

Respectfully submitted by Allen Hardison
Vice President, Operations
Jacobs Farm/Del Cabo, Inc. (JFDC)
September 23, 2009

Background

My name is Allen Hardison and I am testifying as VP, Operations of JFDC, Inc.

First, I thank you for the opportunity to testify and for everyone's participation.

In the position of VP, Operations, among other things, I oversee the Food Safety program for JacobsFarm/DelCabo, Inc. We believe that Food Safety is of utmost importance and are pleased to see efforts in that arena by others. For its account JFDC has a dedicated staff of managers and technicians who oversee the program of internal and external testing, audits, procedures, etc.

I have been a senior Executive with both Conventional and Organic Companies and have been a licensed Pest Control advisor in all categories.

Depending upon how the statistics are viewed we are a large handler by SBA standards. But, JFDC is not a large handler of the products specifically in the LGMA.

My educational background includes a BS in Biology/Plant Sciences from the University of California, Riverside and an MBA from Pepperdine University.

A portion of The Corporate Vision of JFDC includes:

- Helping to create a sustainable world
- Provide a premium organic product and shipping great tasting organic products to our clients
- Being socially responsible by training less fortunate growers/impooverished people how to grow and make a living growing organic crops

The above statement relates to the following comments numbers one through four, below.

Our major concerns are the following

- I. We are concerned with the excess regulations, and/or 'super metrics' as it relates to lack of habitat allowed in the fields.
- II. Although this may not be the appropriate forum we want it on the record that some of the testing systems used by the FDA are not appropriate and are to slow and must be changed. We would like to see this addressed in the agreement.
- III. That the NOP and organic certifiers were not consulted with during the authoring of the agreement
- IV. The US was founded on small businesses and small farmers. Many of the current small farmers will not have the assets (financially or technologically) of other Companies. We are

629

concerned for the financial well being of these small growers (both organic and conventional) who may not be profitable under these guidelines.

Expanded comments about concerns

- I. We recognize that whether you are a conventional or organic grower it is impossible to "sanitize" a field. Therefore, as an organic grower we promote a healthy environment which includes the intent to decrease rodent populations by installing bird houses for owls and other predatory birds. Also, we plant certain crops to encourage other beneficial activity.

- II. One of the biggest concerns with testing is the VIDAS test which is commonly used as the "rapid screen". This rapid screen has no less than three bacteria which can give a false positive for salmonella. When there is a presumptive positive, or "cannot rule out", the confirmation tests will take a minimum of two more days. That coupled with the preliminary VIDAS test takes a minimum of 5 days and commonly 10 or more.
 - Obviously, at that time the product is not marketable.
 - A rapid screening should take less than two hours. There is technology being developed which appears to be able to do this (possibly 30 minutes). I have seen the prototypes and am happy to give you the names of the company executives. Lastly, JacobsFarm/DelCabo, Inc. has no stake in that specific company.

- III. Number three above should be self explanatory and correlates with the lack of understanding by the authors(s) to number one, above.

- IV. Based upon certain fixed and variable costs inherent in a comprehensive Food Safety program and the absolute technical expertise required for a program, we are concerned that many of the smaller growers/handlers both organic and conventional stand a good chance to succumb to financial failure. At least absent of some type of support, time waiver for training, or ability to allocate those costs over more boxes.
 - We have heard testimony that costs for Food Safety can be \$.30 to \$.50 per box (total) not just as it relates to the LGMA.
 - But those costs can be allocated over hundreds of thousands or possibly millions of boxes.
 - It is also understood that if someone currently has a comprehensive Food Safety program in place that **the additional** cost of the LGMA should not be \$.30 per box.
 - However, many of these smaller grower/handlers will be going from zero to that cost of \$.30 to \$.50/box immediately.
 - Therefore, for a small grower/handler the fixed costs alone could be more than the above (on a per box basis) and the variable costs would be added on top of the fixed costs.
 - We support a review of how the smaller growers might be impacted and supported during their "ramp up".

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