



DEFENSE LOGISTICS AGENCY
TROOP SUPPORT
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IN REPLY
REFER TO

DLA TROOP SUPPORT

23 July 2018

REFERENCE: INGREDIENTS INDUSTRY DAY – JULY 19, 2018

AGENDA

- 7:30 – 8:00 Registration
- 8:00 – 8:10 Administrative Announcements
- 8:10 – 8:20 Opening Remarks and Introductions
- 8:20 – 8:30 Background
- 8:30 – 9:30 Regulatory Authority
- 9:30 – 9:45 Break
- 9:45 – 10:45 Military Service presentations
- 10:45 – 11:15 Communication process map
- 11:15 – 12:00 Industry Input
- Closing remarks

Administrative Announcements: Gina Vasquez, Director Subsistence Supplier Operations

- Today we will discuss the prohibited ingredients process and how it works. Note this process is not finalized and we encourage input from industry and those present today
- The slides presented will be provided and posted on website
- Continuing Process Improvement team will present new process mapping for proposed removal of ingredients
- Process outline map – new steps involved when services want to propose the removal of an ingredient
- Our intention is provide you with answers to questions surrounding prohibited ingredients and that everyone leaves w better understanding.
- This discussion is regarding the process that focuses only on ingredients; it's not about adding or deleting a product from the catalog

Opening remarks and Introductions: John Sheehan, Director Subsistence Customer Operations

- Our mission is to support the war fighter with subsistence
 - In 2004 DOD appointed DLA as the executive agent for class 1
 - This means that it as a combat support agency it is our job to support the war fighter
 - Our role as a class 1 executive agent is all about improving the supply chain that supports the war fighter
 - At any given time military customers can take their business else where
 - We take the responsibility very seriously

Background: Janine Samoni, Chief SMSG Division

- GAO – Recommended that DLA should be buying from commercial food vendors.
- Menu standards – V 1 of the Army buyer's guide – ensure that quality and nutritional standards are being met
- In 2016 there were concerns about the ingredients in items being provided to customers
- In 2017 DLA Troop Support sent out a prohibited ingredients letter to industry in August 2017– NAPA and MPA holders – target manufacturers first
 - DLA Troop Support rescinded the letter in September 2017and decided to do additional market research to support the need to prohibit ingredients
- In November of 2017 DLA Troop Support issued an RFI where we received several responses and common themes
 - Transparency and collaboration – need more when making decisions particular to the proposed removal of ingredients
 - Scientific justification for removal of ingredients should be transparent
 - Consider impact to the supply chain
 - Should be standardization of menu guidelines across all government agencies
 - Due to some responses being marked as containing proprietary information, specific comments won't be shared. Industry will have an opportunity to provide input and feedback at the end of the meeting

Regulatory Authority: Starr Seip, DLA Dietitian

- The regulatory authorities such as the USDA, FDA, DOD menu standards supports the Army buyer's guide.
 - There are regulations for each service that provides guidance on requirements and restrictions for regards to each product/commodity
- Each military service also has their own specifications and regulations.
 - There are multiple organizations that contribute to create the policy and there are multiple organizations that integrate it into the supply chain food system
 - What's the purpose of the joint working group
 - To review the ingredients of products we are providing to the services
 - For example, Hempseeds – There is regulations for each service guiding you on when and how hempseeds can be included as an ingredient
 - Furthermore meat protein extenders: FDA regulations state that Services use meat extenders when the actual protein/meat is considered low fat or substituted and as long as it doesn't alter the actual protein
 - To enhance the financial responsibility and accountability for the buyers
 - It's ultimately up to what the customer/Service wants or needs; the customer/Service would let us know whether their justification to go against policy
 - For example: Chicken nuggets – FDA/Food labeling laws description of chicken nugget – many manufacturers are not making chicken nuggets based on the FDA's description.
 - Another example: MSG – we will not consider MSG in our food. “Added MSG – Vendor Comment”
 - Also, partially hydrogenated oils – As of June 2018, FDA says it shouldn't be in any of our food overall. Decided that it is not good for our health.

INDUSTRY QUESTIONS:

1. John Cox asked, regarding the federal registers citations and citations to USDA, what was the point of that? Do they support the banning of the protein and meat products:
 - a. Starr Seip: They support the banning of protein extenders and the additional breading; for example chicken nuggets
 - b. The USDA publications don't support the banning
2. Kay Kramer (industry attendee) asked, regarding trans-fat and hydrogenated oils, where did you get your regulation for seafood?
 - a. Starr Seip: We consult the USDC
3. Industry attendee asked, Do you have consultants to interpret regulations to prohibited ingredients if a manufacturer's item was not approved.

- a. Cara Vartuli-Dusablon/Starr Seip: we reach out to the appropriate subject matter experts, such as USDA specialists, to gather final interpretation of the regulation and confirmation authority. This informs our decision.

Military Service Presentations - Cara Vartuli-Dusablon (ARMY), Chuck Girard (USMC), Tom Maxwell (USAF)

Cara Vartuli-Dusablon – Army

Mission: Focus on Standard and Quality.

- The services need to have a standard set in order to set quality across the board that's why we created the Joint Buyers Guide. We are trying to ensure that our soldiers are provided with quality food that tastes good.
- We were getting high quality products but we were also in a position where the quality was dropping. This is due to gaps in standards – each service is asking for something different.
 - For example: we were ordering 6 different kinds of bacon, this diminishes our buying power.
- We were all working together toward fresher, cleaner and more nutritious meals
- We are all in support of Go For Green™: all about having a nutritious quality meal that follows DoD nutrition standards and services regulatory guidance.
- In March of 2016 we started talking about having a joint buyers guide
- In February 2017 we met for a week to begin Phase one development of a Joint Services Buyer's Guide.
 - We met to streamline our standards across the services to ensure the highest quality industry can provide
 - We had dieticians from each branch of service in the room, NADICK, USDC, USDA, DLA-TS, Army, Air Force, Navy and Marines in the room.
 - We cross referenced all decision with multiple resources and regulations that we are required to follow
 - The initial food service categories are 8905 and 8915 for Phase I
 - There is not a final publication date mainly because we are still working with services and industry.
- March of 2017 we were having weekly conference calls.
- The Joint Service Buyers Guide as completed the draft of Phase One and are making final edits based on some voids found during review and taking into account responses from industry to the DLA-TS RFI
- In Dec. Army released version 11 of the Army's Buyers Guide which is on the JCCoE Website.
- The Air Force released their guidance which stated to use the Army's buyers guide as there standard.
- We predict that we will be collaborating with the Coast guard in the future.
- All future contracts will comply with the Services' Buyer's Guide available at the time of award
- Services will ask for items that comply with their respective guides

- Don't make your changes for us, we will not be able to guarantee anything. Don't make us the focal point of your business but we do want you to know our needs
- We are all headed toward a better way of living and a better way of eating
 - We have also started to socialize Dairy, Beverages, and vegetarian/vegan items. There have been lots of requests for vegetarian or vegan items, which is a gap we are looking to fill. We currently have limited options but are looking for more.
- Army specific comments: The war fighters are fighting machines, they are athletes, the mission is to improve their subsistence needs so that are better suit to achieve their objectives
- Army new initiatives: The army is looking for improved dining options. We are implementing our modernization program.
- We have a food truck pilot with three trucks in play, we are also looking to roll out kiosks at Ft. Carson, Ft drum, and Ft. Riley to start. These will provide "grab and go options with a convenience factor."

INDUSTRY QUESTIONS:

1. Is there a standard turnaround time to when the packages are received for review?
 - Answer – Cara Vartuli-Dusablon: Yes, we have a process in place to notify you when the packages/items are received, but we are not yet able to let you know when that information will be given back to you. It depends on what the item is. You will get an email saying it's been received. Still in process of gathering data. Some folks have received products some still pending. If submitted to dietitian – 1 weeks times with update (looking at or it's been looked at). If you feel like it's been too long please send a follow up email
2. The standard on the DFB, what was the rationale to use specific seafood items?
 - Answer – Starr: We are currently looking at the regulation to see what the guidance is.
3. DLA is already rejecting items based on the current buyers guide.
 - Answer – Cara Vartuli-Dusablon: Yes they are being rejected based on the Army and Marine Corp buyers guide. We will have an implementation phase when we get to that point where we are expecting industry to meet new buyers guide requirements.
4. How is the fair and reasonable justification done?
 - Answer – Cara Vartuli-Dusablon: DLA has been given guidance to be good steward of the tax payer's dollars. Items are deemed fair and reasonable when compared against similar item in industry. In the cases where like items can't be found services have the right to still request that item. Gina Vasquez: it's the KO responsibility when working on that item to make sure we are making a fair and reasonable purchase.
5. Are we (Manufacturer) allowed to work with the KO, is there a list of KOs?
 - Answer – Gina Vasquez: In order to resolve some issues it is recommended that you work with the Prime Vendor.

6. Regarding the prohibited ingredients review process. Will it not follow the process map that was reviewed?
- Answer – Gina Vasquez: The process map is only for ingredients where the service alone decides to prohibit an item that they currently have in place. The CPI team will go out to industry and ask for their input. We are trying to replicate the process that the services already have in place.

Cara Vartuli-Dusablon: We can always make a determination based on whether or not we want to include a whole item or not, this is irrespective to ingredients. The services have a choice in selecting whole products for use as long as they comply with DOD menu standards.

7. In solicitations that are out now where they ask for ungraded beef, how do we respond?
- Answer – Gina Vasquez: Some solicitations have been published for over a year, during negotiations we often revise our requirements.
8. Is the onus going to be on the manufacturer to know the buyer's guide? Is there a buffer/a party that looks at our items to say for example on your recent submission these items are not acceptable?
- Answer – Cara Vartuli-Dusablon: We have the buyer's guide published and we also have a publication called doing business with the army's guide. There is information there and you are always encouraged to contact with any questions or concerns.

Chuck Girard – Marines

- Our specs and items are driven by our recipes. Senior leaders are involved in the process and they are beginning to understand nutritional impacts of proper fueling and that we need to feed at a higher level in terms of quality ingredients provided by the SPVs.
- Based on the critical missions that have to be accomplished by our war fighter, we have to make sure that the war fighter can meet the challenge, and is properly fueled.
 - For example we can all agree that the war fighter needs the fuel to carry the over 100 pounds in necessary equipment to carry out their mission
- This prohibited ingredients process only applies to garrison operation; this does not apply to field feeding requirements for operational rations
- Marine Corps CONUS contractor (Sodexo) for garrison makes them responsible to vet the Menus and recipes for the Marines and we approve as long as they meet the nutritional requirements, terms of the contract and the need/Marine individual requirements.
 - We cannot tell them what products to buy as long as they meet those contract requirements
- We are trying to influence healthier menu options and standardize where we can however some areas cannot be standardized because of specific nutrition needs.
- Post exercise nutrition supplement:
 - After long periods of stressful exercises we need to refuel our war fighter and are looking for items that are 3/1 or 4/1 carb to protein level.

- Must be nonperishable, fortified with calcium and iron is what is being sought after for our war fighter. Performance Nutrition Packs
 - We are also addressing a timing gap with this item for periods of 10-12 hours where meals are not available
 - We are providing specific targeted snacks IOT avoid injury issue and aid in recovery prior to the next training event.

INDUSTRY QUESTION:

1. Where can we read more about Marine Corps requirements?
 - Answer – Chuck: Send me an email or reference go for green criteria which is similar to the USMC’s F2F program requirements.

Tom Maxwell – Air Force

- Our goal is to provide home cooked meals to the warfighter.
- Standardization and combining all or our ingredients makes it easy for us and you, Industry, and it increases our buying power.
- We don’t bar any whole items, specifically we are open for vegetarian options.
- When you want to introduce a new (AF) product it comes through my Office.
- If an items is rejected through Mr. Maxwell’s office it is rejected with justification for why the item was rejected. We look at the product, taking food and beverage seriously, looking at how each product will meet our need.

Industry input: John Cox: Representative of Soy Food Associations and informal coalition with members from Grocery Manufacturers Association, National Council of Farmers Cooperatives, Institute for Shortening and Edible Oils:

- Through this meeting, I appreciate the positions DLA and the services are in. There seemed to be a sudden ban on certain ingredients in August 2017. However, it seems to me that the nutrition policy in DoD is fragmented and the joint services guide is attempting to streamline this. We didn’t see justification from the Services to remove soy products. Soy proteins are very prevalent in many items such as meatballs, processed meats, and makes them better. I didn’t see an opportunity for industry to submit input for the joint services buyers guide.

We understood that DLA asked for justification from services. Is that still in the works? We have learned that services believed that prohibited ingredients were a value problem – less valuable than a 100% muscle product. We made the point that soy protein ingredients in fact make the product better and are very functional.

We appreciate opportunity to meet with Alion Science Technology. The Process Map looks good, but more details are needed – this is the process that we are looking for. As for the development of JSBG – There seems to be no opportunity for industry to comment going forward, which may lead to the potential for same situation of last August’s (Prohibited Ingredients) letter. We don’t want to be surprised. We appreciate everything and want to find a way to work with DLA going forward. We all want to accomplish the same mission.

The August letter restricted all soy extenders. We now understand that soy can't be included in whole muscle meat.

INDUSTRY COMMENT: We should all understand that we each have a responsibility to develop a compelling business case for our industry. No one in the room should think that the Government has a responsibility to buy our products and that they have to take what we give them.

DLA TROOP SUPPORT RESPONSE:

- Cara Vartuli-Dusablon: Based on the letter that went out, to be clear the services never prohibited any ingredient across the board, we did say that we don't want added ingredients in raw animal items (FSC 8905). This was miscommunicated in the DLA-TS letter released to industry. The letter has since been rescinded. As far as the buyer's guide we pull information from USDA, FDA, the National American Meat Packers Guide, USDC guide... etc. The only requirements that we add is the serving size and packaging that is appropriate based on service specific requirements.
- Gina Vasquez: We have provided new information to clarify what should have been taken from the August letter. Items will flow in and out of the catalog depending on trends and nutritional guidelines.
- John Sheehan: We will look at the map to include what triggers the discussion before getting to "Step 1". The map is fluid and industry input is important.