

health consequences or death, they're said differently, but they're pretty similar standards. So the fact that you may be in a class one recall, we may or may not decide to access records. But the fact that you're doing a class one recall does not mean we will not access records if we can see a reason.

If we've met the standard for doing so and we see a reason that we may need to do one. Not all recalls perceived as effectively or as efficiently or, even if you're doing a recall within your entity, you know, maybe it's the manufacturer, it's not clear that we've hit all the other points of the distribution chain, so it may, they're not mutually exclusive.

MS. KELLEY: Let me just add that the classification of a recall as class one is not the thing that will trigger our request for records. We will go through the process to determine if it's a serious adverse health consequence, and we need to invoke BT to request access to those records.

MS. FRASER: That's it so far.

MR. KARDOSH: Kamal Kardosh from Lever, from the manufacturer's point of view, an expiration date, or for that matter fact, a production date could be used to trace back immediate previous source and immediate subsequent recipient, and my question to you, why can't we use that, what is the rationale for not using the expiration date or production date, especially if we don't use lot item to -- number?

MS. FRASER: You can use that, the regulation does not require you to use that, and so, you know, we're not precluding you from using that, I just don't think we have viewed -- when we said lot number or other unique identifier, that was not something -- we were really thinking something like a lot number. So if you choose to keep that in your own records to help expedite it, we aren't objecting for sure, it's just that it's not a requirement.

MR. KARDOSH: Okay, thank you.

MS. DeMARCHI: Hi, I'm Jane DeMarchi with North American Millers Association. Just to try

and put, again, when you would invoke it in a real world perspective, what's going on right now with the basil, do you think that that is something you would invoke this record keeping regulations?

MS. FRASER: You know, that's -- I don't think we ever would -- those aren't questions we tend to answer, would we ever do it in this, you know, we either will do it or we won't do it, and if we do it, we'll go through the very procedures that are in our guidance. So even with the same toxin or the same kind of outbreak, this is an additional tool we can use if we think it's necessary to use it. It doesn't mean we have to use it each and every time anymore than we have to use administrative detention.

So, you know, I think -- that's an answer that is specific to what we see happening in the public health and what we see as effective action being taken or not taken or what we think we need to do separate and apart from what others may be doing. So I'm sorry, but you know, that -- those aren't ones we tend to --

MS. DeMARCHI: That's okay.

MS. FRASER: -- you know, would you --

MS. DeMARCHI: We can always keep asking. I have a couple more questions. Just to clarify, farms are excluded, and also, if a farm directly transports something to your facility, they would not need to keep a record on their transportation?

MS. FRASER: They would not, correct, you would.

MS. DeMARCHI: We would have to identify the farm -- the transporter?

MS. FRASER: Right, and that's how we would get -- if something happened on the farm, we would end up with you, you would say I received it from this farm or other farms, and we would end up doing, you know, getting there to do a trace back, but they are not subject to any records access or anything else.

MS. DeMARCHI: Now, if the farm uses their own transportation on the immediate previous source, then we would say we bought it from this farm and they used their own transportation?

MS. FRASER: Correct.

MS. DeMARCHI: And do we have to be able to identify the relationship -- if the farm arranged the transportation, we don't necessarily know the relationship between the transporter and the farm, what do we do?

MS. FRASER: You would still just be saying who, you know, who brought the food to you, and from your perspective, what you know is the farm. Again, there may be -- it may not be the perfect trace back scenario because the farm has no obligation to keep a record, and so we may get back to the farm, and at that point, we're asking for their assistance, we don't have any right to demand access to any records, and to the extent they choose to assist or they have the information, that's fine, but it's not, you know, to the extent you know the immediate previous source or who the transporter was that brought the food to you, that's what we ask to put in their records.

MS. DeMARCHI: Okay. I need a little bit more clarification on -- you talked in a previous

question about who owns or has control of the product as an immediate previous source or immediate subsequent recipient; if you are purchasing through an agent or selling through an agent who is taking ownership of the product, but not necessarily taking hold of it, is your responsibility to identify the agent or is it to identify who eventually is holding it or who the agent purchased it from?

MS. FRASER: Well, the way the non-transporter immediate previous source is defined is an either -- is the person who owns it or who has possession, custody, or control of it. And some of -- you don't have an obligation to go beyond the step past you, so if that person owns it, you can stop and say, this is the immediate non-transporter, immediate previous source, they own the product, they are a different person, that's my record, and the fact that they own it, that person is also subject to the rule, and we would be going back up the chain, we'd come from you, we'd get that record, and we'd end up to that entity.

MS. DeMARCHI: Okay, great. And on the packaging, what if the food contact packaging is actually stored for more than two years?

MS. FRASER: You know, this becomes the interesting piece of it, because while -- and again, this is just strictly the limitations in the bioterrorism act, but you could receive a product, you know, since records are -- you have to create records at the time the transaction occurs, so either when you receive food or release food.

So you might receive the packaging material, you create a record, you keep it for two years, that's gone, but now you've released the product, the obligation to link incoming ingredients to outgoing products is created at that time, so you still have the obligation because you've created -- you've released the new product, and so it's now triggered by your outgoing obligation, not your incoming duty to keep a record that we can see. So there's -- this other obligation I think is going to drive you to think about whether you really want to retain those

records past two years separate and apart from that requirement there, because you have an independent obligation to tie it on the outgoing product.

MS. DeMARCHI: That's it for me, thank you.

SPEAKER: --

SPEAKER: Well, I sort of did, too. I'm with the Pennsylvania Liquor Control Board, and this is readdressing Shirley Walker's question. We are an importer, a warehouser, and a retailer. The main question is due to importation. We take legal possession of some product at the -- we take possession of some product at our warehouse upon receipt, some is transported independently, some is a third party shipper.

The question is, who is our immediate prior source? Is it -- we have product that is quoted to us by a vendor of record who is a broker, by a vendor of record who is a supplier, and our major problem is, who is our immediate prior source?

MS. FRASER: I'm not sure I can

specifically answer that one other than point you back to look at how it's defined in the rule. I will also say there is a comment in the rule that addresses customs brokers and people who serve as agents, but don't actually own or take possession, custody, or control of the food, they're just sort of paper managers of the process, and we clearly say in the preamble to the rule, and if you search on brokers, you'll find that we do not consider them the immediate previous source. So we really are looking for, when we say a non-transporter or immediate previous source, who was the person before you who owned the food or had possession, custody, or control of the food before it came to you. And, you know, if the broker is just doing the paperwork, I would say it's not the broker, so you need to look beyond the broker to see who that person is.

SPEAKER: And so it would be a question of who had physical possession or legal possession prior to us?

MS. FRASER: Correct.

SPEAKER: Okay. Second question on access request; if you make a decision that you must investigate something, I presume this is 24 hours a day, seven days a week, the 24 hours, or as soon as possible starts whenever one of your agents makes contact with the appropriate person?

MS. KELLEY: Yes, and we would enter your business at a reasonable hour, you know, if you're in operation, but yeah, I would say that --

SPEAKER: Well, what if you -- well, as I said, we're a retailer of wine and spirits; if you got a report of somebody who traced back an illness to a bottle of wine at 11:00 on Friday night, and our next operational hours are 8:00 Monday morning?

MS. KELLEY: We will contact you at 8:00 on Monday morning.

SPEAKER: Okay, that was the question.
Okay, thank you.

MS. FRASER: Unless you happen to be registered and we have an emergency contact number --

SPEAKER: Well, that was --

MS. FRASER: -- and we can find you in some other way.

SPEAKER: I thought we were required to have an emergency contact number.

MS. FRASER: Well, yes, if you are subject to the registration rule, but if you're a retailer, you're not subject to the registration rule, and not everyone who's subject to the record keeping rule is subject to the registration rule, so we don't have emergency contacts for everyone who might be subject to a records access request, but if we do, then we would -- if we're in a public health emergency, we will try and do anything and everything to reach you.

SPEAKER: And so if it comes out of our retail store and it came out of our soft operator warehouse?

MS. FRASER: Right, so we might get to the warehouse which has an emergency contact number.

SPEAKER: Okay, thank you.

MS. WRIGHT: Hi, me again with the supermarket industry. Some of the questions that

I've been wrestling with have to do with different types of contract situations, and I think part -- the answer may have come, some of what you said, being that there's an -- sort of situations where the food ownership may be different from the physical possession of the food. So your immediate previous source in that case could be either; you could choose the immediate previous source is the entity where the product is physically held or the entity that's legally -- that has legal ownership.

I guess what this all points out is, there are circumstances where one or more of those holdings may take place and they may be by different parties. So who are you supposed to identify I guess, do you get to choose? I mean I think that's what a number of these questions sort of bring up.

MS. FRASER: Yeah, I think, you know, the reality is, you do get to choose since there is an -- in the regulation, and the -- is in the regulation more to reflect the business realities that sometimes all you know is who owns it because

that's how you're buying, selling, contracting relationship is. Sometimes all you know is who has possession of it, and so that's how you know it. I think to the extent you happen to know both, and again, you know, it may depend on a number of factors, I'll just put out there. We are not trying to duplicate existing records, so if your matter of practice is to regularly record one or the other, we're not asking you to recreate a business practice, so if it meets the regulation, then you do have that opportunity.

If, you know, you're starting from scratch and say it doesn't really matter to me, just tell me what your preference is, I think, again, it's going to be specific to your company, and if we were doing -- if we, again, look at it from -- take it in the worst case scenario and it is a terrorist threat and it's one of your products and it's something that can kill thousands of people, what would be the most help to us to do an effective trace back on one hand, what would be the most help to you to be able to identify and pull products,

and that's probably who you should pick for your records, because -- but from a legal standpoint of what we can require, there is an -- you would be in compliance if you picked who owned the food or who fell on that other half of the definition.

MS. WRIGHT: Okay. Similarly, so with a freight broker type of situation, if you contract with a freight broker to move your product and they might subcontract to somebody else since the freight broker is the one that you've given the authority to, you could just keep track of the freight broker, and they would be responsible --

MS. FRASER: Correct.

MS. WRIGHT: -- for keeping track of the individual? So that's helpful because then I can take that and apply it to a number of different circumstances. I would like to explore one other thing with you, though, and that would be the reasonable availability standard as it applies to retailers and looking at non-household consumer customers or businesses.

You say -- and that's, you know, the

example that you give is a Cosco or somebody like that that has a business account that's set up, and so in that case it may be there's certain information that's reasonable available, I guess, again, and the way you broke down the difference between the establishments of records and the maintenance of records I think is also very helpful, because one goes to whether or not you have to have it and the other goes to sort of how long you have to keep it and what's in it.

And so it's, you know, I understand sort of the business account situation, but there are numerable permeations, and so it would be helpful to sort of go through that a little bit. For example, product that is sent to a food bank, it's not a household consumer, what sort of information is reasonably available and how does that work? And I've talked a little bit with Lou about this, too, but it would be helpful to have a little more dialogue. Or to the extent that you send products to reclamation centers, is it, you know, if you're not keeping records right now, is the information

reasonably available or not and how do you do that?

MS. FRASER: For those that are, you know, I think -- we'll start with food banks. Food banks we do address expressly in the rule, looking at food banks that are non-profits. And with respect to a non-profit, we say the non-profit is exempt, so they don't have to keep any records because the public policy is to encourage donation of food to people who otherwise are not receiving food or difficulty receiving food.

At the same token, so what we said for those who are donating the food, so as to continue to encourage that donation and not impose a burden that they say, well, it's not worth it, you know, I wasn't keeping that before, we say in that instance, and very few others, but in that instance, we say the food banks stand in the place of consumers, and so we treat the food bank as if it were the consumers, and so we don't require the records there.

For establishment and maintenance, again, we still have access to records authority so that

if, let's say you did donate food and then we see the homeless shelter, people are getting sick, and we do the trace back, then we can come in and access any records you may keep on your own. We fully expect that you are keeping some records of those donations because most likely you're taking a tax write-off for it. And so there's probably something that's recording it, maybe not with the specificity we have in our rule, but you're at least saying we donated, you know, 50 pounds of meat, and you know, on this date, and it was ham or it was whatever, and here is the value, whatever you're doing, so --

MS. WRIGHT: Okay.

MS. FRASER: For reclamation centers, we also discuss that in the rule, and you know, there's all kinds of reclamation centers. There are some that are associated with a corporation or a retail store so they're within the personhood and they're within the bubble, so there's no transfer required.

There are others that are, you know,

basically they operate as profit centers, so they're a different personhood. There are others that are non-profits, and again, they would fall within the same kind of category. So it depends on what kind of, you know, there isn't a generic -- people use reclamation center to mean different things and do different things, and so there is a discussion depending on what you're doing that applies.

MS. WRIGHT: Okay. But then -- but from the retailer's perspective, the standard that applies is to the extent that's reasonably available, so reasonable availability then refers to the fact that it's being transferred to a reclamation center or reasonable availability refers to the substance of the record, what is -- how do you apply it in that case?

MS. FRASER: Reasonably available referred to -- it was reasonably available to you, two things, one, that you, you know, you can reasonably -- it's reasonably available to track this transaction to a different non-consumer. And in

this case, it is, you know, it is something, it's like the Cosco business account, this is a business, you're transferring, how much food, again, taking the non-profit off the table because the non-profit is exempt, but if it's a profit center, that's like transferring it to any other profit center or profit business, we would treat it as a transfer to a different person.

We really were looking at, you know, the Safeways, the Giants, you know, people coming in, and do you know whether the person is buying, you know, ten cases of soda because they're having a barbecue in their back yard, or are they buying ten cases of soda because they're going to sell it at their mom and pop shop, and we're not requiring you to figure that out, we're just saying that's not reasonable available unless you have business accounts and other things like that.

MS. WRIGHT: So the reasonably available applies to determining whether or not it's a household or a business consumer, but it doesn't apply then to the substance of the record that's

being required, and these guys throw stuff in a banana cart and ship it to the reclamation center; are you now going to require them to itemize everything that goes in that and then keep records on all of those different things? I mean it could be, you know, a can of beans that has a lot code number on it, or you know, bananas or whatever. I mean how --

MS. FRASER: We probably should talk about that one more so we can flush that out in Q and A.

MS. WRIGHT: I'd like to --

MS. FRASER: Because I think those -- the specifics of how reclamation centers are working and operating and the different fact patterns would be helpful to put out in the guidance.

MS. WRIGHT: I think there are a number of issues that are specific to our industry that we'd welcome the opportunity to talk with you about and we don't have to bore everybody else. Thank you.

MS. FRASER: Thank you. And I think I renamed you earlier, so it's Deborah Wright.

SPEAKER: I was hoping somebody else would

ask this question so I didn't have to. You mentioned lot numbers quite a bit; how about case serial numbers for the disposition record? Let's say a bottler of distilled spirits is required to put a case serial number on each case he fills, will his disposition record have to show the case serial numbers of the merchandise going out?

MS. FRASER: Yeah, I think that's another unique identifier that's reasonably available, yes, sorry.

MR. PRINCE: Gale Prince with the Kroger Company; I want to come back to a couple issues that you have addressed. One of them is expiration dates. Many companies use an expiration date for their lot code, and this is evidenced if you look at the FDA enforcement report on when they do recalls, that the expiration date is the lot code that they're actually recalling. So I -- in a number of products that we handle, that may be the only identifier on the particular retail package, is the expiration date, or the sell by date, so you need to take that into consideration as you address

the lot code issue.

The second thing is on, when you're in food manufacturing, you have mistakes that you make in the formula or in the processing, and you end up with nutrients that is not something that you want to put in your retail package for consumer use, so you divert this to maybe animal feed, and some of that product is damaged internally, maybe a loaf of bread or maybe a jug of milk, for example, that comes off the filler that does not have a cap on it and we're not allowed under the PMO to recap it, and then that goes out to a pet food plant, more than likely, as animal feed.

In the case of bread, there may not even be a package on it, and so in that particular case, we identify that possibly as cripples, that would end up going to animal feed and it would be every two days the container is picked up.

In the case of milk, it may be going out in a bulk container or a tanker to an animal feed farm for feeding of hogs or something like that. And I think we need to take a look at little closer

at those aspects as requires individual package codes that went into that bulk container that ended up in animal feed. So that's a unique type of an operation.

MS. FRASER: I guess just to clarify two points, and thank you for the first comment, as well as the others who spoke on the expiration date. We will go back and look at that and see whether, you know, we'll answer that one specifically in guidance, whether that should be considered the unique identifier or not, as well. With respect to your comment on animal feed, I guess I wasn't quite clear what the end point was, because animal feed is subject to this regulation, and so it would be like sending it to another manufacturer of human food, it's just that you're sending it to a manufacturer of animal feed. So I guess I was trying to understand whether you were saying we shouldn't require lot numbers for that transaction or what's the -- I was with you until the very end, and I think I got -- wasn't sure I captured your point correctly.

MR. PRINCE: I think the lot number would be the bulk shipment and not necessarily the individual. In case of a bakery, for example, you may have produced too much two days before and now you strip the bags off and you send this to -- out for animal feed, or in the case of milk, you're long on one particular code, and you decide to divert it to animal feed and dump it into a bulk container.

MS. FRASER: So is it that the product as released is designated animal feed as opposed to designated as, you know, two loaves of bread, two gallons of milk, whatever else?

MR. PRINCE: Or the individual --

MS. FRASER: Your label is, this is five gallons of animal feed or whatever?

MR. PRINCE: Or a truck load or a tanker load, or it may be weight-wise on a truck may be very light, but it may be a shipment was made for animal feed on this particular day, and I would like to call that my lot is that shipment.

MS. KELLEY: And it's co-mingled from

previously produced lots.

MR. PRINCE: And it could be co-mingled, yes.

MS. FRASER: That's a good one. We'll think about that one, too.

MR. PRINCE: Also on the issue of bottles, it was mentioned earlier about keeping track of the lot numbers on the bottles or containers that come in for filling. While they would have a lot number on them, we would dump them in a hopper, and you may have three or four lot numbers in that particular hopper, but by the time they got to the filler, you couldn't identify the exact lot number of the bottle to the lot number of the finished consumer unit, but it would be in this window.

MS. FRASER: Yeah, but you could -- it's like the flower and the silo --

MR. PRINCE: Yes.

MS. FRASER: -- you could tell me it's one of four lot numbers and that's okay.

MR. PRINCE: That is correct.

MS. FRASER: Right.

MR. PRINCE: Okay. Because in listening to your response earlier, it looked like it had to be precise, but in this case, it would go back to the co-mingling issue, and that's what I was looking for.

MS. FRASER: Right.

MR. PRINCE: Thank you.

MR. COX: Rick Cox with -- Coca cola, we have some customers, especially bulk customers like Walmart, Kroger, places like that, that we have different lot numbers of say 12 packs, fridge packs, such as that, going into one account. Do we have to account for each individual lot number that we send in to that account?

MS. FRASER: What do you mean by account?

MR. COX: Like whenever we give it to a retail store, whenever we sell to a retail outlet such as Walmart and Kroger.

MS. FRASER: And you are who?

MR. COX: -- that we buy in from other Coca cola companies.

MS. FRASER: The duty to record lot

numbers applies to manufacturers, processors, and packers.

MR. COX: Yes.

MS. FRASER: So --

MR. COX: So as we -- and when we take it into an account, we don't have to say we've put this lot number, this lot number, and this lot number into Walmart.

MS. FRASER: No, you do, if you fit within the manufacturer, processor, or packer, then, yes, you do --

MR. COX: Okay.

MS. FRASER: -- have to record lot numbers, part of your product received and product release.

MR. COX: Okay.

MS. FRASER: Just for those three types of entities, have the duty to record lot number.

MR. COX: Okay. Thank you.

SPEAKER: I represent a pet food company, and I think I'm asking the same question. For product that goes out of the plant, manufactured

product, we have to supply batch codes that go to specific distributors?

MS. FRASER: And you're a manufacturer?

SPEAKER: Yes.

MS. FRASER: Yeah.

SPEAKER: Okay. Thank you.

MS. FRASER: Lou is just clarifying, you have to keep the record, you don't have to send them the record, you have to keep the record, yes. Any others?

SPEAKER: Just to take from what another gentleman was saying about -- he was talking about bread, in some cases -- in feed manufacturing, a very significant percentage of the formulation may be bakery bi-product which originates from a multitude of food plants, and there's -- but we buy it as an entity, so just to explain that there are some -- it's a bag of worms trying to keep track of all those lot numbers.

MR. SALIMBENE: I'm Mark Salimbene with Safeway. I just wanted to clarify, this has been a very helpful session. It's very conceivable we

could be the manufacturer of ingredients, shipping on our own trucks to our own manufacturing plants, shipping on our own trucks to our own distribution warehouses, our own trucks into our own retail stores. The product has not been released except to the consumer. We need to maintain the records as the manufacturer, packer, and holder; is that correct?

MS. FRASER: You're talking about the lot number, so you would need to retain the records incoming, but not on the release side, because on the release side, you're now a retailer in that scenario you spun out, and the duty to record lot number on the release side only apply it, again, to the -- we're not asking you to record the lot number down to the consumer.

MR. SALIMBENE: Correct.

MS. FRASER: So as I said, the big vertically integrated companies, you know, it gets interesting. Now, the piece that we're thinking about in the Q and A guidance on an equity basis is for those companies like yourself that go from

manufacturer down to retailer, should you at least have to keep track through the distributor because that's what you would -- that's what we would otherwise do if it went from you to someone else to someone else to someone else.

MR. SALIMBENE: That's my real question.

Do we --

MS. FRASER: So that piece we're still thinking about and figuring out --

MR. SALIMBENE: Okay.

MS. FRASER: -- in guidance, we'll answer that one in guidance --

MR. SALIMBENE: Okay.

MS. FRASER: -- as to -- but down to the consumer, no, down to the retail store, no, because we weren't requiring any of the other distributors to come down to the retail store. But it just sort of gives us inequities in terms of a trace back of perhaps, and maybe not, because, you know, it might be in your own personhood. So we're still thinking about what the answer should be on that one.

MR. SALIMBENE: Okay, thanks.

SPEAKER: Hi, point of clarification, just so I'm crystal clear on this issue. Companies manufacturing a food product and they have a responsibility to keep track of the immediate previous source, the non-transporter, and also the transporter, does that mean the specific shipping company, does that mean they know whether the package arrived through Federal Express, how specific is that transporter requirement, and also the same question would go to a retailer of say natural food products who is receiving products?

MS. FRASER: Well --

SPEAKER: A finished product.

MS. FRASER: -- yeah, it's the non-transporter who brought the food to you, and so part of when you're making these buy/sell deals and you're arranging with your suppliers to, you know, identify who you're getting an ingredient or a food product from, then part of what you also need to get from them is who is the transporter that's bringing the food to you.

SPEAKER: Okay. So when I contract with

company A to supply me with a raw material, I need to say, and who's going to be shipping that to me -
-

MS. FRASER: Right.

SPEAKER: -- and I have the responsibility to keep that designated information?

MS. FRASER: Right.

SPEAKER: Okay.

MS. FRASER: And, you know, who and what's the contact information so that there's checks and balances on both ends, so we get -- to you we say, okay, this is the transporter, we can go to the transporter and figure out route of movement, we can make sure it's the same person on the other end when we get back to the non-transporter, but yeah, but that's part of probably a new dialogue perhaps that may not be occurring, or you may know that, you know, I'm purchasing it from manufacturer X, I'm purchasing it from Kraft and they deliver it in the Kraft truck, or Pillsbury and they deliver it in the Pillsbury truck, you know, but that's a piece of what we want on the records.

SPEAKER: Right, and just from that perspective, that's one area where it might be easier for a larger company that is getting the item from the manufacturer, but for some of the smaller, more independent products, I work with dietary supplement companies, they may be getting materials shipped in from independent carriers, and they just may not be used to really keeping that record, so it's important to have that clarification.

MS. FRASER: Right.

SPEAKER: Thanks.

MS. WRIGHT: That's different from what I understood that you said to me, though, as far as - - I mean if you're arranging with Kraft and they're also going to be transporting the product, my understanding is that they're both the transporter and the non-transporter. Are you now saying you have a duty to record who actually shows up at your door with a product?

MS. FRASER: No, I was saying she may know the answer and not have to make the inquiry, but if

she doesn't know the answer, she does need to make the inquiry. As I understood the question, it was I am a non-transporter and I have a duty to record not only my non-transporter previous source, but the transporter who brought the food to me, and what do I do, and my answer was, it's hopefully the same answer said different ways, my answer was, you should ask your supplier who's the transporter they're using unless you happen to know, and I use Kraft as an example, if Kraft is supplying to her, she already knows for her records to say the non-transporter -- my immediate previous non-transporter source is Kraft, the transporter who brought the food to me also is Kraft.

MS. WRIGHT: What if Kraft -- but this thing goes back to the freight broker situation; what if Kraft decides that they're going to contract out to somebody else to do the transportation?

MS. FRASER: Her records would still say, as far as she knows --

MS. WRIGHT: So it would be okay still to

say Kraft for both of them, even if Kraft ends up giving it to Eagle Trucking and that's who shows up at your door, you don't have an affirmative obligation to see Eagle Trucking brought the product to me?

MS. FRASER: We're really looking at what is in your knowledge when you arrange the purchase.

MS. WRIGHT: Okay.

MS. FRASER: And so, you know, perhaps, going back to that dialogue, if you say, you know, and who's going to bring the product to me, who's the transporter, which is something you need to know, and they say it's us, and they change later to Eagle, we don't ask that you go back and verify how they subcontracted their work. If they say it's going to be Eagle, then that's what we would like to see in your records.

But, no, I mean you could choose to fulfill your obligation by having your doc people complete the entry at that time of receipt of who is the actual delivery. I mean that is -- I'm not saying you can't do it that way --

MS. WRIGHT: But you don't have an affirmative obligation to do it.

MS. FRASER: -- but you don't necessarily -- that's not the only way of providing us with --

MS. WRIGHT: The transport.

MS. FRASER: -- the transport.

MS. WRIGHT: Okay. Thank you.

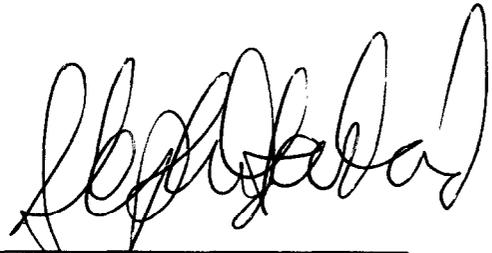
MS. FRASER: Going once, going twice.

Well, we appreciate all of your attendance. Thank you very much for your interest in complying with these regulations. Have a wonderful day.

(Whereupon, at 11:50 a.m., the meeting adjourned.)

REPORTER CERTIFICATE

I, **STEPHEN GARLAND**, the official Court Reporter for Miller Reporting Company, Inc., hereby certify that I recorded the foregoing proceedings; that the proceedings have been reduced to typewriting by me, or under my direction and that the foregoing transcript is a correct and accurate record of the proceedings to the best of my knowledge, ability and belief.

A handwritten signature in black ink, appearing to read 'Stephen Garland', written over a horizontal line.

STEPHEN GARLAND