

August 22, 2006

Lundberg Family Farms Update on Biotechnology Rice Discovery

Fast Facts:

- Last Friday, the U.S. Department of Agriculture announced the presence of traces of an unapproved genetic trait in a variety of commercially available long grain rice from the 2005 crop.
- Lundberg Family Farms was first made aware of this discovery by the California Rice Commission August 18.
- The name of the bioengineered rice cited by USDA is “Liberty Link LLRICE601” and is a product of Bayer Crop Science regulated by USDA.
- According to Bayer Crop Science, they have had no plans to market the LLRICE601, which produces a protein for rice herbicide resistance.
- According to the California Rice Commission, LLRICE601 was “found on a strain of long grain rice not grown in California,” home and headquarters for Lundberg Family Farms.
- The varieties of long grain rice Lundberg Family Farms grows in California are not the strains in which the contamination has been reported. However, as an additional precaution, Lundberg Family Farms is having samples of our long grain products tested by an independent lab to verify that they contain no traces of the LLRICE601 variety. We will report these findings as soon as they become available to us.

Our Lundberg Family Farms Commitment:

We find this news of an unapproved strain of the genetically modified LLRICE601 disturbing and are committed to vigilantly providing the facts as we know them to our valued customers and consumers.

We are working collaboratively with the California Rice Commission, the Organic Trade Association and other industry leaders to determine the potential ramifications of this event. While it is premature to report to you on any results from our own research, we want to keep you informed of the facts, as we know them:

- Lundberg Family Farms opposes the use of genetically modified organisms (GMOs) on farms and in foods.
- Lundberg Family Farms supports consumers' right to know if a product contains GMO ingredients.
- Testing for GMOs is not a requirement of certified organic farms because of the highly regulated process of tracking and tracing all materials used in the production of organic foods.
- The USDA has not determined the cause of the LLRICE601 contamination and said it plans to conduct an investigation into how the product contaminated rice crops, and whether any violation of federal regulations occurred.
- Lundberg Family Farms has periodically purchased a small amount of long grain rice from growers and suppliers in Texas and Arkansas. We are in communication with each of these growers and suppliers and will report our findings as they become available to us.
- The USDA and FDA last week reported their scientific review of available data that revealed no human health, food safety or environmental concerns are associated with LLRICE601 rice.
- We will post updates on this situation to our website (<http://www.lundberg.com>), as we receive them.

For additional information on this event, we encourage you to visit the California Rice Commission's website (www.calrice.org), the USDA's website (www.usda.gov) and the FDA's website (www.cfsan.fda.gov). We are here as a resource to you to answer your questions and concerns and will update you as we have new information. Thank you for your continued support of sustainable agriculture and Lundberg Family Farms.