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Natchez MARKET
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SUPER MARKET OPERATIONS, INC.

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January 21, 2003

Country of Origin Labeling Program
Agricultural Marketing Service, USDA
Stop 0249, Room 2092-S
1400 Independence Ave., SW
Washington, D.C. 20250-0249

Office of Management and Budget
New Executive Office Building
725 17th Street, NW., Room 725
Washington, DC 20503
Attention: Desk Officer

Clearance Officer, USDA-OCIO
Room 404-W, Jamie L. Whitten Building, Stop 7602
400 Independence Avenue, SW.
Washington, DC 20250-7602

Docket Number LS-02-13, Establishment of Guidelines for the Interim Voluntary Country of Origin Labeling of Beef, Lamb, Pork, Fish, Perishable Agricultural Commodities, and Peanuts Under the Authority of the Agricultural Marketing Act of 1946.

To Whom It May Concern:

As a retailer covered by the United States Department of Agriculture's voluntary guidelines, I welcome the opportunity to provide AMS with my comments opposing the costly, burdensome recordkeeping system that is proposed as part of the voluntary and mandatory country of origin labeling program. I oppose AMS' request for emergency approval for the recordkeeping system.

I do not believe that emergency approval of this recordkeeping system is warranted. Too many questions have not been answered. Are we required to keep records for two years under a voluntary program if a supplier, who is outside of our control, labels the product with the country of origin? Should I be required to keep records when USDA has not clearly stated in the guidelines what is required, and has invited retailers to suggest ways to maintain and minimize the burdens? Clearly, USDA has not set out what is required and any recordkeeping beyond what we do in our normal course of business is unnecessary. Furthermore, the agency has stated that it will not perform compliance visits

pursuant to Public Law 107-171, and has no authority under the law to pursue enforcement action against entities participating in the voluntary program.

The tremendous documentation burden that will be imposed on retailers and wholesalers is of far greater scale than AMS has estimated at $628 million for retailers and $340 million for foodhandlers, such as wholesalers. The estimate of one hour per day as the time required to generate and maintain the required records is wholly inadequate. Consider that a typical supermarket has more than 500 covered items in stock year round that turns daily in inventory, and you begin to see the magnitude of the burden imposed by these requirements. AMS estimates $62 million in industry-wide start-up costs – itself a shockingly large amount for imposing a new mandated recordkeeping burden, but still too low. Under the guidelines, retailers must have records at the place of final sale that identify the country of origin of all covered commodities sold at that facility going back two years. This is a massive requirement, which will entail new infrastructure and significant employee time.

Clearly, it is imperative that AMS, before even addressing mandatory country of origin labeling recordkeeping, should receive public comments from retailers and wholesalers. Such extensive recordkeeping requirements for two years, coupled with specifications for documents and procedures that are unspecified, will only make a bad situation worse for retailers like me.

It is important to emphasize again that these requirements will raise costs for the industry and consumers far beyond USDA estimates. In general, the voluntary – soon to be mandatory – country of origin labeling guidelines provide a framework for a system that will shift costs and burdens to retailers that will be reflected in consumer prices, while providing no increase in food safety. In cooperation with federal agencies, retailers and wholesalers already are able to rapidly recall products for food safety reasons. There is no reason to believe that this additional layer of complex and burdensome requirements for country of origin labeling will improve food safety to any appreciable degree. What this is really about is domestic agricultural producers seeking to discredit their foreign competitors and using fears of terrorist activity to their own advantage – and leaving independent retailers and wholesalers, as well as consumers, to pay the bill.

In conclusion, I urge OMB to deny the approval for emergency recordkeeping and AMS to eliminate its recordkeeping requirements under the voluntary guidelines so an excessive burden is not placed on my business and the rest of the American food distribution industry.

Sincerely,

R. Heffner

Ricky Heffner
Store Manager
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