



Council of Supply Chain Management Professionals

333 East Butterfield Road, Suite 140

Lombard, Illinois 60148-5617 USA

phone +1 630.574.0985 fax +1 630.574.0989

July 21, 2015

Graham Pittman
Legislative Clerk
Committee on Energy & Commerce
2125 Rayburn House Office Building
Washington DC 20515

Re: "A National Framework for the Review and Labeling of Biotechnology in Food" - Additional Questions for the Record

Dear Mr. Pittman,

It was my pleasure to appear June 18 before the Subcommittee on Health and to testify at the "A National Framework for the Review and Labeling of Biotechnology in Food."

Please find attached my response to the additional questions that were asked.

Sincerely,

Rick Blasgen
President & CEO

The Honorable Representative Burgess

1) Do you agree that there should be one definition for “non-GMO” under federal law because otherwise consumers will be deceived as to what “non-GMO” on a label actually means?

A company that has already met the definition of organic has met the federal definition of “non-GMO” and therefore should automatically be eligible for a new “non-GMO” certification should a new “non-GMO” labeling program be created.

Congressman Burgess, it is my opinion that a national definition for “non-GMO” is preferable for the U.S. food supply chain if that definition is used for national labeling rules and guidelines.

2) It would be inherently unfair for a company to have to go through the non-GMO certification twice. Don’t you agree?

Congressman Burgess, It would be inefficient and I would encourage Congress to ensure that duplication of effort is avoided through the legislative process.

3) You discuss in your testimony that this coordinated campaign of labeling advocates is part of a strategy to end the use of biotechnology in food and agricultural production. How so?

Congressman Burgess, activists representing aggressive groups within the organic foods community have been clear that they want mandatory warning labels to force food manufacturers to re-source their raw ingredients to organic ingredients for example. They believe they can damage American food brands through social media campaigns intended to convince consumers that GMO ingredients are dangerous and companies will demand farmers to grow organic food.

4) If they were successful in these efforts, how would that impact our ability to provide affordable and nutritious food to American families?

Congressman Burgess, branded products have value and manufacturers have a responsibility to protect the reputation of those brands. If warning labels are required for safe ingredients, over time food manufacturers will be forced to find alternative and more expensive ingredients. If there is a patchwork of state laws and rules then compliance becomes virtually impossible and the costs are incalculable. However, those costs will have to be passed onto the consumers, whether they can afford it or not.

5) Would it not raise food costs for working people in our country?

Congressman Burgess, yes, the campaign to establish a system of warning labels for safe ingredients will impact every consumer.

6) Have there been any medically documented cases of people getting sick from eating a food derived from genetically engineered crops?

Congressman Burgess, no, to my knowledge, there are no medically documented cases of people getting sick from genetically engineered food.

The Honorable Representative Cardenas

I understand that there is already an independent private sector certification body for foods produced without genetic engineering.

1) What impact would this new legislative language have on existing private label non-GMO claims?

Congressman Cardenas, I understand the legislation provides broad authority for the USDA to establish rules for a certification program and I am not aware how those future rules will impact private sector certification entities.

2) Since the cost of certifying non-GMO products is currently not being borne on the tax payer, how much would it cost to create the new USDA certification standard for GE and non-GMO.

Congressman Cardenas, the USDA is better suited at determining how much it will cost the government to establish a certification standard. Private sector cost impacts will vary by company.

A number of major food brands produce organic lines in addition to their conventional brands. The U.S. also exports a large amount of Identity Preserved non-GMO grain to export markets in Europe and Asia.

3) So to what extent is there already segregation in the supply chain and would that be close to sufficient if GE foods were required to be labeled at a federal level? Are there enough farmers and farm workers to produce a sufficient amount of non-GMO or organic food?

Congressman Cardenas, the U.S. food supply chain is extraordinarily efficient and for conventional foods I am not aware of product segregation for ingredients that are ubiquitous in the food supply, like corn and soybeans. Organic lines are specialty products and depending on the product may require more hands-on farming practices. Today organic food accounts for about 4% of U.S. food sales and is growing. Finding adequate numbers of seasonal farm workers has long been a challenge.

4) Will labeling GE food increase costs to consumers?

Congressman Cardenas, the U.S. food supply chain is highly efficient and grocery manufacturing is a high volume, low margin business. The campaign to establish a patchwork of state labeling mandates will disrupt the supply chain resulting in companies having to buy more expensive ingredients or suffer harm to their brands by having a warning label for safe ingredients. Legal compliance will disrupt vital efficiencies in the business model and consumers will bear the brunt of higher costs.

5) What should the de minimis threshold level for a mandatory label be? It is impossible to be at zero. So above which point should a label be required for processed food? The United Kingdom has set their standard at 9/10ths of 1%. Where should we set ours?

Congressman Cardenas, the threshold should be part of a national standard and it's a number that should be determined through the USDA rulemaking process.