My name is Jill Hollingsworth, and I am the Vice President for Science and Technical Services at the Food Marketing Institute. The Food Marketing Institute (FMI) is a nonprofit association conducting programs in research, education, industry relations and public affairs on behalf of its 1,500 members, including food retailers, wholesalers and their customers.

First, I want to share with you some statistics and facts about the food retail industry. I know many of you attending this conference are economists, and I want to give you as much data to mull over as I give to the food safety groupies who are here to listen to food safety information.

According to FMI’s *Supermarket Facts*, in 1996 there were approximately 127,000 grocery stores in the U.S. with total sales in excess of $425 billion. (This includes supermarkets, convenience stores (without gas) and wholesale club (supermarket items only)).

Consumers in the U.S. spend 8.7% of their weekly income on food, as compared to Canada (10.5%) and Japan (20.8%). In 1996, consumers spent $546.5 billion dollars on farm foods; of that, $327.5 billion was food consumed at home.

USDA inspected products still account for a large portion of the American consumers food choices — last year, the U.S. produced about 25 billion pounds of beef and over 28 billion pounds of poultry.

One of the fastest growing segments of the retail industry is organic foods — organic food sales are forecast to increase at a rate of 20% annually. Organic agriculture has increased from $78 million in 1980 to $3.5 billion in 1996. Another trend is Meal Solutions, also known as Home Meal Replacement. U.S. consumers are increasingly making the decision to purchase freshly prepared meals, rather than ingredients to prepare meals at home. The supermarket is now in the food service business — a take-out restaurant that brings with it a whole new array of food safety challenges.

That leads us into the topic of food safety. The ‘90s have been the decade of food safety, and looking to the year 2000, it is unlikely we will see anything other than an even greater emphasis placed on the safety of the food we eat.
You’ve heard all the numbers of foodborne disease estimates. According to ERS, the estimated cost from medical expenses and lost productivity for food borne disease caused by 7 of the most common pathogens during 1993 was between $5.6 and $9.4 billion. We have all heard the message loud and clear, and we are responding.

The food retail industry is the direct link to the consumer, and providing safe and wholesome food is the primary goal of retailers. Consumers expect retailers to provide safe products, and hold them accountable for anything less. That is why the retail industry has a major stake in any initiatives to ensure food safety, and we are in full support of the President’s Food Safety Initiative.

The food industry has an even greater stake in safe food than does the government. The retailers know more about their business than any one else — that is how it should be. But that is also why no one can make that system better and safer than the people who know it inside out. The government should seek partnerships with the industry if they are serious about making changes.

Regulating and mandating change does not buy commitment. We have seen examples where imposing “food safety by law” can result in industry complying out of fear of violating the law rather than working together to make the important, proven changes that will lower the risk of food borne disease.

An example of how effective a government-private partnership can be is the Fight Bac campaign. This educational effort demonstrates how beneficial programs can be when they are done with the industry and not to the industry.

The retail food industry has taken a lead in advancing food safety. Guidelines for receiving, storage, temperature control, employee hygiene and sanitizing have been established and are in use. The retail industry has taken a strong position in support of the Food Code, which is being adopted by more and more states. Although more can and must be done to continually improve the safety of our food supply and reduce the risk of illness, we believe the food industry — all segments of the supply chain — are up to the task. Great strides have been made, and there is no evidence that this momentum is slowing down. Food safety is #1....

But we must not forget there are other important agriculture issues to be addressed. Consumers in the U.S. also expect an abundant, affordable and quality food supply. According to a survey in Progressive Grocer, 93% of consumers rated cleanliness as the #1 reason for choosing a grocery store or supermarket. And according to the Food Marketing Institute’s own consumer research, TRENDS in the United States: Consumer Attitudes and the Supermarket, for over a decade almost all (98%) consumers have ranked high quality fruits and vegetables as one of the primary reasons for choosing a particular supermarket. We cannot jeopardize affordability, availability and quality without proven food safety benefits.
Safety first – but let’s keep agriculture and the food industry healthy too.