

# IDFA Membership Briefing COVID-19 Update

#### AGENDA



WELCOME & INTRODUCTIONS: Tom Wojno

**INDUSTRY UPDATE:** Michael Dykes

**IDFA EFFORTS:** 

Regulatory- Joe Scimeca, Cary Frye

Advocacy- David Carlin

**Communications**- Matt Herrick

**NEW IDFA LEGAL NETWORK-** Danielle Quist

**Special Guest Presentation**- Robert Goldstein **CONTRACTS, CONTINUITY and QUALITY MANAGEMENT SYSTEMS** 





## Welcome & Introduction



Tom Wojno – SVP, Innovation & Member Advancement



Industry Update



Michael Dykes, President & CEO



# Delivering Value for Members

**Advocacy** 

Regulatory

Communications

#### Our Focus





## Workforce



Supply Chain



**Critical Services** 



**Exports and Imports** 



Maintaining Markets





# IDFA Efforts – Regulatory

Joe Scimeca – SVP, Regulatory & Scientific Affairs Cary Frye, SVP, Regulatory Affairs



### Food Safety & Worker Health



- SARS-CoV-2 → Not a Food Safety Concern
- COVID-19+ worker → no need to recall implicated food
- Return of COVID+ worker → follow CDC guidance<sup>1</sup>
- Cleaning/Sanitation
  - Existing GMP adequate
  - COVID-19+ worker → clean/disinfect following CDC guidance
- Food Industry Recommended Protocol for COVID-19+ Employee<sup>2</sup>
- Measures for Physical (Social) Distancing in Food Manufacturing Facilities<sup>3</sup>

Safe, Abundant, Nutritious, Wholesome Food Supply -> No Shortages Expected



<sup>&</sup>lt;sup>1</sup> https://www.cdc.gov/coronavirus/2019-ncov/healthcare-facilities/hcp-return-work.html

<sup>&</sup>lt;sup>2</sup> https://www.idfa.org/wordpress/wp-content/uploads/2020/03/3-24-20-Food-and-Beverage-Industry-Positive-Test-Protocol-1.pdf

<sup>&</sup>lt;sup>3</sup> https://www.idfa.org/wordpress/wp-content/uploads/2020/03/2020-03-26-Emergency-Preventions-Measures-for-Physical-Distancing-in-Food-Manufacturing-as-Related-to-COVID-19.pdf

#### FDA Enforcement



- Inspectional Changes by FDA ORA:
  - Postponing most foreign inspections
  - Focus domestic inspections only on "mission critical" (e.g., outbreak investigation, recalls)
  - For routine inspections → mostly pre-announced
  - Exploring with industry → remote inspections
  - FSMA FSVP on-site audit requirements → temporarily suspended
  - New assignment: remote inventory assessment; may include providing COVID-19 guidance
  - FDA FAQ for further info<sup>1</sup>



## FDA Labeling Flexibilities



Amount per serving

Calories

Cholesterol 0mg

Total Carbohydrate 37g

The % Daily Value (DV) tells you how much a nutrient in

Total Sugars 12g

Sodium 160mg

Vitamin D 2mcg

Calcium 260mg

Saturated Fat 1g Trans Fat 0g 230

0%

7%

13%

10%

20%

45%

% Daily Value

- At IDFA's urging FDA granted labeling flexibilities
- Packages labeled for food service can be sold at retail or directly to consumers without nutrition labeling - during public health emergency
  - Must bear statement of identity, ingredient statement/allergen information, name and place of business of the food manufacturer, packer, or distributor and net quantity of contents
  - If package bears a nutrient content claim –
     "low fat," "light" if still must have nutrition facts
- Will not enforce new nutrition facts label in 2020
  - Extending enforcement discretion until Jan 1, 2021



#### **USDA** Nutrition Assistance



- USDA Secretary Perdue "Do Right and Feed Everyone"
  - Free school meals for pick up and delivery when schools are closed – additional meal flexibilities
  - Allowing states WIC agencies to request waivers for different size packages and types of milk (2% instead 1% and nonfat), yogurt and cheese
  - Emergency increase in SNAP benefits allows states waivers for \$50/recipient \$200 household
  - Food Banks announced intent of purchase more "family size" dairy products quickly for food banks
    - Details are pending on types of products and method
    - Dairy companies must be a USDA approved food vendor <a href="https://www.ams.usda.gov/selling-food/becoming-approved">https://www.ams.usda.gov/selling-food/becoming-approved</a>
  - USDA AMS Inspections dairy plant surveys, grading, and export certificates will continue







## IDFA Efforts - Advocacy



David Carlin – SVP, Legislative Affairs & Economic Policy

#### Bipartisan Coronavirus Relief Bill Enacted on March 27th



Allows businesses to delay payroll tax payments

Provides a refundable payroll tax credit for negatively affected employers

Guarantees 100% of SBA loans used to retain workers, pay leases...

\$25B for SNAP & child nutrition programs, and \$450M for food banks

\$24B for relief for farmers and the broader agricultural sector

### Increased Truck Weight Limits on Interstate Highways



- Allows states to issue special permits for heavier trucks transporting critical supplies on interstate highways
- State by state determinations depending on requests they receive
- IDFA and other trade associations have urged all 50 states to allow 88,000 pound trucks at a minimum, to operate on their roads and highways



#### Government Payments to Critical Infrastructure Workers



Dairy industry workers are among those designated as "critical infrastructure" workers by the Administration

In recognition of their daily efforts to keep the nation fed and nourished, IDFA and other trade associations are asking Congress to provide targeted financial support to these and other critical infrastructure workers.

We hope that Congress will include such a provision in the next COVID-19 legislative package

### **FMMO** Flexibility

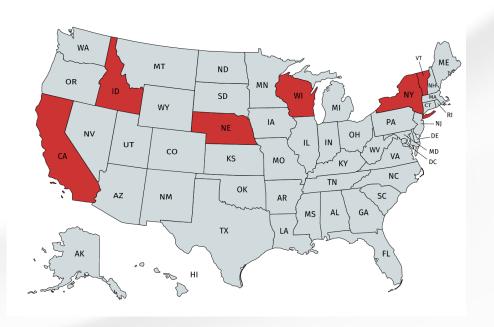


- AMS announced temporary flexibilities in the FMMO rules to "ensure efficient milk movements from farm to table".
  - Pooling provisions, shipping and/or diversion limits, of individual orders may be adjusted to accommodate changes in supply/demand due to COVID-19 responses
  - Milk historically associated with a FMMO will be allowed to be dumped at the farm and still priced and pooled on the FMMO.
  - Some producer-handler regulations will be relaxed
- All requests for flexibility should be made to the appropriate Market Administrator

#### Coordination with State and Regional Dairy Associations



- Goals: Share information and coordinate efforts
- March 27<sup>th</sup> conference call
  - Dairy Institute of California
  - Idaho Dairymen's Association
  - Nebraska State Dairy Association
  - New York State Cheese Manufacturer's Association
  - Northeast Dairy Foods Association, Inc.
  - Vermont Cheese Council
  - Wisconsin Cheese Makers Association
  - Wisconsin Dairy Products Association





## **IDFA Efforts – Communications**



Matt Herrick – SVP, Strategic & Executive Communications

### Coronavirus Resource Page



- Visit <u>www.idfa.org/coronavirus</u> for the latest updates, resources, protocols, and guidance from IDFA and industry experts, and health and safety authorities
- The page is segmented into Guidance to Employers, Labeling & Nutrition Resources & Guidance, Food Safety & Safe Operations, Transportation & Trucking, Events & Conferences, Travel Guidance & Restrictions, and Industry Sign-On Letters to Congress and the Administration
- The IDFA resource page is updated many times each day—please check it frequently
- More than 4,000 visitors per week

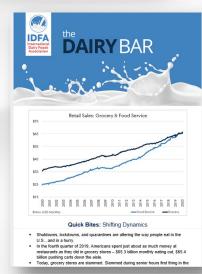


#### **Email Updates**



- IDFA distributes several email newsletters:
   Advocacy Digest, Training & Educating Digest,
   Networking Digest, Connect, and an economic
   digest called the Dairy Bar.
- We also issue frequent email updates from Michael Dykes with important information on the pandemic, including updates on advocacy, legislative and regulatory issues
- We send these emails through Constant Contact. Please open and read them if you are able, and if you are not receiving these emails, they may be blocked by your organization.
   Your IT professional can help to remove any obstacles.



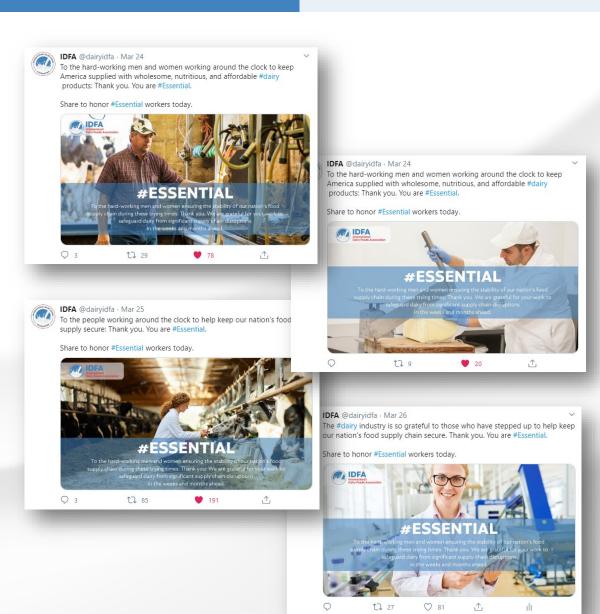




#### #Essential Campaign



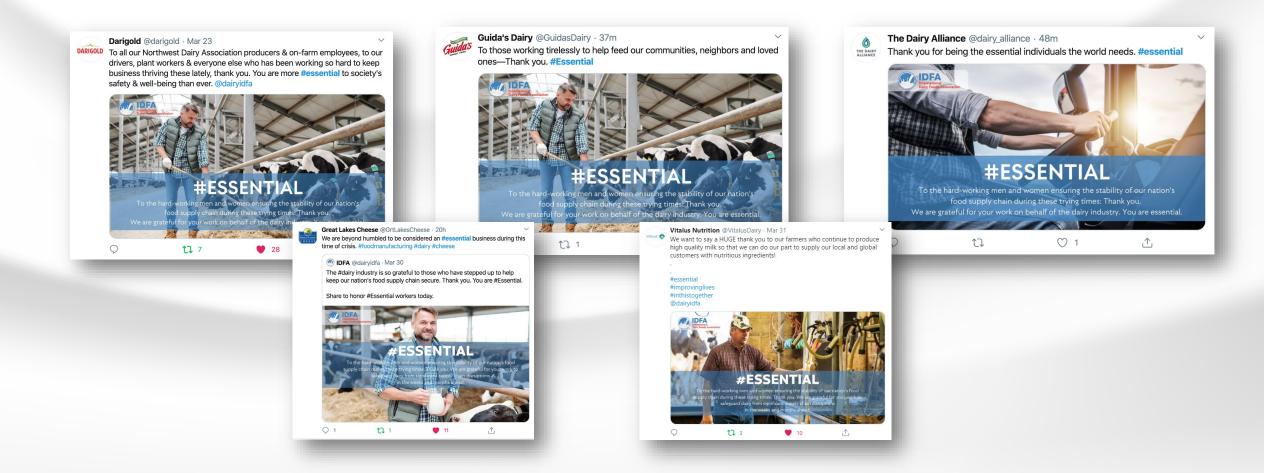
- #Essential is a social media campaign to highlight the men and women working tirelessly in the dairy industry through the Coronavirus (COVID-19) outbreak.
- IDFA has created a series of images and messaging that you can share on social media. We also offer a template for your marketing and communications professionals. The campaign has prompted more than 4,000 engagements—likes, retweets, replies.
- We can also create custom graphics for your company.
- Please download the links from www.idfa.org/essential today.



#### Companies Using #Essential



# Here are just a few examples of companies creating their own #Essential content





IDFA Legal Network

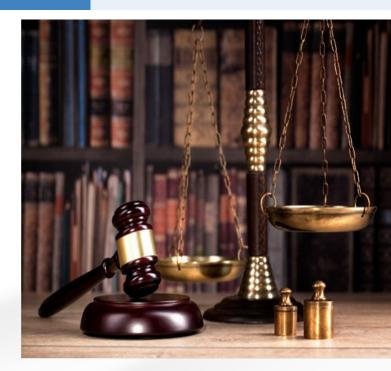


Danielle Quist – Senior Director, Regulatory Affairs & Counsel

## IDFA Legal Community



- Informal network forum for communication, legal updates, information and resource sharing and networking
- Distribution list for IDFA legal information and updates
- Dedicated space in IDFA Knowledge Center
- No overlap with IDFA Committees
- IDFA dairy processing members and gold business partners
- In-house counsel





# Continuity, Contracts and Quality Management Systems



#### Faegre Drinker - For the Dairy Industry



#### **Industry focus**

#### Commitment

We have the scientific, economic and regulatory knowledge to address the full range of clients' domestic and international business needs.

#### Involvement

We work with core associations on industry issues alongside our clients. We also represent many associations as outside counsel, speak at their annual conferences and write for their publications.



#### Providing solutions to a full range of industry issues and client needs





Robert S. Goldstein Counsel

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#### **Supporting Practice Areas**

- · Food Litigation & Regulatory
- Agribusiness Litigation
- · Supply Chain
- · Employment & Immigration
- Antitrust
- Corporate
- · Finance & Bankruptcy
- · Real Estate & Construction
- · Intellectual Property
- · Environmental
- · International
- Government Advocacy & Policy



## Key Current and Future Legal Points



- COVID-19 Resource Center
  - Helping with current and expected disruptions throughout supply chain
  - https://www.faegredrinker.com/en/insights/topics/coronavirus-covid-19resource-center#!#tab-Overview

- Quality Management
  - Anticipate others not fulfilling obligations
    - Verify regulatory compliance items (e.g., truck sanitation)
  - Confirm internal adherence to SOPs



#### Contractual and Other Relationships



- Review agreements, but consider UCC and common law
  - Force majeure
  - Nonperformance
    - Vendor
    - You
- Business Continuity
  - USE CAUTION: do not inadvertently give up rights you already have
  - Avoid unintentional amendments
    - Oral/email agreements
  - Be open to unconventional opportunities among customers/vendors/competitors
    - Flexibility among state regulators, FDA, DOJ, etc.



## Food & Agribusiness Industry Team



#### Helping clients feed the world responsibly

As advisers to many of the world's leading food and agribusiness companies since 1912, Faegre Drinker lawyers and professional consultants have industry-specific knowledge in core areas important to these businesses.

Faegre Drinker's food and agribusiness industry group is organized in a way that aligns with our clients' business segments.

#### Our market segments



Crop Nutrients Crop Protection Animal Feed & Health Products Seed Products	O Dairy O Protein O Produce O Grain & Oilseed O Natural & Organic O Food & Ag Equipment O Food Processing & Technologi O Agriculture Retail O Packaging O Production & Processing	Food Distribution/Retail Beverage Products Hospitality, Restaurants & Foodservice Dietary Supplements

#### **About Faegre Drinker**

1,300+ attorneys, consultants and professionals

22 locations

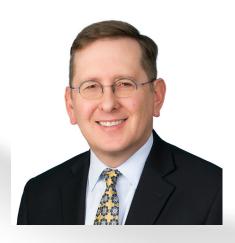
Top 50 firm

Mansfield Certified Plus for commitment to diversity and inclusion



### Thank you! Contact For Assistance





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## Updated IDFA Programming



- Ice Cream Tech/Yogurt & Cultured Innovations March 31 April 1
  - Postponed Details Forthcoming
- CARES Act Tax/Business Analysis Webinar April 16th, 2pm
- Virtual Gathering of Dairy Industry HR Leaders April 10<sup>th</sup>
  - Contact Heather Soubra for Registration Details <u>Hsoubra@idfa.org</u>
- Dairy Accounting and Finance 2.0 May 13
  - 1:00PM ET Webinar + Recording Available CPE Credit Available
- Regulatory RoundUp June 9th
  - Moving to online webinar series Details Forthcoming
- IDFA Membership Briefing June 25<sup>th</sup>
  - 31 PM ET Webinar + Recording Available



Thank you & Questions

Corona Virus@idfa.org