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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

ORGANIC TRADE ASSOCIATION,

Plaintiff,

v.

UNITED STATES DEPARTMENT OF AGRICULTURE, et al.

Defendants.

Civil Case No. 1:17-cv-001875-RMC

DECLARATION OF GINA ASOUDEGAN IN SUPPORT OF PLAINTIFF'S FIRST AMENDED COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

Pursuant to 28 U.S.C. § 1746 I, Gina Asoudegan, declare:

- 1. I am over 18 and under no disability that prevents me from making this statement, which is based on my personal knowledge unless otherwise stated.
- 2. I am the Vice President of Mission and Innovation Strategy for Applegate, the nation's leading natural and organic meat brand. Among other responsibilities, I oversee the development and maintenance of Applegate's livestock production requirements. Our standards are based on our company values and consumer preferences.
- 3. Applegate is the leading natural and organic prepared meat products company in the United States. Our products are sold in all 50 states. Applegate is an OTA member.
- 4. We purchase millions of dollars of certified organic livestock products from certified organic livestock farmers every year, and market millions of dollars of certified organic prepared meat products to consumers through retail channels. We purchase and process beef, turkey, chicken, and pork products.

Declaration of Gina Asoudegan

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- 5. We operate a website that explains the principles of our business model. Two core values of the company are supporting appropriate scale livestock operations and high animal welfare production systems.
- 6. Our consumers have for many years been telling us that they support and seek products from farms that follow verified higher animal welfare practices.
- Sufficient outdoor access, and indoor and outdoor space sufficient to express behaviors natural to their species is generally recognized by consumers and farmers as a baseline high animal welfare practice and a key organic principle. But there have been and currently are inconsistencies in the application of these principles under the USDA's certification system.
- It is our experience that these inconsistencies allowed some organic operators to achieve lower production costs by ignoring the consensus organic baseline outdoor access and space requirements, while remaining certified. This in turn distorts the marketplace for organic livestock products by making these products less expensive than ones from operations that observed the strictest organic welfare requirements. Our company is harmed by competition from organic livestock products that are not meeting the highest, organic welfare standards.
- 9. Because of the inconsistent application of the federal program, Applegate expends resources confirming that our organic suppliers are not operating under the lower organic welfare requirements. We also purchase from organic operations that pay for animal welfare certifications in addition to organic certification, which further increases the cost of organic products. These costly discrepancies were set to be eliminated by the Organic Livestock Production Practices Final Rule issued in January 2017. ("OLPP")
- 10. The absence of a consistent national standard for organic livestock products and its associated additional costs harms consumers in the form of higher prices.
- 11. Our consumers communicate with us directly via social media and indirectly through purchases. Our consumers uniformly support the OLPP final rule. Our consumers, via social media, have expressed dismay and a growing distrust of the federal organic program because

Declaration of Gina Asoudegan

of the delay. Applegate has collected more than 32,000 signatures of support for the OLPP through a change.org petition started on January 16, 2018.

- 12. Our company has been involved in the development of the USDA's rulemaking for many years through submission of comments and testimony before the National Organic Standards Board. ("NOSB") We supported the draft OLPP published in April 2016 and the final OLPP published in January 2017. Applegate has invested, and continues to invest, significant employee resources to remain abreast of organic policy making and the activities of the NOSB. We also rely on OTA to lobby and provide current information.
- 13. The refusal of the current administration to consult the public on the first announced delays and the refusal to consult the NOSB on the decision to delay the OLPP and the decision to propose its withdrawal, further undermines the trust of consumers in the USDA's organic seal.
 - 14. We believe that further delay or withdrawal of the OLPP would promote higher costs for processors of organic livestock products, and higher consumer prices that the OLPP was designed to reduce. We also believe that consumers' trust the USDA organic seal on livestock products in part because they believe animals are allowed outdoors and sufficient space to express natural behavior. Refusal to implement the OLPP renders that trust misplaced.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this ____ day of February 2017.

Gina Asoudegan

Vice President of Mission and Innovation

Strategy, Applegate