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February 21, 2003

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

To Whom It May Concern:

The California Farm Bureau Federation appreciates the opportunity to provide comments regarding country-of-origin labeling. While we understand that the provision attached to the 2002 Farm Bill is not without controversy, we believe USDA has the opportunity to develop a fair and equitable process to implement the new law.

CFBF strongly supports the country-of origin-labeling provisions as passed by the 2002 Farm Bill because it will provide producers the opportunity to identify their product and consumers the ability to make informed shopping decisions. Various surveys show upwards of 70% of produce shoppers support country-of-origin labeling. And, according to a March 1999 survey by Wirthlin Worldwide, 86% of consumers support country-of-origin labeling for meat products.

We are concerned that USDA's initial meat labeling proposal goes beyond the law's intent. The legislation passed by Congress made it clear that no trace-back to individual ranches was needed to implement this legislation. USDA has proposed regulations that will make this process far more costly and time-consuming to implement than necessary.

Our focus on meat labeling should target the animals and meat entering the United States for identification. For example, live cattle entering the U.S. for feeding and processing are said to account for only 5% of the total beef processed. If this is correct, the identification of these live animals, in conjunction with health inspections already required, would be the logical time to start implementing country-of-origin labeling. By process of elimination, all other live animals would be certifiable and assumed to be U.S. product. Therefore, we believe additional requirements to trace-back the source of the other 95% of the beef in this country is unnecessary.

When it comes to imported carcasses and boxed beef, again, much of USDA's work is already largely complete since much of the supply comes from countries with a country-of-origin label. The key for this aspect of the labeling program will be to maintain the label as the product moves to the consumer.

There is considerable pressure on USDA to "study" the labeling requirements, with some in the industry claiming that any labeling program should be "voluntary" in nature. It's past the time

for studying; now is the time to implement the program. Our producers are competing in a global marketplace. But, it's hard to be fully competitive in our own markets, without the opportunity to tout our product as home-grown.

Ironically, studies show that a majority of U.S. consumers equate the USDA inspection and grade stamps as an indication that the product is of U.S. origin. It's time that consumers have a better understanding of the meaning of the stamp, along with a sense of the origin of the product.

Furthermore, in terms of a level playing field, nearly all of our major trading partners now label our meat exports as U.S. origin. We must find a way to structure our system to benefit the thousands of beef, pork and lamb producers in our country.

Some will argue that the proposed program will lead to a loss of exports or extremely high costs. This is largely conjecture. It is the responsibility of USDA to carry out this program in a cost-effective, efficient and accurate manner.

It's time to look for workable solutions. The concept of country of origin labeling carries a strong meaning for our members. It's important to them that this matter be given careful consideration.

We appreciate the opportunity to provide comments on this important matter and stand ready to assist USDA in implementing this program in a manner consistent with the intent of Congress and the needs of our thousands of Farm Bureau members who support this program.

Sincerely,

Bill Pauli

BILL PAULI
President

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