Country of Origin Labeling

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COOL

- Effective September 30, 2008 certain products of covered commodities must be labeled at retail to provide consumers country of origin information for the product

Legislation and Related Activities

- 2002 Farm Bill – Enacted Mandatory COOL
- 2003 - Final rule published for Fish & Shellfish Only: 7 CFR Part 64
- Implementation for all other commodities delayed until 03/30/08
- 2008 Farm Bill Amendments COOL Provisions
  - Final rule published for remaining covered commodities: 7 CFR Part 65
  - September 30, 2008 – Implementation Date for All Remaining Covered Commodities

Who Will Label and What Will Be Labeled?

- Labeling responsibility falls on retailer for covered products (origin determination passed back through production chain to suppliers)
- Covered products
  - Muscle cuts of beef, pork, chicken, lamb, goat
  - Ground beef, pork, chicken, lamb, goat
  - Fruits, vegetables, fish/shellfish, nuts, etc.

Important Components

- Who will label
- What is labeled
- Determining origin
- Recordkeeping
- Compliance and enforcement

Exemptions

- Foodservice Exempt (restaurants, delis, cafeterias, ready-to-eat services inside retailer)
- Processed items Exempt
  - Change Character (cooking, curing, smoking, emulsifying)
  - Combining with another product
- Covered commodities processed or packaged before Sept 30, 2008
U.S. Country of Origin

- Animals born, raised, and slaughtered in the United States
- Animals present in the U.S. on or before July 15, 2008

Labeling

- U.S. Product
  - "Product of the U.S."
- Multiple Countries of Origin
  - "Product of the U.S. and Canada" (and/or country X)
    - Imported animals not for immediate slaughter (fed in U.S.)
  - "Product of Canada (and/or Mexico) and U.S."
    - Animals imported for immediate slaughter (< 2 weeks in U.S.)
- Imported Product
  - "Product of Australia" (or New Zealand, etc.)
- Ground product—labeled with all countries of origin
  - I.e., "Product of U.S., Canada and Mexico"

Labels

- Legible, Conspicuous
- Methods:
  - Label
  - Sign
  - Placard
  - Twist Tie
  - Pin
  - others

Recordkeeping

- Suppliers must provide retailer with country of origin information on product they deliver
- Suppliers = packers, processors, distributors, feeders, backgrounders/stockers, cow/calf & sheep producers, others
- Retailer must keep records for 1 year from time product is introduced at retail

Recordkeeping- Suppliers

- Suppliers must possess or have legal access to records to initiate claim for country of origin
- Packers may relay on producer affidavits to initiate claims
- Affidavits must be made by person having first-hand knowledge and identify animals unique to transaction
- Affidavits may be passed along production chain and consolidated
- Continuous affidavits may be used (July 16, 2008-July 15, 2009)
- Suppliers must keep affidavits for 1 year from date of transaction

Uniform COOL Affidavit
Compliance/Enforcement

- Six-month education and outreach period
- Retailer Audit/Review - country of origin declaration traced back through suppliers
- Producers
  - Utilize affidavits
  - Birth records, business transaction records

Impact of COOL....

- Consumer reaction?
- Value differentiation in retail sector?
- Premium opportunities for packer, feeder, producer? Or discounts for product of non-U.S. origin?

More Information

- USDA Agricultural Marketing Service