CSPI YEAR-END REPORT

TO:  CSPI MEMBERS
FROM:  MICHAEL F. JACOBSON, PH.D.
DATE:  NOVEMBER 30, 2009
SUBJECT:  2009 HIGHLIGHTS & 2010 CHALLENGES

Here are some of the accomplishments your support helped make possible in 2009 and the challenges we face in 2010 to …

MAKE YOUR FOOD SAFER

A New Food-Safety Law: It’s About Time Congress Took Action!

Linda Rivera is one of 80 victims sickened last spring by Nestlé cookie dough that was contaminated with deadly *E. coli* bacteria. Sitting at her hospital bedside as she clung to life, her husband said that before that experience, his family hadn’t given much thought to foodborne illness. “You watch a commercial, you go into a store, and you just assume if it’s on a shelf, it’s safe,” he said.

It *should* be safe – but as a CSPI supporter, you know better. And, tragically, so do the hundreds of thousands of people who are hospitalized each year and the families of the thousands of people who die annually from eating contaminated food. Foods like tomatoes, spinach, onions, cantaloupe, raspberries, strawberries, beef, peanuts, pistachios, sprouts, black pepper. And now cookie dough. All of these and more sickened and killed people because the food industry and our government weren’t doing their jobs to keep our food safe.

For 70 years, the FDA has been operating under the same outdated law. Finally, we are on the brink of reform that would give the FDA more authority and real enforcement muscle to help prevent outbreaks, illnesses, and deaths – instead of the agency lurching from one crisis to the next.

After more than 10 years of effort by CSPI and others to convince Congress to fix our broken food-safety system, the House of Representatives has passed a strong food-safety bill that will, if adopted, give all of us a much better chance of making it from breakfast through dinner without a trip to the emergency room. And in this bill you can clearly hear the voice of CSPI.

CSPI has said that it’s unacceptable for FDA inspectors to visit food-production facilities only once every ten years. The new law would require FDA inspections to be conducted every six to 12 months for high-risk foods (like seafood) and at least every three years for low-risk foods (like crackers).

CSPI has urged Congress to give the FDA the authority to mandate the recall of tainted food. At last the FDA would have the power to order recalls, saving both precious time and precious lives. (How ludicrous is it that while thousands of products containing contaminated peanuts and peanut paste were sickening and killing people earlier this year, the FDA had to ask the Peanut Corporation of America to recall its products?)

CSPI has fought for the FDA’s right to see the records of food producers. Under the new law, the FDA would have it. Would the outcome have been different for the Rivera family and other victims of cookie-dough poisoning if the Nestlé plant had not refused the FDA inspector’s request in 2006 to review its plan to prevent food contamination? It makes you wonder if the plant even had a plan to prevent disasters like the one that eventually happened.

Please turn the page ...
It would now, because the new bill would require companies to identify hazards particular to the foods they produce and to implement written food-safety plans to control those hazards. From the get-go CSPI has maintained that prevention lies at the heart of any effective reform.

But the well-funded food industry is still a formidable opponent. For example, the House food-safety bill originally proposed that the cost of hiring new FDA inspectors be partially borne by the food industry through an annual licensing fee of $2,000. That was lowered to $1,000 and finally to $500 per year by food-industry lobbyists. In the months ahead, CSPI must be vigilant and push back against industry attempts to further weaken food-safety legislation in the Senate.

We must also make sure that Congress adequately funds the new law. Converting the new authority into safer food will necessitate increased funding for the FDA, which is why CSPI has been working with a large coalition of groups ranging from other consumer organizations to the food industry. (A late-comer to the effort to bolster the FDA, the food industry fears the consequences of shrinking consumer confidence in food safety and the FDA – and now wants to reverse that.) The coalition’s goal has been single-minded – to educate Congress on the need for increased funding for the FDA. And our results have been impressive: more than $390 million in new funds for food-safety programs at the FDA over the last three years. Securing increased funding for FDA to implement the new mandates in the law is more important now than ever.

**The FDA Takes Action**

Aside from new laws, the FDA under new leadership has taken a few noteworthy actions on its own. For years, CSPI has urged the agency to address egg safety. Eggs contaminated with Salmonella cause an estimated 660,000 illnesses and 300 deaths annually. The progress that CSPI made during the Clinton Administration to reduce Salmonella in eggs and infections in humans came to a dead stop during the Bush years.

Under the Obama Administration, the FDA is moving forward again, requiring the egg industry to conduct more tests to identify eggs that might be contaminated with Salmonella. Now, instead of just shipping contaminated eggs to grocery stores, the egg industry must regularly test their flocks and eggs and then pasteurize the bad eggs and sell them (for less money) solely for use in packaged foods. I hope that’s a sign that at long last the FDA is taking food contamination seriously.

Another hopeful sign is that the FDA now requires companies to notify the agency as soon as they discover a contaminated product has left their control. The agency has also put into place Good Agricultural Practices guidelines for growers of tomatoes, leafy greens, and melons – which accounted for 60 percent of all illnesses in the last 10 years associated with the consumption of fresh produce.

It is gratifying to finally see the FDA taking action to make our food safer, especially so because what they are doing is what CSPI has been urging for years. You can count on us to keep monitoring that agency – and keep pushing it to make our food safer.

**No More Dirty Dining!**

When you order a restaurant salad, you shouldn’t have to wonder if the employees who prepared it washed their hands. When you order chicken, you shouldn’t have to wonder if it was cooked long enough to kill possible Salmonella bacteria. You shouldn’t – but you do, because almost half of foodborne-illness outbreaks are caused by food prepared in restaurants. In 2010, CSPI hopes to step up its Clean Cuisine campaign to improve restaurant food safety so that you can eat out and enjoy yourself – in safety.

We think that consumers have the right to know what health inspectors know about how food is...
prepared in restaurants. And we think the easiest, most effective way to help consumers make safe dining-out choices is to require restaurants to post their local health department’s inspection grade right in the front window – A, B, or C. Several cities – Los Angeles, Las Vegas, and St. Louis – have passed such laws. People in those cities are sticking to the A-rated restaurants and guess what! Local emergency rooms reported a decline in foodborne illnesses, according to a study done in Los Angeles.

Our ultimate goal is to get restaurant-grading laws passed throughout the country. It’s such a simple, inexpensive way to encourage safer food preparation and prevent potentially deadly illnesses. But the restaurant industry is a powerful opponent in most communities. In the year ahead, CSPI will continue to encourage local and state health departments to act. But we will need your help to succeed.

At the same time CSPI fights to make your food safer, we are at the forefront of efforts to...

MAKE YOUR FOOD HEALTHIER

Preventing Heart Disease

“2010 – The Year of Salt”: Salt is probably the single most harmful ingredient in the American diet, with excessive use causing heart attacks and strokes. Unfortunately, salt and other sodium-containing additives are pervasive in our food supply: from 700 mg of sodium in a cup of soup … to 5,000 mg in a dinner at Olive Garden … to salt injected into chicken breasts to keep them moist. Keep in mind that the government recommends no more than 1,500 to 2,300 mg of sodium per day, depending on age.

The result of this “salt assault” is that 150,000 people die unnecessarily every year from cardiovascular disease, and Americans spend more than $15 billion to treat high blood pressure and many billions more on expensive heart procedures. For the past four years CSPI has been working to put salt on the public’s radar screen, and finally our efforts are paying off. That’s why I predict that 2010 will be the “Year of Salt.”

Years ago, CSPI petitioned the FDA to start limiting sodium in foods. The agency held a public hearing, but then did nothing else. But CSPI isn’t waiting on the FDA. After a year of quiet negotiations fell through, CSPI sued Denny’s for selling meals with two, three, or even four days’ worth of sodium and not disclosing this to their customers. We did it partly to end the “Denny’s Horror Show” and partly to send a signal to other restaurants that it’s past time to clean up their act. As the evidence against salt has mounted, CSPI also began working with state and local health departments. One recent success: New York City’s health department began pressuring the food industry to lower sodium.

Some companies already see the writing on the wall and, to their credit, are cutting the salt in some of their products. Campbell’s, for instance, got rid of one-third of the sodium in its best-selling condensed tomato soup, and other large companies, including ConAgra and Frito-Lay, are chopping significant amounts of sodium from some of their products. But voluntary efforts are spotty and perhaps only temporary. We need more than that!

With health-care costs going through the roof, there’s nothing more important than preventing disease – both to improve the public’s health and to save money. With your support, CSPI will take advantage of this climate to press Congress to hold hearings on the need for salt reduction and we’ll encourage the FDA to make this a top priority in 2010.

Ban Trans Fat: The great news is that the food and restaurant industries are continuing to eliminate most or all of the partially hydrogenated oil (the source of trans fat) from countless products – another boon to heart health. Some of that progress is due to state restrictions on trans fat in restaurant foods, and some to CSPI’s lawsuits against Burger King and KFC, and our relentless...
publicity about trans fat’s dangers. The result? Billions of pounds of hydrogenated oil are gone and not getting into our food supply and our arteries – which translates into thousands of lives being saved every year. I hope you are as gratified as we are that CSPI’s longstanding efforts have paid off in such a major way.

Some food-industry officials have argued that trans-free substitutes might contain saturated fat and be even more harmful. So CSPI conducted a study of the fat content of products before and after their oil change. We found that in almost all cases, the replacements were more healthful. Pepperidge Farm Mint Milanos dropped four grams of trans fat without increasing the saturated fat. Wheat Thins lost its two grams of trans fat with no increase in saturated fat. McDonald’s got rid of all seven grams of trans fat in its large fries and also cut saturated fat by two grams.

In the year ahead, CSPI will press the FDA to act on our 2004 petition to get trans fat entirely out of the food supply. There are plenty of other products – like Pop Secret Old Fashioned Kettle Corn Popcorn and Pillsbury Grands! Homestyle Biscuits – that should shed their trans fat! And for the local and state governments that don’t want to wait for the FDA and will act on their own, CSPI will be there to assist.

**A 21st Century Update for Food Labels**

While Nutrition Facts labels are invaluable, too many people find them difficult to understand – and sometimes even deceptive. For example, the label on Marie Callender’s frozen Beef Pot Pie lists two servings per container and 780 mg of sodium per serving. But few would split this modest-sized pie between two people, which means that a realistic serving actually contains twice the calories listed and 1,560 mg of sodium – more than most adults should eat in an entire day. CSPI is asking that labels base calorie counts on realistic portions that don’t deceive consumers.

We’re also advocating that the FDA require easy-to-read, easy-to-understand symbols on the fronts of packages to indicate at a glance how healthful (or unhealthful) a food is. To ensure that any labeling system is truly effective, we have gotten Congress to fund the National Academy of Sciences to compare labeling systems from around the world and to recommend changes that would be most useful for consumers.

In the meantime, food manufacturers, supermarkets, the American Heart Association, and others have developed a confusing jumble of their own symbols on packages and store shelves – many of them self-serving. One of those is the “Smart Choices” system sponsored by companies like Pepsi and Kraft. The “Smart Choice” icon is right there on the front of these products, implying that the product is a healthy food option. But you tell me if you think these are “smart choices”:

- Froot Loops and Corn Pops cereal, with 40 percent sugar,
- Kraft’s Strawberry Bagel-fuls, which is a mostly white-flour bagel stuffed with strawberry puree that is sweetened with sugar and colored with Red dye 40,
- Diet Lipton Green Tea with Citrus – with two questionable artificial sweeteners and two food dyes, Yellow 5 and Blue 1.

Those are not smart foods and neither are some other products that their symbols tout as healthy. It’s simply deceptive. Even worse, the Smart Choices nutrition criteria can be met through fortification – which means you could start with some sawdust, add calcium or Vitamin A and meet the Smart Choices criteria!

For almost 40 years, CSPI has been fighting for better, honest labeling and we’ll keep fighting in 2010. As the Los Angeles Times wrote, “A mislabeled product is like a lightening rod for CSPI.” Now, working with Congresswoman Rosa L. DeLauro, we’ve convinced the FDA not only to challenge “Smart Choices” labeling, but also to
develop a truly smart system of front-of-package nutrition labeling to empower consumers to choose healthier foods. CSPI will also soon issue a new version of its groundbreaking report “Food Labeling Chaos” that will dramatize the need for change and generate media coverage and public pressure to spur the FDA to action.

Food companies have already objected to giving up their own self-serving symbols, so we know we have a tough fight ahead of us. I urge you to support our efforts to get you the honest information you need to eat right.

Menu Labeling in Restaurants: Tell Us What We’re Eating

Who would guess that a large chocolate milkshake at McDonald’s has more calories than two Big Macs or that a multigrain bagel at Dunkin’ Donuts has 140 more calories than their jelly donut? How can diners know that the Red Lobster Ultimate Fondue comes in at 1,490 calories, 40 grams of saturated fat, and 3,580 mg of sodium – two days’ worth of both artery-clogging fat and blood-pressure-spiking sodium? Or that Cheesecake Factory Chicken and Biscuits weighs in at 2,500 calories?

They can’t know – and this lack of information is contributing mightily to the obesity crisis since Americans consume about one-third of their calories outside the home, but generally don’t have the foggiest idea how many calories and how much fat and sodium those foods and meals provide. And talk about health-care costs! A report released in September found that Americans shell out $147 billion a year to treat obesity-related diseases.

How can we reduce obesity? One way that CSPI has been advocating for years is to require chain restaurants to label menus. First, it will give consumers the information they need to make healthier choices. Second, it will encourage restaurants to offer healthier meals. In fact, because new state and local laws now require menu labeling in some restaurants, a few big chains are already redesigning their menu offerings. Romano’s Macaroni Grill, for example, is slashing the calorie contents of some dishes by as much as two-thirds. Cosi sandwich shops have reduced the calorie content of certain dishes by 40 percent.

CSPI has helped New York City, Seattle, Philadelphia, California, Oregon, Maine, and other jurisdictions pass menu-labeling laws. Restaurants long opposed such laws because they feared that diners might split entrées or skip desserts. But now that numerous states and localities have passed laws, chain restaurants are more inconvenienced by having to provide different menus in different cities – so the industry is now reluctantly supporting a national bill to standardize menus in all chain restaurants. That shift, along with action by this Administration to put federal dollars into improving public health, is very encouraging. With your help, CSPI will make 2010 the year that Congress passes a strong national restaurant-labeling law – and starts to reduce the obesity epidemic.

Kids are our Future: Stop Food Corporations Stop from Preying on Them

Roughly one out of three children aged 2 to 19 is overweight or obese, and because of that, some experts predict that the current generation of kids will have shorter lifespans than their parents. One place to stop this deadly trend is in schools, where junk food abounds in vending machines and cafeterias. Schools often make it far too easy for children to bypass healthy food and to make a Twinkie and a sugary fruit drink their lunch. CSPI has been working closely with legislators to include a curb on junk food in the renewal of the important Child Nutrition Act – and we’ll be pushing hard for that in the coming year.

On the brighter side, fewer soft drinks – what I call “liquid candy” – are sold in schools, thanks to pressure from parents, CSPI, former President Bill Clinton, local school officials, and others. And in this year’s economic stimulus package, CSPI also helped to secure $100 mil-
lion for schools to buy new kitchen equipment. The money is being used to help many schools replace deep-fat fryers with ovens, and to buy refrigerators to hold fresh fruits and vegetables.

We’ll also keep up our fight to stop companies from advertising junk food to kids. Two years ago CSPI negotiated an agreement with Kellogg to stop advertising its least healthy foods to kids. Since then, more than a dozen other major food advertisers have voluntarily adopted a similar commitment.

But countless ads featuring clowns, “spokes-characters,” and kids still help to sell billions of dollars worth of hamburgers, fries, and sugary cereals to our nation’s children. Clearly, more needs to be done to rein in advertising by the big food corporations. CSPI helped pass a law in 2009 that requires the Federal Trade Commission to develop model nutrition standards for companies to follow in advertising to children. And next year we’ll publish our report card on company policies. We will use that report as a springboard for advocating stronger policies to reduce junk-food marketing to kids. As the New York Times has said, “CSPI has consistently shined a bright light on the nutritional ills of the American diet.” And, with your help, we’ll continue doing so!

* * * * * * *

It’s been many years since I have felt so optimistic about the possibility of achieving such diverse and groundbreaking changes. With the Administration’s new emphasis on preventive health care and its willingness to look at the ways that better nutrition and safer food can reduce health-care costs, 2010 offers the best opportunity in a very long time for CSPI to bring home the legislative and regulatory victories that will enable you to eat better and more safely.

Please help us build on the momentum of 2009 and make 2010 a year of extraordinary gains for consumers. Take a moment right now to send your year-end gift so that CSPI has the financial resources to make 2010 a banner year. Thank you for your continued support and your confidence in CSPI’s work for you.

You have my personal guarantee that every dollar you contribute will be used to its maximum effect!

I am deeply grateful for your support.
FY2009 Support & Revenue

- Membership Dues: $537,000
- Contributions: $854,000
- Foundation Grants: $316,000
- Investment Income: $418,000
- Royalty Income: $537,000
- Loss on Investments: $1,694,000
- Other Income: $854,000

Total: $9,952,000

FY2009 Statement of Financial Position

- Total Assets: $9,296,000
- Total Liabilities: $701,000
- Total Net Assets: $8,595,000