



FEEDING ON INNOVATION

Labeling Laws and New Directions—from the Business Partner Perspective

By Timothy L. Bauman, CDM, DHCFA



A “team effort” is forming in the healthcare foodservice world centered on better eating. With all the woes we debate over regulatory issues, we can give the government and the business world credit for their work on building an environment where our professional goals can succeed. The Patient Protection and Affordable Healthcare Act of 2010 is likely to be the starting point we need to uniformly launch the healthy menus we have been schooled on—and work to make them commercially successful.

As of 2012, the commercial foodservice world and those with 20 or more vending units will see the regulations enforced. The rest of us will feel the pressure to follow suit even if it does not apply to our eateries. The digital revolution has brought new transparencies, and research is mounting that nutritional transparency is forming new eating habits and transforming the nation’s food culture.

An often-used movie misquote—“If you build it, they will come”—has led many a foodservice director down the path of creating healthy menus and recipes that, in hindsight, didn’t have a ghost of a chance. But as Peter Drucker says, “the test of innovation, after all, lies not in its novelty, its scientific content, or its cleverness. It lies in its success in the marketplace.”

Innovation is not magic. It is systematic, consisting of the purposeful and organized search for changes, and in the systematic analysis of the opportunities such changes might offer for economic and social innovation. Innovation is the specific instrument of a creative food industry. It is the act

that endows resources with a new capacity to create wealth. Innovation creates a resource that only comes to being when it can be endowed with economic value. For example, a potato is no better than a weed till we make a baked version that sells at the cash register. Whatever changes the wealth-producing potential of already-existing resources constitutes innovation.

We give a special thanks to our valued business partners* for sharing their thoughts in making the worlds of the foodservice director – and our patients and customers – take the step forward to better nutrition and a better life. We asked them to share their insights on the following questions. Please note that the answers/sentences were written as representative of the majority thinking (excepting individual quotes) and each answer/sentence may not necessarily represent all of our companies/contributor’s views.

1. Innovation means a new way of doing something. What in your business will be innovative – or substantially different – as a result of the menu labeling laws?

Menu labeling has the potential to be a tipping point. It is a level of transparency we have not had previously. This could tip how we create menus and how people consume food. We feel like nutrition in general will play a bigger role in product development, and those in the restaurant and vending industry will want more healthful products.

(continued on page 28)

Think Your Foodservice Operation Has A Golden Egg?



It's time again for The Goldies

An annual award program from *FoodService Director* and The Culinary Institute of America that recognizes Gold Standard quality in non-commercial foodservice.

The Goldies is your opportunity to showcase initiatives that you believe exemplify the highest level of operational excellence. Operators in all segments of non-commercial foodservice are invited to enter in any of five categories:

1

GOING GREEN

Your operation embraces the ideas that support sustainability or environmental responsibility in a Gold Standard fashion

2

FOCUSING ON THE GUEST

Your operation consistently delivers Gold Standard quality to customers in every aspect of the service experience.

3

FOOD DEMOCRACY

Ensures your customers can get Gold Standard food however they want it, anytime, anywhere

4

HEALTH & WELLNESS

You address health & wellness, food allergies or other dietary needs in a Gold Standard fashion

5

FINANCIAL WIZARDRY

Your staff meets the Gold Standard of financial performance

Need Inspiration?

Go to FoodServiceDirector.com/Goldies to see last year's winners video submissions. While you are there, get the complete details and download your entry form.

DEADLINE FOR NOMINATIONS:

December 1, 2011

All segments of non-commercial foodservice are eligible to enter.



FOODSERVICE DIRECTOR

(continued from page 21)

“It is clear that the trend toward menu transparency, combined with the growth of demand for local, sustainable, and organic products, represents a new direction in dining in America. We need to build a separate but related infrastructure to provide for these demands,” said Greg Pallaske, MS, REHS.

Our companies are all wrestling with how the label should look and what will be on it. Customers will determine how best to display the information. The challenge is what should the displayed nutrition panel look like? How will reengineering to new versions of a product affect what has to be reflected on the panel? Things still up in the air include portion standardization as it relates to ease of understanding and operator usability. The FDA will have issues with products not properly analyzed. Customers will have to decide whether or not they will menu the same items as competing operations. This added layer of complexity is they may not know the nutrition value of the competitors like meal.

Making the information available to operators is causing companies to rethink their web and social media presence. Customers will want our database information for help in identifying information such as “trans fat free,” “locally sourced,” and what standard is used for organic (100%, 90% or “has organic ingredients”), expanded allergen information, etc. On all of our printed and electronic media, we have to decide what to provide for customers who want it—and what should be better or deeper.

2. Identify changes within the organization and customer or business environment. What symptoms of change identify opportunities for innovation with products and services as a result of the new menu labeling?

It all starts from a market and consumer-back approach. What customer problems/challenges can be identified as an opportunity? We focus on product “asks” – are these products going to continue to be consumed in the state they are in today? Are there barriers to consumption? If so, we should focus development in a particular area.

What Does the FDA Require?

By Jim Behnke, RD, LD

The declaration of nutrition information on the label and labeling of food must include information about the levels of the following nutrients: total calories, calories from fat (unless the product contains less than 0.5 g of fat), total fat, saturated fat, trans fat, cholesterol, sodium, total carbohydrate, dietary fiber, sugars, protein, vitamins, and minerals.

Other nutrients would be exempt unless there is a nutrient content claim or a health claim. In the mandated facilities if information is not provided, it will be considered “misbranded.”

The term “menu board” is used many times in the regulations. Here are some provisions:

- The number of calories contained in each standard menu item as usually prepared and offered for sale on a menu or menu board (the calorie declaration must be “adjacent to” the name of the standard menu item, so as to be “clearly associated with” the item)
- A succinct statement concerning suggested daily caloric intake posted prominently on the menu or menu board designed to enable the public to understand in the context of a total daily diet, the significance of the calorie information provided on menus and menu boards
- Additional nutrition information for standard menu items in a written form (“written nutrition information”), available on the premises, which must be made available to consumers upon request
- A “prominent, clear, and conspicuous” statement on the menu or menu board regarding the availability of the written nutrition information
- The number of calories (per item or per serving) on a sign adjacent to self-service food and food on display. This food includes food sold at salad bars, buffet lines, cafeteria lines or similar self-service facilities and self-service beverages and food on display that is visible to consumers.

Product-focused challenge/opportunity examples include reduced fat, sodium and non-caloric sweeteners. We are not at a place where consumers are willing to take huge tradeoffs in quality and satisfaction.

The challenge is delivering sensory satisfaction. We have the technology to do it and it needs to be done in a way that the consumer does not give up anything. Sodium reduction, for example, is not just about removing the sodium chloride content; we also need to maintain the flavor the consumer has come to expect. Sodium can also serve as a preservative and water binder and has a role in food safety. How do we get a sodium replacement with these qualities – and will it perform in different products and with different production methods? Lowering the sodium content in some restaurant items, such as pork products, may give a new application and usability to healthcare. The same can happen with product reformulation that includes reduced fat and non-caloric sweeteners. With the obesity and diabetes issues, we are maintaining a market where science had shown people should give up eating experiences. Now there is greater opportunity to maintain the experience and still meet nutrition therapy needs.

3. What is different? What are customers telling you? And what successes are going on in similar operations?

Our customers are asking us to be good students of the emerging research in nutrition and health. What is deleterious? Is it sustainable? Companies are challenged to avoid going in a direction that is not necessary. Take, for example, high fructose corn syrup, which the media linked to obesity. Actually, it is no more or less an issue than sucrose. If consumers don't want it, there are times companies may have to see if it affects consumer health. To unnecessarily steer away takes resources from issues that genuinely do affect public health.

The labeling in retail has affected our companies for some time; now foodservice is getting the same degree of attention. "The concept of focusing on nutrient content is not new. The stakes are going up and the additional information will cause a greater degree of accountability," said Scott J. Eilert, Ph.D. "Take a holistic approach to food safety and interventions at both ends of the food chain to be safe," added Pallaske. "Being partners

with customers and suppliers is not living in a dangerous vacuum."

Close collaboration and communication will be needed with chefs, managers, food business owners, group purchasing organizations, purchasing agents, dietetics professionals and anyone who creates menus and their nutritionals.

4. Where does your company see menu concepts headed?

In the last few years, manufacturers and distributors have become much more tuned into the customer than they used to be. Our companies now look at the entire menu, as opposed to single food components. One must understand the total nutrient content and enable the customer to make the best decision. The menu labeling laws are an opportunity to be better partners to our customers. We see menus using more nutritious foods and more registered dietitians, diet technicians and food scientists employed in menu development.

Thank you to all our companies for their insights. We are all partners in the new American eating experience. The time has never been better to work as a team between government, business and healthcare foodservice. We are all tied together – and S.O. Connected! ■

**Special thanks to Cargill (Patti Dollarhide, segment sales leader - healthcare, Scott J. Eilert, Ph.D., meat technology development), General Mills and their Bell Institute of Health and Nutrition (Tamara Schryver, Ph.D., MS, RD), Hormel Foods Corporation (Annemarie Vaupel, product manager) and U.S. Foodservice (Greg Pallaske, MS, REHS, director of regulatory compliance, Deborah Bowen, senior manager, customer operations and finance).*