AN207

UF | UNIVERSITY of FLORIDA
IFAS Extension

Country of Origin Labeling (COOL)[1]

Chad Carr and Larry Eubanks[2]

Country of origin labeling (COOL) was a portion of the 2002 Farm Bill designed to inform consumers about the origin of their food supply, and to encourage them to purchase products produced in the United States. The initial language of the COOL requirement has been modified to make the regulations less inconvenient and costly for the U.S. food industry. Farm-raised and wild fish and shellfish have been regulated by COOL since April 4, 2005, and are the only group of agricultural commodities for which COOL has been implemented thus far.

All retail businesses licensed under the Perishable Agricultural Commodities Act of 1930 will be subject to COOL. The AMS released an interim final rule for COOL on July 28, 2008 (USDA, 2008). The highlights of the final rule being are at http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5070925.

Labeling

The burden of proof for COOL is on the retailer of the commodities. Producers, packers, processors, and purveyors will be required by law to supply the retailer with information documenting the origin of covered commodities. The USDA states that all "covered commodities should have a country of origin label. According to the USDA (2008), a "covered commodity" will include: muscle cuts of beef, veal, pork, lamb, goat and chicken, ground beef, veal, pork, lamb, goat, and chicken, fresh and frozen fruits and vegetables, peanuts, pecans, macadamia nuts, and ginseng. All of these products should bear a COOL label if sold at retail.

Exemptions

The AMS will allow a six month acclimation period when the agency will conduct COOL education and outreach programs to help the industry comply with the requirements of this rule, prior to enforcing fines on retailers. If a commodity is sold at foodservice (restaurants, hotels or institutions) it will be exempt from COOL. Salad bars and delis within retail establishments, such a grocery store, are exempt from COOL. Processed products and products which have been combined with at least one other covered commodity or other substantive food component will be exempt from COOL. According to USDA (2008), commodities sold at retail exempt from COOL include: "meatloaf, meatballs, fabricated steak, breaded veal cutlets, corned beef, sausage, breaded chicken tenders, and teriyaki flavored pork loin; a salad mix that contains lettuce and a dressing packet, a salad mix that contains lettuce and carrots, a fruit

1. This document is AN207, one of a series of the Animal Science Department, Florida Cooperative Extension Service, Institute of Food and Agricultural Sciences, University of Florida. Original publication date July 2008. Revised August 2008. Visit the EDIS Web Site at http://edis.ifas.ufl.edu.
2. Chad Carr, Assistant Professor; and Larry Eubanks, Coordinator of Research Programs; Department of Animal Sciences, Cooperative Extension Service, UF/IFAS, Gainesville, FL 32611.

cup that contains melons, bananas, and strawberries; and roasted peanuts. "

Product Labels

According to the USDA (2008), country of origin labels must be easily legible to retail consumers. Products will be designated one of the following label types:

Product of the United States

This is a product that is born, raised, grown and processed within the United States and has never crossed the U.S. border. The only exceptions are products from animals transported from Hawaii or Alaska to the continental United States, which are U.S. products unless they spent more than 60 days in Canada. All products from red meat animals and chickens imported into the United States on or before July 15, 2008, will be grandfathered in, allowing their products to be marketed as "Product of the United States".

Multiple Countries of Origin

This is a product from animals originating in another country, then imported, and further produced and processed in the United States. The product will carry a label listing all the countries involved. For example: feeder calves that are imported from Mexico, then finished and slaughtered within the United States would carry a label that reads "Product of the United States from animal imported from Mexico."

Imported for Immediate Slaughter

This is a product from animals imported into the United States for processing only, thus like those with "Multiple Countries of Origin," the product will carry a label listing all the involved countries. For example: animals imported from Canada and processed in the United States would carry a label that reads "Product of Canada and the United States."

Imported Finished Products to be Sold at Retail

This is a product imported into the United States which will only list the product s country of origin. Some ground products (beef, pork, lamb, goat, or chicken) may contain components from multiple countries. The language contained within USDA (2008) states a label for ground beef, pork, lamb, or goat should simply list all the countries of origin that may be in that product.

Records

Under the new legislative language, agricultural producers will only need documents used in the "normal conduct of business" to prove origin. These documents should include a producer affidavit, animal health papers, import or customs documents, transaction receipts and tax documents. Such records must identify the product unique to that transaction by means of a lot number or other unique identifier, for a period of one year from the date of the transaction.

Establishments that slaughter livestock will be considered initiating suppliers of a covered commodity. The initiating supplier either must have the records in its possession or have access to records of the livestock supplier that substantiate the country of origin of the meat product at issue.

At retail, records and other documentary evidence relied upon at the point of sale to establish a product's country of origin must be maintained for one year from the date the country of origin claim was made at retail and, if needed, should be able to be provided to USDA within five business days of notification. For pre-labeled products, the label itself is sufficient evidence on which the retailer may rely to establish a product's origin.

Benefit and Costs

According to USDA (2008), the potential benefits to producers, purveyors, and retailers are difficult to quantify, but most economic reviews suggest the benefits will likely be small. The costs to the U.S. food industry are estimated by USDA (2008) to be $624 million for the first year, with subsequent maintenance costs of $499 million annually.

Literature Cited

American Meat Institute. 2008. Country of origin labeling. http://www.meatami.com/sites/countryoforiginlabel.org/ Accessed July 14, 2008.

National Cattlemen's Beef Association. 2008. Country of origin labeling. http://www.beefusa.org/govecool.aspx Accessed July 14, 2008.

USDA. 2008. Mandatory country of origin labeling- Talking points. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5070925 Accessed August 6, 2008.