

TOGETHER WE CAN SOLVE HUNGER

Food Safety Summit Chicago, IL May 10, 2017



AGENDA

- Hunger in America
- US policies which enable donation
- Looking forward: Using Technology and tax incentives
- Case study: Starbucks FoodShare program
- Q&A











HUNGER IN AMERICA







Making Tough Choices



The people Feeding America serves report that their household income is inadequate to cover their basic household expenses.

69%

HAVE HAD TO CHOOSE BETWEEN PAYING FOR UTILITIES AND FOOD 67%

HAVE HAD TO
CHOOSE BETWEEN
PAYING FOR
TRANSPORTATION
AND FOOD

66%

HAVE HAD TO CHOOSE BETWEEN PAYING FOR MEDICINE AND FOOD **57%**

HAVE HAD TO CHOOSE BETWEEN PAYING FOR HOUSING AND FOOD

Our Vision: A Hunger-free America

Our mission: To feed America's hungry through a nationwide network of member food banks and engage our country in the fight to end hunger

To do so, we depend on our network's ability to rescue safe food from going to waste through partnerships across the food industry.







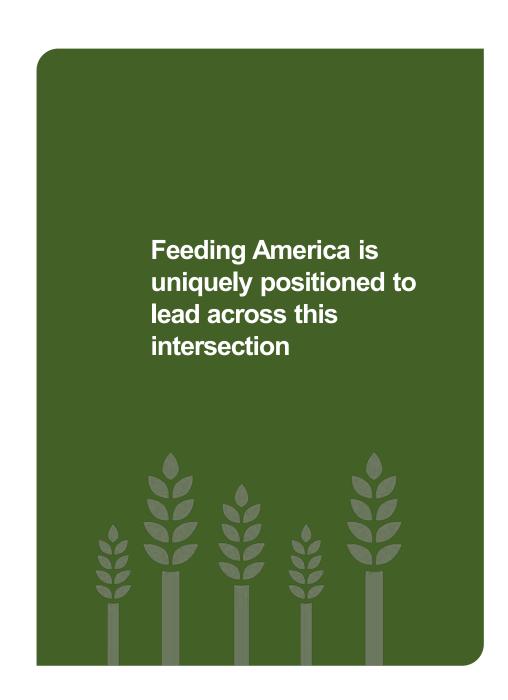


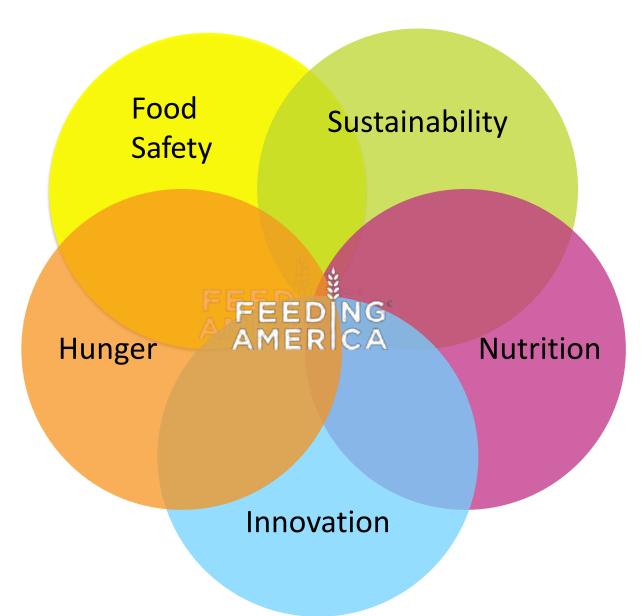




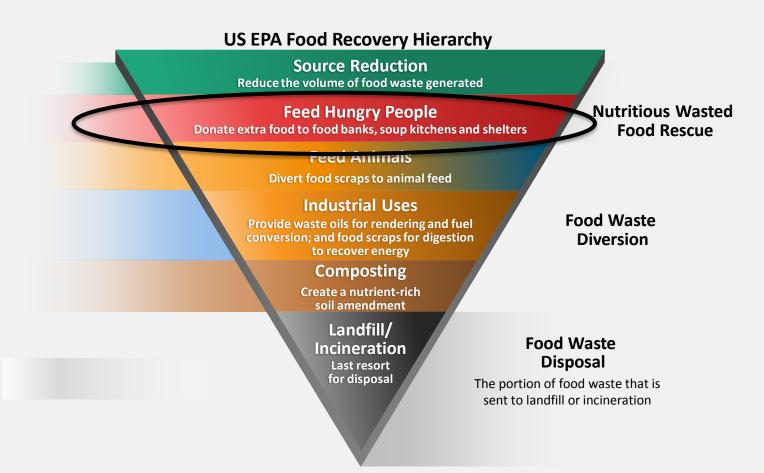
The Feeding America Network Serves Every County in the U.S.







EPA Food Recovery Hierarchy Prioritizes Food Rescue to Feed People enabling greater engagement opportunities for Feeding America



Food waste has tremendous economic, social, and environmental consequences

What are the next steps for your company to take to reduce inefficiencies and ultimately reduce food waste?

- 1. Donate don't assume that your product is not donateable.
- Contact your local Feeding America food bank (<u>www.feedingamerica.org</u>) or local charitable food distribution organization
- 3. Take a tour of your local Feeding America food bank to identify how your company can partner to reduce food waste
- 4. If the food is not fit for human consumption, is animal feed or industrial use appropriate?



REDUCING WASTE & EXPOSURE:

Taking Advantage of Donation Laws and Standardizing Food Date Labels

May 10, 2017

Michael W. Cromwell

















Womble Carlyle

OVERVIEW

FOOD WASTE & EXPOSURE

- Identification Of The Problem
- Current Legal Framework's Contribution to Problem

SOLUTION(S)

- The Food Donation Act of 2017 (Good Samaritan Act 2.0)
- The Food Date Labeling Act

IMPACT

- Food Waste
- Liability Risk





FOOD WASTE & EXPOSURE: Identification Of The Problem

FOOD WASTE

- An estimated 40% of food in the United States goes uneaten
- 91% of individuals occasionally throw out still-fresh food
 - 91% of consumers reported at least occasionally discarding food past its "sell by" date out of concern for the products safety; 25% report that they <u>always</u> do
- Americans waste 160 billion pounds of food per year

*The Dating Game: How Confusing Food Date Labels Lead to Food Waste in America, Harvard Food Law and Policy Clinic & Natural Resources Defense Counsel, Sept. 2013.





COMPOUNDING THE PROBLEM

Societal - Food Insecurity:

15% of U.S. households are food insecure (2011); 1 in 5 are children

Resources - Wasted Water / Land:

- 25% of America's freshwater use goes into the production of wasted foods
- 100 million acres of cropland could be saved if developed countries reduced consumer food waste by 30%
- Food waste is one of the largest producers of CO₂

*The Dating Game, Sept. 2013.





FOOD WASTE & EXPOSURE: Current Legal Framework's Contribution to Problem

Why Do We Have Food Waste?

- NOT A Comprehensive Examination
 - Manufacturers', Retailers' and Donors' Fear of Liability
 - Confusing Food Date Labeling Laws

"[D]onor liability education and standardized donation regulations would help get hundreds of millions of meals to people who could use them." ReFED.





BILL EMERSON GOOD SAMARITAN FOOD DONATION ACT OF 1996

 Exempts donors making good faith donations of food and grocery products to nonprofit organizations that distribute the donated items to needy individuals from liability for injuries arising from the consumption of the donated food unless acting with gross negligence or intentional misconduct (42 U.S.C.A. § 1791)





WHY A FEAR OF LIABILITY?

- Unawareness: Donors are unaware of the liability protection
 - In 2016, study shows 44% of manufacturers,
 41% of restaurants, and 25% of retailers identified liability concerns as a barrier to donation

*Recommendations to Strengthen the Bill Emerson Good Samaritan Act, Harvard Food Law and Policy Clinic & Natural Resources Defense Counsel, Sept. 2016.





UNFOUNDED FEAR

 "[A] thorough search of filings and review or reported decisions did not turn up a single case that involved food donationrelated liability or any attempts to get around the protections offered by the Bill Emerson Act."

*Food Recovery: A Legal Guide, University of Arkansas School of Law (2013)





COMPLICATING MATTERS: DATE LABELS

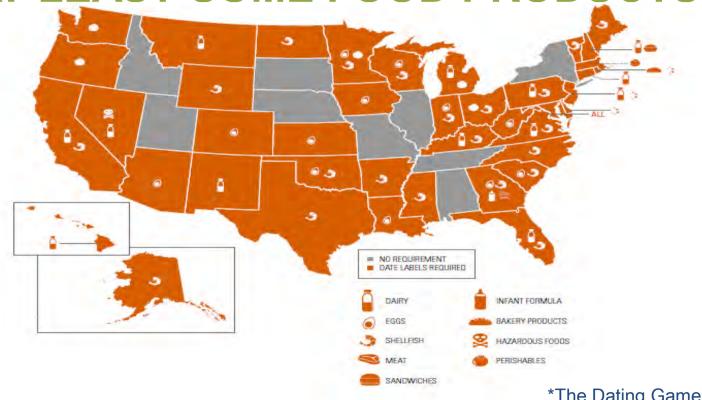
No Mandatory Federal Law

- FDA: Besides infant formula, "FDA does not require food firms to place 'expire by', 'use by' or 'best before dates on food products. This information is entirely at the discretion of the manufacturer." (FDA Website)
- USDA: Aside from few exceptions, USDA does not require date labels on regulated products. IF company decides to include dates (state requirement / voluntarily), it must include a day/month and is preceded by explanation of date. (9 C.F.R. § 317.8(b)(32))





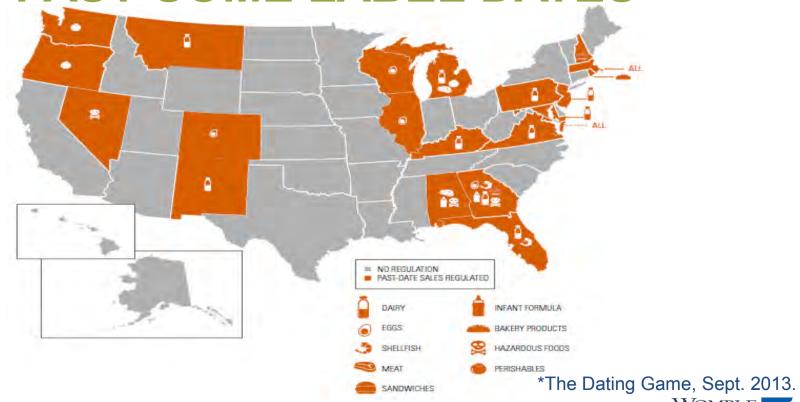
STATES REQUIRING DATE LABELS ON AT LEAST SOME FOOD PRODUCTS







STATES REGULATING FOOD SALES PAST SOME LABEL DATES





PROBLEMS WITH CURRENT LEGISLATIVE FRAMEWORK

- Numerous <u>undefined</u> date labels:
 - "Production" or "pack" date
 - "Sell by" date
 - "Best if used by" date
 - "Use by" date
 - "Freeze by" date
 - "Enjoy by" date







PROBLEMS WITH CURRENT LEGISLATIVE FRAMEWORK

- Confusion
 - Only 44% correctly described the meaning of the "sell by" date
 - 25% had the misconception that "sell by" date identifies the last day on which a product can be consumed
- Manufacturers and retailers are free to define shelf-life according to their own standards





WHAT DOES THE RESEARCH TELL US?

"There is a connection between the misinterpretation of date labels and wasted food."





SOLUTION: Food Donation Act of 2017 (Good Samaritan Act 2.0)

FOOD DONATION ACT OF 2017

- Expands liability protections to nonprofit retailers and those that donate food directly to individuals
 - Currently, protections only extend to donations to nonprofits
- Eliminates labeling requirements that are not necessary for safety
 - Currently, donated foods must meet all labeling requirements (e.g. net quantity)
- Clarifies that donations of past-due food are protected
- Promotes awareness of food donation capabilities







SOLUTION: Food Date Labeling Act of 2016

THE FOOD DATE **LABELING ACT OF 2016**

 GOAL: "To establish requirements regarding quality dates and safety dates in food labeling

S. 2947

To establish requirements reporting quality duties and safety dates in final labeling, and for other parameter.

IN THE SENATE OF THE UNITED STATES.

Mr. BLUMESTIAL introduced the following bill, which was read twice and referred to the Committee on Health, Education, Labor, and Pennson

A BILL

To establish requirements reporting applity dates and safety dates in food labeling, and for other purposes.

Be it enacted by the Senate and House of Representa-

2 times of the United States of America in Congress assembled. 3 SECTION L. SHORT TITLE.

This Act may be cited as the "Food Date Labeling

6 HEC. 2. PINDINGS.

Congress finds the following:

(1) As of the date of enactment of this Act

date labeling practices on food packaging cause confusion with "self-by", "best-by", "use-by", and "best

H. R. 5298

To establish requirements regarding quality dates and indep dates in fixed liabeling, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

May 15, 2010.

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4 This Act may be cited as the "Food Date Labeline 5 Act of 2016"

Congress finds the following:

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KEY TERMS

Quality Dates:

- "Best if used by"
- Discretion of the food labeler to communicate to consumers the date after which the quality of the product may begin to deteriorate, but may still be acceptable for consumption

Safety Dates:

- "Expires on"
- "A date printed on food packaging of a read-to-eat product, which signifies the end of the estimated period of shelf life under any stated storage conditions, after which the product may pose a health safety risk"

FDA & USDA

 Establish guidance for determining dates; provide consumer education and outreach regarding meaning





OTHER KEY TERMS

- Sale or Donation: "No one shall prohibit the sale, donation, or use of any product after the quality date for the product has passed."
- Preemption: "No state may establish or continue in effect any requirement that relates to the inclusion in food labeling of a quality date or a safety date that is different from these requirements."





IMPACT: Reduce Food Waste

MAKING GOOD USE OF FOOD

Standardization:

- Confusion over date labeling accounts for an estimated 20% of avoidable household food waste.
- 398,000 tons of food (or ~\$1.8 billion) could be saved through standardization

Sales / Donations:

- Ability to sell (@ a discount) or donate, without fear of liability allows access to cheaper, free foods.
- Redistributing 30% of all the food lost in the United States could feed every food insecure American their total diet.





IMPACT: Liability Risk

LABEL LIABILITY

- Pros: No More State Variability
 - Increase variability = increased costs / exposure to labeling lawsuits
- Pros: Limited Liability For Donors
- Cons: Spin-off Litigation
 - Those who do not adopt new voluntary standards may be exposed
- Cons: Not A Shield
 - Simply complying with law or guidelines is not a shield to litigation.





QUESTIONS? COMMENTS?

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Extra Servings of Client Service









Opportunity for Rescue

Excluding consumer waste at home, 52 billion pounds of good food end up in landfills. An additional 20 billion pounds of fruits and vegetables are discarded on farms or left in fields.



Farms
20 billion pounds lost



Manufacturers
2 billion pounds lost



72 Billion Pounds



Consumer-Facing
Businesses
50 billion pounds lost



Source: ReFED

MealConnect[™] FEEDING®

Match your surplus food with your local Feeding America member food bank and its partners.

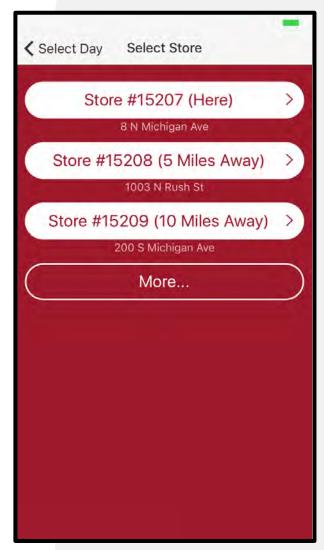
- Easy pickups based on your schedule
- Convenient activity tracking
- Simple receipt recording for tax savings
- Reduce food waste
- Fight hunger in your community
- Donation App

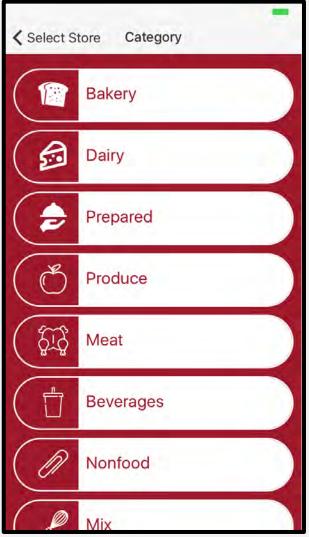


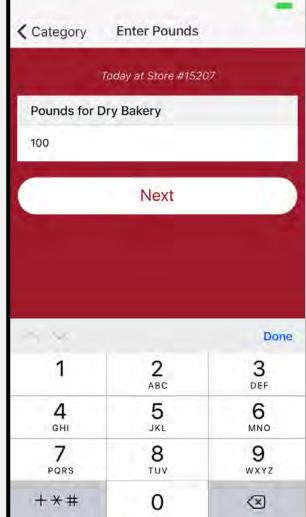


SIGN UP TODAY! AT MEALCONNECT.ORG

MealConnect FEEDING











Together, Feeding America and Starbucks will nourish and bring hope to the human spirit:



Starbucks Partnership Highlights



Ultimate Goal

Feeding America network to rescue Starbucks' food at 8,000 locations; ~50 million meals annually

Ready-To-Eat Meals

Rescued food includes sandwiches, salads, breakfast sandwiches, fruit, yogurt and pastries

Starbucks Investment Funding network investment in logistics and cost recovery to bring program to scale.

Action Steps

Focused on grant administration & operational planning; Program operational in 11 markets and 1,100 stores nightly.

Partnership Drivers









Food Safety Management System for Food Donation

How Strong Food Safety Systems Enable Food Rescue Programs to Reduce Food Waste

MAY 10, 2017









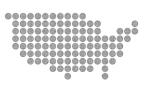
MISSION

Starbucks is leading a national effort to provide nourishing, ready to eat meals to the 1 in 8 Americans impacted by hunger. Through a strategic partnership with Feeding America, Starbucks has set a goal to rescue 100% of food available to donate from all US company-operated stores.

GOAL (AT SCALE)

- Starbucks will rescue 100% of its food available for donation from all of US company-operated stores
- Donate 50 million meals annually and divert 60M pounds of food waste from landfills reducing greenhouse gas emissions
- Further our commitment by engaging licensee partners, channel, supply chain and take our commitment globally
- Engage a coalition of companies and organizations to help solve hunger in partnership with Feeding America





200 Food Banks Launched









Minimum Food Safety Requirements

1 Temperature Control and Handling in Receiving, Transport and Distribution



2 Probe Thermometer Accuracy and Temperature Logging



Cleaning/Sanitizing Equipment
Procedures and Chemical
Storage



4 Product Withdrawals, Recalls, and Traceability



Minimum Food Safety Requirements





6 Employee Hygiene and Handwashing



7 Food Defense



8 Agency and Food Safety Management System Audits



Temperature Control and Handling in Receiving, Transport and Distribution

- Product will be received from store at 41°F/5°C or below and handled by agency in such a way that the product remains at or below 41°F/5°C throughout the distribution to the client
- Chilled food displayed out of refrigeration for 2 hours or less cannot be re-refrigerated and if not distributed to a client it must be discarded and not consumed
- Agencies may not redistribute product
- All donated foods must be distributed or donated after 72 hours of receiving donated product
- Agency must maintain product receiving and refrigeration storage logs





100% product quality testing

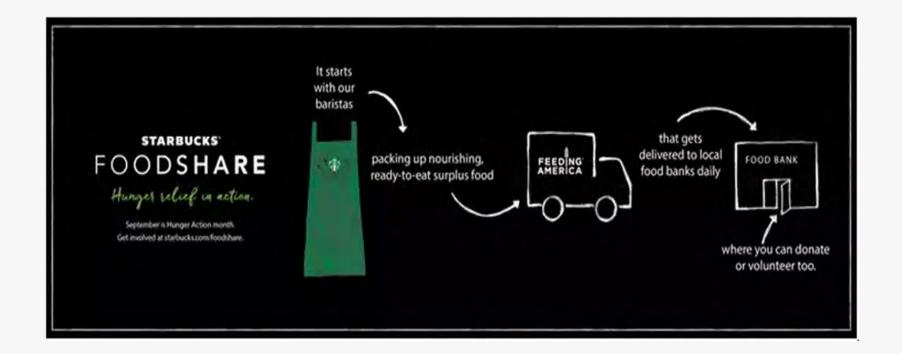
Confirm quality is maintained throughout the donation



• Educate agency and operations on what can be donated

Commitment

- Dedicated QA resource for food donation program
- Feeding America partnership





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