

05/09/2003 Entry: "Benefits Far Outweigh Costs According to New Study"

The benefits of mandatory Country of Origin Labeling (COOL) will far outweigh the negatives, according to a new study released by the International Trade and Policy Center at the University of Florida.

This new study, Country of Origin Labeling: A Legal and Economic Analysis, finds that not only do consumers want Country of Origin Labeling, but also that the costs of COOL will be minimal to the food industry, consumers, and producers. In addition, the analysis found COOL to be in compliance with the World Trade Organization.

The Analysis' estimates the cost of COOL to be somewhere in the range of \$69.86 million and \$193.43 million. "These cost estimates are much more realistic than the \$2 billion estimate we heard from the USDA," said Kansas Cattlemen's Association President, Larry Brack. "One thing that makes these costs so much more reasonable is that this analysis was written by those who see the benefits of COOL and support it. The USDA cost estimates were compiled by groups who have adamantly opposed COOL from the beginning. The USDA used inaccurate numbers of producers and processors, plus their labor costs were way off. This new study took the time to use more accurate and realistic numbers."

Trade compliance is also addressed in this new study, which says COOL is in compliance under the World Trade Organization. Brack says, "Article IX of the General Agreement on Tariffs and Trade (GATT) allows member nations to require country of origin labeling on imported goods from other WTO member countries. This paves the way for USDA to label the imports like KCA requested in our comments submitted to the USDA on Country of Origin Labeling."

Country of Origin Labeling: A Legal and Economic Analysis, was published by The International Agricultural Trade and Policy Center at the University of Florida. Collaborating for the report were: John VanSickle, University of Florida; Roger McEowen, Kansas State University; C. Robert Taylor, Auburn University; Neil E. Harl, Iowa State University; and John Connor, Purdue University. The complete text of the report can be accessed at the Kansas Cattlemen's Association website www.kansascattlemen.com or via a link at www.americansforlabeling.org, the website for the Americans for Country of Origin Labeling Coalition of which the Kansas Cattlemen's Association is a member.