

Increasing Consumer Satisfaction While Enhancing Food Safety Initiatives





Innovative & Branded Food Co.

















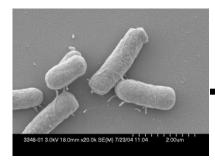


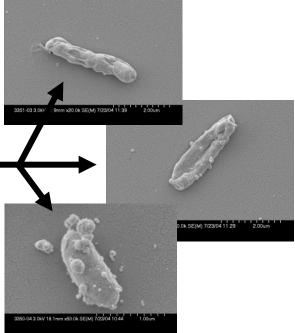




High Pressure Pasteurization











PACKAGING HISTORY



Enhancing Product Quality

- Controlled Atmosphere Storage (CAS)
 - Introduced in '30s
 - Vacuum packaging for meats in late '50s and early '60s
- Modified Atmosphere Packaging (MAP)
 - Introduced in '70s in Europe and '80s in United States



Packaging History



- What is MAP?
 - Modified AtmospherePackaging
 - Normal atmospheric air is modified to protect content of package

- What is Case Ready?
 - A means to pre-package meat in a USDA inspected, controlled facility and to provide the retailer/customer with a consistent, convenient and safe product

- Why MAP?
 - Keep meat fresh
 - Protect meat
 - Prevent cross-contamination (tamper resistant/leak-proof)
 - From the plant to the consumer's kitchen

- Why Case Ready?
 - Efficient production
 - Food safety HAACP controlled/USDA inspected product
 - Consistency of production
 - Reallocation of retailer labor for service
 - Easy inventory management for retailer, resulting in fewer out of stocks for consumers



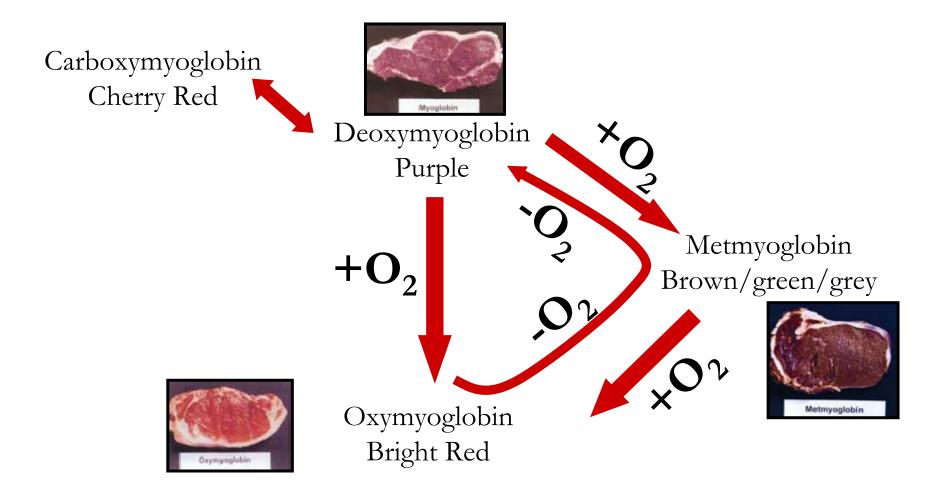
Food Has Been Packaged In Modified Atmospheres In United States Since 1980's



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Forms of Myoglobin and Color of Meat





Examples of Color Variances Due To Packaging



Cryovac Meal Solution



Cryovac Primal



Cryovac Retail



Backroom Foam Tray & Overwrap



Low Ox Chub



Roll Stock



High Ox Lid Stock



Multivac



Low Ox Bag



Pouch



This is the only packaging which requires a code date. GRAS Notification 000143



Skin Pack



Beef Case Ready History

Color will vary by packaging technology

1. Rail Beef Cut, Tray & Overwrap	→ Display 2-3 days
2. Vac-Pack Primal Cuts→35-60 Days ————————————————————————————————————	→ Display 2-3 days
3. Store Grinds	→ Display 2-3 days
Safety	
Control Meat cut at USDA inspected facility, sealed in mother bag Low Ox Bag 25 days Remove outer bag & code definition of the code	ate→Display 3-5 days
Meat ground at USDA inspected facility, sealed in chub, and code dated at production facility Meat cut at USDA inspected Meat cut at USDA inspected	──→ Shelf Life 18-21 days
Meat cut at USDA inspected facility, sealed in tray, and code dated at production facility High Ox Lid Stock————————————————————————————————————	→ Shelf Life 10-17 days
Meat cut at USDA inspected facility, sealed in tray, and code dated at production facility Low Ox Lid Stock	→ Shelf Life 21-24 days

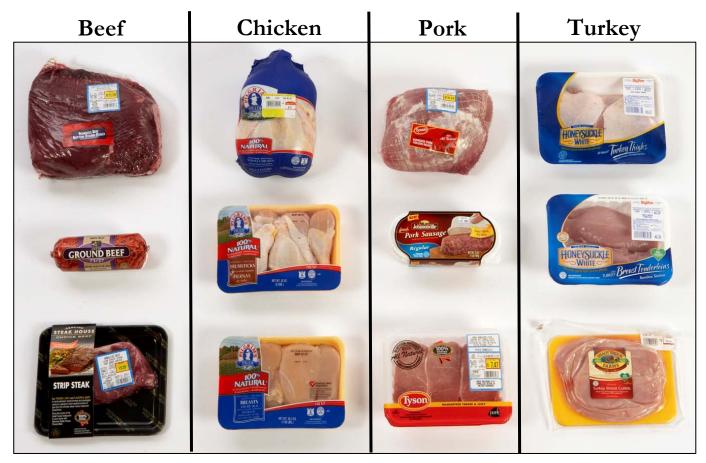
^{*}Case Ready packaging reduces cross contamination, especially lid stock packaging.



Consumers Rely On Sell By Dates

81% of consumers rely on sell by dates. (FMI 2005)

Color is not an accurate indicator of freshness

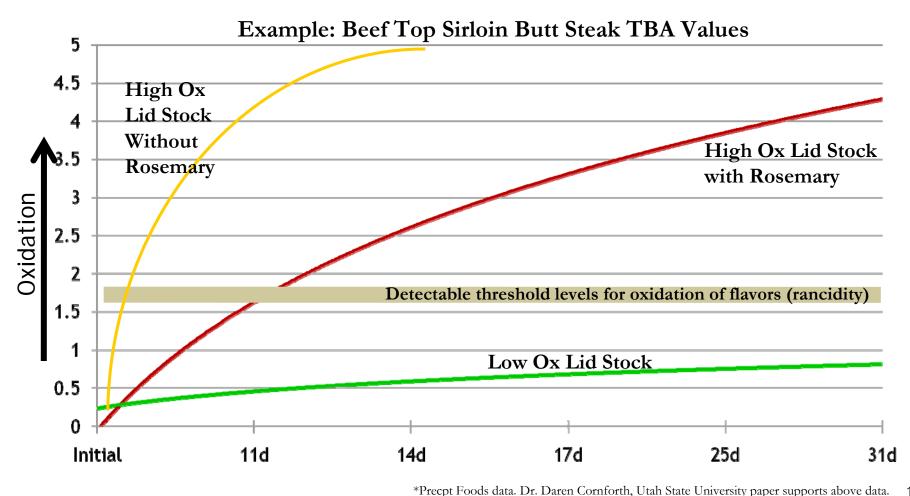




LOW OXYGEN PACKAGING

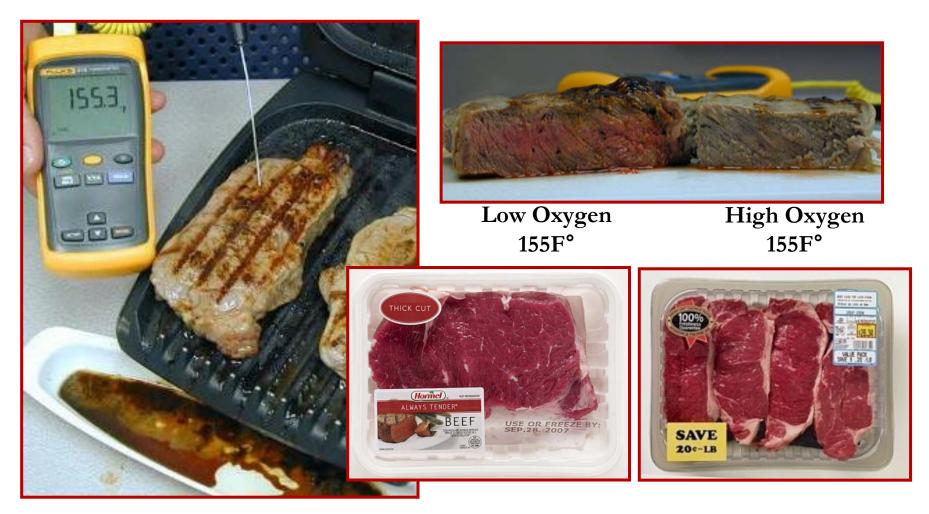


High Oxygen Packaged Beef **Becomes Oxidized Sooner**





High Ox Packaging Creates Premature Browning





 Internal color of cooked burger after holding in 80% O2-MAP for 1 week.
 Note premature browning at internal temps of 49-66 C

(John et al. 2004. J Food Sci 69:C pgs 608-14).

*Study funded by NCBA check-off dollars

Slide provided by Dr. Cornforth, USU

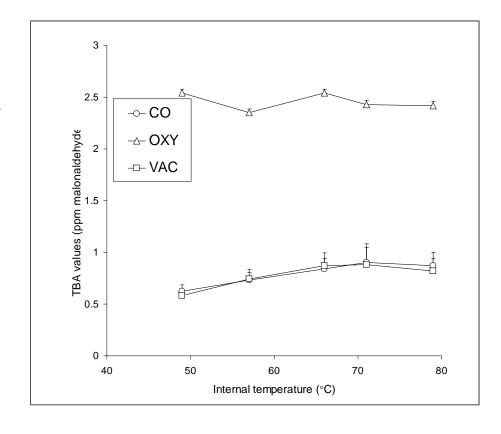




Cooked Meat Quality

Cooked patties have less oxidation & better flavor (lower TBA values) when raw meat is packaged in 0.4% CO-MAP, versus meat held in 80% O2-MAP

(John et al., 2004. J Food Sci 69:C608-14).



Slide provided by Dr. Cornforth, USU



Low Oxygen Packaging Formats

Low Ox Bag Technology (FDA GRAS Notification 000083)







Low Ox Lid Stock (FDA GRAS Notification 000143)

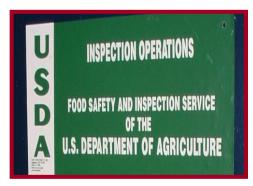
*As part of GRAS Notification, product must be date coded at plant.





Tamper-Proof Trays in Accordance with 9-11 Food Safety Initiatives

Packaged under USDA inspection



Date is printed in bold, 15 point font on front



Tamper-proof lidded tray reduces crosscontamination





Date is also printed on back



Cholesterol/Colesterol 68mg 20%

Sodium/Sodio 310m 13%

Total Carbohydrate/Carbohidrato Total 0g 8%

Protein/Proteinas 21g

Iron/Hierro 10%

Not a significant source of Dietary Fiber, Supars, Vitamin A, Vitamin C, and Calcium.
No es una luente significativa de Fibra Dietelba, Azucares, Vitamin A, Vitamin A, Vitamin C, and Calcium.
Vitan Protein Daily Values are based on a 2,000 calcion 4

"Los Procentajes de Valores Diarios estan base and a dieta de 2,000 calorias

HEEP HOT FU

Customer service 800# printed on every package



Scientists Endorsing the Safety & Quality of Low Oxygen CO MAP Packaging:

- Dr. Alden Booren Michigan State University
- Dr. Joseph Sebranek Iowa State University
- Dr. Melvin Hunt Kansas State University
- Dr. Daren Cornforth Utah State University
- Dr. Chance Brooks Texas Tech University
- Dr. Mindy Brashears Texas Tech University
- Dr. Gary Acuff Texas A&M University
- Dr. Mike Doyle Director of the Center for Food Safety at University of Georgia
- Dr. Michael Osterholm Director of Center for Infectious Disease Research & Policy – University of Minnesota
- Dr. Oddvin Sorheim Norwegian Food Research Institute*
- Dr. Roger Mandigo University of Nebraska
- Dr. Susan Brewer University of Illinois
- Dr. Terry Houser University of Florida

*CO MAP was used successfully for many years in Norway. It was not "borrowed" in the EU, but for competitive reasons, was not approved when Norway joined the EU.



CONSUMER SATISFACTION



Consumers use the following to determine wholesomeness...

- 1. Sell By Dates
- 2. Packaging Appearance
- 3. Smell
- 4. Color
- 5. Texture
- 6. Taste





Consumers Want Fresh Meat Packaging That...

- Prevents leaks & mess
- Keeps meat fresh
- Facilitates a good eating experience
- Promotes attractive meat appearance









What Do Consumers Want?

Cleanliness...



...in the cart



...at the register



...in the refrigerator



Advantages for the Consumer of Low Ox Modified Atmosphere Packaging



Cleanliness in the case...



Leak-proof packaging keeps hands clean...



No need to touch raw product...





A great eating experience.



Happy
Consumers

Repeat
Customers

Repeat Customers...



Consumers Rely On Sell By Dates Throughout The Store!



*95% of consumers would be very unlikely to prepare a product past the user or freeze by date. (AMI, 2007)



Spoilage vs Food Safety

- "Spoiled" foods are consumed by the public every day. These foods are "spoiled" to generate specific flavors, textures, aromas, colors, and other desired quality attributes
 - Curdled milk yogurts and cheeses
 - Fermented → dry sausages
 - Fermented liquids vinegars, beers and wines
 - Fermented cabbage → sauerkraut
- These "spoiled" foods provide the consumer with a <u>desired</u> eating experience.
- <u>Un-desired</u> spoiled foods provide the consumer with a poor eating experience in off-flavors, textures, appearance or odors. They may be discomforting to consume, but do not cause food-borne illness.



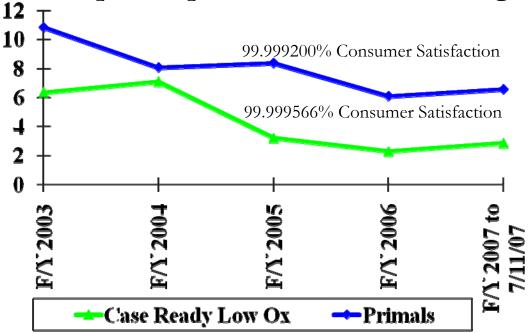
Spoilage vs Food Safety

- Often-quoted 1999 CDC review
 - 76 million Food-Borne Illness per year (80% viral, 13% bacterial)
 - 320,000 hospitalizations
 - 5,000 deaths
- 2001 CDC Morbidity & Mortality Weekly Report ("something I ate")
 - 267 million Norwalk-Like Viruses per year
 - 612,000 hospitalizations
 - 3,000 deaths
- Dr. Mike Osterholm, Director; Center for Infectious Disease Research and Policy (CIDRAP)
 - "...in my more than 30 years working at the forefront of foodborne disease outbreak investigations around the world, I am not aware of a single case of human illness associated with consumption of spoiled food."



Reduced Consumer Complaints With Low Oxygen Packaging

Complaints per 1,000,000 3 oz. Servings



Complaints = any and all consumer reported quality or formula issues with our product (e.g. packaging, flavor, texture, fat, etc.)

- 125 million packages purchased
- 600 million servings consumed
- No documented foodborne illnesses

*Percent Daily Values are based on a 2,000 calorie diet.
*Los Porcentajes de Valores Diarios estan basados en una dieta de 2,000 calorias.



TIF NOT SATISFIED, CALL 1-800-523-4635 FOR A REFUND WITH PROOF OF PURCHASE

800 number listed on every package for consumer feedback



Statements from Scientists Concerning the Safety and Quality of Low Oxygen Modified Atmospheric Packaging with Carbon Monoxide

Dr. Alden Booren, Professor, Michigan State University	May 4, 2006, in a letter to the Honorable Carl Levin, U.S. Senate	"The risk of a significant food safety hazard occurring in meat packaged using this low-oxygen carbon monoxide modified atmosphere packaging (MAP) technology does not change when this technology is compared to conventional retail meat wrap technologies. For this reason I would not hesitate to utilize the technology in the Meat Laboratory Pilot Plant, a facility I help manage at Michigan State University."
Dr. Joseph Sebranek, Iowa State University; Dr. Melvin Hunt, Kansas State University; Dr. Daren Cornforth, Utah State University; and Dr. Susan Brewer, University of Illinois	May, 2006, Perspectives Article in Food Technology, a scientific publication of the Institute of Food Technologists	"The claim that CO packaging will result in unsafe products is not scientifically sound." "Because scientific studies have validated the safety of low-CO packaging technology for fresh meat, it seems appropriate to let the marketplace decide the success or failure of the process."
Dr. Melvin Hunt, Professor, Kansas State University	March 14, 2006, Letter to the Editor, submitted to the Kansas City Star	"Over the last few weeks, media have persuaded some consumers that they are being misled because meat that would have otherwise turned brown is still red. Some retailers are now fearful of selling products packaged in this impressive, safe and cutting edge technology. The effort to discredit the science that went into it – and efforts to discredit the federal agency that reviewed it three times – is scientifically inaccurate and unfortunate. A close look at this media scare shows motives that are as transparent as carbon monoxide itself. But carbon monoxide packaging technology has a real benefit to consumers. The only benefits generated by these unfounded safety allegations are to the company that stirred the controversy – and to the media outlets that benefit from the attention grabbing story."



Statements from Scientists Concerning the Safety and Quality of Low Oxygen Modified Atmospheric Packaging with Carbon Monoxide

Texas Tech University researches, Dr. Chance Brooks and Dr. Mindy Brashears	June 26, 2006, Texas Tech University Press Release	"In a related microbiological study, a research team headed by Dr. Mindy Brashears found that beef inoculated with pathogenic bacteria, <i>Salmonella and E. voli</i> o157, and then packaged with carbon monoxide had less pathogenic bacteria after 14 days than similarly inoculated beef wrapped in traditional packaging without carbon monoxide."
EU Scientific Opinion	2001, EU Scientific Committee on Food	"The EU Scientific Committee on Food (SCF) in 2001 determined that the use of CO under intended conditions of use in meat packaging is safe. The committee concluded "there is no health concern associated with the use of 0.3% to 0.5% CO in a gas mixture of carbon dioxide and nitrogen as a modified atmosphere packaging gas for fresh meat provided temperature during the storage and transport does not exceed 4 C."
Dr. Gary Acuff, Professor of Microbiology, Texas A&M University	May 26, 2006, Letter to Editor of Meating place Magazine	"Low-oxygen modified atmosphere packaging is a safe technology that provides significant consumer benefits, not the least is a longer shelf-life than aerobic packaging. Adding very low levels of carbon monoxide to the atmosphere provides an acceptable color that helps meet consumer expectations. The use-by date on every package tells consumers the point at which the product will no longer be acceptable. This is not a misleading technology, however facts seem to be getting lost in the publicity generated by critics."
Dr. Daren Cornforth, Professor Food Science, Utah State University	March 16, 2006, Letter to the Deseret News	"The FDA has looked at, and approved the use of CO in meatpacking on three separate occasions, most recently noting that the use of CO "will not mislead consumers into believing that they are purchasing a product that is fresher or of greater value than it actually is or increase the potential for masking spoilage."
Mike Doyle, Director of the Center for Food Safety at the University of Georgia	July 27, 2006, Interview with Food Production Daily USA	"I don't think that carbon monoxide packaging is a deceptive process at all, certainly not from a safety standpoint. I think that carbon monoxide packaging technology deserves an award, from a scientific perspective this is a profound idea," said Doyle. "If manufactures have a reasonable date on the product and it looks good, smells good and tastes goodwell, what's wrong with that?"



Recommendation

- No regulatory changes are needed.
- MAP gases are "Processing Aids", as previously ruled, and are not "Additives".
- FDA has addressed shelf life and safety issues of fresh meat in low CO-MAP.
- Therefore, allow market forces to determine the acceptability of competing packaging technologies.

Slide provided by Dr. Cornforth, USU

NAME: Phillip L. Minerich, Ph.D.

TITLE: Vice President Research & Development

FAMILY: Gail Minerich - Spouse

Gena Winkels - Married to Casey Winkels

Daughters - Isabella, Twins - Ayla & Audrey

Benjamin - Married on March 24 to Rachel Schamber

COLLEGE: 1976 -- B.S. Degree in Food Technology - The Ohio State

Univ. in Columbus, Ohio

1990 -- Masters in Food Science - Univ. of Minnesota -

St. Paul, MN

2002 -- Doctorate in Food Science - Univ. of Minnesota -

St. Paul, MN

HOMETOWN: Medina, Ohio

HORMEL HISTORY

START DATE: July 6, 1976

CAREER INFO: 31+ years

PHILLIP L. MINERICH

07/06/1976 QUALITY CONTROL TRAINEE-AUSTIN

02/28/1977 QUALITY & PROCESS CONTROL ENGINEER I-AUSTIN

08/08/1977 FOREMAN PROTEIN/STOCK PRODUCTION-AUSTIN

07/03/1978 FOREMAN BULK GELATIN PROCESSING-AUSTIN

09/17/1979 FOREMAN GELATIN PROTEIN WET PROCESSING-DAVENPORT

02/02/1981 RELIEF FOREMAN-GELATIN PROTEIN PLANT-DAVENPORT

11/16/1981	FOREMAN PROTEIN WET PROCESSING-DAVENPORT
08/30/1982	FOREMAN PRECOOKED LINE NIGHTS-AUSTIN
09/27/1982	FOREMAN PRECOOKED LINE-AUSTIN
05/16/1983	SANITATION SPECIALIST-CO
09/12/1983	CORPORATE MANAGER SANITATION-CO
07/09/1984	FOREMAN-HAM PROCESSING-GP-AUSTIN
08/06/1984	FOREMAN-HAM PROCESSING & CURING-GP-AUSTIN
08/04/1986 FORE	MAN-GP HAM FATTING, BONING AND TRIMMING-GP-AUSTIN
09/12/1988 FOOD	TECHNOLOGIST-R&D-CO
03/18/1991 SENI	OR FOOD TECHNOLOGIST-R&D-CO
01/01/1996 RESE	ARCH SCIENTIST-PACKAGING-R&D-CO
08/30/1998 RESE	ARCH SCIENTIST-PACKAGING-HFLLC (SUBSIDIARY FORMED)
07/22/2002 DEVE	LOPMENT LEADER-NEW INTERVENTIONS-HFLLC
07/14/2003 DIREC	CTOR PRODUCT & PROCESS DEVELOPMENT & PACKAGING-R&D-CO
01/01/2006 VICE	PRESIDENT, RESEARCH & DEVELOPMENT

MISC: Hobbies: Golf, travel, sailing, snorkeling and hooked on t.v. show "24".

Committee on Agriculture U.S. House of Representatives Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2004.

Name:		D_{C}	Phil	Min	erich		
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Teleph	ione:	·					
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* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.