

Kansas Cattlemen Continue to Defend COOL

Kansas Cattlemen's Association continues to stay engaged in the country of origin labeling discussion with the United States Department of Agriculture (USDA), Congress, and the U.S. Trade Representative's Office (USTR).

The World Trade Organization (WTO) made a determination that the United States has until May 23, 2013 to come into compliance with its finding on country of origin labeling (COOL). Earlier this year, the WTO did acknowledge the right of the U.S. to require a COOL law but found fault in its regulations, not the law itself. In its final ruling the WTO stated that the U.S. is giving less favorable treatment to imported cattle and hogs than to like domestic cattle and hogs. It also concluded that the current implementation of COOL has a detrimental impact on imported livestock because its recordkeeping and verification requirements create an incentive for processors to use exclusively domestic livestock.

A recent collaborative study by Kansas State University and Oklahoma State University used multiple methods to examine how COOL affects consumers. The study used purchase records, in-store and online surveys, and real-money experiments with consumers. The study concluded that there was not an increased demand in beef, pork, or chicken products. Also, "typical U.S. residents are unaware of COOL and do not look for meat origin information. Consumers regularly indicate they prefer meat products carrying origin information. However, consumers reveal similar valuations of alternative origin labels. In both online and in-person assessments, research participants regularly select[ed] meat products carrying origin information over unlabeled alternatives consistent with previous research. However, in an online assessment, consumers revealed valuations of meat products labeled "Product of North America" to be approximately the same as "Product of United States."

"Ultimately, KCA wants to keep COOL implemented. There is a great opportunity here. U.S. Trade Representative's Ron Kirk could have bowed down to the WTO in its preliminary ruling, but he didn't. Instead the USTR appealed and stood up for the sovereign right of the U.S. USDA could have backed down in COOL implementation, but in letters to KCA and national cattle groups USDA Secretary Vilsack stated that he is committed to providing the information of origin to consumers. The WTO did acknowledge our right to require COOL. And the KSU/OSU study really does show that although COOL is providing origin information, the implementation of COOL needs to be improved so that consumers can recognize that their meat is labeled with proper origin. We have the law in place, we just need to move forward with larger labels on the front of packages and clearer information as to origin, but to do this, we need to make sure COOL is implemented. KCA continues to work with our national allies and continues independent contact with Congress and the administration. A few months ago, KCA expressed discouragement with the U.S. government for allowing the WTO's finding to supersede the laws and regulations of our country. KCA also asked the U.S. government to withdraw from the WTO if U.S. sovereignty is at stake. However, there is no indication that the U.S. will withdraw from the WTO, and it has indicated that it is committed to COOL. With this information, and wanting to stay engaged in implementing and improving COOL, KCA is taking the opportunity to maintain open communication with the Administration. This does give us a great opportunity to work with the USTR and USDA to provide them with suggestions and our expertise as industry leaders. U.S. cattlemen groups have been on the forefront of this issue for more than a decade, and COOL reflects our industry so who better to work with those making policy than the U.S. cattle producer," stated KCA Executive Director Brandy Carter.

KCA is maintaining contact with USDA and the USTR, providing suggestions, engaging in dialogue and offering opportunities to ensure implementation of COOL. KCA is also consistently providing recommendations to improve COOL and maintaining coalitions to enhance the opportunity for a favorable outcome for both U.S. producers and consumers.

Last week, the Australian government announced that it was extending its COOL requirements to cover new classes of meat to include unpackaged beef, sheep and chicken.

Carter responded, "In a global market, COOL is essential. Other countries implement it, and it's not just Australia doing it. The U.S. will too."