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Dear Dairy Industry Leader,

Dairy Council of California's staff strives to not only provide nutrition education lessons about the value of milk and milk products to consumers, but also provide members of the dairy industry with the latest information and analysis on issues impacting your business.

Attached, please find our *Nutrition Issues Exchange* report alerting you of the latest developments surrounding nutrient ratings systems. Dairy Council has been following the progress of nutrient rating systems since they were first introduced. Although these systems have been gaining acceptance on store shelves, recent activity from the Food and Drug Administration will likely delay more systems from entering the marketplace. To keep the dairy industry up-to-speed, Dairy Council has compiled the following synopsis for your information.

Dairy Council's trends/issues monitoring system will continue to track this issue and keep you up to date on how it's progressing and what impact it might have – positive or negative – on the dairy industry.

If you have any questions or comments, please contact me at (916) 263-3560. Also visit our industry page at www.dairycouncilofca.org for an electronic copy of this report and other reports and resources.

Sincerely,

Peggy Biltz
CEO
Dairy Council of California

Nutrition Issues Exchange
Nutrient Ratings Systems
January 2010

Background

Nutrient rating systems, known as front-of-package (FOP) and on-shelf labels, have been created to help shoppers make healthier choices and to address rising obesity rates. These point-of-purchase systems use symbols to identify a food that is “healthy” or a “better choice.” But now, supermarket aisles have so many product symbols and shelf tags that it may have added to consumer confusion. Also, each labeling system is based on different nutritional criteria that rates foods according to their nutrient composition, so comparisons are very difficult.

Nutrient rating systems tend to measure a food’s nutrient density or quality, and can be based on nutrients to limit such as saturated fat and sodium, or nutrients to encourage such as calcium and magnesium, or a combination of both. In the past most dietary guidance was based on composite food choices during a meal, a day or even a week. The nutrient rating systems, however, rank individual foods. If a system is skewed primarily to nutrients to limit, dairy foods that are higher in sugar and fat can receive lower scores due to their fat or calories even though they are excellent sources of healthy nutrients. This can lead consumers to consider these foods to be less healthy.

Impact on the Food Industry

Overall, these systems impact purchasing decisions. Recent research sponsored by the NuVal Nutritional Scoring System found that 93 percent of consumers agreed that its food scoring system would influence purchase decisions, and two-thirds would be more likely to shop at a store that had the scoring system. Hannaford’s Guiding Stars program has quantified changing consumer purchases. The Food and Drug Administration said that they believe “that point of purchase labeling, including FOP labeling and corresponding shelf labeling, concerning the nutritional attributes of food, can be an effective way of promoting informed food choices.”

The discussion around nutrient rating systems comes at a time when there is a call by some nutrition advocates to eat minimally processed foods with short, understandable ingredient lists and to opt for tap water instead of drinking soft

drinks. A famous mantra for this movement is found in Michael Pollan's book *The Omnivore's Delight*: "eat food, not too much, mostly plants."

Recent Controversy

One labeling system supported by food manufacturers, Smart Choices, came under fire recently because it had front-of-package nutrition labels on products such as Fruit Loops. The program was described as being too lenient and not giving the full picture of the nutrient profile of a food. As well, Kellogg's claim of "Now helps support your child's IMMUNITY" on the front of its cereals such as Cocoa Krispies reinforced the controversy. The company said its campaign "was not created to capitalize on the current H1N1 flu" but the damage was done.

These controversies became a catalyst for the FDA to question the validity of current front-of-label and on-shelf nutrition labels and to announce they will conduct studies to determine if some systems are better than others. The Institute of Medicine is convening a panel of experts to study the issue, "Examination of Front of Package Nutrition Rating Systems and Symbols." The first rating system developed in the UK, the "traffic lights" system, uses a red, yellow, green light approach to rank foods and a version of this will be tested by the FDA. Of note, Smart Choices has voluntarily postponed using their rating system, and Kellogg's has stopped using their immunity claim.

FDA and IOM's work could be concluded by 2012 and could become the standard for marketing to children, for foods/beverages made available in government feeding programs and for regulating FOP symbols and nutrition fact panels. Their objective is to develop a common approach to nutrition-related FOP that all Americans can trust and use to build better diets and improve their health. Current FDA consumer research has found that nutrient-specific symbols such as a traffic light were better than a summary symbol such as a check mark or star. Consumers found colors and indicators of "high/medium/low" useful.

For now the advance of multiple nutrient rating systems will probably receive less emphasis until FDA and IOM finish their efforts. There is no question that in the end there will be some kind of rating system used at POS that could weigh heavily on nutrients to limit.

Dairy Council Response

Dairy Council of California's education efforts will continue to advocate for focusing on nutrients to encourage and reinforcing that people eat for taste,

enjoyment and overall health and not just to avoid disease. It is important to note that in order to judge whether a particular rating system is adequate it is important to determine whether its criteria is publicly available, is objective and balanced between positive and negative nutrients, and is based on consensus dietary guidance such as the Dietary Guidelines. The rating system should be considered as one factor to consider when making food choices. Consumers need to consider their own nutrient needs and food preferences and to avoid labeling foods as “good” or “bad”. Also, moderation in an overall balanced diet is always a key.

System Overviews

The largest systems include Guiding Stars, Smart Choices, NuVal and Nutrient Rich Foods. Others systems include Healthy Ideas from Giant Food and Stop & Shop, and Nutrition iQ from Supervalu stores such as Shop’n Save and Albertson’s.

Smart Choices (www.smartchoicesprogram.com)

Smart Choices used a check mark for calorie count and serving size. It was developed by health professionals, scientists, nutritionists and food industry leaders. The primary basis for the nutrition criteria used in the system was the 2005 Dietary Guidelines for Americans. Companies such as Kellogg’s, Unilever and Kraft Foods supported this system. Some health professionals suggested that this system’s standards were too elastic since products such as Fruit Loops and mayonnaise got the health check mark.

In this program milk is labeled with its calorie count and number of serving per package.

NuVal (www.nuval.com)

NuVal is the nutrition rating system that scores products from 0 – 100 to help consumers see at a glance the nutritional value of the foods they eat. The program has a goal of developing a number for every food in the grocery store. The score is defined by nutrients such as calcium, vitamin D, potassium and saturated fat, total fat, sodium, sugar and cholesterol. This system was developed by a Yale physician and reviewed by an advisory panel comprised of scientists and nutrition experts. They tout that it was developed with no commercial ties. The system is being implemented by four supermarket chains (United, Price Chopper, Hy-Vee and Meijer supermarkets in 19 states and 500 stores).

This system ranks 2% milk at 55 and 1% milk at 81.

Guiding Stars

(www.hannaford.com/Contents/Healthy_Living/Guiding_Stars/index.shtml)

Uses a three-star scale to rate foods. The food with the most stars is “healthier.” The system was developed by Hannaford Supermarkets and is used in several grocery chains and in school settings. The program was developed by a scientific advisory panel of doctors, professors and dietitians.

Light vanilla yogurt and 1 percent milk receive two stars, while whole milk receives no stars in this program.

Nutrient Rich Foods (www.nutrientrichfoods.org/index.html)

The Nutrient Rich Foods system was developed in partnership with researchers and agricultural commodities. National Dairy Council is part of this group. The NRF process doesn't include front of pack or shelf symbols, but could help shape the conversation on FOP symbols by reinforcing “nutrients to encourage” vs. “nutrients to avoid” as the only criteria used. The Dietary Guidelines served as the core of this approach by putting emphasis on nutritionally-dense foods from each food group. Nine nutrients to encourage included calcium, protein and potassium while nutrients to limit were saturated fat, added sugar and sodium. This approach focuses on an educational tool, My5, to embrace five components including total diet, nutrient-rich foods from each food group, a score of 1 – 5 to rate the nutrient richness of foods, small steps for change and personalization. Nutrient Rich Foods provides a welcomed alternative approach by putting emphasis on positive messages and enjoyment while highlighting nutrient-rich foods and nutrient density. It is a more comprehensive communications and educational initiative as opposed to a rating or labeling system only.

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