

FOOD PRODUCT COMPOSITION,
CONSUMER HEALTH AND PUBLIC POLICY

FARM FOUNDATION AND USDA ERS CONFERENCE
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INDUSTRY INITIATIVES DISCUSSION PANEL

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Bank of Opportunity™

Food Foresight 2007

Preamble

By Larry Kaagan
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“The public’s “radar screen” recently seems to indicate something of a seismic shift:

- Explicit food safety concerns enflamed by large-scale “outbreaks”(e.g. E-coli in produce, salmonella in peanut butter).

Governmental intervention via banning of “unhealthful” trans-fats

Discoveries or breakthroughs on life-extension or health factors related to food

Awareness of health conditions breaking into higher profile (obesity & diabetes)

The Blue Ribbon Panel

Walt Armbruster
Farm Foundation

Willard Bishop
retail food expert

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California Department of
Food and Agriculture

Jan DeLyser
California Avocado
Commission

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Culinary Institute of
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Wal-Mart

Industry response

- Bank of America has just announced a \$20 billion Environmental Initiative to support the growth of environmentally sustainable business activities.
- Wal-Mart is focusing its sustainability initiative on products, energy and waste. It has set up 13 "sustainable value networks," including one for food and agriculture.
- The California wine community initiated one of the first industry sustainability initiatives with its Sustainable Winegrowing Practices Program.

2007 Food Foresight key trends:

- **Sustainability: sowing seeds of profit, social good**
- **Food pipeline in major realignment**
- **Lifestyle issues changing consumer needs**
- **Personalizing food and health: unraveling the mysteries**

Sustainability: sowing seeds of profit, social good

- The Dupont's, General Electric's, Bank of America's, Wal-Mart's and Sysco's of the world recognize the cost efficiencies of managing sustainability issues like reducing use of energy and managing waste.
- One component that increasingly arises in discussions of sustainability is food safety
- The interest in locally grown foods has led to a dramatic increase in farmers markets
- Segments of Americans are looking for products certified to meet strict environmental, social responsibility and health standards.

Food pipeline in major realignment

- **Leaders are redefining and reinventing the food distribution system**
- **The traditional role of food manufacturers is changing and they're striving to find their new role**
- **Government is struggling with its role**
- **The traditional role of food manufacturers is changing and they're striving to find their new role**

Lifestyle issues changing consumer needs

- Emerging patterns in food consumption in the U.S. are creating a growing demand for foods that are healthy, more convenient and at the same time are tasty, safe and nutritious, and reasonably priced.

Personalizing food and health: unraveling the mysteries

- New sciences – nutrigenomics, metabolimics and nanotechnology – are rapidly unraveling the mysteries surrounding nutrients, food and optimal health and putting the pedal to the metal on the movement to personalized health.

Conclusion:

The Industry is responding

- In some cases that response may impact traditional structures or practices.
- In response to the desire for absolute zero tolerance for food safety many local environmental practices are being reversed and destroyed to try to assure that food is not contaminated during production.
- This potential over reaction is in large part driven by government policy and the retail food system.
- The facts are it may add to the local and regional environmental damage and reduce the sustainability of fresh food production systems.....

Finding solutions thru collaboration and research.

- We need improved understanding of what a sustainable food system is.
- The 2007 Farm bill should provide at least \$2 billion in annual funding for sustainable and specialty crop issues.
- Need improved structures to lead change:
- University of California Agricultural Sustainability Institute
- California Roundtable of Agriculture and the Environment.

