



REPRESENTING THE RESTAURANT INDUSTRY

The Cornerstone of the Economy, Career Opportunities and Community Involvement

Written Testimony

of

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for the hearing

**The Recent Salmonella Outbreak: Lessons Learned
and Consequences to Industry and Public Health**

before the

**U.S. House of Representatives
Committee on Energy & Commerce
Subcommittee on Oversight & Investigations**

on behalf of the

National Restaurant Association

Thursday, July 31, 2008

Chairman Stupak, Ranking member Shimkus, and members of the Oversight and Investigations Subcommittee: thank you for the opportunity to testify before you today on the recent salmonella outbreak. I am Dr. Donna Garren, Vice President of Health and Safety Regulatory Affairs for the National Restaurant Association.

Introduction

The National Restaurant Association, founded in 1919, is the leading business association for the restaurant industry, which is comprised of 945,000 restaurant and foodservice outlets and a work force of 13.1 million employees, generating estimated sales of \$558 billion in 2008 – an increase of 4.4 percent over 2007 – and a total economic impact of more than \$1.5 trillion. Nationwide, the industry serves 133 million guests every day, and every dollar spent dining out generates \$2.34 in business for other industries. Seven out of ten restaurants are single unit operators, with 91 percent of eating-and-drinking places having fewer than 50 employees – we are truly an industry of small businesses!

Not only are restaurants the cornerstone of the economy, they are also the cornerstone of career opportunities and community involvement. Nearly half of all American adults have worked in a restaurant and 32 percent of adults got their first job experience in a restaurant. Nine out of 10 salaried employees at table service restaurants – including owners, operators and managers – started as hourly employees. We are also a diverse industry, with eating-and-drinking places employing more minority managers than any other industry. Ownership opportunities for minorities are also growing with 25.2 percent of eating-and-drinking places being owned by women, 15.2 percent Asian-

owned, 7.9 percent Hispanic owned, and 4.1 percent African-American owned. The restaurant industry is the nation's second largest employer outside the government, representing more than 9 percent of the job-base. And we project that the industry will add 2 million new jobs over the next decade.

Furthermore, restaurateurs are active in the lives of their communities with more than nine out of 10 restaurants involved in some type of charitable activity on a local, state or national level – from sponsoring a youth sports team, to raising money for charities, to providing meals to those in need.

Food Safety

Food safety is of the utmost importance to the restaurant industry. Restaurants have taken the lead in ensuring food safety within the four walls of our restaurants. The National Restaurant Association and our members are making multi-billion-dollar investments in improving food safety and developing state-of-the-art food safety education programs. We are especially proud of ServSafe, the food safety education program that sets the standard for our industry. We began our efforts with ServSafe in 1988. More than 3 million foodservice professionals have been certified through our ServSafe Food Protection Manager Certification exam. The industry's leading suppliers, distributors and academic institutions use ServSafe both online and in classrooms, and our exams and certification meet or exceed regulations in all 50 states. Our newest edition – which debuted earlier this year – is the strongest we have produced. Recognizing the demands of a changing workforce, the product is accessible, understandable and industry-leading.

Trust is absolutely essential to what we do. Our nation's 945,000 foodservice establishments feed approximately 133 million Americans a day. Our guests, and those they bring with them - friends, family members - entrust us with serving them safe food. It is a big responsibility and one which we take very seriously. There is no room for error.

Restaurants also depend heavily on food safety systems of suppliers and manufacturers throughout the foodservice supply chain. The fact is, we are also major consumers in the food marketplace. This year, restaurants will spend more than \$200 billion purchasing food and beverages to serve our guests. The National Restaurant Association and its members are increasingly involved in driving changes all the way back through the supply chain, to take on a more influential role across the entire life cycle of food.

On behalf of our members, we support risk-based and thoughtful efforts to increase food safety throughout the food chain so that the food received by U.S. restaurants continues to be among the safest in the world.

The recent salmonella outbreak was one of the largest in U.S. history. Of particular concern was the 2-month time period needed to identify the source of the outbreak and the mid-course change in focus of the cause of the outbreak. We are at a critical time in food safety, and all of us have a role to play.

This outbreak highlights the need to re-evaluate our food safety system and implement needed improvements. Of particular concern is the complexity of the food distribution channels for fresh produce and the challenges presented when a finished product served to consumers, like salsa, contains a number of ingredients. This complexity

presented challenges to the public health officials leading the efforts to resolve this outbreak in timely manner. In moving forward, we need a better approach. We need a truly farm-to-table approach.

Outbreaks of this size and magnitude shake the public's confidence in the safety of the food supply. The Food Marketing Institute released its report: U.S. Grocery Shopper Trends, 2007. It confirms what we believe: consumer shopping behavior and attitudes have changed significantly as a result of outbreaks. The number of consumers "completely" or "somewhat" confident in the safety of supermarket food declined from 82 percent in 2006 to 66 percent — the lowest point since 1989 when the issues of pesticides in apples and contaminated grapes were widely reported. Consumer confidence in restaurant food is even lower at 43 percent. It is clear that there is a strong and urgent message in these findings – a message for the entire food industry and government.

We see tremendous opportunities to advance food safety. The increasingly diverse tastes of our consumers and the realities of the food supply chain have created a global food economy, where local ideas and food products are gaining international currency. We are talking about securing a global food chain and that requires a more thoughtful approach to how our companies and our government look at protecting food safety.

Supply-chain collaboration and coordination has taken on a new urgency and new focus. When a restaurant patron sits down to a meal, the food on his or her plate has been through a long and sophisticated process. Keeping a bond of trust with our guests requires every segment of the food industry to collaborate. As allied partners in the process, we work together to ensure safety at every step in the chain and as we have

heard so many times before, we are all as vulnerable – or as strong – as the weakest link in the chain.

The food supply chain has been transformed in a very few years. The Food and Drug Administration (FDA) is facing new and broader demands precisely because the food supply chain is more complex and global. Food safety requires vigilance, surveying the food supply environment and keeping education and practice ahead of the changes we see.

We build confidence by showing people that we are always ready – always vigilant. For the purposes of this hearing, we would like to focus on key areas in moving our food safety efforts forward:

- need for adequate funding to ensure appropriate FDA staffing and expertise
- need for improved collaboration and communication between government and industry during the investigation of a complex outbreak
- need for communication and education strategies to effectively inform consumers in the event of an outbreak or recall
- need for stronger standards and practices for fresh produce
- need for additional tools: recall authority, traceability, improved epidemiological investigations, and private sector certification

Need for Adequate Funding to Ensure Appropriate FDA Staffing and Expertise

The recent outbreak highlighted the need to provide FDA with adequate resources to do its job. We are encouraged by the FY '08 supplemental increase for FDA of \$150 million, and further increases recommended for the FY '09 budget. However, this can

only be a “down payment” on a sustained effort to increase the agency’s appropriated base. It is important to emphasize that it is not just the number of FDA staff, but their expertise and experience as well. Over the last 5 years, the FDA’s Center for Food Safety and Applied Nutrition (CFSAN) has lost over 200 scientific and regulatory experts, including 3 of its most senior and experienced microbiologists. This loss of critical expertise is not easy to replace.

Need for Improved Collaboration and Communication Between Government and Industry

This outbreak also highlights the need for increased collaboration and communication between government and industry. The fact that fresh produce is co-mingled and repacked at various steps in the chain should not present an insurmountable problem. There are industry experts who specialize in the distribution of these types of products. There should be a mechanism that allows the agency to tap into this expertise to facilitate a more meaningful investigation of the crisis at hand. While we recognize that conducting an outbreak investigation is a governmental function, we would urge a greater level of collaboration and communication between government and industry, as we all benefit from a rapid resolution.

Need for Effective Communication and Education Strategies

The National Academy of Sciences defines risk communication as, “an interactive process of exchange of information and opinion among individuals, groups, and institutions.” Strategic communications activities should be based on scientifically sound risk communications principles.

Effective communication guides the public, the news media, healthcare providers, and industry in responding appropriately to outbreak situations. There are certain challenges and hurdles inherent in developing materials to inform and educate the public about potential health and safety risks in an accurate and timely manner. We must overcome these obstacles and improve how we communicate health and safety information.

It would be a serious error to underestimate the importance of developing, by consensus among stakeholders, the final version of a risk communication strategy and plan. Communications professionals in the public and private sectors need to ensure strong and well-integrated working relationships that will help sustain communications resources as an outbreak evolves. The planning, preparation, and practice must begin now.

Need for Stronger Safety Standards and Practices for Fresh Produce

Over the past several years, there have been repeated calls for stronger safety standards for fresh produce. This outbreak reinforces the importance and urgency of that task. The produce industry has taken positive, pro-active steps to establish standards. Now it is time for the FDA to take the next step.

The first goal of any food safety system must be prevention. FDA's good agricultural practices, developed a decade ago, should be updated and made mandatory. The National Restaurant Association supports the FDA in setting mandatory general standards for produce as well as commodity-specific standards for commodities the FDA deems as posing a higher risk.

Prevention alone cannot guarantee safety and so emphasis must be placed on rapid response when an outbreak does occur. This leads directly to the issue of traceability. The produce industry has made important strides in recent years to improve traceability, yet more can be done. We must apply our best collective knowledge, expertise, and emerging technology so that finding the source of contaminated produce is a matter of hours or days, not weeks or months.

In the short term, we support the FDA, together with industry, developing traceability guidance for fruits and vegetables that can be voluntarily adopted. These traceability systems may need to be developed commodity by commodity to address varying supply chains. A one-size-fits-all strategy may not work for all sectors and stakeholders. Once guidance is voluntarily adopted then the FDA should move to the development of regulations based upon these guidelines. In addition, any credible traceability system should be effective for all stakeholders and routinely tested to determine potential flaws prior to a crisis event.

Recall Authority

The National Restaurant Association supports granting the FDA the authority to recall a food product when that product poses a serious adverse public health risk and the company refuses to complete a voluntary recall. This authority should only be granted if adequate resources are provided to the agency to implement these new responsibilities. Enhanced and coordinated recall notification should be developed to better inform the consumer so that the FDA is communicating those notices to the public in a consistent manner.

Epidemiological Investigation Resources at the State level

We also believe there should be better resources for investigating outbreaks at the state level. The epidemiology of foodborne illness is sophisticated and always changing - many states lack the manpower and resources to do it well. Poorly managed investigations can be catastrophic, as was most recently demonstrated with this current outbreak.

CIFOR (C4) is the Council to Improve Foodborne Outbreak Response. State officials have pulled together best practices and other resources for state epidemiological investigations. We must ensure states have the necessary funding available to access this information and implement better investigations related to food. This again is important for both the safety and the public trust. We need and the public expects solid investigations when problems arise.

Third-party Certification

Increasingly, our members are relying on private certification to ensure compliance by suppliers with food safety standards. This approach provides consistency of standards and quality across borders, cost efficiency in the supply chain, less duplication of certification processes, and simpler buying. We believe the FDA should support the use of third-party certification as a way to leverage the Agency's limited resources. We believe third-party certification, using consistent, internationally recognized standards, will be more efficient and more successful than seeking to improve food safety through individual cooperative agreements with foreign governments. Such agreements can be useful, but they are often difficult to achieve and difficult to

harmonize given different countries' legal structures. Use of third-party certification can achieve the standardization of food safety processes faster and more efficiently than country-by-country negotiated agreements.

Conclusion

In conclusion, we should not rely solely on government for the safety of our produce, but government has a critical role to play. We must direct our limited resources toward efforts that will have a more significant impact on the safety of our products.

The ongoing salmonella outbreak has been long, costly, and frustrating for all concerned. We simply **MUST** do better. This means taking a new look at our food safety system to be sure we have a comprehensive farm-to-table strategy. We must look for ways for the government at all levels to collaborate more closely with industry experts during the course of an outbreak investigation. And we must establish stronger standards and practices that move us towards continuous improvement in produce safety.

Food safety is a collective responsibility. If we are to maintain the bond of trust with our guests, it requires every segment of the food industry to collaborate. As an important partner along the food chain, we pledge our best efforts and look forward to working together with all involved to ensure the safety of our food supply chain. Thank you for this opportunity to testify on behalf this nation's restaurants.

Executive Summary

Food safety is of the utmost importance to the restaurant industry. Restaurants have taken the lead in ensuring food safety within the four walls of our restaurants. The National Restaurant Association and our members are making multi-billion-dollar investments in improving food safety and developing state-of-the-art food safety education programs.

The recent salmonella outbreak highlights the need to re-evaluate our food safety system and implement needed improvements. Of particular concern is the complexity of the food distribution channels for fresh produce and the challenges presented when a finished product served to consumers, like salsa, contains a number of ingredients. This complexity presented challenges to the public health officials leading the efforts to resolve this outbreak in timely manner. In moving forward, we need a better approach. We need a truly farm-to-table approach. Supply-chain collaboration and coordination has taken on a new urgency and new focus.

The food supply chain has been transformed in a very few years. The Food and Drug Administration (FDA) is facing new and broader demands precisely because the food supply chain is more complex and global.

For the purposes of this hearing, we would like to focus on key areas in moving our food safety efforts forward:

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