



SOUTHWEST MEAT ASSOCIATION

TEXAS - ARKANSAS - OKLAHOMA - LOUISIANA - NEW MEXICO

2004 AUG 16 10:13

August 13, 2004

Executive Director
Joe Harris, Ph.D.

★

Chairman of the Board
Terry Russell
Owens Country Sausage

President
Lyndell Bisbee
J Bar B Foods

President-Elect
Burley Smith
Lone Star Beef Processors

Secretary / Treasurer
David Cone
Chappell Hill Sausage

★

Directors

Brent Hazard
Freedman Meats

Glen Kusak
Yoakum Packing Co.

Jim Ondrusek
Columbia Packing Co.

David Ruff
Morrilton Packing Co.

John Southerland
Tyson Prepared Foods

Jarrod Stokes
San Angelo Packing Co.

Bobby Yarborough
Manda Fine Meats

★

Associate Member Officers

Chairman of the Board
Alex Bell
Birko Corporation

President
Barney Dreiling
Dreiling Investments

Vice President
Boddie Goodman
Bunzl Distribution USA

Treasurer
Dickie Mayer
Southwest Saw

Secretary
Cecelia Railey
Jim Henry Enterprises

Division of Dockets Management (HFA-305)
Food and Drug Administration
5630 Fishers Lane
Room 1061
Rockville, MD 20852

*RE: Docket No. 2004N-0264, Federal Measures to Mitigate BSE Risks:
Considerations for Further Action*

The Southwest Meat Association (SMA) is a regional association representing packers and processors of meat and poultry products. The current Advance Notice of Public Rulemaking (ANPR) is of significant interest to our membership and has the potential to dramatically impact their economic viability. We appreciate the opportunity to comment on the items presented by FDA in the above referenced ANPR.

As a general matter, our members fully support science-based rules for minimizing potential risks posed by the feeding of ruminant derived proteins. In reading the ANPR, it is apparent that FDA has reached preliminary conclusions and is considering prevention measures significantly beyond what the science or economic feasibility can support. We strongly urge the FDA to re-think the approach outlined in the ANPR.

The available science of the risk posed by inclusion of these tissues in non-ruminant animal feeds simply does not provide support for this drastic measure. Our position is that stringent enforcement of existing rules is a better and much more feasible course of action. The current flurry of rulemaking activity by FDA and USDA in response to the finding of a single BSE positive animal in the United States (not an indigenous cow) appears to be somewhat of an over-reaction that does not significantly enhance the protection of public health.

The existing feed ban that went into effect in 1997 is a valuable tool in preventing the potential spread of BSE should more positive animals be found. We strongly encourage FDA and USDA to await the results of the ongoing enhanced surveillance program, which will provide much-needed information regarding the likely BSE incidence level in this country. The most comprehensive study on the risk level in the United States was conducted by the Harvard Center for Risk Analysis at the behest of USDA. The key findings in that study were that the risk posed by potential BSE in the U.S. is extremely low and likely – under existing rules – to be eliminated quickly. Data has not been provided by FDA or others that would demonstrate significant benefits from the removal of SRM from animal feed.

c 105

2004N-0264

REPRESENTING THE MEAT INDUSTRY IN THE SOUTHWEST

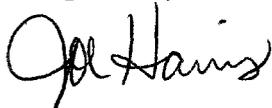
The American Meat Institute (AMI) estimates that over 1.3 billion pounds of SRM are produced annually in the United States (this does not include bovine blood or blood products). The disposal of this volume of product is no small task. It has been suggested firms that currently render these products into usable animal feeds could convert to disposal operations. These firms cannot just destroy materials. They are effective converters of material from less useful forms to more useful forms. Whatever conversion is done, the material still must go somewhere. If it cannot be used as animal feeds, then landfills are the likely repositories. Assuming that there are sufficient landfills to accommodate this material, the disposal cost alone will be very high. AMI estimates disposal costs alone to be \$55 million, not accounting for the lost revenue experienced by not being able to sell these materials. That lost revenue is estimated to be \$72 million. These cost estimates do not consider the additional economic impacts of replacing in animal feeds the 1.3 billion pounds of protein lost if the ban were enacted.

Before considering additional rulemaking, FDA should conduct a thorough cost/benefit analysis to better gauge both the level of risk reduction achieved as well as the economic impact of implementation. Widely distributed estimates cited frequently by USDA indicate that existing feed regulations reduce the potential exposure to infectivity by up to 99%. Is achieving the final 1% reduction attainable? At what cost? These are questions that beg answers before embarking upon costly new rules. To date, the most highly touted objective published analysis (Harvard study) of BSE risk in the U.S. has found that risk to be very low.

FDA also has requested comments on prohibiting bovine blood and blood products from ruminant feeds. We are aware of no data to suggesting justification for such action. All published studies to date have demonstrated that BSE infectivity is not carried in blood. According to AMI estimates, such a ban would eliminate an additional 170 million pounds of material from the feed supply, resulting in an additional \$45 million lost revenue.

In closing, SMA supports the current feed ban that was implemented in 1997. We believe that ban, combined with measures pertaining to SRM implemented earlier this year by USDA are very effective in minimizing, if not eliminating, the potential exposure of humans to the BSE agent. We strongly encourage FDA to wait until the current enhanced USDA surveillance program has a chance to document the prevalence of BSE in the U.S. cattle herd. That prevalence data could be used to conduct much more meaningful cost/benefit analysis of the proposals under consideration before moving forward. Implementing expensive new regulations without measures of their potential benefits, if any, would be both reckless and counterproductive. Again, SMA appreciates the opportunity to submit these comments.

Respectfully submitted,



Joe Harris, Ph.D.
Executive Director