

*Statement
Of
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Sacramento, California*

*Domestic Policy Subcommittee
Oversight and Government Reform Committee
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“Examining the Impact of Leafy Greens Marketing Agreements”

Introduction

Good afternoon Chairman Kucinich, Ranking Member Issa and Members of the Committee. My name is Scott Horsfall and I am Chief Executive Officer of the California Leafy Green Products Handler Marketing Agreement. The Leafy Greens Marketing Agreement – commonly referred to as the LGMA – was established in 2007 as a means of providing handlers and growers of lettuce, spinach and other leafy green products in California a means of verifying, through government audits, that they are following a set of food safety practices designed to improve food safety. We are an instrumentality of the State of California, and operate with oversight from the California Department of Food and Agriculture.

Although the leafy greens industry has always prioritized food safety, in the aftermath of the 2006 outbreak, farmers, shippers and processors recognized that more effort was needed to protect public health. The question was how to do it. Several potential solutions were discussed, including regulatory and legislative options both at the state and federal levels. These discussions were broad and included parties from both inside and outside the industry. As these discussions progressed, it was clear that the leafy greens industry was determined to address the issue in a responsible manner and to do it in a way that would rebuild confidence among consumers, buyers, and regulators.

In the end, the decision was made to create the California Leafy Greens Handler Marketing Agreement (now usually referred to as the LGMA). The marketing agreement gave the farmers, shippers and processors of leafy greens a vehicle to protect public health that could be in place in time for the next year’s growing season. This marketing agreement also provided the industry with the flexibility to quickly change and amend

the program based upon sound science and new breakthroughs in food safety research. This flexibility is one of the key benefits of the LGMA structure.

The LGMA is focused on preventing the introduction of pathogens in leafy greens fields and farms. And we applaud the Obama Administration and the President's Food Safety Working Group's focus on prevention in their approach to improving food safety systems in the United States. We were happy to hear Vice President Biden and Health and Human Services Secretary Sibelius describe prevention as job number one at their food safety press conference on July 7th.

So, how does the LGMA protect public health? The LGMA, operating with oversight from the California Department of Food and Agriculture, is a mechanism for verifying through mandatory government inspections that farmers of leafy greens follow LGMA-accepted food safety standards. Farmers, shippers and processors in California have shown their willingness to follow these food safety standards by signing onto the LGMA. Once a company joins the LGMA, it becomes mandatory for that member company to sell and ship product only from farmers who comply with the LGMA-accepted food safety standards.

LGMA food safety audits are conducted by California Department of Food and Agriculture inspectors who received special training and certification from the United States Department of Agriculture. Member companies of the LGMA have agreed to tax themselves to collectively pay for the expense of mandatory government audits.

As I previously stated, the LGMA operates under the authority of the California Department of Food and Agriculture. The LGMA Board of Directors was appointed by the secretary of CDFA. And, all actions of the LGMA and its Board of Directors must be approved by the secretary.

The Food Safety Standards

As the LGMA was being created, there was a parallel effort to develop a set of food safety standards. These standards, sometimes referred to as Good Agricultural Practices or metrics, were developed by university and industry scientists and food safety experts, along with farmers and shippers. The standards were also reviewed by the FDA, USDA and other state and federal government health agencies.

These science-based standards include careful attention to site selection for growing fields based on farm history and proximity to animal operations, appropriate standards for irrigation water and other water sources that can come in contact with crops, prohibition of raw manure with use of only certified safe fertilizers and good employee hygiene in fields and handling. The program is based on GAPs and essentially serves as a standard risk assessment similar to HACCP.

Hazards in the growing and harvest operations have been identified and specific control points have been established. Under the Leafy Greens Marketing Agreement, produce handlers are required to ensure that their product is meeting these standards. They are subject to mandatory audits by the California Department of Food and Agriculture to ensure that they are complying with these standards. It should be noted that not only

are the auditors CDFA employees but they are USDA trained and the process by which they audit is USDA-certified. And, the LGMA handler members face penalties if found not to be in compliance, with the ultimate consequence of decertification if they commit flagrant violations of the program's requirements – and this compliance program is transparent and public.

Documentation is at the heart of all of these efforts. Through mandatory government audits, the LGMA program ensures that all of these standards are being implemented in the field and accurately documented.

The Audit Program

Again, the goal of the LGMA is to protect public health by minimizing potential sources of contamination into the fields and farms through compliance with the LGMA-accepted food safety practices. The mandatory government audits required by the LGMA are designed to determine whether a member company is in compliance and member companies are audited on a regular and random basis at least four times per year. All members are subject to both announced and unannounced audits.

If an LGMA member company is found to be out of compliance with the food safety standards, that company is issued a citation. Each citation is recorded at one of four levels ranging from a Minor Infraction to a Flagrant Violation. The LGMA Compliance Audit Process provides opportunities for member companies to take corrective action on citations that do not pose an immediate threat to food safety and public health. Flagrant violations, which could result in a potentially unsafe product reaching the marketplace, result in decertification from the LGMA program. Decertification from the LGMA has significant sales implications for a company, as the grocery stores and restaurants who buy California leafy greens products support the food safety program by only purchasing these products from the member companies who have passed the mandatory government audits. Further, both Canada and Mexico will only allow imports of California leafy green products from companies who are members of the LGMA in good standing.

From July 23, 2007 when the first LGMA audits began through today, over 1,000 government audits of LGMA members and farmers have taken place. The audit includes five specific areas of inspection with several “checkpoints” that inspectors must review for compliance. There are a total of over 200 checkpoints which government inspectors must verify during an audit.

We have been very pleased with the efforts of the industry to comply with this unique and rigorous program which has become a model program for farmers in other states. But even 1% lack of compliance shows that we must improve, and it is very apparent from what I've seen as the public member of the LGMA board that this industry will continue to work diligently to raise the food safety bar even higher.

Food Safety in the California Leafy Greens Industry

The California Leafy Greens Marketing Agreement is perhaps the most visible part of the industry's commitment to safety, but it is not the whole story. And it's important to recognize the huge strides the industry has taken to improve food safety in the wake of the 2006 tragedy. In 2007, the LGMA commissioned

a survey of its member companies to find out what other steps have been taken to improve food safety systems in order to protect public health.

The survey found that overall spending on food safety practices, already high prior to the outbreak, has tripled since September 2006. Based on the industry survey, LGMA member companies have doubled the number of people employed specifically to work in the area of food safety. Water tests have increased fivefold. And the industry has increased buffer zones due to neighboring operations or animal intrusions which, in some cases, have resulted in the loss of productive acreage.

We have also seen the LGMA become a model for other states and industries. The leafy greens industry in Arizona has already adopted its own marketing agreement based on the California model. The tomato and mushroom industries have established food safety programs using the LGMA model for guidance. And the program has received international recognition as well with the LGMA import requirements by both Canada and Mexico.

There is also an effort underway to create a national marketing agreement that could bring this approach to the leafy greens industry nationwide. Recently, a group of organizations including the Produce Marketing Association, the United Fresh Product Association, the Western Growers Association the Leafy Greens Council and grower groups from Texas, Georgia and California requested that the US Department of Agriculture consider establishing a National Leafy Greens Marketing Agreement. This organization could provide the national industry a mechanism for ensuring, through mandatory government audits, that growers and handlers were implementing food safety practices adopted on a national basis. The program, as currently formulated, would also cover imported leafy greens, providing a new level of verification for products grown outside of the United States.

The proposal currently being discussed would create the mechanism for verifying food safety standards – but the standards themselves would be created by a technical review board made up of representatives from all growing regions.

Conclusion

We all know that maintaining food safety vigilance is crucial to the future of the leafy greens industry. While there is still much work to do, through the creation of the LGMA, we can now say more than ever that the California leafy greens industry is producing a safe, delicious and nutritious product that consumers can buy with confidence.

I thank you for your time and attention and the opportunity to speak about this important program.