

Northern Illinois University Consumer Behavior

Hanna-Wozniak

Chapter 1 Case

What's In Your Burger?

Recent media reports revealing that Americans get over one-third of their daily calories from restaurant foods have raised major health concerns among many consumers. This apprehension has resulted in a new drive to require food establishments to provide critical calorie information on their various menu items. Disclosing to consumers information about how these menu items would affect their waistline is seen by many as desirable and necessary to help restaurant customers make healthy menu choices.

The practice of listing vital information including the ingredients and calorie content of all processed foods is mandated by the Food and Drug Administration (FDA) in the United States. All grocery items we purchase in the supermarket carry labels that provide detailed nutritional information. Studies show that 75 percent of supermarket customers check label information, and half of those who do report that they have changed their brand choices based on such knowledge. However, surprisingly, when it comes to meals purchased by consumers in restaurants or fast-food establishments, this practice in many cases has been overlooked.

This situation has caused many consumers to question the inconsistency in government food information mandates. A Keystone Center report revealed that national polls indicate 60 percent of restaurant patrons felt caloric content should be listed on menus. However, the Center, in the meantime, found that only one-half of the 300 large restaurant chains surveyed provided some nutritional information on meals served. Some major restaurants, such as Ruby Tuesday, Subway, McDonald's, and TGI Fridays, among a few others, have voluntarily provided more caloric information about menu choices, but many others have failed to follow suit.

This situation, in recent years, has brought about increasing political support for a movement to provide consumers with nutritional labeling at restaurants to help us make more informed choices about the food we purchase. Such information, the FDA believes, would help us limit excessive calorie intake and support our fight against obesity.

As part of the health care reform of 2010, the FDA is imposing a new regulatory plan that covers restaurant chains, that is scheduled to become effective on January 1, 2013. This new labeling law requires chain restaurants to provide extensive nutritional information about every regular menu item they serve. For example, information on calorie counts must be placed on every menu and menu board. This law, however, does not apply equally to every establishment that sells food. Rather, it covers only restaurants that are part of a chain with 20 or more locations, regardless of the prices charged, the kind of food served, or whether or not there is table service—as long as the sale of food is the establishment's primary business activity. The intent of the FDA is to exempt movie theaters, amusement parks, general merchandise stores, hotels, trains, planes, but not grocery or convenience stores.

The menu labeling law is expected to place a significant burden on restaurants in terms of added costs associated with providing calorie information. Such costs include laboratory analysis required to calculate calorie content of every menu item, the cost of printing the informative menus, and the need for new larger menu boards.

While there are those individuals who question whether the public *truly* wants such information to be provided, there are others who welcome the move due to its anticipated positive effect on public health. Regardless of the arguments for and against this new measure, the final responsibility for making the right menu choices rests mostly with individual consumers. To help us dine healthfully, nutrition experts suggest a few strategies that include ordering an appetizer instead of an entree, sharing an entree with a friend, or asking for a take-out box at the beginning of the meal so as to avoid overeating. As always, the true secret in staying healthy, nutritionists claim, is moderation in our food consumption.¹

¹ Lyndsey Layton, "FDA proposal would require chain restaurants to display calorie information," *The Washington Post*, (April 1, 2011), <http://www.washingtonpost.com/politics/fda-proposal-would-require-chain-restaurants-to-...>; Jonathan Berman, "United States: Proposed FDA regulations to require 'chain restaurants' to post nutrition information," *Jones Day*, (Sept. 27, 2011), <http://www.mondaq.com/unitedstates/x/148784/Healthcare+Food+Drugs+Law/Proposed...>; Andrew Zajac, "FDA proposes rules requiring restaurants to post calories counts on menus," *Los Angeles Times*, (April 1, 2011), <http://articles.latimes.com/print/2011/apr/01/business/la-fi-fda-nutrition-labels-20110402>

Chapter 1 Case Questions

1. The menu labeling law does not apply equally to every "restaurant or similar retail food establishment," but only to those that are "part of a chain with 20 or more locations." In other words, this law exempts millions of other establishments that sell food, such as smaller restaurant chains, hotels, movie theaters, amusement parks, bowling alleys, along with many other similar establishments. As such, do you think that this law is discriminatory. What is the logic or justification behind these arbitrary exemptions? Would you recommend that the same rules should apply equally to all establishments that sell food?

2. Restaurants often make health or nutritional claims, such as "low-fat" or "sugar-free." Under the proposed legislation, a claim of "low-fat," for example, would only be allowed if a standard serving contains no more than 3 grams. However, restaurants often serve portions several times larger than the standard serving size. Similarly, "sugar-free" claims do not mean "calorie-free" or "fat-free" foods. To curtail consumer misunderstanding of the actual calorie content of the food they order, what solutions would you suggest to lessen the effect of such claims and to enhance consumer understanding of what these terms really mean?

3. Since consumers are left with the major responsibility for making the right food choices in restaurants, what would you suggest as strategies that consumers may follow or knowledge they may need in order to maintain a healthy lifestyle? Do you expect that everyone would be equally interested in getting this type of information or following food consumption guidelines? Why or why not?

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