



# INDUSTRY NEWS

By David Meeker, APPI President

**January 28, 2007**

## CURRENT ASSOCIATION ISSUES

### **Travels**

I have not sent you a lengthy update since mid December because of a number of trips, though you have received brief alerts from me. Since the first of the year, I've been to AAFCO in Savannah, EPA, FDA, the International Poultry Exposition in Atlanta, and rendering plant visits.

### **NRA Comments on OIE Proposed BSE Chapter Changes**

This is the proposed change we took issue with:

“Ruminant-derived meat-and-bone meal or greaves, or any commodities containing such products, which originate from a country, zone or compartment defined in Article 2.3.13.3. should not be traded if such products were derived from cattle born before the date from which the ban on the feeding of ruminants with meat-and-bone meal and greaves derived from ruminants had been enforced.”

We said the following and alerted rendering and cattle interest in the U.S. and other countries:

“In order to verify material is from cattle born after a feed ban, age will have to be verified or certified. We do not know how such a certification can be made in the absence of a mandatory cattle ID system.

It seems inconsistent that on the one hand OIE is eliminating restrictions (by removing limits on age and bone types) when it comes to the trade of bones for gelatin and collagen preparation even from higher risk countries (controlled and undetermined BSE risks areas), while on the other hand they are adding restrictions (by placing an age requirement) on animal by-products traded from negligible risk countries. In other words, OIE is proposing to remove restrictions on products traded from higher-risk areas while adding restrictions on products traded from low-risk areas.

The level of risk that is being addressed is so miniscule in comparison to the restrictions to trade that this standard would bring about. Negligible is defined by the Merriam-Webster Dictionary as “so small or unimportant or of so little consequence as to warrant little or no attention”. Hence the “negligible risk” title by nature indicates a level of risk so small that overly precautionary actions are not required. This is especially true when compared to the restrictions this would put on trade.”

## **APPI Distributes FDA Transportation Video on Complying with BSE Feed Regulations**

This approximately 11-minute video CD is designed to be shown to truckers on a computer or CD player, such as while loading or unloading product at a commercial feed mill or feed manufacturing plant. The video CD explains the requirement that truckers clean their conveyances to avoid cross-contamination if they haul mammalian material that is prohibited from being fed to cattle or other ruminants. Among the precautions cited in the video CD are for truckers to check the product bill of lading or other labeling to determine if it contains the statement “Do Not Feed to Cattle or Other Ruminants” that FDA requires for shipments with restricted-use mammalian material. It also cites procedures recognized by FDA for cleaning out trucks and other conveyances, such as physical sweeping, vacuuming or washing.

## **Code of Practice Tally**

So far, 33 plants have been certified. The list is maintained on the APPI website: <http://www.animalprotein.org/>

# REGULATION

## **CVM Issues Second Comprehensive Draft of the Animal Feed Safety System (AFSS)**

FDA/CVM will hold another AFSS meeting in May to discuss the issue of hazard exposure. Industry is concerned about the laundry list of hazards CVM released before the last public meeting and the frequency (in most cases, very low occurrence) at which the agency has encountered these in feed. This will be the topic of the next May meeting.

The new draft of AFSS is here: <http://www.fda.gov/cvm/AFSS2ndDraftFramework.html>

## **EPA Working on “SPCC2” Rule**

The EPA recently amended the Spill Prevention, Control, and Countermeasure (SPCC) rule at 40 CFR part 112. EPA amended the SPCC rule to address a number of issues raised by its 2002 final rule, including those pertaining to facilities with smaller oil storage capacities, qualified oil-filled operational equipment, motive power containers, and mobile refuelers. EPA also removed sections of the rule that are not appropriate for facilities with animal fats and vegetable oils (AF/VO), and extended the compliance dates for farms. EPA has prepared references to help the regulated community understand and comply with the rule. The amended rule and associated guidance is here: [http://www.epa.gov/oilspill/spcc\\_dec06.htm#qualified](http://www.epa.gov/oilspill/spcc_dec06.htm#qualified) EPA is also proposing to extend the compliance dates for owners and operators of facilities to prepare or amend and implement SPCC Plans. This proposed rule would extend the dates by which a facility must prepare or amend and implement its SPCC Plan, until July 1, 2009. EPA expects to propose further revisions to the SPCC rule in 2007, and the extension would allow EPA the time to promulgate further regulatory revisions before the compliance dates.

## **Industry Meets with CVM on Safety Concerns with Glycerin from Biodiesel**

NRA worked with other trade groups including the American Feed Industry Association, National Biodiesel Board, and National Oilseed Processors Association to gather experts to discuss the issues surrounding the use of glycerin in feed at a seminar for FDA’s Center for Veterinary Medicine Division of Animal Feed in early January. We provided an overview of the biodiesel industry and how it processes glycerin to FDA compliance experts and scientists at CVM’s offices in Rockville, MD. Chuck Neece from Central Bi-Products, provided an overview of the process of biodiesel production from rendering, and Brian White from American Proteins, provided an overview of the history and use of glycerin. Other speakers covered how feed manufacturers source

and use glycerin in feed formulations, research relative to the nutrient value of glycerin in ruminants and non-ruminants, as well as exports and future growth.

We had a discussion about potential contaminant levels in glycerin, particularly methanol, in light of a recent regulatory letter issued to industry by FDA that stated glycerin with levels higher than 150 parts per million (ppm) could be considered unsafe for animal feed unless firms had data on the safety of the product at higher levels.

### **If You Were Not Already in FSIS Jurisdiction and Render Edible Products...**

The USDA Food Safety and Inspection Service (FSIS) has clarified its regulations by stating that “... flavor products, e.g., flavor bases, and blended and reaction/process flavors, with greater than 3 percent raw meat or poultry, or 2 percent or more cooked meat or poultry, in their formulation are amenable to Food Safety and Inspection Service (FSIS) jurisdiction. Recent findings show that some manufacturers of flavor products formulated with significant levels of meat, meat byproducts, poultry, and poultry byproducts (e.g., 30-70 percent) are not aware that such products are under FSIS jurisdiction. These manufacturers need to take necessary steps to come under inspection ...” This was in the January 26 Federal Register:

<http://a257.g.akamaitech.net/7/257/2422/01jan20071800/edocket.access.gpo.gov/2007/E7-1264.htm>

### **Gloria J. Dunnavan Retires from CVM Office of Compliance**

Gloria J. Dunnavan has retired from the CVM Division of Compliance. Dr. Neal Bataller, formerly a Veterinary Medical Officer with the Office of Compliance and BSE Activities Monitor, and then briefly with USDA/FSIS has assumed the duties of Director.

## **OTHER ISSUES**

### **Feedstuffs Headline: “Animal byproduct-free poultry feed possible”**

I was taken aback when I read this headline in *Feedstuffs* magazine. Especially when I noticed it was written by Dr. Park Waldroup of the University of Arkansas who has done many research projects with meat and bone meal in poultry nutrition.

### **Horse Slaughter Continues to be under Fire**

On the heels of last week’s federal court decision upholding a Texas ban on horse meat for human consumption, both Delta and American Airlines indicated they won’t transport the meat overseas markets. “My information now is that the plants are not processing at the moment,” industry lobbyist Charles Stenholm told The Dallas Morning News. “It doesn’t take a rocket scientist to know that if you can’t ship the meat, you can’t process it.”

According to industry news sources, the owners of two horse slaughtering plants in Texas are mulling a challenge to a federal appeals court ruling that upheld a state law banning horse slaughter for the purpose of selling meat for food. The ruling involves Dallas Crown Inc. in Kaufman, Texas, and Beltex Corp. in nearby Forth Worth, Texas, two of the nation’s three horse slaughtering plants. The third, Cavel International Inc. of DeKalb, Ill., is not affected by the ruling. All three facilities are foreign-owned, and virtually all of the meat is exported, mainly to the European Union, where consumption of horse meat is commonplace.

Meanwhile, The American Farm Bureau Federation issued letters to representatives and senators today strongly opposing H.R. 503 and S. 311, the American Horse Slaughter Prevention Act. AFBF President Bob Stallman said the prohibition on processing equine will create a negative precedent for all livestock.

Also, January 17 bills to prevent horse slaughter were introduced in both the United States House of Representatives and Senate in an effort to increase public awareness. Last year the bill

was passed in the House with a 263 to 146 vote, but the Senate adjourned before members were able to vote on the bill.

### **Changing Feed and Livestock Industry**

Energy, global trade, the threat of terrorism, poverty, environment, and subsidies will all have an impact on the feed industry. It is more critical than ever for this industry to use information technology in decision-making. The structure of the livestock industry is undergoing rapid change in its fundamental structure. These dramatic shifts will require feed suppliers to change in lock-step to meet the livestock producer's emerging needs.

The article can be found here:

[http://www.allaboutfeed.net/tsal/allaboutfeed.portal/enc/\\_nfpb/true/\\_nfpb/true/\\_pageLabel/ts\\_page\\_blogs/id/6317/ts\\_portlet\\_weblog\\_1\\_actionOverride/\\_2Fportlets\\_2Fts\\_2Fcore\\_2Fweblog\\_2Fcontent\\_2FshowDetails/\\_mode/view/ts\\_portlet\\_weblog\\_1channel/507/ts\\_portlet\\_weblog\\_1id/6317/desktopLabel/allaboutfeed/index.html](http://www.allaboutfeed.net/tsal/allaboutfeed.portal/enc/_nfpb/true/_nfpb/true/_pageLabel/ts_page_blogs/id/6317/ts_portlet_weblog_1_actionOverride/_2Fportlets_2Fts_2Fcore_2Fweblog_2Fcontent_2FshowDetails/_mode/view/ts_portlet_weblog_1channel/507/ts_portlet_weblog_1id/6317/desktopLabel/allaboutfeed/index.html)

### **CSPI Petitions USDA to Limit the Sodium Content in Meat and Poultry Products**

The Center for Science in the Public Interest (CSPI), life-long critic of modern agriculture and food processing filed a petition in January requesting that the USDA Food Safety and Inspection Service establish maximum levels of sodium in various categories of meat and poultry products. CSPI says "Too much salt in the diet is a major contributor to high blood pressure, heart attacks and strokes, and almost all Americans consume far much more sodium than is recommended." However, many independent scientists acknowledge that much is still unknown about the relationship between salt consumption and health. The complete text of the CSPI news release is posted here: <http://cspinet.org/new/200701031.html> The CSPI petition to USDA is posted here: [http://cspinet.org/new/pdf/sodium\\_limits\\_petition.pdf](http://cspinet.org/new/pdf/sodium_limits_petition.pdf) The 2005 CSPI petition to FDA to remove GRAS Status of Salt is posted here: [http://www.cspinet.org/new/pdf/fda\\_salt\\_petition.pdf](http://www.cspinet.org/new/pdf/fda_salt_petition.pdf) A CSPI document, titled "Salt Assault: Brand-name Comparisons of Processed Foods" is here: [http://www.cspinet.org/salt/updated\\_saltreport.pdf](http://www.cspinet.org/salt/updated_saltreport.pdf) CSPI's "Salt: The Forgotten Killer" is here: <http://www.cspinet.org/salt/saltreport.pdf>

### **CSPI Declares Industry Funding Leads to Scientific Bias**

CSPI sponsored research claims that drug companies have tried to influence the scientific record so as to make their products look healthier; and food companies doing the same. Researchers from the Children's Hospital in Boston and CSPI, claim studies with an industry-only source of funding were four to eight times likely to report favorable conclusions for the sponsors than studies with no industry funding. An article supporting CSPI's claim is here:

<http://medicine.plosjournals.org/perlserv/?request=get-document&doi=10.1371/journal.pmed.0040006>

A good article putting it in common sense perspective is posted here:

<http://www.foodproductiondaily.com/news/ng.asp?n=73530&m=1FPD129&c=naetzutwzxeodw>

### **USDA Economic Research Service Reports**

*Livestock, Dairy and Poultry Outlook* was released on January 23 by the USDA Economic Research Service. The ERS says it consists of timely livestock, dairy, and poultry information, focusing on current and forecast production, price, and trade statistics for each of the sectors. The report is posted here <http://www.ers.usda.gov/Publications/LDP/>

The Feed Outlook is here:

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1273>

The Oil Crops Outlook is here:

<http://usda.mannlib.cornell.edu/MannUsda/viewDocumentInfo.do?documentID=1288>

### **Livestock Producers Seek Biofuels Impact Study**

Livestock groups are asking the USDA to investigate the overall implications of the rising production of biofuels, such as ethanol, on food production in the U.S. The National Milk Producers Federation, American Meat Institute, National Cattlemen's Beef Assn., the National Chicken Council, the National Pork Producers Council and the National Turkey Federation wrote a letter to Secretary of Agriculture Mike Johanns to assemble a working group within the USDA's Chief Economist's office to study the emerging biofuels economy and its full implications for milk and meat producers, as well as consumers of those products.

### **National Cattlemen's Beef Association (NCBA) Launches New Research Website**

A new Web site, [www.beefresearch.org](http://www.beefresearch.org), showcases checkoff-funded research in fact sheets and summaries, graphics, extensive resource listings, related Web sites, staff contacts and even glossaries of terms. The site is reader-friendly, presenting facts and findings in layman's terms. Research is presented in four priority areas: human nutrition, beef safety, market research and product enhancement. Much of the information on the Web site, ranging from ethanol byproducts to anti-carcinogenic activity in beef, has stemmed from cooperative research efforts at some of the country's leading university agricultural and meat-science programs.

### **Ice Storm Taxes Livestock Producers**

A sheet of ice that essentially stretched from Tulsa to St. Louis after a recent winter storm has put a major strain on livestock producers in the region. Continuing freezing temperatures in southeast Kansas, southwest Missouri and northeast Oklahoma have had farmers struggling to feed and water their cattle. State officials and regional rendering companies are working with the Colorado Livestock Association on a plan to allow producers to dispose of dead animals at a reduced cost to rendering companies.