

Jean Wagenius
State Representative

District 63B
Hennepin County



Minnesota House of Representatives

COMMITTEES: CHAIR, ENVIRONMENT, NATURAL RESOURCES AND AGRICULTURE FINANCE
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WAYS AND MEANS

April 15, 2014

President and CEO Don Thompson
McDonald's Corporation
P.O. Box 4953
Oak Brook, IL 60522-4953

President and CEO Thompson:

Thank you for having your representatives meet with us in response to our letter of January 21, 2014. Senator Dibble was sorry he was unable to join in our conversation. We were in the middle of our first legislative deadline week, a circumstance that gives us little control over our own schedules.

Our letter was a follow up to an earlier letter regarding your potato supplier, Ronald Offutt and Son Inc. Offutt had clear-cut part of a 1,459 acre parcel of forested land lying over the sensitive Pineland Sands Aquifer. It purchased the forested land for agriculturally intensive potato production. The Offutt method of potato production depends on heavy irrigation and substantial nitrogen and pesticides inputs. Expert testimony verified what common sense told us: agriculturally intensive potato production would degrade the sensitive aquifer and ultimately impact the biology of the local streams.

In our letter we asked McDonald's to live up to the sustainability standards it has set for itself. Specifically in order to protect the health of Minnesota's waters, including our drinking water, and to protect our forest habitat we asked that McDonald's (1) ensure that Offutt will not continue using its current method of producing potatoes on the land over the Pineland Sands Aquifer that it has already clear-cut; (2) ensure Offutt will not continue to clear-cut forested lands for potato production; and (3) use only suppliers that take responsibility for the cost of their pollution including the costs to neighbors who are dealing with contaminated drinking water wells.



I was surprised by McDonald's response to our letter, as conveyed by Amanda Conochalla, so I want to write down my understanding of our conversation and ask if you would let us know if I misunderstood your representatives in any way.

Ms. Conochalla stated that McDonald's is committed to sustainability and specifically, sustainability from its suppliers. This commitment is consistent with McDonald's branding efforts including its "sustainable sourcing" that "must address what we call the 3 E's of sustainability: ethics, environmental responsibility, and economic viability."

Before Ms. Conochalla's visit, she sent McDonald's Beef Sustainability Announcement to me, which said: "In early January 2014, McDonald's announced that it will begin purchasing verified sustainable beef in 2016. We joined forces with World Wildlife Fund (WWF), Cargill, JBS, and others to draft guiding principles and best practices for sustainable beef - a breakthrough for the beef industry, and for McDonald's. This comes on the heels of recent McDonald's USA announcements to use the Marine Stewardship Council ecolabel for 100% of our MSC-certified whitefish, and to serve 100% Rainforest Alliance Certified™ espresso. These actions are part of our global Sustainable Land Management Commitment, developed in collaboration with the World Wildlife Fund."

At our meeting Ms. Conochalla said that while McDonald's is committed to sustainable practices from its suppliers, and that McDonald's will talk to its suppliers, your corporation "cannot weigh in on Offutt." That does not pass the common sense test on two counts. Firstly, McDonald's is expending a great deal of effort (and presumably an equal amount of money) trying to brand itself as sustainable. When customers or potential customers come to understand that the potatoes that McDonald's uses for French fries are grown in a manner that is totally unsustainable, they will rightfully question all that McDonald's has said about sustainability. People want to trust their producers; they don't want to feel they are being misled. This is especially true when it comes to food.

Secondly, at McDonalds' request, Offutt has become a master at tracking its potatoes. Keith McGowan, a member of the Offutt family and manager of the food and farm division, testified before my committee that "we have to track the seed that's planted, all the inputs to the crop, where it's stored, when it's shipped, when it's processed, what freezer it goes into, what box it goes into, what truck it goes into, what distribution center, what restaurant. Then they (McDonald's) can accurately determine when that French fry was sold." McDonald's makes many demands on its suppliers and can include sustainability provisions in its contracts with suppliers if it so chooses.

I want to make sure that I didn't misunderstand you as we continue to more broadly share our concerns about the sustainability of potato production for your French fries. Those concerns include contaminated drinking water, habitat destruction, and the systemic insecticides that are harming honey bees and other pollinators.

If we could move forward together, that would be a better outcome for all. Unfortunately, at this point that is not my expectation.

Sincerely,

A handwritten signature in cursive script that reads "Jean Wagenius".

Representative Jean Wagenius

CC:

Representative Andrew Falk

Representative Rick Hansen

Representative Jim Davnie

Representative Alice Hausman

Senator John Marty

Senator Patricia Torres Ray

Co-Chair Nancy Gibson, Legislative-Citizen Commission on Minnesota Resources

Co-Vice Chair Jeff Broberg, Legislative-Citizen Commission on Minnesota Resources

Director Amanda Conochalla, Government Affairs, McDonald's Corporation