



Good Food Concepts LLC

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November 5, 2015

U.S. Congressman Doug Lamborn
District Office
1125 Kelly Johnson Blvd. Suite 330
Colorado Springs, CO 80920

Dear Congressman Lamborn,

USDA has been conducting a Food Safety Assessment (FSA) at Good Food Concepts, owner of Ranch Foods Direct, since October 13, 2015, a process originally scheduled to conclude in a week's time. Upon finding some minor mistakes in labeling, USDA suspended our operations and launched a Class One recall for over 12,000 pounds of product.

Food Safety Inspection Service Officer Jenifer Monteverde first asked for records of sales for the past three months on products that were missing some required labels. Not finding enough volume of product in that span, she requested documentation for an entire year. She lacked any evidence of incorrect labeling practices for this extended period.

We have had management changes over the past year that resulted in changes within our operations. The labeling problem involved mostly the improper use of the USDA Mark of Inspection in the retail store. The retail store by law is exempt from USDA inspection, but, as you know, is located in the same building as the USDA inspected plant. Employees simply failed to change the label stock, which contains the USDA mark, when labeling retail product. There was never any risk to anyone's health.

Wholesale product labeling issues cited included a product in process that didn't have the ingredient label applied yet. There was a corned beef brisket that left the plant without the ingredient label and it was returned. A simple corrective action to our HACCP plan and a label would have easily corrected that issue.

At most, I believe an NR (Non-Compliance Report) was appropriate, but certainly not a Class One recall.

It's important to note that our permanent USDA inspector, Dr. Kent Daniels, was sent to Durango during the assessment and was not allowed to provide any assistance. We feel this was inappropriate and resulted in overzealous action on the part of USDA. While Secretary of Agriculture Tom Vilsack clearly promotes local food systems, it's also true that a business model like ours that uses processing space for both wholesale and direct-to-consumer sales is something existing meat inspection personnel doesn't normally see.

On November 4, FSIS Supervisor Dr. Debra Klages was at our facility suggesting another recall over our USDA-approved Wagyu label. I have attached the letter I provided to the FSIS officers describing our breeding program, which included contact information for people we deal with for Wagyu breeding stock, as further proof that our breeding program is what we say it is. They deemed this letter unacceptable.

I was only given a few hours to provide the documentation. In addition to the letter from Callicrate Cattle Co. (attached) I also told the FSIS officers that I had left messages with other people who could help provide third party verification.

The FSIS officers on-site seemed hell-bent on issuing the Wagyu recall despite the fact that no Wagyu beef had been sold in the wholesale market, which is the part of our business that is under USDA's authority. Late that very same afternoon, the FSIS officers notified us that due to RFD's "lack of cooperation" our Grant of Inspection was once again suspended and our Wagyu beef would be recalled immediately.

However, later that same day, I finally received a message from Dr. Matt Cherni verifying Callicrate Cattle Company's long history of raising Wagyu and Wagyu-cross cattle. After forwarding the following message, we received a call canceling the suspension and recall.

Wednesday, November 04

This is a message to confirm that Mike Callicrate has been producing Wagyu feeder calves since the early 2000's. I helped Mike acquire Wagyu bulls in 2003 Gerry Pittenger had used at the Padlock Ranch in Dayton Wyoming. Gerry was one of the early importers of Wagyu cattle into the United States from Japan in the early 1990's. Gerry upgraded that bunch of cattle into non-registered purebred cattle by the late nineties. I bought cattle from Gerry and have been producing non-registered purebreds ever since.

I sold Wagyu bulls out of my cows purchased from Gerry as well. The last bulls I sold Mike was around six years ago. I also informed Mike of a set of cows that might work for his operation a few years ago. I know that Mike has been producing Wagyu feeder calves for many years.

Sincerely,

Matthew J Cherni, MS, DVM President CSC Livestock LLC

Rash business suspensions and product recalls have the power to destroy small businesses like ours. While the inspectors seek to prove their judiciousness in finding any and every potential problem, to us it feels like abusive, overzealous, heavy-handed regulation rather than guidance and assistance to make us a better operation or to keep the public safe. Instead of getting concise and consistent directives, our managers and employees were confronted with what quickly became a very confusing and stressful situation.

Ranch Foods Direct has a 15-year history of providing safe and wholesome products and should demonstrate to other innovators and entrepreneurs what is possible rather than become a cautionary tale of how a huge investment can be destroyed overnight at the whim of a single inspector whose fault-finding directly contradicts the oversight of another seasoned inspector.

Sincerely,



Mike Callicrate