MARKET NEWS





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Focus on China

Popular livestreamer fined over sales of fake goods

A popular Chinese livestreaming influencer known as Sister Yu has been hit with a hefty fine for selling fraudulent products during her livestreams.

Sister Yu, whose real name is Chang Xiaoyu, gained fame by sharing humorous videos about her rural life in Benxi Manchu autonomous county, Liaoning province, amassing 22.5 million followers on Douyin, the Chinese version of TikTok.

The controversy erupted in late September when another Douyin influencer, Dawa, who has 285,000 followers, accused Sister Yu of selling adulterated sweet potato noodles. After sending the noodles for third-party testing, Dawa claimed they contained no sweet potato but instead were made with tapioca. He also alleged that he and his colleagues were physically attacked by Sister Yu's team when they confronted her for an explanation.

On Saturday, the market regulation bureau of Benxi, where Sister Yu's media company is based, confirmed that the noodles in question contained tapioca and other ingredients — meeting food safety standards, but not containing sweet potato as advertised. The bureau labeled the livestream claims as fraudulent and misleading.



Sister Yu's company was fined 1.65 million yuan (\$225,000), and its earnings from sales of the noodles were confiscated. The company was also ordered to suspend operations for rectification.

The food company that supplied the noodles, located in Liaoning's Chaoyang county, had its illegal gains confiscated and was punished with heavy fines — totaling around 6.72 million yuan for false advertising after tests showed its noodles did not match the ingredient list printed on the packaging.

Sister Yu's company accepted the punishment, issuing an apology to consumers and pledging to protect consumer rights while undergoing rectification.

Founded in February 2023, the company's operations include food sales, livestreaming and entertainment management. Chang resigned from her role as legal representative and executive director of the enterprise earlier this year, according to corporate data provider Tianyancha.

Team, platform help ensure food safety

Recently, Fuyang district in Hangzhou, Zhejiang province, established a food safety supervision drivers team composed of 100 food delivery drivers, effectively enhancing the efficiency of online food safety supervision and promoting social co-governance in food safety.



In mid-July, the Fuyang district online delivery workers association, in collaboration with the district's food and drug safety office and the food safety supervision association, initiated the formation of the team, aiming to leverage the role of delivery drivers as "whistleblowers" in food safety matters.

"Before we established this team, some drivers and delivery stations had already contacted us about safety and hygiene issues in food delivery outlets," said Yu Yun, head of Fuyang's market regulatory administration's common prosperity team. As reports of issues increased, the administration recognized the need for a more systematic mechanism to gather information and address the problems, leading to the development of the district's pilot Delivery Driver Code platform.

Launched in 2023, the code serves as an electronic work ID for food delivery drivers. It combines the functions of an identification card, a regulatory certificate and a protection certificate, encompassing management platforms, direct welfare distribution, policy outreach and grassroots governance, with ongoing enhancements.

"The reporting process is very convenient; you simply need to take a photo, upload it, describe the issue briefly and indicate the store's location," said Qiu Lianke, a member of the food safety supervision drivers team in Fuyang.

Having delivered food in Fuyang for six years, Qiu is well aware of food safety issues.

"In the past, we often noticed problems but were unsure where to report them, or thought it was better not to get involved," he said. "Since becoming food safety supervision drivers, we feel a stronger sense of responsibility to live up to this role. Consumers appreciate knowing what we are doing," he said.

Yu said: "The Food Safety Supervision Drivers program is particularly beneficial because drivers have a professional advantage. They frequently visit food service locations, making them well aware of which stores maintain cleanliness and whether the food prepared meets safety standards."

The responsibilities of the members of the team include: collecting evidence of illegal activity, such as the use of expired or spoiled ingredients and non-food-grade substances; false advertising; inspecting fraudulent claims about food efficacy; reporting price fraud and the trade of wild animals; and providing feedback on management issues such as improper store licenses and poor hygiene conditions.

Once the supervision team members upload information regarding food safety issues, relevant authorities and the market regulation department in Fuyang will collaborate to investigate.

"We will complete investigations and announce confirmations of the reports within seven days, and rectify any problems within 30 days,"



said Fan Wenxiang, head of the food safety coordination department at the Fuyang district market regulatory administration.

In addition to Hangzhou, other regions are also exploring new models for food safety supervision. Cities such as Shenyang in Liaoning and Laixi in Shandong have begun hiring food delivery drivers as food safety supervisors, allowing them to report issues by taking photographs. Drivers who join the food safety oversight team can earn points, which can be exchanged for goods or used to participate in recognition programs, thereby gaining more respect and acknowledgment in their roles.

"In our daily interactions with food delivery drivers, we find that the relationship between drivers and food outlets is not equal. We hope that by empowering them as food safety supervision drivers, we can help them gain more respect and recognition in fulfilling their duties," Yu said.

Severe penalties issued for food safety violations

China's top judicial bodies have directed authorities to fully leverage the rule of law to safeguard people's rights to life and health, issuing severe penalties for those harming agricultural products.

The Supreme People's Court and the Supreme People's Procuratorate reaffirmed the mandate at the end of last month, detailing several

cases to address public concerns about food safety and demonstrating their commitment to fighting related crimes.

In one case, a court in Jiangsu province sentenced a man, identified only by his surname Sun, to 11 years in prison and fined him 3 million yuan (\$427,410) for using industrial formaldehyde to preserve whitebait — a violation classified as producing and selling harmful food.

Sun ran the whitebait business in Kunshan from 2018 to March 2021, knowingly using the toxic chemical to prolong the shelf life of the fish at room temperature. He earned more than 1.29 million yuan in profits by selling the fish to vendors. In 2020, he appointed another man, surnamed Liu, to assist in soaking and selling the fish. Liu was sentenced to five years in prison and fined 200,000 yuan.

Industrial formaldehyde, a toxic substance included on a list of nonedible substances and illegal additives issued by the State Council, is classified as a harmful raw material under China's Criminal Law.

"The two defendants should be severely punished, as they endangered the lives and health of consumers," the court said.

In another case, a farmer surnamed Li from Wenzhou, Zhejiang province, was imprisoned and fined for selling nearly 10,000 Sanhuang chickens containing drug residue after failing to adhere to feeding guidelines.



Sanhuang chicken is a common poultry product, and breeders are expected to follow proper feeding practices to ensure the safety of edible agricultural goods, the court said.

China has ramped up efforts to improve food safety in recent years, including revisions to judicial interpretations.

A nationwide campaign launched three years ago has led to 4,545 indictments for endangering agricultural product safety, according to data from top judicial authorities.

Over the past three years, Chinese courts have concluded 16,070 criminal cases related to food safety violations, including 1,429 cases involving edible agricultural products.

Hefei punishes leading e-commerce firm for violation of laws

Hefei, capital of East China's Anhui province, decided to give a series of punishments to a leading e-commerce company based in the city, according to the local authorities' statement on Thursday night.

The company, Sanzhiyang Network Technology, commissioned by Guangzhou Meisun Food Co Ltd, falsely advertised "Hong Kong Meisun Mooncakes" during a recent live stream, claiming it as a high-end mooncake brand specializing in this product for over 20 years, according to the local government's joint investigation team.

Commissioned by other suppliers, Sanzhiyang company also was accused of providing other low-quality food products during their live stream programs, according to the statement.

In accordance with the Administrative Penalty Law and the Anti-Unfair Competition Law, it is proposed to confiscate the illegal gains of Sanzhiyang company and impose a total fine of 68.9 million yuan (\$9.8 million), according to the statement.

In response to the issues identified in the live-streamed sales by the company, they are ordered to suspend operations for a specified period for rectification and bear relevant legal responsibilities.

Units and individuals who were negligent or derelict in their duties during the process will be investigated by the disciplinary and supervisory departments, and dealt with seriously in accordance with the law and regulations, said the joint investigation team's statement.

Chinese vice-premier stresses stronger food safety supervision

BEIJING -- Chinese Vice-Premier Zhang Guoqing on Wednesday emphasized the need to strengthen food safety supervision and to impose harsh penalties on related illegal activities.

Zhang, also a member of the Political Bureau of the Communist Party of China Central Committee, made the remarks at the main event of the 2024 national food safety awareness activity held in Beijing.

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He underscored the importance of continuously improving food safety standards to better meet the public's aspirations for a high-quality life.

To achieve this goal, he highlighted the necessity to prevent risks at the source and to further improve the standards system. He also called for focusing on major issues of public concern, responding swiftly, and imposing heavy penalties.

Moreover, Zhang called for stringent risk control measures and expedited efforts to establish a robust food safety traceability system.

He underscored the importance of punishing violations severely, urging rigorous legal actions against food safety crimes and significantly increasing the costs levied toward illegal behavior.

International News

FDA Introduces Streamlined Complaint Process in New Human Foods Program

Today FDA's <u>Human Foods Program</u> (HFP) is announcing a new, streamlined approach for processing complaints, including whistleblower complaints, that will improve the Agency's ability to detect and respond to problems related to FDA-regulated products and better protect public health. A complaint may be about an illness,

injury, allergic reaction, or other health-related issue or about defects in the quality or safety of an FDA-regulated food, dietary supplement, or cosmetic product. Now, the public will be able to direct complaints about foods and dietary supplements to HFP by using our online reporting forms for:

- Foods and Dietary Supplements: Safety Reporting Portal
- Cosmetics: <u>MedWatch Voluntary Reporting Form</u>

The links to these forms and more information about how to submit questions or complaints about FDA-regulated products can be found on the <u>Industry and Consumer Assistance from HFP</u> webpage.

Until today, consumer complaints were directed to Consumer Complaint Coordinators (CCCs) in the FDA's Office of Regulatory Affairs (ORA). As of October 1, 2024, the phone numbers associated with the CCCs will no longer be in service. Instead, consumers now will be able to call **1-888-SAFEFOOD** to submit complaints by phone about foods and dietary supplements. HFP will receive, triage, and evaluate complaints, and the new Office of Inspections and Investigations (OII), formerly ORA, will follow up with firms as needed. This streamlined process will expedite delivery of inquiries and complaints to the appropriate public health experts at the FDA and allow for more consistent processing and earlier detection of potential public health problems.



The FDA first announced this change was underway in an October 2023 joint statement by Commissioner Robert M. Califf and Deputy Commissioner for Human Foods Jim Jones confirming the reorganization and modernization efforts of the foods program had begun. The reorganization, which took effect today, is the single largest reorganization in the agency's modern history, impacting more than 8,000 employees and touching every facet of the FDA. Establishment of the Human Foods Program with a new streamlined process for consumer complaints and inquiries will allow the FDA to more effectively interface with consumers to learn new and valuable information about FDA-regulated products. It will also help the FDA deliver on its mission to protect and promote public health through science-based approaches to prevent foodborne illness, reduce diet-related chronic disease, and ensure the safety of chemicals in food.

For more information, please visit <u>Industry and Consumer Assistance</u> <u>from HFP</u>.

FDA Reminds Animal and Human Food Facilities to Register or Renew their Food Facility Registration (FFR) between October 1 and December 31, 2024

Owners, operators, or agents in charge of a domestic or foreign facility engaged in manufacturing/processing, packing, or holding food for consumption by humans or animals in the U.S., are required to register the facility with the FDA. The registration and renewal period is open between October 1 and December 31, 2024.

The FDA will consider the registration of a food facility to be expired if a facility's registration is not renewed by December 31, 2024. There is no fee associated with registration or renewal. Owners, operators, or agents in charge of food facilities must submit their renewal information electronically through their <u>FDA Industry Systems</u> (FIS) account, unless they have received a waiver that allows for paper submission.

All facilities must include a unique facility identifier (UFI) recognized as acceptable to the FDA with the food facility registration (FFR) submission. The UFI is used to verify that the facility-specific address associated with the UFI is the same address associated with the facility's registration. Currently, the FDA recognizes the Data Universal Numbering System (DUNS) number as an acceptable UFI. The DUNS number is assigned and managed by Dun & Bradstreet (D&B) and can be obtained or verified by visiting D&B's websiteExternal Link Disclaimer.

Food facility registration is critical to helping the FDA identify the location and possible source of a foodborne illness outbreak or potential bioterrorism incident. Food facility registration requirements were initiated with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 and amended by the FDA Food Safety Modernization Act (FSMA) in 2011. FSMA

requires facilities to submit additional information to the FDA and to renew their registrations every other year.

The following resources are available to assist in the registration and renewal process:

FFR Renewal:

- <u>Food Facility Registration User Guide: Biennial Registration</u>
 Renewal
- <u>D&B + FDA Joint Web Presentation on Biennial Food Facility</u> <u>Registration Renewal (youtube.com)External Link Disclaimer</u>

FFR Guidance:

- Guidance for Industry: Questions and Answers Regarding Food Facility Registration (Seventh Edition)
- <u>Draft Guidance for Industry: Supplemental Questions and Answers Regarding Food Facility Registration</u>

FFR User Guides:

- Food Facility Registration User Guide: Step-by-Step
 Instructions for Registration
- <u>Food Facility Registration User Guide: Update Facility</u> Registration
- Food Facility Registration User Guide: Summary of Fields



FIS User Guides:

- FDA Industry Systems: Create New Account Quick Start Guide
- <u>FDA Industry Systems User Guide: Summary of Fields in Account Management</u>

Food facilities with questions can contact the Data Management Support Services: by phone 1- 240-247-8804; or by email at <u>FURLS@fda.gov</u> on U.S. Government business days (Monday to Friday, excluding U.S. government holidays) from 9:00 a.m. to 6:00 p.m. Eastern Time (see <u>Federal Holidays</u> (opm.gov) and <u>Current Status</u> (opm.gov).

The FDA Updates Mycotoxins in Domestic and Imported Human Foods Compliance Program

The U.S. Food and Drug Administration updated the <u>Mycotoxins in Domestic and Imported Human Foods Compliance Program</u> to include the monitoring of additional mycotoxins of regulatory interest in human foods, specifically T-2/HT-2 toxins and zearalenone. The updated compliance program also reflects the transition by FDA regulatory laboratories to a <u>multi-mycotoxin method</u> for analysis in human foods, which will allow the agency to obtain results for multiple mycotoxins in a single sample analysis. The new data gained by the compliance program update will support enforcement actions, risk assessments, and international activities, as well as provide



information on mycotoxin incidence, extent of contamination, and co-occurrence. These changes do not affect the FDA's surveillance of mycotoxins in animal food.

T-2/HT-2 toxins are mycotoxins produced by *Fusarium* molds. These toxins are found in contaminated grains, such as wheat, rye, oat, and barley. Contamination generally occurs when these foods are not stored and/or dried properly. If T-2 and HT-2 are found in foods, they may cause human health issues such as high fever, gastrointestinal problems, and hemorrhage.

Zearalenone is a mycotoxin also produced by *Fusarium* molds. It has been found in contaminated grains, such as corn, oats, wheat, sorghum, and rice. Contamination generally occurs when these foods are not stored and/or dried properly. If zearalenone is found in food, it may cause reproductive issues in humans.

The updated Mycotoxins in Domestic and Imported Human Foods Compliance Program and information on mycotoxins, including how the FDA monitors them in foods, can be found at https://www.fda.gov/food/natural-toxins-food/mycotoxins. For more information about the FDA Center for Veterinary Medicine's oversight of mycotoxins in animal food, visit Chemical Contaminants in Animal Food.

Enterprise News

Chicken and meat recall expanded; more than 11 million pounds now implicated

The 7 million-pound recall of meat and poultry products from BrucePac has been expanded to include almost 2 million more pounds of products, some of which were sent to schools.

The USDA's Food Safety and Inspection Service (FSIS) is reporting that the recall of an additional 1.77 million pounds of products is part of continuing efforts to gather distribution information. The recall, which now includes 11.76 million pounds of products, was initiated because of contamination with Listeria monocytogenes.

As of the posting of the recall notice there had not been any confirmed illnesses reported. However, it can take up to 70 days after consumption of tainted food for symptoms of Listeria infection to develop.

"The problem was discovered after FSIS performed routine product testing of finished product containing RTE poultry products produced by BrucePac (of Durant, OK) and confirmed those products positive for Listeria monocytogenes. Subsequent FSIS investigation identified BrucePac RTE chicken as the source of the Listeria monocytogenes," according to the recall notice.

"FSIS wants to make sure consumers are aware that some of the recalled products could bear a different establishment number on the label due to further distribution and processing by other



establishments. Consumers are urged to carefully review the information, including the <u>product and label information</u>, included in the <u>BrucePac Ready-to-Eat Meat and Poultry Recall Press Release</u>."

The ready-to-eat (RTE) meat and poultry items were produced from May 31, 2024, to Oct. 8, 2024. Some of the products are frozen. In addition to schools, the recalled products were shipped to other establishments and distributors nationwide then distributed to restaurants and institutions, as well as retail stores.

Some of the products subject to recall bear establishment numbers "51205 or P-51205" inside or under the USDA mark of inspection.

Retail brands of recalled products include 7-Eleven, Trader Joe's, Amazon, Giant Eagle, Walmart's Marketside brand, Taylor Farms, HEB, Save Mart, Meijer and Kroger. For a list of products with label photos, <u>click here</u>. The list is not yet comprehensive and will be updated by the FSIS as information becomes available.

The FSIS is concerned that some of the recalled products may be available for use in restaurants, institutions, schools and grocery stores. These other establishments may have used affected meat and poultry in RTE products that may be on store shelves or in consumers' refrigerators or freezers. Restaurants, institutions, schools and other establishments are urged not to serve or use these products. These products should be thrown away or returned to the place of purchase.

FSIS routinely conducts recall effectiveness checks to verify recalling firms notify their customers of the recall and that steps are taken to make certain that the product is no longer available to consumers. When available, the retail distribution list(s) will be posted on the FSIS website at www.fsis.usda.gov/recalls.

Consumers with questions regarding the recall can send an email to bprecallinfo@brucepac.com or contact Seth Leeper, recall coordinator, at 503-874-3000.

Company recalls smoked salmon because of positive test for Listeria monocytogenes

Vasco & Company Seafood LLC is recalling filets of smoked Atlantic salmon because of contamination with Listeria monocytogenes.

The implicated salmon was distributed in Quebec. The Filet Royal brand recalled salmon is packaged in plastic with a navy blue border and weighs 170 g. It is marked with the lot number 399417.

The recall was triggered by test results from the Canadian Food Inspection Agency. The agency's recall notice does not include information on expiration dates.

As of the posting of the recall notice, there had not been any confirmed reports of illnesses associated with the product. The Canadian Food Inspection Agency is conducting a food safety investigation, which may lead to the recall of other products.



Happy Moose juice recalled because of potential contamination

Youngstown Grape Distributors Inc., a co-manufacturer of Happy Moose Juice, is voluntarily recalling Happy Moose Tropical Roots Juice and Happy Moose Strawberry Fields because a portion of the production did not complete the High-Pressure Processing (HPP) treatment.

The treatment prolongs the product shelf-life, prevents spoilage, and significantly reduces the risk of pathogens such as Salmonella, Listeria monocytogenes, and E. coli. Those organisms could lead to serious illness if consumed.

According to the company's recall notice posted by the Food and Drug Administration, this recall was initiated after complaints of spoiled juices were received.

There have been no reports of illness associated with these products to date. No other production codes or products are affected. However, there is concern that consumers may have the recalled juice in their homes because it expires Dec. 2.

The products included in this recall were sold in 12-ounce plastic bottles. The "Enjoy by 12/02/2024" date is on the bottom of the bottle, below the label.

Consumers who have purchased Happy Moose Juice Tropical Roots 12 fl oz, Lot# H240903-E BEST BY 12/02/2024, or Happy Moose Juice Strawberry Fields 12 fl oz, Lot# H240903-H, BEST BY 12/02/2024 are urged to return them to the place of purchase for a full refund.

Consumers with questions may contact the company at 559-797-0252.

Another death reported in Listeria outbreak traced to Boar's Head deli meats

A 10th death has been reported in an outbreak of Listeria infections traced to Boar's Head deli meats. The outbreak has sickened 59 people in 19 states. All of the patients have required hospitalization.

The company recalled more than 7 million pounds of its products in July. Testing has shown that Boar's Head deli meat was contaminated with the same strain of Listeria monocytogenes that has sickened people.

The company has closed its Jarratt, VA, production plant that manufactured the implicated products and has permanently discontinued production of liverwurst nationwide.

Inspection reports dating back to at least 2022 showed multiple problems in the Virginia plant, but the USDA did not shut it down. Inspectors from the USDA listed serious problems in 2022 that could have resulted in strict measures like a pause in production. But the

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plant continued operating, and some conditions persisted. Inspectors warned that conditions at the Boar's Head plant posed an "imminent threat" to public health, citing extensive rust, deli meats exposed to wet ceilings, green mold and holes in the walls.

Here are the 2022 - 2024 Inspections:

- Non-Compliance Reports 1/1/2022 To 8/1/2024
- Non-Compliance Reports 8/1/2023 To 8/2/2024
- https://www.foodsafetynews.com/files/2024/09/Non-Complia nce Reports-812023-To-822024-1.pdf

Since the announcement of the closing of the plant, Terrence Boyce, who has nearly two decades of experience as a supervisor at food plants and was hired in 2023 for a newly created position at the Jarratt, VA., plant amid a food safety audit by federal regulators, has spoken out about problems at the plant.

Boyce said he repeatedly told superiors about food safety problems but no action was taken.

"The government found a bunch of deficiencies or deviations and I guess I was brought in as a preventive and a corrective measure," Boyce said.

But when the sanitation veteran began to speak up and recommend certain changes, he lost his job, he has told numerous media outlets. Among the problems Boyce flagged during his eight-month stint at the bug-infested plant was that the water used to clean the facility wasn't hot enough to break up grease from animal fat. He also questioned other sanitation practices.

"The process for cleaning the smokehouses was a major problem," he told local media. They used a powder solution instead of spraying them down. They took shortcuts."

The company issued a statement and apology on Sept. 13.

"First and foremost, our investigation has identified the root cause of the contamination as a specific production process that only existed at the Jarratt facility and was used only for liverwurst. With this discovery, we have decided to permanently discontinue liverwurst," the Boar's Head statement says.

"In response to the inspection records and noncompliance reports at the Jarratt plant, we will not make excuses. In the spirit of complete transparency, we are sharing with you the July 31, 2024, USDA Notice of Suspension received by our Jarratt facility here."

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If you have any views or comments on the articles in the marketing news please feel free to contact us on the following email address: sales.china@mxns.cn