

Another factor to keep in mind is that prohibiting the commercial use of our distinctive USDA ownership label on rejected products is relatively easy to enforce. Other merchandising restrictions might not be.

We see no reason to think that new legislation requiring disclosure on the label of all Government-rejected products would be constructive or beneficial to consumers. A wholesome, suitable product meeting regular commercial-level standards should be sold without the stigma or onus of carrying a "rejected" label.

Many commercial distributors and retail firms carefully select commodities for their own brand identification either by their own specifications and examination or by use of USDA inspection and grade standards or by some combination. These firms often reject large quantities of products which fail to meet some or all of their specifications. It would serve no useful purpose for a consumer to know that a commercial firm had rejected a product which is lawfully being offered for sale by a different firm. My point in making this comparison is to indicate that we see no difference in this regard between rejection under special standards by a commercial firm and rejection by a Government agency when wholesomeness, safety, and honesty are not at issue in either case.

REPORTING REJECTIONS TO USDA INSPECTION ACTIVITIES

There are no written regulations relevant to the reporting by other Federal agencies to USDA regulatory inspection authorities concerning the identity of foods which they reject.

Our regulatory authority relating to fitness for human consumption applies on a mandatory basis only to meat and poultry products. The Food and Drug Administration exercises such authority for other foods.

Within the Department, we have a standing and continuous arrangement whereby our meat and poultry inspectors are notified of any USDA-rejected meat or poultry product which is considered to be unfit for human consumption. In many instances, such inspectors also perform the acceptance or rejection examination in our procurement operations, so that their notification takes place automatically.

We have recently reviewed with the Defense Supply Agency its procedure for reporting rejections of meat and poultry products. A procedure has been established which is comparable to our own internal arrangement. In other words, if the DSA rejection occurs at a meat or poultry plant which is operating under USDA inspection, such rejection will be routinely reported to our inspector-in-charge for his consideration and appropriate action. If the rejection of a meat or poultry product occurs at destination, the DSA Regional Headquarters will notify the appropriate USDA field office if such action appears to be desirable in view of the nature of the standards and the product deficiency in response to which DSA rejected the product.

Mr. ROSENTHAL. Is this procedure in effect as of today?

Dr. MEHREN. I don't believe it is formally in effect. I do believe the procedures have been agreed upon and the formal drafting of the interagency agreement is underway.

Mr. ROSENTHAL. When would you project it would be in effect?