



# Discussion Topic

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## QUESTIONS

- 1. How can your local Farm Bureau ensure truth in labeling beyond country of origin labeling?**
- 2. How will COOL affect local markets? Will resistance to food from afar change consumer choices? How and why, or why not?**
- 3. In a world market, how can COOL provisions in the United States lead to increased export sales?**

## COOL – the hot topic of the day

A six-year effort by the USDA to establish mandatory Country of Origin Labeling (COOL) on selected U.S. food products has finally been rolled out for 60 days of public comment.

The issue has been debated ever since its concept became part of the 2002 farm bill, but the tiered system that has set rules for COOL in the 2008 farm bill won't begin until Sept. 30 of this year. That's not because farmers, processors and retailers have anything to hide, but because of the potential for abuse that has already become evident when labels are used not as a tool for consumers to identify where their food comes from, but as a deceptive advertising devise.

"It is important to note that not every label is the same," said a position paper from the American Farm Bureau Federation in May. "Some are meant to inform the consumer about the nutrition content, origin or certified-organic status. Others make false or misleading claims about what is 'not' in a product, potentially misleading the consumer by implying products that bear labels 'without' are safer."

The new proposed rules, however, aren't designed to establish truth in labeling. That's an entirely different issue, said Ernie Birchmeier, livestock specialist with Michigan Farm Bureau.

"The new rules only apply to country of origin," he said. "For example, if you buy a calf in Canada, raise it in Michigan and it's processed in Mexico, the label on the beef from that animal must read that it's a product of Canada, USA and Mexico. If the calf was born in Michigan, raised here and processed at Murco in Plainwell, the label simply would read 'product of the USA.'"

Whether COOL rules will help consumers make quality judgments - and increase sales of domestic food - is still open for speculation.

"The market will decide whether consumers believe domestic products are better or more desirable," Birchmeier said. "At this point, with locally-grown being emphasized, we could conclude that perhaps consumers will buy products of the USA. But in the winter, when a buyer wants a cantaloupe, will it really matter if it came from Peru? We'll wait and see."

Designed for consumer protection, COOL rules also should protect producers, Birchmeier said.

"We're in a world-wide market, whether we like it or not," he said. "Consumers want traceability, and producers need protection. They're the ones who need protection from liability and need to ensure some level of confidentiality. But at the same time, we need traceability if there is a disease outbreak, because if we can trace it more quickly, it will help everyone."

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Fruit and vegetable growers have traditionally been more supportive of COOL than meat producers, because they know from bitter experience how imports can ruin domestic markets. And outside Michigan, where electronic cattle identification is not yet mandatory, concerns over government intrusion have sparked lawsuits. But even though a workable ID program will help USDA auditors ensure that COOL labels are truthful, there is resistance, perhaps because of as-yet unknown details.

“There are things that need to be worked out,” Birchmeier said. “For example, will a packer decide that one day a week it only slaughters cattle from Canada and another day only from Michigan? Those decisions will be made by the packers and processors. And ultimately, consumers will decide the value of the system.”

The rule covers muscle cuts and ground beef (including veal), lamb, chicken, goat, and pork; perishable agricultural commodities (fresh and frozen fruits and vegetables); macadamia nuts; pecans; ginseng; and peanuts -- as required by the 2002 and 2008 farm bills. USDA implemented the COOL program for fish and shellfish covered commodities in 2004.