

## PolicyPennings by Daryll E. Ray & Harwood D. Schaffer

### McDonald's answers food questions and Whole Foods announces a new rating system

In our previous column, we discussed changing consumer expectations and the announcement by Walmart that they were implementing a four-legged program to enhance the sustainability of the food that they sell as well as efforts by McDonald's to address the issue of antibiotic use in food animals. That column had not even had time to hit the mailbox when the next flurry of announcements was made.

On Tuesday, October 14, 2014 McDonald's USA announced a "multifaceted effort called 'Our Food. Your Questions'" in which it invites people to submit their food questions via social media (<http://tinyurl.com/mj4ledt>).

"We're proud of the food we serve our 27 million U.S. customers every day, yet we know people have unanswered questions," said Kevin Newell, executive vice president, chief brand and strategy officer for McDonald's USA. "So, we're inviting everyone in the U.S. on a journey to learn more about our food. We look forward to the opportunity to have an open conversation and to show people firsthand how we make our most iconic menu items."

"In today's 24/7 news cycle, people are looking for faster, more straightforward responses to their questions about our food," said Ben Stringfellow, vice president of communications for McDonald's USA. "We have great information to share and we're looking forward to engaging in two-way conversations with as many people as possible."

The next day Whole Foods announced its Responsibly Grown produce rating system (<http://tinyurl.com/locuty5>). The new rating system applies to fresh fruits, vegetables, and flowers using a three-tiered rating system—"good," "better," and "best." In part, the system "prohibits some of the most hazardous neurotoxins still allowed in agriculture.

"Prohibited pesticides include several organophosphate insecticides, which recent studies indicate can impair neurological development in children born to mothers exposed in diet or by working in agriculture and living in nearby communities."

To earn a "good" rating, farmers must implement 16 farming practices to protect air, soil, water, and human health in addition to not using Whole Foods Market prohibited pesticides. They also must provide transparency about the use of GMOs and not use irradiation or biosolids (organic material obtained from wastewater treatment facilities).

The "better" rating adds criteria for water and

energy conservation; advanced soil health; protecting rivers, lakes, and oceans; and farmworker health and safety. To achieve a "best" rating, a farmer must take actions to protect bees and butterflies and implement industry leading pest management and environmental protection programs.

This newly announced program deals with vegetal products. Whole Foods already has programs in place for four animal products. They work with the Global Animal Partnership, which has developed the 5-Step Animal Welfare Rating Standards for beef, pork, chicken, and turkey. Whole Foods Market requires its suppliers to qualify for at least a step-1 rating for any step-rated species—standards for lamb are in development.

The steps are.

1. No crates, no cages, no crowding to provide animals with space to move around;
2. Enriched environment that encourages behavior that is natural to the specific species;
3. Enhanced outdoor access (pigs, chickens, and turkeys might live in buildings but they all have access to outdoor areas);
4. Pasture centered (when living outdoors, chickens and turkeys get to forage, pigs get to wallow and cattle get to roam); and
5. The prohibition of physical alterations.

Step 5+ requires that animals "must be born and live their entire lives on one farm."

The detailed program requirements for the 5-Step Animal Welfare Rating standards can be obtained at <http://tinyurl.com/p722p3q>. Customers can use this rating system to guide them as they chose among the meat offerings at Whole Foods Market.

Whole Foods also has an eco-rating scale as well as wild-caught seafood sustainability ratings.

While some of these requirements may strike some readers and consumers as a little over the top, Whole Foods obviously believes that transparency and these requirements allow the company to meet the expectations of a small, but increasingly significant-to-them market segment.

In this analysis, we are not suggesting that all of agriculture is going to look like the Whole Foods Market suppliers in the next ten years, but rather that all producers need to at least be aware of changing consumer preferences and expectations.

In the past we have seen the attentiveness of producers to consumers' preference for leaner, more-

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tender pork and beef.

In the future consumers may be looking at issues that go beyond product quality—like personal ethical and environmental issues—as they make their purchase. This may open up opportunities for some farmers to produce differentiated products while other farmers may need to make few or fairly modest changes in their operations.

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