

How to Implement COOL

Cattle Industry Talking Points

Congress required USDA to implement mandatory country of origin labeling by September 30, 2004. The USDA just began working on mandatory labeling on April 9, 2003, the date the comment period for the voluntary program ended. Below are Guidelines we want USDA to follow when writing its rules for mandatory labeling. These Guidelines will ensure that COOL is implemented in a least-cost, least-burdensome manner, while maximizing benefits for producers and consumers and minimizing the burden on packers, processors, and retailers.

- 1. USDA should require all imported livestock to be permanently marked with a brand or tattoo indicating its country of origin before it enters the United States.**
 - a. All livestock not marked with a foreign brand or tattoo should be considered born and raised in the USA.
 - b. There would be no need for mandatory recordkeeping for livestock producers because the origins of livestock can be determined by whether or not an animal has a foreign marking.
 - c. If producers want to claim that foreign livestock were fed in the United States, they should be allowed to voluntarily keep records to substantiate their claim.
- 2. USDA should establish a “grandfather” clause that will allow all livestock presently in the United States to be cleared from the system without affecting their value.**
 - a. This can be accomplished by simply using Guideline 1 above as the single means of identifying origin of livestock.
- 3. USDA must ensure that retailers cannot impose a greater burden on suppliers than is required by the law or the rules.**
 - a. Retailers and packers have already signaled their intent to put a greater burden on suppliers than is required by the COOL law. For example, some packers are demanding the producers obtain a third-party certification of origin.
 - b. USDA can accomplish this by stating that only USDA may conduct audits, and all suppliers and retailers must rely solely on the markings on livestock or the representations made on sales transaction documents.
- 4. USDA should utilize existing paperwork transactions already used between packers, processors, and retailers to add a country of origin designation.**
 - a. As a service to the industry, USDA could develop standardized forms for use where no pre-existing documents are adaptable.
- 5. USDA should interpret the law to maximize the number of commodities that will be labeled.**
 - a. Enhancing a commodity by adding water, flavoring, salt, or other seasoning should not exclude a commodity from the labeling requirements.
 - b. Cooking, curing, roasting, or restructuring should not exclude a commodity from the labeling requirements.

Note: This document was prepared by R-CALF USA and is consistent with R-CALF USA’s formal comments submitted to USDA. R-CALF USA is currently having its legal advisors research how these proposals might be affected by both trade law and domestic law. Updates will be provided as R-CALF USA continues to develop the cattle industry’s best approach to labeling.