MARKET NEWS

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Mérieux NutriSciences

BETTER FOOD. BETTER HEALTH. BETTER WORLD.

CONTENTS

Focus on China

Luckin Coffee teams up with Kweichow Moutai making an iconic flavored coffee

Luckin Coffee, the domestic coffee chain house, has collaborated with the country's top liquor maker Kweichow Moutai, in developing the first Moutai-flavored coffee.

The coffee drink, packaged with an iconic Moutai label and containing lower than 0.5 percent (alcohol by volume) of 53 degrees Moutai, is available today and is priced at 38 yuan ($7.26), however, consumers can get it at 19 yuan with coupons.

Zhu Danpeng, a food and drink analyst, said the jointly-branded effort between Moutai, the No. 1 liquor brand in the country, and Luckin Coffee, which exceeds Starbucks as the largest coffee house operator in China has formed a strong boost to the sales and brand exposure of each.

"By working with Luckin Coffee, Moutai has made its brand younger and has generated more opportunities to develop its extended product portfolio for younger consumers in the future," said Zhu. "The move is elevating Luckin's brand as well. "

Moutai has been in diversified marketing campaigns recently, ranging from rolling out Mountain ice cream and other cultural creative products.

It is not the first time a coffee chain house has launched alcoholic mixed drinks. Starbucks launched Bar Mixato in China in 2019, with fusion coffee mixed with cocktails to offer more options for coffee lovers and bar-goers.

International News

The Kratom industry wants the FDA to send down some regulation

Import alerts, warning letters, and seizures by U.S. Marshals involving the U.S. Food and Drug Administration (FDA) are not uncommon where Kratom is involved. The tropical tree native to Southeast Asia is not approved for any medical use by the FDA but is often mentioned for one kind of caution or another.

And court action now has the industry crying out for regulation.

A Florida jury on July 31 awarded $11 million for the wrongful death of a Florida woman. She died due to “acute mitragynine intoxication.” Mitragynine, one of two main chemical compounds in kratom, produces classic opioid-like effects at high concentrations, such as sedation, nausea, vomiting, addiction, and difficulty breathing, which may be fatal.

FDA has not approved kratom for sale in the U.S., but the herb operates in a grey area of the law and is often sold online or at convenience stores and gas stations, usually in the form of capsules or loose powder.

Kratom leaves produces both stimulant effects (in low doses) and sedative effects (in high doses) and can lead to psychotic symptoms and psychological and physiological dependence. Kratom leaves contain two primary psychoactive

ingredients (mitragynine and 7-hydroxy mitragynine).

The leaves are crushed, smoked, brewed with tea, or placed into gel capsules. Kratom has a long history of use in Southeast Asia, where it is commonly known as thang, kakuam, thom, ketum, and biak. In the U.S., kratom abuse has increased markedly in recent years.

However, Kratom is not controlled under the Controlled Substances Act, although there are some state regulations or prohibitions against the possession and use of kratom.

The Drug Enforcement Agency has listed kratom as a Drug and Chemical of Concern.

It may surprise some that the American Kratom Association (AKA) issued a Consumer Advisory in response to recent wrongful death jury awards in Florida and elsewhere. The industry group:

1. Urges the FDA to immediately publish product manufacturing standards for kratom products that are sold to consumers and encourage the removal of kratom products that do not contain adequate labeling with recommended serving sizes, product ingredients, and appropriate warnings on conditions of use.

2. Until the FDA implements a set of standards to protect consumers, the AKA advises kratom consumers not to purchase or consume kratom products that:

a. Have not been certified by an independent third-party lab to be free of dangerous contaminants or contain adulterants that could be dangerous to consume.

b. Are offered for sale from a vendor that markets its product with illegal therapeutic claims.

c. Do not contain the name of the product distributor so that a consumer can file an adverse event report if required.

d. Are delivered in unprofessional packaging, such as zip-close bags, or that have handwritten product information.

"Recent reports of product liability awards for irresponsibly manufactured or marketed kratom products are the direct result of the FDA's failure to regulate the kratom marketplace and, in some cases, the exploitive behavior of trial attorneys who do nothing to compel the FDA to act responsibly," said Mac Haddow, the AKA's Senior Fellow on Public Policy.

Based on the AKA's review of litigation reports, Haddow claims the product liability awards by the courts have been based on the failure of the product manufacturers to provide labeling instructions for responsible use and little or no information on the contents of the potentially contaminated products.

"The safety and addiction profile of pure, unadulterated kratom is well-documented by science and there is no known level of kratom use that would cause any fatality unless it is irresponsibly consumed, adulterated with a toxic drug or used concurrently with a deadly drug substance," Haddow added. "The AKA supports congressional action to compel the FDA to develop and implement a set of standards for the manufacturing and marketing of kratom products to protect consumers in the United States."

AKA calls itself "a consumer-based, nonprofit organization, focuses on setting

the record straight about kratom and gives a voice to those suffering by protecting their rights to possess and consume safe and natural kratom." It claims to represent "millions of Americans, each of whom has a unique story to tell about the virtues of kratom and its positive effects on their lives."

Almost 100 sick as officials investigate E. coli outbreak linked to daycare centers

With nearly 100 laboratory-confirmed patients in an E. Coli outbreak linked to daycare centers, investigators could be looking at weeks or months before their work is done.

Eleven daycare centers in Calgary, Alberta, Canada, have been closed because of the illnesses, which now number 96. During a press conference this afternoon, Dr. Francesco Rizzuti, medical officer of Alberta Health Services Calgary, said 22 patients had been hospitalized.

Rizzuti said both adults and children have been confirmed sick as outbreak patients. The Alberta Health Services reported that all hospitalized patients are children. Rizzuti declined to say what specific complications the patients suffer, only that some symptoms are severe.

Patients started going to emergency rooms and being admitted to hospitals this past weekend, Rizzuti said. He made the decision Monday to close the 11 daycare centers because they share a common kitchen. On Tuesday morning investigators began collecting samples for testing. Among the samples collected were leftovers and frozen foods.

Parents have reported to Canadian media that they believe meatloaf served to children may be the source of the E. Coli, but Rizzuti would not confirm that.

More than 2,000 stool sample kits have been sent to the implicated daycare centers. Parents and staff can pick up the kits for free. Specific tests are required to diagnose E. Coli infection because it can mimic other illnesses.

Some media reports have said that the central kitchen used by the daycare centers had received non-compliance scores during recent inspections. However, Rizzuti said that is not the case and that the kitchen's most recent inspections have shown compliance with food safety regulations.

Only some of the daycare centers that have been closed are associated with patients, said Rizzuti. But as a cautionary move he ordered all 11 using the central kitchen to be closed until the situation is resolved.

"We think there is a common source," Rizzuti said during the press conference this afternoon, adding that it is not unusual for investigators to be unable to determine the source of outbreaks.

He said hospital care for those infected with E. coli can include treatment for dehydration, or, on a more severe scale, monitoring for hemolytic uremic syndrome, a type of kidney failure. Patients are also monitored for sepsis.

Investigators are calling each household with a confirmed illness in addition to collecting and testing samples. Rizzuti said it could take weeks or months to finish the investigation.

The following sites have been issued a closure order until issues are resolved:

- Fueling Brains Braeside
- Fueling Brains West 85th
- Fueling Brains New Brighton
- Fueling Brains Centennial
- Fueling Brains Bridgeland
- Fueling Brains McKnight
- Braineer Academy
- Kidz Space
- Little Oak Early Education (formerly Mangrove)
- Almond Branch School
- Vik Academy in Okotoks

Anyone who works at any of the daycare centers or has a child who attends them should be on the lookout for E. Coli symptoms.

FDA Signs Partnership with Ecuador to Enhance Safety of Shrimp Imports

Yesterday, the U.S. Food and Drug Administration (FDA) signed a Regulatory Partnership Arrangement (RPA) with Ecuador's seafood regulatory authority to strengthen food safety in shrimp intended for the U.S. market. Shrimp is the most consumed seafood in the United States, the vast majority of which is imported. Ecuador is one of the leading exporters of aquacultured shrimp to the United States.

The first of its kind, this regulatory partnership serves as an arrangement between the FDA and the Vice Ministry of Aquaculture and Fisheries (VMAF) to work more closely to reinforce food safety practices along the entire supply chain. Such arrangements aim to leverage commodity-specific oversight systems — in this case, involving imported aquacultured shrimp — along with data and information, to strengthen food safety before and at the port of entry.

In preparing for the RPA with Ecuador, in August 2022, the FDA and VMAF signed a confidentiality commitment (CC) that allows for the exchange of confidential information, including inspection records, sample findings, and other non-public documents.

In addition, the FDA did a rigorous assessment of the strength of Ecuador's aquacultured seafood safety system and examined important parts of VMAF's programs and capabilities. This includes assessment of key aspects of Ecuador's regulatory framework for shrimp, including review of its:

- Legal framework;
- Inspection and enforcement capabilities;
- Verification and audit programs;
- Aquatic animals' disease prevention and surveillance programs;
- Illness outbreak responses;

- Training; and
- Laboratory resources.

Through this assessment, the FDA is confident that Ecuador has key components of a food safety oversight system for shrimp and shrimp products intended for export to the U.S. As a result of the assessment, the FDA will be able to leverage data and information from Ecuador for our regulatory decision making. As well, Ecuador will leverage data analytics from FDA to inform their regulatory activities.

In 2021, the U. S. Congress highlighted the importance of food safety related to shrimp by mandating that the FDA consider and develop new options for enhancing the regulation of imported aquaculture shrimp including setting up an RPA with each of the three largest exporting countries by volume, India, Indonesia, and Ecuador. Since then, the FDA is taking steps to implement that mandate with all three countries. With the signing of this first-ever RPA with Ecuador, FDA is delivering on this mandate.

This new RPA with Ecuador sets forth how FDA and VMAF intend to collaborate with one another to:

- Share information on best practices, food safety policies, and regulatory approaches to address the safety of shrimp.
- Ensure prompt notification and response to adverse food safety events such as illnesses, recalls, and outbreaks.
- Promote and conduct training, including FDA Import Operations, Basic HACCP, Train-the-Trainer HACCP, Good Aquaculture Practices, Good Fishing Vessel Practices, and seafood decomposition detection.
- Participate in shrimp inspections, audits, and investigations.

FDA has already been sharing information with VMAF since the CC was signed, including import refusals, compliance actions, and detailed sampling results. In response, VMAF has provided information to the FDA on Ecuador's regulatory follow-up to these events.

Enterprise News

Beef packer recalls 29 tons of ground beef because of E. coli O103 contamination

American Foods Group LLC, doing business as Green Bay Dressed Beef LCC, of Green Bay, WI, is recalling 58,281 pounds of ground beef products that may be contaminated with Shiga toxin-producing E. coli (STEC) O103, the USDA's Food Safety and Inspection Service announced today.

There is concern that some consumers or businesses may have the implicated ground beef in their freezers.

The raw, ground beef items were produced on Aug. 14, 2023. The following products are subject to recall:

- Approximately 80-lb. cases containing 10-lb. plastic tubes (chubs) of "90050 BEEF FINE GROUND 81/19" with lot code D123226026.

- Approximately 80-lb. cases containing 10-lb. plastic tubes (chubs) of "20473 BEEF HALAL FINE GROUND 73/27" with lot code D123226027.
- Approximately 80-lb. cases containing 10-lb. plastic tubes (chubs) of "20105 BEEF FINE GROUND 73/27" with lot code D123226027.

The products subject to recall bear the establishment number "EST. 18076" inside the USDA mark of inspection. These items were shipped to distributors in Georgia, Michigan, and Ohio.

The problem was discovered when FSIS was notified that a sample collected by a state public health partner tested positive for E. coli O103. There have been no confirmed reports of adverse reactions due to consumption of these products.

Many clinical laboratories do not test for non-O157 STEC, such as O103, because it is harder to identify than STEC O157:H7.

People can become ill from STECs 2-8 days (average of 3-4 days) after consuming the organism.

Distributors and customers who have purchased these products for further processing should not use or distribute them. These products should be thrown away or returned to the place of purchase.

Life Raft Treats recalled after testing find Listeria

Life Raft Treats is recalling Not Fried Chicken buckets, Not Fried Chicken bars and Life Is Peachy box ice cream products because of potential Listeria monocytogenes contamination.

On Sept. 5, 2023, the firm was notified by the South Carolina Department of Health and Environmental Control (SCDHEC) that their Not Fried Chicken ice cream treat tested positive for Listeria monocytogenes. The firm also recalled their Life Is Peachy Ice Cream treats because both products were manufactured in the same room.

These products were packaged in lamented buckets and plastic wrap and shipped to Georgia, Illinois, Maryland, North Carolina, New York, South Carolina and Texas distribution centers. The product was also shipped online directly to consumers located in all fifty states plus the District of Columbia.

Recalled products:

Product	Size	UPC	Use By Dates
LIFE RAFT TREATS LIFE IS PEACHY	6 COUNT	NO UPC CODE	Up to andincludingBEST BYAUG 8212024
LIFE RAFT TREATSNOT FRIED CHICKENICE CREAM	64 OZ BUCKET	NO UPC CODE	Up to andincludingBEST BYAUG 8212024
LIFE RAFT TREATSNOT FRIED CHICKENICE CREAM	2.5 OZ BAR	8 60006 18210 6	Up to andincludingBEST BYAUG 8212024

As of the posting of this recall, no illnesses have been reported to date.

Consumers who have purchased these products are urged not to consume them

and to return the products to the place of purchase for a full refund or they may discard the product.

Victor Super Premium Dog Food recalled after testing find Salmonella contamination

Mid America Pet Food of Mount Pleasant, TX, is recalling one lot of Victor Super Premium Dog Food, Hi-Pro Plus because of potential Salmonella contamination.

This voluntary recall is being issued because a sample of Victor Super Premium Dog Food tested positive for Salmonella in a random sample test conducted by the South Carolina Department of Agriculture.

The recalled dog food was produced at its Mount Pleasant, TX production facility.

Salmonella can affect animals eating the product and there is a risk to humans, notably children, the elderly, and the immunocompromised, when handling contaminated products, especially if they have not thoroughly washed their hands after having contact with the products or surfaces exposed to these products.

Dogs with *Salmonella* infections may be lethargic and have diarrhea or bloody diarrhea, fever, and vomiting. Some dogs will have only decreased appetite, fever, and abdominal pain. Infected but otherwise healthy dogs can be carriers and infect other animals or humans. If your dog has consumed the recalled product and has these symptoms, please contact your veterinarian.

Recalled product:

- The affected product was only sold in 5-pound bags.
- Products were distributed to various distributors and retailers in the United States.
- The affected product consists of 644 cases sold in 5-pound bags with lot code 1000016385 with Best By Date 4/30/2024.
- Lot code information is found on the back of the bag.

As of the posting of this recall, no human or pet illnesses have been reported.

Retailers and distributors should immediately pull the recalled lot from their inventory and shelves. Recalled products should not be sold or donated.

The recalled product should not be fed to pets or any other animals. It should be destroyed in a way that children, pets and wildlife cannot access. Pet food bowls, cups and storage containers should be washed and sanitized. Pet owners should always ensure they wash and sanitize their hands after handling recalled food or any utensils that come in contact with recalled food.

MARKET NEWS - REPLY

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