

REMARKS BEFORE THE AMERICAN COUNCIL ON CONSUMER INTERESTS

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"What is the Department of Agriculture doing for the consumer?" is a question I am asked most frequently. The Department of Agriculture has, in the past, been accused by some of being indifferent and insensitive to the concerns of the consumer. However, this attitude is changing. The leaders of the Department of Agriculture realize that this is a new era, that government must be sensitive to the needs of the consumer and must respond to these needs.

As you know, the position I hold as Special Assistant to the Secretary of Agriculture is a new one at the Department of Agriculture. My role is very diversified so that there is great latitude in serving both the Department and the consumer. To carry out this role, I have been assigned some specific responsibilities. First, I am responsible for representing -- at the highest levels of the Department -- the concerns of consumers as they relate to all Departmental programs. Second, I advise agency administrators on issues and actions which have a bearing on consumers. Third, I serve as the consumer's special representative in the Department of Agriculture.

To date, my job has involved all three areas of responsibility. My role within the Department of Agriculture, as I see it, is getting the Department to "Think Consumer." We have to become more aware of the urban consumer and serve him better.

Consumers today are very concerned -- and indeed they should be. Heating oil problems, empty grocery shelves, and increasing costs have been a shock to all of us, particularly to young shoppers who have known only abundance. Conflicting information and some panic buying have also added to the confusion and uneasiness.

Our information and communications need to relate more directly to the day-to-day changes and issues that affect the consumer: the rising food prices, the farm export situation, and any potential food shortages. We will have to address ourselves to new segments of the population such as the young suburban family, the aged, and those living in the inner city. Our materials will have to be written with particular groups in mind -- more than ever before.

Food prices are on everyone's mind today, and most of us are asking what will we see in the year ahead. Department of Agriculture economists do expect that food prices will be higher, at least throughout the early months of 1974. While it seems that food prices for 1974 as a whole will be up, the extent of the increase is uncertain, and depends on three major factors: How much food output is stepped up this year, the foreign demand for food commodities, and conditions in our own economy. The most likely result is that 1974 will be higher than 1973, but the increase will not match the increase we saw in 1973.

What all of this is most likely to mean for family food shoppers is that we will be paying more for food during the next few months, but we have to be more specific on the commodity outlook -- not just make sweeping generalizations.

Throughout the Department of Agriculture, people have felt and seen the need for a more coordinated approach to the issues and programs dealing with consumers. One of my primary concerns when I took on this new responsibility was the lack of consumer input into the Department's decision-making process. Nowhere was this lack of input more evident than in the process of making regulations that have a significant effect on products consumer purchase. If we are going to get consumers' comments on proposed regulations, we must actively seek such input; we can no longer simply publish a proposal and wait to hear from consumers.

Let me spend a few minutes on three current proposals and tell you what we are doing to encourage consumer comment. On January 23, we held the first meeting of an ad hoc group of consumer representatives to explain to them the details of a proposed system to assure the accuracy of net weights on packages of meat and poultry products. The proposed regulations could have important impacts on the values consumers receive, and we feel it is imperative that consumers have input into this decision. As you may know, the normal procedure for generating comment has been to publish a proposal in the Federal Register, issue a press release, and wait for comments. While this may have been a fairly successful way of reaching representatives of affected industries, it surprises no one that it did not encourage much consumer input. In addition to that briefing, five regional briefings were conducted to inform consumers and their representatives about the proposal. The deadline for filing comments was extended to May 31 because of the tremendous public interest in the proposal.

The nutritional labeling for meat and poultry products is similar to that issued by the Food and Drug Administration for all other foods. Under the proposal, if a meat and poultry processor elects to participate in the program, he would have to conform to regulations governing the type and content of nutrition information and its placement on the consumer package. The voluntary program would be mandatory, however, for processors who make nutrition claims for their products -- such as "High in Protein." Processors who add vitamins, minerals, or protein to their products would also come under the mandatory sections of the proposed program. Nutrition labels

would have to be submitted to the Animal and Plant Health Inspection Service of the Department of Agriculture for approval. The processors would also have to submit a plan for an inplant quality control program to assure that the product meets the nutritional values stated on the label. On products which would require cooking, the label would also show the nutrient levels remaining after cooking. This differs from the Food and Drug Administration proposal. Two briefings -- one in Los Angeles and one in Washington -- were held so that consumers and their representatives could be briefed on this proposal by Departmental personnel. The comment deadline on the nutritional labeling proposal is today, April 19.

To acquaint consumer representatives with the operation of an effective in-plant quality control system and the implications of a current USDA proposal on such systems, a tour of a meat processing plant in Kansas City has been scheduled. The purpose, of course, is to provide background for consumer representatives and communicators to discuss the ins and outs of the proposal, and to generate useful comments on the impacts of the proposal from the consumer's viewpoint.

To foster responsiveness and sensitivity to consumer interests among USDA employees, we have initiated programs on the consumer movement as part of the management training activities. For many employees, this is their first experience with consumerism and I think it is helping them see the consumer impact on Department programs and the need for consumer input in our decision-making process. I would like to note, also, another indication of interest in the Department's relationship with the consumer: The 1973-74 Young Executives Committee, individuals nominated by their agencies and selected on the basis of their achievements and potential, decided to study consumer involvement in USDA food policy. They are preparing their report now and we are looking forward to their recommendations on more ways to foster two-way communication with consumers.

We have also conducted briefings for representatives of consumer organizations on such major issues as export policies and dairy policies.

I strongly believe that local community action is essential to the success of consumer movements. I find that more and more local groups are initiating exciting programs dealing with hometown problems and solutions. On March 14, I had the opportunity to keynote Denver's Consumer Day -- a joint undertaking of business leaders, local government officials, the Governor's office, Secretary Butz' regional representative, university people, and community organizations. The topic of the day was "Food -- Making Ends Meet," and it was one of the finest cooperative efforts I have seen at getting dialogue going among the three partners -- business, government and consumers.

On March 30, the National Consumers League sponsored a Food Marketing/Consumer Action conference in New Jersey. The purpose was, "To develop a powerful policy-influencing consumer presence at the local level." League president Esther Peterson noted that, "The food situation is creating such hardships for so many people the problem must be handled on a community level."

To give you an idea of the extent of interest in consumer activities, let me tell you about some other activities I've had the opportunity to be involved in recently.

In Des Moines, Iowa, I participated in Iowa Agriculture Day. This group was composed of leaders of agriculture in Iowa who sponsored an outstanding day devoted entirely to telling the story of Iowa agriculture. All facets of the public were involved.

I have found in meeting with metropolitan consumer representatives that they are anxious to know more about agriculture, as many of them have need for an opportunity to visit a farm -- much less a feed lot. I was delighted when the Iowa agriculture leaders enthusiastically adopted my recommendation for sponsoring "Consumers Day at the Farm." My office will assist in the coordination of this program, and I am most happy to have such great cooperation from the leaders of agriculture in Iowa, as I feel the mutual understanding which will result will be most beneficial to both the consumer and the producer. I also encouraged this group to provide their agricultural audience with more information on consumer attitudes, issues, and on the consumer movement.

Increased nutrition awareness was the focus of the Nutrition Expo held March 9 and 10 in Los Angeles. Sponsored by the Los Angeles District of the California Dietetic Association, the Expo was a fitting climax for National Nutrition Week. Expo sponsors told me that although they had a strong program to offer, they really weren't sure how many people would attend. They were delighted to find that 2,000 people came to hear lectures by outstanding medical and nutritional experts on good food and good health, the role of food additives and preservatives, weight control and nutritional labeling; to see demonstrations on micro wave cookery, Chinese cookery; to view movies on physical fitness and teenage nutrition, and to visit exhibits dealing with just about everything pertaining to diets and health. All in all, it was a successful two days, and certainly demonstrates that there is public interest in nutrition!

At a Nutrition Symposium in Oklahoma City, I had a chance to exchange ideas with state-wide nutrition leaders -- those who can reach consumers with the good food/good health message. Not only was there excitement about nutritional labeling and other new nutrition education ideas, but there was also tremendous interest in a Consumer Day program like the recent Denver effort. The retail representatives in the group indicated that they'd like to take leadership responsibility for such a program in Oklahoma, which, of course, will be a new thrust on the part of the retailer.

Consumer input is important, but we also need new ways of reaching consumers with important information. One of the most exciting new avenues of movement on the consumer scene is the involvement of young people. Consumer education, beginning in elementary school, is essential if we are to have alert, informed consumers in the marketplace. Involvement of students in solving consumer problems and communication with consumers in the best way I know of to achieve consumer education goals.

In Bloomington, Indiana, a dynamic, effective, well-organized consumer effort was spearheaded by students at Indiana University. Business and civic groups, the mayor's office, faculty, students, and the press all worked together to launch the first official Food Safety Week in the country. This was a tremendous community program which focused on one of the Department's high priorities -- Food Safety. Food Safety Week is the first of what we hope will be a model for similar projects on university campuses and in university communities throughout the United States.

As we at USDA are building communications links in many new directions, so should other leaders of agriculture. They must respond to the consumer who truly wants to know more about what she is buying, about the quality, the freshness, and the costs. Consumers want to be informed, so they can buy more intelligently and more economically. The freedom of the consumer is an exciting marketing fact. Don't make the mistake of thinking the consumer is an adversary -- or someone to be placated. We have to stop seeing consumerism as a threat and see it as an opportunity.

An enlightened consumer affairs program consists of more than preparing polite form letters to answer all written complaints. It means anticipating consumer complaints, taking consumer advice, giving the consumer a fair shake; in short, accepting the consumer as a knowledgeable partner rather than taking him for granted. And today's consumers are becoming more knowledgeable about the marketplace.

The consumer movement for some may seem difficult to understand because it is diverse and changing, but to food producers and marketers, it should be a way of life. Industry and government must know what is happening on the consumer scene so that they may act -- and not just react -- before a situation reaches crisis proportions.

Many organizations are already showing an increasing interest in taking a more active role in meeting the concerns of the American consumer before they become real public issues. The key to effective advocacy is demonstrating a real concern for finding out the best possible solution for the consumer. That's what consumers are demanding. That's what regulators and legislators are seeking to ensure they get.

Today, none of us can be complacent. The alert and responsible organization today will carefully evaluate its products and services in terms of consumer dissatisfactions that are surfacing every day. It is conceivable that there may need to be some drastic rethinking of priorities as they affect the design, manufacture, and marketing of products.

In establishing product pricing, for example, it may be necessary to examine and evaluate product quality and service capability to a greater degree than has been the practice in the past. And if meeting consumer demands for performance and servicing requires a higher price structure, this must be effectively communicated to the consumer. A policy statement or advertising claim is not sufficient in itself. Policy and claims must be backed up by facts -- effectively presented -- and by action.

There's been no shortage of charges, countercharges, and proposals for change in the evolution of consumerism. But the conditions that gave impetus to consumerism have not diminished.

Consumerism is here to stay. But a team effort is needed. Communication, cooperation, and coordination are the keys, I feel, to the three-way partnership of agriculture, government, and consumers working together.