



Testimony of John Oxford, President and CEO of L&M Companies
United States House of Representatives Committee on Agriculture
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Chairman Conaway, Ranking Member Peterson, and members of the Committee, thank you for the opportunity to testify at today's hearing on food waste. I am John Oxford, president and CEO of L&M Companies founded in 1964 and based in Raleigh, N.C. As a fully integrated, year-round supplier of fresh fruits and vegetables, we grow our own crops and market crops for growers across the United States, Mexico, and Central America. With farms of various sizes across numerous geographies, we carefully map out the volume of product and diversity of our growing locations. This allows us to better control quality and consistency throughout our core product categories: a wide variety of vegetables, potatoes, onions, melons, apples, pears, and cherries. We offer locally grown products and manage locally grown programs as well. And we provide turnkey services for customers, including logistics solutions, consolidation facilities, quality control, food safety, marketing, and a centralized point of contact.

I joined L&M in 2001, and I am proudest of our product quality and service, the strength of our team and growers, and our commitment to our customers' needs.

In addition to my day job, I am chairman-elect for the Produce Marketing Association, which is the largest trade association representing companies that market fresh fruits and vegetables. PMA represents more than 2,700 member companies in 45 countries. In the United States, our members operate throughout the supply chain from growing to shipping, processing/manufacturing, distribution, wholesaling, retail and foodservice. Collectively, in the United States, our members handle more than 90 percent of the fresh produce sold to domestic U.S. consumers.

Today I am here to talk about food waste, especially produce waste from the perspective of the grower. This is a complex issue that requires a suite of solutions as there is no silver bullet. Fresh produce is one of the top contributors to food waste—from the fields to stores and restaurants to our homes. When fresh produce goes to waste, we lose not only the fruits or vegetables, we also lose all the inputs: labor, energy, water, fertilizer, etc., all the resources that went into producing it. If the product has been harvested, cooled and transported, we lose even more. Thus, the incentive for producers to innovate to minimize waste and loss is significant. Our first preference, and our goal, is that fresh produce reach its highest and best use: feeding people.

The produce industry, undoubtedly, has a strong role to play, and there is no end point—this is a journey, not a destination. In general, produce waste happens closer to points of production in less-developed countries and closer to points of consumption in developed countries. This highlights the

need for comprehensive solutions that include consumers. Our call is to recognize waste points and do what we can to reduce waste.

Almost two years ago (June 2013), the U.S. Department of Agriculture (USDA) and the U.S. Environmental Protection Agency (EPA) launched the U.S. Food Waste Challenge, calling on producers, processors, manufacturers, retailers, communities, and other government agencies to join the effort to reduce, recover, and recycle food waste. The agencies noted that U.S. food waste is estimated at 30 to 40 percent of the food supply. In 2010, they said about 133 billion pounds of food from U.S. retail food stores, restaurants, and homes never made it into people's stomachs. For produce, the numbers are even bleaker with nearly half of the product being wasted worldwide according to a 2011 United Nations Food and Agriculture Organization (FAO) report.

This is not to suggest that producers are not continuously making efforts to reduce waste because we are. Reducing waste on the farm and at the packinghouses makes us better stewards of our land, our communities and better businessmen and women. At L&M we treat produce that is unmarketable as fresh to the consumer in a manner that fits along a continuum of options. These options range from our first choice for the unmarketable as fresh produce, which would be used for juicing or dehydration all the way down to discing crops under to avoid adding any further fixed costs that occur with harvesting and hopefully gaining some residual benefit from any plant mass that we return to the soil. To be clear, discing a crop is not what we want to see happen; as a grower, I hope every fruit, leaf, and stem makes its way to somebody's plate, but we also must be mindful of working efficiently to reduce our use of resources like fuel, labor, and electricity if we know the market opportunity for a crop is not present.

L&M uses several outlets for product that is not going to be sold through the intended channel. We try to find alternative markets / uses and we give it to charitable and food bank organizations. L&M donates hundreds of thousands of pounds of healthful fresh produce every year to charities, including Farmers Feeding Florida (Florida Association of Food Banks), Feeding America, Operation Blessing, and a host of others.

We also move the product into the livestock feed supply chain. And, we compost. All of this is very much in keeping with the EPA's Food Recovery Hierarchy, something we embrace at L&M. From the producer perspective, we typically have a number of options we can pursue well before something has to go to the landfill. But we can do more, and in my role as chairman-elect for PMA I am excited about the innovative approaches some of my colleagues are taking to further reduce food waste.

In fact, most of you probably have one of the earliest examples of innovation to reduce food waste in your refrigerator at home. Baby carrots were born from a concern about waste. Misshapen carrots—not suitable for the fresh market—were cut and shaped into the now-common baby carrots. Baby carrots are 70% of all carrot sales, according to *The Washington Post*, which noted in a [January 13, 2016 article](#): “It also helped lift the industry out of a rut. In 1987.....carrot consumption jumped by almost 30 percent, according to data from the USDA. By 1997, the average American was eating roughly 14 pounds of carrots per year, 117 percent more than a decade earlier. The baby carrot doubled carrot consumption.”

In another example from the production side, Gill Onions, an onion producer and processor, installed an Advanced Energy Recovery System (AERS) that converts 100% of its daily onion residuals, such as juice, into renewable energy and cattle feed. The 300,000 pounds of onion waste per year would have

otherwise cost the company \$400,000 per year in disposal costs. Instead, Gill's Onions saves approximately \$700,000/year on energy costs, disposal costs, and has significantly reduced its environmental footprint.

Recently, FreshPoint (Sysco) introduced its "[Unusual But Usable](#)" (UBU™) program. Though FreshPoint is a foodservice distributor, it partners with produce growers, taking "ugly" or "imperfect" produce that might otherwise go to waste and finds customers interested in utilizing it. This reduces the waste caused by cosmetic imperfections and the customers get the products they want at a more attractive price point. Our company has also joined in this growing movement to help reduce food waste by collaborating with a number of retail customers and providing them with misshapen and cosmetically flawed products.

Many apple and pear processors take the residual solids left after juicing and make them into pomace cakes that can be used to feed livestock. This results in a considerable reduction in what goes to the landfill and an additional supply chain outlet for the grower.

Of course, growers are continually looking for efficient and impactful opportunities to supply fruits and vegetables that are not destined for sale to charities. These efforts require significant coordination and collaboration. An exciting and relatively new effort is called "Brighter Bites." The program engages growers, retailers, foodservice distributors, and food banks to use fresh produce that otherwise would go to waste and bring it to school children and their families who might not otherwise be eating fresh produce regularly. This program boosts fruit and vegetable consumption well beyond the free deliveries. At school and during distributions, Brighter Bites teaches families how to make the most of their produce by supporting the implementation of in-class lessons for kids, providing nutrition education handbooks for their parents, and sharing weekly tip sheets and recipes for everyone to try at home together, in English and Spanish. However, whether it be Brighter Bites or other charity supply opportunities, all of this takes significant collaboration and coordination throughout the supply chain—beginning with the producer.

Another way to reduce food waste is by making advances that maintain the marketability of produce from the field to the retailer. Advances in new varieties through traditional and modern breeding practices can bring us traits that enhance a crop's ability to withstand stresses like excessive heat or cold, low water availability or too much water. New varieties can bring traits that increase fruits' and vegetables' shelf life or make them more durable for the bumps and scrapes that can happen during the transportation process. As USDA moves forward with its updates to the biotechnology and other regulations, we hope it considers all that these advances can bring to the food supply chain and refrain from creating barriers and regulatory burdens that could stifle innovation. Through biotech, we may be able to produce varieties with traits that would reduce waste (uniform size/shape, bruise resistance (like the biotech potato)) by having a higher percentage of the crop grown being marketable as fresh. The more we can market, the less we will waste.

Growers also need crop protection tools. Without the ability to defend our crops from pests and diseases, the volume of produce waste would quickly stack up. There has been much media attention to the concerns about pollinators and the potential role of pesticides. In the produce industry, we often require insect pollination for fruit production, we work closely with the beekeepers and want to do all we can to protect bees and other pollinators. At the same time, regulatory decisions that would limit or

eliminate access to crop protection tools must balance risk and benefit and should be made on sound science rather than emotion or tangential agendas. As a producer, we are worried about some of the recent messaging from the EPA and the direction the agency has gone in some instances.

A final area I would like to address is the importance of strong industry and government partnership. We certainly need help on labor issues. Many growers in parts of the U.S. have difficulty in finding farm workers and produce is left to rot in the field. I recognize this is a difficult issue to tackle politically, but we need Congress to take action. We also need the federal government as a partner in the area of research. USDA's intra- and extra-mural research programs have done great things for our industry and specialty crops in general. Through the Specialty Crop Research Initiative (SCRI) there have been projects that deal with the development of mitigation strategies to specific pests and diseases. For example, the collaborative efforts through the SCRI, the National Institute of Food and Agriculture's Integrated Pest Management Program, and the Agricultural Research Service are helping producers of numerous fruits and vegetables address the significant damage that can be caused by stinkbugs. These insects cause cosmetic—and actual—damage to crops that often results in their diversion from their intended use or total loss. In another example, USDA funds are at work in North Carolina to eradicate Spotted Lanternfly right now. This pest threatens millions in damage to grape, stone fruit, and apple crops, among others. Mitigating pests and diseases reduces damage to crops that can lead unmarketable crops and waste.

Significantly reducing our nation's food waste is a challenging endeavor throughout the supply chain. Fortunately, we have options, and those options and opportunities continue to grow due to the innovating people working in agriculture and this country's entrepreneurial spirit. I am here to share with you that L&M and the Produce Marketing Association stand ready to partner with you and my fellow witnesses here today to move us closer to a zero waste system.

I would like to thank you for your attention today on these critical issues. Thank you again, Mr. Chairman, for holding this important hearing and this committee's attention to these critical issues. I look forward to working with you in the future.