FOR IMMEDIATE RELEASE January 27, 2012 PR12-07 **CONTACT:** Melissa Jones 916-651-4005

Senate hears challenges facing state's expanding olive oil industry Experts, growers, and producers call for level playing field, consumer protection

SACRAMENTO—Members of California's olive oil industry and experts from around the world pressed members of the Senate yesterday for enforcement of oil standards, testifying on the damaging effects of fraudulent and low-quality olive oil on honest olive oil growers and producers, as well as consumers.

"Clear laws exist on olive oil quality, adulteration, false advertising, food labeling and so forth. But nobody is enforcing these laws. Not the FDA. Not the state health departments. Not one district attorney. Nobody," said Tom Mueller, an American writer and freelance journalist who has written about the olive oil industry in his book "Extra Virginity: The Sublime and Scandalous World of Olive Oil" and for the New Yorker.

"Because of this river of cheap counterfeit oils, consumers are deprived of the health benefits they expect when they buy what they think is extra virgin olive oil, and in some cases may be eating products that harm their health," he testified. "Honest growers, oil producers, and importers can't make a living, since they're consistently undercut by low-cost, substandard products and outright fraud."

"This is an industry with a great deal of potential. It can provide a heart healthy product, and is also an ideal crop for California," said Senator Lois Wolk, Chair of the Agriculture Subcommittee on Olive Oil Production and Emerging Products. "The state has the ideal climate and soil to grow olive trees, and olive oil trees require very little water, which is at a premium in our state."

At issue is quality and authenticity of olive oils on grocery store shelves in California and throughout the world, testified Dan Flynn, Executive Director of the U.C. Davis Olive Center, a self-funded partnership between the university and the olive oil industry aimed at meeting the research and education needs of olive growers and processors.

The line for authenticity is whether or not a product is actually made from olives, Flynn said. The line dividing top quality, extra virgin olive oil and other oils of lesser quality is defects. Oils below the line contain flavor defects such as rancidity or mustiness—indicators of older, even spoiled oil.

Bob Bauer, President of North American Olive Oil Association, which represents olive oil importers and suppliers, questioned other participants' claims about the quantity of fraudulent and low-quality olive oils in the marketplace—saying the tests behind these findings, including taste tests, were not approved by the International Olive Council (IOC).

However, Darrell Corti, the second-generation of Cortis to run Corti Brothers grocery store and a renowned expert on food and wines, questioned attempts to discredit taste tests.

"In the International Olive Council's description of what extra virgin olive oil is, it has to be without a defect," he said. "The only way we can determine if the oil has defect or not is by tasting it."

Additionally, Flynn and other presenters noted that the findings questions by Bauer have been mirrored in tests by UC Davis, Consumer Reports, as well as in Germany, Canada, and Spain.

"It's important to remember that these aren't just matters of food snobbery," Mueller said.
"These standards were established by International Olive Council and espoused by USDA and others because these odors and flavors map directly to the chemical composition of this olive oil and directly indicate the quality, health giving properties, and flavor of that oil."

"Olive oil has great business potential in America, which recently replaced Greece as the third largest consumer country of olive oil in the world," Mueller continued, saying that olives should be California agriculture's next "home run" crop. "The U.S. oil market is valued at 1.5 billion dollars, with 10 percent growth per year."

But producing extra virgin olive oil is expensive, he said, and as a result "much of the olive oil sold in supermarkets is substandard oil made from low grade, spoiled oil that which is cheap to produce and sold as extra virgin at low prices that consistently undercut honest producers."

"Many olive oils, particularly in food service, aren't even made with olives at all," he said. "They are soybean, sunflower, and other low quality vegetable oils colored green with chlorophyll and doctored with flavorants, then sold as extra virgin olive oil."

Mike Bradley, President of Veronica Foods Company, and a world-renowned olive oil expert, producer, and importer, testified to the difficulties of competing with doctored or fake oils, as well as against growers and producers benefitting from the European Union olive oil subsidy.

"It's simply not possible to make a profit and produce olive oil when competing against the European subsidy," Bradley said.

"What will it take to really shake up the bad actors in all this?" asked Senator Doug La Malfa, a member of the committee.

Flynn pointed out that the legislature has identified the lines with regards to quality and authenticity very clearly through legislation authored by Senator Wolk and signed by Governor Edmund G. Brown Jr. last year.

"So the question really isn't where is the line drawn," Flynn said. "The question is who's enforcing the line, and who's holding the line?"

Mueller pressed for steeper fines and prosecution. The olive oil growers and producers testifying before the committee agreed with the need for enforcement, maintaining their primary desire is to compete in a fair marketplace.

"We're not looking for protections to give us an advantage over other producers," said Adam Englehardt, Vice President of Orchard Operations for California Olive Ranch, a California olive oil producer. "I would simply ask that we have a level playing field, that all products being sold in the United States and California be subject to a true testing regiment and be held to a standard across the board, and that standard be enforced."

In her closing, Wolk called for more research on the positive health effects of olive oil, calling for the UC Davis School of Medicine, as well as the University's Nutrition, and Food Sciences Departments, to partner in those efforts. She also said California should look to other states and countries that have pursued enforcement of olive oil standards.

"I look forward to working with all parties to find solutions to make sure consumers are getting what they pay for, and to provide honest growers and producers with a fair marketplace," Wolk concluded.

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