agenda for this session was set pretty tight prior to meeting and therefore there was some disappointment by the two processing participants that there was not a chance to continue the conversations in regards to Humane Handling. As processors, the two participants realize this to be one of the most universally impactful

regulatory issue plaguing the small and very small slaughter plants and we all must continue to make progress in the fair and reasonable monitoring of humane handling.

At the conclusion of the meeting Ferd Hoefner, NASC, solicited agenda items for the next regional meeting that will likely be held somewhere out west. Both processor participants asked to add Humane Handling to the agenda and acknowledged although there has been progress made, there is a need for continued improvement. Specifically mentioned was the imbalance of percent animals being watched in small and very small plants versus large facilities and how this relates to AMI standards. The main questions is how can that playing field be made more even to match AMS guidelines on HH slaughter expectations.

Some final quick notes added into the end were from the Labeling division. Assistant Deputy Rachel Edelstein said they are currently updating the existing 0157 guidance to include the STEC guidance information and this be put out for comment in the near future.

Mr. Canavan also briefly addressed the state of the usage of “uncured” in products that use naturally converted nitrite (e.g. pre-converted celery powder products). He said all scientific information is gathered and complete for the go ahead; however, they now must review the intricacies of what this means for how product should, would, can or cannot be labeled (e.g. is it “natural”). Based on that review they will then need to determine if any additional rule-making needs to be made prior to moving forward with the scientific developments.

Districts and their respective 24-hour Emergency Numbers:

ALAMEDA, CA (District 05)

States: Arizona, California, Nevada

Emergency 24-Hour: 1-866-729-9307

ATLANTA, GA (District 85)

States: Florida, Georgia, Puerto Rico, South Carolina, Virgin Islands

Emergency 24-Hour: 1-800-282-7005

CHICAGO, IL (District 50)

States: Illinois, Indiana, Michigan, Ohio

24-Hour Emergency: 1-800-332-0834

DALLAS, TX (District 40)

States: Louisiana, New Mexico, Oklahoma, Texas

24-Hour Emergency: (214) 767-9116

DENVER, CO (District 15)

States: Alaska, American Samoa, Colorado, Guam, Hawaii, Idaho, Northern Mariana Islands, Montana, Nebraska, Oregon, Utah, Washington, Wyoming

24-Hour Emergency: (303) 236-9800

DES MOINES, IA (District 25)

States: Iowa, Minnesota, North Dakota, South Dakota, Wisconsin

24-Hour Emergency: (515) 727-8960

JACKSON, MS (District 90)

States: Alabama, Kentucky, Mississippi, Tennessee

24-Hour Emergency: 1-800-647-2484

PHILADELPHIA, PA (District 60)

States: Connecticut, Massachusetts, Maine, New Hampshire, New York, Pennsylvania, Rhode Island, Vermont

24-Hour Emergency: 1-800-637-6681, enter 6

RALEIGH, NC (District 80)

States: Delaware, District of Columbia, Maryland, North Carolina, New Jersey, Virginia, West Virginia

24-Hour Emergency: (919) 844-8400

SPRINGDALE, AR (District 35)

States: Arkansas, Kansas, Missouri

24-Hour Emergency: (479) 751-8412

Specific Attendees:

Carrie Balkom (Am Grassfed Assoc)

Gray Harris (Coastal Enterprises, Inc—CEI)

Ferd Hoefner (National Sustainable Ag Coalition-NSAC)

Sophia Kruszewski (NSAC)

Donna Kilpatrick (Heifer International)

Shon Rainford (Heifer International)

Jen Levin (Gulf of Maine Research Institute—Seafood processor)

Brian Sapp (White Oak Pastures—Processor)

Denise Perry (Lorentz Meats-Processor)

Eloise Melzer (Dirigo Food Safety)

Michele Pfannenstiel (Dirigo Food Safety)

Margaret Hathaway (Dirigo Food Safety)

Lisa Webster (North Star Sheep Farm)

Emily Horton (District Office of Rep. Chellie Pingree)

Al Amanza (admin, FSIS)

Jeff Canavan (Deputy Director, Labeling etc.)

Rachel Edelstein (Dep Asst Admin labeling, etc.)

Jacob French (FSIS Green Horn...Almanza's understudy)

William Smith (Asst Admin OFO, FSIS—oversees policy implementation by FSIS personnel and districts)

Michael Watts (Asst. Admin—oversees training)