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UNITED STATES DEPARTMENT OF AGRICULTURE

IN RE: NATIONAL ORGANIC STANDARDS BOARD MEETING

Meeting held on the 28th day of November, 2007

at 08:30 p.m.
Holiday Inn-National Airport
Shenandoah Ballroom
2650 Jefferson Davis Highway
Arlington, VA

TRANSCRIPT OF PROCEEDINGS

11-28-07 NOSB Meeting Participants

- Chair: Andrea Caroe
- NOSB Members: Gerald Davis
Rigoberto Delgado
Steve DeMuri
Tina Ellor
Kevin Engelbert
Daniel Giacomini
Jennifer Hall
Katrina Heinze
Bea James
Hubert Karreman
Tracy Miedema
Jeffrey Moyer
Joseph Smillie
Julie Weisman
- NOP Staff: Barbara C. Robinson
Mark A. Bradley
Katherine Benham
Valerie Frances
Robert Pooler
Jonathan Melvin

1		Richard Mathews
2		Valerie Schmale
3		
4	Public Comment:	Jim Pierce
5		Tom Hutcheson
6		DeEtta Bilek
7		Alex Moreno
8		Michael Sligh
9		Garry Lean
10		Catherine Cash
11		Katherine DiMatteo
12		Liana Hoodes
13		Kimberly Easson
14		John Foster
15		Sue Baird
16		Pat Kane
17		Tiffanie Hudson Labbe
18		Gwendolyn Wyard
19		Jake Lewin
20		Sam Welsch
21		Marc Cool
22		Maury Johnson
23		Marty Mesh
24		Leslie Zuck
25		Melanie Saffler
26		Emily Brown-Rosen
27		Grace Marroquin
28		Grace Gershuny
29		Brian Baker
30		Zea Sonnebend
31		Rose Koenig
32		Judy Thompson
33		Lawrence Datnoff
34		Lawrence Marais
35		Jay Irvine
36		Mitch Johnson
37		Dave Martinelli
38		Barbara & Tom Elliot
39		Kelly Shea
40		Harriet Behar
41		Liana Hoodes
42		Greg Nemec

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P R O C E E D I N G S

November 28, 2007

ANDREA CAROE: I would like to call the November '07 NOSB Board Meeting to order. Thank you all for coming. Our first item on the agenda is to approve the agenda. So at this time I ask all board members for - entertain a motion to approve the agenda. Joe?

JOSEPH SMILLIE: I'd like to make a motion - Madam Chair I would like to make a motion to approve the agenda for November 7th - for November 27th NOSB Meeting. November 28th.

ANDREA CAROE: Is there a second?

MALE VOICE: Second.

ANDREA CAROE: Is there any discussion?

JULIE WEISMAN: Yes.

ANDREA CAROE: Julie?

JULIE WEISMAN: Yeah I would like the - the agenda currently - as it currently reads shows two items, one is a joint handling and materials committee item called the definition of materials and that is listed on the agenda as a recommendation. It probably is obvious from what has been posted on the website that that is going to be a discussion item at this meeting. We are not ready to make it be a recommendation. It's a

1 work in progress.

2 Also pet food is listed as an item for
3 recommendation at this meeting and that is also
4 going to go forward as a discussion item. There
5 are two lingering details that have to be hammered
6 out. Thanks.

7 ANDREA CAROE: Okay so those two items
8 will be changed from recommendation items to
9 discussion items. And the voting will be
10 eliminated for Friday. Any other changes?

11 MALE VOICE: I would like to change the
12 CACC item that is listed as a recommendation on
13 multi site operation certification; the committee
14 has decided that we will change that to a
15 discussion.

16 ANDREA CAROE: Okay so that - that too
17 will be removed from the voting items and changed
18 as a discussion item. Any further changes to the
19 agenda?

20 MALE VOICE: Madam Chair.

21 ANDREA CAROE: Dan.

22 DANIEL GIACOMINI: I believe we also have
23 a speaker for the alternative perspective slot.

24 ANDREA CAROE: Yes. I think the
25 published version that it was on the website
26 reflects this, the Board - the Board - the version

1 that you have in your board books is - is just a
2 step behind and that's not reflected. And so - so
3 noted that that changed - that has changed
4 already.

5 VOICES: We can't hear you.

6 ANDREA CAROE: I can't get this any
7 closer. Okay so the - the issue is is that there
8 - the board books right now have an earlier
9 version that does not reflect a speaker today.
10 There is an empty slot. But that has been
11 resolved on the website and the version that was
12 posted there. So that is noted. I'm getting
13 feedback. Any other changes to the agenda?
14 Hearing none, all those in favor of the agenda as
15 changed by these - these two areas, say aye.

16 VOICES: Aye.

17 ANDREA CAROE: All those opposed same
18 sign? We have an agenda. Thank you. Okay the
19 next item of business is the wrap up from the
20 aquaculture symposium. Hue do you want to say a
21 couple of words on the aquaculture symposium
22 yesterday?

23 HUE KARREMAN: Thanks Andrea. We had a -
24 wow that's really - pardon me. I'm back here and
25 you can hear that pretty well. Okay. We had a
26 very productive aquaculture symposium yesterday.

1 And we had - is that better? Okay. So yesterday
2 we had our aquaculture symposium and we had two
3 major topics that have been unresolved very - from
4 a very in-depth perspective dealt with yesterday.
5 Regarding the feeding of aquaculture fish, fish
6 meal and fish oil, and also the net pen issue. I
7 think the speakers we had were excellent.
8 Certainly experts in their field. And I - I
9 believe we will be able to move along now and come
10 to a conclusion as a board regarding those two
11 issues and hopefully we will have a - a
12 recommendation to vote on at the spring meeting.
13 All I can say is if you weren't here you really
14 missed a - a wonderful and excellent USDA set up
15 symposium. And I'm glad we were all here. So but
16 thanks to all the panelists if you're here, and
17 please I guess we'll be hearing public comment as
18 well about the topic I hope. And I guess that's
19 about it for now.

20 ANDREA CAROE: Thank you. As we have
21 said before, the AWG as an appointed body for
22 working in this project has done a stellar job in
23 providing information. This was - the symposium
24 was a great opportunity for the board to get
25 further information on - on a couple of details
26 that were - were of concern to the public. And of

1 course our - our first order of business is to
2 maintain this label for public transparency for
3 public confidence in the label, and so this was a
4 good way of us to be able to do that. I thank the
5 Livestock Committee for putting together a
6 fabulous session.

7 And also for any of you that were not
8 able to be here we do have the poster sessions
9 still up and available for you to review some of
10 the work that has been done in these areas and
11 talks about the potential risks of these - these
12 two particular issues. So feel free to look at
13 those and learn more about the - the process.

14 Now the Livestock Committee will take the
15 information that they have and they have until the
16 spring meeting to develop a recommendation that
17 will be voted on then. So we look forward to that
18 and we'll move forward with this pretty big task
19 of bringing aquaculture into the organic fold.

20 Okay at this point I'd like to talk about
21 - a little bit more about what we are here to do,
22 which seems like kind of remedial but in past
23 experiences on boards that I have sat on we - we
24 always started the meeting just kind of
25 reiterating what our purpose is here. So I'd like
26 to kind of bring us back, not only to focus the

1 board on what our work is, so that we can
2 accomplish our task, but also to advise everybody
3 that's making public testimony, what our authority
4 is and - and in what way we can actually move
5 things forward.

6 So with that I thought it was really
7 appropriate to go back to the statute and actually
8 look at what the statute says in regards to this
9 board. So at this time I'm going to actually read
10 the quotations from - from OFBA.

11 In OFBA, in regards to the National
12 Organic Standards Board, it says in general the
13 Secretary shall establish a National Organic
14 Standards Board in accordance with the Federal
15 Advisory Committee Act, thereafter referring to
16 the - in this section as The Board, to assist in
17 the development of standards for substances to be
18 used in organic production and to advise the
19 Secretary on any other aspects of the
20 implementation of this title.

21 So the - specifically that is our task.
22 It goes further to talk about the composition of
23 The Board, the appointments, terms and meetings.
24 The responsibilities of the board are - are
25 listed. In general The Board shall provide
26 recommendations to the Secretary regarding the

1 implementation of this title.

2 So once again that is our purpose. And
3 if there is anything that we can do within this
4 purpose to assist the organic industry; we really
5 would like to hear testimony on that. As Board
6 members we need to focus in on activities that
7 move forward with this mission. And again it may
8 feel a little bit remedial but I think it's just a
9 good reminder. I like the idea of starting a
10 meeting talking about what our purpose is.

11 So with that I will ask the Board if
12 there is any announcements to make. Does - do we
13 have any announcements? No announcements. Okay.
14 Then we will move to introductions. And we'll
15 start with Hue. If you can give your name, your
16 affiliation, the seat that you hold, and any other
17 information you want to give about your being here
18 on this board.

19 HUE KARREMAN: Okay, my name is Hubert
20 Karreman. I'm a dairy veterinarian from
21 Pennsylvania. My background is in soil science,
22 soil conservation, dairy husbandry and now
23 veterinary medicine. I - my seat is the
24 Environmental Resource Conservation Seat. And
25 let's see I was appointed in 2005 so I have two
26 more years on the board here. And I look forward

1 to moving forward with some very important issues
2 coming up.

3 KEVIN ENGELBERT: Good morning. Kevin
4 Engelbert, Nichols, New York. I'm a - I hold one
5 of the Producer seats on the board. My family and
6 I operate a 120 cow certified organic dairy farm
7 in upstate New York. I want to go on record as
8 usual thanking my sons for carrying the load for
9 me and putting up with all the time that I spend
10 working on NOSB business. And I'm just honored to
11 be able to serve on this board.

12 JEFFREY MOYER: Good morning. Jeff
13 Moyer. I'm - excuse me - I hold the farmer
14 position on the board. I've been on the board
15 since 2006. I'm the farm manager for the Rodale
16 Institute. I live in Lenartsville, Pennsylvania
17 where I have a small farm of my own. I'm on the
18 Livestock Committee and the Crops Committee.

19 Good morning. I'm Jennifer Hall. I fill
20 a Consumer Representative slot. I live in
21 Spokane, Washington and work for an urban
22 developer bringing a food cooperative to our great
23 city. And I - I serve on both the Livestock and
24 the Certification Committees and I have had past
25 experience working with several NGO's that really
26 commit to educating the public and consumers and

1 the culinary industry and restaurant industry
2 about foods and sustainability and organics and -
3 and where and how to do all of that.

4 RIGOBERTO DELGADO: Good morning. A
5 producer from Texas. Chair of the Policy
6 Development Committee. Member of the Crops
7 Committee and also the Livestock Committee. I'm
8 very pleased to be here. And for the benefit of
9 my colleague, Bea, my name is Rigoberto Delgado.
10 And it's - like Kevin said it's an honor to be
11 serving on this board. I was appointed in 2005 so
12 I have a couple of years left. Thanks.

13 DANIEL GIACOMINI: Dan Giacomini, I serve
14 as a consumer position on the board. I'm from
15 California. I am a consultant in the dairy
16 industry for the most part. I am also an active
17 consumer in dairy - in organic. I serve on the
18 Chairman of the Live- of the Materials Committee
19 and - that wasn't a Freudian slip Hue, don't worry
20 about it - and also serve on the Livestock
21 Committee.

22 JULIE WEISMAN: Julie Weisman, I am the -
23 currently the Vice Chair of the NOSB and the
24 Chairman of the Handling Committee. And I also
25 serve on the CAC. I'm not sure if I'm forgetting
26 something here. But I hold one of the two

1 handling positions on the board. This is the end
2 of my third year. I can't believe it. I live on
3 northern New Jersey, though I'm from Brooklyn.
4 And I have been - I have been a member of a
5 collectively owned vegetarian restaurant in a past
6 life, served breakfast to people sitting in this
7 room. I have been a psychiatric social worker in
8 the Bronx. And for the last 12 years I have been
9 running my family's business providing ingredients
10 to the flavoring industry and now proudly mostly
11 organic ingredients.

12 ANDREA CAROE: Hi I'm Andrea Caroe and
13 I'm Chair of this Board. In my paying job I am
14 Executive Director of Protected Harvest which is
15 an eco label certifier. I also serve on the
16 Handling Committee, the CAC, the Policy Committee
17 and the Aquaculture Working Group. This is the
18 end of my term. So this is my last meeting. And
19 that's it.

20 BEA JAMES: Bea James, I serve on NOSB
21 with the Retailer Position. I work for the
22 National Cooperative Grocer's Association which is
23 an organization representing 137 co ops across the
24 United States. I live in Minneapolis, Minnesota
25 but I'm a native Oregonian and that's really where
26 my roots are. I have two beautiful sons, Forest

1 and Harvest, who are anxiously waiting for me to
2 come home and - and I look forward to that day.

3 JOSEPH SMILLIE: I'm Joe Smillie, I'm the
4 Senior Vice President of Quality Assurance
5 International and in that capacity I hold the seat
6 of - Certifier Seat on the NOSB. I'm Chair of the
7 Certification Accreditation and Compliance
8 Committee and a member of the Handling Committee.
9 I was appointed in 2006 and I have been an organic
10 farmer, a fertilizer dealer, a composter, and an
11 inspector, and I am now a bureaucrat.

12 KATRINA HEINZE: Good morning. I'm
13 Katrina Heinze. I sit in the scientist slot on
14 the board. I am also on the Materials Committee
15 and the Handling Committee. I work for a consumer
16 products company in a regulatory affairs group.
17 My experience is I have a background in chemistry.
18 I have spent most of my time in manufacturing.
19 And I'm a certified quality engineer. I was born
20 and raised in Marin County, so long time organic
21 consumer. I have two young children. And my
22 interest on the board is making sure that we have
23 strong national standards so that my children
24 inherit a good planet.

25 TRACY MIEDEMA: Good morning. My name is
26 Tracy Miedema. I'm from Philomath, Oregon. I am

1 also an organic consumer as are my three children
2 and husband. And I sit in the Organic Consumer
3 Representative Slot. My background is in organic
4 education, marketing and consumer behavior. And I
5 appreciate the opportunity to serve. Thank you.

6 STEVE DEMURI: Good morning. My name is
7 Steve DeMuri. I live in Carmichael, California.
8 And I hold one of the handler positions here on
9 this board. I'm also on the Materials Committee
10 and the Handling Committee. And I work for
11 Campbell's Soup Company. I direct the company's
12 organic production. I've been in the food
13 business for 28 years and in organics for about 15
14 years. And I too am honored to serve on this
15 board and very much appreciate all the fine work
16 that's done here. And I was just appointed last
17 year so I'm still a newbie. So be gentle.

18 GERALD DAVIS: Gerald Davis, I sit on the
19 - a producer seat on the board. I'm the Crops
20 Committee Chairman. I am from California and I
21 have 25 years experience working with organic and
22 conventional crops, about 40 different crops in
23 those states. I got around a little bit. I work
24 for Grimway Farms, a family owned very, very large
25 vegetable farm that is the largest carrot producer
26 in the world. But still owned by one family and

1 not a corporation. Thank you.

2 KRISTINE ELLOR: Hi I'm Tina Ellor. I
3 sit in the environmental seat. I'm from Kennet
4 Square, Pennsylvania. And as Steve said, this is
5 my first meeting so I'm really, really nervous.
6 But I see a lot of familiar, friendly faces in the
7 audience that I'm looking forward to hearing from.
8 So I think that's about it. Thank you.

9 ANDREA CAROE: Valerie do you want to
10 introduce yourself?

11 VALERIE FRANCES: Valerie Frances, the
12 Executive Director of the National Organic
13 Standards Board. And this is a lively meeting as
14 usual.

15 ANDREA CAROE: Bob?

16 BOB POOLER: Hi I'm Bob Pooler. I'm with
17 the National Organic Program. I've been with the
18 program since - well for many years. And was
19 involved with the reg writing and getting this
20 program implemented. And I deal with a national
21 list of state organic programs and cost share
22 amongst many other things.

23 VALERIE SMILLIE: Good morning. I'm
24 Valerie Smillie. I'm the Quality Systems Manager
25 for the National Organic Program and I just
26 started with them in March and I'm very pleased to

1 be here. Thank you.

2 JONATHAN MELVIN: Good morning. My name
3 is Jonathan Melvin. I'm the Accreditation Manager
4 for the National Organic Program. Welcome
5 everyone.

6 BARBARA ROBINSON: Barbara Robinson, I'm
7 the Deputy Administrator for - whoa - okay. Okay
8 let's try this again. I'm Barbara Robinson. I'm
9 the Deputy Administrator for Transportation and
10 Marketing Programs and the National Organic
11 Program falls under my oversight. And I've been
12 with this position now for I think this is my
13 seventh year. And so I don't know how long I've
14 been coming to these meetings. But - and I missed
15 the last meeting for personal reasons. And thank
16 you very much for your forbearance. It's nice to
17 be back.

18 MARK BRADLEY: Hi, Mark Bradley. I'm the
19 Associate Deputy Administrator of the National
20 Organic Program. And I manage the NOP staff.
21 I've been there for two years, something like
22 that. Seems longer.

23 FEMALE VOICE: I just want to acknowledge
24 Katherine Binham over here. She doesn't have a
25 mic. There she is. She's trying to help us with
26 our audio right now. We don't have our audio tech

1 with us. But she's our Advisory Board Specialist
2 and is really responsible for logistics of making
3 the meeting happen.

4 ANDREA CAROE: Thank you. She's been
5 floating around. I haven't been able to-- all
6 right well we're a little ahead of the time but we
7 know we'll have a lot of public comment. So - all
8 right so moving on, our next item is the
9 Secretary's Report so I'm going to turn it over to
10 Bea.

11 BEA JAMES: I would like to move that we
12 accept the March 2007 meeting transcripts into the
13 official record. And I would also like to mention
14 that the meeting transcripts do reflect a few
15 errors that are not anything that changes the
16 content of the meeting but there are some
17 misspelled names and just misspelling in general.
18 So Valerie and I plan on going through that and
19 making those corrections. But I just wanted that
20 to go on the record that it's a lot of paperwork
21 and we haven't gotten around to it. So I need a
22 second.

23 ANDREA CAROE: Is there a second?

24 MALE VOICE: Second.

25 ANDREA CAROE: Is there any discussion on
26 the transcripts? Because I know everybody has

1 read every word of them. Every word. Okay.
2 Hearing none, all those in favor of accepting the
3 March 2007 Board Meeting transcripts say aye.

4 VOICES: Aye.

5 ANDREA CAROE: All those opposed same
6 sign. Okay we have transcripts.

7 BEA JAMES: Okay. I would also like to
8 make a motion to accept the summarized minutes
9 from the March 2007 meeting, which also include
10 the summary of a lot of votes. And those are
11 posted on the website for anybody who is
12 interested in reviewing that. But I would like to
13 accept those into the NOSB official record.

14 ANDREA CAROE: Is there a second?

15 MALE VOICE: Second.

16 ANDREA CAROE: Steve DeMuri second. Any
17 discussion on these - now I do hope the board
18 members did read the summary minutes.

19 FEMALE VOICE: Can I make a point of
20 order here? I wasn't - didn't attend those
21 meetings so I would like to abstain from those
22 votes.

23 ANDREA CAROE: You can at the time of
24 voting go ahead and abstain.

25 FEMALE VOICE: Well there was no
26 opportunity to abstain from the last one so that's

1 just for the record.

2 ANDREA CAROE: Oh, very good. Thank you.
3 Any discussion on the transcripts - the summary
4 minutes? Hearing none we'll go to vote. All
5 those in favor of accepting the summary minutes
6 from - summary votes?

7 BEA JAMES: Minutes and votes.

8 ANDREA CAROE: Minutes and votes from the
9 March 2007 Board Meeting say aye.

10 VOICES: Aye.

11 ANDREA CAROE: All those opposed same
12 sign. And abstentions?

13 FEMALE VOICE: Thank you.

14 ANDREA CAROE: One abstention.

15 MALE VOICE: Over here too, I wasn't
16 there.

17 ANDREA CAROE: Two abstentions. Okay.
18 The vote passes.

19 BEA JAMES: That concludes the
20 Secretary's report.

21 ANDREA CAROE: Okay so this is the last
22 time I'll say this this meeting, we're ahead of
23 schedule by a half an hour. And the - it's the
24 last time I'll say it probably ever. So with that
25 we are prepared for the program report.

26 BARBARA ROBINSON: Are we doing what we

1 always do, I say my name first and - okay.
2 Barbara Robinson, Deputy Administrator,
3 Transportation and Marketing Programs. Who did
4 that?

5 Just a few things from the program for an
6 update at this meeting. Again let me start off by
7 thanking the board for its patience in my absence
8 in the past year for personal reasons, and for
9 your very nice sympathy for the loss of my
10 husband. I do appreciate that.

11 Now there are just a few things that I
12 would like to bring you up to speed on. The first
13 one is that the program and the board received a -
14 a letter alleging - well it was a complaint
15 alleging violations - ethics violations about a
16 member of the board. And asked that the board
17 take action and that the program address this and
18 so I will address this.

19 The letter was written by two private
20 individuals who were former members of the board.
21 And the letter alleged that a current member of
22 the board had made ethics violations and had
23 conflicts of interests and so we - we took a look
24 at this. That the member of the board did not
25 appropriately recuse himself from votes or declare
26 his interest - a conflict of interest. And so we

1 took a look at this and - and furthermore the
2 letter asked that the Secretary remove the board
3 member.

4 Let me say this. First of all you are
5 representatives of the Secretary. You are not
6 employees of the Department. No FACA law - that's
7 the Federal Advisory Committee Act - no OFPA law
8 and no National Organic Program regulation has
9 been violated here. None whatsoever. The
10 references to the board policy and procedures
11 manual, those are your rules of the road. Those
12 are not anything that has to do with a law of the
13 U.S. Government.

14 Furthermore your internal policy and
15 procedures manual says - this is rules that you
16 all have decided upon - say that you declare an
17 interest in a vote before a vote takes place. Now
18 let me say this first of all, each and every one
19 of you is appointed to this board by the Secretary
20 because you have a particular expertise.
21 Therefore each of you comes to this board with a
22 built in conflict of interest. We expect that.
23 That's what we - that's the reason you were
24 appointed. So that the Secretary would benefit
25 from your particular interest that you bring from
26 this industry. You are expected to participate in

1 every discussion that takes place on this board.
2 Not to participate in a discussion, to recuse
3 yourself from a discussion, is in effect to shirk
4 your duty and to deny this industry the benefit of
5 your expertise.

6 According to your policy and procedures
7 manual, as I recall, recusal is really up to the
8 board, not yourself. You may recuse yourself.
9 But as I recall, and maybe I'm wrong, when you
10 declare an interest, and you really don't have to
11 declare a conflict of interest, you can declare an
12 interest when a vote comes up.

13 Why would you do that? There are two
14 reasons that I can see that you would declare an
15 interest. One is you have an exclusive
16 relationship with the petitioner. Or you stand
17 somehow to materially gain from the vote that is
18 about to occur. Rarely have I seen that happen.
19 Now carried to the logical extreme, each and every
20 one of you stands to somehow gain from the vote
21 that is about to occur - either as a producer or a
22 consumer. You either stand to gain or stand to be
23 harmed, depending upon your views about the
24 material that is either going to be put on the
25 national list or put on for being prohibited. One
26 way or the other, depending on how you feel about

1 it, you either don't like it or you do.

2 Recusing yourself at some point can tip
3 the quorum so that you will not have a full bodied
4 vote. And that is not a good thing. So I caution
5 you against this recusal that you have built in
6 here. You know this is not necessarily - I know
7 that the motive behind it appears to be - to
8 appear politically correct and - and to refrain
9 from doing something that would look
10 inappropriate. But I caution you about that
11 because you know once you get to a point where the
12 quorum is very, very narrow, then - then again the
13 industry is denied a full bodied vote of 15
14 members. And then we don't know how the vote
15 might have turned out otherwise.

16 So as to the other issue in the letter
17 about a member appearing in a private press
18 release, affiliated with his or her firm, what you
19 do on your own time and in your own businesses is
20 your business as you have so often reminded the
21 Department. You are private citizens. You
22 volunteer your time to the Department. And there
23 have been many occasions where you have reminded
24 us that you are free to write to the Secretary as
25 private citizens. And share with him your views.
26 Well turn about is fair play. And in your private

1 business if you want to get your name in print,
2 the Department has nothing to say about it, and we
3 don't comment on your private press releases.

4 We have nothing further to say about this
5 except the following. The Secretary appointed
6 you. The Secretary supports all 15 of you. And
7 you are not getting off the board this easily.
8 And that is the end of the matter.

9 The second item that I would like to
10 bring up is - I'm not going to tell you about our
11 budget and you know our resources because you
12 never want to hear that stuff. However, in the
13 course of the last year and what I can safely
14 predict in 2008, the NOP workload will probably
15 turn into the following unless we do something.
16 Next year we will only work on what is known as a
17 FOIA, a Freedom of Information Act Request.
18 Unless we do something different. Because that's
19 pretty much what we are getting now, Freedom of
20 Information Act requests. And they go back to the
21 year 2002 when we opened the program.

22 So I have decided, and I have gone to the
23 Senior Policy Officials in the Agency and gotten
24 permission to do this, that we have to
25 dramatically change the way that we do business in
26 the NOP.

1 So we are going to do that. We ourselves
2 are contributing to the FOIA's that we get. Does
3 everybody know what a FOIA is - first of all?
4 Anybody not know what a FOIA is? A FOIA is a -
5 basically a request that the public is entitled
6 to, for information that is records that are under
7 our control and that are in our possession, but
8 for which we do have to go back and redact, which
9 is another word of saying black out any
10 confidential business information. We contribute
11 to this problem and we contribute to a growing
12 climate of mistrust in my opinion by not
13 publishing this information because as you know we
14 - we have certifying agents, 94 or 95 of them.
15 How many do we have? Ninety five. And we are
16 continually, as time goes by, auditing them. And
17 when we do we add to the pile of paper that is
18 potentially releasable once we get it done. Then
19 we get a FOIA request. So as you add to that
20 pile, that is potentially releasable, and you
21 don't publish it, and someone says I want it back
22 since 2002, as the years go by, the stack gets
23 higher.

24 There is nothing to hide. And there is
25 no excuse for not having transparency. So as soon
26 as we can, but hopefully by the beginning of 2008,

1 we are going to create for shorthand, ENOP, an
2 electronic National Organic Program. A reading
3 room, an electronic reading room if you will.
4 Where everything that can be published about the
5 National Organic Program will be published
6 electronically. And the history of this program
7 will be accessible through its certifying agents.

8 You will come in, you will click on a
9 certifying agent's name and you will be able to
10 start with the accreditation letter that they have
11 received from the administrator that grants them
12 the license to do business. And you will find a
13 list of all the operations certified by the
14 certifying agent. You will find the audits, the
15 audit reports that have been completed by the
16 audit review and compliance branch. You will find
17 all of the appeals, that appealed decisions issued
18 by the administrator that have been completed.
19 Eventually we will get to all of the non-
20 compliances that have been issued. Eventually we
21 will get to all of the decisions issued by the
22 National Organic Program.

23 Now my goal for this program is that when
24 100 people call in and ask the same question they
25 get the same answer and we aren't there yet. We
26 should be, but we're still a young program and we

1 do have terrible resource constraints. But this
2 will help us get there. Because people will be
3 watching and people will say well you answered
4 this differently than you answered it over here.
5 Because transparency will become a two way street.
6 There will be accountability and it will be
7 painful - painful for us. It will be a burden on
8 us. But eventually there will be growth as a
9 result.

10 But if we don't do this the program will
11 simply be paralyzed very shortly by FOIA's and
12 this all we will do. We won't do any rule making.
13 You'll be having one meeting, not two. We won't
14 work on anything but putting together FOIA
15 requests.

16 Right now compliance and analysis, which
17 does our investigations, which does all of the
18 investigation work for the entire agency, and AMS,
19 the Ag Marketing Service, has a staff that swells
20 to over 4,000 people at various times during the
21 year. Right now compliance and analysis tells me
22 that they spend more time on FOIA's than they do
23 on all investigations for the agency. And part of
24 that FOIA burden is because of the National
25 Organic Program.

26 So there's just, you know I don't say

1 this in any - I say this to you not in any, you
2 know hostile sense at all. The public has every
3 right to know what goes on in this program. And
4 we have begun to do this almost a year ago but we
5 delayed doing it because of something called web
6 migration. The entire department was switching
7 over to a - a single uniform type of home page.
8 And then a problem occurred and so the contractor
9 couldn't get it right. And so everybody decided
10 well we'll just wait. Well this became
11 ridiculous. I don't care if it takes twice as
12 much IT resources, that's somebody else's problem
13 to deal with, we're going to go ahead and do this
14 anyway and we'll deal with those consequences
15 later on. But I think we just need to go ahead
16 and publish as much as we can electronically. So
17 that's what we're going to do.

18 Third thing, we are moving ahead with
19 equivalence discussions with Canada. We have
20 gotten pretty far along. We are waiting for the
21 Office of the Trade Representative, which is the
22 White House Office, to give us a green light on
23 whether we can take the next step and move ahead
24 with discussions, formal discussions with Canada.
25 As you may know their standards will come into
26 effect in December of 2008. And so we want to go

1 ahead and actually sit down to the table with them
2 and see if there is a possibility to actually
3 engage in an equivalence discussion with them.
4 Remember the last time that we tried to have an
5 equivalence discussion was with the EU.

6 Equivalence is very, very difficult to
7 achieve with the National Organic Program
8 Regulations. Canada has problems with two of our
9 materials, Chilean nitrate and Potassium
10 Bicarbonate. And of course they have antibiotics.
11 So we will have something to discuss. But they
12 are eager to engage in this discussion and so we
13 will proceed and see how that goes.

14 We have renewed some discussions with
15 Japan. But of course we would like them to remove
16 the restrictions on three materials that they have
17 placed on us. So we will see how that goes.

18 And last but not least, dockets. I have
19 signed off on Sunset '08, Sunset '11; we have no
20 sunset for 2010 because you did not add any
21 materials in 2005. So you will have to go through
22 a sunset exercise in 2008 and 2011. Sucrose
23 octenate ester is done. Dr. Karreman, your
24 livestock meds, I signed off on the final rule
25 just before I came down. All of these dockets
26 will be published next week. So Merry Christmas.

1 ANDREA CAROE: Yes we certainly are ahead
2 of schedule. Okay all right well perhaps we
3 should take a little break right now. I know it's
4 kind of early. But if we can take a ten minute
5 break right now and then come back at nine
6 o'clock. I know it's unscheduled but we are a
7 little bit ahead of schedule and then we can just
8 regroup a little bit. Okay? So we will recess
9 for ten minutes.

10 [RECESS]

11 ANDREA CAROE: Okay, let's get back into
12 session here. At this time I have the pleasure of
13 introducing our Deputy Undersecretary of Marketing
14 and Regulatory Programs, Dr. Eller, who would like
15 to speak to this board. Dr. Eller?

16 DR. ELLER: Thank you Andrea. It is a
17 pleasure to be here this morning and speak to you
18 on behalf of Undersecretary Knight. He enjoyed
19 his visit with you last March I believe it was.
20 And he said this fall you need to go meet these
21 folks. And I do because I need to catch up on
22 your issues.

23 I've been involved with AMS pretty
24 closely on the grass fed forage raised, whatever
25 and now we're struggling with naturally raised. I
26 can define naturally raised. I'm not sure I can

1 define natural at this point. So we got off the
2 hook with naturally raised. We're brining that
3 through. And I believe in those nomenclatures. I
4 also believe in knowing what your nomenclature is.
5 And I also believe that marketing is between the
6 lines. And if you're going to sell something then
7 it needs to be between the lines. So I do believe
8 that perhaps we are at least starting on similar
9 philosophy. But I've got a lot of catching up
10 with the organics nomenclature, the organics lines
11 so to speak, and the organic industry.

12 I grew up on organic agriculture but I
13 didn't know any better. We milked our own milk.
14 We had our own eggs. We had our own bacon. We
15 couldn't afford a lot of the chemical fertilizers
16 and we couldn't afford a lot of the pesticides so
17 I grew up without knowing what I was growing up on
18 - organically.

19 I'd like to congratulate your Chairman,
20 Andrea I understand this is your last meeting. I
21 understand you've been very busy in chairing the
22 aquaculture symposium yesterday and that you have
23 set a full agenda for these two days. And I
24 understand you have been a very active board
25 member and now a very active board chairman. So I
26 think your shoes are going to be hard to fill and

1 I presume this board however has learned to be
2 very active, fast paced and full agenda'd under
3 your leadership. But congratulations and we
4 appreciate your tenure.

5 I also want to thank the board on behalf
6 of the Secretary and Undersecretary Knight. We
7 really appreciate your experience, your expertise,
8 your time, your efforts and your commitments on
9 behalf of USDA and the Organics Industry. Without
10 that we wouldn't be where we are. Now I know from
11 what I'm - when I talked to Barbara, some of you
12 say well we're not very far down the road. But
13 can you imagine how far we wouldn't be down the
14 road if it wasn't for you folks stepping up to the
15 plate.

16 You are an example of some of the best
17 things in government, particularly USDA, and that
18 is the public private partnership. We have made
19 so many strides at USDA over recent years with a
20 public private partnership, leadership philosophy.
21 We really appreciate what you do and we thank the
22 board members for your tenure and the industry
23 here - I mean my goodness, I presume everyone in
24 this room is interested in some phase of promoting
25 and advancing organic agriculture and organic
26 foods. So I - I think I see a lot of interest

1 around the room.

2 As you know USDA has been extremely
3 involved in trying to change farm policy. This
4 started to some extent with organic agriculture.
5 We did listening sessions as you know. Secretary
6 Johannes was very, very committed to listening
7 sessions - just a year to 18 months ago around the
8 country. As a result USDA proposed a number of
9 new initiatives in the Farm Bill. And by golly
10 most of those have been included in both the
11 Senate and House versions of the new Farm Bill.
12 It shows solid support for segments of agriculture
13 that were never involved in farm policy debates
14 beyond the subcommittee level.

15 Both bills include new funding for the
16 organic data collection. And this will help
17 provide better price and yield data at the
18 production and distribution points for organically
19 grown crops. Under both bills currently
20 considered the AMS, your host agency here, could
21 expand its coverage greatly. Fruit and vegetable
22 marketing and distribution, volumes and prices -
23 at production, at handler levels, at the import
24 border crossing levels, and at the wholesale level
25 markets. I presume that's some - if I were
26 producing in your shoes that's something I would

1 go fight for. I believe that's something you can
2 hold in the Farm Bills.

3 In fact we have some indication, we were
4 meeting with the Senate staff, both sides of the
5 aisles, yesterday, there is some indication that
6 the Senate Ag Committee might try to go to the
7 leadership with a set number of amendments and try
8 to come back to the Farm Bill next week when they
9 get back in town. I hope they do because that's
10 about the only movement we'll get on the Farm Bill
11 by Christmas. And that means we can start writing
12 the real Farm Bill in the mid January timeframe
13 and maybe have a President's Day signing of the
14 Farm Bill that is late February traditionally.
15 Otherwise we'll have an Easter Farm Bill if the
16 Senate cannot get their Farm Bill off the floor in
17 the next three weeks we'll probably be signing
18 Farm Bills in Easter.

19 We'll be extending the MILC, M-I-L-C
20 program. We'll be extending the kumquat program,
21 the raisin - you know I mean - I'm being facetious
22 about kumquat program. But the Farm Bill is so
23 complicated that we'll have to cherry pick little
24 extensions and that's all they'll get done is play
25 little extensions until they can get the master
26 Farm Bill extended. So let's hope that the Senate

1 can come back and agree with the leadership next
2 week and move a bill off that floor so that the
3 real Farm Bill can be written in the Conference
4 Committee, which is going to take a long, long,
5 tough, tough time.

6 Both bills currently include expanded
7 resources for organic research. This will focus
8 on conservation and environmental outcomes and new
9 and improved seed varieties which are well suited
10 for organic agriculture. I think you've done your
11 job.

12 The popular certification cost share
13 program will be extended - I'm sorry - expanded
14 significantly. Increase of funding and resources
15 for reimbursement for both producers and handlers
16 are included. We'll get more money for total
17 reimbursement and the program can be expanded then
18 to all states.

19 Of course USDA supports the increased
20 funding for the National Organic Program. With a
21 whopping 15 to 20 percent growth in the organic
22 industry, it is hard for the USDA and the Congress
23 to ignore the needs of the - for the additional
24 resources in compliance and enforcement activities
25 that AMS must carry out under that kind of a
26 growth program.

1 I don't believe that we have any other
2 one single program that is growing at that rate in
3 the area that we are. We, Secretary Knight and I
4 have the animal plant health inspection service,
5 the packers and stockyards, the grain inspection
6 and the agricultural marketing service, under our
7 section of the sub cabinet. And this program,
8 unless there is some new figures, it's the fastest
9 growing program that we have.

10 We certainly hope Congress will
11 demonstrate its continued support of organic
12 farming, organic agriculture, organic food
13 production and marketing, and we need a Farm Bill.
14 We need a Farm Bill to recognize the true value of
15 specialty crops. And we need a Farm Bill that
16 serves both farmers and the American consumer as
17 well.

18 We've come a long way in Farm Bills.
19 I've been around town a long time but the first
20 Farm Bill I was up to my ears in was 1985. I was
21 the lead lobbyist for the Cattle Industry at that
22 time in town. And I was told on many occasions by
23 other lobbyists, by staff, and by members of
24 Congress how dare you get involved in the Farm
25 Bill? The Cattle Industry had no supports. The
26 Cattle Industry wanted government out of our

1 business. We believed in the free market and all
2 we needed was a chance to meet that market.

3 The bulk crops - so called program crops
4 - had had a lock on the Farm Bill and to some
5 extent still do, and I'm - I mean that's - that's
6 our basis of world trade. I'm not saying we
7 shouldn't do Farm Bill policy that keeps us active
8 in farm production, keeps us producing a lot of
9 product, and keeps us the world leader in trade
10 and exporting our commodities.

11 But between dairy and the - the gross
12 commodities, it was like how dare you get involved
13 in the Farm Bill? The Farm Bill - this is - you
14 can't be involved in the Farm Bill. We don't do
15 those things in the Farm Bills. All we wanted was
16 some level playing fields, etcetera, etcetera. So
17 we have come a long way for the specialty crop
18 interest to now be a - have its own section. I
19 mean Title X of the Farm Bill didn't exist in
20 1985. We created Title X and now you guys are
21 creating the - the fruit and vegetable title.
22 Congratulations. Sometimes things just take
23 longer in Washington right?

24 USDA and AMS, we also support a lot of
25 other small farm programs. I'm sure many of you
26 know of and probably even participate in the

1 Farmer's Market Promotion Program. Basically it
2 is a grant program targeted to states, to tribes,
3 to roadside stands, to community approved
4 agricultural groups, economic development regional
5 farmer authorities and other marketing
6 authorities, that helps do a production to
7 consumption direct link. And that is as good as
8 it gets. I mean it's nice to have a choice and
9 I've never seen such growth. One thing that's
10 going to rival probably the - in my opinion, this
11 is a personal opinion - one thing that's going to
12 rival the growth in the organic production
13 acceptance and consumption, is going to be the
14 local grown and consumed niche market growth.
15 Watch out! That is coming. That is here. That
16 freight train is right behind us and I think it's
17 wonderful.

18 You go up the street and buy your eggs.
19 You buy your sweet corn. You buy your vegetables.
20 I'm on the - I live on the edge of the Washington
21 growth. I take a train in every morning. The way
22 some farms around me are maintaining open space
23 and their ability to farm is providing that
24 locally supplied market. And you know what, right
25 beside us there's three quarter to a million
26 dollar houses going up and those households don't

1 care what the price is. I love it. They don't
2 care what the price is. And my neighbors are
3 going to provide it. So again those are exciting
4 things. These are exciting times in agriculture.

5 AMS recently held a very successful
6 National Farmers Market Summit in Baltimore. It's
7 part of our effort to look for new opportunities,
8 size up the niche marketing developments, and
9 other opportunities for medium and small size
10 farming operations.

11 Again I think the direct consumer,
12 producer to consumer production and marketing and
13 partnerships are the thing to watch in - in
14 agriculture as far as growth rates. Total volume
15 not necessarily but growth rates over the next few
16 years. And again that's personal.

17 Another way USDA might be able to help
18 and fit in with some of your organic and other
19 niche market plans in the future is by - and this
20 is switching over to the animal industry now, a
21 animal identification and premise registration
22 system. You know that we have been involved in
23 that. Secretary Knight and I were brought in
24 about 15 months ago. Our first job was to change
25 the animal identification - national animal
26 identification system from mandatory to voluntary.

1 And because that fits our philosophy exactly, that
2 was a fun thing to do. And we've basically turned
3 it around and we're very proud of that. The
4 national identification system, or NAIS, as you've
5 heard over the past, is now on board. It is
6 operating. It is there. The conveyor belts are
7 running. The screens are shining. The
8 nomenclature is working. And the premises are
9 being registered. RFID tags are going in the
10 ears. And we have wands and ear tags and
11 equipment that is technology neutral. So that 14
12 tags can be read by seven devices crossing at any
13 place any time. The problem we're having is that
14 the devices cannot read to the speed of commerce.
15 And so we still have a lot to do. We knew that.
16 And if we needed fifty million tags tomorrow, the
17 industry could not provide it. We didn't know
18 that.

19 We thought industry - because a lot of
20 you in this room probably have pet chips in. Some
21 of you folks if you are a horseman, may have a
22 horse chip in as a way to identify your animal
23 should they wander off, be stolen, or whatever.
24 It's a phenomenal thing for the food industry.
25 The NAIS is voluntary. When we came in, Secretary
26 Johan said okay, we've - we have learned a lot

1 about BSE now. I don't believe in a - that this
2 is the right time for a mandatory identification
3 system. I want you to put the system together,
4 make all three legs of the milk stool work,
5 premise registration, animal identification, and
6 animal tracing in case of a disaster, and have it
7 ready so that when the producer wants it - if the
8 producer wants it, and when a particular producer
9 wants it--

10 [END MZ005008]

11 [START MZ005009]

12 MR. MARK BRADLEY: --it's ready, it's up
13 and going, and it's operational. We're there, 15
14 months later. We're very proud of that. We're
15 also very proud that it is a voluntary program.
16 The reason I'm bringing it up here is that you're
17 not obligated to register your premise; you're not
18 obligated to put a RFID device in the ear; you're
19 not-- or any other tag; you're not obligated to
20 have you animal traced. But for some of you in
21 the animal organic industry, it's probably one of
22 the best management tools that you could ever
23 imagine. From the start, we said, "If we're going
24 to do this, it's going to be a management system
25 that we can layer and tier." Yes, bottom line, we
26 are going to have this program to hopefully

1 prevent animal disasters, from disease
2 introduction. And once we get it, we can find
3 people and animals, and not only find the diseased
4 animals, but protect those around them. We'll--
5 our job is to protect people and animals and lives
6 and economies and businesses and farms. And so,
7 if we can do that, we've accomplished our purpose.
8 So, we're not just tracing diseases, we're trying
9 to find people to protect. In other words, we
10 want to put that border around that disease and
11 notify everybody here, and know what animals are
12 there, so we can protect these animals, while
13 we're getting control of this disease outbreak
14 over here. Now, layered on top of that, what
15 happens when you have an export certification
16 program? You got your NAIS program here, you had
17 your export certification here. Grass fed,
18 certified on top of here. One device, one
19 program, one system. Organic, lay it here. It's
20 there if you want it. How do you prove to me that
21 you haven't brought in extra cows into your
22 organic dairy and called non-organic milk organic
23 milk? I can prove it to you with my management
24 system. We don't tag those cows yesterday, we
25 tagged those cows last year. We have a running
26 record of those cows. We can show you where the

1 milk came from, calves, pigs, chickens, because we
2 can-- Chickens you don't, their ear's not big
3 enough. [laughter] We can lot identify a chicken
4 house if you want. So, anyway, what I'm saying
5 is, my message to you this morning, the main
6 reason that the Undersecretary wanted me to come
7 over was to say that we have something that we
8 think is one more management step that, if you
9 like, and if you're ready, Barbara's folks will
10 recognize it, and they'll recognize it darn quick,
11 because a RFID tag trail is a lot easier, faster
12 and easier to prove than a paper trail. I see the
13 certifiers over here. Hey, I'm looking for them
14 to go out with a wand here one of these days. If
15 you're, I mean, you know, maybe some day we'll
16 figure out how to identify that lettuce and those
17 tomatoes and everything else. Well, as you know,
18 commercial industry already, the grocery industry
19 already, many other industries already, are
20 chipping the shipping containers. You know, it's
21 hard to do an individual head of lettuce, but you
22 can sure do the shipping container. I'm not
23 suggesting that, I'm saying that boy, we're in a
24 time where there's wonderful, wonderful
25 opportunities, with technology, programs. The
26 good thing about it is, it's not required, it's

1 voluntary, it fits into the free-market system.
2 And I love it. One thing I want to-- I'd like to
3 have as you, madam chairman, as you get finished
4 with your meeting, I see you have somewhere here
5 on my agenda, some reports for the Animal Health
6 and Welfare Research, then you've got a Global
7 Animal Welfare Initiative. I'd like to have those
8 reports, I'd love to, if you'd share those. I had
9 to chuckle, coming from a livestock basic
10 background, I always have to chuckle, animal
11 welfare this and animal welfare that -- we grew up
12 caring for animals on my farm, all animals were on
13 welfare [laughter] and I just have to throw this
14 out, I wonder why we don't call it animal care,
15 rather than welfare. Thank you for having me
16 here.

17 [applause]

18 MS. ANDREA CAROE: Well, thank you very
19 much for taking the time from your busy schedule
20 to address this group. We always appreciate
21 hearing from the USDA on the bigger picture as we
22 focus in on the details of our work. And this is
23 exciting and we look forward to seeing this
24 develop, it sounds like there's all kinds of
25 wonderful things on the horizon. At this point,
26 I'd like to recognize Barbara Robinson again,

1 there is a little bit more of the NOP report so,
2 Barbara, if you can come to the podium and give us
3 more information.

4 MS. BARBARA ROBINSON: Barbara Robinson,
5 Transportation and Marketing Programs. When I was
6 talking to you about the docket update, I forgot
7 to give you a progress report on pasture, and you
8 didn't ask me, I'm surprised.

9 [audience comments, laughter, inaudible]

10 MR. ROBINSON: I just am shocked, you let
11 me get away. Yeah. So, nothing to report. No,
12 just kidding. [laughter] Here's we are on
13 pasture: we have made significant progress on the
14 pasture rulemaking. As you know, in rulemaking,
15 there's two components to any rule. There is the
16 actual regulation, the regulatory language itself,
17 and then when we would publish a proposed
18 rulemaking, there's something called, what I call
19 the ancillary kind of documents, the regulatory
20 impact analysis, the reg flex analysis, the
21 paperwork reduction act, paperwork burden, and an
22 executive order, that we have to also address at
23 the end of the actual regulation. We have
24 clearance on the pasture rule, with our attorneys.
25 We have gotten them satisfied on the actual
26 language of the regulation. And what, all we're

1 working out now, is the-- those ancillary
2 documents. Kind of the impact on small producers,
3 sort of the cost benefit analysis of this, and the
4 paperwork burden, and I'm very optimistic that
5 we're going to get this done shortly. And once we
6 get that done, it will move out of the department,
7 and we'll have to get it over to OMB, Office of
8 Management and Budget. Now that'll be a tough
9 sell. But I think what I'm going to try to do is
10 actually make, rather than just, you know, the
11 normal course of events is you just, you send a
12 rule. And the-- and it goes over there. Every
13 rule that we do in this program, except for
14 materials, OMB has told me, "You might as well
15 consider it to be a significant rule." That adds
16 additional review time, that means OMB gets 60
17 days to review it. That actually means Congress
18 gets time at the end to review a rule. So I think
19 what I'm going to do, because this is so
20 significant, is I think I'm going to actually try
21 to make an appointment, and go over there and
22 brief them on it, sit down with 'em and talk to
23 'em about it, and see if that wouldn't help. I'm
24 not saying it'll help speed it up, but if I can
25 sit down and walk 'em through it, and explain to
26 'em what we're doing, then maybe that will help.

1 So that's-- all I'm trying to do is tell you where
2 we are, but I am very hopeful about this. And we
3 have made significant progress on it. So, that
4 was all I wanted to tell you.

5 MS. CAROE: Is there any questions for
6 Barbara on this?

7 MS. ROBINSON: You have questions?

8 AUDIENCE: How about the origin of
9 livestock, Barbara, do you have anything to report
10 on that?

11 MS. ROBINSON: That's being worked on,
12 too, Kevin. It's just that I made pasture-- I
13 have one person, and I've said, "Your only job is
14 rulemaking. Materials dockets, pasture, and
15 origin of livestock, and that is also being, it's
16 drafted, but I keep manipulating this person
17 around and saying, "Go back to pasture, go back to
18 this, go back to that," so-- But it is being
19 worked on, yes. It'll come right after pasture.

20 MS. CAROE: Any other questions for the
21 program? Thank you, Barbara. Okay, so it is now
22 6:30, 9:30. So, we will start the public comment,
23 and first up is Urvashi Rangen [phonetic].
24 Urvashi, are you here?

25 MS. URVASHI RANGEN: Yep.

26 MS. CAROE: Great. And on deck is Carrie

1 Brownstein. I'm going to go ahead while Urvashi
2 is coming up. We're having still a little bit of
3 technical difficulties with the microphone. But
4 while Urvashi's coming up, I'm going to read from
5 the board policy manual, the rules of engagement,
6 as it is, for public comment. The manual reads,
7 "NOSB policy for public comment at NOSB meetings.
8 One, all persons wishing to comment at NOSB
9 meetings during public comment period, must sign
10 up in advance. Two, persons will be called upon
11 to speak in the order in which they signed up.
12 Now, there's a slight altercation here--
13 altercation here, because we have tried to group
14 the aquaculture comments in the first part of this
15 meeting, to be consistent with the workflow, since
16 we are just coming off our aquaculture symposium.
17 Three, unless otherwise indicated by the chair,
18 each person will be given five minutes to speak.
19 The only change that we would have to this is we
20 do have some presentations that are being made by
21 public today, which were put on the agenda in
22 advance, and also if we go into the wee early
23 hours of the morning, we're going to cut back
24 comment, not that the board will be hearing much
25 at that hour, but we've done some pretty long ones
26 in the past where we've had to cut back. I don't

1 expect that to happen. Four, persons must give
2 their name and affiliation for the record, and
3 again I just, will remind you periodically that
4 the court recorder needs to have the name and the
5 affiliation. Five, a person may submit a written
6 proxy to an NOS-- NOP or NOSB requesting that
7 another person speak on his or her behalf, and
8 that's just one proxy. Six, no person will be
9 allowed to speak during the public comment period
10 for more than ten minutes. And seven, individuals
11 providing public comment, will refrain from
12 personal attacks, and from remarks that otherwise
13 impugn the character of any individual. We will
14 gavel down any comments that are of this nature.
15 There's not need from it, this is not
16 constructive, and this board won't hear 'em. So,
17 with that, Urvashi.

18 MS. RANGEN: Hi.

19 MS. VALERIE FRANCES: One more logistical
20 thing. When you're on deck, when you're called up
21 on deck, and you have written comments, can you
22 come over and see me, or if you've already loaded
23 up PowerPoint, come and see me before you're up,
24 so we can gear things for that direction, and I
25 can help pass out the comments. Alright? Thanks.

26 MS. CAROE: One other thing, B. James

1 [phonetic] will hang up the one minute left sign.
2 It's one minute left whether you saw it or not, so
3 don't ignore her, 'cause we're going to, you know,
4 one minute and then as your time comes up, you
5 know, you can finish your sentence and quickly
6 your thought, but it won't go very much further
7 than that. Catherine?

8 CATHERINE: [inaudible]

9 MS. CAROE: Okay, so until lunchtime,
10 we're going to have to grin and bear it with a
11 little bit of squeak in the microphone system.

12 CATHERINE: Maybe you could use someone
13 else's mic [inaudible]

14 MS. CAROE: Is it just mine? Is it just-
15 - is it my squeaky voice? Okay, alright so,
16 Urvashi.

17 MS. RANGEN: Good morning. Thank you.
18 My name's Urvashi Rangen, I am a senior scientist
19 and policy analyst and consumer's union. We're a
20 non-profit publisher of Consumer Reports Magazine.
21 I'm a toxicologist by training, I have a doctorate
22 in toxicology. And thanks for holding the
23 aquaculture symposium yesterday. I think many of
24 us who were found it, on the most part,
25 informative and helpful and I'd like to spend some
26 time today talking a little bit about consumer

1 expectations of aquaculture and taking into
2 account what we did hear yesterday, providing a
3 little bit of guidance for the Board in terms of
4 what we think needs to be done with the
5 aquaculture standards. What's very clear is
6 you're not dealing with one animal, you're dealing
7 with multiple species, and so it's not just one
8 type of chicken or a cow, it's actually multiple
9 types. And so a one-size-fits-all standard is
10 going to be very difficult. And while we
11 certainly appreciate the fact that you need to
12 come up with something that is a bar, that
13 everything needs to meet, we think that bar needs
14 to be very high, and it needs to be compatible
15 with what's already organic. A lot of people who
16 are here, talking about aquaculture, are somewhat
17 new to the organic community, and I think for
18 those of us who've been a part of this community
19 for a long time, there needs to be a little bit of
20 historical recollection and comparisons to what is
21 compatible with organic? What have consumers come
22 to expect and what are they willing to pay more
23 for? Yesterday's aquaculture symposium really
24 highlighted the fact that there are more questions
25 than answers concerning the environmental impacts
26 of fish farmed in open net systems, including how

1 to adequately monitor and control the detrimental
2 effects of things like disease and contamination
3 spread to the wild, from these open net systems.
4 Most of the researchers we heard from also agree
5 that lowering the amount of wild caught fishmeal
6 is definitely a goal of all of their research, and
7 frankly it should be a main goal, and so for now,
8 we think that the coveted organic label should
9 really be reserved for those species that can in
10 fact meet the higher standard, where more research
11 needs to be done, it needs to be done, whether
12 it's on alternative protein sources, or on
13 stemming the environmental pollution, but the
14 National Organic Program is not an experiment, and
15 it's not a charity effort for consumers to support
16 different experimental procedures, it's actually a
17 marketing program designed to label products that
18 give consumers assurances that certain tenets have
19 been met. When consumers vote with their dollars
20 in the marketplace to buy these products, they're
21 buying them because they're meaningful to them at
22 the time that they're paying the premium for them.
23 In this case, it means according to our survey
24 from July 2007, that the organic fish that they
25 buy is free or low in contaminants, and is also,
26 does not cause environmental pollution problems --

1 [laughs] And this thing has bugged out on me.
2 Hold on just one second, please -- and is also
3 free or low in contaminants. Where those tenets
4 are met, that's where we think those products
5 should be eligible for organic certification at
6 this time. Where they can't be met, it's simply
7 not appropriate for it to be eligible for organic
8 certification. We think these high expectations
9 need to be maintained. We didn't hear about
10 contaminant problems yesterday, with wild
11 fishmeal, but that happens to be a major concern
12 for consumers. Having more choice on the market
13 is one thing, and that came up yesterday, but as a
14 mother and someone who has children, I'm looking
15 for meaningful choices to make. 90 percent of
16 consumers want to have clean fish, and that's
17 really part of the equation when it comes to their
18 willingness to buy organic fish. I also want to
19 remind this board that a lot of the problems
20 voiced by those who want to cash in on this
21 industry yesterday, have to do with commercial
22 availability, feed is too expensive, I've brought
23 17 news articles about a chicken producer in 2002
24 who wanted to gut the standard to lower the 100
25 percent organic feed requirement for livestock.
26 There was huge public outcry and groups like us,

1 Organic Grade Association, even the Secretary of
2 the USDA, had to come out and speak against it,
3 that it did not meet the expectations, nor the
4 high standard of the Organic Food Production Act.
5 That 100 percent organic feed requirement is
6 central and integral to what we all expect from
7 organic, and we really urge you to maintain that
8 standard. Allow the species that can be labeled
9 as organic to meet that, like shrimp and tilapia,
10 and continue the research for other species, and
11 allow those to go as they can meet the high
12 standard.

13 MS. CAROE: Thank you, Urvashi.

14 MS. RANGEN: Thanks.

15 MS. CAROE: Do we have any questions for-
16 - ? Tina? I mean Tracy.

17 TRACY: Thank you, Urvashi. Yesterday,
18 one of the speakers brought up a general aversion
19 that the American public seems to have around
20 farmed fish, in general. And I wondered if your
21 group, or if you've heard of any research that has
22 studied how organic farmed fish might be
23 perceived, and whether the concept of organic and
24 farmed fish are themselves compatible in the minds
25 of organic consumers, at this point.

26 MS. RANGEN: Yeah, that did come up, and I

1 think that consumers do have, perhaps, a skewed
2 notion that farm raised fish is less than wild
3 caught. We're constantly trying to remind
4 consumers that tuna, which is often wild caught,
5 can contain very high levels of mercury, and so it
6 isn't just a cut and dry situation. Farm raised
7 organic fish, and I caution that, but where we
8 feel it meets those high standards, let's say in
9 the case of shrimp, certainly can offer consumers
10 a much more valid choice in the marketplace. 70
11 percent of our shrimp is imported. We've had a
12 number of problems this year with major
13 contamination problems from China, including
14 antibiotic drugs, banned fungicides. So having
15 systems that do have a kind of oversight that we
16 can provide, that do meet the high organic
17 standard, can in fact provide consumers with
18 meaningful farm raised choices in the marketplace,
19 but I would caution again that if we start to slip
20 those standards below what other organic livestock
21 and other organic food have come to mean for
22 consumers, that's a very dangerous marketing
23 effort that could in fact backfire, and that's
24 what we saw in 2002.

25 MS. CAROE: Joe?

26 MR. JOSEPH SMILLIE: Urvashi, your points

1 are well taken, and I agree yesterday that we
2 didn't get into the contaminant issue. But-- and
3 we will have to, and we'll have to look at that,
4 as we talk more and more about the alternate feeds
5 and all that. But my point is that once again,
6 organic is a process, and that we all live on a
7 polluted planet, and the people who made this
8 regulation and made the law were very cognizant of
9 that, and organic is not a contaminant free claim.
10 We all realize that organic is part of the
11 solution to this contamination, but we can't
12 promote organic as contaminant free.

13 MS. RANGEN: Joe, I would agree, and I
14 always cringe when I hear that organic is
15 pesticide free out in the media, so it's certainly
16 not my goal to convey that point; however,
17 fishmeal in particular has a problem with
18 contamination, and when you condense fishmeal,
19 those contaminants condense right along with it.
20 And if you look at the studies that are out there,
21 that concentrated contamination cascades down
22 through the chain, and you basically concentrate
23 that down through the chain. So contamination in
24 this case, with aquaculture, is particularly
25 egregious, and to not deal with that in any way
26 would really be problematic for the program.

1 MS. CAROE: Is there any other questions
2 for Urvashi? Bea.

3 MS. BEA JAMES: You mentioned that you
4 thought that the goal would be to get away from
5 100 percent fishmeal feed, so that leaves some of
6 the alternatives, obviously, which would be soy,
7 heard a lot about soy meal yesterday, possibly
8 wheat gluten, corn. How do you think consumers
9 would react to, you know, there's this pervasive
10 amount of those particular ingredients out on the
11 market, and you know, for those of us who have
12 read "The Omnivore's Dilemma," there's concerns
13 around just having too much of those ingredients,
14 a lot of food allergies coming up. And I'm just
15 curious if you have any information on how you
16 think consumers would respond to taking away the
17 natural diet and replacing it with that?

18 MS. RANGEN: Bea, that's a great
19 question, and I think, you know, as we talk about
20 farm raised fish, and protein from yeast being
21 fed, or poultry byproducts, we do start to move
22 away from what consumers think of as a natural
23 productions system. That said, it is important to
24 convey to consumers that organic is a production
25 system, and controlling that production is very
26 important, including the inputs and the outputs of

1 that system. Just to clarify, our issue is
2 specifically with the wild fishmeal, and we think
3 if you could produce certified, organic fishmeal,
4 sure why not? And I think that they may be, while
5 some species could be allowed at this point, you
6 could start that chain in terms of creating that
7 kind of commercial availability for organic feed,
8 and certified organic fishmeal, that would be a
9 very different scenario than allowing the wild
10 fishmeal. It's that wild fishmeal that, at this
11 point, ahs the contamination problems and issues.

12 MS. CAROE: Any other questions? Thank
13 you, Urvashi.

14 MS. RANGEN: Thank you.

15 MS. CAROE: Okay, up now is Carrie
16 Brownstein. Carrie? On deck, Corey Peet. Corey,
17 are you here? We don't have Corey in the room.
18 Okay, Jim Pearce, you're after Corey. Jim. Thank
19 you.

20 MS. CARRIE BROWNSTEIN: Okay. Good
21 morning, my name is Carrie Brownstein, and I work
22 with Whole Foods Market. I'm the seafood
23 standards coordinator. Okay, thank-- better?
24 Okay. Did everybody hear me so far, though?
25 Okay. I'm going-- my written comments are being
26 passed out, and I'm going to read them allowed so

1 that everybody can hear. Whole Foods Market
2 appreciates the NOSB for creating a forum to
3 carefully examine the issues of fishmeal and fish
4 oil use in feed, and open net pen aquaculture
5 production systems. Defining organic for feed in
6 net pens is undoubtedly a major challenge, because
7 there are no exact right answers. But at the same
8 time, there's a lot at stake. Most importantly,
9 we need to ensure that organic aquaculture does
10 not become one additional contributor to the
11 degradation of marine and coastal ecosystems.
12 Instead, it should serve as a model for
13 sustainable food production that fosters a sense
14 of trust for organic consumers. While the
15 aquaculture industry grows worldwide, many
16 countries, including the U.S., are lacking basic
17 rules and regulations to govern aquaculture
18 production. Or in some cases, regulations are not
19 enforced. Consequently, farm seafood sold in the
20 marketplace can be associated with toxic chemical
21 use, water pollution and other issues, such as
22 poor animal welfare, that are of concern to
23 organic consumers. In addition, there are already
24 several organic labeling schemes under which
25 species raised in net pens, and fed fishmeal and
26 oil, are eligible. However, some of the European

1 organic aquaculture standards are not strong
2 enough to meet the American idea of organic. For
3 example, some of the European standards allow the
4 use of antibiotics and parasiticides, or do not
5 adequately limit the amount of fishmeal and oil
6 that can be sourced from reduction fisheries. For
7 this reason, and because we do not want to confuse
8 our customers with multiple organic labels, to
9 date Whole Foods Markets has refused to label any
10 seafood as organic, until there are standards in
11 place in the United States. To meet the
12 expectations of seafood customers at Whole Foods
13 Market, many of whom seek seafood that is raised
14 according to organic principles, at least
15 conceptually, Whole Foods Market fills this gap by
16 developing our own set of internal buying
17 guidelines, that not only prohibit the use of
18 antibiotics and synthetic chemicals, such as
19 pesticides and parasiticides, but also limit use
20 of fishmeal and fish oil, and the impacts of net
21 pen systems. In developing rigorous standards for
22 feed, we aim to keep more small pelagic fish in
23 the ocean, where they play a key role in marine
24 food webs [phonetic]. And with our standards for
25 net pen systems, we're working to reduce the risk
26 of escapes and disease transfer, as well as

1 minimize benthic impacts. Overall, we hope our
2 standards will raise the bar among aquaculture
3 producers. Yet, as the organic market continues
4 to grow overall, and consumers become increasingly
5 more informed about the issues associated with
6 aquaculture production. The demand for
7 organically raised seafood, including carnivorous
8 species raised in net pens, will increase.
9 Therefore, it behooves us to create strong
10 standards here in the U.S., so that we do not run
11 the risk of becoming inundated with seafood
12 products labeled as organic under foreign
13 standards that do not meet our expectations. We
14 have an opportunity in the U.S. to set the bar
15 where we want it. Whole Foods Market suggests
16 that the NOSB develop rigorous standards for net
17 pens and fish meal and fish oil use in feed, and
18 not exclude their use from being eligible for
19 organic seafood production. We believe that the
20 organic label offers the greatest incentive for an
21 improved industry. Whole Foods Market suggests
22 that the NOSB establish specific performance
23 metrics for feed and net pen production systems.
24 At Whole Foods Market, our quality standards for
25 farmed salmon, for example, set specific limits on
26 use of fishmeal and fish oil, using a maximum fish

1 in/fish out ratio to reduce pressure on wild fish
2 populations, and limit reliance on reduction
3 fisheries. We encourage use of byproducts of fish
4 processing, which do not need to be counted in
5 this ratio. We also encourage producers and feed
6 manufacturers to explore other innovative methods
7 for lowering the amount of fishmeal and fish oil
8 in feed ingredients, such as algae based products
9 as a source of essential fatty acids, to reduce
10 the amount of fish oil used. At this time, we do
11 not allow byproducts of avian and mammalian
12 species in feed. To address the impacts of net
13 pens on marine ecosystems, our approach for farmed
14 salmon has included, but is not limited to the
15 following: prohibition on anti-fouling agents,
16 such as copper based paints and copper treated
17 nets; prohibition on parasiticides; required
18 nutrient management plan; minimum redox potential
19 levels for sediments in the benthos; required
20 containment management system outlining protocols
21 for preventing escapes; reporting requirements for
22 escapes; requirement to develop a marking system
23 to allow escaped fish to be traced back to
24 producers; an accuracy level of 99 percent for
25 counting fish stocked and harvested, to attain
26 improved tracking of escapes; and a prohibition on

1 lethal methods of predator control. The proposal
2 submitted to the NOSB by George Leonard and Corey
3 Peet of the Monterey Bay Aquarium, presents a
4 solid effort to establish specific performance
5 metrics for organic net pen aquaculture. We would
6 like to express our support for such an approach;
7 however, there are a few areas in their proposal
8 that we believe require further analysis. The
9 risk of escaped fish to wild stocks: the current
10 direction--

11 MS. CAROE: Okay, I'm sorry, Carrie, your
12 time has expired.

13 MS. BROWNSTEIN: Okay, sure.

14 MS. CAROE: Is there any questions for
15 Carrie? We do have your entire written comment--

16 MS. BROWNSTEIN: Yeah, you can read those
17 last comments on the--

18 MS. CAROE: Thank you. Any further
19 questions? Joe?

20 MR. SMILLIE: Are you internal guidelines
21 published? Are they public?

22 MS. BROWNSTEIN: Not yet.

23 MR. SMILLIE: Not yet?

24 MS. BROWNSTEIN: Not yet.

25 MR. SMILLIE: Do you anticipate making
26 those public, as a contribution to our work on

1 creating a standard?

2 MS. BROWNSTEIN: We haven't published
3 them yet to the public, so I guess we would need
4 to discuss what the options are.

5 MS. CAROE: Would it be possible that our
6 livestock committee, as they're working on their
7 recommendation, contact you as another source of
8 information on these topics.

9 MS. BROWNSTEIN: Absolutely, mm-hm.

10 MS. CAROE: So, perhaps if you can make
11 sure that Hugh Karreman has your contact
12 information.

13 MS. BROWNSTEIN: Sure.

14 MS. CAROE: I think that might be a good
15 resource for us to use.

16 MS. BROWNSTEIN: Sure.

17 MS. CAROE: If you're-- can oblige.
18 Okay, thank you so much.

19 MS. BROWNSTEIN: Sure.

20 MS. CAROE: One more call for Corey Peet,
21 are you in the room? No? Okay, so Jim Pierce
22 you're up, and then on deck is Joe Mendelson, Joe
23 are you in the room? [unintelligible]

24 MR. JIM PIERCE: Corey was here
25 yesterday, you might call his name again later, I
26 don't know. I have submitted one set of comments

1 for the record, but I'm not going to pass out
2 comments to you, so listen carefully. Hello, my
3 name is Jim Pierce. The following comments are on
4 behalf of the Wisconsin Aquaculture Association.
5 In another li-- not quite cooperative. In another
6 life, a simpler, quieter, dreamier, Jeffersonian
7 life, I raised rainbow trout in southwest
8 Wisconsin. I also have the privilege as well of
9 being a board director, figuratively and often
10 literally on the Wisconsin Aquaculture
11 association, a member organization of primarily
12 trout, walleyed perch, and sunfish producers,
13 piscivores as Brad Hicks referred to them
14 yesterday. Last March I stood here on behalf of
15 this organization and expressed concern that by
16 delaying rules on fishmeal and net pens, you are
17 effectively leaving us on the deck, as the SS
18 Organic Aquaculture pulled out for federal
19 register ports of call. Today, eight months
20 later, my first comment to you is, "Good job, well
21 done." You're not ignoring these black sheep
22 issues but are facing them head on, calling on
23 experts and authorities from around the globe for
24 science, anecdote and opinion. It's truly
25 encouraging to see you wrestle with these issues
26 in order to establish organic aquaculture

1 standards that will benefit those of who raise
2 piscivorous species. As the facts continue to
3 accumulate, it's amusing and amazing to see how
4 the possibility, the perspective, the reality of
5 organic fish farming begins to align and resemble
6 organic terrestrial farming. Sea lice, avian
7 influenza, tide water, rainwater, net pens, feed
8 lots -- in ever case there are levels of control,
9 the best and worst practices, and in every case
10 there are farmer who will eagerly push the
11 envelope of better practices in order to capture a
12 market niche and the corresponding reward. Not a
13 square peg in a round hole, Urvashi, more like a
14 lost sheep coming into the fold. To the meat, or
15 filet of the matter now, as the case may be. Joel
16 Solitan [phonetic], grass based, sustainable
17 livestock guru, is well known for rejecting
18 prescriptive rules in favor of goal performance
19 based standards; "Show me the finish line" is his
20 mantra. It is a mantra that I hope you respect
21 and repeat ad nauseum as you move forward. As you
22 digest all the information and transform it into
23 organic aquaculture standards, please be aware
24 that there can be a small step indeed between a
25 high bar and an insurmountable barrier. The
26 proposed performance metrics for net pen standards

1 look to me like standards on paper that are
2 commercially unattainable in practice. Native
3 fish-- Only native fish of local genotype,
4 decertification of treated or clinically diseased
5 animals, and the prohibition of fishmeal and
6 terrestrial livestock byproducts, sounds like a
7 poison pill that will effectively establish
8 organic standards, but will also effectively
9 prevent the development of organic aquaculture.
10 Not a finished lane, so much as a high tensile
11 razor wire. The upside to a high bar is obvious:
12 environmentally sustainable practices that meet
13 consumer expectations and bolster organic
14 integrity. The downside is perhaps more opaque.
15 If the finish line is at the end of such an
16 overwhelming course as to deter participation,
17 then the environment and the consumer are left
18 without the choice, and therefore the chance to
19 influence fish farmers into better practices. If
20 net pen aquaculture is jettisoned from organic
21 aquaculture, as many mari-culture McCarthyists
22 would prefer, or if organic standards are set so
23 high that Cona Blue Neil Sims [phonetic], the very
24 poster child of sustainable net pen aquaculture
25 can't clear it, then a serious disservice to both
26 the organic producers and consumers has been

1 committed. Kudos again to the aquaculture working
2 group on the development of bivalve mollusk
3 supplement; not a directly critical document to
4 the Wisconsin aquaculturists, but certainly
5 important as precedent. These proposed standards
6 strike a very good balance of subjective and
7 prescription regulation. It's obvious that the
8 authors have identified the shortcomings of
9 existing organic livestock regulations, and are
10 attempting to draw clear bright lines. When I
11 read this document, I found myself smiling and
12 noting in the margins that they have taken organic
13 livestock standards writing from haiku to Tolstoy.
14 In closing, let me reiterate our collective
15 appreciation in your steadfast dedication, your
16 impressive pragmatic approach in the development
17 of organic aquaculture standards, including the
18 cultured bivalves, prudent use of net pens -- and
19 most importantly for the Wisconsin contingent, the
20 use of fishmeal as feed. We encourage you to keep
21 the finish line in sight, keep in mind that all
22 farming, including organic farming, has inherent
23 risks and economic impact, environmental impact,
24 to exclude certain production models, especially
25 models with the most potential for improvement, is
26 counterproductive, and will, as Katrina Hyde so

1 eloquently stated yesterday, "preclude
2 environmentally minded consumers from using their
3 purchasing dollars to drive industry behavior."
4 Thank you.

5 MS. CAROE: Thank you, Jim. Is there
6 questions for Jim? Hugh?

7 MR. HUBERT KARREMAN: Just one comment.
8 Thank you, Jim, that was excellent.

9 MR. PIERCE: But you don't want to hear
10 about the one point that I really wanted to put in
11 but couldn't fit in five minutes? Alright. Thank
12 you.

13 MS. CAROE: Thank you, Jim. Another
14 question? Okay. So, next up, Joe Mendelson. Is
15 Corey Peet-- last call for Corey Peet, are you
16 here? Okay, on deck, Patty Lovera, I hope I
17 pronounced that correctly. Are you here, Patty?
18 You're on deck.

19 MR. JOE MENDELSON: Good morning, my
20 name's Joe Mendelson, I'm the legal director of
21 the Center for Food Safety, we're a non-profit
22 consumer and environmental organization. I want
23 to thank you all for your continued hard work, as
24 always. It's very difficult to follow Jim's
25 flair, but I'll give it a try. And also, I don't
26 want to be too redundant, so I may be quick. But

1 I think anybody who was at the aquaculture
2 symposium yesterday, which was excellent, and we
3 thank you for, there was a certain tenor that
4 suggested, and I think as Tracy brought up, that
5 there is a negative stigma attached to fish
6 farming. And that may or may not be true, but the
7 role of the board and the program is not to solve
8 the marketing issues for the aquaculture industry.
9 And I think it's important to remember that within
10 this debate, it's not a debate over whether fish
11 farming is occurring, it's not a debate on whether
12 someone like Mr. Sims is doing a better job than
13 others, at doing that; he very well may be. He
14 may in fact be able to market it in a different
15 way, but the question remains is whether it is
16 organic. And so, I just ask, and our organization
17 asks, that the board keep that perspective in
18 mind, and focus on the question of whether the
19 standards that are being developed are consistent
20 with the goals of organic. As I think you all
21 know, through a number of letters and comments
22 that we have submitted to the board, and more
23 recently, comment that included 44 organizations
24 that span the globe from environmental
25 organizations, to producers, to consumer
26 organizations, to animal welfare organizations, we

1 do not feel that the issues of open pen, net cage
2 aquaculture, and fish, the use of fishmeal or fish
3 oil, have been resolved, to be consistent with the
4 environmental goals of organic. We-- you've heard
5 the litany of issues around those escapes --
6 disease transmission, pollution from those systems
7 -- I don't need to reiterate it, other than to
8 say, we've submitted comments, you've received, I
9 think, thousands of comments from consumers. Our
10 expectation right now is that these two proposals,
11 or the use of net pens and fishmeal or fish oil,
12 do not meet consumer expectations, nor are they
13 consistent with organic. There were a couple of
14 issues that were not addressed yesterday, or got a
15 full airing. One is, I think the very legality of
16 the 12 percent/12 percent and a possible seven
17 year phase out, as we know from the Harvey case,
18 courts have looked, it's 100 percent organic feed
19 is required for livestock -- fish are considered
20 livestock under the act, they require 100 percent
21 organic feed. Even if the board is supportive of
22 the 12/12/7 year phase out, I'm not sure how you
23 do it under the law. It's just inconsistent. I
24 think you need to recognize that, and realize the
25 limitations of how you dress it. You know, there
26 may not be an easy issue there. And as far as the

1 phase out, I think organizations like ourselves
2 are very concerned that a potential phase out
3 doesn't become a phase out but becomes an
4 entitlement. And we're on the, we're going to be
5 on what, the second round or third round of
6 methionine, 2008, it's a possible connection. So,
7 like Urvashi's organization, we think you should
8 go forward with what is possible now, and that is
9 non-carnivorous, closed containment systems, and
10 let's build it from there. Two other quick
11 issues, on the grower group issue we certainly
12 respect the board's efforts on that, we really
13 think the recommendation or the discussion should
14 be tabled and further, much more robust
15 discussion. We think there are significant
16 differences between growers and handlers and
17 retailers dealing with staff and the amount of
18 inputs and ingredients and things that go into
19 different systems and I think it needs to be
20 further discussed. On the commercial availability
21 issue, I know you'll probably hear a lot from sea
22 producers about some of the things. There's one
23 thing in there, though, that we do support, and
24 that is the guidance that recommends anybody who's
25 taking advantage, or-- don't mean to use that with
26 any connotation-- but using a commercial-- finding

1 something commercially unavailable, that they
2 should be proactive and come forward and say, you
3 know, this is what I am doing to support making
4 something available on organic form. I think
5 that's very important, that's consistent with the
6 spirit of the program. And lastly, I'd be remiss
7 if not saying that the program should get the
8 pasture rule out with due speed. Thanks very
9 much.

10 MS. CAROE: Alright, thank you, Joe. Any
11 questions for Joe? Comments? Alright, well I
12 have a couple, real quick. First, on the 12/12,
13 you're absolutely right, there will be some
14 challenges from the regulatory aspects of that,
15 that we would need to explore. We appreciate
16 that, there is a lot of logistical challenges with
17 many issues related to the agriculture organic.
18 Well, okay. My other option is feedback [laughs]
19 so-- So, I appreciate that, and this board will
20 have to work through those issues, and I'm glad
21 you understand that they're there, because you'll
22 understand and appreciate the work we're doing.
23 The second is regard to the phase out. Yes, we
24 have had the issue with methionine, and it'll be
25 very interesting to see what this board does as it
26 comes up again. However, I will point you to the

1 fact that we did use a phase out for 100 percent
2 Chilean nitrate allowance in spirulina, and this
3 board stood with that phase out and did not allow
4 its continuation. So we do have precedents for
5 holding our ground, as well. You know, input, we
6 expect input from the public, we appreciate your
7 input, but I did want to just kind of point out
8 that it wasn't a complete a rollover and that
9 entitlement would exist. We don't consider it so,
10 okay? Thank you so much, Joe.

11 MR. MENDELSON: Thank you.

12 MS. CAROE: Any other-- Dan?

13 DAN: Yeah, I have a question. Have you
14 ever looked, or you've gotten any input from the
15 consumer, on the carryover in their minds, for
16 instance, if methionine goes off the list, and
17 spirulina's the example we have, methionine goes
18 off the list and we lose a significant part of our
19 poultry, organic poultry market, what is the
20 carryover. I understand the implications to the
21 poultry producers. What's the carryover into the
22 fruit and vegetable shelf, as far as the
23 consumer's perception of organic and their
24 confidence in buying? Have you ever looked at any
25 of that?

26 MR. MENDELSON: Yeah, well, let me just

1 see if I have your question right. I mean, as far
2 as if consumers, for instance, could not purchase
3 organic chicken, will that affect their impact on
4 other products?

5 DAN: Yeah, it's like, yeah, it's, you
6 know, this is organic yesterday, it's not today.
7 Well, what else is because of--

8 MR. MENDELSON: Yeah, you know, I don't
9 think anybody's looked at that "taking away" a
10 certain segment of product. I will say to the
11 amount, with the pasture issue and the milk issue,
12 we did do some research in surveying, and found
13 that milk was essentially a gateway product. So,
14 if there are controversies over the integrity of
15 that product, you know, you could be affecting
16 consumers first brush with organic. Oh, I'm
17 sorry, do you want me to repeat that, or is it--
18 Okay. The-- but I think with something like
19 chicken, for example, it's not-- tends, the
20 research I've seen tends that's not the first
21 gateway product. But the short answer is I don't
22 think we've, anybody, any survey that I've seen,
23 suggest that, you know, if you, one product's here
24 now and goes away, it's a problem. I will say on
25 the fish issue, you know, we do have a complaint
26 into the program about imported product, and I

1 think that's a concern for us, as far as what that
2 means to consumers who are seeing an organic
3 claim, but don't have a standard to back it up
4 here in the United States. Now, I think that's
5 also, frankly, discriminatory towards domestic
6 producers, and their ability, too. So hopefully
7 we can have that issue resolved. I would point
8 out one thing, someone asked to Urvashi about the
9 consumer surveys, I think Tracy may have on
10 aquaculture. The ones that I've seen, the New
11 Jersey Department of Agriculture survey, that I
12 think there was a poster on yesterday, is the one
13 that I've seen that's really investigates the
14 issue, at length. I don't know of any others.

15 MS. CAROE: Thank you, Joe. Any other
16 questions? Thank you, Joe.

17 MR. MENDELSON: Thanks.

18 MS. CAROE: Next up is Patty Lovera and I
19 understand, Corey Peet, you're in the room?

20 MR. COREY PEET: Yes.

21 MS. CAROE: Corey, you'll be up next.

22 MR. PEET: Okay.

23 MR. PATTY LOVERA: Hi, my name's Patty
24 Lovera, I'm the assistant director of Food and
25 Water Watch, which is a non-profit consumer
26 advocacy group based here in D.C. We're about two

1 years old, and many of us used to work together at
2 Public Citizen, which is a larger consumer group
3 that a lot of people know. We are here, and we're
4 concerned, about the aquaculture issue, 'cause we
5 have a long history of working on food issue and
6 general food safety and labeling and quality, and
7 that leads us very often to recommend that
8 something consumers can do to deal with a lot of
9 these concerns is to buy organic, so we're very,
10 always very concerned about the integrity of the
11 organic standard, and that what we're recommending
12 to people because it is certified, and it is
13 backed up by these standards that are enforced,
14 that those mean what people think they mean, and
15 the continue to have confidence in that, and we
16 continue to have confidence in making that
17 recommendation. Specifically on aquaculture, we
18 have a lot of concerns about large scale
19 aquaculture, especially open ocean aquaculture.
20 And so therefore, any push to set up a standard to
21 let some of those products be labeled organic is
22 of concern to us, and very specifically the
23 carnivorous fin fish in the open net pens. And so
24 we heard a lot about it yesterday. We agree with
25 Urvashi and Joe, we just heard a lot of their
26 concerns, so I'll try to be really quick. But the

1 basic point that I have to make is that consumer
2 expectations of what organic is, and what the
3 organic seal offers them, is not compatible with
4 wild fish as feed and open net pens. And we think
5 that that, the board should readdress those issues
6 again before you come out with a standard. Really
7 quickly, consumers are starting, especially
8 organic consumers, are really starting to
9 understand that what you feed animals matters.
10 And for what we hear, from our members and people
11 that contact us, that's an issue that brings
12 people to organic livestock -- mad cow disease --
13 people started to understand that it matters what
14 you feed animals -- antibiotics, hormones, all of
15 those things are bringing people into organic, so
16 we think the wild fish feed and the inability to
17 guarantee that that fish in those systems under
18 this proposed rule might be fed 100 percent
19 organic feed, that's a deal breaker for us. We
20 think that you have maintain that standard that
21 it's all organic feed, and not allowing this 24
22 percent of the diet to possibly be wild feed. The
23 other issue that brings people to organic is
24 environmental impact, and we heard a lot
25 yesterday, I won't get into all of the issues of
26 disease and waste and escapes and biodiversity

1 impacts, but we think all of those concerns about
2 open net pen aquaculture are another deal breaker
3 for consumers when it comes to their expectation
4 of what an organic seal means. So, and just to
5 reiterate another point that other folks have
6 brought up, kind of theme and the tone yesterday
7 that there's some obligation for the standard to
8 meet the current practice is really troubling to
9 us as well, especially when you're talking about
10 consumer confidence in all of organic. And you
11 know, the organic seal is not an entitlement, and
12 we're not grading on a curve. It needs to be set,
13 a bar needs to be set that's going to meet the
14 principles of organic and consumer expectations,
15 and the industry has to come to meet them. We're
16 sympathetic to the wish, you know, this
17 aspirational goal that we can help drive industry
18 practice by setting a good standard, but that's
19 not what people are shopping for at the
20 supermarket that day, they're buying food to put
21 on the dinner that night, with a seal on it that
22 says, "This food was raised in this way," not in
23 seven years after a phase out it'll be raised in
24 this way. So we think it's really important that
25 the standard be set firmly now, and that the
26 industry come to meet it, not the other way

1 around. We support what Joe was saying about
2 imports, we think that's a really important issue
3 that the agency has to deal with now, which are
4 organic products coming in from countries that
5 don't have a standard, we think that's a huge
6 issue for consumer confidence. And so just to
7 wrap up, I think the integrity of organic
8 standards really depend on really solid standards
9 being written, and when it comes to aquaculture,
10 that means no wild fishmeal and no open net pens,
11 and we'll just reiterate what other folks have
12 said about pasture, when it comes to consumer
13 confidence and their feelings about the integrity
14 of the rule, we have to deal with the pasture
15 issue yesterday. Thanks.

16 MS. CAROE: Thank you, Patty. Are there
17 questions for Patty. Hugh and then Rigo.

18 MR. KARREMAN: I'm just wondering, I
19 don't think you can answer this, just kind of
20 rhetorical maybe, but as far as having a 100
21 percent feed for organic livestock, I always
22 wonder how that's reconciled with the other
23 products that are on the shelves that's, to get
24 the certified label, since you're a consumer
25 group. That can be down to 95 percent organic
26 ingredients. I'm just wondering how that's

1 reconciled, that livestock has to be 100 percent,
2 but products on the shelf can be 95, and carry the
3 seal.

4 MS. LOVERA: I think that's one of the
5 issues when people start to do more investigating,
6 when consumers start to really look into what
7 they're doing, that's one of the questions we get
8 asked, is what about these percentages. I mean,
9 they want it to go as far as it can go, and so
10 that's an ongoing [unintelligible] issue I think
11 for consumers.

12 MR. KARREMAN: And I realize the Harvey
13 case has really hammered that home, but maybe that
14 12/12, you know, and seven years type phase in or
15 phase out or whatever, or maybe as George Leonard
16 put yesterday, you know, kind of proscribed step
17 down, year per year, not just at the end of seven
18 years, maybe somehow, I don't know, regulatory
19 wise, that can be worked in with the other parts
20 of the certified shelf products that are out
21 there, that are 95 percent. Maybe some board can
22 remember when we deliberate on that.

23 MS. CAROE: Rigo, did-- Rigo?

24 MR. RIGOBERTO I. DELGADO: Thank you. I
25 have a question about open its pens. If we were
26 to minimize the risks of pollution, escapes, or

1 whatever, and established standards, metrics,
2 performance metrics, as was suggested yesterday,
3 do you think that would be something that the
4 public will accept? Or where is the cut off
5 point, if you will?

6 MS. LOVERA: Where's the line? I mean, I
7 think we don't yet.

8 MR. DELGADO: Bear in mind, a lot of the
9 commentators yesterday pointed out that we'll have
10 to deal with species specific standards, perhaps.
11 So, I wonder what the public will think of it.

12 MS. LOVERA: I think the public is very
13 confused about aquaculture. I mean, we have
14 opinions on it, other groups yesterday had
15 different opinions on it, but the consensus was
16 that we don't know that much yet, so I don't know
17 if we're able to come up with those performance
18 standards, yet, without a lot more research. So,
19 you know, I think consumers will be very confused
20 if it's a performance based standard, when we
21 don't know enough to know what the best
22 performance can be, if we're still figuring out,
23 this industry is trying to figure out how to
24 minimize those impacts.

25 MS. CAROE: Is there any other questions
26 for Patty? Thank you.

1 MS. LOVERA: Thanks.

2 MS. CAROE: Oh, wait, hold, Kevin?

3 MR. KEVIN ENGELBERT: I'd also like your
4 opinion on the point that Dan made to Joe, about
5 the methionine issue, not to beat a dead chicken,
6 but it's relevant to what--

7 MS. LOVERA: About the impact on other
8 foods? Or--

9 MR. ENGELBERT: Yes, because it was
10 sunsetted twice now, it's coming up again, and
11 this issue with the fishmeal and fish oil, it
12 plays into that, and what's your thoughts on the
13 methionine issue, and what happens with that, and
14 consumers' perception and trust of the organic
15 label, if that sun sets.

16 MS. LOVERA: I mean, I have kind of the
17 same response as Joe, which is we don't know, but
18 I also worry about the risk of continuing to allow
19 something that people might not be comfortable
20 with, and as more and more people hear about that,
21 does that undermine their integrity and everything
22 because it's allowed to stay on the shelf as
23 organic. There's a flipside to that.

24 MR. ENGELBERT: I have a question right
25 now: do the organic consumers, sorry to bring up
26 the methionine again, but do the organic consumers

1 have an issue with the organic eggs and poultry
2 right now?

3 MS. LOVERA: Based on people buying it,
4 probably not. [laughs] I think there's an
5 awareness issue that's growing. I mean, I don't
6 think it's a secret that there's a lot of people
7 gunning for organic, and saying it's a rip-off,
8 saying you know, you're not getting what you're
9 paying for, and that's not going away. So I
10 think, you know, allowing things like that, that
11 are questionable when people come to know about
12 them, sets you up to be attacked in that way, and
13 really undermine people's confidence in organic as
14 a whole.

15 MS. CAROE: Any other questions? Thank
16 you, Patty.

17 MS. LOVERA: Thanks.

18 MS. CAROE: Next up is Corey Peet, and
19 after Corey I have Felipe Caballo, I believe.
20 Felipe are you here? Okay, Becky Goldberg, Becky
21 are you in the room? Becky's here.

22 FEMALE VOICE: There is a proxy for
23 Felipe Caballo.

24 MS. CAROE: I don't have --

25 FEMALE VOICE: Alex Buschmann, should've
26 been on there.

1 MS. CAROE: Oh, Alejandro Buschmann.

2 FEMALE VOICE: Ale-- yeah.

3 MS. CAROE: Alejandro, are you here?

4 Yes, you're up on deck.

5 MR. COREY PEET: Okay, good morning
6 committee members, thank you for the opportunity
7 to comment. I just wanted to start by pointing
8 out that I spend five years studying the
9 interactions between sea life salmon farms and
10 juvenile salmon in British Columbia for my
11 graduate research. And I'm currently the
12 aquaculture research manager for the Sustainable
13 Seafood Initiative at the Monterey Bay Aquarium.
14 For the last six years, the Sustainable Seafood
15 Initiative has been working to foster consumer and
16 business awareness and action for sustainable
17 seafood. We have previously submitted comments to
18 this process, and I was a coauthor on the paper by
19 George Leonard, presented yesterday at the
20 symposium. I'd like to thank you for your careful
21 attention to the development of organic
22 aquaculture standards, and the lack of credible
23 aquaculture certification option for producers in
24 this situation, adds to the appeal of the organic
25 label and the importance of this process. We are
26 in support of organic aquaculture in systems where

1 inputs and outputs can be carefully controlled,
2 and where ecological sustainability can be
3 maintained. Today I'd like to comment on the use
4 of fishmeal and fish oil, the difficult of a
5 disease metric, and address the issue of
6 scientific integrity. With regards to fishmeal
7 and fish oil, we are in support of feed
8 ingredients being 100 percent organic in
9 aquaculture production, and for the elimination of
10 fishmeal and fish oil from wild fisheries after a
11 transition period. During the transition period,
12 fishmeal and fish oil must come from sustainably
13 managed fisheries byproducts and foraged
14 fisheries; however, we believe that the entry
15 point for organic certification must be a wild
16 fish in to farm fish out ratio of one to one.
17 This is the starting point. We would also
18 encourage the use of organic poultry byproducts,
19 as an organic feed ingredient, to help producers
20 comply with this ratio. On the disease metric we
21 proposed yesterday, of no clinical signs of
22 disease, no treatment other than approved
23 treatment methods, and animal welfare maintained,
24 I want to emphasize the difficulty of compliance
25 with this metric, as it is only a theoretical
26 possibility at this point, that will depend highly

1 on site selection. The nature of open net systems
2 and disease interaction suggests that the only
3 real way to stop disease amplification and
4 transfer in open systems is basically separation
5 of wild and farmed hosts. And I think the work by
6 Neil Fraser on those posters over there is a
7 testament to the difficulty that you will have in
8 setting this metric. The transition period,
9 therefore, that we propose in our paper of three
10 years, is imperative to ensure the compliance and
11 the process must be governed by data, if the
12 integrity of the USDA organic label is to be
13 maintained. Finally, I'd like to comment on the
14 scientifically documented impacts of open net pen
15 aquaculture, particularly salmon farms, by sharing
16 a personal experience. During my experience as a
17 graduate student in science in British Columbia, I
18 was exposed to a significant amount of political
19 interference affecting both my work and the work
20 of my colleagues, one of which was Marty Krkosek,
21 that you saw yesterday. And I would suggest that
22 actions such as countering peer reviewed science
23 in the public forum, with non-peer reviewed
24 counter-hypotheses, threatens to erode the
25 credibility of the scientific process in the
26 public eye. And that the quality of the science

1 being conducted on these issues is solid. It's,
2 you know, and this is-- the peer-review
3 publication record can attest to this fact. It
4 really is the qua--

5 [END MZ005009]

6 [START MZ005010]

7 MR. PEET: -lity of the interpretation of
8 this research by some that must be questioned
9 here. So, in closing, I would like to emphasize
10 the importance of insuring that the aquaculture
11 industry adapts its production practices to meet
12 the principles of organic production, and not vice
13 versa. It cannot be forgotten here that you may
14 be trying to put a square peg into a round hole,
15 and that while it's worth trying to see if you can
16 find a way to make it fit, if it ultimately does
17 not, that is an acceptable outcome, as integrity
18 is more important than inclusiveness. I thank you
19 for your work and diligence on this issue, and
20 urge continued caution as you move forward.
21 Thanks.

22 MS. CAROE: Thank you, Corey. Do we have
23 any questions for Corey? Hugh? It's you. Hugh.

24 MR. KARREMAN: Just wondering, I guess
25 I'm a little confused by what was said yesterday,
26 and you kind of reiterated it today, regarding, I

1 think a performance metric of no disease in the
2 net pens.

3 MR. PEET: Mm-hm.

4 MR. KARREMAN: You mean no disease.

5 MR. PEET: Well--

6 FEMALE VOICE: Can you speak into the
7 mic?

8 MR. KARREMAN: Are you-- you're being
9 very firm that there shall be no disease in net
10 pens if they're going to be organic. I think that
11 was a performance metric?

12 MR. PEET: Yeah, I mean basically if you
13 want to ensure that wild fish aren't going to be
14 impacted, that's what you have to get to. And if
15 you look at the work by Neil Fraser, it shows you
16 basically that in order to ensure that, you need
17 disease levels on farm fish that are orders of
18 magnitude smaller than those on wild fish, which
19 are already really small to begin with.

20 MR. KARREMAN: But in land-based
21 agriculture right now, with livestock, there's--
22 there can be disease in herds. Sometimes that can
23 be transmitted, I guess, to wild animals, but
24 actually the reverse is usually more the case,
25 like wild deer with tuberculosis transmitting it
26 to actually farmed animals in Michigan and certain

1 parts. So, I just, I have a problem with a kind
2 of blanket statement that disease, you know, shall
3 not be tolerated on farms, it's just, it happens.

4 MR. PEET: Right.

5 MR. KARREMAN: And I think it's
6 unrealistic to make that as a, you know, it's a
7 good goal, of course you want as little as
8 possible, you want the animals as healthy as
9 possible, but to just say, you know, to be organic
10 there cannot be disease on the farm, which was
11 said yesterday, and you did reiterate it in your
12 public comment, it's a little bit idealistic.

13 MR. PEET: It is, but you have to
14 consider what's at risk. In land based farms,
15 what are you impacting? I think Marty Krkosek
16 showed some examples yesterday of how terrestrial
17 farms can impact wild animals as well. So, you
18 know, there's a risk, and the risk has to be
19 addressed. And I think what it means to be
20 organic is that you are being harmonious with the
21 environment, and if you're spreading disease to
22 wild fish, especially if those fish have lots of
23 value both economic and social and otherwise,
24 that's a problem.

25 MR. KARREMAN: But you're also kind of
26 precluding, it seems, any possibility that there

1 are treatments that would be available or come
2 available to the fish farming community, under
3 organic management. I give you personal testimony
4 because a lot of the regulation on medicines right
5 now, you know, that does stimulate research and
6 clinical trial of natural treatments. So--

7 MR. PEET: Yep, well and in our proposed
8 metric, we said if those treatments are approved
9 under your system, then that's appropriate.

10 MS. CAROE: Any further questions? Thank
11 you.

12 MR. PEET: Thanks.

13 MS. CAROE: Oh, Barbara.

14 MS. BARBARA ROBINSON: You know, that, I
15 would say one thing that's sort of analogous, you
16 don't have a zero tolerance program in the NOP,
17 anywhere. You don't have zero tolerance in crops;
18 as Hugh pointed out, you don't have zero tolerance
19 in livestock. We don't have that kind of a
20 regulation.

21 MR. PEET: Right, but it's also a
22 different environment. You're dealing with the
23 marine environment, which has different dynamics
24 in terms of transmission vectors for disease, and
25 the potential impact. Oops. Sorry, I was just
26 saying that you're also dealing with a different

1 environment. The aquatic environment has
2 different, you know, transmission vectors and
3 potential for those, for disease to be transmitted
4 and have an effect on its host is much different.
5 There's also, you know, in the case of salmon,
6 wild salmon are really important to people. So,
7 there's a bigger risk than maybe there is in
8 terrestrial systems.

9 MS. ROBINSON: I guess what I'm asking,
10 you said-- are you implying that there's no
11 disease in the natural environment, in the wild.

12 MR. PEET: No, absolutely not, there's
13 lots of disease in the natural environment.

14 MS. ROBINSON: Right. It's naturally, it
15 gets selected out.

16 MR. PEET: Well, it gets put into a
17 balance, into a dynamic equilibrium, to which
18 domestication of animals and culture can change
19 that dynamic that threatens wild hosts. That's
20 exactly what you have with sea lice and salmon
21 farms. It's not a-- it's a two way street, right?
22 It starts with the wild fish infecting the farm
23 fish, and then coming back. It's not a one-way
24 street at all, which is where the separation needs
25 to happen.

26 FEMALE VOICE: Hugh's got something.

1 MS. CAROE: Hugh had a question, hold on.

2 MR. KARREMAN: Just curious, are there
3 diseases that wild fish, like wild animals in the
4 terrestrial land, are there diseases that wild
5 fish can pass to farmed fish, instead of always
6 focusing on what the farmed fish can do to the
7 wild fish. And I'm not just talking salmon, but
8 since you're a salmon guy, I guess, are there
9 things in wild salmon that they can transmit as
10 they go by to the farms?

11 MR. PEET: That's how it starts, for
12 everything. I've-- of the top of my head,
13 although maybe furunculosis might be an example of
14 that, but you know, sea lice, IHN, pretty much all
15 of them start with the wild fish infecting the
16 farm fish, the farm fish then amplifying the
17 ambient levels, and then transferring it back to
18 the wild fish. But the wild fish as juveniles,
19 not as adults, which is where the problem is. The
20 smaller you are, the more susceptible you are to
21 impact by these diseases, so it-- that's how it
22 works.

23 MS. CAROE: Any other questions? Thank
24 you.

25 MR. PEET: Thanks.

26 MS. CAROE: Okay, Alejandro, you're up.

1 And Becky Goldberg, are you in the room, Becky?

2 FEMALE VOICE: [unintelligible]

3 MS. CAROE: Okay, Becky, you're on deck.

4 MR. ALEJANDRO BUSCHMANN: Thank you. I'm
5 trying to bring up some very specific comments on
6 open up the culture--

7 MS. CAROE: Excuse me, just, I just--

8 MR. BUSCHMANN: Oh, my name and--

9 MS. CAROE: I just want to point out
10 that, one, tell us your name and your affiliation,
11 and also that's a-- that mic is particularly
12 quiet, so if you can get very close to it, when
13 you speak, it would be best.

14 MR. BUSCHMANN: Okay, I will.

15 MS. CAROE: Thank you.

16 MR. BUSCHMANN: Thank you. So, my name
17 is Alejandro Buschmann, I'm from the University of
18 Los Lagos in Chile. I've doing research about
19 environmental affects and bioremediation, actions
20 that can be take around open aquaculture, during
21 the last 20 years. My perspective is I think that
22 from hearing yesterday the discussion, there a few
23 issues that need to be, to me, point out. First,
24 siting is an important point for, have a open
25 aquaculture, but it's not only siting, because
26 depends also about the intensity of aquaculture.

1 You can have good siting, and you have a high,
2 intense use of the environment, so you will start
3 to get interactions between cultures, open a
4 culture activities in the site. So, it's not only
5 a site decision, siting decision. Also, when you
6 start to increase intensity, like what is
7 happening in Chile today, you start have these
8 interactions, and diseases will start to move, not
9 only interact to between the farms and the wild,
10 but also in between farms and transmission of
11 diseases will be an important issue in those
12 scenarios. So, my point is that in this first, do
13 not only take in account in about a siting, but
14 it's a much more complex when you have intensive
15 aquaculture. Second point is that we are willing
16 to have, or when you have open aquaculture, we are
17 hoping that the sea maintains the capacity for
18 assimilating all the discharges. There is some,
19 in some cases, when you have low intensity of
20 aquaculture, and you have a low farming sites,
21 that is possible. But that is not possible in,
22 again, in a high density of farm situation. In
23 that cases, you need to understand how waste can
24 be bring out of the system. And that is another,
25 quite different type of a scenario, and there is
26 some actions that are in the literature that can

1 be take in account. But, like integrated
2 aquaculture was, which was brought out yesterday,
3 but again, that is not the whole solution. There
4 are many other aspects that remain, or will be
5 used in aquaculture generally, chemicals and
6 terra-pollutants [phonetic] and so on, that will
7 be not be taking out by integrated aquaculture.
8 One example, was taking, was mentioned yesterday:
9 anti-fouling. Anti-fouling with copper, perhaps
10 in the future will be gone, but today, they, if
11 you go beneath the sediments you find high copper
12 concentrations. And we just published a paper in
13 Chile, it's in Spanish, but I can tell you, that
14 you have a good correlation about biodiversity
15 losses and copper concentration. Okay. So, the
16 last point is about terra-pollutants. Terra-
17 pollutants are also be used, and in many areas, in
18 the northern hemisphere, there are alternative
19 ways how you make and handle the-- these, and
20 lower the use of these products. But, when you go
21 into a high density farming intensity, and you
22 have a almost, all the coastal areas, cover it,
23 like the situation in China, that is almost
24 impossible now. You not depend from your own
25 activities, but you are depending also from your
26 neighbors. So, that makes the systems quite more

1 complex, and that needs to be taking account, in
2 open aquaculture. You're not isolated from the
3 rest of the other actions that are taking place.
4 Thank you.

5 MS. CAROE: Thank you, Alejandro. Are
6 there questions? Jeff, and then Rigo.

7 MR. JEFFREY MOYER: Yeah, Dr. Buschmann,
8 Jeff Moyer. We're going to be charged with
9 writing a universal standard.

10 MR. BUSCHMANN: Yeah.

11 MR. MOYER: In doing so, I think the
12 discussion, or the points came up yesterday that
13 clearly, what we have currently, is lacking in
14 some aspects in terms of siting. You bring up
15 those issues right now. We're aware that there's
16 a problem there, but do you have any solutions
17 that you can point out. I mean, what sort of
18 standards should we be looking at regarding siting
19 and density levels?

20 MR. BUSCHMANN: Well, siting and density,
21 you must, I think, we must, we cannot apply rules
22 for growing and activity and developing activity,
23 without taking up account the assimilation
24 capacity of the environment. That is the first
25 thing. And that has been going on in several
26 areas, in several regions in the world. So, that

1 is a main issue. So, we must maintain a relation
2 about the capacity of the systems to assimilate a
3 sort. For example, for salmon, for salmon farm,
4 there is literature that we can move a little bit
5 from the numbers, the more accurate numbers, but
6 the literature says that we need an assimilation,
7 or we need an environment that is 10,000 times
8 greater than the farming area, to maintain that
9 sustainable -- 10,000 times. My calculation is
10 that, for example, to maintaining the salmon farm
11 from 1000 hectares, from perhaps that will produce
12 1000 tons, you will need, for example, at least
13 150 hectares of seaweeds to take out the nitrogen
14 that is going out. So that is makes the point
15 that you need, it's not very simple to maintain
16 the systems, so you must things that heavy
17 producing in a small area, which has a big volume
18 because salmon farms are using the water
19 [unintelligible], it's not like a farm in
20 agriculture that is flat, no, only depending from
21 the surface. For assimilating all those
22 nutrients, you need the huge area. So that is an
23 important area. And things like that are in the
24 literature, you can do-- you can make some
25 calculations and you can come up with some figure
26 for how intense aquaculture should be. And if

1 that is the ma-- if that happens, perhaps you can
2 go and have a-- and have some standards
3 integrating size, integrating siting, integrating
4 density of farms, for a region and for an area, to
5 become possible, the clear organic concern. But
6 if you go beyond that, it's almost impossible.

7 MS. CAROE: Rigo.

8 MR. RIGOBERTO I. DELGADO: Well, exactly
9 the same question that Jeff had, and I thank you
10 for being here, doctor. So, it seems to me that
11 you can literally pinpoint sections of the ocean
12 where you can support certain size farms, if you
13 will, certain numbers, and also the density per
14 farm. Is that correct? Am I understanding this
15 correctly? Are we [unintelligible]

16 MR. BUSCHMANN: Well, you can-- you can
17 do it and you can cal-- make some calculations,
18 and you can enhance recycling of nutrients by
19 using some technology available, and you can
20 enhance all that. And you can come out with some
21 figures that will be, in some extent, lower some
22 risk. But you will not come to zero point levels,
23 that is for sure. You know, you are an open
24 system.

25 MS. CAROE: Is there any further
26 questions? Hugh, and then Jeff. No. Hugh and

1 then Jerry.

2 MR. KARREMAN: I guess I always, because
3 my life revolves in Lancaster County with all
4 those dairy farms there, we have 1900 dairy farms
5 in one county, which is like an astronomical
6 amount of farms. And they're mainly small family
7 farms that everyone just loves. And it's a main
8 source of pollution to the Chesapeake Bay. And
9 you know, wherever agriculture is, the environment
10 is not pristine, even organic agriculture has its
11 impacts, and we of course want to make sure that
12 we reduce the impacts and we have good
13 biodiversity and everything. I'm just-- you know,
14 there's a 100 organic dairy farms in my county,
15 and they create manure pollution, I guess some
16 people would call it, I would call it nutrient
17 management, or whatever the other politically
18 correct term is. I'm just wondering, you know,
19 the agriculture industry is relatively new, 30
20 years old, and you know, we saw some maps
21 yesterday of a lot of density of farms, fish farms
22 along the coastal areas of various islands and
23 continents or whatever. And all the impacts with
24 that, but it is also, isn't it reasonable to
25 expect, with agriculture, or aquaculture, that
26 you're going to have some impacts that, that's

1 producing food. I mean, and yeah, we need to site
2 these appropriately, of course, and but I think
3 some people think it's supposed to be just
4 pristine, and the environments going to be the
5 exact same as before the farm gets there, and I
6 don't think that's the case. So anyway, I just
7 want to agree with you that siting is very
8 critical, but even when the farms go in, hopefully
9 we will have some performance standards to look
10 at, as far as environmental type effects.

11 MR. BUSCHMANN: Oh, for sure, every human
12 activity will have an impact. But still, if you
13 want to make sure, in open waters, the diffusion
14 coefficient of particles, nutrients, is much
15 higher. You cannot contain it so easily. And
16 normally, also places that have good, are good for
17 aquaculture, they have strong water movement, so
18 dispersal should be enhanced also. So, there's
19 several issues to must be taking account, that
20 this, I'm not taking about zero impact, but we--
21 but we cannot go to extremes. That can be very
22 dangerous. And we must couple things, balance
23 things, no?

24 MS. CAROE: Gerald.

25 MR. GERALD A. DAVIS: In relation to Mr.
26 Buschmann's comments, I have a question for the

1 livestock committee. Has your discussion on
2 aquaculture issues so far delved into the issue of
3 runoff, the analogous terms in terrestrial of
4 runoff and pesticide drift from conventional farms
5 and what kind of boundary zones we would have for
6 aquaculture?

7 MS. CAROE: Hugh?

8 MR. KARREMAN: I can't say in regards to
9 aquaculture, per se. I mean, I'm sure the AWG has
10 been working on that, but in terrestrial
11 agriculture, you know, there's buffer zones, that
12 the certifiers, yeah--

13 MR. DAVIS: Has that entered into your
14 discussions yet in this process?

15 MR. KARREMAN: Yes, it has.

16 MALE VOICE: And it will. [laughs]

17 MR. KARREMAN: Yeah, absolutely, without
18 a doubt, without a doubt, yeah.

19 MR. DAVIS: I was just wondering if you'd
20 got to that point yet, 'cause it-- this discussion
21 here just brought that to mind and went, "Wow,
22 talk about a giant different between terrestrial."

23 MS. CAROE: Thank you, Gerald, and I
24 think that'll be part of the work that the
25 livestock committee does between now and spring,
26 is to consider that as well as all these other

1 aspects. Any further questions for Alejandro?

2 Thank you very much.

3 MR. BUSCHMANN: Thank you very much.

4 MS. CAROE: Becky Goldberg, you're up.

5 And on deck, we have whoever is the representative
6 from Pure Salmon League, Pure Salmon Campaign. Is
7 there somebody here from Pure Salmon Campaign?

8 Okay, so you're on deck. Before you start, Becky,
9 these are good questions, I'm glad we're asking
10 them, I just want to remind the board members that
11 we have 24 people speaking before you can go to
12 lunch. [laughter] So keep your questions on
13 point and I ask the commenters to also keep their
14 responses on point. I don't want to stop anybody
15 from asking these questions, I just want to remind
16 you of the implications of your actions .

17 [laughter] Becky.

18 MS. BECKY GOLDBURG: Okay, I guess I
19 won't get any questions now. So, I'm Becky
20 Goldberg, I'm a biologist, a senior scientist with
21 Environmental Defense, which is a national non-
22 profit organization. I'm also a former member of
23 the NOSB and the environmental representative on
24 the aquaculture working group. And I wanted to
25 offer today some, just reactions, observations,
26 and following yesterday's excellent aquaculture

1 symposium, which, you know, I'm really grateful
2 that the board convened. And then also talk
3 briefly about an issue that didn't get brought up
4 yesterday, which is the use of compost in organic
5 aquaculture ponds and tell you the results of a
6 little bit of work that I'd done and ask that you
7 consider a way forward on the issue, how we
8 proceed. Well, I'd first like to offer some
9 observations from yesterday on the feed issue,
10 that we had some excellent presentations
11 yesterday. They were largely about, you know, how
12 to use alternative ingredients and what some of
13 the options are in farm fish production. Perhaps
14 what was lost yesterday, or at least didn't get
15 brought up is an issue I think that's really
16 important, is that there are some really real
17 ecological motivations for moving away from heavy
18 use of fisheries ingredients in feed for farm fish,
19 at least fisheries ingredients from wild
20 fisheries. And these issues stem from the fact
21 that the small fish that are caught to make
22 fishmeal and oil are of course the underpinnings
23 of marine ecosystems. And while not all the
24 science is in place, there's substantial concern
25 that at some of these fisheries, while they may be
26 harvested at a rate where the fishery itself

1 replaces itself, there may be too many fish being
2 taken to support the sorts of populations of
3 marine predators, be they sport fish or marine
4 mammals or whatever, that people care about. And
5 this is an issue now that's being tackled for the
6 U.S. Menhaden Fishery in the Atlantic, regulators
7 are beginning to take it seriously. But it's yet
8 another reason why I think the NOSB is, and
9 aquaculture working group, is on the right track
10 in moving away from fishmeal and fish oil use.
11 Also, with respect to feed, I think one thing
12 that's critical is that if the board does
13 ultimately recommend a sunset provision for use of
14 fishmeal and fish oil, as the aquaculture working
15 group has suggested, that that be made a real
16 sunset. I was on the board when we recommended
17 the methionine sunset, so I'm familiar with how
18 challenging these sorts of things can be, and I
19 would urge that if you do put in a sunset that it
20 be part of whatever rule comes out, whatever
21 standards come out, for aquaculture, rather than
22 built into the national list, where sunsets are a
23 little harder to effect. I also think the
24 Monterey Bay Aquarium made an excellent suggestion
25 yesterday, in that sunsets could be set up with
26 transition periods, or ratcheting down, for

1 example, of fishmeal and oil use, so that you
2 don't just go from 12 percent fishmeal and oil one
3 day to zero the next, which makes sunsets also
4 harder to effect. Moving onto net pens, you know,
5 continue to be really challenging issues around
6 net pens. Part of this is because there's, of
7 course, no long history of organic production in
8 aquaculture. European certifiers, a few of them
9 have had standards for a few years now, but there
10 isn't a lot of agreement about what organic
11 aquaculture should be, especially with respect to
12 net pen systems. And there are some really, you
13 know, serious issues with some of the conventional
14 systems, especially for salmon farming. That
15 said, you know, I think about my experience
16 working in terrestrial agriculture, and you know,
17 I could step into now, the debate about dairy
18 farming or hog production or whatnot, and on the
19 basis of my concerns about kafo [phonetic], say,
20 we shouldn't have organic, you know, agriculture.
21 In reality, what we need really are organic
22 systems that are different, that are more than
23 just, you know, no use of drugs and synthetic
24 chemicals, but that have some real ecological
25 underpinnings that people are comfortable with.
26 So, I urge the board to think hard about setting

1 some tough goals for organic net pen systems that
2 are consistent with that logic. Finally, on
3 compost I had, at the behest of the aquaculture
4 working group, a graduate student look at the
5 literature on the use of compost in fish ponds,
6 which is recommended by the aquaculture working
7 group. There isn't much of a literature there.
8 There is, however, a World Health Organization
9 report last year, to do with the use actually of
10 human waste water and excreta in aquaculture
11 ponds, which is a practice in Asia, actually. And
12 the WHO report offers some insights, one of them
13 being that at relatively low levels, things like
14 coliforms in ponds don't turn up in fish flesh.
15 Another is that, you know, WHO does set some
16 levels for, safety levels for coliforms and other
17 bacteria in ponds, so there is some science to
18 build on. And while it's not directly applicable
19 to organic compost use in ponds, it's actually
20 for, you know, practices we don't advocate, I
21 think there ought to be a way forward to allow
22 compost use in pond. Pond fertilization is really
23 important, it's consistent with organic principles
24 that you grow a flora in a pond that fish and
25 shrimp can feed on, and I ask the board that we
26 have a way forward to think through these issues

1 in a way that works for the organic community and
2 for growers. Thanks a lot.

3 MS. CAROE: Any questions from the board
4 for Becky? Okay, I actually have a--

5 MALE VOICE: I actually-- oh.

6 MS. CAROE: Go ahead, Gerald.

7 MR. DAVIS: Becky, can you provide a way
8 that I can get that WHO report on the composting in
9 ponds?

10 MS. GOLDBURG: Well, it's not on
11 composting in ponds, it's actually on use of human
12 sewage, essentially, in ponds.

13 MR. DAVIS: Right, but that princi--

14 MS. GOLDBURG: Absolutely, it's on the
15 web, I'd be happy to email-- well, I'll give you
16 the URL, the report is actually about 23
17 megabytes, I don't want to email it to people.

18 MR. DAVIS: Okay.

19 MS. GOLDBURG: I can share that URL
20 perhaps with Valerie.

21 MR. DAVIS: Thank you.

22 MS. CAROE: Joe.

23 MR. SMILLIE: Just like to thank you,
24 Becky, for working on the AWG, it was really
25 great. I know you are sort of alone there
26 [laughter] but you guys did great work and I

1 anticipate the AWG continuing and working with us
2 to create a final recommendation.

3 MS. GOLDBURG: That's great to hear,
4 thank you.

5 MS. CAROE: Okay, well the comments that
6 I had for you, Becky, two of 'em, one I just want
7 to clarify that the sunset, the seven year
8 allowance that we're looking for is not an
9 allowance for fishmeal and fish oil, it's an
10 allowance for a non-certified fish oil and
11 fishmeal.

12 MS. GOLDBURG: Mm-hm, right.

13 MS. CAROE: After that date, if there's
14 certified available, and which we hope will be, I
15 mean, that's part of the premise of, you know,
16 creating fish so that we could have organic
17 fishmeal, but just an allowance, we're not talking
18 about eliminating the use of fishmeal and fish
19 oil. So that's one point that I just wanted to
20 clarify. And secondly, the concept of using
21 compost was actually abandoned by the AWG. It
22 became an issue, and it was brought up as one of
23 three issues, and the AWG said there wasn't enough
24 interest to pursue it, so it was actually pulled
25 out. So we're not looking at compost.

26 MS. GOLDBURG: Hm, that-- I've discussed-

1 - Well, let me respond first to your comments on
2 fishmeal and oil, and I absolutely agree to you,
3 and my terminology was sloppy in my comments, and
4 you know, I was speaking from fishmeal and fish
5 oil, non-certifiable because it's from wild
6 fisheries. On compost, perhaps we at the AWG
7 should reconvene, but you know, I talked about the
8 issue before the meeting with George Lockwood who
9 specifically suggested it was still on the table.
10 So, I don't, I'm not sure it's wholly abandoned,
11 but maybe the whole matter needs a little bit more
12 consideration.

13 MS. CAROE: Dan.

14 MR. GIACOMINI: It was one of the three
15 big issues, and in planning the aquaculture
16 symposium, there was the plan to have three
17 panels. It was the request of the AWG for time
18 constraints and other issues to drop that as a
19 discussion item; it may still be on the table, but
20 it was at their re-- it was the AWG request to not
21 have it as a panel for the symposium.

22 MS. GOLDBURG: Okay, yes, that's correct,
23 and that's different. I think it's a lower
24 priority issue, than the feed issue and the net
25 pen issues. I think if there is a constructive
26 way forward, though, on the compost issue, we'd

1 still like to pursue it, 'cause again, pond
2 fertilization is an important consideration for
3 any production system for filter feeding or
4 scavenging fish, and shrimp. And you know, use of
5 compost is a very good way to fertilize
6 agricultural systems.

7 MS. CAROE: Thank you very much, and
8 Hugh, just make sure that's on the livestock
9 committee's work plan. Of course, prioritize
10 below these two items that we looked at yesterday,
11 but-- Thank you, Becky.

12 MS. GOLDBURG: Okay, thanks a lot.

13 MS. CAROE: Any other question. Thank
14 you. Next up is, and I don't-- Is this, are you
15 Rachel Hopkins?

16 MS. RHONDA BELLUSO: I'm not.

17 MS. CAROE: You're not, but you're from
18 Pure Salmon Campaign.

19 MS. BELLUSO: That's correct.

20 MS. CAROE: Okay, on deck, Sebastian
21 Belle, are you in the room?

22 MR. SEBASTIAN BELLE: Yep.

23 MS. CAROE: Sebastian, I'm going to ask
24 that, I've gotten board requests for a little
25 break, so after--

26 MS. BELLUSO: Rhonda Belluso.

1 MS. CAROE: --Rhonda.

2 MS. BELLUSO: Yes, R-H-O-N-D-A.

3 MS. BELLUSO: After Rhon-- thank you.

4 After Rhonda speaks, we're going to take a little
5 break and then we'll reconvene with you,
6 Sebastian.

7 MS. BELLUSO: Thank you. As you said, I
8 am with the Pure Salmon Campaign, it's a global
9 project under the National Environmental Trust.
10 In the past meetings that the NOSB has held on
11 this issue, the Pure Salmon Campaign under our
12 director Andrew Cavanaugh submitted full comments,
13 and those comments still hold true. I'm actually
14 here today to relay the message of many U.S.
15 consumers. Over the past few months, consumers
16 have been sending the Pure Salmon Campaign
17 thoughtful letters with the purpose of having me
18 deliver them here to you today, because it was
19 important for them to have their message heard.
20 The letters range. Initially there are 37
21 substantive comments that range from restaurant
22 owners, organic farmers, representative from the
23 New Hampshire House of Representatives, natural
24 food store owners, fly fishermen, and regional
25 organic farming associations. All have the same
26 message, they unanimously agree that open net

1 cages, along with wild fish for feed, do not lend
2 itself to an organic label when considering
3 aquaculture production. Each may have their own
4 reasons for writing the letters and for having
5 those thoughts, but again the message is
6 consistent. Additionally, 14,547 consumers signed
7 a letter, again with the same message, asking you
8 the NOSB to exclude open net cages and wild fish
9 from feed, when considering aquaculture for an
10 organic standard. The letter that they agreed to,
11 more or less, reads this, that: "We the
12 undersigned United States consumers, urge the NOSB
13 to prohibit the use of wild fish for feed source,
14 and open net pen farming systems, in an organic
15 farm raised fish production. The feeding of wild
16 fish to organic farmed raised fish concerns us for
17 three critical reasons: the first, organic feed
18 should be 100 percent organic; the second, organic
19 farming practices should not damage the
20 environment; and third, organic food should be
21 free, or lower in contaminants. We also do not
22 support open net pens, mesh cages anchored in the
23 ocean's environment for two key reasons: organic
24 farming systems should at least collect, if not
25 recycle waste; and organic farming systems should
26 not endanger wild fish or marine mammals." They

1 support organic standards for farm fish that are
2 in accord with the organic principles;
3 specifically, vegetarian fish species farmed in
4 fully closed systems. However, if the NOSB
5 decides to include non-organic feed, and open net
6 pens in organic farmed fish standards, their
7 confidence in the USDA organic label will be
8 greatly diminished. Thank you.

9 MS. CAROE: Thank you, Rhonda, just
10 really quickly, could you give us the spelling of
11 your last name again?

12 MS. BELLUSO: Sure, it's B-E-L-L-U-S-O.

13 MS. CAROE: Thank you. Any questions for
14 Rhonda? Thank you, Rhonda.

15 MS. BELLUSO: Thanks.

16 MS. CAROE: And again, we're going to
17 take a short break right now. It is five of,
18 let's convene at 11:05, give everybody a ten
19 minute break. Promptly back at [break in audio]
20 We're going to start folks. Sebastian Belle. Can
21 I ask the audience to be-- to keep down the
22 chatter, we're going to go with public comment
23 now. Excuse me, those of you in the back of the
24 room, that are having discussion, can you take it
25 outside the room? Sebastian Belle, you're up. On
26 deck we have Jonathan Shepherd, Jonathan are you

1 here? Jonathan Shepherd? How about Barton
2 Seaver? You're on deck.

3 MR. SEBASTIAN BELLE: Thank you madam
4 chair, my name is Sebastian Belle, I run the Maine
5 Aquaculture Association. We are the oldest state
6 aquaculture association in the country. We've
7 been in discussion for over 30 years, and we
8 represent aquatic growers. Our members, we've got
9 anywhere between 130 and 150 farms on any given
10 year, depending on what their membership status
11 is. Our growers grow freshwater fin fish,
12 saltwater fin fish, and saltwater shellfish, as
13 well. I am also a member of the aquaculture
14 working group and was involved with the group,
15 NOAG, which was in existence before the
16 aquaculture working group was created. Thank you
17 very much for the opportunity to speak to you
18 today. I want to start by going on the record,
19 and I think the madam chair will particularly
20 appreciate this, with an acknowledgement that I
21 was wrong. I came for- to the idea of this
22 aquaculture very skeptically and was convinced
23 that it was going to do nothing but establish a
24 bully pulpit for the people who have been beating
25 me and my members up for the last ten years or so.
26 And I was wrong. I think the committee deserves a

1 great deal of credit for the boards that they
2 assembled, and there was some bully pulpit
3 phenomenon there, but I think-- I sat in the
4 audience and added up the number of years that
5 nine of the members of that committee had in terms
6 of experience in aquaculture research, it was over
7 200 years. I think that's quite astounding, to be
8 able to put that kind of group together. I'm
9 going to make my comments this morning on two
10 pieces, one first on the fishmeal and fish oil,
11 and then on the net pens. I'm going to focus more
12 on the net pens than the fishmeal and fish oil
13 because I think yesterday's board was very good
14 and gave a very comprehensive treatment of the
15 issue. The one point I want to make is from the
16 producers' point of view. I heard a lot of
17 questions from the committee yesterday about
18 growth rates and focusing on increasing growth and
19 why were people talking about that so much with
20 respect to fishmeal and fish oil? I think it's
21 important to understand that the reason that most
22 of us as producers use fishmeal and fish oil is
23 that we are still early on in understanding what
24 the nutritional requirements are for our animals.
25 And so, we're using it, essentially, as a safety
26 factor in our diets. And particularly in marine

1 fin fish, where we have very little understanding
2 in many cases of what the nutritional requirements
3 are of those species, fishmeal and fish oil is
4 being used as a way of kind of couching our risk
5 from a nutritional pathology point of view. So,
6 just to start with that point. Second thing I
7 want to really support is Brad Hicks' points he
8 made yesterday on the committee about trophic
9 levels. I think it's the first time I've seen
10 anybody clearly articulate what is so different
11 about marine ecosystems and terrestrial
12 ecosystems, and I think it was a very important
13 point and actually this board deserves a great
14 deal of credit for giving somebody the forum to
15 make that point. I think it was-- it's not been
16 made, honestly, in many other arenas. And
17 finally, on fishmeal and fish oil, as producers we
18 are concerned about the sunset provision, and
19 principally we're concerned about the length of
20 the sunset provision. And the reason we're
21 concerned is if you look at the generation time of
22 the animals that we're growing, particularly on
23 the fin fish end of things, but also on the
24 shellfish end of things, depending on which animal
25 you're talking about, a generation of production
26 for us is anywhere from 18 months to 42 months,

1 and in some cases, in the case of for example,
2 halibut, it may actually be longer than that. So
3 when you're doing nutritional studies, and
4 developing diets for fin fish, and the generation
5 time of your animals is relatively long, my worry
6 is that we'll get to the end of that sunset period
7 and we won't have been able to develop those
8 alternative protein and lipid sources. I
9 recognize that having that sunset period is very
10 important to provide incentives for people to
11 develop those diets, and I don't want to mislead
12 you, we support the sunset provision, we're just
13 concerned about its length. Finally, I have fair
14 disclosure, one of my members is a company called
15 Sea Bait and they grow worms, and they grow worms
16 that were alluded to yesterday as some diet
17 ingredients. And I just say that it's a very
18 novel application of their product, and it's very
19 early days yet to see how it's going to work out.
20 It is very exciting and promising and we hope that
21 it does work out. But it's going to take a lot of
22 years to really understand whether or not that's a
23 realistic source for some of those compounds. Net
24 pens and their implications -- I want to just say
25 that, and if I leave you with one thing, this is
26 what I want to leave you with: if the standards

1 go forward and they preclude the use of net pens,
2 it will be a great irony, because of all
3 productions methods in aquaculture, net pens are
4 the method which are most transparent to the
5 environment, have the most interaction with the
6 environment. And that means that they have the
7 greatest risk of impact, but it also means we have
8 the greatest possibility of changing those risks
9 and reducing them over time. If you go forward
10 without net pens, you will essentially-- if you
11 put it in terrestrial terms, ponds, raceways and
12 tanks are methods of containing water on land. In
13 terrestrial terms we would be going forward with a
14 set of standards that were precluding, or that
15 were requiring people to use barns underwater in
16 which air was injected into, to raise organic
17 animals. Okay? So think of it in those terms.
18 And I'll leave it at that.

19 MS. CAROE: Thank you, Sebastian, and it
20 is on the transcripts, that mea culpa, and I'll
21 print it up later for the board. I knew for, I
22 knew with great confidence that our livestock
23 committee would not let you down with that
24 aquaculture symposium. And they did a fine job.
25 Is there are questions for Sebastian? Steve.

26 MR. STEVE DE MURI: Just a quick

1 question. What length of the sunset provision
2 would you propose?

3 MR. BELLE: I honestly would want the
4 feed formulation folks to make that proposal. I
5 don't feel that I'm qualified. I think that
6 Jonathan Shepherd, and I don't know if he's still
7 here or not, but Jonathan would be very qualified
8 to do that because he's been working on feed
9 issues for many, many years. But I think that the
10 proposed period, if you look at it, and you look
11 at the generation time, and then you look at the
12 time it takes to do the nutritional studies-- And
13 an interesting note, I think, yesterday you heard
14 a bunch of nutritional studies. The longest of
15 those nutritional studies was 72 days. None of
16 those studies tell you anything about nutritional
17 pathologies that occur over a longer time. And I
18 think that's something to be quite concerned about
19 as you're beginning to formulate feed. And that's
20 really why we want to be able to use fishmeal and
21 fish oil at some level.

22 MS. CAROE: Any other questions for
23 Sebastian? Bea.

24 MS. BEA JAMES: So, yesterday we heard a
25 lot about the feed recommendations for fish and
26 net pens versus farm raised ponds, and in

1 livestock we have taken a lot of time and care to
2 try to create an environment that's conducive to
3 the natural behavior of the animals, so that they
4 can roam freely, so that they can have pasture.
5 And I'm trying to understand, or maybe you can
6 help me understand, what would be the ideal
7 situation for raising fish so that they have the
8 same consideration?

9 MR. BELLE: Well, it's, I think Neil put
10 his figure on it yesterday in his presentation.
11 It's not a simple answer. It is, to some extent,
12 species specific, it's also site characteristic.
13 In other words, in the case of pens, site
14 characteristics really change the way fish behave
15 in a pen. But if you-- let me put it to you this
16 way: if you as a person put on a scuba suit, and
17 sit in a tank, a raceway, a pond or a net, if any
18 one of those production methods is done correctly,
19 and understands how animals behave in that method,
20 you will find natural behaviors. There will be
21 behaviors in those systems which are perfectly
22 natural, and which you would see even in the wild.
23 So it's not, I don't believe it's so much the
24 specific production system as it is how it is
25 managed. And how you provide opportunity for
26 those animals to do what they would do naturally

1 from a behavioral point of view.

2 MS. JAMES: So, does domestication of
3 fish mean that we train them to live in a
4 condition for our consumption? Is that-- ?

5 MR. BELLE: No, I think domestication of
6 fish means the same thing as it does for
7 terrestrial animals, which is over time we select
8 for strains of animals that tolerate domesticated
9 conditions.

10 MS. CAROE: Any further questions for
11 Sebastian. Thank you--

12 MR. BELLE: Thank you.

13 MS. CAROE: --Sebastian for your
14 participation in AWG. It was always fun to banter
15 with you. [laughter] I'll miss that. Okay, next
16 up, we have Barton Seaver, and second call for
17 Jonathan Shepherd, are you here Jonathan? Okay,
18 next up Rob Mayo. Are you here? Rob? You're on
19 deck.

20 MR. BARTON SEAVER: Hi, good morning to
21 the board and everyone here. I'd just like to say
22 [unintelligible]. My name is Barton Seaver, I'm
23 the executive chef and partner of a restaurant
24 here in Washington D.C. called Hook Restaurant.
25 We feature 100 percent exclusively sustainable
26 seafood and I'm here to ask the board to listen to

1 a chef's perspective on this. So often in
2 conservation and in critical matters of
3 environmental issues, the chef's perspective is
4 left out. Chefs represent the keepers of the food
5 culture in America. Sixty percent of seafood is
6 eaten in restaurants in this country. Up to two
7 meals per day in the average family are eaten
8 outside of the house. That means it's really up
9 to me, it is up to my colleagues to really push
10 forward these ideologies, push forward the ethos
11 of sustainability, that we really seek to do. I
12 really appreciate you allowing me to participate
13 in this today. The consumers in my restaurant
14 really want answers, and it's my opportunity, it's
15 my burden, to sell solutions. I think that with
16 the environment and with our impacts that we have
17 made on fisheries in the wild, it is-- we're in
18 very dire straits. And I come to you really
19 talking about the word "sustainability." When
20 people come into my restaurant, the word "organic"
21 is a very valuable tool. It suggests and promotes
22 an ideology and ethos that this food, not just
23 this system, but the food on the plate, is- has a
24 positive value for us corporally. It has a
25 positive value for us socially. It has a positive
26 value for us ecologically. Not just in the fact

1 that the way that it was farmed or raised, does
2 not have a negative impact, but that it creates a
3 system that can be replicated and sustained
4 throughout our future. We are not only seeking to
5 sustain today's demand, but also to ensure
6 adequate supply for all future generations. When
7 it comes to fish, this is even more important. I
8 believe that farmed carnivorous fish are simply--
9 should be set aside for now. It is a hard thing
10 to, for us to, for me personally, to invest in or
11 to recommend to my customers, that when we're
12 dealing with a global fishery crisis, using a
13 method of aquaculture that is a negative sum
14 equation, simply doesn't work for me. I applaud
15 aquaculture methods, I applaud herbivore fish
16 aquaculture. I applaud the efforts that people
17 are making towards sustainable aquaculture of
18 carnivorous fin fish. I really do. And I support
19 you. I think that it is very important that we
20 move very quickly in that direction. Those who
21 are argue that we have a right to eat carnivorous
22 fish, maybe our time is done with that. We have
23 been given an opportunity by our environment, by
24 our ecology, to do so, and we have screwed it up.
25 I think that we-- until we are at a point where we
26 can do, we can provide a sustainably raised

1 aquaculture carnivorous product, it should not be
2 rewarded with an organic label. The organic label
3 to me suggests, as I said earlier, that it is a
4 positive value for many of the systems in our
5 society, not just the agricultural or aquacultural
6 one. I think it's very important that we
7 understand that it's valuable to have a standard
8 that really sticks up for-- has a rigid set of
9 values behind it, that it-- forgive me, I'm a
10 little nervous, I'm a cook, not an orator--
11 [laughter] I think that it's very important to
12 have a standard with solid meaning behind it, that
13 really sticks up for an ideology, not just to have
14 a standard to begin with. As I said, it is my
15 unique opportunity to sell solutions, to diversify
16 the demand that we place upon our environment, in
17 our fisheries, and by removing, as we already
18 have, the top tiers of the trophic level, to then
19 begin targeting the bottom levels of the trophic
20 scale, in order to recreate the top, I think is
21 only going to create an implosion. So, that is
22 it, I will actually finish a little bit early. I
23 am sorry for being a little passionate, but this
24 is what I do. And this is what I believe in, and
25 I know a lot of chefs stand behind me in this.
26 And I, as I said again, am honored to have the

1 opportunity to speak for them, so I appreciate it.

2 MS. CAROE: Well, thank you very much for
3 your comments and don't apologize for your
4 passion. Is there any questions for Barton?
5 Katrina.

6 MS. KATRINA HEINZE: Thank you for coming
7 this morning. If we passed a performance
8 standard, some of the metrics that we heard
9 yesterday, that precluded farmed salmon from being
10 labeled organic, would you serve a substitute in
11 your restaurant? And what would that be?

12 MR. SEAVER: Serve a substitute in terms
13 of-- ?

14 MS. HEINZE: Salmon. Or would you
15 replace it with a different fish?

16 MR. SEAVER: I, in my restaurant, we'll--
17 I refuse to serve anything that isn't sustainable.
18 I think even if salmon-- I mean, in this case we
19 have wild salmon fisheries. You know, as I said,
20 it's important to diversify the demand that we
21 place upon our oceans, that if it's my-- Wal-Mart
22 simply cannot sell Trivali [phonetic] or Corvali
23 [phonetic] or some of the weird things that appear
24 on my menu that people come to me looking for a
25 unique experience. And that's what top tier chefs
26 can do. And I understand the plight of Wal-Mart,

1 and I applaud their efforts, and groups like Wal-
2 Mart.

3 MS. HEINZE: Would you-- so you would
4 serve wild salmon?

5 MR. SEAVER: Yes, wild salmon regularly
6 makes an appearance on our menu.

7 MS. HEINZE: How do you reconcile that
8 with what we heard earlier from the consumer's
9 union, that consumers are interested in products
10 with low contaminant levels? 'Cause they, I don't
11 know if you were here yesterday, I'm still
12 wrestling with this idea of organic, sustainable,
13 where do they overlap? Where don't they overlap?
14 So, I'm wondering if you have any thoughts on that
15 subject.

16 MR. SEAVER: On our menu we do have a-- a
17 number of different species, and there are
18 contaminant levels that vary, up and down. You
19 know, we do serve Atlantic bluefish. Some of the
20 species that we serve, it is important just to
21 support the fisherman, just to enable the fishery
22 to continue to exist. One of the great issues
23 with wild fish is that fish don't vote, but
24 fishermen do, so it's important to employ, keep
25 those fishermen employed. The contaminant levels
26 in salmon are an issue, it is a personal choice

1 that we allow our customers to make, and we are
2 very open and honest about the contaminant levels
3 that there are. You know, and in this case, I
4 think that's the best that I can do on that level.
5 Is to be open and honest and to open the dialogue
6 about the state of our fisheries.

7 MS. CAROE: Bea had a question.

8 MS. JAMES: Well, I was going to ask you
9 how to grill sea bass, but I'll save that for
10 later out in the hall. I'm curious what your
11 criteria is for what you do serve in your
12 restaurant, and do you communicate that to your
13 consumers?

14 MR. SEAVER: Yes, absolutely, we work
15 very closely in cooperation with Blue Ocean
16 Institute, especially, Seafood Choices Alliance,
17 as well as Monterey Bay Aquarium, Shedd Aquarium,
18 Charleston Aquarium, and really cross-reference a
19 lot of these various, you know, and sometimes
20 widely varying information systems, that-- And I
21 do a lot of onsite research. We do a lot of
22 fishing, we buy a lot of fish out of Tobago. My
23 partner Joshua went down there and fished with
24 them. Just-- we're starting to do a lot of work
25 with an African fishery. I'm going to go over
26 there in a month to check all this stuff out; went

1 up to Maine to actually investigate a lot of this
2 stuff. And you know, I think that is part of my
3 duty, is to very much understand not only the
4 science behind it, the numbers behind how many
5 fish there are in the ocean, but also the
6 sociological impacts of the fish.

7 MS. JAMES: Just specifically, like your
8 top three things that you look for when you're
9 doing your research.

10 MR. SEAVER: There's five questions. I
11 think a lot of people stop at three, they ask
12 what, where, and how. I think, you know, what is
13 caught, where it is caught, and how it caught are
14 all very, very important. I think beyond that,
15 though, I ask two additional questions, which is
16 who and why. I think who is catching this and why
17 they're catching this is even more important.
18 Anybody that's going out there with a boat the
19 size of the Empire State Building, is not going to
20 make a profit until it's 95 percent filled up.
21 And so it's inherently unsustainable to the state
22 of the fishery that they're after. If we're
23 talking about artisanal fisheries where people are
24 going out the same way that their great-
25 grandparents did, fishing with hand lines, you
26 know, on a day boat catch, that's very important.

1 And this is also part of the story that we can
2 sell to our customers, and this is part of why
3 they engage. And so all of our wait staff is very
4 much engaged in this process of the story of
5 sustainability and the story of our future.

6 MS. CAROE: Kevin, and again, board
7 members, keep it on track for what we're trying to
8 accomplish as much as possible, please.

9 MR. KEVIN ENGELBERT: Bea asked the
10 questions I wanted to know. I wanted to know who
11 they turn to, to determine the sustainability of
12 the fish they use, that's what I was--

13 MS. CAROE: Thank you. Any other
14 questions? Thank you very much.

15 MR. SEAVER: Thank you.

16 MS. CAROE: Okay, we have Rob Mayo next.
17 Third called for Jonathan Shepherd, are you here
18 Jonathan? Okay, then I'm going to try this next
19 name. Earnest Papadioanos [phonetic]. Did I get
20 close? No. [laughter] I apologize, to you and
21 all of your ancestors. [laughter] Go out and--

22 MR. ROB MAYO: Okay. My name is Rob
23 Mayo, I'm a member of the AWG, I operate Carolina
24 Classics Catfish in North Carolina, so I'm a
25 catfish farmer, made the decision to get into the
26 business 22 years ago. And I did this in large

1 part because of my experience growing up around
2 the commercial fishing industry, near the mouth of
3 the Chesapeake Bay. I watched that fishery and
4 that industry in decline as a young teenager. And
5 it was a large part of why I got into the
6 business, because I believed that catfish farming
7 represented a healthy, environmentally friendly
8 alternative way to provide a great seafood product
9 to U.S. consumers. Catfish farming, which
10 essentially employs a soy corn diet, to grow a
11 mild, delicious white-meated fish, is pond based.
12 More catfish are produced in the U.S. than any
13 other aquaculture species. But, all of U.S.
14 aquaculture is relatively small. Only a very
15 small percentage of farmed seafood that is
16 consumed in the U.S. is produced in the U.S.
17 We're talking about less than ten percent. U.S.
18 aquaculture industry's small, and the average
19 producer in the U.S. is small, compared to a lot
20 of the overseas suppliers selling their products
21 into the U.S. market. U.S. farmers need an
22 organic standard as soon as possible. The longer
23 the U.S. continues not to have a standard, the
24 more disadvantaged the U.S. aquaculturists are
25 relative to their international counterparts, many
26 of whom are producing organic to other non-U.S.

1 standards. As a producer, I want to point out
2 that even for species that would appear to be best
3 suited for organic production under the standards
4 that we proposed, it's not going to be easy to
5 adapt to those standards. Let me give you a for
6 instance, the feed will require some major
7 changes, even for warm water species that are
8 basically vegetarian, because for instance,
9 soybean meal, moving from a solvent extracted
10 soybean meal to a full fat bean meal may not be
11 possible because the fat levels are too high. So
12 we're going to have to rewrite our books and
13 research and reformulate what we can do. I do
14 believe that the proposed fishmeal and fish oil
15 sunset is a good idea, gets the ball rolling. I
16 believe that if the current standards, proposed
17 standards are approved, that you're going to see a
18 number of U.S. aquaculturists adapt their
19 production, change their production meaningfully,
20 in order to produce organic. The industry,
21 consumers in the U.S., and the environment, will
22 be the beneficiaries if we are able to go forward.
23 Thank you.

24 MS. CAROE: Thank you, Rob, and again
25 thank you as one of the members of the AWG and all
26 of the work that you've done on that committee.

1 We really appreciate that. Is there questions for
2 Rob? Dan.

3 MR. GIACOMINI: As a livestock
4 nutritionist working with a number of organic
5 dairies, it's my goal and preference to try and
6 get them to switch from organic, mechanically
7 extracted soybean meal to the high fat. Are you
8 saying that you have a, that what you've looked
9 into so far, you would have a hard time procuring
10 mechanically extracted?

11 MR. MAYO: The whole subject is more
12 complicated than I thought it would be, and based
13 on geographically where we are, formulating a feed
14 and procuring the ingredients, and you know, at
15 the volumes we need, it's going to be more of a
16 challenge than I thought it would be, for, you
17 know, from the early on front end, I think it's
18 going to be a challenge.

19 MS. CAROE: Any other questions for Rob?
20 Thank you, Rob.

21 MR. MAYO: Thank you.

22 MS. CAROE: Ernest. You're up, and I'm
23 not going to say your last name again. I'll hurt
24 somebody.

25 FEMALE VOICE: Spell it though, please.

26 MS. CAROE: And then-- then the next one

1 on deck is Brad Hicks. Are you here? Brad? You
2 are. And Ernest, when you come up, if you could
3 spell your name. [laughs]

4 MALE VOICE: And pronounce it.

5 [END MZ005010]

6 [START MZ005011]

7 FEMALE VOICE: ...and pronounce it for
8 me.

9 MR. PAPADOYIANIS: I'm going to stand
10 over here because I have a couple slides that I'd
11 like to show you on some products that we have.
12 My name is Ernie [phonetic] Papadoyianis,
13 president of Neptune Industries public aquaculture
14 and aquaculture technology company in Boca Raton,
15 Florida.

16 FEMALE VOICE: [unintelligible].

17 MR. PAPADOYIANIS: P-A-P-A-D-O-Y-I-A-N-I-
18 S. That's going to chew up most of my five
19 minutes.

20 [laughter]

21 FEMALE VOICE: [unintelligible].

22 MR. PAPADOYIANIS: No, the
23 [unintelligible]. We have been working on two
24 technologies that address some of the concerns
25 that were brought up yesterday and have been
26 reiterated throughout the National Organic

1 Standards Board's discussions. The first
2 technology that we're working on is a sustainable
3 fishmeal replacement. It's called Ento-Protein.
4 And I have to go through these rather quickly
5 because it's—I'm only going to harp on a couple of
6 different slides.

7 [pause]

8 [unrelated conversation]

9 Ento-Protein, as I said, is an insect-
10 based protein. We're working in cooperation with
11 Mississippi State University to develop this
12 product. This is a product that we've known
13 intuitively that freshwater fish consume insects;
14 many species consume them almost entirely in their
15 diet. It's a very sustainable product in the
16 wild, and we're looking at doing it on a
17 commercial scale, very large commercial scale,
18 with these select insects—are produced under
19 controlled conditions, harvested, dried, ground
20 and produced a very high-protein meal. And very
21 quickly, I'd just like to go over where we are in
22 that research 'cause I think it's valuable in
23 terms of a sustainable replacement. This is our-
24 our first tier of research that we did on this
25 was—with Mississippi State is selecting from
26 literally hundreds of species of insects, based on

1 a litany of parameters not only for commercial
2 production but also for nutritional profiles, and
3 we selected four species of insects out of that
4 search, based on those parameters. And these are—
5 again, very briefly 'cause I know we're pressed
6 for time, the profiles—that's why there's a range
7 in these compared to fishmeal, soybean meal and
8 poultry meal. And what we found was very, very
9 promising, as you can see by the crude protein as
10 well as omega fatty acids and limiting amino
11 acids, that it's very, very close to fishmeal and
12 often exceeds it in certain circumstances, as well
13 as exceeding soybean meal and protein meal. Now,
14 there are some concerns that we have with regard
15 to the omega3 fatty acids, and certain insects
16 with the methionine levels, but as you can see,
17 for the most part they're very, very strong. And
18 then we took this research to the next level.
19 Basically, what we've done is we're working on our
20 phase two production right now, which we did—we
21 finished off, actually, in October. Someone asked
22 the question yesterday about fishmeal replacements
23 and the actual taste of the product. We kind of
24 took the cart before the horse. Instead of doing
25 the growth trials first, we did the taste trials
26 to see if it was worthy to do the growth trials.

1 First of all, what we found was, in three-week
2 trials with hybrid striped bass at Mississippi
3 State University, there was no significant
4 difference in diet acceptability with 100 percent
5 fishmeal replacement in the diet with insect
6 protein. In terms of the taste quality, the fish
7 were harvested after three weeks and brought to
8 the Food Science and Technology Department at
9 Mississippi State, where they were reviewed by a
10 blind, independent taste panel which actually
11 found no significant difference in the taste.
12 However, in the survey, they actually preferred
13 the taste of the insect-based protein-fed fish
14 over the fishmeal, which we thought was very, very
15 encouraging. Our third phase, which we're about
16 to—or, actually, our phase two-B, which we're
17 about to enter in January, will be 90-day growth
18 trials on this product. Again, with 100 percent
19 fishmeal replacement, we'll be testing two insect
20 species with 100 percent replacement and a fourth
21 treatment that will do a blend of two—a 50-50
22 blend of the two insect species. And we hope, by
23 second quarter of 2008, we will be in pilot
24 production, producing approximately 500,000 to 1
25 million insects a week; and by the end of 2008, a
26 full-scale facility producing 200 to 220 tons of

1 product-dried product-per week.

2 [unrelated conversation]

3 What I wanted to show you, very quickly,
4 is...

5 [pause]

6 [unrelated conversation]

7 I wanted to show you an integrated model
8 that we've created with regard to this product
9 very quickly. We have two models with two
10 different groups of insects. What we're looking
11 to do, on one basis, is utilize waste, not only
12 from our fish production but also from agriculture
13 and livestock production, as a source—a feed
14 source—for select insects. And the insects would
15 actually consume the waste and we'd produce—be
16 producing—a high-quality protein from this that
17 could then be ground, dried and turned into fish
18 and livestock diets. In the second model, the
19 insect species that are basically feeding on
20 grains, vegetable sources and so forth, we're
21 working with several companies right now to
22 utilize the byproducts of other industries,
23 biodiesel, ethanol production, fruit and vegetable
24 processing waste that can be consumed by the
25 insects and converted into this protein source,
26 which then goes back into fish production. So

1 we're looking at establishing a very sustainable
2 product here.

3 FEMALE VOICE: You're going to have to
4 wrap it up.

5 MR. PAPADOYIANIS: That's it.

6 FEMALE VOICE: Okay. Does the board have
7 questions? Joe [phonetic] Smillie?

8 MR. SMILLIE: I saw your last slide. Do
9 you think this is certifiable to organic
10 standards?

11 MR. PAPADOYIANIS: Yes, [unintelligible].

12 MR. SMILLIE: Great.

13 FEMALE VOICE: Jeff [phonetic] Moyer?

14 MR. MOYER: Yeah. What are the
15 byproducts and the environmental impact of
16 actually producing those insects? And what's the
17 risk of escapes and the effect that that would
18 have in the environment?

19 MR. PAPADOYIANIS: Good question. With
20 regard to escapes, this procedure is very much
21 synonymous with a marine fish-related hatchery in
22 terms of the actual quality control and protocol
23 on this. First of all, we'd certainly be doing
24 indigenous species to wherever we did this. We'd
25 be doing non-invasive species, in terms of their
26 impact on human health and the environment. For

1 instance, the facility I showed you in the picture
2 is a picture of a screwworm facility in Mexico.
3 Now, these insects are produced by the government
4 to eradicate a pest insect. They're basically
5 produced; they're sterilized with UV light;
6 they're released in the wild so the males breed
7 with the females and populations drop. Now, as a
8 noxious predator, that insect—the quality control
9 on that facility is tremendous. The insects that
10 we're using, that's not the case. So
11 [unintelligible] the quality control in there in
12 terms of keeping the bacteria and other
13 contaminants in the food courses low and disease
14 is critical to maintaining those populations.

15 FEMALE VOICE: Bea James?

16 MS. JAMES: What diseases do you
17 encounter, and how do you deal with prevention and
18 remedy?

19 MR. PAPADOYIANIS: I wish I had an answer
20 for you at this time. We don't. We're too early
21 in the research to do that because we haven't
22 reached the full-scale production basis yet. But
23 from what I know what [phonetic] our research
24 team, Mississippi State, that's worked in
25 producing these large-scale facilities, most of
26 the contaminations affect, as they do with fish

1 populations as well and [phonetic]
2 [unintelligible] livestock, actually affect the
3 populations of the insects. In other words,
4 you're getting contaminants from things like mites
5 and other pests that will actually influence the
6 reproduction and productivity of the facility. So
7 that's why quality control will be extremely
8 important.

9 FEMALE VOICE: Dan, and then Gerald.

10 MR. GIACOMINI: Just wanted to let
11 Barbara [phonetic] and Mark [phonetic] know we'll
12 start working on the insect regulations. We'll
13 try not to make 'em species-specific, and we made
14 need a working group for that, though, so...

15 [laughter]

16 FEMALE VOICE: Gerald?

17 MR. DAVIS: What family of insects are
18 you focusing on that work the best for your
19 production?

20 MR. PAPADOYIANIS: The species are
21 confidential. We're working on—basically, the
22 orders [phonetic] we're working on are dipterans
23 and lepidopterans. That's as specific as I can
24 get.

25 FEMALE VOICE: Any other questions from
26 the board? [Unintelligible], Rigo?

1 MR. DELGADO: Thank you. Ten years down
2 the road, what do you think will be your capacity
3 and will you be able to meet the demand for your
4 product in the marketplace, first question? And
5 second, in terms of pricing, how do you expect
6 that to be compared to the commercial fishmeal.

7 MR. PAPADOYIANIS: Good questions. One
8 of our goals in being able to do this is to—you
9 know, with fishmeal, the facts are, basically,
10 that every metric ton of fishmeal has to travel
11 approximately 5,000 kilometers to get to the end
12 user from where it's produced, so there's a real
13 economic liability there. What we'd like to do in
14 our facilities is be able to base these facilities
15 strategically, in strategic locations, to be able
16 to combat a lot of the freight costs in doing that
17 and be able to supply to the largest markets, you
18 know, on a cost-effective basis.

19 FEMALE VOICE: Hue?

20 MR. KARREMAN: Just wondering—maybe I
21 missed it in the slide—but what protein level do
22 the—does the insect meal give, because actually,
23 Dr. Alam, during the poster session yesterday,
24 wanted to kind of point out that, you know, even
25 if there's a 12 percent fishmeal, you know,
26 inclusion for now, you know, the protein of that

1 fishmeal varies from batch to batch and all that.
2 So just wondering what kind of variation of
3 protein is in that meal that you're making.

4 MR. PAPADOYIANIS: Yeah, I went through
5 that pretty quickly, but in the slide we had four
6 species and it ranged from a low of 42 percent
7 with one species up to the one that we're moving
8 forward with [unintelligible] commercial
9 production, which is up to 60—between 62 and 63
10 percent, versus fishmeal, which is usually 67 up
11 to 70 percent, typical menhaden meal.

12 FEMALE VOICE: Any other questions from
13 the board—from the [unintelligible]—Barbara,
14 [unintelligible] program?

15 BARBARA: Is—are you—does this only have
16 application as a substitute for fishmeal or are
17 you going to be considering its use in any other—
18 as a supplement, or does it—is it only in
19 fishmeal?

20 MR. PAPADOYIANIS: No, absolutely not.
21 We're looking at it as a very high-quality,
22 sustainable protein meal that could be used for
23 fish and livestock diets, and eventually, we hope
24 for human diets.

25 [laughter]

26 BARBARA: So—oh, really?

1 MR. PAPADOYIANIS: Well, people laugh,
2 but you consume insects every day in your corn
3 flakes and your bread. And everyone knows...

4 [laughter]

5 There's an allowable percentage of insect
6 parts in any grain-based diet, so you're consuming
7 'em.

8 BARBARA: So this could be a possible
9 substitute for methionine?

10 MR. PAPADOYIANIS: For what?

11 BARBARA: This could be a possible
12 substitute for methionine?

13 MR. PAPADOYIANIS: Uh huh.

14 FEMALE VOICE: You-okay. Any other
15 questions? Okay. Thank you, Ernest.

16 [Unrelated Conversation]

17 FEMALE VOICE: We'll give you five more
18 minutes.

19 [pause]

20 MR. PAPADOYIANIS: Okay. The other
21 technology that we're working on addresses closed
22 containment system. We have a product that we've
23 trademarked as the Aqua-Sphere. It's a closed
24 containment-floating closed containment system.
25 It's constructed of flexible, high-impact
26 polypropylene, and the tank system has actually

1 incorporated flexible neoprene joints in it to
2 actually combat wind and wave stress factors.
3 Some of the other benefits of the system are that
4 it actually concentrates solid waste in the bottom
5 of tank and shunts it, periodically throughout the
6 day, to a waste-concentrated trap, which
7 [unintelligible] the waste can then be shunted to
8 the land-based production system or a barge for
9 disposal. The other benefit that we've targeted—
10 I've heard a lot of critiques on closed
11 containment in terms of operating expense. What
12 we use is—instead of using high energy consuming
13 pumps to pump the water from the outside
14 environment to the inside, we use a very old but
15 very efficient system of an airlift, and those—
16 organ pipe design on the side of the tank actually
17 is a very low-high-volume, low-pressure air
18 injection system that moves water very efficiently
19 into the system. And to give you just an idea, we
20 have a land-based hybrid striped bass farm in
21 South Florida, adjacent to the Everglades, and it
22 takes us approximately 300 horsepower in pumps
23 moving water throughout the farm to produce 1
24 million pounds of product a year. In this system,
25 from our six-month operating history, we'll be
26 down to less than 60 horsepower to produce the

1 same amount of product. And what that's done is
2 it's allowed us to begin work with several
3 companies now for integration of alternative
4 energy to be able to run the system, and we're
5 looking at wind, wave, solar and also methane or
6 [phonetic] biogas as a full operating energy
7 component and as an augmentation to the grid.

8 [pause]

9 Just wanted to go over some of the
10 benefits of using closed containment over net
11 pens. We—as I said, we've had a system operating
12 for six months with the production of hybrid
13 striped bass, albeit on a pilot scale in a quarry
14 [phonetic] lake system in South Florida. And
15 we've been able to achieve some pretty tremendous
16 results in terms of the reproduction, and also,
17 the cohabitation with some pretty good predators
18 in the system. We've had—we've lived
19 cooperatively with the alligators, soft-shell
20 turtles, anhingas and cormorants, and a bunch of
21 other predators. So closed containment really
22 allows that the—for the containment of the crop
23 and also the protein of that crop from outside
24 predation, and that's a very important component
25 of the system as well. The other thing that we've
26 done is we've fully—our business mantra is really

1 to fully integrate our systems so that there's no
2 waste and we're actually producing secondary and
3 tertiary products. All of the waste that's being
4 produced in that system is being pumped to shore.
5 It's being digested, anaerobically, with a methane
6 digester. We'll be using that methane to actually
7 power the air blowers to pump the system, and then
8 the digested sludge is used as a fertilizer for
9 herbs and vegetables in our greenhouses. And
10 we've, again, successfully closed that loop over
11 the last six months in doing that. And again, we
12 feel that integrated aquaculture is a very
13 sustainable model. We heard yesterday that all
14 sustainable products are not necessarily organic,
15 but certainly, organic products should be
16 sustainable. And we also believe that producing
17 secondary and tertiary crops, at no cost, from
18 those byproducts, helps supplement, and oftentimes
19 eclipse the cost of energy to pump that water in
20 that system. Thank you.

21 FEMALE VOICE: Thank you. Any questions?
22 Steve?

23 MR. DEMURI: How do you address the
24 following [phonetic] issue with your systems?

25 MR. PAPADOYIANIS: We're doing testing
26 right now on the polypropylene. We've had

1 extremely low fallowing on the outside. Now, we
2 haven't tested it in the marine-based systems yet.
3 We're looking—in mid 2008, we have—our second-
4 generation system is going in the water in
5 January, and we're looking about mid 2008 to have
6 the system in pilot operation elsewhere, with
7 other species in the marine environment. And part
8 of the reason I wanted to address the board today
9 is wanted to have an impact that private
10 enterprise is moving forward on these items very
11 rapidly. We're looking to have both these
12 products to [unintelligible]—to market and
13 commercial development by the end of 2008,
14 beginning of 2009.

15 FEMALE VOICE: Any other questions from
16 the board? Thank you.

17 MR. PAPADOYIANIS: Thank you.

18 FEMALE VOICE: Brad Hicks? On deck,
19 another call for Jonathan Shepherd. Are you here?
20 Okay. How 'bout Spencer Evans? Are you in the
21 room? You're on deck.

22 MR. HICKS: Good morning again. My name
23 is Brad Hicks. I'm with the Pacific Organic
24 Seafood Association from British Columbia, and
25 today I'd just like to address some issues on fish
26 welfare. I noticed, when I was preparing to come

1 here, that there was a paper on fish welfare so I
2 just thought I would let the NOSB know what the
3 Pacific Organic Seafood Association did to address
4 that issue. I guess first, having raised several
5 species besides fish, and my understanding of the
6 organic aquaculture—or organic agriculture system—
7 Freudian slip—was that the systems that would be
8 adapted in organic agriculture would have gone
9 through a process where people accepted them. So
10 for fish, what we did was we looked at organic
11 standards, both terrestrial and aquatic, and we
12 chose the Five Freedoms as the underscore for our
13 section in our standards on welfare. The Five
14 Freedoms are freedom from nutrition—we heard
15 yesterday, that as we try and move away from
16 fishmeal and fish oil, currently we have to
17 substitute with some synthetic amino acids. At
18 least, certainly, for a transition period, we can
19 use fishmeal for that process. So we have to be
20 able to husband fish that are well-nourished and
21 not malnourished. The next freedom is freedom
22 from thermal and physical discomfort. For those
23 who are not familiar with fish, we know an awful
24 lot about the thermal comfort zones for fish
25 because their behavior and their survival outside
26 their thermal comfort zone is very, very poor.

1 That's well known. So in our standards, we have
2 our standards set up so that we can adjust them
3 for species, based on their temperature
4 requirements, as one of the metrics. Hot on the
5 heels of George's [phonetic] presentation
6 yesterday. The next freedom is freedom from
7 injury and disease. We actually—fish diseases
8 have been studied for a long time. The first fish
9 disease was diagnosed with something called
10 furunculosis, and that was over 100 years ago. So
11 we do have some experience in fish diseases, much
12 more than in nutrition, as it turns out. So like
13 organic terrestrial systems, we have in place a
14 system whereby if the animals do get sick and we
15 cannot solve the problem with conventional organic
16 methods, then the fish do need to be treated from
17 a health and welfare perspective. And once they
18 are treated, they have to be removed from the
19 system. Pretty standard practice. Freedom from
20 fear and distress—for those of you who are
21 unfamiliar with fish, perhaps fish behavior
22 doesn't seem so transparent, but for those who
23 work with them—those of us that work with them
24 every day, we can tell when a fish is upset, for
25 lack of a better term, 'cause we—so we set up
26 systems—I think there was question earlier about

1 how do you know when the fish is happy, sort of-
2 and so we set up systems, and the fish is pretty
3 transparent [unintelligible] telling when he's
4 unhappy. So we assume when he's not telling you
5 he's unhappy, he's probably happy. Okay. It's a
6 bit of a negative, but-and, you know, fish-you can
7 watch a pecking order in fish just the same as you
8 can in a field of chickens, once you get to figure
9 out how to do it and what a pecking is in fish.
10 So we set up systems where the stress is as low as
11 we can get it. Freedom from unnecessary
12 restrictions of behavior-one of the issues that
13 has come up in fish farming is the migratory
14 issue. I guess my issue is good fences make good
15 neighbors. All the animals I ever raised wanted
16 to get out of the barnyard at one time or another.
17 Migratory behavior is real. One of the reasons
18 why husbandry of all animals work, including fish,
19 is that we [unintelligible]-migration is for food
20 and reproduction, primarily, and we supply the
21 food and we look after the reproduction, so the
22 migratory requirements are removed in a farming
23 system. And that, for me, is the same for
24 virtually all species. Thank you very much.

25 FEMALE VOICE: Thank you, Brad. Any
26 questions for Brad? Kevin?

1 MR. ENGELBERT: Do you have any
2 parameters for density?

3 MR. HICKS: Yes, we have specific
4 parameters for density, for both the—just so—our
5 standards are for salmon, primarily, because
6 that's what we do. We have standards for the net
7 pen systems, and we have standards for the land-
8 based system. In salmon rearing, when they're
9 juveniles they're raised on land. So we have
10 densities in place for both.

11 FEMALE VOICE: Joe?

12 MR. SMILLIE: You have an organic
13 association composed of organic aquaculturalists?

14 MR. HICKS: That's correct?

15 MR. SMILLIE: How—are you self-certified
16 or have you employed an independent to agency to
17 verify compliance to your standards?

18 MR. HICKS: We are currently self-
19 certified, and the reason is, in British Columbia,
20 where we live, there's provincial legislation,
21 which would be equivalent to state legislation,
22 and we currently working to become certified under
23 the provincial legislation. Now, in all honesty,
24 just like you people have, and the people in this
25 room have issues to deal with, the current
26 discussion in British Columbia is whether or not

1 the legislation applies to aquatic species as well
2 as terrestrial species. [Unintelligible] pretty
3 common question. So at this point, we're self-
4 certified, but we're—certainly have standards that
5 have been—the stage they're at with the COABC is
6 that they've been passed by the Standards Review
7 Committee is the stage they're at, so we'd be
8 comfortable [phonetic] to take them elsewhere.

9 MALE VOICE: Brad, could you forward that
10 to the Livestock Committee, your standards and any
11 verification procedures that you guys have
12 investigated?

13 MR. HICKS: I can. I have the standards,
14 but we have the ISO 9005 booklets, et cetera. We
15 have all that done. You'd like all of that
16 material?

17 MALE VOICE: Not the ISO, but—

18 MR. HICKS: [interposing] The standards?

19 MALE VOICE: Hue?

20 MR. HICKS: We have the standards, yeah.
21 I will certainly give you the standards.

22 FEMALE VOICE: All right. Any further
23 questions for Brad?

24 MR. HICKS: Thank you very much.

25 FEMALE VOICE: Thank you, Brad. Next up
26 is Spencer Evans, and on deck, George Lockwood.

1 And just a status to the board, we have eight more
2 speakers before lunch and 44 this afternoon for
3 the four hours of comment period. Don't want to
4 stop you from asking your questions, just want you
5 to know what you're up against. Go ahead.

6 MR. EVANS: I understand you're hungry so
7 I'll go quickly here. My name is Spencer Evans.
8 I'm a farmer. I've been farming fish for about 20
9 years, and I'm currently the general manager of
10 Creative Salmon. It's a small farming company
11 operated on the west coast of Vancouver Island in
12 British Columbia, Canada. Before—I'm going to
13 just touch briefly on the sea lice issue, and then
14 I'd like to tell you, briefly, a little bit about
15 what Creative Salmon does. But before I get
16 going, I just wanted to thank the NOSB and the
17 Aquaculture Working Group for taking on this
18 challenge. I know it's been difficult. Like Brad
19 said, we've gone through a similar process—we're
20 going through a similar process in B.C., and it
21 is—it's very difficult. And you've been given a
22 lot of information, some of it conflicting, and
23 it's difficult. You've got some very difficult
24 decisions to make. Just on the sea lice issue, I
25 want you to understand that not all farms have
26 problems with sea lice, and I think that's kind of

1 the message that's been conveyed up to this point.
2 We as a company, Creative Salmon, have been
3 growing Pacific Salmon for 17 years in the
4 traditional territory of the Colloquia [phonetic]
5 First Nations on the west coast of Vancouver
6 Island. We've never had a problem with sea lice.
7 We have never had sea lice mortality on the farms
8 or mortality related to sea lice, and we have
9 never treated for sea lice. For us, sea lice is a
10 non-issue. Having said that, it has become a
11 public issue in British Columbia, and when it did,
12 our First Nations neighbors came to us and said,
13 "What's going on here"? So we took the initiative
14 to embark on a sea lice monitoring program, and
15 for the last four years, we've been looking at
16 lice levels on our fish on the farms, and on wild
17 fish in the river systems near the farms and away
18 from the farms. And in all cases in our area, the
19 sea lice levels are very, very low, so for us sea
20 lice is not a problem. We—Creative Salmon is a
21 very small company, very small producer. We are
22 one of the founding members of the Pacific Organic
23 Seafood Association, and the standards that Brad
24 Hicks referred to, we have been growing our fish
25 according to those standards for the last four
26 years. So that means things like we grow

1 indigenous species only; very, very few fish per
2 cage; very, very few fish per farm; every farm
3 sight is routinely fallowed; no chemical
4 treatments of any sort for the nets; a whole bunch
5 of standards that ultimately result in a high-
6 quality product, a high-quality salmon with the
7 least environmental footprint possible. When you
8 grow a high-quality salmon, it means you grow a
9 healthy salmon. And on our farms, we have
10 survival rates anywhere between 90 to 95 percent
11 survival from smolt introduction to harvest. And
12 that's without antibiotics. We haven't had to
13 treat our production fish since October 2001, and
14 those are the fish that we sell into the
15 marketplace. Farming salmon, if it's done right,
16 can have a very small environmental footprint, and
17 that's exactly what we're striving to do. And at
18 some point, we're hoping that we'll be recognized
19 for our efforts and be able to have some sort of
20 organic certification. Thank you.

21 FEMALE VOICE: Thank you, Spencer.

22 Questions for Spencer? Joe?

23 MR. SMILLIE: How are you sited
24 [phonetic]? Like you've obviously achieved a lot
25 of what we're talking about. Is the [phonetic]
26 siting [unintelligible]...

1 MR. EVANS: In British Columbia siting—
2 the regulations in British Columbia are extremely
3 stringent, probably the most stringent in the
4 world when it comes to aquaculture, and siting is
5 just one of those issues that are highly
6 regulated. Our sights are in protected waters.
7 They're in fjord-like [phonetic] inlets on
8 Vancouver Island. Some of them are excellent
9 sites; some of them are less than excellent. But
10 that's why we fallow sites. We know, from our own
11 experience monitoring program, that indeed we do
12 have impacts on the sediment under the farms, but
13 we also know from our environmental monitoring
14 that fallowing the farms reduces those imprints.

15 MR. SMILLIE: What would be your
16 rotational cycle on the fallowing?

17 MR. EVANS: We do two types of fallowing
18 programs, one we call the short-term program and
19 the other one's a longer-term program. One of the
20 things we do with organics, or organic operations,
21 is we do single-year class [phonetic] stocking, so
22 we put a group of fish on one farm; we never move
23 those fish; in fact, we don't even touch them
24 until they're harvested out of that farm; and
25 after that process, the farm will sit [phonetic]
26 fallow for a minimum of two to four months before

1 we restock. That's the short-term fallowing
2 program that every single farm goes through. The
3 long-term program can be anywhere from two, to
4 four, to six years. We have six farming locations
5 in this body of water that we operate in, but we
6 only operate a maximum of four farms at any one
7 time. A maximum of four at any one time, so we
8 actually rotate, physically rotate, the cages from
9 farm site to farm site, and we do get fallow
10 periods for two, to four, six years, so forth.

11 FEMALE VOICE: Hue?

12 MR. KARREMAN: Just want to thank you for
13 coming here for—it's great to hear from a real
14 farmer, like yourself, at this meeting.

15 MR. EVANS: Thank goodness I got a good
16 staff back at the farm that's looking after those
17 fish for me.

18 FEMALE VOICE: Any other questions for
19 Spencer? Steve?

20 MR. DEMURI: Can you give me some idea
21 just how big this sea lice issue is? You don't
22 have it, but we heard some pretty compelling
23 evidence that it is [phonetic] out there. Can you
24 give us some kind of idea of how bad it really is?

25 MR. EVANS: Personally, I think it's
26 blown way out of proportion. Salmon have sea

1 lice, absolutely. When you grow Pacific Salmon,
2 it's a non issue; when you grow exotic species,
3 like-well [unintelligible]-when you grow Atlantic
4 Salmon in the Pacific, it is more problematic,
5 however, there are government regulations that
6 require farms to monitor lice levels on their
7 fish, and at certain thresholds, they are forced
8 to treat. And the lice levels are very, very
9 well-contained on the farms. The idea that
10 somehow farms are causing the collapse of Pink
11 Salmon around the province is not true, in my
12 opinion. Some pink runs are definitely in
13 decline, but there's a whole bunch of reasons for
14 that. And sea lice, if it is one of the reasons,
15 is very, very low down on the list of reasons.
16 Having said that, we need more research on sea
17 lice, absolutely, and that's why we participate,
18 and the whole industry participates in sea lice
19 research. But from a public perception
20 standpoint, I think it's far-it's blown way out of
21 proportion, in my opinion.

22 FEMALE VOICE: Gerald?

23 MR. DAVIS: In your opinion, what-do you
24 give up anything in using indigenous Pacific
25 Salmon versus what the other Atlantic Salmon
26 producers get by farming Atlantic Salmon in your

1 area?

2 MR. EVANS: Yes, and that's actually a
3 really good question. When the industry first
4 started in British Columbia, everybody grew
5 Pacific Salmon. That's what the industry did, and
6 I'm talking 25-odd years ago. And we were
7 basically putting wild fish in cages and growing
8 them, and we soon ran into problems because we
9 didn't know—we didn't have very much information
10 about the nutritional requirements of the fish,
11 the fish health aspects of the fish. And we had a
12 lot of early problems in the industry and there
13 was—to address those problems, there was a
14 dramatic shift from Pacific Salmon to Atlantic
15 Salmon, and now the entire industry, except for a
16 small handful of farmers, are growing Atlantic
17 Salmon. The disadvantage to growing Chinooks, or
18 Pacific Salmon in our case, is they take longer to
19 grow; they convert feed at a higher rate; and when
20 you do have mortality with Pacific Salmon, it
21 typically happens later in life, where with
22 Atlantic Salmon, mortality more often occurs at
23 the smolt size. So it's a much more challenging
24 animal to grow, and that's one of the
25 disadvantages of doing it. However, one of the
26 advantages of doing it is we can distinguish, or

1 find niche markets for it in the marketplace.

2 FEMALE VOICE: Thank you. Any further
3 questions? All right. Thank you very much.
4 George Lockwood, you're up next, with David
5 Guggenheim—you're next. Again, board members, I
6 really don't want to take people to three-minute
7 comments, which is what we're going to have to do
8 if we can't kick through some of these, but, you
9 know, keep your pertinent questions coming.

10 MR. LOCKWOOD: I'll be very brief. First
11 of all, the aquaculture worker wants to thank the
12 board again for yesterday's superb day. I think
13 we are all very satisfied that the selection of
14 the 12 experts and leading advocates was
15 outstanding, and I would hope that you have a real
16 good idea now of what these issues are and what
17 the science behind them is. It's also, I think,
18 important that these—to know these people
19 volunteered their time, and at their own expense,
20 came to be with you. On the matter of the issues
21 that are remaining from our proposal of February
22 1, there are five. Yesterday, we dealt with the
23 fishmeal and fish oil issue and net pen issues.
24 But we still have working, as Becky [phonetic]
25 indicated, a revised proposal concerning compost,
26 and we need to pick up on aquatic edible plants,

1 and we, of course, have submitted a second report
2 having to do with the biovalve mollusk [phonetic].
3 The reason why we focused—or urged you to focus on
4 fishmeal and oil and net pens yesterday was that
5 without fishmeal and oil, virtually, there is no
6 aquaculture. I think the message yesterday was
7 very clear from all the feed nutrition people that
8 the amino acids that come out of fishmeal, or the
9 alternatives, poultry byproduct or free amino
10 acids, are indeed necessary. As for net pens, if
11 we don't deal with net pens, there are—will be no
12 salmon grown. One hundred percent of the salmon
13 and about a third of the world's tilapia is grown
14 in net pens. So the three remaining, we're still
15 working on, and we hope that the biovalve mollusk
16 report that we submitted will be accepted and we
17 can go to work on it. One thing I would like to
18 comment on, we're eagerly looking forward to the
19 program to move ahead with rule making on what was
20 passed last March, and we're prepared—the
21 Aquaculture Working Group is prepared to assist in
22 any way we can, in any of the writing or any of
23 the research that's necessary. And lastly, we
24 look forward to continuing to work with the
25 Livestock Committee as we move forward on fishmeal
26 and net pens issue that are most pressing right

1 now. Thank you very much.

2 FEMALE VOICE: Thank you, George.

3 Questions for George? Thank you very much. David
4 Guggenheim, you're up. On deck is Mike
5 Picchietti. Mike, are you here? You're on deck.

6 MR. GUGGENHEIM: Good afternoon. My
7 name's David Guggenheim. I'm a marine biologist
8 and president of the non-profit, One Planet, One
9 Ocean, formerly vice president of the Ocean
10 Conservancy. But I'm here today representing an
11 aquaculture company called Aquaculture
12 Developments, based in Pittsburgh, and I serve as
13 a consultant to them.

14 [unrelated conversation]

15 In my years in conservation, I grew to
16 view these as my clients.

17 [unrelated conversation]

18 And as you know, my clients dealt with—
19 have continued to deal with some very serious
20 situations. This headline appeared in the New
21 York Times about a year ago, "Wild Fish Stocks are
22 in Great Decline."

23 [unrelated conversation]

24 At the Ocean Conservancy, I worked
25 with a number of commercial fishermen, including
26 one in St. Croix, and these are his kids. And

1 every time I'd show up at their house, they would
2 dive into the cooler that their dad had brought
3 back and show me the biggest fish that he caught
4 that day, and those are the biggest fish. And the
5 other ones in that cooler, you would see more
6 likely in your aquarium. So, you know, obviously,
7 a lot of problems. And I had a bit of an epiphany
8 about three years ago, when I left the Ocean
9 Conservancy, and since it's the holiday season,
10 I'll put it this way: I have seen aquaculture
11 future, and it looks like this, and it looks like
12 this, and it looks like this. These are all
13 examples of next-generation, recirculating, land-
14 based aquaculture technology. This one's based in
15 Malaysia, growing barramundi, and that also has a
16 [unintelligible] hatchery associated with it.
17 This is—on top, you see an eel facility in
18 Northern Denmark which supplies 1,000 tons per
19 year of eel. That's 20 percent the European
20 demand. Below it is a halibut facility in Norway.
21 And we've talked about recirculating systems, and
22 this is, very simply, what one looks like. And
23 the most important thing to see in a recirculating
24 system is that there are no connections to the
25 outside world; 99 percent of the water is
26 recycled; and basically, if you're familiar with

1 water treatment facilities, this is a water
2 treatment facility that just happens to have a
3 fish tank in it. I became enamored with closed
4 systems because they addressed virtually all of
5 the environmental impacts we see associated with
6 open systems, escapement, water pollution, habitat
7 destruction, and use of antibiotics and chemicals.
8 None of these are issues at all. The only issue
9 that remains, like all other forms, is feed.
10 Well, invoking one of my favorite shows,
11 "MythBusters," I wanted to dispel a couple of
12 myths about closed-system aquaculture. First
13 myth: Land-based recirculating systems can't
14 compete with other forms of aquaculture. That
15 myth is busted. These are proven commercial
16 success since the early 1990s, gross margins as
17 high as 30, even as high as 40 percent in
18 Australia, and strong consumer demand. In fact,
19 they've succeeded in establishing a consumer
20 preference for farmed fish in Asia, because of the
21 safety issues. So very different from the
22 discussion we were having earlier. Myth number
23 two: Land-based recirculation systems use too
24 much energy. In fact, one of the best-kept
25 secrets are great efficiencies—there are great
26 efficiencies in recirculating systems, and in

1 fact, they use, in [phonetic] order of magnitude,
2 less feed to produce the same amount of fish. So
3 here we see 1 kilogram of wet fish to produce a
4 kilogram of barramundi, versus 15 kilograms. Fish
5 grow much faster, 10 times faster. This is
6 halibut grown in a recirculating system, compared
7 to a flow-through. No heat is used to heat the
8 water in this facility in Northern Denmark. The
9 metabolism of the eels is sufficient to keep the
10 water warm. And you have to consider food miles.
11 Closed systems offer the possibility of locally
12 grown fish, fresh to market and close. So in
13 conclusion, set the bar high. The technology
14 already exists for the standards that you've posed
15 to be met. And setting that bar high will
16 continue to encourage further innovation to make
17 this happen. We still have the problem of feed.
18 We support the sunset provision that you've
19 outlined; we feel we can make it, and well beyond.
20 Thank you very much.

21 FEMALE VOICE: Thank you, David. Any
22 questions for David? Kevin?

23 MR. ENGELBERT: One quick one. How would
24 you address the animal welfare issue of the fish
25 being in a closed building, obviously not their
26 natural environment whatsoever?

1 MR. GUGGENHEIM: I think it comes down to
2 a very species-specific question. I think there's
3 some fish where the jury is still out on whether
4 or not they adapt themselves well to a closed
5 environment. I think one of the best measures of
6 whether these animals are doing well or not, just
7 as on land, is to observe their behaviors and to
8 observe the measurable health parameters of the
9 animals. And from everything that I've observed
10 in these systems in Malaysia, in Denmark, these
11 animals seem very healthy and they seem to be
12 exhibiting normal behaviors, at a variety of
13 stocking densities. The eels you saw were packed
14 like sardines, if I can use that pun, very high
15 stocking densities. And I don't know exactly what
16 a happy eel looks like, but I was impressed at the
17 health of these animals and their ability to still
18 exhibit as normal behaviors as you might expect.
19 Welfare goes beyond some of the science, and
20 welfare issues do bring up subjective issues as
21 well. The consumer tolerance of seeing animals
22 raised in captivity, that's a different issue, and
23 not one that I'm prepared to respond to.

24 FEMALE VOICE: Thank you. That is
25 something we'll delve into in the future. Any
26 further questions for David? Thank you, David.

1 MR. GUGGENHEIM: Thank you.

2 FEMALE VOICE: Up next, Michael
3 [phonetic] Picchietti; on deck, Alice Chiu. Alice
4 are you here?

5 MS. CHIU: Yes.

6 FEMALE VOICE: Thank you. You're on
7 deck.

8 MR. PICCHIETTI: Hello. Mike Picchietti,
9 P-I-C-C-H-I-E-T-T-I. I'm a-made my living in
10 tilapia for the last 27 years, and I'm currently
11 president of Regal Springs Trading Company. I
12 started farming in Africa, and then went to India,
13 and then Brazil. I lose track sometimes. And
14 then to California, Florida, and now we're in
15 Indonesia and Honduras. Regal Springs is a
16 vertically integrated producer of tilapia with
17 operations in Indonesia and Honduras, active in
18 the business, Regal Springs, that is, since 1998.
19 [Unintelligible] of Germany and Bioswiss
20 [phonetic] of Switzerland have certified some of
21 our farms organic in 2006, which comprise land-
22 based hatcheries and cage installations in
23 artificial dams and natural lakes. So far, only
24 about 2 percent of our production is organic, most
25 going to the market in E.U. and Canada. Today's
26 focus is, basically, can net pens be considered

1 organic? Regal Springs is one of the founding
2 members of the Steering Committee of the World
3 Wildlife Fund's tilapia aquaculture dialogue. Our
4 effort with WWF is to reinforce the image that
5 tilapia is a green, sustainable species. We are
6 creating a certification for the sustainable
7 production of tilapia producers worldwide, with
8 the WWF and other producers. I mention this
9 participation to share with you how our early
10 experience with the various stakeholders, mostly
11 environmental NGOs, brought up similar objections
12 to cage farming and the issues being discussed
13 here. From the WWF dialogue, the purpose is to
14 discuss the facts. We realize most of the
15 objections were grounded in a lack of knowledge
16 about how tilapia's farmed, how tilapia in cages
17 is farmed, and how our company operates.
18 Specifically, some stakeholders were imposing
19 their knowledge and experience with marine shrimp
20 and ocean net pen of salmon onto cage farming of
21 tilapia in particular. After the first meeting
22 discussing the main issues and objections with
23 stakeholders, testimony provided by experts, the
24 WWF adopted a single guiding principle to oversee
25 the direction. That principle is tilapia
26 production facilities will be evaluated based on

1 performance standards and will not be prejudged as
2 environmental or socially acceptable. In reading
3 over the objections today of the marine net pen
4 culture [phonetic] of carnivorous species—allow me
5 to briefly go over some of the issues that we
6 have. As far as fishmeal, we have constructed a
7 fishmeal and fish oil extraction facility next to
8 our processing plant. We process whole tilapia
9 into fillets. Before we had the fishmeal
10 facility, our fish heads, blood, guts and frames
11 had to be trucked and buried into landfills. Now
12 all these wastes from the filleting operations are
13 converted into fishmeal and fish oil. Our
14 fishmeal is sold into the feed mills for shrimp
15 and poultry industry, so not to backcross into the
16 tilapia feeds, while our tilapia diets trade
17 [phonetic] the fishmeal purchase from the poultry
18 and shrimp feeds yielding Regal Springs as a net
19 zero user of fishmeal-fish oil. This has
20 significant impact on our conventional fresh
21 tilapia fillet market because our company supplies
22 about 25 percent of the entire U.S. market. Fish
23 oil—from the same facility, the fish wastes we
24 produce produce high volumes of fish oil,
25 approximately 3,000 gallons a day. We sell about
26 40 percent of this into animal feeds, and the rest

1 we convert into biodiesel so that our entire
2 operations in Honduras are using tilapia fish oil
3 biodiesel to fuel all the farm vehicles, motors,
4 pumps, rather than consuming fossil fuels. This
5 effort awarded Regal Springs the highest
6 environmental award in Central America.

7 OceanChill carbon footprint—Regal Springs has
8 developed the techniques to ship fresh fillets to
9 the U.S. from Honduras via ocean ship rather than
10 airfreight. To compare this to the industry
11 standard method of air shipping, the difference in
12 fuel kilocalories per pound of fillet produced is
13 what 2 percent of what airfreight uses. Regal has
14 trademarked this process OceanChill. There is
15 much discussion in organic circles about fossil
16 fuel use in the production of these products.

17 Escapees—again, a regional issue, like Mr. Brooks
18 [phonetic] said yesterday. We have kind of a
19 polyculture. Our escape tilapia are caught and
20 consumed by humans and all the native animals in
21 the surrounding environment. Thirty years before
22 we arrived in Honduras, the government stocked the
23 same species of the tilapia in the same waters
24 we're using. Since then, the government regularly
25 stocks the same species in the lakes for human
26 communities living near the lake. They also

1 channel catfish, largemouth bass, which are all
2 exotics. There are thousands of fishermen
3 organized into cooperatives that provide a balance
4 in the productivity of the lake, a way to remove
5 nutrients and escapees together. Effluence—the
6 most open water bodies suitable for net cage
7 culture have wild fish population. In ours, we
8 have natural, exotic and indigenous fish, stocks
9 which congregate around the cage and feed off the
10 extra feed and fecal material. Proof of this is
11 found in the stomach contents of the fish. A
12 well-designed net cage system allows for
13 surrounding bodies of water to recycle fecal
14 material without accumulation in the water body
15 bottom without increasing end [phonetic] values of
16 water quality parameters. We have the data to
17 support this observation, for many years. We are
18 in a more closed system than the ocean by a scale
19 of about 2 million to 1. We do, and can, measure
20 our impacts, and we have data going back years so
21 we can measure the increase in any phosphorus,
22 nitrogen and other important levels. The fact is
23 there's actually been a decrease in phosphorus
24 level since we've been the lake, which we don't
25 quite understand. The key is the balance to
26 assimilate the waste within the lake as a whole

1 organism. We are constantly monitoring. Being in
2 a public body of water intensifies the governance
3 and monitoring, as we are working, literally, in a
4 fishbowl, not behind barbed-wire fences, like
5 private farms.

6 FEMALE VOICE: Excuse me. Your time has
7 expired.

8 MR. PICCHIETTI: Okay.

9 FEMALE VOICE: Is there any questions
10 from the board? Joe?

11 MR. SMILLIE: Yeah, I encourage you to
12 get certified, your organic operations, once we
13 have the standard ready, 'cause I'm hoping that
14 the tilapia, catfish and other industries can
15 start the fishmeal. Even though the biodiesel use
16 may be attractive from an environmental point of
17 view, we'd like to see it all go to be certified
18 fishmeal. In your certified organic operations,
19 could you mention the biggest obstacles? One of
20 'em is the lack of production because you actually
21 have to select for sex rather than using hormone
22 treatments, but if you could just elucidate on the
23 challenges for your—what are the barriers that you
24 face in going organic with all of your production.

25 MR. PICCHIETTI: Well, the—in cages,
26 there—tilapia need a substrate to spawn, and in

1 cages there is no substrate, so the need for the
2 sex reversal is not as apparent as in ponds, where
3 it's certainly needed. So we got a big break
4 there. Then biggest problem for us to expand our
5 organic is the USDA has not provided it, so we
6 don't want to expand it because we don't know
7 which way it's going to fall, with regard to net
8 cages specifically. The other problem with
9 production is the feed ingredients cost quite a
10 bit, ridiculous, actually. [Unintelligible] has
11 to certify, you know, the grains and the farms and
12 so that takes quite a bit and it takes 'em a lot
13 of time. So the feed cost is prohibitive, and it
14 makes the product expensive where it doesn't
15 really have to be.

16 FEMALE VOICE: Any further questions?
17 Thank you so much. Up next is Alice, and on deck,
18 Dick Martin—are you here? You're on deck.

19 MS. CHIU: Hi. My name is Alice Chiu.
20 I'm a researcher at Stanford University, working
21 with Dr. Rosamond Naylor on analyzing the
22 environmental impacts of aquaculture. I wanted to
23 thank you for this opportunity to provide public
24 comment, and for taking the time to consider the
25 trickier points of organic aquaculture through
26 yesterday's excellent symposium. Dr. Naylor and I

1 recently convened a meeting of several scientists,
2 industry and NGO collaborators to discuss
3 sustainable alternatives for aquaculture feed
4 inputs, a summary of which I thought would be
5 beneficial as you consider developing organic
6 aquaculture standards. In the coming months, this
7 group will be producing a rigorous evaluation of
8 the alternative sources of aquaculture feeds and
9 their tradeoffs, which I would be pleased to share
10 with you when it's complete. But today, I'd like
11 to discuss the strategic use of fishmeal and fish
12 oil and provide a more general overview of the
13 alternative sources of nutrition, particularly for
14 carnivorous or pestiferous species that have more
15 demanding nutrient requirements. So from an
16 ecological standpoint, the use of fishmeal and
17 fish oil from reduction [phonetic] fisheries
18 should be minimized, and eliminated where
19 possible, in order to protect the status of wild
20 forage fish. An important step in minimizing the
21 use of fishmeal and oil in aquaculture feeds is to
22 use these fish-based feeds only during the life
23 stages where it is nutritionally necessary for the
24 fish, for example, in the juvenile stages.
25 Alternative sources of nutrition should be
26 substituted at all other times. This already

1 occurring, to some degree, due to the high price
2 of fishmeal and fish oil, but an organic standard
3 including this would further encourage the
4 substitution. The discussion of alternative feed
5 inputs raises the question of whether a fish
6 raised on alternative proteins can be comparable,
7 from a human consumption standpoint, to a fish fed
8 fishmeal and oil. This concern can be addressed,
9 to a large degree, through the use of a finishing
10 diet that includes fishmeal and fish oil. Fish
11 derive their characteristic taste through the oil
12 that they are fed, and studies have shown that
13 feeding a fish-based diet for a period of time
14 immediately before harvest restores omega3 levels,
15 and also the customary taste to a fish otherwise
16 fed a vegetarian diet. Some scientists say as
17 little as three weeks on a finishing diet is
18 adequate, while others suggest two to three months
19 to ensure that high levels of omega3 fatty acids
20 are present. Even so, limiting fish oil to the
21 final three months would still reduce the total
22 amount of fish oil consumed over the fishes'
23 lifetime by 85 percent. Because of this, I
24 strongly encourage the strategic use of fishmeal
25 and oil only in life stages where they're
26 considered necessary, and using alternative forms

1 of nutrition at all other times. As far as an
2 assessment of some of the alternative sources of
3 proteins and oils, I have submitted comments so I
4 don't have time to go into, you know, all the
5 details, so I refer you to those. But
6 terrestrial-meals from terrestrial plants such as
7 soy and wheat are what are most commonly
8 available, and because they're available at fairly
9 commercial quantities, plant-based feeds may
10 provide the most practical avenue for meeting
11 organic principles. However, the use of plants in
12 aquaculture feeds have other biological and
13 environmental impacts that must be considered.
14 Vegetable proteins lack certain essential amino
15 acids, such as lysine, along with [unintelligible]
16 omega3 fatty acids that consumers desire for their
17 health benefits. And on the ecosystem side,
18 plant-based feeds have a higher fiber content,
19 which results in increased fecal output which
20 exacerbates the problem of pollution. One
21 alternative which I think should definitely be
22 encouraged, and which people have spoken a lot
23 about today and yesterday is the use of seafood
24 processing byproducts in—if it's from a farm
25 origin, this would be a traceable and controllable
26 input that fits well with organic principles. And

1 in either case, it's an efficient use of material
2 that would otherwise go to waste. Fish trimmings
3 often have a high lipid content, making them a
4 good source of fish oil, which is often considered
5 a limiting factors in the fish oil-fishmeal
6 debate. One potential issue is that corresponding
7 high levels of contaminants can be—is a problem in
8 some cases. However, purification processes do
9 exist that remove contaminants of concern and add
10 only \$3 to \$5 per ton to the price of feed. As
11 Mike mentioned previously, the cost of these
12 seafood byproducts appears to be a problem.
13 Currently, the majority of farmers are not asking
14 for alternative feed [unintelligible]—

15 [END MZ005011]

16 [START MZ005012]

17 MS. CHIU: ...and lacking that demand,
18 feed companies have no desire to complicate their
19 manufacturing processes with numerous specialty
20 mixes and separate bins for each species of
21 byproduct. Organic certification could be
22 extremely useful in driving the demand that will
23 speed this change. Increased production of these
24 byproduct feeds would bring the price down, and
25 the price premium that comes with organic
26 certification would simultaneously allow the

1 producer to afford the more expensive feed.
2 Another producing alternative is that of the use
3 of animal byproducts. I realize there's a
4 consumer reluctance for this, but scientifically,
5 animal protein contains high levels of lysine and
6 is a much more complete source of nutrition than
7 vegetable protein. And the potential for this
8 industry is quite large, as it's available in
9 enormous quantities. Again, further research is
10 needed, and in order for fish raised on animal
11 byproducts to be organic, only organically raised
12 animals could be used in feed. Since it is
13 important to avoid fueling further, industrialized
14 [unintelligible] operations by creating [phonetic]
15 an additional demand for them.

16 FEMALE VOICE: Thank you, Alice. Your
17 time has expired. Is there further—is there
18 questions from the board for Alice? Thank you so
19 much. We have Dick Martin up, and on deck, Will
20 Fantle. Will, are you in the room? Very good.

21 MR. MARTIN: Good afternoon. I'm Dick
22 Martin. I have been in the industry for 28 years.
23 I own Martin International Corporation, which is a
24 seafood import-export company in Boston, which
25 I've owned for 22 years. I'm going to try and
26 skip over things that have been said already

1 today. We've had great public comment, so I'll
2 try and get to the key points, and so bear with me
3 as a skip around. I'm not going to read off my
4 text. Madam Chair, you stole some of my thunder
5 right at the very start. I think, at this phase
6 of all the work you've done, it's key to back to
7 the basic premise of what you're trying to
8 accomplish here, which is that the NOSB is charged
9 not with creating the perfect world in a vacuum
10 model, but you are required to uphold organic
11 principles, comply [unintelligible] the final rule
12 on a practical and viable basis. Most of the
13 testimony and literature brought forward by the
14 opposition is based on worst-case practice and
15 taken out of context in historical observation of
16 poorly run and poorly managed systems. We
17 shouldn't waste our time thinking about poorly run
18 conventional systems. We should think about, now,
19 setting metrics for what your goals are, and
20 they're attainable. Common sense should prevail
21 in considering [phonetic] those arguments, and the
22 existing working models provide excellent examples
23 of what is possible and what is plausible. I want
24 to kind of key on net pen culture a little bit.
25 That seems to be hot topic. My opinion, and it's
26 been for some time, the worst thing about open net

1 pen culture is the exaggerated use of the term
2 open. Ocean fences are no more open or closed
3 than the terrestrial variety. A net pen has no
4 inherent property that makes it any more or less
5 damaging than the environmental—to the environment
6 than a fence in a pasture. When one considers the
7 hypothetical proposition, the sea pen is more
8 likely to pose a threat in the [phonetic]
9 potential transfer of diseases than a terrestrial
10 fence, once you consider the openness of
11 terrestrial systems in recent historic epidemics
12 of Hoof and Mouth Disease and avian flu. I would
13 argue that sea pens are far less likely to
14 propagate disease, as a human vector is generally
15 eliminated in the aquatic system, and that is a
16 serious contributor in disease transfer in the
17 terrestrial models. A lot of the organic farms
18 that are in existence today have very little
19 disease. Part of that is the advent of better
20 improvements in vaccines. Disease now is related
21 more to high-intensity—high intensive farming than
22 it is just to the practice of farming fish
23 altogether. In terms of talking about pests, the
24 favorite topic here is sea lice. It is a valid
25 consideration that a captive population of hosts
26 can [unintelligible] potential problems, yet

1 proper management of the sites [phonetic], low-
2 density, low-intensity, location, location,
3 location has more to do with pest management than
4 random chance. In the U.K., the organic salmon
5 sites are located in areas mostly in the
6 Shetlands, Hebrides and Orkney Islands. There are
7 no rivers on those islands. That's a significant
8 reason why they're there. They aren't there
9 because people like to live there. It's a good
10 place to farm the fish. Without rivers, there's
11 no breeding [unintelligible] population. Through
12 sensitive site selection, which reduce or
13 eliminate the wild [phonetic] population vector,
14 there has been minimal sea lice infestations in
15 those locations. Observation of what is possible
16 and that which has been practiced, such as siting
17 [phonetic] requirements, are key issues in
18 developing organic standards for real world
19 applications, not hypothetical, worst-case
20 scenarios. Siting should be a key consideration
21 in the establishment of a U.S. standard. In terms
22 of escapes, that hasn't really been talked about
23 today very much but I want to harp on that a
24 little bit. In considering the threat of escapes
25 in aquatic systems, you've been pounded by
26 statistics that quantify worldwide escapes, and

1 you've been led to believe that the genetic code
2 [unintelligible] the ancestral species is somehow
3 endangered. The fact of that matter is that
4 restocking programs for various strains of
5 Atlantic Salmon have been reared in hatcheries and
6 have been in place for more than a century.
7 Similarly, in British Columbia, identical strains
8 of Chinook have been used to restock ocean
9 ranching programs and commercial net pen culture
10 alike. Up to 38 percent of wild Pacific Salmon
11 species actually begin their life reared in
12 hatcheries, using the same chemical assistance,
13 identical feeding regimes as their farmed brothers
14 and sisters. One man's escapee is another man's
15 stocking program. In terms of effluence, when
16 discussion turns to effluences [phonetic] from an-
17 of aquatic sites, it's hard to believe that some
18 people actually are astounded to feel or hear that
19 fish poop in the sea.

20 [laughter]

21 For those who are incredulous to consider
22 this—and I've been waiting all year to do this—I
23 suggest reading a book authored by Taro Gomi,
24 "Everyone Poops." It's what you do with it and
25 how you manage it that's important. We shouldn't
26 be gaga over the fact that these critters actually

1 live a life. The natural excrement—

2 FEMALE VOICE: [interposing] All right.

3 MR. MARTIN: --of fish populations—am I
4 done? Okay. I got the book in.

5 FEMALE VOICE: Your time has expired.
6 Your time has expired, and lunch is way past due,
7 so I'm [unintelligible]—

8 MR. MARTIN: [interposing] It's better
9 for toddlers [phonetic] [unintelligible], but...

10 FEMALE VOICE: Is there questions? There
11 questions? Hearing none, thank you for your
12 comments.

13 MR. MARTIN: You're welcome.

14 FEMALE VOICE: Will Fantle, you're up,
15 and Harriet Behar, you're on deck.

16 MR. KASTEL: Okay. Thank you. Good
17 morning. My name is not Will Fantel. My name is
18 Mark Kastel, and I'm speaking on behalf of the
19 Cornucopia Institute. I'm its co director and
20 senior farm policy analyst. This is a little
21 segue into the afternoon sessions, folks,
22 Cornucopia—we are organic watchdogs; we are
23 industry watchdogs. But I want to really
24 emphasize we are all watchdogs. I also want to
25 say I have a—in addition to my comments, I have a
26 proxy from one of our policy advisors, Merrill

1 Clark, a former member of the National Organic
2 Standards Board. We know why people first come to
3 organic food, why consumers first come to organic
4 food, and it's selfish, and there's nothing wrong
5 with that. It's folks who are concerned with the
6 health and wellbeing of their families and want to
7 provide the very best food, and I'm sure we all
8 share that motivation. But research clearly shows
9 why there's such little price resistance in the
10 organic marketplace, and that's because consumers
11 don't just feel that they are doing something
12 selfishly, they feel they're doing something
13 positive for society. They think they're
14 supporting a different kind of environmental
15 ethic; a different, more humane form of animal
16 husbandry; and they think they're supporting
17 economic justice for family farmers. It's not
18 surprising that consumers feel betrayed by the
19 lack of enforcement on scofflaws operating factory
20 farms producing organic milk, the largest product
21 segment in the organic industry and a gateway
22 product. The NOP might be satisfied with the
23 process [unintelligible] new rulemaking, but many
24 in the organic community are not. The National
25 Organic Standards Board has passed five guidance
26 and rule proposals since the year 2000. None of

1 them have been put into effect by the USDA.
2 Progress. In the meantime, the people are taking
3 the law into their own hands. Many in this room
4 know that Cornucopia has filed three legal
5 complaints since—starting in 2005, regarding
6 dairies operated by Case Vander Eyk, Aurora
7 Organic Dairy and Dean Foods—Horizon. Here's a
8 status report, which you might have not read in
9 the trade media: Ten-thousand-cow dairy operation
10 by Case Vander Eyk Jr. in Pixley, California, had
11 its certification yanked [phonetic] this year;
12 Issues: origin of cattle—could not prove they
13 were organic—record keeping is the backbone of
14 organics; pasture—what's an organic farm? Well,
15 we know what it's not; it's not a feedlot. In
16 2005, we delivered a survey report of all the
17 organic farmers polled in this country, and we
18 delivered to this body a report that the average
19 was one cow per acre. There's quite a range, but
20 that was the average. In the E.U. it's three-
21 quarters of a cow per acre. On the Vander Eyk
22 spread, it was 44 cows per acre, and part of the
23 documented complaints that we received in our
24 freedom information request was the fact that they
25 weren't even using the 120 acres available to over
26 5,000 cows. Hard to believe that, post-2002, QAI,

1 the certifier, allowed this operation to continue
2 to ship milk to Strummex [phonetic], Heritage and
3 Horizon. Aurora-based on Cornucopia complaints,
4 AMS compliance entered into an investigation. The
5 results of that investigation was the issuance of
6 a letter of proposed revocation by the National
7 Organic Program. This letter cited 14 willful
8 violations—willful—of the organic law, including
9 inadequate pasturing of animals; origin of
10 livestock—cows were on these farms—thousands of
11 cows that did not qualify for organic
12 certification. And most importantly, again, they
13 repeat it in the document, “Willfully selling milk
14 labeled as organic that did not qualify under the
15 law.” Well, was this firm indeed decertified?
16 No. Were they fined? Not a penny. Well, they
17 did enter into a consent decree and there was some
18 publicity that you might have seen on that, and it
19 said that they would reduce their herd and remove
20 certain animals from the herd. Well, here’s the
21 fine print, and this is what we feel is the most
22 egregious and illegal aspect of this document and
23 agreement between the USDA and Aurora Dairy, it
24 cited that they would remove the cow—the 80-20
25 cows transitioned to organics from their herd,
26 those would be removed from their operation. The

1 funny thing is those were the only legal cows on
2 the two dairies in question that they operated.
3 Those were the legal cows that they transitioned,
4 using the 80-20 rule ending in December in 2003.
5 The thousands of illegal cows that they brought on
6 their farm subsequently, this agreement between
7 the USDA and Aurora would allow them to keep.
8 Now, this room is not filled with dairy farmers,
9 so I ask the question, rhetorically, why would
10 they do that? Why would they—this is an ass-
11 backwards agreement. Why would they allow them to
12 keep these illegal cows? Well, how many of those
13 original cows are still in that herd? And by
14 measuring the call [phonetic] rates that they've
15 disclosed publicly for those facilities, they
16 answer is virtually none. So instead of enforcing
17 the law and removing maybe 98 percent of the
18 cattle, the thousands of illegal cows from these
19 farms, they were allowed to keep them and maybe
20 remove 2 percent of the legal cows from those
21 farms. That's what we call a sweetheart deal;
22 that's what we call an illegal deal. So, folks,
23 this is wrong. We need the National Organic
24 Standards Board to stand with the rest of the
25 organic community. This is quite an irony because
26 in the year 2000—one other ironic part of this

1 consent agreement is, in the year 2000, the
2 National Organic Standards Board passed a
3 resolution that stated—and passed it onto the NOP,
4 that lactation was not a stage of production,
5 which would exempt farmers from managing their
6 cattle according to the access to pasture rule.
7 It took them from the year 2000 to 2007 to put
8 that into effect, but it's only in effect for one
9 dairy operator in the entire United States, and
10 that's Aurora, because it's in the consent
11 agreement. The other 1,599 or so farms don't have
12 to abide by that. Your rulings are being
13 disrespected, but there is a higher authority in
14 this country than the USDA in these matters, and
15 that's the organic consumers. And it's been
16 reported widely in the media that there are now a
17 total eight class-action consumer fraud lawsuits,
18 representing plaintiffs in 30 states, that have
19 been filed against Aurora Dairy, because if our
20 federal regulators aren't willing to take action—
21 and by the way, we think the NOP did the job on
22 this. The decision not to come down on Aurora
23 happened at the political appointee [phonetic]
24 level at the USDA. But if they're not willing to
25 do the job, the civil courts are still there. So
26 this is a warning, and I don't care what commodity

1 you are, if you're an investor, if you're a
2 private operator, if you're engaged in organic
3 commerce, don't think that if you have lobbyists
4 in Washington and you've got payroll in the
5 Legislative Branch due to campaign finance
6 contributions—don't think that that's going to buy
7 you immunity, because we have the civil courts.
8 So this could cost you millions of dollars, and it
9 could cost you your brand value. And so the cost
10 to Aurora is going to be high. There are already
11 customers looking for options. We understand some
12 have already switched, private label customers.
13 We need this board to send a strong statement to
14 the secretary of agriculture that this enforcement
15 history is totally unacceptable. Folks, you have
16 the voice of authority. You represent us in the
17 organic community. We need you to speak. And
18 I'll close by just touching briefly on the
19 conflict of interest charges which were brought up
20 by Barbara Robinson [phonetic] this morning. We
21 do not think—and I'll quote Merrill Clark here,
22 "The National Organic Standards Board must be made
23 up of people who have the best interest of organic
24 agriculture at heart, and I think you folks do.
25 We must enforce a high code of ethical standards
26 for this board and for this community. The fact

1 that—and this supersedes the board and talks about
2 our certifying community—"The fact that QAI and
3 the state of Colorado both collaborated with
4 Aurora Dairy, in issuing their damage control
5 press releases, quoted—

6 [background noise]

7 I'm sorry, ma'am. Did I say something?

8 FEMALE VOICE: I do not—the rules of
9 public comment were clearly stated, that
10 [unintelligible]—

11 MR. KASTEL: [interposing] Maybe you'll
12 have to repeat them.

13 FEMALE VOICE: I will repeat them.

14 MR. KASTEL: Thank you.

15 FEMALE VOICE: And you are not to impugn
16 the character of any board member or company that
17 they represent, and I will not have that here, so—

18 MR. KASTEL: [interposing] Wait a second—

19 FEMALE VOICE: --wrap your comments—

20 MR. KASTEL: [interposing] Let me back
21 up.

22 FEMALE VOICE: Wrap your comments—

23 MR. KASTEL: [interposing] I made a
24 factual statement that represents from Quality
25 Assurance International and the state of Colorado
26 were quoted in press released issued by Aurora

1 Dairy, Incorporated.

2 FEMALE VOICE: I'm sorry. I'm sorry.
3 You indicated that there—you stated there was a
4 collaboration that is not a fact. It is not a
5 fact, it's your—

6 MR. KASTEL: [interposing] These were
7 press releases that were issued by the company.

8 FEMALE VOICE: This—

9 MR. KASTEL: [interposing] These
10 representatives of the certifiers had to speak
11 directly and in a—

12 FEMALE VOICE: [interposing] Please wrap
13 your comments.

14 MR. KASTEL: --collaboratively manner.

15 FEMALE VOICE: Please wrap your comments.

16 MR. KASTEL: I'm sorry?

17 FEMALE VOICE: Wrap your—

18 MR. KASTEL: [interposing] Thank you.
19 Okay. We think that type of behavior on the part
20 of the certifier community is inappropriate, and
21 we hope this board will make a statement along
22 those lines. Thank you very much.

23 FEMALE VOICE: Since this board has no
24 authority in compliance and enforcement, I see
25 that we'll make no comments or have no questions
26 for you. We will not—we have no authority, and we

1 have to actions to take in regards to you
2 comments.

3 MR. KASTEL: I think you have the moral
4 authority, and I thank you for the opportunity to
5 speak.

6 FEMALE VOICE: Harriet Behar [phonetic]?

7 MS. BEHAR: I believe I'm the last.

8 FEMALE VOICE: Just for this morning.
9 [Unintelligible] mornings [unintelligible].

10 MS. BEHAR: Okay. My name is Harriet
11 Behar, and I am an organic educator, inspector,
12 farmer and consumer. Thank you for the
13 opportunity to give input into the process of
14 protecting and enhancing the U.S. organic
15 standards. Thanks also to Andrea, for her many
16 years of dedication and hard work to this process.
17 I will repeat again my disappointment that the NOP
18 has not implemented the OFPA mandate of a peer
19 review panel to oversee the NOP accreditation
20 program. In addition, there is no written
21 protocol available detailing how the NOP and the
22 NOSB interface. Both you, the board, as well as
23 the public, put countless hours into the
24 development of recommendations. There is no
25 transparent protocol without an NOP quality manual
26 in place, detailing how the NOP may or may not use

1 or incorporate these recommendations, which, if
2 the proposal—the protocols were known, would
3 clearly affect how the NOSB and the public
4 interact with the NOP. The need for clarification
5 of the apiculture standards and the ever-popular
6 pasture for ruminance [phonetic] requirement are
7 two of the many examples which illustrate how
8 frustrating and damaging it is to the organic
9 community to let these languish in regulatory
10 limbo. Consumers are aware that consistent
11 standards do not exist, and that this confusion
12 and mistrust is damaging to all involved in the
13 organic marketplace. Aquaculture—I believe in
14 consistent standards. If non-organic feed is
15 allowed for organic fish, then why not for
16 chickens or dairy cows? Consumers will be
17 confused, and rightfully so, when some foods have
18 different standards in their production. There
19 are fish species now that meet current organic
20 standards, such as tilapia. Let's start with
21 these and work into the development of fish raised
22 in a truly organic system. While organics are not
23 based in purity testing, the wild stocks used in
24 fishmeal or oil could be contaminated, and this is
25 not what organic consumers would expect in their
26 expensive organic fish. We have all worked very

1 hard to obtain and maintain a significant organic
2 premium in the marketplace for organic products
3 that meet strict standards. When aquaculture has
4 matured sufficiently to meet the spirit and
5 current standards, then we can eat organic fish.
6 Other eco labels can be applied now to these
7 sustainable raised fish, and a trade organization
8 could educate consumers on the value of these
9 specific production practices. Let's not water
10 down the organic standards that we have in an
11 effort to award the organic label to this food
12 category. As fish farmers develop sustainable
13 methods, they can work towards building an organic
14 system. This is the same way that organic land-
15 based systems developed. Commercial availability-
16 the guidance for reviewing commercial availability
17 for processing ingredients and seeds should be
18 separated, especially the section suggesting
19 producers work to encourage the development of an
20 organic equivalent. It is unrealistic to assume
21 this of farmers. I believe the recommendation
22 should include the use of catalogs and Web sites
23 as proof of search [phonetic] for organic, and
24 [unintelligible] that a letter be obtained for
25 each variety of non-organic seed used that organic
26 was not commercially available. The documentation

1 requirement places a huge paperwork burden on
2 vegetable producers who purchase hundreds to types
3 of seeds, and I am one of these. The mandate that
4 certifiers collect and report all the non-organic
5 seed used by their producers is also a paperwork
6 nightmare and serves no useful purpose. Organic
7 certificates—the current NOSB recommendation does
8 not include a date by which buyers, sellers,
9 inspectors and certifying agents can verify the
10 current status of a certificate. This renders the
11 document almost useless, since I have inspected
12 numerous operations where a certificate was
13 presented to me and I personally knew that the
14 client had switched certification more than six
15 months previously. The next annual monitoring
16 date, or current certification inspection date, or
17 dated signature of the annual certificate could be
18 examples of a date scenario which is truthful and
19 would not oppose the no-expiration mandate in the
20 current rule. Multi-site certification—I agree
21 with the National Organic Coalition comments
22 submitted. Retail stores or processors are a
23 different animal from farms. Farm management does
24 not change regularly, whereas I know—well, we know
25 there is significant personnel turnover at the
26 retail level. The group certification of handlers

1 is a completely different type of certification
2 and should be discussed as a separate topic from
3 the farmer-based grower groups.

4 FEMALE VOICE: [inaudible] minute left.

5 FEMALE VOICE: Less than five minutes.

6 Wow.

7 FEMALE VOICE: Thank you, Harriet.

8 Questions for Harriet? Joe?

9 MR. SMILLIE: We did pass a
10 recommendation—gosh, last October, wasn't it?
11 Yeah. On the expiration of certificates. I would
12 direct you to that. This current recommendation
13 is on the standardization of the certificate.
14 There's a previous recommendation on expiration.
15 It hasn't been accepted nor rejected by the NOP,
16 as yet, but—

17 MS. BEHAR: [interposing] Well, that goes
18 to my first point.

19 FEMALE VOICE: Hue?

20 MR. KARREMAN: Just a question. I fully
21 realize the Harvey Rule nullified the 80-20, but
22 the 80-20 was put into place to help organic dairy
23 get going, so wouldn't the 12-12, or whatever, be,
24 you know, somewhat mirroring of that, if it's
25 allowed by regulation?

26 MS. BEHAR: Well, we did find that it was

1 not allowed by regulation.

2 MR. KARREMAN: True, but the intent of
3 the board and the NOP at that point was to create
4 an industry, so that's a possibility of what we're
5 trying to do, or course.

6 MS. BEHAR: I'm concerned about consumer
7 confusion in the marketplace, and just wondering
8 why—how can organic fish not eat organic food and
9 that sort of thing.

10 FEMALE VOICE: Jennifer?

11 MS. HALL: On that first point, I would
12 like to come back to your desire for an
13 understanding of your relationship between the
14 NOSB and the NOP. And I am an equal advocate and
15 proponent of transparency, but I also think that
16 there is equal value to the freedom of the
17 landscape within which we work, and that sometimes
18 when you have too much regiment to follow, it can
19 limit the quality and the creativity of what we're
20 able to put forward, and that there is some
21 inherent risk, then, that the recommendations that
22 we might make would be to fit the bill that we
23 think might be accepted versus what's the best
24 thing. So it's a balancing act.

25 FEMALE VOICE: Any other comments for
26 Harriet, questions? Thank you, Harriet, for

1 keeping it brief. And this—we are done with our
2 morning session, at 1:00. The board members are
3 going to break for lunch, but they have generously
4 offered to truncate our lunch period to 30
5 minutes, so we will reconvene at 1:30, with the
6 presentations on animal health and welfare, and
7 then global animal welfare initiatives.

8 [break in audio]

9 ...that we're running late, we're going
10 to continue with the agenda, and I ask our
11 speakers to just bear with us. Some of our
12 members are still finishing, but they promise that
13 they're all good multitaskers and well capable of
14 listening to your presentation while eating their
15 lunches. So, Kathleen, if you would come and give
16 us your presentation, we'd appreciate that.

17 MS. MERRIGAN: Thank you. I'm here with
18 Dr. William [phonetic] Lockeretz, my collaborator
19 on this project. We come here from Tufts
20 University, the home of the Red Sox, the Patriots,
21 the Celtics. You may know a little bit about
22 where I live.

23 MALE VOICE: [unintelligible] Bruins.

24 MS. MERRIGAN: Well, yeah, the Bruins,
25 the Revolution. We've got a good year going up
26 there. I just want to say thank you for the

1 opportunity to testify here today, and I know how
2 hard you all have worked as board members. I
3 survived just shy of five years as an NOSB board
4 member. I was an environmental representative to
5 the board. Willie Lockeretz was also an
6 environmental representative of the board for a
7 couple years, so we've been in your shoes and we
8 know how complicated your tasks are. I was also
9 asked, by Hue, to give a little background on
10 myself, because I don't know a lot of you, so you
11 understand my connection with the organic
12 standards. I worked for the Senate Agriculture
13 Committee in the late eighties, early nineties,
14 working for Chairman Patrick Leahy, and drafted
15 the Organic Foods Production Act of 1990, the
16 Senate committee report that is, in large
17 measures, still the major text of congressional
18 intent that helps in the administration of the
19 law; and then, later on in my journey, took over
20 the job of administrator of the Agricultural
21 Marketing Service, toward the tail end of the
22 Clinton administration, and was primarily tasked
23 with getting out the final organic rule that we
24 have that was put into place in 2002, I guess,
25 when it finally was implemented, though we
26 finished a couple years prior to that. So I have

1 a lot of historical knowledge, and I say that at
2 the start because one of the things that I want to
3 say to you is I think that animal health and
4 welfare issues have always been a part of the NOP
5 agenda, maybe not always explicitly written out;
6 maybe not always detailed in the way that we'd
7 like, but when we were framing the legislation in
8 1989 and 1990, I can assure you that animal health
9 and welfare issues, as nascent as the livestock
10 sector was in the organic then, were on peoples'
11 minds. And we saw that when we developed the
12 livestock sector and more expertise in organic
13 livestock management, that animal health and
14 welfare issues would be part and parcel to all the
15 standards elaboration that would be necessary to
16 have a fully operational NOP. And when you look
17 at the Senate committee report, and I've passed
18 out some testimony—I'm just going to read you a
19 couple of passages from it. The first says, "More
20 detailed standards are enumerated for crop
21 production than for livestock production. This
22 reflects the extent of knowledge and consensus on
23 appropriate organic crop production methods and
24 materials. With additional research, and as more
25 producers enter into organic livestock production,
26 the committee expects that the USDA, with the

1 assistance of the NOSB, will elaborate on
2 livestock criteria," and there are passages that I
3 cite from that committee report of the same
4 nature, so it's on the agenda. It was on the
5 agenda in 1990; it's still on the agenda today.
6 When we look at the final rule that was put out by
7 USDA and the National Organic Program, again, a
8 whole lot of anticipation of health and welfare
9 standards for livestock. Some passages from the
10 final rule: "An organic livestock producer must—a
11 whole dropdown list that I've provided you, to do
12 things like provide shelter designed for the
13 natural maintenance, comfort level and opportunity
14 to exercise appropriate to the species. One of
15 many, many dropdowns on livestock criteria, and
16 then a whole lot of place markers for the NOSB in
17 the final rule, things like we're looking for—
18 species-specific guidelines will be developed in
19 conjunction with future NOSB recommendations and
20 public comment; we will seek additional input from
21 the NOSB and public comment before developing such
22 standards on a specific length of time that cattle
23 or other species may be confined prior to
24 slaughter. We anticipate that additional NOSB
25 recommendations and public comment will be
26 necessary for the development of space

1 requirements. The NOP will work with the NOSB to
2 develop additional guidance for managing ruminant
3 production operations. We will continue to
4 explore with the NOSB specific conditions under
5 which certain species could be temporarily
6 confined to enhance their wellbeing. You see a
7 lot of these things woven into the final rule,
8 clear indication, again, that animal health and
9 welfare standards are expected to be a part of a
10 fully developed, robust National Organic Program.
11 That brings you to our testimony today. We feel
12 that the time is right to really engage. The NOSB
13 has been involved. Clearly, the pasture thing has
14 taken a big chunk out of your life, among other
15 issues. You've been engaged in some of these
16 issues, but we're at a critical juncture where the
17 industry is about to grow, and grow in a big way.
18 We're still at a point, particularly with swine
19 and poultry, where there're not that many
20 producers, things are not in a situation where
21 you've had huge investments in infrastructure,
22 things are in a lockdown situation. Now is the
23 time where you really could move forward with
24 standards and not be overly concerned about dire
25 economic consequences that you're placing on the
26 industry, which then becomes a problem when you're

1 trying to get a rule through the Office of
2 Management and Budget with your cost benefit
3 analysis, and all of a sudden you realize all
4 these industry folk are going to have economic
5 hard. Makes your jobs a lot harder. So there's a
6 real opportunity now, the timing is right, and we
7 really want to implore you—that's one of our main
8 objectives today, is to implore you to really
9 place time in your agenda to dive into some of
10 these issues. We brought five particular
11 potential standard recommendations to the board
12 today, based on a project that we've been funded
13 through CSREES to do in looking at potential
14 elaboration of organic health—and animal health
15 and welfare standards. The paper that was put up
16 on your Web site that we submitted prior to our
17 testimony today was something that we've done a
18 year ago that gives you some sense of where
19 different standard programs are in this arena.
20 What we're providing today are some scientific
21 literature citations to back up what we would
22 consider the low-hanging fruit standards here. We
23 tried to pick one per species to just give you a
24 sense of some of the opportunities where you could
25 go forward, where there's scientific consensus,
26 where there's, largely, industry consensus on some

1 thing that could be done right now, if you wanted.
2 And so the—first, I looked in the poultry field,
3 and one of the things that came out of a
4 stakeholder meeting that we had in April of this
5 year at Tufts University, following our scientific
6 and standards analysis, was the issue of perches
7 for layers. And people felt, and we feel very
8 strongly that perches are very important for
9 poultry wellbeing and health, and so we put that
10 out there as something—I don't think we're ready
11 to say, "The perch has to be this long, and it has
12 to be this many and [unintelligible]," all those
13 little details. But the actual idea that you must
14 have perches for layer hens seems to be a very
15 commonsense, important standard to have in the
16 NOP. The second standards we through out there,
17 also for layers—I should've had one for broilers,
18 but I didn't—that is induced molting by feed and
19 water withdrawal that—you know, sometimes we see
20 birds going as much as two weeks without food to
21 induce molting, and we don't see any reason that
22 that's necessary. There's also some economic
23 consequences for the industry because the molting
24 increases the breaker eggs, and there's not a big
25 market for breaker eggs in the organic industry
26 right now. So it seems like there's an

1 opportunity there to carve out a position in the
2 NOP and set up a standard. The third issue is
3 beef [unintelligible]—in the beef cattle domain.
4 There're a lot of standards that are coming out
5 with specific space requirements for cattle in
6 feedlots. We don't have a huge number of cattle
7 in feedlots right now in the organic industry, but
8 we don't know where this industry is going. And a
9 basic principle that we feel would fit well into
10 the NOP is that cattle in a feedlot situation
11 should have [unintelligible] minimum amount of
12 space to lie down, and that's not always the case
13 in conventional systems. The E.U. has very
14 specific space requirement based on how much an
15 animal weighs that's also consistent with Whole
16 Foods Tier 4-5 [phonetic] standard. I know
17 Margaret Wittenberg is about to testify. You
18 know, I don't even know if you have to get to that
19 level of the actual space, you know, numbers, but
20 the concept that animals should have at least
21 enough space to lie down seems to be a very
22 important concept to have as a part of our
23 program. Dairy cattle—tail docking. AVMA, the
24 American Veterinary Medical Association, would say
25 that the scientific literature shows that there's
26 no real value to tail docking. And at this point,

1 the science and the industry should come together
2 here and say, "This is just not necessary in
3 organic production and let's just prohibit it
4 outright." Swine-gestation crates. Farrowing
5 crates are going to be a big controversy for the
6 board in the future, and the standards are all
7 over the place when you look across the different
8 programs on farrowing crates, and that's a big
9 discussion. But gestation crates seem to be
10 something that we could prohibit right now,
11 outright, just say no to, not necessary in organic
12 production, not consistent with organic
13 production. So we provide you some scientific
14 references, some thoughts on those five issues.
15 And in moving forward, I was trying to think of
16 what I would do in your situation. There is
17 something that's appealing about the idea of
18 putting together all the standards for a species,
19 because if-perches-well, how do perches relate to
20 the roost area, you know, to the-how many doors,
21 and the placement of the doors, and then you start
22 getting in, everything is interwoven in a certain
23 sense. And there's certainly an appeal to want to
24 put together a species standard in a holistic way,
25 but I would argue, if you try to proceed that way
26 you'll get bogged down because some issues are

1 more complicated and controversial than others.
2 And just as a strategic process suggestion, Willie
3 and I would argue that you try to move forward,
4 once you start to get agreement on discreet pieces
5 and put those into place, and make those
6 recommendations to the secretary, and for the
7 secretary to get those proposed rules out and
8 public comment on them. Again, the industry is on
9 the verge of growing. You know, we didn't have
10 organic livestock until 1999, so it's behind the
11 other aspects of organic production and it's just
12 exceedingly [phonetic] timely to invest the time
13 and energy, and to pin down these desirable
14 standards when we can. So that's it. I thank you
15 for your attention to my testimony. I will
16 provide an electronic copy to the staff so it can
17 go out on the Web site. I'm sorry I didn't bring
18 enough copies for everybody in the room. And I'm
19 happy to accept questions if you have any.

20 FEMALE VOICE: Does the board have
21 questions for Kathleen? Hue?

22 MR. KARREMAN: Just—I want to thank you,
23 Kathleen, for bringing this to the board's
24 attention, and also your perspective from your
25 experience in how to get things through the system
26 in a good, clean, quick way, if that's possible.

1 MS. MERRIGAN: I stand ready to help.

2 FEMALE VOICE: Do you have that magic
3 one? All right. Good. Does anybody else have
4 any questions or comments? Barbara Robinson?

5 MS. ROBINSON: Kathleen, are you
6 suggesting to the board to do this in a species-
7 specific way, or just—if they had consensus, if
8 they agreed, say, with your five—suppose the—we
9 were in the spring meeting, and they agreed with
10 all five of your...

11 MS. MERRIGAN: Low-hanging fruit options.

12 MS. ROBINSON: And they were to just
13 simply pass a recommendation on animal welfare—
14 these animal welfare—are you suggesting that they
15 not do it as just—but they do it as species-
16 specific?

17 MS. MERRIGAN: [unintelligible]. Thanks
18 for that question, Barb [phonetic], because I
19 guess, in my ramble, I wasn't as clear as I could
20 be. I'm suggesting that when you have movement on
21 any particular standard in this arena—

22 MS. ROBINSON: [interposing] Get it done.

23 MS. MERRIGAN: --move forward, get it
24 done. Don't try—and we all want to do things
25 holistically, but that's going to be the death
26 nail of it. It just—it will not happen in the

1 time that you need. I mean, if it's 10 years from
2 now, just think of—in the pasture debate, you had
3 certain operations, and they had this
4 infrastructure and investment, and it becomes a
5 very tough, tough thing. And if you're talking
6 about a small number of organic swine producers, a
7 small, infant industry, now's the time to put down
8 the standards, and also anticipate that not
9 everyone—gestation crates may not be a factor in
10 organic production right now. I don't know. I
11 haven't been to every swine producer, but I don't
12 think it's a major practice in organic production,
13 but it could be if it's not prohibited. So now is
14 a great opportunity to move forward on these
15 things and build consensus before it's too late.

16 MS. ROBINSON: So this could just—we
17 could amend the 205.239 section, you know, and
18 just amend it in piecemeal, adding various little
19 subparagraphs?

20 MS. MERRIGAN: Yeah.

21 FEMALE VOICE: Hue?

22 MR. KARREMAN: Just one extra thing, we
23 can also—for the more entrenched industries, like
24 dairy and perhaps layers, certainly we can canvass
25 individual certifiers and see what they do to come
26 up with something that is palatable and has

1 already kind of been in force at the certifier
2 level, so we might be able to go in even though
3 the industry is more entrenched.

4 MS. MERRIGAN: Absolutely. And of
5 course, that's the whole role of public comment,
6 is to put out a proposal and get that public
7 comment in. And USDA, in its history of organic,
8 has done a really great job of responding. I
9 think my colleague wants a word.

10 DR. LOCKERETZ: One of the questions
11 that'll come up in this sort of thing is how far
12 do we go? Do we push the standards to the point
13 of that things are the way we would really like
14 them to be, or do we start out by presenting
15 things that we really don't want to see?
16 [Unintelligible]—so there's a minimal standard
17 that will come into play, just to get the bad
18 guys, the few people who are really below what's
19 acceptable these days; and then there are—the
20 standards are dynamic. They can be developed to
21 build onto that and go further to what we would
22 like to see in the future. But you don't
23 necessarily have to propose standards that go all
24 the way. Some people will not be happy with your
25 standards because they don't go all the way, but a
26 practical strategy is to put a floor under

1 [phonetic] the practices now, and then in the
2 future come back to it again and again and push it
3 further and further, but at least start with
4 things that are—by prohibiting things that simply
5 should not be allowed in organic, period, and so
6 there is no real argument about it, and then the
7 arguments can come a little bit later.

8 FEMALE VOICE: Bea?

9 MS. JAMES: Thank you so much for your
10 presentation, and I also want to thank Hue for
11 actually spearheading this whole initiative to get
12 this discussion going. But—and I apologize, I
13 haven't really had time to thoroughly go through
14 your presentation here, but it seems to me that
15 wouldn't it be worthwhile to maybe look at the
16 idea of an animal health and welfare task force?
17 Because even though it is a large issue, and yes,
18 it could be something so monumental that we may
19 not be able to accomplish it right away, but it
20 seems like there's more things that are immediate
21 that should be addressed besides what you have
22 here. And you know, I'm just trying to figure out
23 the best way to try to come up with a first draft
24 of a recommendation on health and welfare where we
25 can have, maybe not the whole enchilada, but a
26 little bit more than what you have here. And

1 would you agree with that?

2 MS. MERRIGAN: I would agree to that.
3 And you're very kind to say you haven't had a
4 chance to read through all the testimony, since I
5 just passed it out. I apologize to the board for
6 not sending it sooner. We chose these five issues
7 as illustrative of the opportunities that the
8 board has before them in terms of this arena. A
9 task force might be a very appropriate way to move
10 forward. You also have your subcommittee. I
11 don't know how the board wants to proceed, but I
12 do want to say that Willie and I stand ready to
13 assist the board in preparing the background
14 documentation, and to the NOP, because I have a
15 little inkling of what it takes to get a rule out.
16 You know, we've spent a lot of time this last
17 couple years looking at various standards, looking
18 at the scientific research, and we want to help
19 bring this to public debate.

20 FEMALE VOICE: Hue?

21 MR. KARREMAN: One last thing. I guess I
22 would be—I'd like to just possibly start with this
23 within the Livestock Committee. I think task
24 forces can have extremely long lives and, you
25 know, the AEWG's been around nine years and
26 they've done a great job and—nine years, isn't it?

1 Eight, whatever. They've been around a long time.
2 And I think if we just start with some of the low-
3 hanging fruit, as they mentioned, I think
4 Livestock Committee, as a committee, can start
5 with that at least, and if there's bigger issues-
6 even the pasture issue, we worked on within the
7 board and not a task force. [Unintelligible].
8 Thanks.

9 FEMALE VOICE: Any other questions?

10 DR. LOCKERETZ: I'd like to just add one
11 point to that as far as how much work is involved.
12 You're not-you don't start from the beginning.
13 There is a tremendous amount of work that has
14 already been done in other countries, which we
15 drew on. [Unintelligible] in Sweden has very
16 highly evolved livestock standards; Soil
17 Association in Britain has a very evolved
18 livestock standards; and any number of others, so
19 a lot of the work-the groundwork-has been laid
20 already by very responsible and effective
21 certifying programs and standards writers in many
22 different countries. And so the task is not as
23 enormous as you may think, because people have
24 been working on this for so many years already.

25 FEMALE VOICE: Bea?

26 MS. JAMES: I know we have a lot to do

1 today, but I just really want it to go on record
2 that I think that this is an extremely important
3 issue; and that I believe, from my experience in
4 retail, that consumers have an assumption that a
5 lot of this is already in place, even though it's
6 not in place; and that I really feel that it is
7 the duty of the NOSB to try to bring to the
8 forefront these—the health and welfare standards,
9 because the—it encompasses the environmental issue
10 that so many consumers want to believe that
11 they're eating things that are coming from the
12 natural state of their natural environment. And I
13 mean, when we're talking about fish, and the
14 living conditions and the welfare conditions
15 there, that it seems like our focus oftentimes is
16 on getting to production, and that we also really
17 need to keep in mind that the environmental impact
18 that we will create with a standard that we
19 develop really needs to be taken into
20 consideration, too.

21 FEMALE VOICE: Hue?

22 MR. KARREMAN: One last note. I mean,
23 there are already good regulations in the book
24 which the industry has started from, and that's
25 due to your work and your work over there. And
26 there's some areas where it's silent, and I think

1 that's where we need to fill in. But there are
2 certainly good regulations already that consumers
3 can rest assured with, we just need to fill in
4 some of the silent areas. Barbara has something.

5 FEMALE VOICE: Barbara?

6 MS. ROBINSON: Let me just reinforce
7 something Kathleen made—a point Kathleen at the
8 beginning, and then again at the end of her
9 testimony, and this is really important here. I
10 think the critical point here is that this is an,
11 as yet, less-developed industry. Economic rents
12 have not been really built up. I mean, meat is 2
13 percent of this industry in terms of retail sales.
14 So I think the point Kathleen is making to you is,
15 if you do want to do something, first of all, keep
16 it simple. I mean, I can't stress that to you
17 enough. You start creating task force, you start
18 creating your own infrastructure and then we're
19 another two years down the road before we get a
20 recommendation from you. By then, the industry is
21 that much further along. And I think what
22 Kathleen is saying is now it has an
23 infrastructure, that means it has economic rents,
24 it has something to lose when you go to make
25 changes. And when it has something to lose, then
26 the consequence of us disturbing that with rule

1 making makes it that much more complicated and
2 stretches out the time that it will take to effect
3 those changes. Whereas the sooner you do it, with
4 an underdeveloped industry where people haven't
5 put in place a lot of these things, it's pretty
6 simple to come out and say, "Birds should have
7 perches." That's the whole statement, that's it,
8 birds should have perches, and then we let—we kind
9 of let the industry morph around that. And what
10 Willie is saying is, you know, we don't try and
11 address the whole thing, just get your toe in the
12 water, do something. Animals should be able to
13 lay down without touching, simple statement. I
14 could work with this; I could do something with
15 this; and, you know, you go from there and you
16 don't get a lot of—you haven't done something
17 drastic to an industry yet because the industry
18 itself hasn't—help me out here, Kathleen. It's—it
19 has not—

20 MALE VOICE: [interposing] Matured.

21 MS. ROBINSON: Yeah, it hasn't matured
22 and it hasn't put all these systems in place that
23 you then disturb.

24 DR. LOCKERETZ: But we have to also
25 recognize that standards for livestock are much
26 more difficult, much more complicated than plants.

1 There's more of a history in plant production,
2 organic plant production. So it's not a trivial
3 job, but it's quite appropriate to do it in steps
4 and do some basic things first. But it's a
5 subject that seems to be much more difficult for
6 people to wrap themselves around than plant
7 production, maybe because it's newer. Organic
8 plant production goes back 60 years, and livestock
9 is much more recent than that, so it will not be a
10 trivial job to complete the task. But you don't
11 have to worry about that, as far as getting
12 started.

13 FEMALE VOICE: Okay. I have Dan. Is
14 there anybody else besides Dan? Dan?

15 MR. GIACOMINI: I'll certainly respect
16 the experience the two of you have, but in the
17 brief observation I have, it seems like the only
18 one that's easy is the first step, and every time
19 after that there's already the first step to deal
20 with and everything that comes up—that comes with
21 it. And I agree with what you're saying—there's a
22 tremendous amount of history already; not having
23 to get into the length of time of a life of a task
24 force; but I'm hoping that when we do look at
25 this, for a spring meeting or something, we have
26 more than, you know, four to six things that we've

1 looked at because it seems like the second step is
2 going to be much harder than the first step, even
3 if the industry hasn't developed, because you have
4 all the other parts that go along with it of, you
5 know, "Well, what's the status of the previous
6 recommendation we made"? and, you know, "Is it
7 going forward? Was it accepted? Was it
8 implemented"? you know. It's—I'll trust your
9 [inaudible]—

10 [break in audio]

11 MS. MERRIGAN: Well, I know how
12 frustrating it can be, being on the NOSB, having,
13 again, sat in your chair, when you make
14 recommendations and then there's only so much
15 control you can have about how they're taken up
16 and the process by which USDA vets the
17 recommendation to the federal register. But you
18 can only do what you can do, and come up with the
19 good recommendations, and be a focal point for
20 this very important topic that people want to talk
21 about and want to come to consensus on. And then,
22 you know, hopefully, Mark [phonetic] and his team,
23 Barbara, will put the wheels in motion. There's
24 only so much you can control, and again, I think,
25 if you at least get out a first series of
26 recommendations, the easy ones—they're going to

1 get harder. But if you get some of those out,
2 then people are going to say, "Hey, that NOSB,
3 they're about animal health and welfare standards,
4 and that's the forum to go to, and that's where
5 it's going to be happening," and USDA's going to
6 be looking to you for help in this area because
7 this area's hot, and it's going to get hotter.
8 And as Bea said, consumers have certain
9 assumptions about what organic foods are, and we
10 need to understand that and respond to that. So
11 we thank you for your attention today. I know
12 Margaret's [phonetic] behind me, waiting to get
13 the podium. And again, we just want to, in any
14 way we can, support you in your very good works.
15 Thanks so much.

16 FEMALE VOICE: Wait one second, Kathleen.
17 [Unintelligible]-

18 MS. MERRIGAN: [interposing] Oh, sorry.

19 FEMALE VOICE: Mine's very quick. I did
20 not get a copy of your paper, so if you get a
21 chance, if you could get me one, I'd appreciate
22 it.

23 MS. MERRIGAN: Certainly.

24 FEMALE VOICE: Thanks.

25 MS. MERRIGAN: Thank you.

26 FEMALE VOICE: Thank you very much for

1 your presentation. Next up we have Margaret
2 Wittenberg, with Whole Foods, to give us her
3 presentation on global animal welfare initiatives
4 [phonetic].

5 MS. WITTENBERG: Okay. Thank you very
6 much.

7 [unrelated conversation]

8 Okay. While Valerie's [phonetic] putting
9 the presentation up on PowerPoint, I wanted just
10 to thank the board for this opportunity. It's
11 really great being here, and wonderful being able
12 to follow, you know, the previous comments. I
13 think they're just right on the beam here. And
14 what I'm going to be [phonetic] talking about is
15 really enchaining the animal welfare—health and
16 welfare within the organic livestock standards. I
17 think it's been teed up for us on how important
18 this is and I want to show you a new approach that
19 I think you might find quite interesting and quite
20 helpful. It's a tiered, five-step animal welfare
21 ratings system approach. Oh, and for the record,
22 my name is Margaret Wittenberg. I am the global
23 vice president at Whole Foods Market for quality
24 standards and public affairs, and I'm also proud
25 to be a prior National Organic Standards Board
26 member from 1995 to 2000, and a livestock member

1 for that five-time-five years as well. And I
2 think that's been interesting—we've learned quite
3 a lot from that time. I remember when we were
4 wrestling with all these issues, just even the
5 basic issues, from when I was on the board, and
6 now a lot has really changed. A lot has really
7 changed in the livestock field and the consumers
8 are really interested in more. You know
9 [phonetic], as this has already been kind of
10 reiterated, that there is a consumer demand for
11 this now. I know, even with Whole Foods Market in
12 the early days, you know, people were interested
13 in it, but now the demand is there, they're really
14 looking for something. But they're already
15 expecting that organic is a gold standard; they're
16 already expecting that all of these standards have
17 already been figured out, and I think we've seen
18 that with the organic—the pastures and the dairy
19 situation. Very, very strong consumer outcry on
20 that one, and that's just pasture. There's so
21 many more opportunity with that. We've already
22 heard about the livestock standards being very
23 different throughout—not only in this country, but
24 also throughout the world. I know that the E.U.'s
25 been working on different issues on this as well,
26 and the consumer publications are really getting

1 into this and showing that there is a lot of
2 confusion on meat labeling and in poultry and in
3 diary labeling. And then, certainly, there's
4 also—livestock producers are now seeing [phonetic]
5 that they have uncertainty about creating systems,
6 "How do you do this"? They're interested in it,
7 but how do you do this? So the—I'm going to show
8 you just the—one of the more recent things I've
9 seen in the consumer publications. Many of you
10 are probably familiar with the UC Berkeley
11 wellness newsletter. It's a great publication.
12 I've been a, you know, fan of that for many, many
13 years, and this one just came out in November of
14 this year, and the title of it is "Got a Beef With
15 Your Butcher"? And within this they're talking
16 about beef labels, and I'm going to read it
17 because I know there's some people behind that
18 can't see the screen very well. But it says,
19 "Beef labels, even those that are independently or
20 government certified are confusing. Don't assume,
21 for example, that organic beef comes from animals
22 never confined to feedlots or treated and
23 slaughtered more humanely, or that natural grass-
24 fed beef is raised without antibiotics or
25 hormones. Natural is not interchangeable with
26 organic, nor grass-fed with pasture-fed. If you

1 care about these issues and don't mind paying
2 extra for your meat, you may want to do a little
3 background research." And then within the
4 article, they list some of the different labels,
5 and this is what they have for USDA certified
6 organic: "To meet USDA organic standards, cattle
7 are raised on 100 organic feed, whether grass or
8 grain, that does not contain animal byproducts,
9 manure, poultry litter or plastic pellets, and
10 without antibiotics or growth hormones. They must
11 have access to pasture and opportunity to
12 exercise, though what this means is still not
13 specified." So that's all they could say about
14 the organic label, and consumers are expecting a
15 lot more. And then for producers, too, many of
16 you've probably already seen the Organic Farm and
17 Research Foundation's—their 2007 National Organic
18 Research Agenda Report. In chapter three, they
19 get into the organic livestock and poultry
20 management systems and they have a summary of the
21 research goals that they are really hoping are
22 [phonetic] happening, focusing on animal welfare
23 and health. Says, "Production challenges persist
24 due to lack of well-funded research efforts
25 targeted [phonetic] at specific animal healthcare,
26 pasture management and nutrition issues.

1 Producers rank animal healthcare as their highest
2 priority for organic livestock research.
3 Effective disease controls will require systems-
4 based research on intensive [phonetic] grazing
5 management, good nutrition and strategic use of
6 supplements and preventative treatment. Standard,
7 economically viable rations [phonetic] to
8 complement pasture and provide complete nutrition
9 for all species of livestock and poultry within
10 the constraints of the national organic standards
11 also need to be developed. And then finally,
12 breeding programs that emphasize adaptability to
13 organic management systems are needed to enhance
14 animal health and productivity." Well, I'm here
15 today to give you some—you know, just share some
16 insights that Whole Foods Market has had with our
17 experience working on animal welfare standards
18 within our own meat and poultry quality standards
19 program. We've had meat since, well, about April
20 of—let's see. April 1981, a few months after we
21 opened our stores, when we first starting selling
22 meat. And then at that point, we just focused on,
23 like—

24 [END MZ005012]

25 [START MZ005013]

26 MS. WITTENBERG: —the no antibiotics. In

1 fact, it was no subtherapeutic antibiotics at that
2 time. This was very early in the game and
3 producers really didn't know and we were just
4 trying to find small producers. Well, as we—as
5 the years went by, we found people were interested
6 and some of the pioneers in the field.

7 But in 2000, we decided, you know, we
8 needed to do more. We needed to go beyond just
9 the added—no added growth hormones. And at that
10 point, it was [inaudible] had said no antibiotics,
11 not just subtherapeutic, but no antibiotics. And
12 we wanted to put more emphasis on the humane
13 treatment of animals.

14 So we started working on that. And then
15 in 2003, we went another leap. We decided that we
16 were going to initiate in addition to our just
17 basic standards or benchmark standards a whole
18 another label called the Animal Compassionate
19 Standards.

20 And how we developed that is saying that
21 we had two—we understood there were two goals,
22 primary goals within livestock production. Goal A
23 is to maximize the welfare of the animal. Goal B
24 is to maximize the cost and maximize efficiencies.

25 And so with the Animal Compassionate
26 Standards, we wanted to have goal A—oh, wait a

1 minute. I had this—the wrong [inaudible] my
2 goodness. We want to have goal A supersede goal
3 B. There we hare. So I will change that before
4 it goes on the public record—well, actually on the
5 web site. But we wanted to have the—we wanted to
6 maximize the welfare of the animal over the issue
7 of minimizing costs and maximizing efficiencies
8 while at the same time knowing that we needed to
9 have producers that could make a living. I mean,
10 my goodness. That's certainly an issue.

11 So as we were doing this process, we
12 realized the complexity. We'd heard about that
13 before here with the complexity of the influences
14 that affect animal welfare. You have genetics.
15 You have indoor and outdoor environment, health,
16 group size, stock and density, feed, all of that
17 type of thing. And even on the other side of the
18 coin, just plain old management, husbandry and
19 being a good stocks person. All of these are many
20 components of it.

21 So we are finding that there's there
22 complexity. This was even more than we had
23 imagined. So then what we did is that thought
24 okay, we need to get feedback. And we're very big
25 on multi-stakeholder group processes. There's no
26 way a grocery store that's committed to any amount

1 can do it on its own. You have to get input from
2 a lot of people. So from winter 2003 to spring
3 2007, we have a series of Animal Compassionate
4 Standards developmental meetings.

5 And we included animal advocate groups
6 including like Humane Society of the US, PETA,
7 Animal Welfare Institute, Animal Rights
8 International, Animal Place. The producers, we
9 went—like first we started with ducks and then
10 beef cattle and so on. And those producers, the
11 [inaudible] market producers at—of those species
12 we invited to this meeting.

13 We also had a third party auditor
14 representative so that when we were working on
15 standards, they were saying you know, you can't
16 audit that or that's something you an audit or
17 look at it this way kind of thing.

18 We also went the world over to find
19 animal welfare scientists that could really give
20 us the detail work on who were experts in these
21 issues—Dr. Jim Webster [phonetic] from New
22 Zealand, Dr. Ian Duncan from Canada, Dr. Mike
23 Appleby [phonetic] now from the U.K., Dr. Temple
24 Grandon [phonetic], people know her from United
25 States, Dr. Renee Bourgerone [phonetic], who is in
26 Canada, and Dr. Joe Stuckey's [phonetic] also from

1 Canada. And then we also had a lot of committed
2 Whole Foods Market executive leadership there; our
3 quality standards team and our national meat
4 coordinator, regional meat coordinators.

5 Okay, so the insights of all of this,
6 what we found on that is that the producers really
7 wanted and needed support. They are interested in
8 it. They wanted to do it. They thought, you
9 know, this is a big field, don't really know how
10 and what.

11 And when we have these multi-stakeholder
12 meetings, we're going through like detailed
13 detail. It's kind of reminiscent of going on-
14 being on the National Organic Standards Board. If
15 you like detail, you're in heaven. And this is
16 how these meetings were, too, and sometimes a
17 little heated. And, you know, that's fine because
18 I think that's where you get the real nub of it on
19 what is really important.

20 We also understood that more research was
21 needed on alternative livestock. You know, the
22 OFRF has always been very good on showing how
23 organic research in general needs more work.
24 Well, we talk about animal welfare, whether it's
25 conventional or organic, there's a-certainly a
26 need for that.

1 So what then we did is that we also
2 realized that we needed to see if we could help
3 fill in those education research gaps. So we
4 actually created a private foundation called the
5 Animal Compassion Foundation in January of 2005 to
6 do that. And we hired a wonderful woman, Anne
7 Malleau, who is actually—had done all of her
8 research in Canada with Dr. Ian Duncan, who is a
9 well known—worldwide known poultry—animal welfare
10 poultry expert. And she's been in charge of our
11 program here. And these are sample research
12 fundings that we have done so far and still
13 working on. One is alternative to castration in
14 pigs. You know, one of the issues on—with male
15 pigs is boar taint. You know, how do you get—you
16 know, if you don't castrate, then you have that
17 issue, especially in the United States , as we
18 grow—the pigs grow larger here as opposed to
19 Europe when they are slaughtered younger and you
20 have that issue of boar taint to deal with. So
21 there's a certain feed additive that—an herb that
22 is being looked at to see if that could really
23 work on that.

24 Breeding short-tailed sheep to eliminate
25 tail docking, pastured poultry, how do you
26 maintain pond quality, how do you maintain pasture

1 for ducks and geese and turkeys and then how do
2 you deal with making sure that you don't just
3 really denude the land in the process.

4 And then another one is like looking at
5 transport and the welfare of pigs. And then we
6 also did a lot of workshops to any producer. It
7 didn't have to be Whole Food producers. We just
8 put that out in the network and people would come
9 and we really focused on grazing workshops this
10 past year to really get people back into pasture
11 and really knowing how to maintain it and what to
12 do and what integrated livestock systems are like.

13 So then as kept going through this and
14 then Animal Compassion meetings, we realized that,
15 you know, you just really can't do an all-or-
16 nothing thing. and—because there are different
17 gradations there. There are some producers were
18 at a certain level and others were at a wide
19 level. But if you just had, you know, two
20 different types of labels, you could have people
21 who were doing minimal effort being lumped in with
22 people who were just doing incredible and—efforts.
23 And we thought, you know, that really isn't fair.
24 And they also should, you know, get economic value
25 for all of the work they put into too.

26 And we also saw that a lot of producers

1 were really kind of reticent. They—you know, if I
2 have to go like to the nth degree, I just don't
3 know if I can do that right now. So maybe I won't
4 do it at all.

5 So we thought about that. And then we
6 thought, you know, what we need to do is look at a
7 five-tiered system. And not only would it be
8 helpful for producers, but also for the consumers.

9 So next slide.

10 So what we did is we worked on this
11 internally. We took all of the information from
12 the Animal Compassion Foundations. We worked it
13 into a five-tier program. And I'll get into that
14 a little bit of that in just a second here. And
15 we actually initiated it in our Kensington—New
16 London/Kensington store in June of 2007, this
17 year. And very successful. Consumers loved it.
18 We had a lot of producers over in the UK that we
19 were all ready to put in the program there.

20 And what—the three things that we think
21 that are best about this, it supports continuous
22 improvement on farm animal welfare. It's a
23 framework. It's a framework for producers knowing
24 how they can continue to improve as they move
25 along and get recognition all the way.

26 Increases opportunities for farm animals

1 to be treated with dignity and respect in
2 conditions that let them express their natural
3 behaviors. And it's a fabulous transparency tool
4 for consumers and we also found very educational.
5 People really have no idea how meat is produced.
6 They don't want to hear it. A lot of times you
7 say well, do you know how? They say I don't want
8 to know, you know? And have you ever been? You
9 know, no. They haven't been in slaughter plants.
10 They don't want to know about that either.

11 But it is important for them to know
12 because if they're really concerned about the meat
13 that they eat and how it's really impacting the
14 animal and the Earth and everything else, it's
15 very important to know that.

16 So you see on the bottom of the screen,
17 there are five different labels that we used. And
18 I'm going to get into those in just a second in
19 just a little bit more detail on that.

20 But—next slide.

21 But I do want to tell you that it is
22 very, very focused on independent verification and
23 auditing. In fact, we spent a lot of time working
24 on this because being connected to the organic
25 program and just knowing how important that it is
26 for third party audits and to be—and anything that

1 you put out there as a standard has to be
2 verified. We thought this was a—we put a lot of
3 effort into this program. In fact, even
4 [inaudible] of this year, the USDA Food Safety
5 Inspection Service approved a label recognizing
6 our five-step animal welfare rating system. And
7 it, you know, a process label that authorized
8 producers that can meet the requirements to
9 actually use that label. So we're very, very
10 proud of that and that work.

11 But the verification bodies, we had long
12 decided that we wanted to like organic have the
13 ISO-accredited verification bodies. We felt that
14 it was very important for credibility.

15 And the auditors have to also go through
16 very, very specific training on how to audit to
17 the five-step animal welfare rating program
18 because this is not a normal thing. This is—we
19 looked the world over and there's not many systems
20 where on a standard that they have these five
21 tiers that people are looking at.

22 And there's also when they're doing the
23 audits, they're looking at recordkeeping,
24 condition and practices on the farm and ranch, and
25 then the slaughter plant.

26 We're also developing producer guidance

1 materials and also auditor guidance materials so
2 that they know what to look for. And we also
3 tested this in the summer. This summer, we
4 invited many auditors who had livestock training.
5 In fact, many of them were organic auditors
6 already and verification bodies to come and do a
7 training with us on this program. It was a three-
8 day training on farm. And we also used it as a
9 trial of the standards and also wanted to have
10 feedback. And it was just an extraordinary event,
11 very extraordinary. We learned a lot and got a
12 lot of insights and that type of thing. So it
13 really made us examine more and see what we could
14 do with this.

15 So next slide real soon and we'll get
16 more into the details. [Inaudible] just one more
17 slide. Okay. Okay, thanks.

18 So anyway, just wanted to get into this a
19 little bit. So the five steps, steps one to three
20 are varying degrees of welfare practices. The
21 first one is a benchmark, which is the minimum
22 welfare standards.

23 This is not, you know, you sell meat, you
24 get a level. You have to have a certain minimum
25 level of showing that you have animal welfare or
26 you are concerned about your farm, you know what's

1 going on. So just a, you know, a couple of these
2 things, you know, this is just a very, very, very
3 small list, but no animal byproducts in feed, no
4 gestation or farrowing crates, third party audits
5 on slaughter to make sure that humane slaughter is
6 being done throughout the process, just a few.
7 There's just a score of many more that really
8 indicate that. In fact, even for the FSIS on
9 these labels, and you can't see the detail, but we
10 had to put a good summary of what each step meant.

11 You know, if you have just a one label,
12 you just say well, here is the label and you can
13 look at the information on a web site or a
14 brochure. But this, we had to summarize what each
15 of these levels meant on the label so people could
16 see.

17 Step two, outdoor access is required. So
18 that brings it another level up. And we also,
19 just a couple more things on that. You know,
20 shade was required for any outdoor area for the
21 livestock. Extended weaning requirements, you
22 know, we wanted to—the—there was a minimum weaning
23 for bench one, for step two had that extended.
24 And everything is incremental. You, you know, it
25 kind of adds on to each other with each of the
26 steps.

1 Step three is pasture-based, continuous
2 access to pasture. Pasture is just, you know, is
3 where the animals live. It's really important.
4 [Inaudible] access to shelter. That's definitely
5 an aspect of this as well.

6 Next one.

7 Animal-centered and animal-centered gold,
8 four and five. This one, who's—it really ratchets
9 it up. And in—this is where we have the all
10 integrated—integrated all farm approach with
11 proactive measures that demonstrate, you know,
12 agricultural animal production systems have a
13 primary emphasis on animal welfare. This is
14 really where the rubber hits the road when you're
15 really looking at the [inaudible] animal welfare.

16 And so this gets into, you know, even
17 more stringent on even higher standards than step
18 two and three and so forth on transport and
19 weaning and everything you can imagine. And then
20 even on step five, there's no transport off the
21 farm because transport is one of the hardest
22 issues or—on an animal, one of the most traumatic
23 parts of their lives. So anyway, they found that
24 transport was something that we really wanted to
25 have on step five is as one of the big highlights
26 on that.

1 Okay, just what do these standards cover?
2 We'll, they're outcome-based standards on how does
3 it affect the animal's wellbeing. And you can see
4 that the—on the on the list on the left, beef,
5 cattle, sheep, or other, chickens, turkeys, ducks,
6 laying hens, pigs, dairy, veal, these—we're really
7 trying to get in all the detail on it. And these
8 are detailed standards. They get into farm plan
9 and documentation, pest and predator control,
10 breeding and source of livestock, animal health,
11 animal handling, animal management, feed and
12 water, outdoor conditions and land management,
13 housing, loading and unloading and transport.
14 And, you know, that's for pigs. And then on the
15 next slide, we get into the poultry and, you know,
16 just a few little nuances. You have hatchery in
17 there and so forth. And then the beef/sheep, you
18 get into other details that even go right in with
19 the—with beef/sheep and so forth.

20 But the other—when we were developing
21 these standards, the standards, some were for all
22 steps, that they were just so basic to the
23 program, they have to be. And then you have
24 others that are different steps within one
25 standard that kind of differing [phonetic], like
26 transportation, now long we will allow for

1 transportation along the different steps from
2 going from the farm to the slaughterhouse and so
3 forth.

4 Okay, and so then we decided to take this
5 step. We found that, you know, private standards
6 are real great and we—very proud of them at Whole
7 Foods Market and so forth. But we felt, you know,
8 we really want—if we are really interested in
9 animal welfare, we're going to make them available
10 to any retailer, any producer in the world.

11 And so we decided to move this from a
12 private standards program to an independent global
13 verified labeling program with a new not-for-
14 profit that is outside of Whole Foods Market,
15 completely independent foundation called the
16 Global Animal Partnership. This will be a
17 successor to the Animal Compassion Foundation. It
18 will include the animal welfare education, the
19 research, but also include the—this verified
20 labeling program so that you have the five-step
21 program within it.

22 And so right now what we're doing, and as
23 this global animal partnership is being finalized,
24 it'll be launched in early spring 2008, we're
25 completing a—an intensive re-review of all of the
26 five-step standards that Whole Foods Market has

1 already done with a--this--an independent task
2 force, again with animal welfare group
3 representatives, farmer representatives and
4 producer representatives, animal welfare
5 scientists and retailer. You know, quite frankly,
6 we're a retailer in there, but we have all of the
7 others. This is not our--we don't consider these
8 our standards anymore. These are out there.

9 And so what we're doing is working on
10 those right now. And as soon as they are all
11 completed--and we're getting quite close to that
12 and also the verification program and the
13 training, we're getting close on that too, but
14 once this foundation is launched in the early
15 spring of 2008, all of this will be on the web
16 site, all of the details on the standards will be
17 there. They will be by species. We think that's
18 very important because an animal isn't an animal
19 is an animal. Each one of them has their own
20 needs and it was extremely apparent as we've gone
21 through since 2003 on extremely detailed meetings
22 on these issues that you really have to go for it.

23 And quite frankly, both--these meetings
24 were open to both the conventional and organic
25 producers that Whole Foods Market has been dealing
26 with. And we see that animal welfare is important

1 for all. But we think, you know, here today just
2 saying, you know, there are some things that you
3 can explore and look at. You don't have to start
4 from scratch. There are some things that have
5 been third party reviewed globally throughout the
6 world. And we're really anxious to have you look
7 at the details as soon as we're ready to have them
8 launched, which like I said, the new foundation
9 will have them, you know, hopefully in early
10 spring.

11 Then on my last slide here, just again,
12 why the consideration on this. You know, we do
13 think it's consistent with core organic
14 principles. It emphasizes continual improvement
15 by rewarding a higher rating to producers who
16 improve their practices.

17 It's really important that, you know, we
18 don't know the whole story all of the time. And a
19 producer, you know, the incentive, then give them
20 the opportunity to get credit for that. I think
21 it's really important. And that also goes along
22 with the organic as we're continuing learning.
23 That's how the whole organic process is.

24 Greater transparency regarding the
25 treatment of farm animals, so consumers will know
26 how to really evaluate the meat that they eat, and

1 multi-stakeholder process, this has definitely
2 been a multi-stakeholder group process open for
3 any of the slings and arrows and suggestions and
4 everything. It's important and we went through
5 all of that.

6 Scale neutral, the—definitely scale
7 neutral, but there's certainly a good support for
8 small, local producers, especially when we get in
9 the higher tiers. Levels four and five are
10 probably easier for a smaller producer than for a
11 large.

12 It's a good extension of what's already
13 in the national organic standards. And it's also
14 consumer tested. When we've done that in UK and
15 we started with the lamb, chicken, beef, and pork,
16 that was already at step four. You know, it was
17 pretty amazing being able to do that. And they're
18 very stringent standards to boot, and then ducks
19 and veal even at step three.

20 So anyway, I again am very happy to be
21 able to be here today and to share and I look
22 forward to and we can give you even more detail on
23 it so that you can look at it and we'd be happy to
24 continue to work with you. And I know the new
25 foundation will be very thrilled for the
26 opportunity too because animal welfare's important

1 for all of us.

2 So thank you.

3 FEMALE VOICE: Thank you, Margaret. Dan
4 [phonetic]?

5 MR. GIACOMINI: Margaret, do you think
6 these kind of labeling programs are at risk at all
7 if there's any continued swell of—and carryover
8 from the recent milk labeling court decision?

9 MS. WITTENBERG: You know, these—when you
10 have very detailed regulations on a label where
11 people know exactly what they're getting and
12 you've got a really—a real high quality
13 verification and auditing program, I think this
14 is—just enhances opportunities for people to know
15 what they're getting and for producers to know
16 what they should be doing. And if you have the
17 verification program right, it can be verified
18 and, you know, done well.

19 So I think this is going to be a real
20 boon for organic to have people really understand.
21 What really frustrates consumers is not knowing.
22 They are forgiving if you say you know, here is
23 what we're doing. We're not where we want to be,
24 but, you know, this is where we are now. Much
25 better than if they find out the other way. It's
26 like, you know, we really thought you've been

1 doing something else and we're feeling like we've
2 been had. So I think what is great about these
3 standards is that they're very detailed. Here is
4 exactly what you're getting. And you know when
5 you're buying that meat. And you have a conscious
6 choice, whether it's organic or conventional meat,
7 you can say, you know, in our case, and we will be
8 having this in our retail stores, these five-step
9 standards, both organic and conventional meat will
10 have it labeled at a certain step so that our
11 consumers really know.

12 MR. GIACOMINI: But do you think that—do
13 you think there's going to be—the question,
14 though, is do you think there's going to be any
15 fallout and attack on these questions from the
16 more conventional feedlot part of the beef
17 industry, for instance, in light of the new—the
18 recent court decision on the milk labels where
19 they can't use no BST [phonetic]. They can't have
20 any of those kind of—there are certain areas of
21 the country where they can't use any of those kind
22 of statements anymore.

23 MS. WITTENBERG: Yeah. Well, we're—we do
24 see in—I think what you're getting at especially
25 is we're looking really at the production methods.
26 And, you know, rbST, it won't be allowed in these

1 standards. But what we're going to be doing is
2 really, you know, really focusing on, you know, if
3 you're talking about feedlots, exactly what does
4 that feedlot have to—the conditions for that
5 animal.

6 It's pretty much—it's pretty objective
7 information on this, things that you can actually
8 audit and look for. And I think that's the real
9 key here. If you've got a really good auditing
10 program, you need to have something you can really
11 audit to.

12 And the rbST, you know, that's a hard one
13 for—to really test for. And you have to really,
14 you know, kind of look at records, know what the
15 producer is doing and that type of thing. But
16 with the way that we have this program set up,
17 it's very specific on things that can be audited.

18 FEMALE VOICE: Hue first, and then Bea
19 [phonetic].

20 MR. KARREMAN: No, that's okay.

21 FEMALE VOICE: You going to pass? Bea?

22 MS. JAMES: I just want to thank you and
23 congratulate Whole Foods for taking on such an
24 initiative. I know it was probably a monumental
25 amount of work to try to come where you are today
26 and that if it is successful, it is really going

1 to benefit consumers and retailers. So thank you.

2 MS. WITTENBERG: Thanks Bea.

3 FEMALE VOICE: Board comments? Any more
4 board comments?

5 Thank you, Margaret.

6 MS. WITTENBERG: Okay. Thank you very
7 much.

8 FEMALE VOICE: Just a status for the
9 board, if we work really hard and we get through
10 these as -

11 [Crosstalk]

12 MALE VOICE: - dinner?

13 FEMALE VOICE: - as quickly as possible,
14 we'll be done around 8 o'clock. We are that far
15 behind already. So again, you know, I'm not—I
16 don't want to stop anybody from having any
17 questions, but just know that we're right now very
18 much behind.

19 MALE VOICE: [Inaudible].

20 FEMALE VOICE: Our first commenter is Jim
21 Pierce [phonetic]. Are you here, Jim? On deck,
22 Tom Hutchison. Tom? There he is.

23 MR. JIM PIERCE: Eight o'clock, huh?

24 Are we ready? Okay. Excuse me. Okay,
25 for the record, again, I am Jim Pierce, self-
26 appointed certification czar at CROPP Cooperative

1 representing over 1200 member farmers in 28 states
2 who market under the Organic Valley and Organic
3 Prairie brands.

4 This year, we accomplished two things
5 noteworthy to the NOSB. In the six weeks leading
6 up to June 9th, 2007, what we like to refer to as
7 H-day, we brought in just over 2500 dairy farms
8 into the co-op as we wistfully watched the sunset
9 on 8020 [phonetic].

10 Second, maybe more noteworthy, we
11 conducted an internal audit on every one of our
12 nearly 900 dairy farms to assess compliance to the
13 NOSB 120-day, 30% pasture recommendation, which
14 has been adopted as co-op policy.

15 In a nutshell, it can be done and it is
16 being done and it can be measured.

17 With the logjam of 606 get-'er-done lists
18 barely behind you, it's exciting to see this
19 diverse agenda, so many things to comment on and
20 yet so many good people here to tall you what they
21 think and tell you what you should think.

22 My comments will be limited primarily to
23 materials. These comments have, by the way, been
24 carefully vetted, scrutinized, and censored by and
25 so are indeed the position of CROPP Cooperative.

26 I begin with a cooperative confession.

1 We have use issues. Of the seven processing
2 materials being reviewed for re-inclusion, we used
3 three. We use animal enzymes to make award
4 winning cheddar cheeses and Italian cheese. We
5 use carrageenan as a stabilizer in chocolate milk.
6 And since we're bearing our souls here, let it be
7 known that in 2000, we actually petitioned
8 [phonetic] cellulose for use as hot dog casings as
9 and as a flow agent for shredded cheese.

10 Since its addition to the national list,
11 we have tried, really tried to kick the cellulose
12 habit. And, in fact, to a large degree we have.
13 Since cellulose is synthetic and since it has to
14 be labeled and since we strive for clean
15 formulation in labeling, it's clearly in our best
16 interests to do without. In fact, many of our
17 shredded cheeses are dry enough that they don't
18 need or contain cellulose. And the mantra for the
19 rest of the shreds is as-needed.

20 Please forgive us along with so many
21 others for missing the opportunity to endorse
22 these seven materials early on. We encourage you
23 to approve all seven processing materials, as well
24 as the five crop materials for reinstatement to
25 the national list.

26 Of equal or greater importance is the

1 pending approval or rejections of three crop
2 materials. Time for another confession—I read all
3 of the petitions, TAPs, and recommendations. And
4 I enjoy it. I know it's serious geekisms, but I
5 can't help myself. I'm hooked.

6 The crops committee is recommending the
7 rejection of all three of the materials being
8 reviewed at this meeting. But I don't see it
9 quite as—quite that cut and dry. I see all three
10 of these materials as having uses that are
11 compatible with a system of organic farming.

12 Potassium silicate in particular I see as
13 a material that was endorsed by a previous NOSB
14 board and one which could be used instead of
15 copper and sulfur products.

16 As a standards conservative and a
17 materials liberal, I would remind you that the
18 toolbox for organic farmers is severely limited,
19 as it should be. I would also remind you,
20 however, that when it comes to adding materials to
21 the national list, this committee has a persistent
22 history of making decisions not always based on
23 reason, let alone science.

24 Your clear mandate as NOSB members is to
25 review materials. My request is that you read the
26 petition and TAP carefully, challenge the

1 committee recommendations, and then make your own
2 decision.

3 If the committee convinces you of their
4 position, by all means, vote to prohibit. But if
5 not, please have the courage to overturn that
6 decision.

7 In the minute I have left, I would like
8 to deliver a message from our farmers to the NOP
9 [phonetic]. Keep in mind, this was written last
10 night.

11 Please, please publish the 12 livestock
12 materials that were included, including the
13 troubled six, and please, please publish the
14 pasture rule.

15 The timely publication of the pasture
16 rule have parried a tremendous amount of largely
17 unnecessary damage to the organic—to the integrity
18 of the organic label, saving everyone, including
19 yourselves, unnecessary pain and stress and it's
20 clearly prohibited in 205.238(a)(5) [phonetic].

21 With the delay of the livestock
22 materials, it is important that you realize that
23 you are unfortunately responsible for unnecessary
24 pain and suffering of organic livestock. Even the
25 best, most humane organic animal husbands are not
26 doing the best they can because they can not reach

1 for butorphanol, xylazine, or flunixin, materials
2 that were determined five years ago to be
3 compatible with a system of organic farming.

4 Good and hardworking NOSB board members,
5 please make it your issue, your passion, dare I
6 say, even your addiction to keep pressure on our
7 fine appointed public servants to move your work
8 through to our farms.

9 Thank you.

10 FEMALE VOICE: Thank you, Jim.

11 MR. PIERCE: Okay, questions?

12 FEMALE VOICE: Questions for Jim? Julie
13 [phonetic]?

14 MS. WEISMAN: Could you specify what—you
15 mentioned seven materials. Three of them you use,
16 but you were endorsing the approval of seven
17 handling materials. And six of them I can figure
18 out, but I'm not—could you specify what all seven
19 are?

20 MR. PIERCE: They're all listed in the
21 agenda, so I'm not sure if I -

22 MS. WEISMAN: [Interposing] Mm-hm, okay.

23 MR. PIERCE: - can recite them the same.

24 MS. WEISMAN: Were you including
25 petitioned material?

26 MR. PIERCE: I was including the—I was

1 referring simply to the sunset materials.

2 MS. WEISMAN: Only to sunset.

3 MR. PIERCE: Because that was an issue -

4 MS. WEISMAN: [Interposing] Right.

5 MR. PIERCE: - with the processing
6 committee that they simply had not had any -

7 MS. WEISMAN: [Interposing] Yes.

8 MR. PIERCE: - any feedback, so there's
9 ours.

10 MS. WEISMAN: [Inaudible].

11 FEMALE VOICE: Thank you, Jim.

12 MR. PIERCE: All right, thank you.

13 FEMALE VOICE: Any others? Thank you
14 very much. Tom Hutchison? And then on deck I
15 have DeEtta Bileck. Are you here? Okay. How
16 about Alex Moreno [phonetic]?

17 MR. TOM HUTCHISON: Good afternoon,
18 everyone. My name's Tom Hutchison. And I am the
19 regulatory and policy manager of the Organic Trade
20 Association.

21 First, I'd like to thank the board for
22 its extremely hard work in generating and covering
23 all of these agenda items and extend
24 congratulations for a successful and informative
25 aquaculture symposium yesterday. We look forward
26 to continued progress on a broader aquaculture

1 standard and we support the recommendation on
2 bivalve mollusks.

3 Hope you've all had a chance to look at
4 OTA's comment on the recommendation on multi-
5 operation certification, which we submitted
6 through regulations.gov and which I'll review in a
7 moment.

8 We also have a detailed comment on the
9 definition of materials, plus shorter comments on
10 a number of other agenda items. Please refer to
11 the handout for the specific comments.

12 Regarding the recommendation on multi-
13 operation certification, we believe that our
14 comment addresses the root problem that gave rise
15 to this agenda item, which is the logistical
16 problem of how grower groups meet the inspection
17 requirements of the rule.

18 We provide a framework that addresses the
19 agricultural segment and emphasizes a single
20 organic system plan with a single internal quality
21 system, a definition of production unit that
22 defines the focus of the annual inspection, and we
23 call for the development of detailed inspection
24 protocols.

25 The following are specific
26 recommendations. One, the agricultural group must

1 be organized as a single legal business entity,
2 such as an association or a cooperative, and our
3 use of the terms does not mean that they are
4 legally defined as under US law.

5 Each agricultural production unit must be
6 inspected as part of the required annual onsite
7 inspection under the NOP. Plots or subunits
8 within an agricultural production unit must be
9 within geographic proximity, but need not be
10 contiguous.

11 Individual members may be split or
12 parallel operations, including plots intended for
13 self-provisioning. However, if prohibited
14 substances are used on any portion of that
15 operation that adjoins an organically managed
16 plot, that portion should be considered a higher
17 risk for loss of organic integrity and factored
18 into the choice of subunits to be included in the
19 organic inspection.

20 And lastly, only products marketed
21 through the certified group operation may be
22 represented as organically produced.

23 For more detail, please look at the full
24 document provided in the handout.

25 Again, OTA has chosen to address only the
26 original segment of concern to the NOP and NOSB

1 and we hope our comment set a template for
2 consideration by the board.

3 Regarding the definition of materials, we
4 appreciate the thoughtful consideration given by
5 the joint materials and handling committee to
6 these complex issues.

7 We disagree that an agricultural
8 substance can be processed to a point at which its
9 agricultural nature ceases to exist. We support a
10 broad definition of consumption as used in OFPA's
11 definition of agricultural products, to include
12 personal care products, fiber, etc.

13 Regarding the definition of non-
14 agricultural substance in the final rule, we
15 support either ending the definition after the
16 word mineral or perhaps substituting the phrase
17 mineral derived substance for bacterial cultures
18 and ending the definition there.\

19 We agree that the concept of
20 unrecognizable substances is not useful. And we
21 appreciate the effort to develop a different model
22 for classifying substances, but believe that the
23 new paradigm does not go far enough. And we
24 disagree that some life may not be agricultural,
25 especially if it is ecologically managed.

26 On other matters, OTA supports the

1 research recommendations, believes that any
2 substances being considered for sunset review be
3 approved to remain on the list absent any new
4 evidence for removing it, supports standard
5 certification information as recommended, urges
6 the handling committee to move the Pet Food Task
7 Force report forward for recommendation by the
8 full board, and supports the proposed guidance on
9 commercial availability, noting that recommending
10 approval of a substance should not require
11 documentation of its current commercial
12 availability.

13 Thank you very much for your
14 consideration.

15 FEMALE VOICE: Thank you, Tom. Is there
16 questions for Tom? Tracy?

17 MS. MIEDEMA: Just one quick comment.
18 I'd like to publicly thank you, Tom, and the OTA
19 for convening the task force that produced this
20 excellent body of work and also publicly thank Kim
21 Dietz [phonetic] and Grace Gershuni [phonetic] for
22 their leadership of this group. It was quite a
23 large task force. It was one of many groups
24 weighing in on this issue under quite a bit of
25 time sensitivity. And I know many of you came to
26 this meeting expecting a vote on a recommendation.

1 And as we have found, we're much more at the
2 beginning of this question that at the end. And I
3 just wanted to thank you.

4 FEMALE VOICE: Any further comments or
5 questions for Tom? All right. Thank you, Tom.
6 Next up is Alex Moreno. Are you...

7 MS. DEETTA BILEK: No, I'm not Alex. But
8 DeEtta Bilek. I'm the president -

9 FEMALE VOICE: [Interposing] Oh, you did.

10 MS. BILEK: - of OCA International. And
11 Alex has folders to pass out to the board.

12 FEMALE VOICE: Okay. Now are you—I just
13 need to make it clear because I've got both of you
14 listed. Are you both giving five-minute comment?

15 MS. BILEK: If we can and if we can do it
16 together, that -

17 FEMALE VOICE: [Interposing] Do you want
18 ten minutes for the two of you?

19 MS. BILEK: Total, right.

20 FEMALE VOICE: Thank you.

21 MS. BILEK: And I'm thinking I'll take
22 less than five.

23 FEMALE VOICE: Okay. And then I need
24 Michael Sly [phonetic] on deck. Michael, are you
25 here? Okay. You're on deck. Thank you. Start
26 at your leisure.

1 MS. BILEK: Okay. I've been on the
2 international board for this is my second year.
3 It's my first year as the president. I'm from
4 Minnesota. In your packet that Alex has just
5 passed out, I'd kind of like to run through the
6 material that's in there.

7 FEMALE VOICE: [Inaudible].

8 MS. BILEK: Spell my first name?

9 FEMALE VOICE: Yes, your full name for
10 the court reporter.

11 MS. BILEK: Okay, spell it?

12 FEMALE VOICE: Yes.

13 MS. BILEK: My first name is D-e and a
14 capital E-t-t-a, Bilek, B as in boy, i-l-e-k.
15 Okay?

16 FEMALE VOICE: Thank you.

17 MS. BILEK: Thank you. The first item is
18 a letter, which I will read at the end. And in
19 the folder, we have our membership brochure and
20 two sheets of information about OCIA. We're one
21 of the world's first, largest, and most trusted
22 leaders in organic certification. And we are
23 talking about the community grower group topic
24 today. We're—community grower groups in our
25 organization consisting of approximately 30,000
26 farmers, so it is an important topic for us.

1 In the opposite side toward the back is
2 our most recent newsletter, the Communicator and
3 then some of the points on community grower groups
4 and how they can operate from our perspective.
5 Those two pieces Alex will speak to. The photo is
6 an example of a community grower group that's
7 becoming very successful. It's actually a group
8 of women in Mexico.

9 And if I may read the letter, I'll start
10 at-by thanking the board for giving us this
11 opportunity to be in front of you on the NOSB
12 recommendation for certification for multi-site
13 operations on the-under the National Organic
14 Program.

15 OCIA and group certification, small
16 holder farmers are important as it has been
17 estimated that they contribute up to 70% of
18 organic products imported to countries in the
19 Northern Hemisphere. As an example, most products
20 containing organic sugar would not be available
21 without small farmers who produce sugarcane. The
22 same could be said about coffee, bananas,
23 chocolate, pineapple, etc.

24 For decades, based on IFOAM's criteria
25 and its own experience, OCIA has successfully
26 certified grower groups in developing countries

1 under social and cultural conditions very
2 different from conditions in the USA.

3 These organized groups of growers comply
4 with NOP certification standards and from the
5 compliance perspective have earned their
6 eligibility for certification.

7 However, cultural barriers, language,
8 geography, sorry, reduced production volumes, and
9 their very scarce financial resources limit their
10 access to certification.

11 Then group certification reduced the cost
12 of certification, opening a window of opportunity
13 for them to access world markets and obtain a
14 better price for their products.

15 The OCIA group certification policy is
16 attached to this letter as a referred to in the
17 folder. Understanding the social considerations
18 behind group certification, this policy uses
19 annual gross organic sales to determine the
20 inspection scheme.

21 Any individual grower making \$5,000 for
22 two consecutive years is inspected annually.
23 Growers making \$50,000 or more per year in
24 processing facilities are inspected annually.

25 Group certification has been used for
26 decades as a way of opening market opportunities

1 to disadvantaged communities. However, OCIA
2 recognizes that as a certifier, we have
3 obligations with producers and with consumers and
4 that even healthy social motivation can not be a
5 substitute for compliance with the standards. The
6 good intentions of consumers choosing organic
7 product should not be betrayed and the role of the
8 certifier is key here. Our actions and decisions
9 should be transparent to prevent the development
10 of consumer cynicism and doubt about the organic
11 claim.

12 OCIA and group certification, OCIA does
13 not support the NOSB Certification, Accreditation,
14 & Compliance Committee recommendation for
15 certifying operations with multiple production
16 units, sites, and facilities.

17 We request that NOSB reject the current
18 CAC recommendation and consider developing a new
19 recommendation that is limited to addressing the
20 unique certification issues inherent to grower
21 group certification.

22 OCIA essentially agrees with the
23 suggested revisions by the Accredited Certifiers
24 Association, ACA, to the 2002 NOSB recommendation
25 for certification of grower groups.

26 Ideas presented by ACA could serve as a

1 basis for a new recommendation addressing grower
2 group certification. OCIA's observations to ACA's
3 comments to the 2002 NOSB recommendation for
4 certification of grower groups are attached in
5 Attachment 2 and again they're in the folder.

6 I'm on number 2. I'm not sure how my
7 time is doing.

8 Given the continued increase of
9 international trade and the just aspirations of
10 small holder farmers in developing countries, OCIA
11 believes the NOP needs to continue developing
12 regulations for group certification. OCIA
13 believes the NOP needs—I just read that.

14 These regulations will strengthen the NOP
15 and are necessary for determining compliance with
16 the standards in order to ensure the integrity of
17 the USDA organic label worldwide.

18 OCIA recommends that the NOP consider the
19 creation of a specific area of accreditation for
20 group certification. We believe that this will
21 provide the organic sector guidance to ensure the
22 group certification—ensure that group
23 certification follows consistent procedures,
24 strengthening the confidence of consumers on
25 organic products. This will also ensure that
26 certification agencies are evaluated according to

1 uniform criteria during the accreditation review
2 of their programs.

3 FEMALE VOICE: DeEtta?

4 MS. BILEK: Yes?

5 FEMALE VOICE: You only have 3.5 minutes
6 left of the ten.

7 MALE VOICE: Total.

8 MS. BILEK: Total? Okay. I'll stop
9 there and then give Alex the rest of the time and
10 questions whenever he's finished. Thank you.

11 [Inaudible] you want to continue reading
12 or not?

13 MR. ALEX MORENA: Yeah. OCIA considers
14 that a central body called internal control
15 system, ICS, management system or quality system
16 is essential to group certification. Therefore
17 criteria needs to be developed to determine its
18 functionality, sufficient qualification of the
19 staff, and prevention of conflict of interest.

20 And I'm really willing to take any
21 questions that you may have about our experience
22 with certification of groups.

23 FEMALE VOICE: Does the board have
24 questions? We have no questions at this time, but
25 this is an open item. We're—it's a discussion
26 item for here, for this meeting, so at some point

1 in the future, we may have questions. And Tracy
2 has outreached already through OTA and the
3 outreach will continue I would take it. Tracy?

4 MS. MIEDEMA: This item will remain on
5 the CAC committee agenda going forward. And it
6 would be wonderful if you would stay with us and
7 leave your contact information and participate in
8 the dialogue.

9 MR. MORENA: Sure. We were—we are more
10 than willing to help doing whatever to continue
11 with this certification.

12 MS. MIEDEMA: Thank you.

13 MS. BILEK: And thank you again for your
14 time.

15 FEMALE VOICE: Thank you.

16 MR. MORNENA: Thank you.

17 FEMALE VOICE: So up is Michael Sly. And
18 Gary Lean [phonetic]? Gary, are you here? Where?

19 MALE VOICE: He's right -

20 FEMALE VOICE: [Interposing] You're on
21 deck.

22 MR. MICHAEL SLY: Good afternoon. I am
23 Michael Sly with the Rural Advancement Foundation
24 International, RAFI USA. We're a nonprofit,
25 nongovernmental foundation dedicated to equity,
26 justice, sustainability, and diversity in

1 agriculture. We work both domestically and
2 internationally on the issues and opportunities
3 and challenges related to family-size agriculture.

4 I'm—I have come here today to also talk
5 about the issue of grower group certification.
6 And certainly I want to add my thanks to you as
7 well as a former NOSB alumni myself to the
8 dedication, the hard work that you have to put
9 forward to get this job done. And I know well the
10 personal and business sacrifices that you must do
11 to accept this call to duty.

12 I think it's quite important that we
13 focus in on this issue of grower group. And I
14 have six quick points that I'd like to bring to
15 your attention.

16 And the first one is that I think it's
17 quite important that we return to the original
18 NOSB currently approved position as the basis for
19 the dialogue. I think that we are going to make
20 our task far more complicated and confusing if we
21 bring in the issues of processors and retailers
22 into a historic grower group issue at this time.

23 So I think if those issues need to be
24 addressed, they should find a separate time and a
25 separate place. They have their own importance
26 and I well respect that. But I think if we return

1 to the existing position, it will give us a
2 clearer focus as a way to move forward on the
3 exact issue.

4 Secondly, I strongly urge you not to
5 reinvent the wheel. As you well know, there are
6 many, many organizations and organic stakeholders
7 around the world who have worked very hard on
8 continuous quality improvement in the grower group
9 certification system. The International Organic
10 Accreditation Service, many of the certifiers that
11 you'll hear from here today, and the grower groups
12 themselves have enormous expertise. And I
13 strongly urge you to engage all of these in a
14 dialogue about how to move forward on this very
15 important issue.

16 I think the—some of the model of the fish
17 debate and the pasture debate could play out here
18 on the grower group debate as well and that we
19 would support a broad-based working group that is
20 transparent and accessible that could help to
21 develop and shape this direction and
22 recommendations.

23 Thirdly, we don't want to lose sight that
24 this is about small farmers in locally-based
25 cooperative controlled groups and associations.
26 And we have to remember where this model came from

1 and that why it was developed and that the grower
2 group certification system predates the NOP,
3 coming out of Latin America in the early eighties
4 as a way for very, very low resource farmers to
5 market cooperatively and to get access to new
6 markets that they could not otherwise achieve.

7 This is a value-added farmer empowerment
8 and rural economic development system with a
9 proven track record that has demonstrated its
10 commitment to continuous quality improvement.

11 This certification is recognized in
12 Europe and by the FAO.

13 Fourthly, I urge us not to do harm. That
14 should be our first duty is to do no harm to these
15 vulnerable farmers and to continues to work to
16 find ways to quality improve.

17 Fifthly, we urge that you adopt specific
18 criteria for grower groups and that the scope be
19 identified for grower groups as it relates to this
20 for certifiers. This would very much help and
21 this should be tied to the continuing work of the
22 department in developing an accreditation manual.

23 And finally, we support the comments that
24 were submitted by the National Organic Coalition.
25 As a founder of this coalition, we support those
26 very detailed and considered technical

1 considerations.

2 Thank you very much.

3 FEMALE VOICE: Thank you, Michael. Any
4 questions?

5 MR. SLY: Thank you.

6 FEMALE VOICE: Thank you very much. Gary
7 Lean, you're up with Katherine Cash [phonetic] on
8 deck. Katherine, are you here?

9 MALE VOICE: Yes, she is.

10 MS. KATHERINE CASH: Yes.

11 FEMALE VOICE: Great.

12 MR. GARY LEAN: Thank you. There's a
13 handout going around. Just like to introduce
14 myself. This is Gary Lean from Cameron, Ontario.
15 I'm currently chair of the IOIA board. And this
16 is Katherine Cash, a member of the board of
17 directors of IOIA as well. We'll try to keep our
18 presentation relatively short if at all possible

19 Just as a way-by way of background, I
20 come as a professional agrolologist and have 20
21 years of experience as an organic inspector. And
22 the paper I read is not my authorship, but rather
23 an outcome from an ad-hoc committee that we'll
24 talk about. Katherine will follow with a brief
25 personal perspective.

26 I want to thank the NOSB for this

1 opportunity to present this position paper. Our
2 goal is to be part of a participative process
3 working towards solutions, policies, and
4 procedures that help to build and maintain
5 integrity in the organic food system.

6 Two IOIA members need special recognition
7 for their contribution to the IOIA ad-hoc
8 committee. They would be Masuare Gumiere
9 [phonetic] from Nepal, the board liaison to the
10 committee, and IOIA immediate past chair Luis
11 Brenes from Costa Rica who chaired this committee.

12 Masuare and Luis have extensive
13 experience with CGG [phonetic] inspection in their
14 relative areas.

15 So why is IOIA commenting on this
16 position? In terms of history, most of you'll
17 know, but for those of you who don't, we're a
18 association of inspectors that inspect crop,
19 livestock, and processors. And we were founded in
20 1991 by organic inspectors who recognized the need
21 for uniform inspector process and protocols to
22 build inspector skills and promote public
23 confidence.

24 The mission of IOIA, part of it is to
25 promote integrity and consistency in the organic
26 certification process. We have more than 400

1 members in over 16 countries worldwide. And we
2 consider I guess that we're the largest, most
3 diverse and representative organization for
4 organic inspectors in the world.

5 In our code of ethics and in our code of
6 conduct, you'll find among other statements that
7 inspectors support and encourage the development,
8 implementation, and advancement of organic
9 agriculture and also that inspectors should be
10 sensitive to social, political, and environmental
11 variables of their region when inspecting.

12 IOIA believes it can provide objective
13 and credible comments given its respected role and
14 lengthy experience in the organic sector. And we
15 are commenting in order to contribute in a
16 positive way to the discussion.

17 Organic production in developing
18 countries often rests in the hands of organized
19 small scale growers, i.e., community grower
20 groups. And this occurrence is a social and a
21 cultural reality arising not from the creation of
22 standards, but rather from deeply rooted
23 traditional agricultural practices in these
24 regions.

25 Thus since the beginning of organic
26 certification—and this is an echo of the previous

1 speaker—that is not only the need to guarantee
2 organic integrity, but also the need to adapt the
3 certification procedure to such social cultural
4 reality.

5 After years of refinement, there existed
6 a audit techniques based on risk assessment that
7 can reliably identify possible non-compliances.
8 They are based on a two tiered system, an internal
9 control system and an external third part
10 inspection.

11 This is very similar to a quality-based
12 system audit or to an organic food processing
13 audit where the organic inspector is not present
14 to audit every organic run as we understand is now
15 the trend in other sectors of the food industry,
16 like USDA meat inspection or APHA [phonetic]
17 citrus handling.

18 Instead, the organic inspector reviews
19 the management system, checks written internal
20 procedures and records, and verifies these with
21 sample audits.

22 For more than a decade now, IOIA
23 inspectors have witnessed the development and
24 refinement of internal control systems within
25 community grower groups. The IFOAM/IOIA
26 International Organic Inspection Manual of

1 December 2000, Pages 121 to 125, includes a
2 chapter on how to inspect community grower groups.
3 This chapter was based on an earlier printing of
4 the IOIA Inspection Manual, number 2, in 1998.

5 The written material greatly influenced
6 the Criteria for Certification Of Grower Groups,
7 NOSB 2002, and is cited literally as a guideline
8 for an inspection protocol.

9 Before NOP final rule and to date, five
10 years after its implementation, many American and
11 foreign USDA-accredited certifiers have inspected
12 and certified community grower groups based on an
13 internal control system evaluation.

14 These certifiers have publicly written
15 policies, procedures, or guidelines. In most
16 situations, these documents not only follow the
17 2002 recommendation, but actually improve upon it.

18 As one example, and it's just-as it was
19 just mentioned, the Organic Crop Improvement
20 Association has attached their CGG certification
21 policy to its comments.

22 We are willing to contribute and provide
23 perspective for these discussions as an
24 independent organization. And we trust that our
25 experience as inspectors, being the eyes, ears,
26 and nose of the certifiers, that in most

1 situations, we are the only ones actually visiting
2 the production units and sites where growers
3 groups carry on their activities.

4 While on-site, inspectors are not
5 representing the interests of the growers, nor the
6 buyers, nor the extension agents. We're acting as
7 third party independent professionals as outlined
8 in federal regulation and ISO 65.

9 FEMALE VOICE: Gary, your time has
10 expired.

11 MR. LEAN: Okay. Then I'll just finish
12 up. Inspectors [inaudible] objectivity as a
13 professional practice. We would like to recognize
14 that our—the work put into the papers submitted
15 from the Organic Trade Association, IFOAM, ACA,
16 and NASOP and have all submitted public comments.
17 And we see that there's a high level of agreement
18 and few differences.

19 FEMALE VOICE: Thank you, Gary.

20 MR. LEAN: [Inaudible].

21 FEMALE VOICE: Okay.

22 FEMALE VOICE: Is there any questions for
23 Gary?

24 MR. LEAN: I just would like Katherine to
25 carry on [inaudible].

26 FEMALE VOICE: We'll give her five

1 minutes. So let's just -

2 MS. KATHERINE CASH: [Interposing]

3 [Inaudible] going to need a couple.

4 FEMALE VOICE: You're only going to-
5 that's music to our ears.

6 [Crosstalk]

7 FEMALE VOICE: Any questions for Gary
8 before? Okay. Go ahead, Katherine. On deck I
9 have Katherine DeMateo. Katherine, are you
10 around? Do I see you?

11 FEMALE VOICE: [Inaudible].

12 FEMALE VOICE: Is Katherine DeMateo in
13 the room?

14 [Crosstalk]

15 FEMALE VOICE: Oh, okay. Thank you.

16 MALE VOICE: She's so small [inaudible].

17 MS. CASH: As Gary said, I'm here today
18 to kind of speak on a personal front. I'm
19 speaking as an organic inspector. And I can say
20 I've witnessed what happens when organic farmer
21 groups are allowed to develop internal self
22 control systems.

23 Often the end results seems to be and
24 often to the surprise of the inspector a well
25 oiled and organized machine with comprehensive
26 farm plans, well functioning recordkeeping

1 systems, and in the end, audit trails that would
2 make your grandmother do cartwheels if she
3 happened to be an inspector.

4 So what I'm saying is that it's a system
5 that works, at least from what I've seen. And
6 it's a good option for farmers whose survival as
7 farmers depends on the flexibility that grower
8 group certifications afford.

9 Organics is growing. And you don't need
10 me to tell you that. But unfortunately at the
11 same time, the demand for organic products is
12 increasing, we are losing farms at an alarming
13 rate. The caveat is that at least in Virginia,
14 studies show the numbers of very small farms are
15 on the increase. And the surveys show that these
16 small farms are mostly tiny mom-and-pop
17 operations, sometimes out in the remote areas of
18 the state, sometimes in places where no sane
19 agribusiness consultant would ever even consider
20 suggesting a farmer even think about trying to
21 scratch out an existence on the land.

22 I'm talking coal country, tobacco
23 country. These farms are joined by other farms
24 that are facing their own challenges, challenges
25 from encroaching development, from land prices
26 that make selling out look a lot more appealing

1 than hanging on. The least we can do for these
2 people is to continue the practice of a system
3 that's already working, growers group
4 certifications, albeit with some tweaks that Gary
5 mentioned earlier.

6 In Virginia, we do see growers groups as
7 a practical, viable options for small farming
8 operations. We have several groups of Amish and
9 Mennonite farmers who work together, often farm
10 together, share equipment, loads of organic grain
11 and the like. Working together means they can
12 farm. The avenues open to them by virtual of
13 growers group certifications can not be taken
14 lightly.

15 We also have a group of farmers
16 referenced earlier down in tobacco country down in
17 Southwest Virginia. They sell to the same
18 markets. They use the same types of inputs. They
19 pack in the same packing house. And they all ship
20 product together. They are organized, diligent,
21 and earnest about what they do. They're committed
22 to farming with integrity and they depend on the
23 growers group certification system as part of the
24 mechanism that gets their products to the table.

25 The public wants small, local, and
26 organic farm products. Now is not the time to

1 make things even more complicated. The time is
2 right for us to fine-tune growers group
3 certification protocol and simply refine what is
4 already a functioning system.

5 The end result will be that many -

6 [END MZ005013]

7 [START MZ005014]

8 MS. CASH: - small, organic farmers will
9 be free to do what they do best, and that is quite
10 simply to farm.

11 And I thank you.

12 FEMALE VOICE: Okay. Thank you,
13 Katherine. Do we have any questions from the
14 board? Thank you very much. Up is Katherine
15 DeMateo? On deck is Leanna Hoods [phonetic].
16 Leanna? Are you here?

17 MS. KATHERINE DEMATEO: Thank you very
18 much. My name is Katherine -

19 FEMALE VOICE: [Interposing] Oh, hold on,
20 hold on. Hold on, Katherine. Katherine, I've
21 just got to get somebody on deck. Is Leanna here?

22 [Crosstalk]

23 FEMALE VOICE: She's not in the room,
24 though. Why don't we go with Kimberly [phonetic]

25 -

26 [Crosstalk]

1 FEMALE VOICE: Oh. Leanna, you're on
2 deck. You just made it.

3 MS. DEMATEO: All right. thank you. My
4 name is Katherine DeMateo or DeMateo depending on
5 which part of the world you come from.

6 I am a senior associate at Wolf
7 [phonetic] DeMateo and Associates. We're a
8 consulting firm based in Virginia and
9 Massachusetts. I am also a World Board member of
10 the International Federation of Organic
11 Agriculture Movements. And for transparency and
12 making sure that everyone understands where I--what
13 hat I'm wearing right now, I am wearing the hat as
14 a paid consultant representing IFOAM, the
15 International Federation of Organic Agriculture
16 Movements.

17 We were engaged to help them track the
18 process on this group certification issue and to
19 lend our expertise and comments. So I am
20 representing their opinions, but as a paid
21 consultant.

22 And I want to thank the NOSB for taking
23 this issue up and trying to advance the 2002
24 recommendation. I want to thank the NOP for
25 allowing the 2002 recommendation of the NOSB to be
26 used as guidance in this interim process. It's

1 very important as you've heard from the other
2 people who have testified that grower groups and
3 group certification is an integral part of what is
4 happening today in organic agriculture movements
5 and in the industry worldwide.

6 I want to also state that IFOAM, we are a
7 worldwide organization representing 770 members in
8 108 countries. And as you may know, organic
9 agriculture is being practices in 120 countries
10 around the world.

11 We are not here as the voice of Europe.
12 We are not trying to impose a European viewpoint
13 on the United States or on the NOP or the National
14 Organic Standards Board.

15 That may—that is an assumption about
16 IFOAM that I want to just make public, that we are
17 an international organization. There is many
18 members of IFOAM in this room today. They are
19 based throughout the world. And our opinions come
20 from that.

21 We are also recognized as a standard-
22 setting organization by the International
23 Standards Organization. So we have a lot of
24 expertise behind us.

25 And our written comments have been posted
26 and I hope that you have them in your booklets. I

1 didn't re-do them for you.

2 I will just try and hit the highlights.
3 I think you've heard already that there is large
4 agreement among the groups that have testified.
5 And I am pleased that this is now a discussion
6 recommendation as opposed to one that will have a
7 decision today.

8 And I do hope that IFOAM's suggestion and
9 others that a working group perhaps be put
10 together of those with expertise in this area, and
11 as you can see that there's a number of groups
12 that have offered very good and specific comments
13 that if we could come together, we could help you
14 develop a recommendation that would meet
15 everyone's needs.

16 The group certification system is based
17 on sound accreditation, inspection, and
18 certification norms that are recognized by ISO,
19 the International Standards Organization.

20 We do also suggest and agree with other
21 presenters today that there should be a category
22 in your accreditation for group certification
23 because it does require—the system needs to work
24 from the top down and the bottom up. It's not a—
25 just about the growers or other groups doing this
26 correctly. It's about the whole system working as

1 it should and having its checks and balances from
2 accreditation through certification down to the
3 production and handling.

4 Of course, IFOAM's past comments on—and
5 papers and manuals on group certification were
6 based for grower groups in developing countries.
7 IFOAM has advanced our position and we now do see
8 the possibility and the scope of group
9 certification to include different size and types
10 of organizations.

11 So I think I will end there. And I—and
12 we are available to help. Thank you.

13 FEMALE VOICE: Thank you, Katherine. And
14 your comments are in our books, so we do have
15 them. And definitely have paid attention to those
16 comments.

17 Tracy?

18 MS. MIEDEMA: Thanks Katherine. And I'm
19 glad to hear you're getting paid because you've
20 done an enormous amount of work on this issue.

21 Katherine has been an enormous—just a
22 tremendous resource with her historical
23 perspective on this issue to the Certification,
24 Accreditation, & Compliance Committee as we took
25 up this issue in May and have worked on it for the
26 past three or four months.

1 And, you know, there's a couple key
2 questions that I would love to have more feedback
3 from IFOAM and other stakeholder groups. And that
4 is, you know, the construct of the ICS has come up
5 in nearly every comment on this issue so far and I
6 expect it will continue. And if we can just
7 explore further what are the limitations of this
8 construct, what are the benefits? We know that
9 it's being used in-throughout the supply chain,
10 throughout the organic supply chain, hence
11 multiple production unit sites and facilities.
12 And, you know, just trying to understand why it
13 may work under one sector of the organic industry
14 and not for others.

15 And I guess I want to set aside the
16 argument of well, it makes the issue more complex.
17 That's a given. But what are the limitations of
18 the ICS in that it can't be truly embraced in
19 these other sectors?

20 MS. DEMATEO: Well, I don't know that you
21 really want me to answer that question right now.

22 But IFOAM does recognize that it can be.
23 It-the basic principles of an internal control
24 system or an internal quality system should be
25 able to work regardless of the operation. That's
26 its purpose. It's purpose is to have internal

1 controls that are functional and that then can be
2 audited during an inspection process. Because
3 inspection's not just about observing what's
4 happening, but it's also auditing the paperwork
5 and the control systems that happen, whether
6 that's in a grower group situation or on an
7 individual farm or in a handling facility.

8 So we believe that it, you know, it can
9 be applied.

10 MS. MIEDEMA: Thank you for that. I
11 don't expect we're going to come up with a
12 solution here on the spot either. It's an open-
13 ended question and I appreciate you taking a stab
14 at it.

15 MS. DEMATEO: Well, thank you.

16 FEMALE VOICE: Other comments from the
17 board? Thank you, Katherine.

18 MS. DEMATEO: All right.

19 FEMALE VOICE: Up is Leanna Hoods with
20 Kimberly Easson on deck? Kimberly?

21 MS. LEANNA HOODS: Good afternoon, all.
22 I'm Leanna Hoods. And today I am representing the
23 National Organic Coalition. The National Organic
24 Coalition is a national alliance of organizations
25 representing farmers, environmentalists, other
26 organic industry members and consumers concerned

1 about the integrity of national organic standards.

2 The goal of the coalition is to assure
3 that organic integrity is maintained, that
4 consumers' confidence is preserved, and that
5 policies are fair, equitable, and encourage
6 diversity of participation and access.

7 You all have the National Organic
8 Coalition comments on growers group-grower groups.
9 I'll recap a few of the points in a minute. I did
10 want to bullet some other items.

11 First kudos to the Aquaculture Working
12 Group. I think the symposium was—the parts of it
13 that I heard were excellent. And I think the—to
14 the whole board, that symposium model seems to
15 work really well to really bring depth and
16 information and I encourage you to continue that
17 with other issues.

18 Regarding NOP accreditation procedures,
19 we've continued to for years talk about that the
20 National Organic Program's compliance with
21 international quality systems would provide the
22 level of consistent oversight of the program
23 that's really expected by consumers and the
24 organic community worldwide to protect organic
25 integrity. We encourage the NOP to become ISO
26 compliant as required in the regulations and

1 produce a quality manual. And we understand
2 that's moving forward and we appreciate that that
3 is.

4 Regarding the issue of TAP reviews, we
5 believe that TAP reviews should be required for
6 all materials, 606 materials included. Budget
7 shortfalls notwithstanding, no materials should
8 move without these independent reviews. We think
9 that the information provided is vital and that if
10 necessary the materials if there's absolutely no
11 money, maybe the materials need to stop. But
12 barring that, I think that a commitment from the
13 department high up to support the finances—the
14 financial needs of the National Organic Program is
15 paramount in that and it can't—we can't be stopped
16 in doing rigorous review of materials and so TAP
17 reviews should be required.

18 And finally on these bullet points
19 regarding pasture, real enforcement of the pasture
20 requirement as written today is necessary for the
21 integrity of the label. In addition, the
22 promulgation of a pasture rule is necessary to
23 provide a clear direction in the future. The
24 longer this delays, the more the entire—the
25 integrity of the entire organic label is
26 threatened. We see that out there all the time.

1 The consumers are so, so concerned about this
2 issue, this entry product. And I can't say it
3 enough. And I know there's, you know, the whole
4 realm of bureaucracy behind why it hasn't gotten
5 done. It—the longer it delays, the more serious
6 it is for the label itself, for the ability of
7 that label to bring that high quality.

8 In regards to the grower group issue,
9 we'd like to thank this CAC for the thoughtful
10 consideration of this important issue. However,
11 we do believe the draft proposal does go well
12 beyond the scope of the problem it intends to
13 solve and, in fact, proposes major change in the
14 scope and nature of organic inspection that is not
15 warranted and will be harmful to the integrity of
16 organic certification.

17 That means that the issue is really about
18 grower group inspections. We recognize that the
19 NOSB has identified unresolved issues related to
20 voluntary certification of retail handlers, but we
21 believe this topic requires additional guidelines
22 or rulemaking and should not be included here with
23 the original issue of concern, whether a
24 cooperative type of farmer-based grower groups can
25 be certified under USDA NOP.

26 We appreciate that NOP has endorsed the

1 previous NOSB recommendation of 2002 as current
2 policy pending further clarification of
3 rulemaking.

4 We further recommend strongly that NOP
5 consider certification of grower groups as a
6 separate area of scope for accreditation of
7 certifiers. This will provide the extra assurance
8 that certification agencies have the necessary
9 policies and expertise to perform this type of
10 review and will require witness audits by USDA of
11 actual grower group inspections. This will help
12 maintain consumer confidence in this form of
13 organic certification.

14 We reference USDA, the IFOAM
15 accreditation criteria for insight into evaluation
16 of internal control systems by certification
17 agencies.

18 We support the comments of the Accredited
19 Certifiers Association. We find that inspection
20 of production units rather than all individual
21 farm members of a grower group would ensure the
22 integrity of organic products. We have some
23 details on that in our comments as well.

24 And that's basically—and finally, we do
25 encourage the ongoing investigation of this grower
26 group issue through active discussion with small

1 holder groups and others directly involved with
2 this method of certification and other
3 stakeholders. We think that's a really good idea.

4 So I'll stop there.

5 FEMALE VOICE: thank you, Leanna.

6 MS. HOODS: Thank you.

7 FEMALE VOICE: Board members, questions?
8 Comments? Bea?

9 MS. JAMES: Thank you.

10 I read through your—the National Organic
11 Coalition comments and I was wondering if you
12 could elaborate a little bit on the position and
13 the statement that you made about the importance
14 of annual inspections across all sectors.

15 MS. HOODS: In general that the annual
16 inspections of production units is vital to the
17 program. It is how we can maintain the integrity
18 through actual viewing what's going on. There's—
19 is no better way than to be—annually go see.

20 In terms of, for instance, internal
21 control systems, you know, that's often more than
22 annual review—inspections that happen. And in
23 some cases that is needed. So there's variation.
24 I was learning about grower group issues,
25 surprised to see how detailed it can be about
26 assessing the risk of noncompliance to make that a

1 part of your decision-making and how often the
2 review, the inspection should occur. And so I
3 think that's important.

4 But the minimum should be as the rule and
5 I believe even the law suggests that it is annual
6 for production units. And as we described,
7 production units can mean different things and I
8 think we need to hone in on that. But the idea
9 that it—annual is the minimum and then we move
10 from there.

11 FEMALE VOICE: Any other comments or
12 questions? Thank you.

13 MS. HOODS: Thanks.

14 FEMALE VOICE: So next up is Kimberly
15 Easson with John Foster on deck. Before you get
16 started Kimberly, I just want to kind of check
17 with the board. Are we okay go to a little bit
18 further or do we need a break?

19 MALE VOICE: [Inaudible].

20 FEMALE VOICE: Move forward? We're going
21 to move forward. Kimberly?

22 MS. KIMBERLY EASSON: You're impressive.
23 You have an awful lot of work, so I will be short.

24 I'm Kimberly Easson. I'm the Director of
25 Strategic Relations at TransFair USA. We do fair
26 trade certification and we work with over 1

1 million small family farmers around the world,
2 mainly for coffee, but also other agricultural
3 products—fresh fruits, sugar, rice, tea, etc.

4 Eighty percent of the coffee that's
5 brought into the US right now is also organic
6 certified. And we actively encourage organic
7 certification of all of the grower groups that we
8 deal with under fair trade certification.

9 The—we also have 600 business partners
10 that help to manufacture and distribute fair trade
11 products across the country.

12 And secondly, I'm a representative of the
13 Specialty Coffee Association. That's a 3,000-
14 member trade association representing businesses
15 throughout the global coffee industry.

16 Everyone is anxiously awaiting a word
17 from this meeting. And I am understanding that
18 maybe there isn't going to be a resolution from
19 this meeting this week.

20 I think people are relieved that there
21 does appear to be some kind of consensus that
22 grower groups certainly can exist under the NOP
23 and the inspection protocols and that there is a
24 recognition that organic—I'm sorry, internal
25 control systems or internal quality systems can
26 provide the foundation for the rigor that is

1 needed in order for products to carry the USDA
2 organic label.

3 Obviously there's still a lot more work
4 to be done. We—my comments are informed by the
5 excellent work by a number of groups—obviously you
6 all, the NOSB, and the CAC. The—I participated
7 but in a limited way on the Organic Trade
8 Association Task Force. I have to highly commend
9 the work that was done on those calls and the
10 recommendation that was made.

11 I—TransFair USA does support the OTA
12 recommendation with regard to group certification
13 of producers and producer handlers. We do not as
14 an organization nor do I personally possess the
15 expertise to be able to say more about the
16 inclusion of multi-site production or handling
17 operations.

18 I think many people agree that what we
19 need to do first and foremost is address this
20 grower group issue and be able to move forward.

21 With the OTA recommendation, I think it's
22 key to understand that the definition of a
23 production unit, which has been missing, is as
24 comprised of subunits. I think that some of the
25 work around additional definitions is really key
26 for helping us to understand how grower groups can

1 be included in the NOP.

2 There are a couple of other issues—the
3 issue of how inspectors use the standard risk
4 analysis and sampling, initial versus annual
5 inspections, and the—I think that—excuse me. I
6 got lost on my notes here. Some of the—some of
7 those issues can be clarified by bringing together
8 some kind of a task force to help to put together
9 what the best practices would be for working with
10 the OCS under grower groups.

11 So I think that's it. Obviously there's
12 a lot of good input that you've all received and I
13 appreciate the work that you all do to help come
14 to the best decision. And TransFair and I know
15 also other members of the Specialty coffee
16 association, there's a lot of support, people
17 willing to participate to help make sure that the
18 decision is going to be workable for everybody,
19 especially the grower groups and the industry that
20 depend on their supply.

21 So thank you very much.

22 FEMALE VOICE: Thank you, Kimberly. Any
23 questions for Kimberly? Thank you very much.

24 MS. EASSON: Thank you.

25 FEMALE VOICE: Up next is John Foster
26 with Sue Baird on deck. Sue, are you here?

1 MS. SUE BAIRD: Yes.

2 FEMALE VOICE: Thank you. John, what's
3 your affiliation? Who are you with these days?

4 MR. JOHN FOSTER: It's hard to keep track
5 sometimes, isn't it? I know.

6 Yeah, I'll be very clear about that. I'm
7 going to sacrifice spontaneity for actually
8 fitting it in five minutes, which as those of you
9 who know me know it's hard for me to do.

10 I'm John Foster. I am Senior Manager of
11 Organic Integrity for Earthbound Farm. We are a
12 grower, packer, shipper of organic salad mixes,
13 fresh fruit, fresh and dried vegetables—sorry,
14 fresh and dried fruit, fresh vegetables, baked
15 goods, snacks, things like that.

16 My job just so you kind of know where I'm
17 coming from is to ensure the organic integrity of
18 all products supplied to Earthbound Farm. So it's
19 pretty broad and sweeping.

20 I appreciate the opportunity to provide
21 comment today. I certainly appreciate your time
22 and effort and sacrifice on the board here to
23 benefit us all.

24 In addition to our own organic integrity,
25 the processes we have in place just for us, we
26 really rely on the integrity of the organic seal

1 as a reliable currency and symbol that our
2 customers can look to and depend on inasmuch as
3 possible to make sure that those products are
4 grown and handled to their expectations along with
5 consistent with the regulations.

6 We think that working to maintain the
7 integrity of organic products and process, all
8 operations should complete the certification
9 process, including individual, once-yearly
10 inspections and that every location should submit
11 to the process of an annual inspection.

12 My experience is that most consumers kind
13 of expect this if they have a thought about it at
14 all. They kind of expect that every place has
15 been looked at.

16 Because of this primary importance on the
17 integrity and the perceived integrity of the
18 organic goods, we might argue against all group
19 management under the NOP, but at the same time
20 recognize and appreciate the historical precedent,
21 the significance, the economic necessity, and
22 certainly standard of practice over the last
23 couple decades at least with respect to grower
24 group management.

25 Really have no issue with that in the
26 real world even though it opens the door to

1 inconsistencies to say the least. I think that
2 it's a practice that's okay. Not perfect, but it
3 certainly is manageable. And I think when it's
4 controlled appropriately with internal systems, I
5 think work—can work fine.

6 While we have faith in handlers'
7 abilities to implement internal control systems
8 and to operate in this way, really don't feel like
9 any of the retailers or handlers are going to have
10 certainly not purposefully misused this.

11 We're much more worried about the
12 appearance of implementation of or expansion of
13 this grow—sorry, group management system to other
14 contexts.

15 That's really it, problems with
16 perception more than anything else, not problems
17 with actuality. I have had the opportunity to see
18 how grower groups work and I've seen how group
19 management in retailers work in prior experiences.
20 And I've seen both work really well and I've seen
21 both work not so well. I know it can be done, but
22 there are a lot of pitfalls as well.

23 I'm not suggesting that organic integrity
24 will necessarily be undermined if this extension
25 were formalized. But it will allow claims to be
26 levied—maybe inappropriately and maybe from less-

1 than-informed perspectives, but levied all the
2 same. And my observations of the industry in the
3 recent past are that I would rather not see that
4 again. So if we can do something to avoid that,
5 we should.

6 We've heard—in the context of
7 aquaculture, we've heard and I've experienced with
8 our consumers, thank you, that consumers are
9 looking for more oversight and more scrutiny I
10 think. They want more certainty. There are a lot
11 other examples where retailers and handlers are
12 inundated with audits and inspections. And I can—
13 I understand the argument that we don't—they don't
14 want one more.

15 However, on the whole, I would—I—my
16 observation is that the value of an unquestionable
17 process for retailers and handlers exceeds the
18 relatively small economic or monetary cost, the
19 differential that a site that 100% inspection
20 would incur.

21 Lastly, just want to—I want to encourage
22 the—you to consider the reality and the perception
23 of organic integrity as an essential, pivotal
24 component in charting our collective course of
25 action.

26 FEMALE VOICE: Thank you, John. Joe

1 [phonetic]?

2 MR. SMILLIE: Well, as always, John, I
3 appreciate your comments. And I think you hit the
4 nail on the head. That's--was one of the main
5 moving forces of why we pulled it back from a
6 recommendation is again if a perception is out
7 there and it becomes widely believed, then it does
8 become reality. And we have to look at that just
9 as if it was real. And in my mind it's not. And
10 our committee, we looked at it very carefully.
11 And it was a--the committee was very much split on
12 the issue. We wanted to move forward. We wanted
13 to find a solution. But I think that the way
14 we're going through it now is going to be better.

15 Basically the crisis has abated. Grower
16 groups are continually being certified. We'll
17 come to a solution. We'll take time. We'll hear
18 all of the opinions. We'll go back. We'll go
19 back to work. And the comment you made is I think
20 just right on. We'll definitely take that into
21 consideration.

22 I do want to remind everyone that, you
23 know, the hot button issue, the elephant in the
24 room, is that the group certification would go to
25 retailers. And I personally don't think it's a
26 bad thing. But, you know, if the community

1 doesn't want that to happen, you know, that—we'll
2 try and reflect the will of the community.

3 I do want to remind everyone that
4 retailer certification is voluntary. It's not
5 mandatory. So the retailers that do seek
6 certification, either individually or as a group,
7 are doing it of their own free will. And they're
8 actually adding to the integrity of the system,
9 certainly not diluting it by being voluntarily
10 certified.

11 However, we heard the community speak
12 very loud and very clear and we'll go back and
13 continue working on the issue.

14 MR. FOSTER: So no question in there,
15 right?

16 FEMALE VOICE: There was just a comment,
17 not a question.

18 MR. FOSTER: Okay.

19 FEMALE VOICE: But is there anybody else?
20 Tracy?

21 MALE VOICE: [Inaudible].

22 MS. MIEDEMA: Thanks John. I do have a
23 real question.

24 [Crosstalk]

25 MS. MIEDEMA: When you mentioned annual
26 inspections, you know, one of the things this

1 recommendation attempted to do was shine a light
2 on something that was uncovered, which is that
3 there really does seem to be a difference in not
4 every inspection looks the same. An initial
5 inspection, for instance, might have land history
6 reports, etc., that aren't carried out, you know,
7 at a renewal inspection.

8 So when you say annual inspections and
9 you talk about consumer perception of inspection,
10 are those one and the same? Do you see them as
11 different? Just any comments there?

12 FEMALE VOICE: That was a question, John.

13 MS. MIEDEMA: [Inaudible].

14 MR. FOSTER: I think by and large—I think
15 they're—well, they are different things. They're
16 different beasts. I've done a lot of both of
17 them.

18 But I'm not sure that that distinction
19 is—I'd—it's certainly not well understood by
20 consumers. And even if it were understood that
21 that happened, I don't know that that would have
22 any meaning for them.

23 In the world of, you know, our generation
24 of sound bites, you'll never be able to explain
25 that. It's not going to have any traction because
26 it's—there's subtleties and nuances and—that are—

1 it's not that consumers can't get it. It's that
2 they generally don't. I mean, that's not the
3 world they're used to. They're—they need quick
4 information. And I think that's—I could be wrong,
5 but—I have been more than once. But I think that
6 would be a very difficult distinction to make
7 clear enough to have any meaning to them.

8 But functionally, yes, they're different.
9 But it would—I don't think it would address the
10 issue of perception and how that could be—how the
11 perception can be shifted in away that—that's it's
12 a negative for the industry. I think that would
13 be very hard to—argument to fight against.

14 FEMALE VOICE: And is there any more
15 comments or questions? Bea?

16 MS. JAMES: Just one comment, and I'm not
17 insinuating that anybody said this. but just
18 because retail certification is voluntary doesn't
19 mean that those standards should have any—I mean,
20 once you volunteer for certification, you're under
21 the same guidelines and expectations as anybody
22 else who goes under certification.

23 So my question is do you agree with that?

24 MR. FOSTER: Yes.

25 FEMALE VOICE: Any other comments or
26 questions for John? Thank you, John.

1 MR. FOSTER: Thank you.

2 FEMALE VOICE: Sue Baird up now with Pat
3 Kane on deck. Pat, are you here? Great. Thank
4 you, Pat.

5 MS. SUE BAIRD: Hi. I am Sue Baird,
6 technical manager at QAI. I wanted to speak
7 briefly to you on multi-site operations
8 certification.

9 QAI applauds the NOSB committee for
10 providing the first step for providing legal
11 jurisdiction to be able to do organic
12 certification for group management system plans.

13 QAI applauds careful dissection. I
14 really liked the way you did that. From-being
15 from a past governmental agency and doing-writing
16 laws and things, I thought you did an excellent
17 job of dissecting 205.43.(a)(1) [phonetic] to be
18 able to discern that there is a regulatory text
19 difference between initial, as it says-let me read
20 it to you-initial onsite inspection of each
21 production site, unit, and facility that produces
22 and handles organic products. And then you go
23 ahead and you dissect that the annual thereafter
24 onsite inspection specifically only addresses the
25 certified operation. Great work and I applaud
26 that.

1 QAI also applauds that the NOSB committee
2 recognizes that the organic system plan with any
3 internal control system manual or any other kind
4 of documentation that's additionally submitted is
5 the key management tool that a certifying agent
6 must use to determine compliance to the NOP.

7 I don't know how many of you know, but
8 many of you do know that I worked for several
9 years as a quality assurance manager for a large
10 poultry processing plant. I worked both pre-NOP
11 and post-NOP—I'm sorry, pre-HASSOP and post-
12 HASSOP, 1995 and thereafter.

13 I remember back when HASSOP was first
14 signed into law by President Clinton in 1995. And
15 at that time, the responsibility for taking on
16 food safety issues was taken from the complete
17 responsibility of FSIS USDA and placed into the
18 hands of us as the plant employees QA departments.
19 We were appalled. We just knew by having to take
20 all that responsibility and operate under an
21 HASSOP plan that food safety, foodborne illnesses
22 were going to skyrocket because there was no USDA
23 oversight. They were taken from the overseer to
24 the auditor of the plant's plan.

25 Instead of foodborne illnesses sky-
26 rising, they significantly decreased. Why?

1 Because we as that plant took control of our own
2 destinies. We wrote our internal control systems.
3 We monitored it and we implemented it.

4 I tell you that because internal control
5 systems work. They work whether it's for a HASSOP
6 plan. They work whether it's for group management
7 systems for multi-site operations. They work
8 because there's more oversight to assure organic
9 integrity instead of less oversight.

10 I've heard it said that multi-site
11 operations—and I've heard it here today. And I
12 want you to know that QAI certifies not only for
13 group management— and I'm sure you guys know that—
14 not only small groups of producers all over at
15 least South America and in Europe, and in the
16 United States, but we also certify retail stores
17 by group management plan.

18 And I've heard that's not right. This
19 was only designed for the small farmers. And my
20 heart [inaudible] small farmers. I spent years in
21 Missouri working to develop and help small farmers
22 stay on the farm.

23 But no federal law can be written to only
24 give privileges to one economic class of people
25 without extending that law to all US citizens, and
26 not only US citizens, but anyone else, any citizen

1 of the world who can adhere and will comply to
2 that law. It is—can not be a one-class law.

3 I've heard it said that it will be used
4 for retail stores. And we're telling you yes, we
5 do use that same model to certify retail stores.
6 They are excluded from the law; 205.101.(b)(2)
7 says that any store or anyone—let me read this.
8 Any retail store that only processes and serves
9 previously certified products that's been
10 processed on their own premises—am I out of time?
11 Was that time?

12 FEMALE VOICE: You are out of time. I'm
13 sorry.

14 MS. BAIRD: Oh, my goodness. I've got
15 two other things [inaudible] y'all get to talk
16 about me.

17 FEMALE VOICE: Thank you, Sue. Any
18 questions for Sue? Tracy?

19 MS. MIEDEMA: Just a really quick
20 comment, Sue. As a primary author of this
21 committee's recommendation, I want to thank you
22 for allowing my chair to be cool for a minute and
23 I will prepare to listen to the future comments.

24 MS. BAIRD: Well -

25 MS. MIEDEMA: [Interposing] Thank you.

26 MS. BAIRD: - thank you. I made one

1 other comment, which said that I appreciated the
2 courage it took for you to do this and stand
3 against the maybe others' opinions. And thanks
4 for the courage. I know what it is to stand
5 behind the mudslingers.

6 FEMALE VOICE: Thanks.

7 FEMALE VOICE: Pat Kane, you're up with
8 Tiffanie Husan Labbe. Tiffanie, are you here?
9 Thank you.

10 MS. PAT KANE: Hi. My name's Pat Kane.
11 And I'm the Coordinator of the Accredited
12 Certifiers Association. I'd like to thank the
13 board for all of the work you do and the
14 opportunity to speak today.

15 I'm speaking on behalf of the Accredited
16 Certifiers Association. And I'm also going to
17 read some comments from the National Association
18 of State Organic Programs. I also brought
19 comments from Montana Department of Agriculture
20 and the Washington State Department of
21 Agriculture, which are being circulated.

22 Regarding recommendation for the
23 certification of multi-site operations, ACA
24 submitted written comments pertaining to this
25 recommendation and they're posted and I believe
26 you have them.

1 The ACA appreciates the committee
2 decision to move this from recommendation to a
3 discussion. We did not support the committee
4 recommendation for the certification of multi-site
5 operations. In our comments, we requested that
6 the board return and focus on the 2002 NOSB
7 recommendation. And we did provide specific
8 revision information on that.

9 I'd like to read the comments from the
10 National Association of State Organic Programs.

11 The National Association of State Organic
12 Programs, NASOP, represents 17 NOP-accredited
13 state organic certification programs and two
14 approved state organic programs.

15 NASOP does not support the NOSB
16 Certification, Accreditation, & Compliance
17 Committee recommendation for certifying operations
18 with multiple production units, sites, and
19 facilities. NASOP believes the CAC recommendation
20 if adopted would severely reduce the integrity of
21 certified organic products in the US and in turn
22 reduce consumer confidence in the organic label,
23 our member certifiers, and the NOP.

24 NASOP does not believe that the CAC
25 recommendation accurately reflects the intent or
26 letter of the Organic Foods Production Act, the

1 current practice and vast majority of NOP-
2 accredited certifying agents, nor the expectations
3 of organic consumers. Rigorous annual third party
4 inspection of all organic production and handling
5 operations by USDA-accredited certifying agents is
6 a fundamental tenet of organic certification and a
7 requirement of the law, OFPA.

8 This flawed CAC recommendation fails to
9 recognize these basic tenets. And NASOP strongly
10 urges the NOSB to reject the current CAC
11 recommendation.

12 On the other hand, the minority opinion
13 included with the CAC recommendation presents a
14 sound basis for reaffirming the integrity of
15 organic - of the organic certification process as
16 authorized under OFPA and defined by the NOP rule.
17 NASOP recommends that the NOSB issue a
18 recommendation to the NOP based on the minority
19 opinion. They also have some specific
20 recommendations that you can read in your
21 information.

22 I'd also like to say that the Montana
23 Department of Agriculture and the Washington State
24 Department of Agriculture did not support the
25 recommendation and did provide some
26 recommendations in their written comments.

1 So that's all I have to say except if I
2 could make an announcement that the accredited
3 certifiers are going to have a meeting tonight
4 from 5:30 to 7:00 and certifiers are welcome.
5 Thanks.

6 FEMALE VOICE: Well, I believe that we'll
7 actually be listening to public comment at that
8 time.

9 [Crosstalk]

10 MS. KANE: I know you will. And I'm
11 sorry.

12 [Crosstalk]

13 FEMALE VOICE: I'm so sorry, too. And
14 the--there is a question about where that meeting
15 is.

16 MS. KANE: Eisenhower Room.

17 FEMALE VOICE: Okay. Joe?

18 MR. SMILLIE: Just a quick point of
19 clarification--NASOP and Montana and Washington do
20 not support group certification anytime, anywhere,
21 anyhow? Is that correct?

22 FEMALE VOICE: [Inaudible].

23 MS. KANE: No, they want you to go back
24 and look at the 2002 recommendation.

25 MR. SMILLIE: Two, okay, thank you.

26 MS. KANE: Yes, yes, yes.

1 FEMALE VOICE: Any further questions for
2 Pat? Thank you. And thank you for bringing us
3 all the states. We like that.

4 MS. KANE: You're welcome.

5 FEMALE VOICE: I actually made a mistake.
6 Gwen, you're next, Gwendolyn, and then on deck is
7 Kim-Tiffanie, I'm sorry. Oh, I guess I'm trying
8 to rush through the list. I shouldn't. I
9 apologize. So Gwendolyn, whenever you're ready,
10 you can get started.

11 MS. GWENDOLYN WYARD: That's okay, thank
12 you. Okay, good afternoon. Madam Chair, NOSB
13 members, NOP staff, and ladies and gentlemen of
14 the gallery, my name is Gwendolyn Wyard, and I'm
15 speaking today on behalf of Oregon Tilth
16 Incorporated. We're a nonprofit membership
17 organization representing approximately 1800
18 members and certified clients. Our mission
19 statement is to support biologically sound and
20 socially equitable agriculture through research,
21 education, advocacy, and certification.

22 I serve as the processing program
23 reviewer for the certification arm of our
24 organization. And we do have these really slick
25 beverage coasters. You should get one. They're
26 going to become collector's items. They're on the

1 table behind there.

2 My comments today are on the CAC
3 commercial availability guidance document. Oregon
4 Tilth thanks you for the opportunity to comment on
5 this recommendation. And we thank you for your
6 efforts to help ACAs with this very complicated
7 issue.

8 My written and expanded comments have
9 been given to Valerie today. These are going to
10 be brief and you'll want to have the
11 recommendation in front of you for reference.

12 First we'd like to say that we agree with
13 and currently practice several of the itemized
14 steps for ACAs in Part B, including incorporating
15 commercial availability documentation into the OSP
16 and annual audit process of each certified party.

17 However, we do not agree with and/or
18 offer the following suggestions for Part B of the
19 recommendation, ACA's role in determining
20 commercial availability.

21 The first point should be revised to
22 include test data as one form of evidence to
23 support the operator's claim. The words test
24 data, the implications there, test data may not be
25 the only way to support a documented claim.
26 Including the phrase supporting evidence followed

1 by examples such as test data, growing season
2 reports, extension research, etc., would allow for
3 all relevant documentation to be reviewed. The
4 exact wording of the text changes we proposed are
5 in the written comments.

6 Point number two, the word multiple is a
7 vague term. It's generally thought of as at least
8 three. However, the number of companies that are
9 contacted should be relative to supply. One may
10 be enough, or five might not be enough. The word
11 multiple should be removed and the phrase
12 commensurate with known supply inserted in
13 parentheses after the word results.

14 And point number three, point number
15 three is for certifiers to notify the applicant or
16 certified operator with proper lead time suggested
17 at six months to notify the applicant of sources
18 of information listing organic seed materials or
19 ingredients.

20 This point is completely unreasonable and
21 should be removed altogether. The certifier's
22 responsibility is to determine compliance and
23 assist operators in understanding what is required
24 by the regulations. We're not allowed to conduct
25 operator-specific research and provide individual
26 consultancy services, which is where this type of

1 requirement falls. Providing operators with
2 general sources of information is an optional
3 service that can be provided upon request. As a
4 requirement with a designated lead time,
5 certifiers become liable for providing information
6 that is not uniformly accessible. This could lead
7 to unfair competition amongst certifiers, as well
8 as irate clients. This type of information needs
9 to be accessible from a neutral party or a
10 privately hired consultant.

11 And point number four, point number four
12 suggests that a list of all granted allowances be
13 reported to the NOP. While Oregon Tilth supports
14 the concept of transparent allowances, we have
15 concerns as to the logistics behind the reporting
16 system. How can a standardized reporting system
17 be developed that will account for the various
18 subjective details that led to a particular
19 allowance? From a database design perspective, it
20 would be very difficult because of the standard
21 allowances because of their very unique detail.
22 And will that detail be a part of that list? If
23 it's just a list without detail, what meaning will
24 it have? And who will be collating and
25 maintaining such a system? We're concerned that
26 we'll be required to spend time on an effort that

1 will not be taken up by the NOP. Our concerns
2 stems from the fact that the NOP to date has not
3 had the time to launch the database of certified
4 parties that was promised some years ago.

5 And point number five, while Oregon Tilth
6 certainly supports proactive efforts to generate
7 organic seed materials or ingredients, we don't
8 see where in OFPA, the preamble, or the regulation
9 certified operators are required to generate them.
10 It's a huge task for operators to extensively
11 search, document, and submit their attempts, let
12 alone have time to promote or money to fund
13 development. It's up to research and education
14 organizations, the OTA, and other organic consumer
15 groups, concerned individuals, certified
16 operators, and industry entrepreneurs to rise to
17 the occasion at will. The market should bring
18 availability to the operator. This guidance goes
19 too far and creates a new burden on the operator.

20 And finally on point number six, with
21 respect to the first sentence in five and all of
22 point six, Oregon Tilth sincerely hopes that
23 there's not an accredited certifier out there
24 that's not incorporating commercial availability
25 into the OSP and the annual audit system.

26 Once again, Oregon Tilth would like to

1 thank the NOSB for their ongoing work and your
2 commitment to the organic industry.

3 FEMALE VOICE: Thank you, Gwendolyn.
4 Joe?

5 MR. SMILLIE: You gave a copy of your
6 comments to Valerie. Do you have any other
7 copies?

8 MS. MYARD: I don't.

9 MR. SMILLIE: You don't.

10 MS. MYARD: I tried to get in on your
11 account at the front desk because Mark said that
12 there was some money up there.

13 [Crosstalk]

14 MR. SMILLIE: Oh, for the lack of a
15 horse. Yeah. Well, if—we'd like to get a copy.
16 We'd like to take a closer look at it and we may
17 have some committee time to see if we can respond
18 before -

19 MS. WYARD: [Interposing] Sure.

20 MR. SMILLIE: - because we are voting on
21 this one on Friday.

22 MS. WYARD: Okay.

23 FEMALE VOICE: Very good.

24 [Crosstalk]

25 MS. WYARD: Oh, I'm Gwendolyn, G-w-e-n-d-
26 o-l-y-n. The last name is Wyard, W-y-a-r-d.

1 FEMALE VOICE: Are there any other
2 questions for Gwendolyn?

3 MS. WYARD: No. Well, I—for 10 cents a
4 page, I could.

5 FEMALE VOICE: All right.

6 MS. WYARD: I said you would.

7 FEMALE VOICE: Thank you, Gwendolyn.

8 MS. WYARD: Thank you.

9 FEMALE VOICE: Tiffanie, you're up with
10 Jake Luhan [phonetic] on deck. I think we're in
11 certifier row here. Is Jake in the room? Thank
12 you, Jake.

13 MS. TIFFANIE HUSAN LABBE: All right.
14 Thank you, Madam Chair and NOSB members for
15 participating in this forum and for the work
16 that's been done.

17 I am Tiffanie Husan Labbe with Oregon
18 Tilth. I'm the farm program manager and livestock
19 inspector. I'm here to comment on the multiple
20 site grower groups.

21 Oregon Tilth generally supports the NOSB
22 CAC committee recommendation for certifying
23 operations with multiple production sites, units,
24 and facilities. We particularly welcome
25 provisions in the NOSB recommendation to include
26 definitions and language in national rule

1 specifically addressing the use of internal
2 control systems.

3 ICS means a written quality assurance
4 system included in a master organic system plan
5 that sets forth the practice standards,
6 recordkeeping, and audit trail requirements
7 applicable at each production unit, facility, or
8 site and that identifies the internal verification
9 methods.

10 The—as the NOSB CAC majority position
11 correctly elucidates, the organic system plan is
12 the forum through which the producer or handler
13 and certifying agent collaborate to define on a
14 site-specific basis how to achieve and document
15 compliance with the requirements of certification.

16 [Inaudible] agrees with the opinion that
17 OSPs are the key management document for certified
18 operations. Additional documentation may be
19 ordered by the certifying agent to ensure the OSP
20 is consistent with OFPA and NOP.

21 Oregon Tilth further agrees that this is
22 adequate authorization to use the organic system
23 plan as a vehicle for development of internal
24 control systems that improve the results of third
25 party inspections by bringing the various units
26 and sites under one governing compliance scheme

1 that may reduce or eliminate the need for direct
2 observation by inspection of each unit or site.

3 Oregon Tilth also believes this
4 acknowledgement is long overdue and is consistent
5 with the NOSB's 2002 position on grower-on
6 community grower groups.

7 We also strongly and categorically
8 disagree that the position taken by the CACA that
9 participation in grower groups only be available
10 to growers producing less than \$5,000 in organic
11 sales and the assumption that growers earning over
12 \$5,000 in sales should be able to afford
13 individual certification.

14 Based on our over 11 years of experience
15 working closely with grower groups in Mexico, OTCO
16 [phonetic] believes that this would limit—this
17 limit would place a huge and unnecessary burden on
18 these grower groups and would negate many of the
19 positive social and economic effects these
20 projects are trying to achieve. As was pointed
21 out by a representative of such one group, \$5,000
22 a year is still poverty income, even in Mexico.
23 Inspection costs alone on an overseas project,
24 particularly for the class of skilled bilingual
25 inspectors necessary to adequately assess these
26 kinds of operations, can easily range upwards of

1 \$400 to \$500 per day or more once the travel costs
2 are included. Even under a system where a
3 percentage of parcels are inspected, the cost of
4 certification represents a major hurdle for small
5 holder groups. Placing a \$5,000 cap on these—on
6 the use of these—of this model would further
7 increase the cost. OTCO is ambivalent with
8 respect to the inclusion of the retailers and
9 large processors under this system of
10 certification, believing that the NOP will in the
11 end rule that the regulation must be implemented
12 evenly without respect to scale and can not grant
13 special considerations to one scale of operator
14 over another.

15 OTCO believes that the certification of
16 larger US-based retail and processing operations
17 under a rigorously enforced and verified ICS
18 system as defined by the current NOSB
19 recommendation and including the annual inspection
20 of a statistically significant percentage of
21 individual locations would not pose a significant
22 threat to organic integrity.

23 Our experience with community grower
24 groups in the developing world leads us to predict
25 that if the recommendations of the NOSB and CAC
26 are adopted, there would not be as some have

1 predicted a large-scale rush of retailers and
2 processors to seek this model of certification
3 provided certifiers maintain rigorous standards
4 with respect to the evaluation and enforcement of
5 the ICS as laid out in the OSP.

6 The logistical and organization
7 requirements of maintaining a very homogeneous
8 production and quality control system in multiple
9 locations and of demonstrating the compliance of
10 those systems with the ICS are a significant
11 burden on any organization. Thus we suspect that
12 many entities will choose to stay in their current
13 system of certification rather than adopt a system
14 that by its very nature would put all of a
15 company's operations at risk of suspension or
16 revocation if one single location or facility
17 failed to company with the rule.

18 Thank you.

19 FEMALE VOICE: Thank you, Tiffanie. Are
20 there questions or comments for Tiffanie? Bea?

21 MS. JAMES: Thank you for your comments
22 today. What is your definition of rigorously
23 enforced? On 205.403, onsite inspections, onsite
24 inspections shall be conducted annually thereafter
25 for each certified operation that produces or
26 handles organically-organic products for the

1 purpose of determining whether to approve of
2 request certification.

3 MS. HUSON LABBE: I'll have to go out a
4 little bit of a limb because this was a collective
5 document. So I would say that rigorous does have
6 something to do with someone actually being onsite
7 annually, which would go back to their ICS within
8 their OSP. So we do a thorough analysis of their
9 reporting system for their internal control, so
10 someone is actually visiting all sites all year,
11 and then we do our statistical selection and
12 inspect those. So part of that rigorous is making
13 sure their internal quality control systems are in
14 place and are being adhered to within their
15 greater organic system plan.

16 FEMALE VOICE: Any other questions or
17 comments? Jeff [phonetic]?

18 JEFF: [Inaudible]. Yeah, Tiffanie, I
19 was curious about your comment and I understand
20 what you're saying about scale neutrality. But
21 you were inferring that there should be no dollar
22 limit then on whatever size operations can pull
23 together to form a grower group. Is that correct?

24 MS. HUSON LABBE: That's correct.

25 JEFF: So anybody could form any size
26 grower group anywhere and not—and avoid annual

1 inspections?

2 MS. HUSON LABBE: Well, our experience
3 has been that a lot of these groups are often also
4 marketing cooperatives, which we view as two
5 separate things. But often a grower group is a
6 marketing group. And the fee gets totaled on the
7 gross percentage—or a percentage of the gross
8 sales, so it's collectively they share the burden,
9 both ways.

10 FEMALE VOICE: Hold on, hold in, hold on.
11 There's people in front of you, Katrina [phonetic]
12 and then Tracy.

13 KATRINA: Thank you for your comments
14 this morning, or this afternoon.

15 MS. HUSON LABBE: You're welcome.

16 KATRINA: My question has to do with
17 what happens after the annual inspection. So I'll
18 give you a hypothetical situation.

19 MS. HUSON LABBE: Okay.

20 KATRINA: So say there's a grower group
21 that has 500 individual farmers -

22 MS. HUSON LABBE: [Interposing] Mm-hm.

23 KATRINA: And you go in and do some
24 percentage assessment against their internal
25 control system. So you look at their internal
26 control system and then you decide to do onsite

1 inspections at say 50 of their 500 farms. And you
2 find that half of those 50 have some
3 noncompliances.

4 What actions would you take after that
5 inspection finding?

6 MS. HUSON LABBE: Well, I believe the
7 non-compliances would be able to be resolved, just
8 like if they were an individual group.

9 We can kind of speak to the fact if they--
10 if we have to move to suspension or revocation,
11 then the whole group is at risk for that.

12 But, you know, through formal procedure,
13 any noncompliance will have a chance to be
14 corrected.

15 KATRINA: Would you not then say that
16 perhaps--that there's a chance that their internal
17 control system is then not working because 50 of
18 your--so then you -

19 MS. HUSON LABBE: [Interposing] I'm sure
20 that would be something we would look at. I mean,
21 if we're following a trend and we're seeing a
22 trend or actually it would to back to if part of
23 their OSP is this ICS and we feel like they're not
24 following it, then that in itself is a n on-
25 compliance and we would address that would them at
26 that point.

1 KATRINA: Thank you.

2 FEMALE VOICE: Tracy and then Bea.

3 FEMALE VOICE: Okay.

4 MS. MIEDEMA: You mentioned the
5 statistical metric of how many units you decide to
6 expect on site. Can you share with us what are
7 your determinates there, what are the metrics -

8 MS. HUSON LABBE: [Interposing] Sure.

9 MS. MIEDEMA: - and the statistics.

10 MS. HUSON LABBE: Right now, we practice
11 initial inspection for every site. And then
12 following yours 20%, rotating so that everyone
13 gets inspected within that percentage, so a
14 different 20% every year so that in what do you
15 say, five years, everyone gets inspected, but in-
16 headquarters gets inspected every year.

17 MS. MIEDEMA: So no over layer of say a
18 risk-riskier operation [inaudible] -

19 MS. HUSON LABBE: [Interposing] Oh, we
20 will do that if we see that that's a fit. I mean,
21 it's kind of a per-basis situation, but it - as an
22 overall theory, 20%. And if someone, you know, is
23 a specific risk or we've had a bit of an issue or
24 we feel there might be concern, we would probably
25 go over our 20% and go back and check a few of
26 risk to us.

1 MS. MIEDEMA: Thank you.

2 FEMALE VOICE: Bea?

3 MS. JAMES: I just am looking for some
4 clarification because earlier when I cited the
5 rule that producers and handlers needs to be
6 inspected annually and you mentioned that you do
7 do that and now you just mentioned that you would
8 approve or that you would suggest that a
9 percentage of sites being inspected would be
10 adequate. So that would mean that you would not
11 be able to do annual inspections in all the sites.

12 MS. HUSON LABBE: I'm sorry, yeah, I will
13 clarify. Their internal quality control system
14 should inspect every site every year. We are
15 doing a sample of that, of their total sites, so
16 that 20%, but their internal quality control
17 system should be monitoring all sites all-every
18 year.

19 MS. JAMES: So let's say for instance
20 that you have a group of retailers, 500 retailers
21 that are certified through you and you would
22 inspect a certain percentage of those, how long
23 would it take you to get to the rest of the
24 locations? Do you have a criteria say that, you
25 know, is somebody-if the list is so large that how
26 would you manage getting to all of these sites in

1 a reasonable amount of time.

2 MS. HUSON LABBE: I'm not sure actually.
3 My experience has been with a lot of the farms who
4 are in a general region, so they can be done in on
5 trip, so over a week or ten days. I'm not sure
6 about a national scale for a retailer.

7 MS. JAMES: But you were suggesting that
8 retailers, producers, handlers, should fall under
9 the same criteria as grower groups, correct?

10 MS. HUSON LABBE: Correct as far as if
11 their internal quality control system is deemed
12 compliant within their OSP, then yes.

13 FEMALE VOICE: Any further—Katrina?

14 KATRINA: A follow-up question, and this
15 is perhaps asking for a gut instinct.

16 MS. HUSON LABBE: Okay.

17 KATRINA: What is your gut on how your
18 peer certification folks so they operate similarly
19 with grower groups as far as percentages? And in
20 particular, how they would react if they found a
21 lot of non-compliances at their sample percentage.

22 MS. HUSON LABBE: I guess I would have
23 to say on my hope, maybe not my gut, that that
24 would be the case. I've spoken to only a couple
25 that are familiar with kind of this type of
26 situation and we unfortunately didn't talk about -

1 [END MZ005014]

2 [START MZ005015]

3 MS. TIFFANIE HUSON LABBE: ...you know
4 proposed suspension or revocation issues. I would
5 assume that the noncompliances would all be
6 handled in a similar fashion, a chance to comply
7 and if it had to go further that they couldn't
8 comply or couldn't resolve them, then it would
9 move to that and the whole co-op would be in
10 jeopardy.

11 MS. HUSON LABBE: Thank you.

12 MS. BEA JAMES: I'm sorry, I am not. I'm
13 sorry I'll try and help. You're doing really
14 good, you're doing really good. I'm trying to
15 understand if the rule says annual inspection of a
16 production facility, how do you justify only
17 inspecting a percentage of those? Or how would
18 you justify only inspecting a percentage of those?

19 MS. HUSON LABBE: I hate to keep
20 repeating myself. It would still go back to what
21 their quality controls are. So if we feel, after
22 the initial review of the sites, and a part of the
23 initial review is that you know when we are
24 looking at everyone, does everyone use the same
25 inputs, the same management tools, you know
26 they're not in control of their own production and

1 that's the difference for us between a marketing
2 group and a grower group. A grower group, to
3 speak very generally, they have a management
4 system who dictates how they produce so what
5 inputs are used, how they're used, when they're
6 used is usually a collective effort of planting
7 and harvesting, these type of things, which is
8 different then someone who markets together
9 because that is individual producers in charge of
10 their own production. So in that case those
11 people would need an individual audit because it's
12 its own production site different from their
13 neighbor even though they market together. So a
14 growers cooperative where they have one central
15 location who manages that, dictates all that
16 product that's part of that internal quality
17 control that we feel like if we're auditing that
18 and they're doing what they say they're doing with
19 that, then we don't need to be at every site every
20 year. And it goes back too that they should be
21 there every year at every site within that
22 internal quality control so someone is on site it
23 just may not be us every year.

24 MS. JAMES: Any other questions,
25 comments? Thank you.

26 MS. HUSON LABBE: All right, thank you.

1 MS. JAMES: Jake you're up. We have Sam
2 Welsh on deck. Sam are you in the room? Sam
3 don't get too excited because we're going to take
4 a little break after Jake. I just want you to be
5 aware. Jake come on.

6 MR. JAKE LEWIN: I'm the one keeping you
7 from your break. Okay, small point of order. I'm
8 holding a proxy for Z.S. Sonabund. I'm going to
9 try to get through all this stuff and maybe we can
10 save you a few minutes. So my name is Jake Lewin
11 I'm the Certification Services Director for CCOF.
12 We're a, we've been in involved in Organic
13 certification for over 30 years. At this time we
14 certify about 1,300 farms, about 500 handlers, and
15 at last count almost a half million acres of
16 organic ground. So I'm going to talk a little bit
17 about the grower groups.

18 We're really happy that this has been
19 moved to a discussion item and kind of don't want
20 to flog the horse too much but we are concerned
21 about the CAC recommendation covering the multi-
22 site operations. CCR larger supports the
23 Accredited Certifiers Association position
24 statement on this issue. We see this as a strong
25 reflection of the overall standing and opinion of
26 U.S. certifiers and it's important that ambiguity

1 in the regulation is reduced whenever possible.
2 We've seen this in a number of areas of the
3 standard. Fundamentally we wish to see clear
4 guidelines for grower group certification that are
5 unambiguous and clearly limited to growers in
6 specific and extremely limited situations.

7 Unfortunately the current recommendation
8 does not serve the needs of the organic
9 marketplace. As written it creates tremendous
10 leeway for application of grower group concepts to
11 processor, retailers and others. We see this as
12 an unacceptable slippery slope that will create a
13 race to the bottom among U.S. and foreign
14 certifiers. Certification's a competitive
15 enterprise and we don't really want to see one of
16 the filed of competition how few inspections you
17 can do. Therefore we are extremely concerned
18 about the direction and substance of this
19 recommendation. CUF does not currently certify
20 any grower groups and requires 100% inspection of
21 all production sites for both large and small
22 growers and processors, 100% inspection is the
23 gold standard for certification that should be
24 maintained wherever possible.

25 What we would really like to see is a
26 recommendation come back that addresses the key

1 issues that are important to grower group
2 certification, how it should be done, what the
3 sampling rates should be, how growers, how they
4 qualify and how many failures within a sample
5 system result in a failure over the entire group.
6 Clear guidelines for how this will happen at
7 grower locations, if it's going to happen. And we
8 really appreciate the concern the NOSB has placed
9 on this issue, the concern the NOP has placed on
10 it also and we also recognize that a lot of energy
11 has been put forward by good people and
12 fundamentally really appreciate the work the NOSB
13 does. We're pretty busy around my office and I
14 can't believe that all you have the time to do
15 this so we really, really do appreciate it.

16 Regarding materials, we would really like
17 you to take into account the previous work that's
18 been done on materials and move the ball forward
19 within the existing paradigm that we have wherever
20 possible and watch out for reworking away from the
21 years of effort that have been put into this.

22 Regarding Sunset materials, we support the re-
23 listing of the grower and processing material that
24 are being Sunsetting and apologize for not
25 commenting earlier on that.

26 With the seed commercial availability we

1 have some significant concerns with this. With
2 1,300 certified organic farms growing hundreds of
3 crops and untold thousands of varieties the
4 current recommendation to maintain an ongoing
5 database of allowed non-organic seeds is
6 untenable. We support a positive database of
7 available organic seed but believe that trying to
8 maintain an ongoing database of every allowance of
9 non-organic seed will just create an unacceptable
10 paperwork burden for our clients and for
11 ourselves, it's just a monumental task it's a
12 systems approach. We inspect operations and they
13 need to be able to demonstrate compliance onsite
14 not report to us every single seed that they buy.

15 Finally, just in terms of the new
16 materials the potassium silicate, we believe that
17 we have growers who would be interesting in
18 experimenting with this. We don't have too many
19 that have told us that they really want it but
20 nobody's had an opportunity to try it as a disease
21 or pest control and so with all the growers that
22 we work with, we believe that there are some that
23 would have an interest in looking at it further.
24 And that's it.

25 MS. ANDREA CAROE: Is that for your proxy
26 as well?

1 MR. LEWIN: Yes.

2 MS. CAROE: Well exciting. Any
3 questions?

4 MS. JAMES: Yes.

5 MS. CAROE: Bea.

6 MS. JAMES: Thank you for your comments
7 today. Do you think that part of the overwhelming
8 feeling around keeping a database of allowed non
9 organic seeds is because not enough of the people
10 that you certify are actually using organic seed?

11 MS. LEWIN: It's the sheer volume. It's
12 the sheer volume of the information. We are
13 constantly finding ways to try to do certification
14 in a way that's meaningful and not all about just
15 the paper and trying to maintain a database of
16 when we've got farmer's planting everyday of every
17 year, thousands of varieties to try to constantly
18 track exactly which one was organic and which one
19 wasn't, isn't something that is going to be
20 possible and we do not want to see that paperwork
21 burden to be the barrier to organic compliance.

22 MS. JAMES: But you said that you thought
23 that if it was organic seeds, that it would be
24 manageable database.

25 MR. LEWIN: Yes because there are fewer
26 organic seeds certified and if there was a

1 positive database of certified organic seeds, it
2 would be very much appropriate for growers to have
3 to go to that and look for the seed.

4 MS. JAMES: Right which is the goal.

5 MR. LEWIN: Yes.

6 MS. CAROE: Any other questions or
7 comments? Katrina?

8 MS. KATRINA HEINZE: I want to make sure
9 I heard you right. You support the relisting of
10 processing and handling materials.

11 MR. LEWIN: Yes.

12 MS. HEINZE: And had no comment on
13 handling on materials. Did I hear that right?

14 MR. LEWIN: No we support the relisting
15 of all the materials up for Sunset.

16 MS. HEINZE: Okay. Then I have a follow
17 up question.

18 MR. LEWIN: Okay.

19 MS. HEINZE: Glucono Delta Lactam.

20 MR. LEWIN: Yes.

21 MS. HEINZE: We received very few
22 comments on that material.

23 MR. LEWIN: Yeah.

24 MS. HEINZE: Do you have any input on how
25 industry is using that and what the impact on
26 industry would be if it was delisted?

1 MR. LEWIN: It's it I remember correctly
2 and I've moved up away from handling the files
3 every single day, it's used in tofu and frankly
4 it's one of the items that I see used relatively
5 commonly and therefore my expectation would be is
6 that that would be quite a blow to those who lost
7 it.

8 MS. HEINZE: Thank you.

9 MS. CAROE: Any other questions? Okay.
10 Thank you Jake.

11 We're going to take a break. It is now
12 4:25 and if the Board can be back by 4:35, I know
13 it's only 10 minutes but I want to eat tonight.

14 Okay Sam, are you ready? Okay whenever
15 you're ready we do have a quorum present. Board
16 members can you pay attention; we're going to get
17 back in.

18 MR. SAM WELSH: Okay, my name is Sam
19 Welsh, I'm from OneCert and here are my comments
20 on private label certification.

21 In October 2006 NOSB recommended guidance
22 on the retailer private label certification that
23 contradicts the NOP rules by creating
24 interpretations where none are necessary. The
25 language of the rule is clear on this points.
26 Here are some of the problems that have been

1 created by some certifier's business practices
2 that are not in compliance with NOP labeling
3 rules. I won't read through these now, I just
4 want to point out that the labeling guidance has
5 created unintended confusion that has resulted in
6 errors of certification. Errors that could be
7 avoided by following the rule as it is written.

8 Since most private label products are
9 manufactured for retailers I want to make a key
10 point about retail certification. Notice the
11 exception in this definition which is in bold.
12 Final retailers that do not process are
13 specifically excluded from the definition of
14 handler. Other private label companies may never
15 even touch the products that carry their name.
16 The manufacturing and distribution are often
17 contracted to others.

18 The answer to question two from your 2006
19 recommendation was incorrect because it would
20 change the definition of handler that Congress
21 included in OFPA. The correct answer is no. The
22 definition of handler clearly states such term
23 shall not include final retailers that do not
24 process agricultural products. It would take an
25 act of Congress to change the definition.

26 I want to point out here that the

1 exemption or exclusion from certification for
2 retailers and distributors that do not process is
3 distinct from the exemptions and exclusion from
4 certification from those who do process. There
5 are six categories of exempt or excluded
6 operations. Four categories involve processing
7 and have specific labeling requirements. The
8 exemption and exclusion for retailers and
9 distributors, the ones who do not process, do not
10 contain specific labeling requirements. None are
11 needed because the products they receive are
12 already finished products. The current practice
13 of some certifiers to grant certification to
14 exempt retailers and excluded distributors solely
15 for the purpose of getting that certifier's name
16 on the label has absolutely non justification in
17 the NOP rules.

18 The use of imprecise terms can often
19 create unnecessary confusion. The term final
20 handler does not appear in the NOP rules. The
21 Rule uses the terms handler of the finished
22 product, and operation producing the finished
23 product. Co-packers are the handler of the
24 finished product. Subsequent handlers are exempt
25 or excluded.

26 What certifier must be identified on the

1 label? The answer is easy when you read the rule.
2 The label must identify the certifying agent that
3 certified the handler of the finished product.
4 Keep in mind that paragraphs B2 in sections 303
5 and 304 are mandatory requirements. Such a
6 mandatory requirement cannot be changed by
7 voluntary certification of subsequent handlers.

8 Here are some of the known problems that
9 occur when the so called certifier of the private
10 label approves the label for a product that claims
11 to be certified by that certifier when it in fact
12 is another certifier that is inspecting and
13 certifying the co-packer that actually makes the
14 finished product. This is a typical listing from
15 a certificate issued to a private label retailer
16 or distributor. Such certification is voluntary
17 and could be dropped at any time without penalty;
18 this is the NOP definition of processing. These
19 are not part of the definition of processing but
20 even if they were, they are not the final step in
21 the making of a finished product. When the label
22 is applied it is a finished product.

23 I want to point out that creating
24 formulas, sourcing ingredients, designing labels
25 are activities that are often done by consultants.
26 Consultants do not get certified for these

1 activities. On the other hand certification of
2 the co-packer is mandatory because they actually
3 make the finished product. Their certifier can
4 only verify what has happened up to the point
5 where the product is packaged and labeled.
6 There's no way to verify at that point what will
7 happen in the future.

8 As I pointed out earlier paragraphs B2 in
9 sections 303 and 304 are mandatory requirements.
10 Voluntary certification subsequent handlers does
11 not change who is the handler of the finished
12 product. It also does not change what certifier
13 must be identified on the label. Any questions?

14 MS. CAROE: Hold on. I actually, Joe
15 Smillie is not here you know because he's not back
16 from the break yet so I just wanted to respond to
17 a couple of things. One the Committee when they,
18 when we looked at this do not feel that private
19 labelers meet the definition of what a retailer is
20 in the commissioning of a label and the marketing
21 of a product that is their product essentially
22 through label. So that's where we diverge from
23 your assumption that retailers are excluded from
24 the, wrong wording. I apologize, exempt from the
25 process so that is one part of this that I want to
26 talk about. And then the other is the definition

1 of processing which includes and otherwise
2 manufacturing and packaging is another area that
3 we construed the commissioning of a product and
4 the production of a label as you know our
5 interpretation is meeting a processing function.
6 So there are a couple of areas that you know we
7 have considered what you have written and I've
8 actually seen your comments before Sam. I wanted
9 to explain that there was a rationale and it
10 wasn't flagrant disregard for what was written but
11 a different interpretation for these unique
12 operations that don't necessarily you know meet
13 these broader category titles.

14 MR. WELSH: I appreciate the explanation
15 but I did include both the category that is exempt
16 retailers and excluded distributors neither of
17 whom have any labeling requirements because
18 neither are doing label, because neither are doing
19 processing which is why they're exempt and
20 excluded. So to try to give those operations
21 through a voluntary certification rights to
22 determine what certifier is on the label certainly
23 has no foundation in the law or in the NOP.

24 MS. CAROE: And again in the
25 commissioning and the production of a label, we
26 certainly believe that these private labelers are

1 labeling a product.

2 MR. WELSH: But they are not the handler
3 of the finished product because the finished
4 product is made by their co-packer.

5 MS. CAROE: I believe that we can
6 continue on all through the night with this but
7 clearly this is not a clear issue.

8 MR. WELSH: I beg to differ which is why
9 I brought this up. It is a very clear issue if we
10 simply look at the rule. Perhaps there's others
11 who have questions I don't mean to.

12 MS. CAROE: I will, Bea and the Hugh.

13 MS. JAMES: Thank you for your comments
14 Sam. My questions are a little easier. I want to
15 understand, are you asking the Board to go back
16 and revisit the private label recommendation that
17 was submitted last year?

18 MR. WELSH: Absolutely, I think it should
19 be resended it has that, that is one illustration
20 of inaccurate or you know areas where it
21 contradicts what's in the rule.

22 MS. JAMES: And Valerie I don't recall
23 seeing Sam's comments in the meeting book? Are
24 they posted on the website for this particular-

25 MS. VALERIE FRANCES: There was a group
26 of six comments at the back of your Meeting book.

1 MS. JAMES: They're not listed on the
2 Table of Index of all the people that submitted.

3 MS. FRANCES: Right. And it should be
4 there.

5 MS. JAMES: Okay.

6 MS. CAROE: Hugh?

7 MR. HUBERT KARREMAN: I just want to
8 thank Sam for laying out a very clear case I
9 believe by reading the citations and definitions
10 from OFF but I, actually finally understand this
11 issue now. Thanks.

12 MR. WELSH: You're welcome.

13 MS. CAROE: Okay now, is there any other
14 question before I move on? Sam has another
15 testimony that was supposed to be yesterday that
16 was flip flopped with another commenter so he's
17 going to continue but I want to get on deck Maury
18 Johnson. Are you on the room? You're on deck,
19 you'll come next.

20 MR. WELSH: Okay thank you. I have
21 comments on a couple of different topics. I'll
22 try to keep this brief.

23 On commercial availability although the
24 definition applies to both seed and ingredients
25 listed in 205-606, the type of information
26 required for each is different, it's as different

1 as a farm is from a food processor so I suggest
2 that any guidelines that be written be written for
3 each of those separately. I will discuss a little
4 bit further the 606 because it has only 38 items
5 whereas seed has hundreds if not thousands of
6 different varieties.

7 There is a new website available that was
8 designed with some input from different certifiers
9 that would become a database of all the available
10 suppliers of commercially available organic
11 ingredients that are currently included on 606.
12 It's a free listing, it's designed to facilitate
13 finding, answering the question is it commercially
14 available because any supplier of a commercially
15 available organic product listed can simply
16 register. The site is 606organic.com. It will
17 accomplish a couple of the items on your NOSB
18 proposed criteria for example items two and three
19 with some additional development it could even
20 facilitate the record keeping items that are
21 discussed in four, five, and six.

22 Evaluating whether or not an appropriate
23 form, quality, or quantity is available in organic
24 form is the critical decision for certifiers. We
25 need to be sure that specs for organic ingredients
26 are not manipulated simply to avoid using organic

1 ingredients that are available under 606 which is
2 an issue that's occurred in Europe and other
3 places where things keep getting switched and
4 specs keep getting switched simply to avoid using
5 things that would work perfectly well in organic
6 form but they don't want to spend the money to do
7 so.

8 On grower group certification I am in
9 general agreement with OTA, the ACA comments on
10 this. I worked on both of those task force or
11 committees. I do what to stress that I think no
12 new guidelines are needed for multi-site handling
13 operations because the rule is very clear. Each
14 facility and site must be inspected annually.
15 When it comes to production units I think even
16 there in OFPA it says every farm must be inspected
17 annually. I think it's unfortunate we weren't
18 forced to stay with the original guidance from the
19 NOB that we inspect 100%, I think it would have
20 been a worthy challenge for us to come up with
21 ways to it affordably and maintain the integrity.

22 What's failed to be mentioned and failed
23 to be discussed are some very real issues in group
24 certification. We've heard many people talking
25 about what happens when it works well. What we've
26 not heard about is what happens when it does not

1 work well, when it's actually being abused by
2 those who create these groups. Not all groups are
3 cooperatives or associations, some groups are
4 formed by buyers or exporters. A worst case
5 scenario I've seen is when an exporter organized a
6 group, told them it would take three years to go
7 through transition so for three years they got
8 conventional prices even though the exporter got
9 certification after one year.

10 So if we're concerned about growers, we
11 need to start looking at what are the things that
12 are going wrong with group certification and
13 address those in the new guidelines. The
14 guidelines are great for those that are working
15 well; the things we've heard today are for ones
16 that have the necessary expertise and resources to
17 make it work. That's not the case in all
18 circumstances and in many parts of the world there
19 are certifiers who do not have sufficient staff
20 even to do the kind of sampling we've heard about
21 today and are still granting certification. Those
22 are all issues that need to be brought up and
23 discussed as we develop better guidelines for
24 group certification.

25 I think I'll stop there in the interest
26 of giving you an extra minute or so.

1 MS. CAROE: Thank you. Is there any
2 comments or questions from the Board? Oh, Bea.

3 MS. JAMES: Sam, I really appreciate the
4 time and the effort that you put into your
5 comments. And for whatever reason they didn't get
6 into our meeting book and so I really want to make
7 sure that we, the Certification Accreditation
8 Committee gets an opportunity to see the documents
9 that you worked on.

10 MR. WELSH: Okay.

11 MS. JAMES: So I'm just requesting that
12 those get maybe emailed to us directly.

13 MR. WELSH: I did bring copies today and
14 I-

15 MS. JAMES: Okay thank you.

16 MR. WELSH: All right, thank you.

17 MS. CAROE: Kevin.

18 MR. KEVIN ENGELBERT: Your most recent
19 statement about certifiers that you know of that
20 do not have the personnel to properly inspect an
21 operation but still certify them, what steps do
22 you take if you know that has happened if any?

23 MR. WELSH: We make sure that the
24 governing authorities are aware of it and in many
25 cases this happens in Countries where there is no
26 official oversight so it's something that other

1 then you know it would go to the U.S.D.A. And I
2 know a number of things not just from me but there
3 are other certifiers who've also shared concerns
4 so if we can't address it with the agency
5 involved, then it gets brought to the attention of
6 the NOP. And as we know you know they need more
7 funding but that is certainly you know an issue
8 and that's partly what you know well, never mind,
9 I won't digress here.

10 MS. CAROE: Okay, any other questions for
11 Sam. Thank you. Up next Maury Johnson. On deck,
12 Marty Mesh. Marty, oh there you are.

13 MR. MAURY JOHNSON: Good afternoon. My
14 name is Maury Johnson and I am production and
15 sales manager and part owner of Blue River Hybrids
16 Organic Seed. Blue River Hybrids is independently
17 owned and operated and located in central Iowa
18 about 25 miles north of Des Moines.

19 The sole focus of Blue River Hybrids is
20 to produce and sell field crop organic seed to
21 farmers on a national basis and into Canada. My
22 comments today are in regard to the commercial
23 availability of organic seed, specifically organic
24 field crop seed which is the area in which I work.
25 I've been involved with the organic seed since
26 1999 and I've seen significant progress but I

1 also, in my comments want to alert you to a
2 significant challenge that's now facing organic
3 seed, especially field crop seed.

4 In terms of the positives I believe that
5 there is now or soon will be within the next two
6 to three years, more than adequate capacity to
7 produce sufficient supplies of organic seed corn,
8 soy beans, sudan grass, and alfalfa to meet all
9 domestic demand. In the case of Blue River
10 Hybrids we had a very good year last year, very
11 significant sales growth and yet we only sold
12 about 60% of our available corn inventory. We are
13 only using a part of our production and
14 conditioning capacity for organic seed, we could
15 do a lot more. It is my experience that other
16 organic seed companies whether they are located in
17 Illinois or elsewhere have the potential to
18 increase their production and distribution of
19 organic seed.

20 Secondly, there are mechanisms in place
21 to deliver organic field crop seed to almost any
22 and every grower in the United States. Blue River
23 Hybrids is selling and delivering organic seed to
24 farmers in more than 35 States and 4 Canadian
25 Provinces. We have over 150 seed dealers and
26 distributors throughout the United States. We

1 have dealers from Pennsylvania to Oregon and from
2 Texas to North Dakota. We offer not only one
3 variety for a given maturity but often several
4 varieties or hybrids to choose from for a
5 customer.

6 A third issue that is also talked about
7 with regard to commercial availability is the
8 performance of the organic seed and whether or not
9 it is equal to or hopefully better than
10 conventional untreated seed. To demonstrate the
11 equivalency Blue River Hybrids is testing its seed
12 in more than 70 locations throughout the mid-west
13 and east coast areas. Our test plots include
14 organic and conventional untreated seed that is
15 currently being sold to organic farmers. We also
16 put our seed in public trials that are sponsored
17 by State agencies or universities and that
18 information is public. We also have a very
19 liberal policy providing at little or no charge
20 seed for testing to customer or dealers and even
21 potential customers much of our test plot data,
22 whether it's our data or with other companies is
23 available on our website.

24 But all of this progress is being
25 threatened at this time by the fact that the
26 conventional suppliers of organic germplasm in the

1 United States are rapidly transitioning from
2 convention seed to trait or GMO seed. This
3 progress is undermining our work with non-GMO
4 organic seed. In the past many organic seed
5 companies relied on these suppliers for seed stock
6 and testing of new varieties. However, these
7 suppliers are transitioning from non-GMO research
8 to the production of GMO seed stock and testing.
9 This trend began several years ago but is rapidly
10 accelerating. Our choice through these normal
11 suppliers is greatly limited.

12 In order for organic seed companies such
13 as Blue River and any of the other companies doing
14 organic field crop seed to survive, we need to
15 come up with sufficient resources to adequately
16 support our own product development programs.
17 Farmers who—

18 MS. CAROE: I'm sorry your time has
19 expired.

20 MR. JOHNSON: Okay.

21 MS. CAROE: Is there any questions for
22 Maurey? Jerry.

23 MR. GERALD DAVIS: What are you
24 requesting specifically from this Board?

25 MR. JOHNSON: We generally favor the rule
26 that you are looking at as far as encouraging

1 farmers to use organic seed. That's our general
2 position.

3 MR. DAVIS: And that would help you in
4 your efforts to have enough volume and the
5 resources to maintain non-GMO lines?

6 MR. JOHNSON: Right.

7 MR. DAVIS: Okay.

8 MR. JOHNSON: It's not a matter of us
9 surviving as a business as much as it is having
10 the resources non-GMO inbreds that are rapidly
11 disappearing and not just us. But whether it's
12 other seed companies or you know whoever. But the
13 non-GMO inbreds whether it's for corn or for soy
14 beans, those are decreasing fairly rapidly.

15 MS. CAROE: Bea.

16 MS. JAMES: So, just for clarification,
17 you're supporting the commercial availability
18 recommendation that includes the sourcing of the
19 seed?

20 MR. JOHNSON: Yes, that's correct. Now
21 the one thing I do want to emphasize, is I
22 recognize that with field crop seed it's a lot
23 different then when we're talking about vegetable
24 seed. That's almost a completely different realm.
25 Vegetable seeds you're starting to talk about
26 taste and texture and processor demands and a

1 whole realm of criteria that we don't deal with on
2 field crop seed. So I recognize that that's a lot
3 different. And in some respects our job on the
4 field crop seed is somewhat easier. What makes it
5 more difficult is the looming cloud out there of
6 GMO hybrids and seed that's being used, that's
7 what makes it difficult for us.

8 MS. CAROE: Hugh? Anybody else? Tracie.

9 MS. TRACY MIEDEMA: You mention having an
10 abundance of organic I think it was corn seed and
11 we know that commercial, there have been
12 exceptions granted for instance to farmers who
13 can't find that seed.

14 MR. JOHNSON: Right.

15 MS. MIEDEMA: So my question is how do
16 you promote that availability so that we don't
17 have certifiers out saying it's not available when
18 you know you've got it right there in your barn?

19 MR. JOHNSON: Well there's a number of
20 things that we do. We are listed on the OMRI
21 organic seed list. We did do a mailing of
22 approximately 4,000 postcards to organic farmers
23 in August and September letting them know we were
24 there. We're at conferences and trade shows you
25 know annually across the United States. You know
26 we work with our dealers and distributors who are

1 just about everywhere. So we, and we work through
2 various trade associations and we haven't you know
3 done a mailing for instance to certifiers or to
4 necessarily inspectors but we've tried to do a lot
5 to contact directly growers and let them know that
6 we're here.

7 MS. CAROE: Any other questions? Thank
8 you so much for your comments.

9 MR. JOHNSON: Thank you.

10 MS. CAROE: Up next Marty Mesh and on
11 deck Emily Brown-Rosen. Emily? Is Emily here?

12 FEMALE VOICE: Yeah, she's right over
13 there.

14 MS. CAROE: Thank you.

15 MR. MARTY MESH: Madam Chair I have a
16 proxy from FarmSoy Dairy I mean FarmSoy Tofu.
17 Good afternoon, this one's going to be brief and
18 try to help you makeup some time. I'm going to
19 first read you a comment from, about calcium
20 sulfate from somebody that I had suggested that
21 they petition the materials years ago if they
22 wanted to utilize it and then they saw that it was
23 scheduled for Sunset.

24 Dear NOSB members my husband and I own
25 and operate the FarmSoy Company a small
26 manufacturer or organic soy products which began

1 as the farm community soy dairy in the early
2 1970's and under our management has produced only
3 certified organic product since 1992. I've
4 recently learned that calcium sulfate is scheduled
5 to be soon dropped from the approved list and this
6 is my official request to keep calcium sulfate on
7 the improved ingredients list. Our tofu operation
8 has always used calcium sulfate as the coagulant
9 for making our unique tofu and it's functionality
10 cannot be replaced by another coagulant.

11 We and many dedicated customers much
12 prefer the taste of this style of tofu compared to
13 tofu with other coagulants and she goes on. Then
14 even though I have no office help in November of
15 2000 I did the work and filed the necessary papers
16 in a timely manner to get calcium sulfate on the
17 approved ingredients list. These documents
18 included MSDS product analysis and other
19 materials. I'm going to skip part of it, and a
20 list of its many food applications. And besides
21 tofu manufacturing it is kosher certification
22 calcium sulfate is a salt that is mined from the
23 earth and is purified to food and pharmaceutical
24 grade.

25 Just as the variety of organic soy bean
26 used affects the taste quality and texture of

1 tofu, so does the coagulant. There's no reason
2 why calcium sulfate should be removed from the
3 approved list and the existence of FarmSoy Company
4 would be in serious jeopardy if that were to
5 happen.

6 She talks about the, her marketing
7 efforts. And then I trust the NOSB will exercise
8 common sense in keeping this ingredient on the
9 approved ingredients list for food manufacturing.
10 Thank you for your time and consideration.

11 I assume that you've received that
12 already in your packet but for the record you've
13 heard it again in an abbreviated form.

14 So you know just to introduce myself to
15 whoever I might not know, Tina's first meeting I
16 probably don't need to introduce myself to you.
17 My name is Marty Mesh I'm the executive director
18 of Florida Organic Growers, our certification
19 program, quality certification services. I
20 started farming organically in '72 and have been
21 involved with FOG and our certification program
22 since '89. I serve on the Board of Directors of
23 the Organic Trade Association. My comments never,
24 ever reflect the official position of the Organic
25 Trade Association, and I serve on the Board,
26 Karen's here. I serve on the Board's of the

1 Southern Sustainable Agricultural Working Group
2 and various other Boards and policy committees.

3 I want to start by thanking the USDA and
4 the NOB for the Agriculture Symposium and the
5 Agriculture Working Group for its work. And now
6 once again as usual as I've done up here for the
7 last approximate six years I'm begging to get
8 something done and move forward.

9 I've requested many other time we start
10 with the low hanging fruit, shrimp and tilapia.
11 Those that were certified at one time under the
12 program and then that ability to use the USDA logo
13 was withdrawn by the program. It seems like
14 that's easy to move forward. In fact this time I
15 found it interesting in public comments by
16 Consumer's Union, the Center for Center for Food
17 Safety, Salmon Safe, all of those consumer and
18 environmental organizations that have caused me
19 untold grief over the last six years, now they're
20 all in agreement by saying get shrimp and tilapia
21 done. Get it out of the way. Get that going and
22 maybe that would be a source of fish meal in the
23 future. So I would really ask that you focus on
24 the low hanging fruit and get something done in a
25 timely manner and so that organic agriculture can
26 move forward as maybe some of the other more

1 complicated issues are considered.

2 I want to take a minute and thank Andrea
3 for her service to the Board. I know and I take
4 responsibility for a comment years ago which was
5 focused on the Federal process and not personality
6 but I fear at the time it may have been misspoken
7 or misinterpreted. I hope it's okay to make a
8 personal comment once again since it's your last
9 meeting. I've valued my professional relationship
10 with you for years. And though we've made,
11 although we may have differed in opinions we were
12 always cordial and professional and on behalf of
13 the community and the industry and me personally,
14 thank you for your time, your energy, your
15 competency, your integrity, and your service.

16 Having been part of the discussion of
17 grower groups, I want to state the obvious that
18 there are many who care about this issue. The
19 industry is dependent upon many products produced
20 by those least able to afford the escalating cost
21 of certification and inspection fees and that a
22 solution is vital. There should be resolution to
23 the grower group issue for certification so that
24 the smallest of agricultural producers can
25 continue to access the organic marketplace. I
26 think that to marry the certification of those

1 grower groups with multi-site processing and
2 handling facilities is problematic, I disagree. I
3 think with maybe OTCO's position that you can't
4 separate them.

5 You know the regulation treats growers
6 and production units different then it does
7 handlers and the materials list is different. The
8 NOSB recommendation which the industry is supposed
9 to be operating under dealt with grower groups not
10 multi-site processing and handling facilities and
11 so I would hope that, my sense is that there's no
12 major disagreement anywhere in the industry or the
13 community about trying to move forward with the
14 resolution for grower groups and urge that to come
15 to a completion.

16 I'm concerned with the ever increasing
17 paperwork burden associated with organic
18 certification especially for the small, is Dave
19 awake, especially for the smaller scale operators.
20 I don't want to see them give up on the National
21 Organic Program and the organic label. The
22 recommendation about documenting the use of
23 untreated seed seems burdensome for certifiers,
24 and seems burdensome for producers and beyond the
25 scope of our responsibilities for our certifiers.
26 The seed database referred to by others should be

1 done by others and not certifiers. It should be
2 done by those who market seeds or sell seeds.

3 Potassium silicate, I think in general
4 Florida Organic Growers is, would recommend all
5 the materials be relisted that are up for Sunset,
6 potassium silicate that recommendation out of the
7 crops committee needs to be reversed. This was a
8 material as I remember that was petitioned,
9 reviewed, the Crops Committee approved it
10 unanimously pending its EPA registration and now
11 years later after EPA registration is received all
12 of a sudden the Crops Committee reverses its
13 recommendation. I urge the Board, either the
14 Committee to reverse its position or for the Board
15 to do the right thing and approve potassium
16 silicate. You heard from others. Jake I mean
17 with CCOF, you've heard from other grower
18 organizations as well about its usefulness.

19 I'm concerned about the process. The
20 process that tells manufacturing, tells a
21 petitioner that yes after you get your EPA
22 registration you know it's approved. That's all
23 10 minutes? Okay. Man, you guys will love me
24 then before I get done. So anyway fix the
25 potassium silicate and I can stop now.

26 Let's see it think. Oh, Kathleen and

1 Willy's suggestion on humane treatment, I really
2 enjoyed it and if Kathleen Mafken [phonetic] is
3 willing to donate her time and you know to help
4 the program or the Board in coming up with some
5 recommendations, I would jump on it. And I would
6 urge no task force. I've seen what the
7 agricultural working group that did such good
8 work, how long it took. I would want you guys to
9 issue as soon as possible a proposed rule and let
10 the community you know give feedback on a proposed
11 rule. Task forces you know the past year's stuff,
12 it's all taken so long that I fear that we may
13 lose consumer's confidence if we string this
14 stuff out too long. And with that, you have more
15 time.

16 MS. CAROE: Any comments for Marty? All
17 right. Thank you Marty. Up next Emily Brown-
18 Rosen and Grace Marroquin you're on Deck.

19 MS. EMILY BROWN ROSEN: Okay do I have the
20 five minute from Melanie Saffer too that was, I
21 was going to speak for both of us from PCO, we
22 both signed up in a row there.

23 MS. CAROE: Actually I thought Leslie
24 told me that Leslie and herself were being
25 switched to tomorrow.

26 MS. BROWN ROSEN: All right, well I

1 probably can get through this in five minutes.

2 MS. CAROE: Thank you.

3 MS. BROWN ROSEN: I don't think I have
4 that much. Thank you, I'm glad to have a chance
5 to speak to you and echoing everyone else. Thanks
6 for all the hard work. This is a tremendous
7 agenda you've put together here, tons of reading
8 and the agricultural symposium also was very
9 impressive. I learned a lot so it was a good
10 experience so wish you well and sleep well at
11 night when you get done with this.

12 I'm going to talk mostly about materials
13 since that's my main thing. AS far as the Sunset
14 materials PCO does support the relisting of all
15 the Sunsetting materials on the list, agar agar
16 [phonetic], calcium sulfate, carrageen, and
17 glucono delta lactam cellulose and also I believe
18 tartaric acid is on that list although it has
19 never been mentioned anywhere, so that one you
20 should make sure to recommend as well. It was
21 just a glitch that it didn't get listed anywhere.
22 All these products had detailed reviews when they
23 were originally approved and we are unaware of any
24 concerns related to their use in organic food
25 processing. It's too bad we weren't able to get a
26 notice posed in time but I know things were crazy

1 this spring also but in the future it would be
2 good to have like just a brief Federal Register
3 notice saying Sunset you know have it even three
4 or four years ahead of time and these are the
5 items so we can all be ready to work on them.

6 The crop Sunset materials, we also agree
7 with the committee's recommendation to renew all
8 the current listings, calcium chloride, ozoning
9 and gas, parasitic acid and the list three inerts
10 for use in pheromone dispensers. One question on
11 the copper sulfate although we have zero
12 experience with rice production in Pennsylvania, I
13 could say that we noticed you missed, there's
14 another listing on copper sulfate. One for
15 algaecide use, one for tadpole control in shrimp
16 so you need to recommend it twice for each use I
17 believe. Both listings do have the annotation
18 about using once every 24 months. I think this is
19 being used so that people can use it once every
20 year since they can claim different uses so maybe
21 in the future you might want to reconsider that
22 but that's just a point of references. You do
23 need to renew that one.

24 On the new materials, potassium silicate,
25 I read the TAP review, it's nice that there was a
26 good TAP review on this and it was you know an old

1 issue that's come back. I you know it looks like
2 to me it hash a lot of benefit in organic crop
3 production. We have in the east, we have very
4 humid climate unlike out west and fungal diseases
5 are one of the main problems for organic produces,
6 fruit crops, vegetable crops and that's more my
7 specialty. I'm sure it's other crops as well.
8 But this seems to have a very benign environmental
9 profile, it's now EPA registered. Our only
10 alternatives really are cooper and sulfur and
11 those have you know toxic qualities and negative
12 aspects about their use. They've been
13 historically allowed in organic production. It's
14 one of those things that came back from before
15 1990 and we've always been looking for
16 alternatives and haven't had very many. So this
17 is one I would urge you to reconsider your
18 recommendation here. I think it would be of value
19 to have an addition material so we can reduce the
20 use of these other products.

21 The one other product mentioned in the
22 TAP review was this bacterial bacilli subtilis and
23 I did a seraphine good efficacy report on a lot of
24 these biological controls and that one really
25 rated poorly across the board in most fruit and
26 vegetable applications as far as peer review tests

1 on efficacy so I wouldn't say that's a great
2 alternative, that would be like serenade as a
3 trade name.

4 Then one of the new materials you had
5 recommended on processing, the grape seed extract.
6 We're concerned that you have continued to remove
7 some materials without a TAP review. I know at
8 some point along the line you decided that you
9 didn't need TAP reviews for 606 items. I think
10 this is a mistake. Maybe they don't all but
11 certainly a lot of them do and this one does. It
12 should be tabled for further review. You did not
13 have the TAP review and or an independent
14 technical review and my concern is that the only
15 reason to add it is for added nutritive value that
16 would not otherwise be present to meet consumer
17 expectations but you're adding a none organic
18 ingredient to an organic product for a marketing
19 purpose. I saw no information about how it was
20 extracted. Is it haxin [phonetic] extracted
21 'cause it was CBI all the information was
22 withdrawn? There's, the way they, the argument
23 they used that it was not commercially available
24 was that it's so concentrated it takes 100 to 1
25 volume to produce it, they couldn't possibly have
26 it organically but my question is well what about

1 pesticide residues, have we looked at that from
2 conventional grapes and we're going to be putting
3 this in organic food so I would take another look
4 at that.

5 MS. CAROE: Thank you Emily. Board
6 member questions? Hugh.

7 MR. KARREMAN: Regarding the copper
8 sulfate shrimp that you mentioned, does that have
9 to go under livestock then?

10 MS. BROWN ROSEN: It's for Rice, it's
11 under crops.

12 MR. DAVIS: It's for use in rise to
13 control a pest, tadpole shrimp.

14 MR. KARREMAN: Oh, tadpole shrimp.

15 MR. DAVIS: Yes.

16 MR. KARREMAN: Okay, cool. That's fine.
17 But then also on copper sulfate it's only for
18 crops supposed to be applied once every year or
19 two something like that, did I hear that? That's
20 not my realm.

21 MR. DAVIS: Once every 48 months.

22 MR. KARREMAN: Okay but it is used in
23 livestock as a footbath sometimes and those
24 footbaths go out on the land, so I'm just
25 wondering how that's reconciled.

26 MR. DAVIS: Well as Emily alluded to

1 there is 24 months, excuse me, yeah 24 months.
2 Every 24 months for tadpole shrimp and also every
3 24 months for, as an algaecide so it does, if you
4 claim it as an algaecide one year, you can use it
5 and if you claim it for tadpole shrimp the next,
6 you can use it again.

7 MS. CAROE: This is a great discussion
8 that we will have during the recommendation part
9 since we're not engaging Emily here. But if you
10 do have questions for Emily, let's ask her. Okay
11 so we'll discuss that further when the item comes
12 up for discussion among the Board. Thank you
13 Emily. Oh Tracy?

14 MS. MIEDEMA: Emily I appreciated your
15 comment about the need for TAP reviews and Jerry
16 maybe you could weigh in on this too. In our
17 discussion about substances for crops, it came up
18 that you know tight budgets, we don't necessarily
19 have money right now to do TAP reviews on
20 everything and so the discussion came up that
21 maybe there should be a threshold if there are,
22 there's information in the petition that precludes
23 this from any further consideration, then we
24 wouldn't expend resources on a TAP review. Sort
25 of a sure no, we wouldn't use money for a TAP
26 review.

1 MR. DAVIS: Well that was one way to
2 avoid TAP reviews if we expected the material not
3 to have any chance of passing. We wouldn't worry
4 about expending the money. But for example a
5 grape seed extract, that wouldn't apply to that
6 example at all. You know obviously it's-

7 MS. MIEDEMA: Well you wouldn't had to
8 recommend it, yeah.

9 MR. DAVIS: Yeah it's recommended to be
10 added to the list.

11 MS. MIEDEMA: Right, yeah.

12 You know I just wanted to mention that
13 for the sake of transparency in that this was
14 something that was kind of uncharted territory,
15 making a decision to not do the TAP and you know
16 it may be an item that we need to go further.

17 MS. CAROE: Dan?

18 MR. DAN GIACOMINI: Hi Emily. This is
19 specifically not a question. So but, I don't
20 remember seeing a comment from you on the
21 definition of the materials. Want to just ask you
22 at some point in time to take a look at that
23 document and get something to us.

24 MS. BROWN ROSEN: I have more here on
25 that if you want to hear about it.

26 MR. GIACOMINI: Okay, I do.

1 MS. BROWN ROSEN: I also signed up,
2 actually I also signed up for some time on Friday
3 and what I want to do there is give you a little
4 Power Point with all, what I'll briefly say is
5 that we think you have a lot of tools available
6 already to do this. I think you know I appreciate
7 that it's tough to start up with this, it seems
8 very complicated but it's not as hard as it looks
9 or seems and we think that with all the flowcharts
10 you've already developed especially the March 2006
11 Framework on Synthetic Non synthetic, the various
12 versions of the Ag, Nonag one, we can put it
13 altogether. I'll try and run you through a few
14 examples and show you how it's really not that
15 hard to do and we think we can move forward on
16 that and we would like to do that.

17 MS. CAROE: Any other questions? Thank
18 you Emily. And we have Grace Marroquin up and we
19 only have 20 more comments for today. Grace when
20 you're ready.

21 MS. GRACE MARROQUIN: I'm back.

22 MS. CAROE: Oh, wait a second. Before
23 Grace Gershuny you're on deck. I saw Grace
24 earlier. Did she leave the room?

25 MALE VOICE: No, I'll get her.

26 MS. CAROE: Thank you.

1 MS. MARROQUIN: Before I start I want to
2 say thank you Andrea for all your great work and
3 you know you're going to be missed by everybody.
4 And also want to thank the Board and the NOP. But
5 I'm back and it's your fault. No. I'm joking,
6 joking.

7 My name is Grace Marroquin and I'm
8 president of Marroquin International Organic
9 Commodity Services Inc. My company is based in
10 Santa Cruise, California and we import,
11 distribute, and develop organic ingredients for
12 the national food industry. I'm here once again
13 to support the classification of yeast on the
14 national list as an agricultural product.

15 We believe that this change would
16 contribute to the raising of the organic
17 standards. Organic processors presently are not
18 required to use organic yeast because yeast is not
19 listed as agricultural. This change would make it
20 a requirement that organic foods use organic yeast
21 instead of conventional yeast. Organic yeast is
22 unique in that it is the only commercially
23 available organic ingredient that processors do
24 not have to use. We want to make it clear to the
25 Board that this is a loop hold in the organic
26 standards that we believe can be closed.

1 non-agricultural to agricultural status so that
2 under the NOP yeast can be a preferred organic
3 ingredient subject to commercial availability.
4 We've been pursuing our position with the Board
5 now for three and a half years. We first brought
6 this request to the Board in the summer of 2004.
7 The Board, at that time the Board wanted to have
8 an overall policy to decide which materials would
9 be agriculture as opposed to non-agricultural.

10 One year ago after much hard work the
11 Handling and Materials Committee offered a joint
12 proposal for the October 2006 Board meeting. As
13 part of this proposal both committees voted
14 unanimously that yeast was an agricultural product
15 and thus should be listed on Section 205-606 but
16 not so, it didn't happen. So there was public
17 comment urging the Board to go slow. The Board
18 voted to postpone further action so that it could
19 study the points raised and there were two
20 principle points raised. One was that there were
21 no standards for organic yeast production. The
22 other was that making yeast an agricultural
23 product may have a negative effect on the yeast
24 used in organic livestock feed. The Board said it
25 was going to study the points so they could then
26 revisit the basic proposal, the one that both

1 Handling and Material committee had already
2 approved, it's in the transcript under the October
3 2006 meeting, pages 75 to 77.

4 I would like to point out that in regard
5 to the organic yeast the discussion document does
6 not make any reference to the work that the
7 Handling and Materials committee produced in
8 October of '06. The discussion document does not
9 return to the agenda that the Board laid out in
10 October of '06. Now we have a discussion document
11 that goes far beyond ag, non-ag area into the
12 synthetic, non-synthetic area and the way it
13 appears is that it's moving further away from
14 being able to address the question of yeast.

15 I want to leave the Board with a couple
16 of points and one is June 28, 2007 the E.U.
17 adopted, the E.U. adopted Council Regulation
18 number 834-2007 and it gives full express
19 recognition to organic yeast in food and feed. It
20 provides general rules for the production of
21 yeast. There are standards that apply to the
22 processing. U.S. certifiers ...

23 [END MZ005015]

24 [START MZ005016]

25 MS. MARROQUIN: ...have wanted to have the
26 yeast operations certified and they've been asking

1 for these processing standards. With this E.U.
2 action the organic role is moving towards yeast as
3 an organic ingredient and today there are many
4 organic food products exported from the U.S. to
5 Europe that contain yeast. If the U.S. organic
6 standards continue to allow conventional yeast in
7 organic products, this will setup another trade
8 barrier for U.S. products being exported to the
9 E.U.

10 And in regards to the livestock issue,
11 I've been in this industry 16 years and have
12 operated under the idea of organic preference and
13 I know that presently there are some very large
14 organic yeast companies posed and ready who are
15 watching this issue and how we're dealing with it.
16 And you can bet anything that they're going to be
17 in this industry with organic yeast along with our
18 supplier who is just waiting for a decision to be
19 made to come here and setup production in the U.S.
20 I want to thank you all for your thoughtful
21 consideration to this issue.

22 MS. CAROE: Thank you Grace.

23 MS. MARROQUIN: Thank you.

24 MS. CAROE: Questions for Grace? Joe and
25 then Jerry.

26 MR. JOSEPH SMILLIE: As you know Grace I

1 support your position and it's unfortunate but
2 trust me that the yeast issue which you feel is
3 lost in the newer discussion, it didn't happen in
4 a way that was prejudicial to your case and then
5 the idea of yeast. The more and more we looked at
6 this material the more and more we were faced with
7 a conundrum of the synthetic nonsent [phonetic]
8 that had gagged non-ag which Emily says is simple
9 and I can't wait to hear her explanation tomorrow.
10 But we thought we had to deal with the whole thing
11 holistically but on your issue I absolutely
12 support it and I'm hoping that this Board can
13 address that situation.

14 MS. MARROQUIN: Thank you. Think of it
15 as low hanging fruit.

16 MR. SMILLIE: It is a fruiting body after
17 all.

18 MS. CAROE: I think they're coconuts but
19 Jerry.

20 MR. DAVIS: Thanks for sticking with it
21 Grace.

22 MS. MARROQUIN: Thank you.

23 MS. CAROE: Any other comments? Dan.

24 MR. GIACOMINI: I work in livestock; I
25 consult with dairy farmers that work in, that
26 treated a large amount, a fair amount of yeast to

1 their cows and one of the problems is the fact is
2 that it's a very small amount of yeast. I've
3 talked to two of the major feed yeast companies
4 and they really don't want to have to go there and
5 they are not looking forward to the possibility of
6 needing to be, go through organic certification
7 through international manufacturing and everything
8 else. Could you list the companies you've talked
9 to that are ready to go that currently supply feed
10 yeast to the livestock industry?

11 MS. MARROQUIN: Well Midwest Bio Lag in
12 Wisconsin, they did this several years ago. They
13 actually produced organic yeast and they bought
14 the equipment, they went through the OCIA
15 certification and because of this loophole and no
16 enforcement on it, they finally had to close down
17 shop, they lost a lot of money. They actually at
18 the time when I spoke to them over a year and a
19 half ago they had not sold the equipment yet. It
20 was in storage somewhere in hopes that maybe
21 something might change. But it I think they you
22 know they may have given up and they're watching.

23 Some of the other yeast companies are
24 more from the food end. You know I haven't, I
25 know that they're out there and they're waiting.
26 I think, again I want to point to organic

1 preference that is what got this industry to be
2 what it is today was if someone produced an
3 organic product had it available, we would have to
4 use it and it changed the industry, it changed
5 the, it kept raising the bars. Every company,
6 every product that's here is because of that
7 preference. My company for the last 16 years has
8 been operating under that and has risen to that
9 challenge, enjoy the challenger and feel that
10 we're a contributor to where the industry is. And
11 I think that they may not like it, sure. But it
12 think they'll, it just takes one of them to get in
13 it and the rest will follow. I know that 'cause
14 I've seen it for 16 years now.

15 MS. CAROE: Any other comments or
16 questions for Grace? Thank you.

17 MS. MARROQUIN: Thank you.

18 MS. CAROE: Let's bring up another Grace.
19 Grace Gershuny are you in the room? There you
20 are. Brian Baker are you in the room? You're on
21 deck.

22 MS. GRACE GERSHUNY: I was telling
23 people, I'm a virgin at this. I've been, never
24 have given a public comment at an NOSB meeting so
25 I am making this comment on my own behalf. I'm
26 listed as Gaia Services, that's my consulting

1 name. I do consult for various people here in the
2 industry and I had some hand in drafting some
3 other people's comments that you have already
4 heard. But I am going back to my roots here. I
5 am speaking as one who crafted some of the early
6 organic definitions including the 1985 OTA
7 guidelines for the organic industry and as one who
8 served on the NOP staff for five years from 1994
9 to '99 where I had a major role in drafting the
10 regulations. Before this I was actively involved
11 in grassroots advocacy on behalf of organic
12 farmers where my ideas about the meaning of
13 organic developed and I would add I'm also writing
14 a book which this plays into.

15 I really appreciate the thoughtful
16 analysis including acknowledging the areas of
17 confusion in the document about the discussion of
18 the definitions. And I want to contribute this in
19 the spirit of joining the discussion rather than
20 expecting anything to come out of it. What I
21 really, it's really kind of a radical proposal,
22 radical idea in the sense of getting to the root
23 of the confusions which has to do with the term
24 synthetic. The root of confusion which is
25 enshrined in our law and I want to tell a little
26 bit of a story about how that came about. And I'm

1 going to try to be as brief as I can so I don't go
2 over the five minutes so I'm condensing some of
3 this material. I'll be glad to expand upon it in
4 other conversations and discussions.

5 Essentially I believe that the basic
6 premise of defining organic production and
7 handling by the absence or non-use of synthetic
8 substances is fundamentally flawed and I think
9 that you know we're not going to get away from
10 that anytime soon but we could change the
11 definition of synthetic. And my story includes
12 coming to draft the document that's appended to
13 this comment which was created by the NOP staff in
14 1995 and was actually reviewed and approved by the
15 NOSB with a couple of slight revisions. But this
16 is a set of principles and a definition of organic
17 agriculture that was used as a basis for drafting
18 the regulations. And I want to point out that the
19 term synthetic doesn't appear in it anywhere and I
20 believe that basing the law on this concept was a
21 mistake whose consequences continue to unfold in
22 public controversies and confusion about what
23 organic means and should mean.

24 I went on to explain a little bit about
25 Joe Smillie and I worked on drafting the OTA's
26 guidelines back in 1985, pulled together a lot of

1 principles and definitions from everybody and
2 found that there were a couple of disconnects
3 between what is feasible on the farm and what
4 consumers believe and expect. We and what this
5 did was promote a simplistic false dichotomy
6 between synthetic as bad and natural which is
7 good. Although many consumers clearly believe
8 that organic meant chemical free or non
9 synthetics, we argued that the credibility of the
10 organic label required us to educate consumers
11 rather than perpetuate their ignorance.

12 Essentially I'm going to cut to the chase
13 and tell you what I think the definition of the
14 synthetic would be, it would solve a lot of the
15 problems that have come up.

16 MS. CAROE: Well we definitely want you
17 to continue and tell us what it will be. You
18 can't leave us hanging right there Grace.

19 MS. GERSHUNY: Okay. I think my modest
20 proposal involves amending OFPA to define
21 synthetic in a way that more accurately reflects
22 both the basic principles of organic production
23 and the really bad things that consumer's thing of
24 when they hear the word synthetic. This
25 definition would narrow the meaning of synthetic
26 to refer only to substances that are derived from

1 petrochemical products, i.e. synthetic organic
2 compounds. Criteria for including petrochemically
3 derived compound on a national list could also
4 eliminate novel molecules that are not known to
5 exist in living cells.

6 I've given a lot of thought to what the
7 implications be, it would certainly make it
8 possible to use things like potassium sulfate that
9 were byproducts of manufacturing and not have to
10 only buy mined potassium sulfate, things like
11 that. There are a lot of, there's a lot in here.

12 It is not a proposal to weaken the
13 standards and I wanted to say that a lot of people
14 would probably see it that way but most of us
15 don't have any interest in weakening the standards
16 and I would just say that the definition should be
17 shifted away from the idea that it's a negative
18 that it's an absence of bad things onto the
19 positive focus on ecological production systems
20 whose primary goal as written in this document,
21 which I'm very proud of, is to optimize the health
22 and productivity of interdependent communities of
23 soil life, plants, animals and people.

24 MS. CAROE: Thank you Grace. And I
25 appreciate the comment, this is very interesting
26 and I especially like the part where you put blame

1 on Joe Smillie. I share that sentiment. Is there
2 comments or questions for Grace?

3 MS. HEINZE: I just wanted to thank you
4 for your comments. You know it was the intention
5 of the Handling Committee when we put out our
6 initial thoughts to generate comments to help us
7 as we continued in this process. I know you're
8 the first of many people who will have comments
9 for us this week and I do appreciate it.

10 MS. CAROE: Thank you Grace. Now you've
11 done it once, you can come back. Brian Baker
12 you're up. And you have a proxy Brian?

13 MR. BRIAN BAKER: That's correct I have a
14 proxy for [unintelligible] [crosstalk]-

15 MS. CAROE: Do you want two five minute
16 sections or one ten minute runt them through?

17 MR. BAKER: Well I yeah, I think I can
18 handle it all in less then ten minutes.

19 MS. CAROE: Excellent.

20 MR. BAKER: I'll shoot for less then
21 five.

22 MS. CAROE: Okay.

23 MR. BAKER: Hopefully, I don't want to
24 take up too much of your valuable time.

25 MS. CAROE: Okay and Rose Koenig are you
26 in the room Rose? Yeah, you're on deck. When

1 you're ready.

2 MR. BAKER: Yes, Brian Baker, research
3 director, Organic Materials Review Institute. I
4 appreciate being before you again and also want to
5 mention that I once sat where you are. I was on
6 the NOSB for all of one meeting as a rotating
7 certifier representative at the first meeting
8 where synthetic and non-synthetic substances were
9 voted upon in Orlando, Florida hosted by the
10 illustrious Marty Mesh and that was perhaps a
11 pivotal meeting where some of what Grace just
12 mentioned was discussed. I was also wanted to
13 mention that I've served as a TAP cord and
14 technical advisory panel coordinator and TAP
15 reviewer for the NOSB and have been working on
16 these difficult issues. Most of my comments, I'm
17 a materials geek working for the organic materials
18 review institute and most of my comments will
19 focus on the discussion of definition of
20 materials. And it's something that I think is
21 vitally important and really appreciate you giving
22 some thought to that and raising some fundamental
23 questions, it's important to not take some of
24 these things for granted and certainly wanted to
25 applaud some of the positive suggestions that you
26 made. For example the elimination of the

1 definition of non-agricultural, it just gets in
2 the way. It's not a negation of agricultural and
3 it complicates rather than clarifies. There are
4 other things in the discussion document that
5 really had a hard time understanding and just try
6 to work through what was intended by the
7 discussion document. And I just, we get questions
8 at OMRI everyday from organic farmers and their
9 suppliers, from certifiers and inspectors, from
10 suppliers, vendors, handlers, and we need to be
11 able to determine the status of a formulated
12 product clearly, consistently, and in a timely
13 way. This is vital for the continued growth and
14 prosperity of the organic sector and we are, we've
15 worked closely with the NOSB over the years in
16 helping to develop what culminated in the decision
17 tree that was posted in March of 2006 and ask that
18 you revisit that rather than starting anew and
19 departing on a new path and build upon the solid
20 work that's been done by the NOSB over time.

21 I mean we did debate over using the basis
22 of synthetic, non-synthetic and agricultural and
23 non-agricultural as the basis or the foundation of
24 the standards and that, things have moved on since
25 then and we have to, we have many unresolved
26 issues that need attention. But creating new

1 unresolved issues is not very helpful.

2 Briefly I wanted to mention about the
3 whole question of how agricultural products are
4 added to 606. OMRI believes that all the items on
5 606 need to be evaluated against the criteria in
6 the Organic Foods Production Act. The
7 conventional farming practices of how those
8 agricultural products are produced and their
9 environmental impacts, their human health impacts
10 are crucial to be understood before voting on
11 them. And we believe they need to be
12 independently evaluated by TAP reviewers and that
13 the information needs to be publicly available and
14 redacted as confidential business information.

15 We need also clarity on the meaning of
16 commercial availability. We're getting
17 applications now from vendors and formulators of
18 combinations of agricultural and non-agricultural
19 ingredients and those formulations are requested
20 to be confidential and it's very difficult for us
21 to explain under what conditions those formulated
22 products can be used. So the meaning of
23 commercial availability of those ingredients, the
24 form, function, quality and quantity of the
25 different ingredients that are going into the
26 formulated products that we evaluate is very

1 difficult for us to communicate to the industry.
2 And so we need further clarity on commercial
3 availability. And so until TAP reviews are done
4 and until there's clear guidance on commercial
5 availability we ask for a moratorium for amends to
6 606 and have some suggested language for the, for
7 what can be recommended.

8 We ask that if we're recommending that
9 any non-organic agriculture ingredient be added to
10 606, the NOSB shall consider the criteria in the
11 Organic Food Production Act for that ingredient in
12 particular the impacts on the environment, human
13 health, and the soil of the non-organic production
14 practices used to produce that petitioned
15 ingredient. The NOSB should consult with
16 technical experts who are independent of the
17 petitioner to determine the availability of
18 organically produced and handled alternatives and
19 the sustainability of those non-organic production
20 practices. So that's something we think is very
21 fundamental in anything that goes on the national
22 list. So similarly with aqua-culture, we expect
23 the national list process to be respected for
24 synthetics used in aqua-culture as well and are
25 withholding comments in general on aqua-culture
26 until we see something more about what's proposed

1 there.

2 Briefly wanted to mention sodium
3 carbonate proxy hydrate which has been petitioned,
4 it's something that when it's used according to
5 the label makes two things that are on the
6 national list, hydrogen peroxide and sodium
7 carbonate. So the difference is that the reaction
8 takes place not in the factory but on the farm.
9 And it's our believe that the limitations and
10 restrictions of the national list apply not, are
11 relevant to what's applied to the crop and not
12 what's put on the tank but we encourage the
13 petitioner to petition for clarification and look
14 to you for guidance. It's just one example of the
15 many kinds of questions that we have to deal with
16 and face.

17 So with that I offer myself as a resource
18 if you choose to explore this further. If you
19 want to form a task force, OMRI stands prepared to
20 support your work in anyway possible. I know it's
21 not easy and just I'm offering my assistance and I
22 thank you.

23 MS. CAROE: Thank you Brian. Questions?
24 Katrina and then Jerry.

25 MS. HEINZE: I want to thank you Brian in
26 particular for your written comments and the

1 historical documents you provided. Had an
2 opportunity to read them last week and they were
3 particularly helpful as I think about this
4 definition in materials. I was hoping you could
5 speak a little bit about this idea of synthetic
6 agriculturals because we've had quite a bit of
7 discussion about that on the joint committee. And
8 I will say I'm perplexed about the idea that a
9 material can exist in both of those places
10 particularly as it applies to how we would handle
11 petition materials. So some thing is agricultural
12 and it's synthetic and someone petitions it, does
13 it go on 606, does it go on let's say 605B, does
14 it go on 601, how are we?

15 MR. BAKER: Or it doesn't go on at all.

16 MS. HEINZE: Right or it doesn't go on at
17 all.

18 MR. BAKER: I mean it depends on the
19 application use but more fundamentally it depends
20 on the source and manufacturing process. I use
21 the example of ethylene gas. Ethylene is produced
22 by apples or kiwi fruit. You can call that
23 agricultural quite clearly. I mean everybody
24 thinks an apple an agricultural product right.
25 Okay, you can get it from and most of what's
26 commercially available comes from a petroleum

1 refiner so that's clearly synthetic right? You
2 can also produce it by evaporation or distillation
3 and as a byproduct of ethyl alcohol in the process
4 of splitting it off from ethyl alcohol this Board
5 considered that to be synthetic when it was
6 petition so that was a petition for a specific
7 application for the greening of sprouts. It was a
8 petition to put a synthetic on 601 okay, not even
9 for use post harvest handling. So that's one
10 example.

11 You've got two things that are on both
12 605B as synthetics allowed in processing and 606
13 depending on their form on function. One is
14 bleached lecithin and unbleached lecithin.
15 Bleached being reactive with hydrogen peroxide
16 which is on the national list or benzoic peroxide
17 which is not on the national list, either one's
18 okay as a bleached lecithin but you see and going
19 back to histories and organic preference which is
20 a term that sounds great but you know the reality
21 of implementing it is not so great.

22 This Board recommended that there be a
23 hierarchy created. If there's an organic
24 ingredient, you got to use it. If there's not an
25 organic ingredient that has that form, function,
26 quality, and quantity, then you can use the non-

1 organic agricultural source. If you have a, if
2 you don't have the organic or the non-organic
3 agricultural, then you can use a non-agricultural
4 non-synthetic and only if you exhaust the organic
5 the non-organic, and the non-synthetic non-
6 agricultural, only then can you use the synthetic
7 non-agricultural and so you can have a given
8 ingredient depending on the source and
9 manufacturing process be agricultural or non-
10 agricultural, be synthetic or non-synthetic. It's
11 not the substance and that's because organic is a
12 process based standard not a-

13 MS. HEINZE: [Interposing] So then is
14 your proposal that as we look at a decision tree
15 or whatever format we end up putting this in, that
16 we would focus our questions on the process?

17 MR. BAKER: That's right. What is the
18 source? What is the manufacturing process?

19 MS. HEINZE: Thank you.

20 MR. BAKER: How is it derived?

21 MS. CAROE: Jerry did you have a
22 questions?

23 MR. DAVIS: When you mentioned sodium
24 carbonate for peroxyhydrate, give me your point
25 again on that, I missed it just a little bit.
26 What were you saying?

1 MR. BAKER: Well the point is that the
2 active substance is not what the farmer sprays out
3 or actually what the farmer applies through an
4 irrigation cleaning system for example. It's the
5 sodium carbonate peroxyhydrate goes into solution
6 and creates hydrogen peroxide and sodium carbonate
7 and so by going into solution, by being used
8 according to the label it then, the active
9 substance that's actually formed because it's in
10 dry state, right? It's just, it's a way of
11 shipping hydrogen peroxide without shipping all
12 the water so it's a more concentrated form.

13 MR. DAVIS: The end result of the
14 breakdown of that formulation becomes two
15 materials that are already on the list.

16 MR. BAKER: That are already on the list
17 but we're seeking clarification because we
18 acknowledge there are differences of opinion.
19 Some certifiers say yeah, sure that makes sense
20 and other certifiers are saying wait a minute, I
21 don't see sodium peroxyhydrate on the national
22 list so yeah rather than spin the manufacturer
23 around in circles, we said well go to the NOSB
24 that's you know if they give you a clear answer,
25 then that's what we'll live with. But the
26 precedent is that we see that if it's used

1 according to the label, it's producing two things
2 that are on the national list.

3 MR. DAVIS: Right and the sodium
4 carbonate actually would be a mined material
5 actually from what I've read.

6 MR. BAKER: Right but it's a mined
7 material that has been reacted with hydrogen
8 peroxide.

9 MR. DAVIS: Right, right.

10 MR. BAKER: In a reversible reaction so
11 and then dehydrated.

12 MR. DAVIS: Correct. Okay thank you.

13 MS. CAROE: Any further questions for
14 Brian? Dan.

15 MR. GIACOMINI: That is a consistent
16 interpretation I guess would be the word, on the
17 livestock side we have the same type of thing in
18 the formulations of teat dips. The things that
19 they make after they're mixed are on the list. A
20 lot of them have not been allowed because of the
21 source material that's used to make the solutions.

22 MR. BAKER: Yeah, I can think of a few.
23 Well the, yeah the iodine products. But the other
24 confounding factor of course with teat dips is
25 they usually have excipients. And one thing I
26 forgot to mention is that the, we look forward to

1 the docket on life stock materials and further
2 clarification of what excipients are allowed in
3 organic production. We desperately need that.

4 MS. CAROE: Any further questions for
5 Brian? Gary non? Thank you Brian.

6 MR. BAKER: Thank you.

7 MS. CAROE: Rose you're up. On deck Judy
8 Thompson. Are you in the room?

9 MS. JUDY THOMPSON: Yeah.

10 MS. ROSE KOENIG: Hi, I'm, wakes
11 everybody up. My name is Rose Koenig and I'm an
12 organic farmer in Gainesville, Florida. Good
13 afternoon and thank you for your service on the
14 Board. I sat on the Board from 2001 through 2006
15 and during that time two issues that you're
16 dealing with today were somewhat, I thought,
17 resolved or at least parting thinking that it
18 would be a consistent retention of at least the
19 ideologies of the previous Board. But however
20 upon looking at the agenda and reading some of the
21 documents I saw a difference of kind of opinion in
22 terms of what was happening. So henceforth I'm
23 here. That's how you get me to come to these
24 meetings again.

25 The first issue is potassium silicate. I
26 was on a Crops Committee at that time when the

1 petition came forward for both the soil amendment
2 and as a disease control product. That Board also
3 as I think you're Board viewed the product as a
4 soil amendment a no-go. But in terms of disease
5 control as the many members of the audience have
6 stated, we could, we were in favor of listing that
7 product for disease control. However, at that
8 time there was no labeling, EPA label of that
9 product so for us putting it on the list at that
10 time it was like superseding the authority of the
11 EPA because that's their, you know they really
12 have to determine whether something's you know an
13 efficacy or a type of product that can be used in
14 disease control. So we told the company get the
15 label and we'll differ it at this point. So that
16 is the history and I can go into more history if
17 it is needed on that product but there was a
18 consensus of the Board at that time that it should
19 be on the, listed on the for crop use, for disease
20 control and now I see it's been labeled also for
21 insect control. And I think you know at least in
22 my opinion that it would be consistent for that
23 also as it presently is petitioned.

24 Some of the reasons that I believes and I
25 think that the Board believed it was as other
26 people stated the existing materials, in fact

1 materials that are on the list things like copper
2 and sulfur do have issues that if you go through
3 the OFPA criteria, probably wouldn't meet OFPA
4 criteria as well as this product does. There's
5 heavy metal issues that occur when you use copper.
6 There's also resistance among pathogens, they can
7 become resistant to coppered fungicides when
8 they're used repeatedly. That should not happen
9 based on the mode of reaction or if it does
10 happen, it would be a not I guess a more rare
11 occurrence. If you know the mode of action, which
12 will be explained on this particular product by
13 the next series of speakers so I'm not going to go
14 into that. But I just want to make the statement
15 that I do think that this product is much more
16 consistent with the OFPA criteria based on the
17 products that are on your list and really I
18 certainly, for people who know me, was not
19 somebody who liked to list a lot of products. I
20 don't believe in that the synthetics list should
21 be this thing that everybody you know petitions
22 and voila their product becomes it. But I do
23 believe that when there are products that meet the
24 criteria and in fact when there's products that
25 are probably more environmentally friendly than
26 those on the list they should be heavily

1 considered by the Board and should probably be
2 listed. So when Sunset does come around there are
3 other alternatives now on the list that you can
4 kind of weigh the data of efficacy, data on these
5 products to see if those products can be taken
6 off.

7 It's especially true of disease control
8 products because as you know that you know farmers
9 even you know I'm plant pathologist, I have a PhD
10 in plant pathology and I'm also a farmer and I try
11 to use systems management as the rule states that
12 we're supposed to do a series of hierarchy steps
13 before we go to that you know last step which is
14 your input, your chemical input. But even as an
15 organic farmer there are instances where things
16 just blow into your system. There's air you know
17 wind born type pathogens that are going to come
18 into the systems and I do think pest control tools
19 are a must if you're going to list anything, you
20 should really look at those very heavily.

21 I really wanted to do some conversation
22 on also the materials document although my five
23 minutes is coming close. What I just will mention
24 about those documents is that this work also
25 historically had been done. I did a lot of work
26 in my last couple years on the Board trying to

1 further clarify the definition of synthetic 'cause
2 basically we were told that materials were at a
3 stalemate, we couldn't go forth because we kind of
4 got involved in soy protein isolate under the
5 Crops Committee petition and we realized that it
6 wasn't easy with the present definition to make a
7 decision on that. So we worked heavily on further
8 defining synthetic. And then the NOP after I left
9 actually did a great job, I think they worked with
10 their lawyers from what I can see in terms of
11 their evaluation. You know kind of taking our
12 document and working into I think a much more
13 legally defensible type of document and I really
14 believe that you should go back to that document.
15 I think that that should be your starting point in
16 terms of the process.

17 MS. CAROE: Thank you Rose.

18 MS. KOENIG: You're welcome.

19 MS. CAROE: Questions for Rose, comments?
20 Thank you for making the trip back. We'll just
21 have to keep on throwing out controversial things
22 so you keep on coming back.

23 MS. KOENIG: That's all right
24 [unintelligible] [off mic.].

25 MS. CAROE: Next up is Judy Thompson and
26 on deck is Lawrence Datnoff.

1 MS. JUDY THOMPSON: Hello, I'm Judy
2 Thompson with PQ Corporation and we are the
3 petitioner for potassium silicate. And Rose has
4 already covered some of the history. I just
5 wanted to clarify why a pesticide registration is
6 needed for a product like potassium silicate.
7 OFPA's definition of a pesticide refers to the
8 FIFRA and according to that and I'll use a
9 fungicide as an example; if a material in any way
10 controls a disease, then it falls into the
11 fungicide category. In the case of silicon it
12 actually helps the plant, at least part of the
13 mode of action is to help the plant defend itself.
14 You could think of it as the vitamin C of the
15 plant kingdom so for that reason it needed to be
16 registered as a pesticide.

17 Over the years I've provided updates to
18 the NOP as far as the status of potassium silicate
19 and as I knew it was going to come back before the
20 Board and so I consolidated all those updates
21 along with the 2002 petition and that is the
22 document that is the 2006 petition. So the 2006
23 petition has the, more information on efficacy as
24 well as the latest research that's been published
25 on the mode of action and I had also added the
26 insecticide use.

1 The TAP report is from early 2003 and
2 this has some very good information in it however
3 the 2006 petition really has a more complete, is
4 more complete with respect to the latest research
5 on salable silicon. In the Crops Committee
6 recommendation one reason for failure was that it
7 says here synthetic soil applied fertilizers are
8 not compatible with organic farming regulations
9 and I understand that. The 2006 petition actually
10 petitioned a plan amendment for hydroponics use
11 only but in an effort to clarify potassium
12 silicate and to perhaps focus it, I'd like to
13 withdraw that for consideration. So I'd like to
14 take the plant amendment off for consideration. I
15 think the people who have spoken in support of
16 potassium silicate have done so for pesticide uses
17 so I'd like to keep the disease control and
18 insecticide uses.

19 The EPA registered potassium silicate as
20 a biopesticide specifically in a biochemical
21 pesticide category and this is because as I said
22 silicon is used by the plant to help defend
23 itself. Pesticides are given a signal word. It
24 might be poison, danger, warning or caution. Our
25 end use potassium silicate product has a caution
26 word which means it's the friendliest type of

1 product. It also has a tolerance exemption and if
2 you're not familiar when you register a pesticide
3 you must document to the EPA any pesticide
4 residue, how much of that can be tolerated by
5 humans. In the case of a product that is benign
6 and friendly such as this one, you can receive a
7 tolerance exemption and that would be due really
8 because the potassium silicate would be
9 indistinguishable from potassium and silica that's
10 already in that environment.

11 The reentry interval is four hours. Some
12 pesticide products could have a reentry as long as
13 thirty day. This is the amount of time you have
14 to wait before you go back into the field. Some
15 products might be one day, twelve hours. This is
16 four hours which is the lowest time. Also it has
17 a zero pre-harvest interval. This is the amount
18 of time before you can apply the material and then
19 harvest the product. And again all this speaks to
20 the benign nature of potassium silicate. And I
21 also like to tell organic folks that potassium
22 silicate is odorless.

23 Potassium silicate shows activity for
24 both disease and insects and as such it may lower
25 the use and frequency of less desirable control
26 measures such as sulfur and copper. And lastly

1 potassium silicate is made the same way as sodium
2 silicate. Sodium silicate is on the national list
3 for fruit floatation and it was reapproved in a
4 Sunset review I believe last year.

5 And lastly I'd just like to thank the
6 Board and the NOB especially Bob and Valerie for
7 their good and hard work on this process. Thank
8 you.

9 MS. CAROE: Thank you. Just a quick
10 question for you. Will you be in the meeting
11 tomorrow.

12 MS. THOMPSON: Yes.

13 MS. CAROE: And on Friday?

14 MS. THOMPSON: Yes.

15 MS. CAROE: So if we have any further
16 questions you're available to help us with that.

17 MS. THOMPSON: Yes.

18 MS. CAROE: Okay any other Board? Jeff.

19 MR. JEFF MOYER: Yeah I just want to
20 verify what I heard you say. You're amending your
21 petition to not include it as a plant and soil
22 amendment?

23 MS. THOMPSON: Correct. I'm withdrawing
24 that for a consideration so I would like to
25 restrict it to the disease control and insecticide
26 uses.

1 my name's Lawrence Datnoff, I'm Professor of Plant
2 Pathology at the University of Florida and I've
3 been conducting research on using silicon for
4 plant disease control for over 16 years. So the
5 next slide.

6 So just to let you start out with terms
7 about what silicon is as an element. You know
8 it's found in the Periodic Table just below
9 carbon. Silica is SiO_2 ; you also know it as sand.
10 Well, you walk on beaches, that's silica.
11 Silicate is a compound with silica plus potassium.
12 It could be also calcium or sodium. And then
13 silic acid is this form right here. Next slide
14 please.

15 And you've read in the TAP report about
16 silicon, it's the second most abundant element on
17 the earth's crust after oxygen.

18 Next slide. And you know we know a lot
19 about nitrogen mineralization, we know about
20 phosphorus dynamics in soil, how it gets into
21 plants but when it comes to the natural dynamics
22 of silicon in the soil and how it moves into the
23 plants it's not as well studied. But here's some
24 ideas of what we think goes on.

25 You do have minerals in the soil and that
26 is released into a form silica acid. You have

1 these iron aluminum oxides that will bind up the
2 silicon so that they can be released over time.
3 You can also have polymers from plant materials
4 that can be released from irrigation water and
5 then this silica acid is what the plant takes up.
6 Next slide.

7 And probably the best study so far has
8 been in rice and last year AMA from Japan found
9 two transporter genes, LSI1 and LSI2. And what
10 happens is it will take salicylic acid from the
11 soil matrix, move it across the casparian strips
12 into the ion for loading, once it's loaded and
13 moves up becomes deposited in the leaves and it's
14 basically immobile once it is deposited. And in
15 rice you'll get these silica bodies forming.
16 Here's with silica, without, you can see. And
17 this is sort of X-ray microanalysis just showing
18 the amplification of silicon deposition in the
19 leaf surface. Next slide.

20 But what happens in this whole system you
21 can have some natural leaching. Okay. Next
22 slide. And there are soils that go through a
23 weathering sequence. This is what soil scientists
24 use, these soil orders to describe the horizons,
25 the texture and contents of clays and sands. And
26 basically they can go through a weather process so

1 it's a de-silication so silicon is not available
2 to the plant so not all soils are equal in their
3 content of plant available silicon. Next slide.
4 And so you've heard about tropics. You can see
5 there's just millions of hectars of these soils so
6 they are low and lemong [phonetic], they're out
7 there. Next slide.

8 But even in the U.S. we have soils, the
9 sandy antha [phonetic] soils, hista [phonetic]
10 soils, organic soils, high organic matter, incepta
11 [phonetic] soils you see and ulta [phonetic] soils
12 that are just like probably the ones in the
13 tropics, they are very low and lemong. So again
14 plant medium is low in lemong and a lot of times
15 there's not enough silicon available to that
16 plant. Next slide.

17 So also plants differ in their capacity
18 to accumulate this element. So wetland grasses on
19 a dry matter basis will be around 5% to 7%. Dry
20 land grasses like sugarcane cereals turf about .5
21 to 1.4 on average and dicots [phonetic] about .2.
22 Next slide.

23 And so these are plants that I just kind
24 of listed, they're in the literature. They show
25 where silicon either can suppress disease or
26 improves some type of plant growth and

1 development. And you recognize a bunch of crops
2 here, some are ornamentals and turf grasses. Next
3 slide.

4 And so when you look at silica in the
5 literature there's a lot of things this element
6 can do. It does impact on plant diseases. Best
7 studies are rice blast and powdered mildew pests
8 and also can alleviate a lot of different stresses
9 like metal toxicity, lodging, draught resistance
10 for an example. Next slide, next slide.

11 Okay so enhancing resistance. So here we
12 have, this is rice blast it's the most important
13 disease of rice in the world. We have three
14 cultivars. This is resistant, this is partially
15 resistant, this is susceptible. As you increase
16 silicon you can take a susceptible cultivar, push
17 it to partially resistance level and take a
18 partially resistant cultivar and push it to
19 complete resistance. This is very important for
20 something like hair looms or land races to enhance
21 that resistance. Next slide.

22 Similarly here is sheath blight, the
23 second most important disease of rice in the
24 world. Susceptible, partially susceptible, highly
25 resistance without silicon, blue is with silicon
26 you see you get that great suppression. But

1 what's interesting is you can take susceptible
2 cultivars, moderate susceptible and push that
3 level of resistance just like high partial
4 resistance. So it can really enhance the
5 resistance of the plant. Next slide.

6 So what's going on? You know is it
7 structural, biochemical? Well here's a scanning
8 electron microscope showing deposition of silicon
9 just below the cuticle right here. And this is
10 the sidasol [phonetic], then here's the cell wall
11 they control. Next slide. And what happens is a
12 spore will land. Hit that please, hit advance.
13 Okay, germ tube and this is silicon deposition.
14 Hit it one more time, one more time. And so you
15 have no infection. It blocks the ingress of the
16 fungus being able to penetrate that cuticle 'cause
17 the deposition of silicon. Next slide.

18 And here is an example where you took
19 this even further. This is 96 hours after
20 infection, big lesion here, very little lesion
21 here, you cut it you know look at it on
22 transmission electronic microscopy. Here's a
23 fungal cell very normal growing, the cell walls
24 starting to dissociate. Here's a fungal cell in
25 the presence of silicon, it's like a huge vacuole,
26 it's empty and you had this amorphous material

1 that we've identified to be phenolic in nature.
2 Pheno is produced in plants or defense responses
3 in plants. We also phytoalexin compounds and
4 these are also low moleculate [phonetic] compounds
5 that have antifungal activity. Next slide.

6 We've also extracted a messenger R N A.
7 You know R and A is a transcript factor in
8 building proteins and enzymes and you can put this
9 on gelled and through electrophoresis move the
10 messenger RNA and get a banding pattern. You can
11 see without silicon 36 hours you get, not as big
12 expression a we do with silicon for beta one three
13 gluconase [phonetic]. Well fungi have glucon in
14 their cell wall. Beta one three gluconase is a an
15 enzyme that attacks that cell wall so it looks
16 like in the presence of silicon you're producing
17 this enzyme to attack cell walls. Next slide
18 please.

19 Also peroxidases as you can see it is 60
20 hours, here's our control. It kind of starts to
21 shut down but it's still being strongly expressed.
22 Peroxidases are involved in the production of
23 lignin. lignin helps fortify cell walls to
24 protect the plant. Next slide.

25 And also we have what we call PR1
26 proteins. You can see it starts to be expressed

1 at 60 hours in the controls, with silicon it's
2 strongly expressed. PR1 proteins are proteins
3 known to have anti fungal activity also. Next
4 slide.

5 So here are some examples of potassium
6 silicate on grey leaf spot on turf. This is work
7 we did a number of years ago. You can see the
8 number of lesions just sort of infecting the
9 plant. Fewer here, we cut it in half. Well,
10 almost half say about a 42% reduction. Next
11 slide.

12 This is work coming out of Canada with
13 that batritise [phonetic] development on
14 strawberry and again potassium silicate versus the
15 control, you got over 42% reduction. Next slide.
16 And more recently with wheat potassium silicate
17 for powdery mildew and it's about a 50% reduction.
18 Next slide.

19 So does how does silicon enhance disease
20 resistance. Well here's what we think is going
21 on. It's probably, it's a passive role. You've
22 got deposition; it makes it very difficult for
23 that fungus to get through. Okay it's not always
24 uniform but when it does get through it slows it
25 down enough to where maybe silicon's eliciting or
26 amplifying the signal in the plant to produce these

1 defense related compounds. Next slide.

2 And so basically you know if silicon can
3 play this type of role and the media can be lower
4 limiting and it should used for suppressing plant
5 disease and it shouldn't just be for biological
6 thinking or experimentation, it should actually be
7 implementation and the Board has, I you ask me, a
8 great opportunity to bring this to fruition for
9 organic growers based on some of the reasons that
10 Dr. Koenig and Dr. Thompson just mentioned. Next
11 slide.

12 And these are just some pertinent
13 references that we've published over the years
14 going back from 2001 on rice primarily. And this
15 was not in the TAP report but let me go back to
16 that TAP report just a little bit.

17 One of the things they said well you know
18 you can use green sand. Okay, well green sand it
19 does have 25% silicon in it but it's totally
20 immobile, it's not available. It does not weather
21 and so it's not available to the plant. There's
22 another similar silicon source, magnesium
23 silicate. If you look it up in the chemistry
24 handbook it'll tell you it's insoluble in water,
25 you have to use hydrochloric, hydrochloric acid,
26 it also has 26%. And there are people out there

1 unfortunately trying to sell some of these
2 materials and say oh yeah, we have silicon. But
3 is it available to the plant and in this case
4 they've done a great job in showing that this has
5 great efficacy across a number of fungal species,
6 on a number of crops and you know organic growers
7 are looking for other ways to manage plant
8 diseases.

9 MS. CAROE: Thank you. Questions. Joe
10 Smillie.

11 MR. SMILLIE: I appreciated it. I
12 enjoyed it Dr. Datnoff. It's nice to get back to
13 what organics is all about and certainly the role
14 of silica in plant health has a very long history.
15 You know as being bio-dynamically trained Rudolf
16 Steiner one of the founders of organic thinking
17 pointed out the important role of silicon in
18 plants and I think it's nice to see the modern
19 research showing scientific reasons for what has
20 been passed off as organic mythology in the past.
21 So I really appreciated the presentation.

22 MR. DATNOFF: Thank you.

23 MS. CAROE: Any other comments or
24 questions from the Board? And will you two be
25 around the rest of the meeting to [unintelligible]
26 [crosstalk]-

1 MR. DATNOFF: I'll be here all day
2 tomorrow.

3 MS. CAROE: Tomorrow.

4 MR. DATNOFF: But I have to go back
5 tomorrow evening.

6 MS. CAROE: Okay so you're available?

7 MR. DATNOFF: So if you have any
8 questions related.

9 MS. CAROE: Tomorrow is the more
10 important day during the discussion period.

11 MR. DATNOFF: Right exactly. So again
12 like some of the other products that are mentioned
13 in that TAP report like milk and whey I mean
14 they're really, they're not registered, they're
15 not available, there is concerns about efficacy
16 and the spectrum of activity is very narrow and
17 here you've got some very broad spectrum.

18 MS. CAROE: Thank you very much for your
19 comment. Moving on Lawrence Marais and then on
20 deck Scott Hutchinson. Is Scott in the room? I'm
21 sorry? Oh, John okay thank you.

22 MR. LAWRENCE MARAIS: Ready? I'm also a
23 plant pathologist. I am an R and D manager for
24 Monterey Ag Resources. We distribute potassium
25 silica to ag industries in California. I'm very
26 excited about this product.

1 I'm not going to belabor what Lawrence
2 has explained there and Judy as well. What's
3 exciting about this product particularly if one
4 looks at the problem that organic growers have
5 with perennial plants, tree fruit crops to contend
6 with soil born diseases, they do not have any
7 organic products that are available to control
8 these diseases. And we know that there's a lot of
9 documentation of potassium silicate being used to
10 control disease like root rot in other avocados,
11 citrus pythium and of course bacterial rot of
12 tomatoes but discellium and ferrcerium [phonetic]
13 are two diseases that are very prevalent, there
14 aren't even chemicals available to control these
15 disease and we know that potassium silica does a
16 good job of doing that when is applied as a soil
17 drench. So this is very exciting.

18 Another thing nimitoad, nimitoad pests
19 are extremely important as far as reducing crop
20 yield. They don't kill plants but they reduce
21 yield and there aren't any organic nimiticides
22 [phonetic] of really any worth out there. And
23 this potassium silicate does a good job of
24 controlling citrus nimitoad and fretilancus
25 [phonetic] and hellicadillancus [phonetic] in
26 sugarcane, that's been documented.

1 Another thing replant disease in
2 perennial crops are really caused by a combination
3 of nimitoads and sorgun [phonetic] fungi and you
4 know that conventional growers use methyl bromide
5 to get rid of that, to alleviate that problem
6 while organic growers can't use that. Methyl
7 bromiders also could be leaving the market pretty
8 soon and the combination of using potassium
9 silicate to control nimitoads and sorgun
10 pathogens, it's a wonderful tool that organic
11 growers have and that is something that one really
12 needs to emphasis.

13 Insect pests in California and Florida of
14 course you've all heard about the greening disease
15 and in California we have Pierce's diseases.
16 These are vectored by insect pests and at the
17 moment we only have some conventional chemicals
18 like Admire that are toxic of course to the
19 environment but are very good chemicals to control
20 these vectors but organic growers don't have that.
21 The application of potassium silicate which is
22 very good pesticide will help the wine grape
23 growers who are organic and organic table grape
24 growers to contend with Pierce's disease. And in
25 citrus, Asian greening disease which is
26 transmitted by the citrasilla [phonetic] which is

1 also another disease, another vector that can be
2 controlled by potassium silicate. So if one looks
3 at potassium silicate as a fungicide for sorgun
4 pathogens and pests that vector disease, this is a
5 very important tool that organic growers can use.

6 Another fact that one has been looking at
7 that's been documented, the environmental stress
8 that can be alleviated by potassium silicate, what
9 happens is that when you're applying potassium
10 silicate as a [unintelligible] spray or even as
11 soil drench, we find that the amount of silica gel
12 that is associated with the cell wall's sililoes
13 [phonetic] in the epidermal cells results in a
14 reduction in transference. So during times of
15 water deficit like we're going through a period of
16 draught, Georgia is, California next year our
17 irrigation is going to be cut by almost 30% and
18 growers that have perennial crops are going to
19 need something they can apply that'll reduce the
20 amount of transference in their plants and this
21 is one of them. Both conventional and organic
22 growers can do that.

23 So just in summary then, this potassium
24 silicate falls really extremely important issue in
25 organic agriculture where no organic products for
26 the effective control of sorgun disease and of

1 course nimitoads. There aren't any organic
2 products registered to control nimitoads at this
3 stage, there are some biologicals but very
4 inconsistent results. The maximum residue levels
5 that are imposed on the products that are imported
6 or exported to the European Union you know that
7 every year they are imposing more, they're
8 increasing the maximum residue levels for post
9 harvested yeast control. Potassium silicate is
10 used to control post [unintelligible] diseases in
11 cherries, avocados, bananas and if any organic
12 growers are using organic substances or products
13 to control post [unintelligible] diseases, they
14 need to have something that has very low residues
15 and potassium silicate is one of them that can be
16 used. Thank you.

17 MS. CAROE: I'm afraid your time is
18 expired? Rigo.

19 MR. RIGOBERTO DELGADO: We understand
20 clearly what the mechanism of control in the case
21 of diseases is, can you explain how it works for
22 the case of insects? Is it similar?

23 MR. MARAIS: Insects?

24 MR. DELGADO: Yes.

25 MR. MARAIS: The insect, with insects
26 there's two modes of action, the one that Lawrence

1 explained as far as physical barrier. Aphids for
2 instance cannot, they cannot probe because they
3 start [unintelligible] very sensitively tender,
4 they can't probe cells that have been, that have
5 the layer of silica in the epidermal cells, that
6 is preventative. As far as I think the glassy
7 winged sharpshooter for instance, that'll be the
8 same thing. You know that glassy winged
9 sharpshooters probe right through the bark of
10 vineyards and so on and they feed on the silon
11 [phonetic]. Now the silicon, the potassium
12 silicate is going to also form a physical barrier
13 to probing and when insects feel that they find
14 difficulty in probing, they move away. It's not a
15 toxic thing it's just it's mainly a physical
16 barrier as far as insects are concerned. And also
17 desiccation of course if you're applying potassium
18 silicate to an insect it'll also desiccate that
19 insect as well. In other words they die from
20 desiccation.

21 MS. CAROE: Thank you. Other questions?
22 Thank you so much for your comments.

23 MR. MARAIS: Thank you.

24 MS. CAROE: John Hutchison and Dave
25 Martinelli are you in the room? And you have a
26 proxy as well. You're on deck.

1 MR. MITCH JOHNSON: Hi, I'm not John
2 Huteson. I'm Mitch Johnson. John had to catch
3 a plane a few minutes ago so I'm substituting for
4 him.

5 Good evening, my name is Mitch Johnson
6 and I am manager at Intervet Animal Health Company
7 a part of Schering Plough Corporation. My purpose
8 today is to introduce you to fenbendazol a
9 material that was petitioned in February for
10 addition to section 205-603 of the national list
11 as a parasiticide [phonetic] to be used as an
12 emergency treatment in dairy and breeder stock.
13 While the TAP review has not been formally
14 completed for this material we want to provide you
15 with some information on fenbendazol and why we
16 know that it is much more compatible with organic
17 agriculture than the existing material on the list
18 which is ivermectin. Specifically fenbendazol is
19 an anthelmintic capable of causing the evacuation
20 of parasitic intestinal worms important to cattle
21 production and cattle health.

22 Fenbendazol was approved by the FDA in
23 1983 and is marketed under the trade name
24 Safeguard. It is a proven treatment in control of
25 several types of gastrointestinal worms including
26 lung worms, stomach worms, and intestinal worms.

1 [END MZ005016]

2 [START MZ005017]

3 MR. JOHNSON: There are several specific
4 reasons that fenbendazol is compatible with
5 organic agriculture. First it is not a microlite
6 antibiotic. Second it does not harm beneficial
7 insects particularly the dung beetle as well,
8 earth worms, plant life, fish, and micro
9 organisms. Thirdly cattle internal parasites are
10 increasingly developing resistance to the approved
11 material ivermectin as well Safeguard fenbendazol
12 addresses an important need in organic livestock
13 production of welfare concerns. Quite simply a
14 dairy heifer or a dairy cow parasitized is a sick
15 unwell animal.

16 Fenbendazol is not, let me go into these
17 points with a bit more information. Fenbendazol
18 is not a microlite antibiotic but is instead a
19 member of a well known and widely used class of
20 compounds called the benzimidazoles. According to
21 the Merck Veterinary manual the wide safety margin
22 of benzimidazoles is due to their greater
23 selective affinity for parasites rather than for
24 mammalian tissues. In our early launch meetings
25 with Safeguard back in the '80's our technical
26 services team would tell produces there's a reason

1 why we called it Safeguard.

2 Fenbendazol's activity is specific to
3 gastrointestinal parasites. Extensive studies
4 have demonstrated that fenbendazol will not have a
5 negative impact on dung beetles, fish, earth
6 worms, micro organisms or plant life. We have
7 summarized some of those studies in a separate
8 handout that I believe that you have received.

9 The emerging issue of parasite resistance
10 to ivermectin is an increasing problem throughout
11 the cattle industry. It is critical that an
12 emergency treatment allowed for us in organic
13 agriculture be an affective treatment.
14 Fenbendazol has a different mode of action then
15 ivermectin and the macrolite antibiotics therefore
16 it is an affective dewormer in herds that have
17 selected for ivermectin resistant parasites.

18 Unlike the USGA organic approved
19 material, ivermectin, fenbendazol is administered
20 orally and it does not become systemic in cattle.
21 Studies have shown that fenbendazol is completely
22 excreted within seven days of administration thus
23 accounting for the short withdrawal period when
24 used in slaughter stock production and a zero milk
25 withhold in non-organic dairy production. The
26 lack of an affective and organic compatible

1 parasidicide stands today as one of the key
2 limiting factors in the growth of the organic
3 livestock sector.

4 Current non-synthetic substances,
5 synthetic substances on the list and alternative
6 cultural practices are not adequate for the
7 problem. For example diatomaceous earth has not
8 been demonstrated to affective in controlling
9 internal parasites in scientific studies and as
10 you know the approved material, ivermectin, the
11 only approved material is a macrolite antibiotic
12 and has demonstrated negative impacts on dung
13 beetles in particular.

14 In closing fenbendazol is not an
15 antibiotic, it is safe to the environment, it
16 affectively deals with the emerging issue of
17 anathematic resistance in cattle production, it is
18 good for supporting animal welfare and animal
19 wellbeing and as important Safeguard and
20 fenbendazol is being requested increasingly by
21 organic dairy producer customers of Intervet as a
22 viable option for controlling cattle parasites.
23 Thank you for you attention and I'll entertain any
24 questions.

25 MS. CAROE: Thank you. Questions? Huge?

26 MR. KARREMAN: I have a few but first I

1 want to thank you for bringing up fenbendazol
2 again. I did not know went for a TAP or submitted
3 in February, I think I became aware of it in June
4 or July something like that.

5 MALE VOICE: When we would have got it.

6 MR. KARREMAN: That's when we got it.
7 Okay so, yeah. And at that point we kind of had
8 out plate full with the agriculture symposium and
9 what not so I didn't want to give fenbendazol
10 short shrift and I wanted to have it, I want to
11 have it come up for a recommendation vote in the
12 spring.

13 MR. JOHNSON: Thank you.

14 MR. KARREMAN: Okay so it's going to be
15 on a work plan. I'm glad it's not a macrolite
16 antibiotic. I know that and that's very good. I
17 just wonder if it's available over the counter and
18 there's no milk withhold in the conventional
19 world, that raises a few problems potentially just
20 with it being used on the sly so to speak. I hope
21 that wouldn't happen but that would be one thing
22 you know I'd be kind of, a little bit worried
23 about but there's other over the counter things as
24 well like penicillin and we're hoping that's not
25 used on the sly of course.

26 As far as the resistance of the

1 ivermectin, understood, I got that. That's
2 especially in goats and sheep actually not so much
3 cattle yet in the U.S. But you know I don't think
4 that that's really germane to the organic herds
5 because they're not using ivermectin routinely
6 it's like on the one animal. And as with
7 antibiotics and organic antibiotic resistance of
8 the pathogens, mastitis pathogens in organic
9 herds, their resistance actually goes down when
10 they've done some studies in Wisconsin and
11 Michigan about resistance for the same bugs in a
12 conventional versus organic herd. Anyway that's
13 me just blabbing away but I'm glad you're going to
14 petition it again. I want to support it and we
15 will work on it between now and in the spring.

16 MR. JOHNSON: Thank you. We would
17 welcome providing any information addressing any
18 questions that the Board may have concerning the
19 petition.

20 MR. KARREMAN: We will.

21 MS. CAROE: Right thank you. And we
22 appreciate, the Board always appreciates Hugh's
23 expertise blabbing, yes. Thank you very much.

24 MR. JOHNSON: You're welcome.

25 MS. CAROE: Up next is Dave Martinelli
26 and Dave you have a proxy so you'll have 10

1 minutes. On deck we have Barbara and Tom Elliott.
2 Not here? Okay moving on it'll be Kelly Shea on
3 deck. When you're ready.

4 MR. DAVE MARTINELLI: Okay. I need my
5 Power Point here. No it's the only file on that.
6 It's on that CD. While Valerie's getting that up
7 I apologize in advance, I'll need every bit of my
8 ten minutes. I'm trying to stuff 20 pounds of
9 walnuts in a 10 pound back here so.

10 My name is Dave Martinelli and I'm with
11 Petaluma Poultry/Coleman Natural Foods but
12 actually today I'm speaking on behalf of the
13 methionine task force. I'll give you a little
14 brief, if you can hit the next slide Valerie.
15 I'll give you a little brief overview of the
16 methionine issue just very quickly. What the task
17 force has done to date and kind of what we've
18 determined on some different alternatives and what
19 the next steps might be.

20 Methionine again just to kind of hit old
21 ground here just again very quickly, is an
22 essential amino acid. If poultry don't get enough
23 methionine in their diet they'll exhibit a number
24 of these characteristics that are shown there.
25 We'll have excessive mortality, poor performance
26 in the field in terms of body weight or egg size

1 and in worse case poor feather development and
2 actually the birds exhibiting signs of
3 cannibalization and feather picking.

4 The current annotation to use synthetic
5 methionine expires in October 2008 which is right
6 around the corner and just as a point of reference
7 from an inclusion rate standpoint a certain
8 amount of the methionine in the diet is provided
9 by corn and soy bean meal. In synthetic
10 methionine it's out at the rate of five pounds per
11 ton of feed so it's approximately one quarter of
12 one percent of the overall diet.

13 Methionine Task Force has been around for
14 approximately six years. Individual members of
15 the Task Force have been at this issue for much
16 longer than that conducting field trials and the
17 like. But within the last 12 months the Committee
18 has kind of really re-energized again and a
19 significant departure is the fact that we have
20 asked for funding from different members. We felt
21 a lot of research that needed to get done wasn't
22 getting done so we've kind of self imposed an
23 assessment on our members and have raised a
24 significant amount of money to cover a number of
25 initiatives that I'll kind of walk you through
26 right here. This is kind of a quick overview of

1 them but we'll discuss in some detail each one of
2 these items.

3 The first was a literature review. To
4 our knowledge it was the first review of its kind
5 conducted that both look at the methionine needs
6 of poultry as well as the national, international
7 organic standards and also discusses the viability
8 of certain alternatives. This review was
9 conducted by Dr. Bonnie Burns Whitmore at the
10 California State Polytechnic University in Pomona,
11 Cal Poly Pomona. And it's really a tremendous
12 document. I would more than welcome the
13 opportunity to provide any member of the NOSB with
14 a copy of the Executive Summary which is in and of
15 itself about 100 pages long. The report is
16 approximately 60 pounds. If you're interested we
17 can send it to you but it's quite a bit of
18 reading.

19 Some of the key findings in it that we
20 found particularly interesting is that obviously
21 more research needs to be done both around the
22 feed requirements for the birds and also on
23 genotype. Interestingly enough there's some
24 evidence from some of the historical that's been
25 done that suggests that the leaner breeds may have
26 a methionine demand then a breed such as broilers

1 which tend to be a little fattier but
2 interestingly enough heritage breeds do not have a
3 lower methionine demand than commercial flocks.

4 European practices are quite frankly
5 unclear. It's very obvious that methionine is not
6 allowed in diets in Europe, in organic diets but
7 in the discussions that Dr. Burns-Whitmore and her
8 staff had with European producers there seemed to
9 be some ambiguity at the producer level about
10 whether synthetic methionine was allowed.

11 We'll get into this point a little bit
12 later on but it's very important that a number of
13 the alternatives that are listed and are touted as
14 being higher in methionine while they are indeed
15 higher, they typically don't have sufficient
16 methionine except when included at very high rates
17 in the diet which creates other imbalances in the
18 diet. And we'll cover that in a minute.

19 Another initiative that the Task Force
20 has been engaged in this last year are farm
21 trials. There have been, there's a number of
22 broiler trials that have been completed and one
23 that's ongoing currently at Penn State. There's a
24 broiler trial, excuse me a layer trial that is
25 being done through Organic Valley in conjunction
26 with the University of Minnesota that is in

1 process and there is discussion about starting
2 another layers at Penn State. None of these
3 trials are peer reviewed, I should point that out
4 as well.

5 The Coleman trial, I you can hit the next
6 slide, the Coleman trial is interesting because
7 actually the trial suggests that you can raise
8 birds without methionine. The interesting part
9 was, or the downside of this is the fact that meat
10 yields were poor and the flock performance was not
11 as strong from a feed conversion standpoint and
12 the real, the sixty four million dollar question
13 here is whether we can replicate those results on
14 a commercial scale. This was in an isolated
15 instance on an isolated farm with very small
16 number so our next intent is to really try this
17 trial on a larger scale. The other interesting
18 point is that our best performance in the trial
19 was using corn glutton meal on a diet which is not
20 currently available in organic form either.

21 The organic value University of Minnesota
22 trials really focused on using high methionine
23 corn, they did not run a no methionine group so
24 that is one of the things that the Task Force
25 needs to look at in the future is potentially a
26 layer trial that has no methionine in the diet and

1 no high methionine corn. And then obviously we
2 need to have some turkey trials at some point.
3 There isn't a strong turkey representation on the
4 Task Force so at some point we need to rerun
5 trials to represent that segment of the industry.
6 The organic rally results did show good
7 performance on the layer side using high
8 methionine corn and we will talk about high
9 methionine corn as well right now.

10 The Task Force has been, had a strong
11 dialogue with the Micro Field's Agricultural
12 Institute, Dr. Walter Goldstein. He's given us a
13 presentation. High methionine corn is attractive
14 because it comprises a significant part of the
15 diet. Corn's approximately 60% of the diet of
16 organic poultry and while it has two to three
17 times in methionine levels of convention corn or
18 normal I should say organic corn, that's not a
19 high enough percentage to provide all the
20 methionine needs to the bird. Another issue not
21 so much from the poultry side but from an
22 agronomic perspective, farmers have been very
23 reluctant to grow high methionine corn, there's a
24 concern about yield drag and high moisture content
25 in it and those issues need to be overcome if this
26 is going to be produced on a commercial scale.

1 But to try to get a little bit of the ball rolling
2 in terms of getting high methionine corn out
3 there, the Task Force has funded two different
4 trials, they are currently underway. One trial is
5 in Chile and a second trial has just been approved
6 to start in Hawaii. The intent is we will
7 generate and do some more hybrid experimentation,
8 propagate some more seed stock, bring that back to
9 the U.S., to the Midwest, get that planted in the
10 spring of '08, and then hopefully have some better
11 data and some better results by harvest of '08.

12 I alluded to this issue a little bit
13 earlier that a number of the alternatives are
14 commonly touted as being viable alternatives or
15 products higher in methionine. Yes, they are
16 higher but they don't typically contain sufficient
17 levels of methionine and the next slide I think
18 really illustrates this. This is provided
19 courtesy of Dr. Jackie Jacobs at the University of
20 Minnesota. It lists a variety of feed
21 ingredients; you probably can't read them all from
22 here. But the item at the very bottom of the list
23 looks like the homerun item is casing.

24 The thing I would point out on this list
25 is this is a scale from zero percent to three
26 percent so that means that casing has

1 approximately 2.6%, 2.8% methionine. So to get
2 the equivalent of what five pounds of methionine
3 to get this we would have to include casing at the
4 diet at at least the rate of 10%. Now that's
5 going to create significant other imbalances
6 within the diet that would probably not be able to
7 overcome and that's casing which is the most
8 promising product. We haven't even talked about
9 commercial availability just from an inclusion
10 rate perspective we have a lot of dietary
11 imbalance issues that would need to be addressed.
12 Next slide please Valerie.

13 When we talk about commercial
14 availability corn glutton meal I think is a very
15 promising product. It's not available in organic
16 form and I'm not carrying any dialogue, actually
17 Dr. Bonnie Burns-Whitmore has interviewed people
18 in her report that claim to have used it and claim
19 that it is available in organic form. I've
20 canvassed everybody I can think of that we buy
21 feed from and I've no takers on anybody that can
22 produce organic corn glutton meal. If somebody
23 knows of one, please put them in touch with us.
24 Interestingly enough we have located a source of
25 sesame meal to at least do some trials with
26 organic sesame meal clearly a long ways away from

1 having that available on a commercial basis but I
2 think for some trials we can pull some good data.

3 Fish meal I don't need to bore you with
4 anymore aqua cultural related issues probably
5 today but nonetheless I think there are some
6 significant hurdles there both in terms of the
7 preservative that's used, ethoxyquin and some of
8 the other issues. Next slide please.

9 Pasture very quickly, pasture is
10 considered to be one alternative. Earthworm meal
11 on that chart was 1.6% methionine so earthworms
12 and insects although quote unquote "rich" in
13 methionine would need to be included in the diet
14 at approximately 30% inclusion rate in order to
15 make the diet balanced from a methionine
16 perspective. It's felt that if all the chickens
17 could access that much earth worms and insects to
18 balance their diet and get sufficient methionine
19 needs. We talked about the Heritage breeds.

20 I'm running out of time so I'm going to
21 hit these very quickly. These are three items the
22 Committee's really focused on: high methionine
23 corn, genetic selection, and naturally fermented
24 methionine. I will tell you that all of these are
25 in the R and D phase and literally years probably
26 five to ten years away from being available on a

1 commercial scale. I do think they hold tremendous
2 amount of promise but if we can advance just a
3 couple slides?

4 I just want to close with this. Just hit
5 another slide or two Valerie. This is the final
6 slide. We are well aware of the fact that the
7 October 2008 deadline is right around the corner.
8 We would like to come back to the Committee some
9 point unfortunately with a petition. There's a
10 variety of paths we can take that are outlined
11 there but what we'd really like to do is engage
12 the Livestock Committee in some sort of dialogue
13 around a potential solution. We think we have
14 viable alternatives we simply are not going to
15 have them available by October 2008.

16 MS. CAROE: All right. Thank you Dave
17 for your comments.

18 MR. ENGELBERT: Real quick please?

19 MS. CAROE: Absolutely.

20 MR. ENGELBERT: How many years has
21 methionine added to poultry rations?

22 MR. MARTINELLI: Six years I believe.
23 Synthetically you know with the annotation?

24 MR. ENGELBERT: At all in any-

25 MR. MARTINELLI: At all?

26 MR. ENGELBERT: Yes.

1 MR. MARTINELLI: I'm going to take a stab
2 at it and say 40 years.

3 MR. ENGELBERT: How were their needs met
4 prior to that time?

5 MR. MARTINELLI: Well that's a great
6 question. I don't think you were getting the same
7 sorts of feed conversions and performance and
8 probably bird size, meat quality that you're
9 getting today. Whether that would be acceptable
10 to the consumer I just don't know. On a
11 commercial scale everything we've determined in
12 our C values etcetera, you need to add synthetic
13 methionine to the diet.

14 MS. CAROE: Hugh.

15 MR. KARREMAN: Thanks for coming in Dave.
16 We'll be definitely staying in touch over the next
17 year I know that. Did you see the fellow, the
18 presentation from South Carolina with the insect
19 meal earlier today, he was in here linked into
20 agriculture.

21 MR. MARTINELLI: Yeah I need to get in
22 touch with him. I did some quick calculations of
23 what he kind of looked at in terms of run rate and
24 availability. Obviously if that's feasible and
25 that's a possibility. He would need to produce a
26 significantly higher quantity than the amount he

1 was talking about at full run rate. I think he
2 was saying two hundred twenty tons a week. That
3 would not even be enough to do more than probably
4 20% of the broiler industry let alone layers and
5 turkeys. That aside, that sort of solution could
6 potentially be the answer. Again that won't be
7 here by October 2008.

8 MS. CAROE: Dan.

9 MR. ENGELBERT: Well, no, I can let it
10 go. That's fine. It'll be more discussion. No
11 that's fine really.

12 MR. GIACOMINI: As a rumen nutritionist
13 where I'd work with about half conventional
14 there's a tremendous number of feed availability
15 and if I'm to use the best tools that I can and
16 consider that the perfect fox for making a ration
17 for nutrition, I don't think I've ever made an
18 organic ration where I didn't have to shave some
19 corners. I'm at the very least glad that this is
20 a not a Sunset item, it's got a drop dead, it will
21 only happy with a petition. And the only thing I
22 would suggest right there is that if you want a
23 petition looked at in a timely fashion, you file
24 it tomorrow and that's being a little dramatic.
25 But don't think about looking into the future at
26 some point of time of when you're doing it because

1 it's only doing to delay things. Now that's not
2 saying whether it's going to pass or not but if
3 you're going to be wanting to present a petition
4 even with the data and the things you're working
5 on, start working with the NOP and that's not
6 working with us, that's getting it approved with
7 Valerie and Bob.

8 MR. MARTINELLI: You know if I could
9 just, I appreciate the feedback. You know we've
10 really frankly tried to avoid the whole petition
11 discussion. I mean we're much more focused on
12 getting a solution then doing petition. I think
13 we're now coming to the realization thought that
14 we aren't left with a whole lot of options so we
15 will put it in high gear to get something before
16 you quickly.

17 MS. CAROE: Thank you. Any further
18 questions from the Board? Thank you so much.

19 MR. MARTINELLI: Thank you.

20 MS. CAROE: Kelly Shea you're up, on
21 deck. First, let's another call for Barbara or
22 Tom Elliott, are you in the room? Okay then
23 Harriet Behar for Joyce Ford, you're on deck.

24 FEMALE VOICE: Barbara and Tom Elliott
25 were Marty Mesh's, he combined those earlier
26 'cause he was their proxy.

1 MS. KELLY SHEA: In the interest of time
2 and because you've already received my comments in
3 printed form, I'll just be really brief and touch
4 on three main points. Point number one, I'm with
5 White Wave Foods Company and you probably better
6 know us better as Horizon Organic Dairy and Soy
7 Milk. In regards to the document that the NOSB
8 has put together seeking comments on making
9 determinations of ag. non-ag. and non-synthetic
10 and synthetic, I would like to put forward a
11 strong suggestion that NOSB look at convening an
12 industry wide volunteer task force to collaborate
13 on the issue. It's a really crucial issue,
14 there's a lot of institutional knowledge and
15 experience out there from former Board members,
16 Trade association, groups such as OMRI. And I
17 think that the many years of discussion and
18 learnings really need to be captured in any final
19 recommendation. It also would take a little
20 weight off the shoulders of the Board and the
21 program to let the organic community take this in
22 our hands, spend you know six months, four to six
23 months on it and come back with some work for you
24 that you can then refine. So I'd like you to take
25 that under consideration. And I know even in the
26 room today a lot of people have said they'd be

1 happy to you know push up their sleeves and get
2 involved in that.

3 The second thing is in regards to Sunset
4 materials. We would very much like to see renewed
5 carignan, agar agar, and cellulose. And in the
6 written comments that I provided to the Board I
7 gave you information on the original TAP reviews
8 and the original Board votes for these materials.
9 Carignan was approved in 1995, thirteen members in
10 favor, one member absent. Agar agar which is
11 obtained from seaweed vegetarian extracted using
12 hot water that was approved in '95 also, twelve in
13 favor, one abstaining, one absent. And the same
14 with cellulose, that was approved in 2001, ten
15 votes in favor and four abstentions. Since the
16 call for Sunset comments I believe the Board has
17 received no information from the public about
18 these materials being harmful in any way or
19 problematic in any way. And I will be here
20 tomorrow as well as Friday if you have any
21 particular questions about those materials and I
22 do have a lot of information as well as the
23 original TAP's and Board information.

24 And then lastly I don't know if the Board
25 is going to be considering gellan gum, it's been a
26 little complicated for me to follow. Though we

1 don't use the product today, I believe that it is
2 a product that fits the criteria. There are other
3 similar but different products on the national
4 list now and I think it would have some really
5 good uses in organic food manufacturing. So if
6 that was added to the national list, I believe it
7 would be a tool that we would make use of. Thank
8 you.

9 MS. CAROE: Thank you. Any comments or
10 questions for Kelly? Thank you Kelly. Harriet
11 for Joyce Ford.

12 MS. HARRIET BEHAR: [Off mic]
13 [Unintelligible] then right after.

14 MS. CAROE: I'm sorry?

15 MS. BEHAR: Lianna is right after?

16 MS. CAROE: Yes and Lianna for Jim
17 Riddle.

18 MS. BEHAR: Well she's going to start and
19 then I'm going to finish is that okay? 'Cause
20 we're bringing the same, we did this because Jim
21 and Joyce will have a long amount.

22 MS. CAROE: Okay so you want ten minutes.

23 MS. BEHAR: We each have already had five
24 minutes.

25 MS. CAROE: So you want ten minutes?

26 MS. BEHAR: Yep, but she's going to read

1 half and then I'll read half.

2 MS. CAROE: I don't care how you do it.

3 MS. BEHAR: We were trying to follow the
4 rule.

5 MS. CAROE: I just want to know what to
6 set on the clock. Ten minutes okay.

7 MS. BEHAR: Ten minutes.

8 MS. CAROE: Actually.

9 MS. LIANNA HOODES: I just want to say
10 ahead of time that I am reading Jim Riddle and
11 Joyce Ford's comments, these don't reflect any of
12 the positions of the National Organic Coalition or
13 the National Campaign for Sustainable Agriculture.

14 Greetings I apologize for not attending
15 an NOSB meeting for the first time in over six
16 years. Joyce and I are taking a three week
17 vacation in South Africa. I continue in my
18 position as the University of Minnesota Organic
19 Outreach Coordinator and Joyce continues her work
20 as an organic inspector while volunteering as
21 President of the Board of the Midwest and Organic
22 and Sustainable Education Services. We submit
23 these comments on our on behalf.

24 First we'd like to congratulate Andrea
25 Caroe on completing your term in NOSB, kudos to
26 the NOP on your investigation of Aurora Dairy and

1 the well documented statement of fourteen willful
2 violations contained in the notice of proposed
3 revocation. Shame on those at USCA who undermined
4 the NOP's good work by negotiating and issuing
5 consent agreement M005006, it is truly a bizarre
6 document which bares no relationship to OFPA, the
7 final rule or the violations identified in the
8 revocation notice. By refusing to hold Aurora and
9 its certifiers accountable for willful violations
10 the USDA had undermined consumer and producer
11 confidence in the Department's ability and or
12 willingness to enforce Federal organic standards.

13 We have reviewed the agenda and draft
14 recommendations; commend you for your hard work
15 leading up to this meeting. We support proposed
16 changes to the Board policy and procedures manual
17 and are gratified to see that it continues to
18 serve as a living document. We are extremely
19 concerned that code of conduct and conflict of
20 interest provisions are being ignored and along
21 with former NOSB Chair Dave Carter submit the
22 attached formal ethics complaint regarding the
23 behavior of one NOSB member.

24 Proposed changes to the new member guide
25 make sense and should be adopted. In order to
26 familiarize new members with the Board's standing

1 recommendations, the NOSB should add to the new
2 member guide an explanation and link to the NOSB
3 final recommendations table housed at and the URL
4 is listed there.

5 Two points should be changed in the joint
6 policy development Crops and Livestock Committee's
7 draft. Guidance on the certification of
8 operations involved in crops research, the second
9 sentence of line A2 on page two should be
10 rephrased to read quote "per regulation all land
11 treated with prohibited materials must undergo
12 transition prior to certified organic status
13 subject to the procedures found in 205, 202,"
14 unquote. On page three of the same document the
15 third sentence of quote "answer four" should be
16 rephrased to read quote "land exposed to
17 prohibited materials, practices, and or excluded
18 methods will require a 36 month of organic
19 management prior to regaining organic status,"
20 unquote. The attached paper, Organic
21 certification of Research Sites and Facilities
22 recently presented by the American Society of
23 Ogronomy is offered for consideration by the NOSB
24 to further enhance and clarify your final
25 recommendation.

26 The Joint Committee's guidance on

1 Temporary Variance for Research should be adopted
2 with no changes. The Materials and Handling
3 Committee's discussion document on the definition
4 of materials is clearly a work in progress. As
5 written it does more to confuse rather than
6 clarify the issues at hand. On this issue we
7 differ to comments submitted by the Organic
8 Materials Review Institute who have extensive
9 reviewing synthetic and non-synthetic materials
10 used in organic production and handling.

11 We offer no comments on specific petition
12 substances and Sunset materials. While the CAC's
13 draft on standardized certificates is good and
14 should be adopted it does not address the issue of
15 no expirational and renewal dates appearing on
16 certificates. Certificates from suspended,
17 surrendered or revoked operations continue to
18 circulate since certificates only indicate the
19 date of issuance and not a date of expiration or
20 date of renewal. This deficiency handicaps
21 buyers, inspectors, and regulators and increases
22 opportunities for fraud. The CAC's draft Further
23 Guidance of the Establishment of Commercial
24 Availability Criteria jumbles the issues related
25 to determinations of commercially unavailable
26 agricultural ingredients with issues related to

1 organic seed sourcing. The draft should remain at
2 Committee level and be rewritten so that the two
3 issues are articulated for separate but consistent
4 consideration.

5 By far the most inappropriate draft
6 recommendation being considered at this meeting
7 and possibly in the history of the NOSB is the
8 CAC's Certifying Operations with Multiple
9 Production Unit Sites and Facilities under the
10 National Organic Program. This document appears
11 to be nothing more than a veiled attempt to
12 justify one agencies spot inspection program for
13 retail chains by extending grower group inspection
14 protocols to cover retailers and processors. The
15 Committee's draft proposes an illegal framework.
16 Under a section titled Legal Background the draft
17 makes no mention of OFPA 6506A which states quote
18 "a program established under this title shall,
19 five provide for annual onsite inspection by the
20 certifying agent of each farm in handling
21 operation that has been certified under this
22 title," unquote. OFPA defines handling operation
23 as quote "the term handling operation means any
24 operation or portion of an operation except final
25 retailers of agricultural products that do not
26 process agricultural products that A, receives or

1 otherwise agricultural products, and B, processes,
2 packages, or stores such products" unquote. Farm
3 is not defined in OFPA or in the final rule.

4 Harriet?

5 MS. CAROE: You can keep going.

6 MS. HOODES: All right. OFPA is very
7 clear at 6506A5 that every handling operation must
8 be annually inspected. The retail operations are
9 not required to be certified under OFPA in the
10 final rule. Once they choose to be certified,
11 they are certified as handlers and must comply
12 with all the applicable certification requirements
13 for handlers. While handling operation is defined
14 farm is not. This provides the secretary with
15 some discretion to certify grower groups as farms.
16 If a grower group is certified as a farm and the
17 farm is annually inspected by an accredited
18 certifying agent, then the requirements of OFPA
19 are fulfilled.

20 To preserve consumer confidence and
21 protect organic integrity while providing market
22 access to small scale producers the NOSB should
23 decisively reject the CAC's draft. To respond to
24 concerns identified by the NOB the NOSB should
25 revisit the Board's 2002 recommendation to
26 strength the 1, inspector qualifications; 2,

1 conflict of interest provisions; and 3, risk
2 assessment protocols to determine the percentage
3 of production sites inspected by the ACA.

4 Further the NOP should consider the
5 establishment of a separate accreditation category
6 for ACA's who conduct grower group certification
7 as suggested by Lynn Cody [phonetic]. As always
8 we appreciate the opportunity to comment and
9 support the work that you do. Best regards and
10 have a great meeting. Jim Riddle and Joyce Ford.

11 MS. CAROE: Thank you Lianna.

12 MS. HOODES: Sure.

13 MS. CAROE: Not that we could ask Jim or
14 Joyce any question. I thank you very much for
15 presenting that. Greg Nemec are you in the room?
16 Greg? Okay, moving along. What? Then I have
17 David Cox? Not here. Okay. The last one, Will
18 Fantel [phonetic]? Will?

19 FEMALE VOICE: He is going to not speak
20 tonight in the interest of time and I think one or
21 both, somebody is signed up tomorrow morning
22 between Will and Mark and they will speak then.

23 MS. CAROE: Okay you had me at he's not
24 going to speak tonight. So we are done with
25 public comment. So with that we will recess till
26 8:00 A.M. tomorrow morning which is way too close.

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[END TRANSCRIPT]

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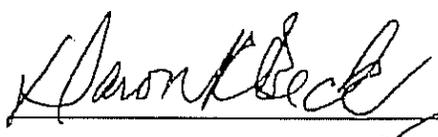
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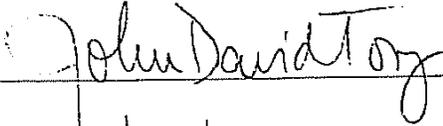
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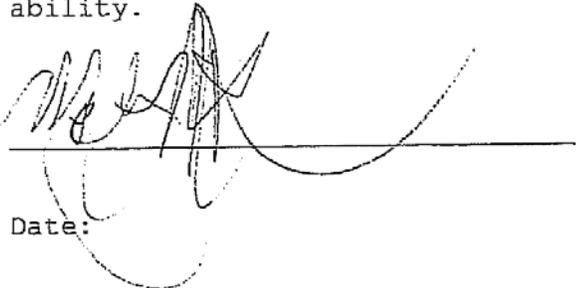
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Date:

January 11, 2008

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Sherry J. Crockett

Date: 1/10/08

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