

My name is Jay Miller; I am a cow calf producer from Washington VA and Marketing Committee Chairman for R-Calf USA. I am here today in both Capacities.

Labeling is profitable packers, processors and retailers know it. Labeling is so profitable that Tyson Foods is spending one hundred million dollars on a marketing campaign for the Tyson Label on beef and pork. Labeling is so profitable that packers, processors and retailers don't want producers to have it. Packer, processors and retailers want that profit for themselves, they do not want to share, which is precisely why the industry is employing every tactic imaginable to coerce, threaten or scare producers into supporting their position. The Industry believes that the industry should label but American Farmers and Ranchers should not. Some of us already know the value of brand recognition and that is why we support COOL. COOL will bring about a more equitable division of the consumer food dollar at the farm and ranch gate. COOL will take control away from Packers, Processors and Retailers, who don't want us to know where our food originates. Consumers will be empowered with information and no longer have to trust that "Big Brother" is looking out for us on food safety and quality issues. COOL will significantly reduce the U.S. Administration's ability to use the beef industry as bargaining chip in trade agreements. COOL will help restore competition to our failing markets. COOL will enhance food safety and national security, COOL will allow U.S. producers to develop a long term strategy to promote U.S. beef. A united production sector is the last thing packers, processors and retailers want. U.S. Producers have spent one billion dollars to promote a product that is generically labeled; I do not think that makes sense. COOL will change that.

Opponents of COOL cite a list of unlikely difficulties; Record keeping for one. Why is COOL any more burdensome than Certified Angus Beef, Certified Hereford Beef, Nolan Ryan's Beef or the School Lunch Program? It is not, it is profit margin and earnings that create these make-believe barriers. Monetary gain is the cause for erection of these invented obstacles on the grass roots producers' path to survival. Segregation systems are already in place and functioning efficiently.

Congress directed USDA to model the rules of COOL after five existing certification programs. Many of these programs label imported product and they have not been challenged by trade laws or alleged to be WTO non compliant.

Retailers and their lobbyists continually cite the enforcement section of the law and the fine. The retailers' liability issue of COOL turns on one word "willfulness", a retailer would have to willfully violate section 283 to be fined. Retailers can not be fined for mistakes or misrepresentations by suppliers. I fail to see the legal liability. If a retailer intentionally tries to circumvent the law then the retailer should accept the consequences.

Despite what packers, processors, retailers say we are not one united industry; each segment of the industry has its own financial concerns. Each segment of the industry is competing for its respective share of the same consumer dollar. The industry is not the voice of producers or consumers and I wish they stop insisting that they are. When packers, processors and retailers want to extract their pound of flesh it comes from opposite ends of the food chain. The producer or the consumer always foots the bill. To them it is just business, to producers it is a matter of survival and preservation of an entire culture.

COOL as written is exactly what we asked for and the law is simple, it is the interpretation of the law by antagonists of the law that complicate it. I sincerely hope that this law does not end up like the Mandatory Price Reporting, neutered and made useless during the rule making process. Creating doubt and reservation is a simple task; constructive practical solutions are substantially more difficult. I challenge the USDA to implement this law as its crafters intended and as directed by the Secretary Of Agriculture. Presumption of U.S. origin, self verification, without reduction of the commodities pool Congress intended to be labeled, free of arbitrary and capricious record keeping burdens imposed by private sector opponents. It is my hope that USDA will incorporate the formal recommendations submitted by R-CALF USA and Americans for Country of Origin Labeling.