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# **MARKET NEWS**

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MARKET NEWS - REPLY



#### China announces control standard for soil contamination

China on Tuesday released a contamination control standard for agricultural land and development land as part of the national campaign against pollution.

The standard, which will take effect from August, is aimed at ensuring safe agricultural products and a healthy living environment, the Ministry of Ecology and Environment said on its website.

Depending on the content of pollutants, such as heavy metals and hazardous chemicals, the standard sets risk screening values and risk intervention values for soil contamination.

According to the standard, agricultural land that exceeds risk intervention values will be either banned from being planted with edible agricultural products or conceded to forestry. Development land that exceeds the risk intervention values will be put under remediation, the ministry said.

The move came as the country steps up efforts to tackle soil, air and water pollution.

In 2016, the country released an Action Plan for Soil Pollution Prevention and Control, which pledged to "curb the worsening soil pollution by 2020, get soil pollution risks under control by 2030, and form a virtuous cycle in the ecosystem by 2050."

#### Premier Li: Trade war will harm both sides, world economy

No one will win a trade war, which will not only hurt enterprises from both sides but

also the recovery of the world economy, visiting Premier Li Keqiang said Friday hours after additional US tariffs on Chinese products kicked in, with Beijing taking countermeasures immediately.

Li made the remark when meeting with the press with hosting Bulgarian Prime Minister Boyko Borisov in Sofia.

When other countries take unilateral measures to levy additional tariffs on Chinese products, countermeasures will be taken to safeguard China's interests for development, and the authority and effectiveness of the World Trade Organization, Li said.

Though China will never take the initiative to incite trade disputes and start trade wars, he added.

If insistently pursued, a trade war will harm other countries and those who started it, he said.

Despite external changes, China will firmly conduct reform and opening-up to do its own job and keep the Chinese economy stable and promising, Premier Li added.



#### **International News**

Reporting data on pesticide residues in food and feed according to Regulation (EC) No 396/2005 (2017 data collection)

Regulation (EC) No 396/2005 on maximum residue levels (MRLs) of pesticides in

or on food and feed of plant and animal origin requires that Member States carry out official controls on pesticide residues in food. The results of the analysis have to be submitted to European Food Safety Authority (EFSA) and the European Commission. According to Article 32 of this regulation, EFSA is responsible for drawing up a Report on Pesticide Residues on the basis of the monitoring results provided by the reporting countries.

In 2009, the Standard Sample Description (SSD) for food and feed was developed which is a standardised data model for reporting of data on analytical measurements of chemical substances occurring in food, feed and water. The SSD contains the data elements describing characteristics of samples and analytical results, controlled terminologies and validation rules to ensure compatibility of data from different data providers.

In the past years, the guidance document describing the SSD data elements and the data coding was progressively and thoroughly revised on a yearly basis; the present document is a consolidated version of the past 3 years' guidance defining the appropriate SSD codes to describe the samples and the analytical results and it give directions for the reporting of the pesticide residues monitoring data starting with the data generated in 2017 onwards., The current document not only replaces the previous Guidance (EFSA, 2017) but also the ones published in 2016 and 2015 (EFSA, 2015a, 2016).

In particular, the new provisions, which are applicable starting from the 2017 monitoring data coding, concern the following data elements:

 Sampling date (sampM), (sampD): the reporting of the two SSD data elements 'sampM' and 'sampD' becomes mandatory along with the (already) mandatory reporting of the sampling year.

- Free text data elements 'paramText', 'prodCom' and 'anMethText': these data elements are no longer reportable starting with the 2017 data collection.
- Product codes (prodCode): new food codes ('prodCodes' in MATRIX catalogue) for the reporting of specific food (e.g. food tested in the frame of Regulation (EC) No 669/2009 on import controls) have been introduced (e.g. chilli pepper and pitahaya). These new codes can be used to report monitoring results generated in the frame of any piece of legislation, not only under Regulation (EC) No 669/2009.
- The percentage of fat in the sample (fatPerc): it is no more mandatory to report the numerical value of the percentage of the fat content in the sample when the results are reported on 'fat basis' in the data element expression of the result (exprRes).
- Limit of Quantification (LOQ) of the result (resLOQ): according to the requirements in the document SANCO/12574/2014 rev.51 the reporting of the resLOQ in line with the full legal residue definition (RD) for multicomponent definitions become applicable; this document provides some explanation on this matter.
- The result legal limit (resLegalLimit): the reporting of the legal limit becomes mandatory in case the MRL has changed during the year of the monitoring.
- Language of the reported free text data elements (lang): the reporting of this information is no more mandatory.

The above changes were necessary for one or more of the following reasons:

- New parameter codes are included in the PARAM catalogue to reflect the changes in the legal RDs laid down in the European Union (EU) pesticide MRL legislation and applicable in the reference monitoring year; some of the existing codes in the catalogue are no more reportable, as obsolete.
- New parameter codes are included in the PARAM catalogue for the single components of the multicomponent legal RDs that are made up of more than one component.
- New parameter codes are included in the PARAM catalogue because new pesticides are analysed in the national laboratories and appropriate codes were not available in the previous version of the catalogue.
- Typos in the textual description of the PARAM codes have been identified and corrected.
- Amendments of the existing PARAM codes, which were previously set for the same substance in the framework of different food data collection domains (e.g. overlapping substances in the pesticide residue and veterinary medicines areas).

In Sections 3, 4 and 5 of the present document, all the single SSD data elements are described and an indication is provided whether they have to be mandatorily or voluntarily reported. In addition, these sections give reference to the applicable SSD catalogues (where existing) and its restriction in use them, if and where applicable. Section 6 provides for additional guidance related to the pesticide monitoring coding for specific food/feed samples and/or substances, which are not fully covered by Regulation (EC) No 396/2005 on pesticide residues MRL (i.e. baby food, fish, feed, veterinary medicines residues, synergists and safeners).

In Sections 7 and 8 of this document, EFSA provides an updated list of codes to describe the samples covered by the 2017 and 2018 European co - ordinated control programmes (EUCP) ('prodCode', 'prodTreat', 'progLegalRef', 'progSampStrategy' and 'progType'); in Section 9, the appropriate coding of the samples tested in the context of the reinforced import controls under Regulation (EC) No 669/2009 and applicable for the 2017 control activities ('prodCode', 'prodTreat', 'progLegalRef', 'progSampStrategy' and 'progType') is provided. The updated rules for data validation are listed in a separate (Excel) document; they can be retrieved in the EFSA Document Management System2 (DMS) or directly in the Data Collection Framework (DCF) data loading platform.3

Finally, in Annex A – the template for the preparation of the National Summary Report is provided.

## Statement from FDA on the public health benefits from enactment of menu labeling

Science tells us that improvements in diet and nutrition offer one of our greatest opportunities to have a profound and generational impact on human health, reducing the burden of chronic disease, from diabetes to cancer to heart disease. We know that many Americans both want and use nutritional information on food package labels to make decisions about what to eat to help improve their health. But consumers can't always access similar information at their favorite restaurant chains. Or there is little consistency in the information that they receive. Yet more Americans are eating meals away from home.



This is why Congress gave the U.S. Food and Drug responsibility Administration that families for ensuring across America would have consistent access to calorie and nutrition information on restaurant menus and takeout foods - regardless of which state or city they live in. This legislation provided a uniform standard to replace the patchwork of menu labeling

laws that were appearing around the country. The new framework ensured that consumers would have access to consistent, science-based information.

Many have heard me cite this statistic, but it bears repeating because this is a driving factor for us at the FDA and for those in Congress who crafted the law: Americans currently eat and drink about one-third of their calories away from home. At the same time, rates of child and adult obesity in the U.S. are at historic highs. Research, including a recent RAND Corporation studydisclaimer icon, suggests that people choose menu items with fewer calories when they have access to calorie information and that such information does not affect their satisfaction with the choice they make or their ratings of the restaurant. Studies suggest that access to clear and consistent information about calories in restaurant items can help reduce calorie intake, which over time could make a difference in obesity rates.

Consumers may have already noticed calorie counts listed next to their favorite menu items in some restaurants, coffeehouses and supermarket salad bars. I'm pleased to see many restaurants are already implementing these new provisions. We applaud their efforts in meeting the needs of Americans.

Starting today, this information will be required throughout the country as the FDA's menu labeling rule is implemented. Consumers walking into eating establishments covered under the rule will know how many calories are in the foods they may want to order. This includes establishments that are chains with 20 or more locations doing business under the same name that offer substantially the same menu items consisting of restaurant-type foods. Consumers can also ask these establishments for additional nutritional information -- provided, for example, as a booklet, handout or in electronic form -- that includes the amount of sodium, fiber, sugars, total carbohydrates, saturated fat and protein for any standard menu item. This is information Americans want or need in order to make decisions about the foods they eat so they can make more informed choices about their diets and health for themselves and their families.

We're also committed to helping industry in fulfilling this requirement in a way that is both effective and not overly burdensome. In order for these opportunities to be maximally beneficial to consumers, the new provisions also need to be minimally burdensome for businesses to effectively comply.

That's why we've taken new steps to reduce the costs that the new provisions will impose on businesses. Today, the FDA completed a last critical step before the menu labeling rule implementation date by finalizing an existing guidance that provides additional clarity and details requested by the food industry on the FDA's thinking on various topics related to the new regulation. While the overall

framework in our guidance remains largely unchanged, we've made some meaningful updates to address thoughtful and important input from the public and industry stakeholders. These include more flexibility for businesses in how they can address challenges that some establishments faced in meeting the law's requirements.

The changes in the final guidance include expanded and new examples of the many ways to comply with the menu labeling requirements. The guidance includes pictures of the flexible approach that covered establishments can take, under FDA's regulation, in choosing how to display calories on menus and menu boards. The agency's goal is to give establishment owners clear, efficient ways to deliver this information to consumers. According to the National Restaurant Association, thousands of restaurants are already complying with the labeling requirement in anticipation of the upcoming deadline and because consumers have been asking for more transparency on the nutritional content of the food they order.

Overall, the guidance clarifies that posters, billboards, coupon mailings and other marketing materials are generally not considered menus that would require calorie counts under our regulation. It also provides other practical and flexible options for implementing the regulation, such as graphical depictions to illustrate ways to post calories for multiple items on a single sign, such as those that might be features at a self-service buffet or beverage stations. In response to concerns from pizza chain owners who shared with us that they believed it would be difficult to develop menu boards reflecting the thousands of topping combinations people might want on their pizza, we provided several graphic illustrations to provide options for how to accomplish this. Our goal is to implement these Congressional provisions in the most efficient, effective

manner that both benefits consumers without placing unnecessary barriers on industry.

To advance these goals, we're also taking a flexible approach to implementing the new provisions. We plan to work collaboratively with covered establishments to help them meet the requirements so that more consumers will be able to access and use nutritional information that will now be at their fingertips or in front of them on a menu board. For the first year, we'll center our efforts on helping covered establishments come into compliance with the law. We'll focus on educational outreach to provide parties with help on how they can efficiently comply with the new provisions. The FDA will allow covered entities a reasonable opportunity to make adjustments to bring themselves into compliance.

We're encouraged that so many consumers will benefit from the uniform calorie information on menus covered by the new law. We'll continue to work with industry stakeholders to support their implementation. But it's also important to note that the implementation of menu labeling is one part of a comprehensive tool box -- that includes changes to the Nutrition Facts label and modernization of labeling claims -- to help consumers make healthier choices for themselves and their families.

These efforts are part of a broader multi-year Nutrition Innovation Strategy that I announced earlier this year. FDA's new policy aims to provide all Americans with easier access to nutritious, affordable foods by arming consumers with information and encouraging the food industry to innovate in producing the healthier foods that today's informed consumer wants. The Nutrition Innovation Strategy will modernize claims like "healthy" on food packages, modernize how we establish standards of identity for foods, make ingredient information on

labels easier to decipher, help streamline the process for establishing qualified health claims on food labels, and encourage companies to reduce sodium in their products. As we pass this new milestone with menu labels, we've already begun important steps towards the next nutrition-focused efforts to help Americans lead healthier lives as part of our new Nutrition Innovation Strategy.

The FDA, an agency within the U.S. Department of Health and Human Services, protects the public health by assuring the safety, effectiveness, and security of human and veterinary drugs, vaccines and other biological products for human use, and medical devices. The agency also is responsible for the safety and security of our nation's food supply, cosmetics, dietary supplements, products that give off electronic radiation, and for regulating tobacco products.

## Britain's FSA talks about Brexit challenges in annual report and accounts for 2017-18



The Food
Standards Agency
(FSA) for the
United Kingdom
will have to stand
on its own after
the island nation
withdraws from
the European
Union next year. It

means food safety in the UK will be cut off from the EU mothership, better known as the European Food Safety Authority (EFSA) in Parma, Italy. Some have said that will weaken food safety in Britain. FSA Chair Heather Hancock agrees there is much work to be done.

"When the UK leaves the EU in March next year, we will continue to protect public health and consumers' wider interests in relation to food," Hancock wrote in the agency's annual report and accounts for 2017-18.

"More than 90 percent of food law in the UK comes from the EU, and our current system is heavily reliant on EU institutions and decisions. It is vital that from day one we have an equivalent regulatory regime in place, a regime which is robust and effective, and led by an effective regulator."

It was in the June 2016 Brexit vote that UK voters decided to leave the EU in an election marked by a "yes" vote of 51.9 percent with a turnout of 72.2 percent.

Hancock says the important thing now is the modernization of Britan's food safety system.

She also stressed the importance of the FSA's program to change food regulation in England, Wales and Northern Ireland, commenting that the modernization plans will "ensure that local authorities have more information about the food businesses in their area" and that the FSA will for the first time be able to develop a unified view of food business and local authority performance, across the three countries.

Hancock also spelled out the importance of businesses sharing their hygiene and standards data with local authorities.

"We want to channel to local authorities the data that many food businesses generate from independent assurance and accreditation schemes," she said in the report. "That will mean local authority officers can make more informed judgments about the nature, frequency, and intensity of official controls for that

business. The greater the transparency is about ongoing business performance, and the more information and insight into the food industry shares with us, the better we will all protect the public and build confidence in food."

FSA Chief Executive Jason Feeney pointed to the ongoing success of the Food Hygiene Rating Scheme.

"Other achievements include the Food Hygiene Rating Scheme and the continued rise in standards. More than 95 percent of food businesses in England, Wales and Northern Ireland now have a 'Generally satisfactory' rating or higher (3 or above) and 68 percent have a hygiene rating of 5 (very good). We believe mandatory display of FHRS drives up food safety compliance and therefore provides better public health protection."

He also talks about mandatory closed-circuit television (CCTV) in abattoirs.

"We maintain a 'zero-tolerance' approach on animal welfare breaches and agreed with industry on a voluntary protocol to allow Official Veterinarians access to CCTV at slaughterhouses to provide verification of animal welfare standards," Feeney said. "We welcome new legislation which means by November 2018 all slaughterhouses in England must have CCTV installed to help food business owners safeguard animal welfare."

#### EC calls for stronger food labelling enforcement actions

In a letter to EU ministers, Andriukaitis said that national governments should "strengthen their national enforcement activities on the labelling practices followed by food businesses".

"The provision of food information should pursue a high level of protection of consumers' health and interests by providing the basis for final consumers to make informed choices and to make safe use of food, with particular regard to health, economic, environmental, social and ethical considerations," he wrote.

Andriukaitis stressed that the European Union has a number of food laws designed to prevent food makers and distributors misleading consumers through labelling or advertising. In particular, he noted that the EU has a regulation specifically demanding clear communication.

Regulation (EU) 1169/2011 states: "Food information shall not be misleading, particularly as to the character of food and in particular as to its nature, identity, properties, composition, quality, durability, country of origin or place of provenance, method of manufacture or production... Food information shall be accurate, clear and easy to understand for the consumer."

Moreover, the EC food commissioner said that the European Court of Justice has also ruled that even when food information is provided in accordance with EU legislation, this may be insufficient if an "erroneous or misleading" impression is given to the



consumer via packaging or labelling.

"Misleading labelling practices would merit further attention in your national control activities," Andriukaitis told ministers.

#### Mulling tighter regulation

While Andriukaitis said that it was the responsibility of Member States to enforce existing regulations, he added that the possibility of increased oversight is also being considered.

The statement comes in response to a report from the European Consumer Organisation (BEUC), which argued that food makers use "grey areas" in EU legislation to "sugar coat" the quality of their products.

The BEUC set out recommendations for EU institutions to "make food labels more honest" in a recent report, Food labels: tricks of the trade.

The EU should define the key terms commonly used on labels to market quality aspects of foods and beverages to consumers, such as 'traditional', 'artisanal' or 'natural', the consumer organisation suggested.

Additionally, an EU legal definition should set minimum levels of whole grain content for 'whole grain' claims and minimum content rules should be set for products which highlight certain ingredients, such as fruits, on the front of the pack. The percentage of advertised ingredients, such as fruit, should also be displayed front of pack, the consumer watchdog suggested.

"The EU law clearly states that food labelling and packaging should 'not mislead the consumer'. However, manufacturers have been taking advantage of grey zones in the EU law to make their products look like they are better quality than they actually are. It is urgent that the EU institutions come up with a recipe to end those deceptive practices and that Member States make sure food makers comply with such rules," the BEUC director general Monique Goyens concluded.

In today's (16 July) response, Andriukaitis noted: "My services are considering and analysing further BEUC's call to modify... EU rules."

Commenting on the letter, the commissioner said: "All of us like to make fully informed choices when it comes to the food we buy. Hence, information on labels should not mislead us."

## Modification of the existing maximum residue levels for imazalil in various commodities

In accordance with Article 6 of Regulation (EC) No 396/2005, the Imazalil Task Force submitted a request to the competent national authority in the Netherlands to change the existing maximum residue levels (MRLs) for the active substance imazalil in products of plant and animal origin. The evaluating Member State (EMS) proposed to modify the existing MRLs only in citrus fruits and bananas and, due to transfer of residues, in bovine and equine livers. EFSA assessed the intended uses in citrus fruits, but not the use in bananas, since compared with the previously performed MRL review no new information was provided in the context of the MRL application. For the intended uses in citrus fruits and for animal products, EFSA did not derive MRL proposals. A decision on the amendment of MRL for the intended uses needs to be postponed, until the risk assessment for the plant metabolite R014821 and for the metabolites identified in livestock (i.e. FK - 772 and FK - 284) is completed with regard to genotoxicity and general toxicity; data need to be provided to derive a conclusion whether the toxicological reference values derived for imazalil are also applicable for the metabolites. Upon conclusion on the toxicological properties of the metabolites, a decision on the residue definition for risk assessment cannot be derived which is a prerequisite to perform a reliable dietary risk assessment.

### **Safety Alerts**

Date	Brand Name	Product	Reason/ Problem	Company
		Description		
07/23/2018	Mrs.	Swiss Rolls and	Salmonella	Flowers
	Freshley's,	Bread		Foods, Inc.
	Food Lion,			
	Captain John			
	Derst's, more			
07/23/2018	Goldfish	Crackers	Salmonella	Pepperidge
				Farm
07/21/2018	Ritz	Cracker	Salmonella	Mondelez
		Sandwiches		Global LLC
07/20/2018	Sherman	Sherman Candy	May contain	Gift Services,
	Candy Co.	Caramels sold in	undeclared pecans,	Inc. dba
		gift baskets	walnuts, almonds	GiftTree
			and/or peanuts	
07/20/2018	Food Lion	Dill Pickle	May contain	Shearer's
		Flavored Potato	undeclared milk	Foods, LLC
		Chips		
07/18/2018	H-E-B	Creamy Creations	Due to broken metal	H-E-B
		ice creams and	in processing	
		sherbets	equipment	
07/18/2018	Seattle	Seattle	May contain	Portland
	Sourdough	Sourdough Pub	undeclared soy	French
	Baking	Buns, Franz		Bakery
	Company,	Premium Pub		
	Franz	Buns		
07/17/2018	Hy-Vee	Spring Pasta	May be	Hy-Vee
		Salad	contaminated with	

			Salmonella	
07/16/2018	Utz®	Carolina Style Barbeque Potato Chips	due to undeclared soy	Utz® Quality Foods, LLC
07/14/2018	AnnaSea	Wasabi Ahi Poke Hawaiian Poke Kits, Limu Ahi Poke Hawaiian Poke Kits.	Due to storage at incorrect temperature	ALDI
07/13/2018	Pictsweet Farms	Steam'ables Baby Brussels Sprouts	Because they may contain undeclared milk and soy	The Pictsweet Company
07/12/2018	King Soopers, Smith's and more	Salads	Undeclared peanuts	Papa John's Salads and Produce
07/06/2018	Saje Natural Wellness	Splish Splash Gentle Baby Wash	Pseudomonas aeruginosa	Saje Natural Wellness
07/06/2018	Prescript-Assi st	Probiotic & Prebiotic Dietary Supplement	Undeclared Allergens: Almonds, Crustaceans, Milk, Casein, Eggs, and Peanuts	LL's Magnetic Clay, Inc.
07/06/2018	Platinum, Slimming Plus and more	dietary supplements	Unapproved new drug	MyNicNaxs, LLC
06/29/2018	Prescript-Assi st	Probiotic and prebiotic dietary supplement	Undeclared allergens, including almonds, crustaceans, milk,	LL's Magnetic Clay, Inc.

<u> </u>				
			casein, eggs, and	
			peanuts	
06/29/2018	May Flower	3+2 Soda	Undeclared Milk	May Flower
	International	Crackers	Allergens	International
	Inc.			Inc.
06/29/2018	Whole Foods	Oatmeal	Undeclared soy	Whole Foods
	Market	Cookies		Market
06/28/2018	Talking Rain	Sparkling Ice	Off Taste Off Odor	Talking Rain
		Cherry Limeade		
06/28/2018	Wish Bone	House Italian	Undeclared milk and	Pinnacle
		Salad Dressing	egg	Foods Inc.

#### **Enterprise News**

#### FDA, producer release few details about recalled whey powder



It is not known how many food companies used potentially contaminated whey powder in their products; it is not known how many pounds of the whey powder have been recalled; it is not known how many foods will be recalled because of the whey

powder — that is, the public doesn't know.

Federal officials and the producer of the whey powder know most of those details, though.

Associated Milk Producers Inc., the company that made the powdered dairy ingredient, won't reveal its customers, including third-party distributors that sell the product on to other businesses. A spokesperson for the Minnesota-based milk company said Tuesday that "AMPI staff personally contacted each affected customer organization" about the potential contamination and subsequent recall.

When recalls involve food and food ingredients that are sold only on a business-to-business basis, the Food and Drug Administration has not historically revealed the companies involved. Such information falls under protection for "confidential corporate information," according to FDA officials.

Federal officials have not received reports of any confirmed Salmonella illnesses in relation to foods already recalled because of the whey powder ingredient. However, consumers who have recently developed symptoms of Salmonella poisoning have no way of knowing whether other foods they have eaten were made with the recalled whey powder.

In an unusual move Tuesday, the top administrator at the Food and Drug Administration, Commissioner Scott Gottlieb, issued a statement regarding recalls and alerts that have already been posted because of the whey ingredient. Those nationwide notices include one flavor of Hungry Man frozen chicken dinners, several brands of swiss rolls, several varieties of Ritz crackers, and several varieties of Goldfish crackers.

"I want to reinforce that, at this time, this is a cautionary step and we appreciate that these companies are taking these measures," Gottlieb said. "As there are likely other food products made by other manufacturers that also use this common ingredient, there may be other recalls initiated in the coming

days."

There is little doubt the agency under Gottlieb's control has access to at least a partial list of food companies that received the whey powder from AMPI. The FDA shared the list with recall staff at the USDA's Food Safety and Inspection Service.

"The initiating firm — in this case the producer of the whey powder — and FDA provided information about where the recalled whey powder was distributed, then FSIS' Office of Field Operations immediately followed up with FSIS inspected firms to determine if any USDA inspected products may be affected," a spokesperson for FSIS told Food Safety News.

The FSIS investigators discovered the recalled whey powder had been used in the Hungry Man frozen chicken dinner product and issued an alert. Because the product includes poultry, it falls under the jurisdiction of the FSIS. As has been the practice for years, the FSIS identified the ingredient supplier in the Hungry Man alert. The FSIS also routinely posts locations of retailers that receive foods that are subject to recalls or alerts.

The USDA's food safety arm releases information regarding FSIS facilities in the same manner for all recalls, regardless whether the initially recalled ingredient was inspected by FSIS or FDA, according to the FSIS spokesperson.

"At this time, no further UDSA products are known to be affected other than the product (Hungry Man dinners) named in the Public Health Alert," the spokesperson said.

The FDA commissioner maintained a more vague tone in his statement. Gottlieb said FDA officials "believe" the recalled foods "may contain a common whey ingredient supplied by Associated Milk Producers Inc. ..."

Gottlieb promised his agency would "be communicating regularly with the public to provide information and updates on this issue."

"We know that these are products that are widely eaten by consumers, including children. That's, in part, why we are taking steps to intervene early on this potential risk," Gottlieb said.

#### Details from the manufacturer



Unlike the FDA commissioner's message, the statement from Associated Milk Producers Inc. says definitively that Salmonella was found in a sample of the company's whey powder. The discovery was made as part

of its test-and-hold protocol.

"All products shipped into the marketplace tested negative for Salmonella as part of AMPI's routine testing program. However, because additional product tested positive for Salmonella under AMPI's routine test and hold procedures, the company is recalling product as a precautionary measure," according to the company's statement.

"AMPI has ceased production at its Blair, WI, dry whey plant, is currently investigating the cause for the positive samples, and will take all necessary remedial actions."

The AMPI also reported a "limited amount" of the implicated whey powder had

been sold for animal feed.

Although the company will not release its customer list to the public, AMPI's statement Tuesday did include specific details about the recalled milk product.

The dry whey powder subject to the recall is packaged in 50-pound and 25-kilogram bags that were produced at the cooperative's Blair, WI, dry whey plant from May 1-5, May 24-29, June 2-5, and June 7-14.

The products included in the recall can be identified by the following lot numbers, which can be found printed along the top of the bag.

- > 7000.118.121.BL 7000.118.125.BL
- 7000.118.144.BL 7000.118.149.BL
- > 7000.118.153.BL 7000.118.156.BL
- > 7000.118.158.BL 7000.118.165.BL

#### Advice to consumers

Food contaminated with Salmonella bacteria does not look or smell bad, but it can still cause serious infections. Anyone who has eaten any of the recalled foods and developed symptoms of Salmonella infection should seek medical attention and tell their doctors about the possible exposure to the bacteria. Specific lab tests are needed to diagnose and treat Salmonella infections.

Although people of any age can be infected by Salmonella, infants, children, seniors and those with weakened immune systems are at higher risk of serious illness that can result in hospitalization and life-long complications.

Symptoms of a Salmonella infection, called salmonellosis, typically start 6 to 72

hours after exposure to the bacteria, but in some people it takes two weeks for symptoms to develop. Symptoms include fever, chills, diarrhea, abdominal cramps, headache, nausea and vomiting. The symptoms usually last for four to seven days.

#### **US: Food companies launch Sustainable Food Policy Alliance**



Four of the largest food companies in the US have launched the Sustainable Food Policy Alliance, a new organization focused on driving progress in public policies that shape what people eat and how it impacts their health, communities, and the planet. Founding member companies include Danone North America; Mars, Incorporated; Nestlé USA; and Unilever United States.

The four founding member companies have already made broad updates to their portfolios in recent years, collectively and voluntarily advancing issues like sodium reduction, responsible marketing and transparency, and reducing their impact on the planet, including cutting greenhouse gas emissions.

As the Sustainable Food Policy Alliance (Alliance), member companies will prioritize U.S. public policy advocacy and action in five key areas:

Consumer Transparency: Improving the quality and accessibility of information available to consumers about the food they purchase for themselves and their families.

Environment: Advocating for innovative, science-based solutions to take action against the costly impacts of climate change, build more resilient communities, promote renewable energy, and further develop sustainable agriculture systems.

Food Safety: Ensuring the quality and safety of food products and the global supply chain.

Nutrition: Developing and advocating for policies that help people make better-informed food choices that contribute to healthy eating while supporting sustainable environmental practices.

People and Communities: Advancing policies that promote a strong, diverse, and healthy workplace and support the supply chain, including rural economies.

At launch, two important policy areas the Alliance intends to engage on include: nutrition labeling and carbon emissions.

The Alliance supports a comprehensive update of the definition of terms important for people, like "healthy," including strong, science-based regulations on how these terms can be used on food packages and in marketing. The updates will help consumers make better choices for themselves and their families.

The Alliance will also work to advance climate policies that are impactful for the

environment, while accounting for the specific business imperatives of supply chains, including farmers, ranchers, and other producers. This will include:

Urging U.S. policymakers to ensure the Farm Bill and other farm policies reflect the pressing need to increase the scale of actions to address water quality and water conservation issues, focus on improving soil health, and expand the deployment of renewable energy, particularly wind and solar.

The Farm Bill should leverage all available tools, including research and public-private partnerships such as the Regional Conservation Partnership Program (RCPP), to make smart investments in conservation and sustainability.

Exploring the economics of sustainability, including financial incentives to reduce emissions and transition to low-carbon alternatives, with a particular focus on ways to create value for farmers, ranchers, and others who are implementing leading-edge practices to cut greenhouse gas emissions.

Advocating on behalf of smart, comprehensive energy and environmental policies at the state, national, and international levels, including the Paris Climate Agreement, the Clean Power Plan or other commitments that result in change necessary to reduce greenhouse gas emissions in line with what evidence-based science says is necessary.

In a joint statement, Mariano Lozano, CEO, Danone North America; Tracey Massey, president, Mars Wrigley Confectionery Americas; Steve Presley, chairman and CEO, Nestlé USA; and Amanda Sourry, president, Unilever North America said:

"The Sustainable Food Policy Alliance was founded on the principle that food companies can and should be doing more to lead and drive positive policy action for the people who buy and enjoy the foods and beverages we make, the people

who supply them, and the planet on which we all rely.

"As an Alliance, we commit first and foremost to leading by example. Each member company has independently proven a willingness to advocate for the long-term interests of the people who farm and supply our raw materials, and people who make and consume our products.

"We are committed to a collaborative approach and to listen and learn about issues affecting all parts of our food system from the field to the store shelf and beyond. We understand that we don't have all the answers and will rely on the best available evidence-based science to inform our positions. We will be transparent about how we reach our decisions and what we hope to achieve.

"With so many pressing food policy opportunities on the horizon, now is the time to help steer America's food policy and our food system on a better path for long-term success."

#### Nestlé sets up new capsule production line



A new production line to produce NESCAFE Dolce Gusto capsules for the Vietnamese market and exports went on line on Wednesday at Nestle's plant in the Amata Industrial Park in Dong Nai Province.

Speaking at the opening ceremony, Ganesan Ampalavanar, managing

director of Nestle Vietnam, said the production line uses raw materials made

from high-quality Vietnamese coffee beans.

Nestle is the leading coffee buyer in Viet Nam, accounting for 20-25 per cent of the country's coffee output.

The new production line is expected to process 2,500 tons of coffee a year (equivalent to 130 million capsules) now and more in future.

Approximately 90 per cent of the output will be exported to other markets in Asia including Thailand, the Philippines, Malaysia, Singapore, Hong Kong, Taiwan, and Indonesia.

Ampalavanar said: "The new NESCAFE Dolce Gusto production line will help make great coffee widely accessible to Vietnamese consumers and to 13 export markets."

Le Van Doanh, deputy head of the Dong Nai Industrial Zone Authority, said Nestle was one of the first investors in the province, and has made great contributions to creating jobs as well as the local socio-economic development.

At the opening ceremony province authorities presented a certificate of merit to the company for its contributions in the past years.

In Viet Nam the Swiss company has six factories with more than 2,500 employees and has invested US\$527 million.

#### Conagra Brands to acquire Pinnacle Foods for about \$8.1 billion

Conagra Brands on Wednesday announced plans to acquire Pinnacle Foods in a cash-and-stock deal valued at about \$8.1 billion that furthers Conagra's transformation under CEO Sean Connolly and its push into frozen foods.

Including debt, the deal is valued at \$10.9 billion.

The pairing of Healthy Choice-owner Conagra and Bird's Eye-owner Pinnacle would create the second-largest U.S. frozen food company behind Nestle, analysts at RBC Capital Markets have written. Conagra has poured money into its frozen business, with an eye toward repackaging and reformulating its products to cater to younger diners.

Shares of both companies were down in early morning trading on the news, suggesting a tepid response to the deal. Pinnacle's stock was down 3.94 percent, while Conagra's shares were down 6.75 percent.

That dip may have reflected arbitrage investing activity that frequently accompanies deals in which an acquirer funds its purchase with stock. It may also reflect broader concerns about the pressures facing the food industry at large, including slow growth, rising costs and margin squeezing retailers.

The deal values Pinnacle at \$68 a share, less than previous analysts' estimates of closer to \$75 a share. On a multiple of earnings before interest, taxes, depreciation and amortization (EBITDA) basis, the deal valued Pinnacle at 16 times, according to analysts at Stifel, less than other recent deals like Campbell Soup's acquisition of Snyder's-Lance.

Under the agreement, Pinnacle shareholders will receive \$43.11 per share in cash and 0.6494 shares of Conagra's common stock for each share of Pinnacle. Pinnacle shareholders are expected to own approximately 16 percent of the combined company.

The deal is the culmination of on-again, off-again talks the two have had for years. It comes months after activist investor Jana Partners disclosed a roughly 9 percent stake in Pinnacle and said it planned to talk with the company about a possible sale.

Jana has a track record with the pairing, having previously taken a stake in and pushed for changes at Conagra.

Meantime, Conagra CEO Connolly brings to the deal his own track record. Connolly was CEO of Hillshire Brands when it attempted to buy Pinnacle in 2014. Hillshire, though, ultimately scrapped that deal in favor of a sale to Tyson Foods.

The deal is targeted to close by the end of the year, but still needs approval from Pinnacle shareholders.

#### Conagra's transformation

Since becoming CEO of Conagra in 2015, Connolly has drastically transformed the company to focus on modernizing a portfolio of branded foods that includes names like Orville Redenbacher's popcorn and Hebrew National hot dogs. It has put money toward its frozen foods business, as millennials have rediscovered the cost and health benefits of eating frozen.

In the process, it has both pruned and added to its portfolio. It sold its private-label unit for \$2.7 billion in 2016 and later that year spun off its \$6.9 billion potato business, Lamb Weston Holdings. It has bought up a number of smaller

snack brands, including Angie's
Artisan Treats, the parent of
Boomchickapop, and Thanasi
Foods, the parent of Duke's meat
snacks.

Conagra's sales, excluding currency and acquisitions, grew 2 percent in the fourth quarter.



Sales in its refrigerated and frozen business rose 5.2 percent.

Its quarterly results were "significantly better than expected" noted analysts at Jefferies.

"After three years of transformative work to create a pure-play, branded food company, we are well-positioned to accelerate the next wave of change," Connolly said in a statement Wednesday.

Pinnacle, meantime, has undergone its own changes. It acquired Boulder Brands, owner of gluten-free foods and snacks like Udi's and Glutino, for roughly \$975 million in 2016.

Still, Pinnacle is seeing its strongest growth in its frozen food business, which is the company's largest. Last quarter, it grew at a rate of 7.5 percent. Its Boulder business grew 0.5 percent and its grocery business, which includes brands like Vlasic pickles, Duncan Hines cake mix and Wish-Bone salad dressing grew 0.6 percent. The latter has been squeezed as consumers eye healthier, cheaper or newer alternatives.

Goldman Sachs and Centerview Partners served as financial advisors to Conagra Brands, and Jones Day acted as legal advisor.

Evercore and Credit Suisse served as financial advisors to Pinnacle Foods and Cravath Swaine & Moore provided legal advice. Morgan Stanley and Rothschild & Co. offered strategic advice to Pinnacle Foods.

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