## INVESTING IN HEALTHY CONSUMERS FOR A HEALTHY INDUSTRY

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Good afternoon. I know we're in a somewhat cynical town, so let me get the disclaimer out in the open right away. If consumers eat more fruits and vegetables, that's good for my business. My job is to help growers, shippers and marketers sell more fresh fruits and vegetables.

But this isn't a marketing order meeting for the produce industry. I know there are many of you in the audience today who don't share that goal – your job may be to promote beef, dairy, or sugar consumption. Some of you up the food chain a bit from agriculture have the job to promote specific branded foods or soft drinks. And some of you promote different restaurants or retail stores. So, let me talk with all of you today, not just my friends in the fruit and vegetable industry.

I'm convinced that my title applies to all of you – investing in healthy consumers will lead to a healthy *food and agricultural industry*, not just a healthy *produce* industry. Let me tell you why.

Not many years ago, the Ag Outlook Forum wouldn't even have room for a speaker promoting public health. What's that got to do with us in agriculture? This year I accepted USDA's invitation assuming that I could give my regular speech about the obesity crisis, the exploding cost of health care, and the need to help people make healthy choices. Little did I realize that same speech would have been given eight times in the last 24 hours.

I'm not going to repeat all of that. You know by now there's a crisis in public health and a crisis among our kids. Many health scientists are beginning to question whether today's kids will become the first generation in America to fall behind their parents in lifespan. Think about that a minute – every generation in this country has been healthier than the preceding. But today, the soaring rate of childhood obesity, the staggering growth in early diabetes among teens, and related health problems that will last a lifetime threaten to change that centuries-old pattern.

Investing in healthy consumers is the right thing to do, no matter what sector you're in, what food products you sell, or where your business interests fit on the Food Guide Pyramid.

Our society is inexorably changing from one focused on treatment of disease to prevention of disease. We simply can't afford to pay for heart bypass operations for all of us baby boomers who are going to need them, and when our teens start on a lifetime of health complications from diabetes we haven't seen anything yet. This is a real societal crisis that is just beginning to percolate.

As we move to a prevention based approach to good health, diet and lifestyle are the risk behaviors that are key. Sure, it's still about individual choice. But as a society, more and more opinion leaders are recognizing that we really have no choice. We simply cannot afford – literally – to lose the good health of this generation of children to diet and lifestyle related disease. Government, industry and all of our institutions have a responsibility to be part of the solution, not part of the problem.

Those in agriculture, the food industry and government who resist the notion that society at large must help change individual dietary behavior are likely to face poor prospects ahead. Restaurants and retailers that ignore the nutrition and health challenges their customers face will be vilified. Food manufacturers and commodity groups that ignore how their products are really consumed will likely face imposed restriction. And government that ignores this social challenge by calling childhood obesity an individual choice will be voted out, regardless of party.

That sounds strong I know, but we're looking at a sea change coming with waves that can either crash over you or carry you forward as a successful enterprise.

In this climate, how does one get ahead of the curve? I'm going to suggest the easiest and most direct answer is to help Americans, and those around the world, to reach their recommended goals for fruit and vegetable consumption. Now there I go again, promoting my own deal. But you know, fruits and vegetables are not the villain fighting against other food commodities; we are complementary products in every meal of the day. Fruits and vegetables are not the cause of attacks on restaurants or retailers as purveyors of unhealthy foods; we are part of the solution. And fruit and vegetable programs are not a drain on government resources; we're an investment that will save tax dollars in health care costs for every child we can turn on to eating 5 A Day.

As USDA and HHS continue to debate the 2005 Dietary Guidelines for Americans, did you know the fruit and vegetable recommendations are the least practiced guidelines today? The 2000 Guidelines call for 2-4 servings of fruit and 3-5 servings of vegetables every day – that's nine a day for me. Yet average consumption hovers at less that half the recommended level. There should be no food industry infighting about getting every single American up to the minimum recommended consumption for good health. And there should be no excuses for government to write the recommendations then do little to help people achieve them.

The produce industry has embraced the challenge to change the way America eats. We know that grandmothers everywhere tell kids to eat their vegetables; it just doesn't seem to work very well with today's generation. We can't simply stand behind our health message, no matter how strong, and expect people to change behavior patterns that are more driven by taste, convenience, fun, and marketing. We have to be in the real game – delivering produce items that people *want* to choose, not just ones they *should* choose. We're not going to nag people to good health; we have to entice them.

One of the most revolutionary produce industry changes in recent years was the development of cut baby carrots. This item barely existed 10 years ago, yet today is the snack pack of choice for millions of kids. It's truly one of those magic moments when agriculture comes up with a new process that can increase value of the crop, and at the same time transform a consumer eating experience. If any of you fast food restaurants are out there, have I got a great kids' meal product for you!

Today, retail stores are literally teeming with prepared salads of every variety you can imagine. Bagged salads have taken over the #1 sales spot in the produce department. The iceberg lettuce, romaine, tomatoes of every variety and all the ingredients are still there when we're in the mood for recreational cooking, but consumers in a hurry need only a pair of scissors to add a healthy salad on the table. We are seeing growth in what I'd call "main course" salads – with meat and cheese included. I was in Safeway last week and saw a beautiful salad that looked like it was made just then for me, only to look at the label and see that it came from a friend of mine in California. Technology that enables that modern miracle of freshness throughout distribution is helping us fight the battle too.

You're now beginning to see the next frontier in fresh cut fruit, moving the labor-intense prep function out of your kitchen, out of the retailers' back room, and into state-of-the-art processing plants. Not only do they handle the labor, they can test the fruit for sweetness and make sure it meets consumer desires. It won't be long before cut apple slices, grapefruit bowls, and mixed melon pieces will become as ubiquitous kids snacks as baby carrots today. As fruit and vegetable producers and marketers, we must make that commitment to focus unrelentingly on taste and quality. Think about what happens when you stop at a McDonalds for a Big Mac or choose to snack on Doritos in front of the TV. You know exactly what the taste experience will be, no matter where you are in the country – or the world for that matter. But how about ordering a salad in a restaurant, or snacking on a piece of fresh fruit from your local store? Sometimes we're delighted, and sometimes we can't even finish it. The range of expectation for many produce items extends from juicy and delicious to the consistency and flavor of cardboard. Our number one goal must be to make every single eating occasion a cause for joy! I call it "*a delight in every bite*."

Finally, we in the produce industry have to work on our marketing. Fresh produce is an odd player in the food industry, because we're at the same time a raw agricultural commodity and a branded, ready-to-eat consumer product. Far too often, we bring our farming skills to the marketplace, rather than marketing skills to our farms.

Some of you know I began my career in this town 22 years ago at the National Soft Drink Association. I learned there a marketing lesson reading about one of the early leaders of The Coca-Cola Company, Robert Woodruff. He coined the phrase "within an arm's reach of thirst." No matter where you are in the world, when you get thirsty, Coca-Cola's success is built on you having the ability to reach for a Coke. That's the kind of access we need for fresh fruits and vegetables – in schools, worksites, vending machines, restaurants, retail stores, health clubs, drug stores, and of course, right on the counter in your kitchen and on the top shelf of your refrigerator at home, not hidden away at the bottom.

I can tell you the produce industry isn't about restricting other choices as the way we'll successfully fight obesity. Instead, we're going to demand access for consumers to fresh fruits and vegetables, and then do our own work to make sure we have great tasting, healthy products "within an arm's reach of hunger."

Let me turn my attention now to some of the things that I think government needs to do together with us to invest in healthy consumers, and bring consumption of fruits and vegetables just a little bit closer to those basic dietary recommendations.

It's abundantly clear that we have to start with children. While outreach to adults is important, what is really going to make a long-term difference in our national health is helping establish healthy eating habits among kids that they take with them for a lifetime.

USDA's Economic Research Service reports that children aged 6-19 average only about onehalf the recommended levels of fruit and vegetable consumption. On any given day, as many as 45% of children eat no fruit at all, and 20% eat less than one serving of vegetables.

The first place government has focused on kids is in the school lunch program. We've made tremendous strides here in countering the devastating effects of hunger, but nowhere near enough progress in affecting food choices for health. While we can demand that school meals meet nutrition standards on the plate, we know kids make different food choices everyday. I support the school environment as a model for healthy food choices, but we won't insulate kids from competing choices whether from convenience stores, supermarkets or restaurants. Simply giving students healthy meals that don't meet the quality and taste test of the real competition dooms these federal nutrition programs to wishful thinking, and actually can put kids off fruits and vegetables rather than promoting consumption.

My suggestion today is to look at what works. If we see something working -- honor it, promote it, fund it, and expand it. I believe strongly the most important children's nutrition program today is the Fruit and Vegetable Pilot Snack Program passed in the 2002 Farm Bill.

This \$6 million pilot program – offered in 107 schools in four states and the Zuni Indian Reservation in New Mexico – is rocking the nutrition world. In a nutshell, the program involves USDA grants to schools, which in turn use those funds to purchase and distribute fresh fruits and vegetables to kids as snacks. Schools can choose what fruits and vegetables kids like, they choose what time of day for the snack, and they choose how to deliver them to the students. In the pilot, most of the elementary schools delivered a tray of fruit or cut vegetables to each classroom, where teachers often used them in lessons. Many of the high schools set up kiosks in the hall providing easy snack choices for fast-paced kids changing classes.

Before the pilot program, we had a serious debate within Congress and USDA whether kids would even eat the free product placed in front of them. In those schools with the program today, principals, teachers and the kids themselves have become the strongest lobbyists I've ever seen. They simply will not give up their fresh fruit and vegetable snacks.

If you haven't read the ERS Report to Congress on this Pilot Program, I urge you to do so. Kids actually liked the choices and ate the fresh produce, with no waste. Schools that feared a messy program with lots of waste found the kids ate all the produce made available. The ERS reports that the most popular vegetables were fresh carrots, celery, broccoli, cauliflower, cucumbers, tomatoes and peppers. The most popular fruits were fresh apples, bananas, oranges, pears, grapes, melon, pineapple, kiwi and strawberries. I don't know about you, but it makes me pretty hopeful for the future to see little elementary kids eating that variety of fresh produce.

In the pilot, kids' consumption increased by at least one whole serving a day, and that doesn't even take into account the after-school and at-home consumption which we know from ERS is reported anecdotally to have increased markedly. Let me ask the nutritionists in the room what nutrition education program do you know that has ever had that behavioral impact at a cost of 25 cents per student?

The real lesson of this program is the power of experiential learning. Those who think this is just a fruit and veggie giveaway miss the vital connection that is taking place. By schools handing out a healthy fresh fruit or vegetable snack, kids are pausing to think about healthy eating and healthy choices everyday. Kindergartners celebrating little Johnny's birthday learn that strawberries are a taste treat, not only cupcakes and donuts. Second graders cut the oranges and apples into quarters and learn fractions. Fifth graders learn about sanitation by preparing fruit trays to deliver to the first grade classrooms. And even those crazy teenagers running though their middle and high schools see the fruit and vegetable kiosks in the hall every time they change classes.

We're front and center in their lives throughout the school day reminding them about consequences of their own choices. They can still shop the vending machines, buy competitive foods, or go to the convenience store after school. But this program is teaching them about choices for a lifetime. Isn't that what we're supposed to do in schools – not hide them from the alternatives, but help them understand the consequences of their own actions, and make their own choices for the future?

I'm excited to report that the program has just been expanded to Mississippi thanks to Senate Agriculture Committee Chairman Thad Cochran's work to get funding in the omnibus appropriations bill. After spending hundreds and hundreds of millions of dollars on elaborate nutrition education programs over the years, we've finally found a way to get kids to seriously increase their fruit and vegetable consumption: Give them a good quality, fresh fruit or vegetable snack at school, and they'll love you for it.

Listen to what some of the participants say:

#### Jean Morgan, School Nurse at Camanche High School, Camanche, Iowa

"Not only are students improving their daily intake, I am hearing families say they are making far more fruit and vegetable choices when they do grocery shopping. Our local grocery store is making a special area for single-serve produce choices because of the increased demand from students and families."

#### Melissa Geers and Josie Funk, Dietitians at the Summit Country Day School, Cincinnati, Ohio

"We used to walk the hall and see students eating potato chips...- since the pilot, we smile as we watch students eating carrot sticks or munching on an apple. We have all succeeded in helping the children learn to eat healthier, and develop a love for fruits and vegetables.

## Kathy Bassett and Students on the North High School Student Council, Des Moines, Iowa

"Most teenagers, as you know, love junk food. But having fruits and vegetables available during school hours has really opened our eyes to the advantages of eating healthy foods. Many of us have learned to like fruits that we had never tried before."

#### Deborah Kohn, Coordinator of Comprehensive School Health Education, Flint Michigan Community Schools

"Programs come and go and are often an unwelcome intrusion – but not the Fruit and Veggie Project! Students were eager and enthusiastic; teachers were fun, positive role models; people tried new things they would not normally eat."

## And finally, Kathleen Green, Principal of Jefferson Elementary School, Muscatine, Iowa

"We were blessed to have been the site for a Fruit and Vegetable Pilot Program last year. I cannot begin to tell you how much this has added to our neighborhood children. Our poverty rate is 64%, and most of the children who eat free/reduced lunch also eat free/reduced breakfast. We have noticed a decrease in the amount of food that is thrown away during our lunches. The children have experienced fruit and veggies that they have previously not encountered. They have learned that fruit and vegetables are a desirable snack...The students have reported that when they have been in the grocery store, they show their parents what they have been eating at school and ask them to buy it. It has actually been a family learning experience. Thank you for this wonderful Pilot Program. Please, please give us the chance to depend on this program indefinitely. Money spent on early childhood nutrition is gold.

With the overwhelming response to this new pilot program, I have to mention one other issue with regard to USDA and school lunch – A.J. may give me the hook on this one but I have to say something about USDA's commodity purchasing program. USDA has done a great job helping farmers with oversupply by purchasing excess production and channeling that to schools. But it's clear from the reaction of these kids to the *fresh* fruits and vegetables in the pilot program that something has got to change radically in USDA's commodity purchasing programs.

In 2003, USDA bought \$438 million in fruits and vegetables for schools and other feeding programs. That's great. But of that \$438 million, can anyone guess how much of that was fresh? I'm disappointed to tell you fresh produce accounted for a miserable 1.3 % -- 98.7% was canned, dried or frozen.

Now there's nothing wrong with those products, but I can tell you from our knowledge about what fruits and vegetables people choose to buy at the grocery store, and what products were appealing to kids in the pilot program, that 1.3% of fresh produce is way out of balance. Let me say this clearly – surplus removal cannot be the guiding force in school nutrition. And, nutritional profile alone cannot be the only determinant of what products we give kids. Why is there plate waste in school lunch? Why do kids buy competitive foods on the a la carte lines? Why do they run out to 7-11 immediately at the end of the day?

We do pilot programs to learn things – this time we learned clearly that kids desperately want high quality fresh produce items in schools. They eat them without waste, and they learn to choose them on their own later outside of school. For those in my own industry who find that message disturbing, I'm sorry but it's the truth. Kids want, and deserve, fresh produce from USDA.

I'm glad to have the new USDA Fruit and Vegetable Advisory Committee here today, because you have no more important cause to pick up from your predecessors than finding a way to get more *fresh* produce into schools. Until there's some equal balance between fresh and dried, canned or frozen in USDA's purchases of fruits and vegetables for schools, this issue will not go away.

Finally, while we're talking about child nutrition, I have to mention WIC – the Women, Infants and Children program. How can we seriously tell women and their children in this program that they have to double their consumption of fruits and vegetables to meet minimum health guidelines, but include no produce items in the WIC packages? Five years ago Congressional leaders called on then Secretary of Agriculture Dan Glickman to revise the WIC package to include at least some fruits and vegetables. Today, I'm sounding like a broken record but the real travesty is that WIC recipients are still waiting.

Now this isn't the forum to start casting blame. But the public health community long ago lost patience on this. No one is trying to reduce the servings in WIC of other products – but we are trying to bring the program into the 21st century. Congressman Adam Putnam who introduced the Healthy America Act last summer turned a few heads when he reminded colleagues that the WIC package had not been updated since before he was born.

There are so many other areas where government could make a huge difference to help the Dietary Guidelines come true. We need to focus on increasing funds for the Department of Defense Fresh program that delivers produce to schools; we need to support expansion of school breakfast and after school programs, salad bars in schools, and of course the new pilot fruit and vegetable snack program. We have to be innovative in food stamp education to address the health disparities prevalent in America, and think about bonus food stamp coupons for purchase of fruits and vegetables. And beyond USDA, Health and Human Services needs to get outside of the box of treating disease after people get sick, and begin funding prevention of disease through diet and lifestyle at a level where the dollars match the speech.

The time for dietary recommendations that aren't implemented or enforced is past. The time for talk about school nutrition and healthy choices without action is past.

The time for a national commitment to prevention of obesity and disease is NOW.

But back to my disclaimer from the beginning -- I'm not here as a public health expert. I'm just a peddler trying to sell a few more fresh fruits and vegetables. And from where I sit, I believe we'll make the greatest strides to improve health, prevent obesity, and fight cancer when our industry focuses our attention on what we can do best – and that's grow the very best fruits and vegetables we can, handle them like the nuggets of gold they are, and deliver that fresh and marvelous bounty to consumers in every aspect of their lives.

How much impact can fresh produce have on stemming the tide of obesity and poor health? We're limited only by our will and our imagination.