



R-CALF United Stockgrowers of
America

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July 17, 2007

Agriculture Committee Member
U.S. House of Representatives
Washington, D.C. 20515

Dear House Agriculture Committee Member,

We've heard a rumor that the U.S. House Agriculture Committee may be considering an amendment to the 2002 Country-of-Origin Labeling (COOL) law that would allow all beef from cattle slaughtered in the U.S. to be considered USA beef, with the exception of cattle imported for immediate slaughter.

On behalf of the thousands of cattle farmers and ranchers who are members of R-CALF USA and who strongly support the implementation of the 2002 COOL law without any changes, we hope this rumor is false. But, if it isn't, we need your help in defeating it immediately. This amendment would be a veiled attempt to undermine the 2002 COOL law and would result in deceiving U.S. consumers about the true origins of beef.

Here are our specific concerns regarding this reported amendment:

- 1. This amendment would effectively hide the true origins of large volumes of beef.**
 - In 2006 we imported approx. 2.3 million cattle from Canada and Mexico, approx. 1.6 million of which were imported for feeding. This amendment would allow the beef from these 1.6 million cattle to bear a USA label. At a 750 lb. carcass weight, this means that approx. 1.2 billion pounds of beef from imported cattle would bear a USA label, effectively deceiving U.S. consumers about the true origins of the beef they purchase.
- 2. This amendment would significantly reduce the benefits of COOL to U.S. cattle producers and it would undermine the 2002 COOL law.**
 - Beef from imported cattle competes directly against beef from cattle born and raised in the United States. This competition will be subverted if consumers cannot distinguish beef produced exclusively in the U.S. from beef produced from imported cattle.
 - Imported cattle impact the demand and price for domestic cattle. Not

differentiating beef from domestic cattle from beef from imported cattle will artificially reduce the demand and price for domestic cattle. This is because packers will be encouraged to buy cheaper, imported cattle rather than domestic cattle as both would be eligible for the USA label.

3. This amendment suggests that Congress has been misled into believing it is too difficult to verify the origins of live cattle.

- The COOL law can be implemented without changes if USDA uses the National School Lunch model that Congress recommended in the 2002 COOL law. Congress intended for USDA to identify all imported cattle and to presume all non-imported cattle to be exclusively of U.S. origin. All cattle from Canada and Mexico are already required to be permanently marked or are transported in sealed trucks. These cattle are identifiable as to their country-of-origin and all unmarked cattle could be none other than of U.S. origin. This is how the School Lunch Act model works and this is how COOL can be effectively and accurately implemented *without any changes to the law*.

We understand that the meatpackers and the NCBA do not support the 2002 COOL law. However, Congress must stand firm and force the U.S. Department of Agriculture to implement the law as it was intended, just as it did when it effectively forced the implementation of COOL for fish and shell fish in April 2005. The 2002 COOL law can be efficiently and effectively implemented without any statutory changes. We need your continued support to make this happen.

R-CALF USA would be happy to provide you with more detailed information as to how COOL can be implemented for the benefit of U.S. farmers and ranchers and U.S. consumers. Please call me at 406-670-8157 if you would like such additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bullard", written in a cursive style.

Bill Bullard
CEO, R-CALF USA