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WTO Ruling Supports COOL

The World Trade Organization (WTO) issued its final ruling on June 29 in an international trade dispute over Country of Origin Labeling (COOL). The final ruling came from a WTO Appellate Body after an appeal by the United States in a case filed by Canada, and separately by Mexico, before the WTO challenging the U.S. mandatory country of origin labeling law.

The Independent Cattlemen's Association of Texas (ICA), working alongside its national affiliate, the United States Cattlemen's Association (USCA) has supported the implementation of COOL.

According to ICA State Director Richard Hodge of Pledger, Texas, “The consumer, who is our customer, deserves and wants to know the origin of the beef products they purchase. As a result of labeling (MCOOL), U.S. origin beef is available in almost all retail outlets and consumers have demonstrated their approval. In addition, origin labeling gives U.S. cattle producers the mechanism for differentiating our beef from imports. I don't think anyone works harder than we do to produce safe, delicious beef and satisfy our customers.”

Despite opposition from opponents of COOL, the final WTO Appellate Body ruling affirmed the U.S. consumers' right to require truthful meat labeling and the panel found that the U.S. meat labeling law fulfills a legitimate business objective.

The WTO also ruled that the segregation of foreign and domestic cattle at the point of harvest imposes a burden on Canadian and Mexican imported cattle.

Under the present COOL implementation rules there are four categories of COOL labels that are applied to muscle cuts and a fifth label, “Multiple Countries of Origin”, reserved for ground meat. Label “A” is reserved for meat derived solely from animals born, raised and harvested in the U.S. Label “B” is for “Multiple Countries of Origin”. Label “C” is used for meat derived from animals imported into the U.S. just prior to harvest and Label “D” is used for meat from foreign countries. The ground meat label lists all “reasonably possible” countries of origin of the animals from which the ground meat is derived.

Chuck Kiker, ICA member and USCA Director, Beaumont, TX applauded the WTO ruling but encouraged producers to remain engaged as the process of finding solutions to compliance issues unfolds. “The packing industry wants access to the “A” label, which is specifically reserved for U.S. born, raised and processed product. The packing industry and importers have made it clear they want to convert that to a North American label or redefine the US label to include foreign animals processed and fed in the US. Opponents of COOL want Congress to rewrite the law and will surely push to water it down even more and redefine what qualifies for the A label or US origin. There is already talk of an amendment being slipped into the 2012 Farm Bill to accomplish just that. The final WTO ruling takes no issue with the statute. The remedies to the issues outlined by the WTO can be accomplished through the regulatory process but we must be at the table and firmly engaged in those discussions in order to ensure that the U.S. Trade Representative and the Department of Agriculture understand what grassroots producers and consumers expect and how to achieve what should be simple solutions. ICA and USCA representatives will be in Washington, DC later this month to participate in those discussions and we will continue to do so as this process develops.”

The Independent Cattlemen’s Association of Texas will continue to support mandatory country of origin labeling because we believe Texas ranchers deserve the right to identify their meat products in the marketplace.

To join or learn more about ICA give us a call at 512-620-0162 or visit our website at www.icatexas.com.