

## **07/11/2003 Entry: "NCBA Says Country-of-Origin Labeling Must Benefit Producers"**

Washington, D.C. (June 26, 2003) – Testifying before the House Committee on Agriculture today, the president of the nation's leading cattlemen's organization said the ongoing debate over labeling is not about its merits, but rather how to provide country of origin information to the consumer in a way that does not cause producers hardship.

In his testimony, Eric Davis, an Idaho cattleman and president of the National Cattlemen's Beef Association (NCBA), said the subject has created a stir in the industry. "Perhaps no issue in recent memory has stirred the passions of beef producers more than country of origin labeling—for good reason," said Davis. "We are a proud lot and proud of the beef we produce. Therefore, labeling and promoting our product, especially US beef, is an easy argument to win when talking to ranchers."

Davis stressed that NCBA continues to support country of origin labeling, but recognizes its complexity. "Since the day NCBA adopted policy supporting country of origin labeling, we and other groups, organizations and producers have struggled with it," he said. "We have tried to strike a balance between the demands of producers and the reality of cattle and beef production, marketing, and distribution."

NCBA has been involved with this issue since it was first introduced, and Davis explained how the organization has been involved every step of the way.

"In 1999... producers were advised during a hearing on labeling by Chairman Pombo that not 'enough thought put into what the actual impact' is on producers," said Davis. "NCBA and those organizations at that hearing were urged to work to develop a voluntary, consensus approach to the country of origin labeling. We did.

"A USDA study on labeling, mandated by Congress, was published in January 2000. This study stated that 'Country of Origin Labeling is certain to impose at least some costs on an industry which will either be passed back to producers in the form of lower prices or forward to consumers in the form of higher prices.'"

These two studies spurred the NCBA and other agriculture groups to negotiate a voluntary program that was submitted to USDA, Davis said.

“During the Farm Bill Conference in the spring of 2002, House conferees worked to answer significant questions about country of origin labeling before the law passed,” said Davis. “But many of the difficult questions remained unanswered in the conference... The current country-of-origin labeling law was never fully analyzed and no hearing was held on the impact or interpretation of its provisions.

“Nonetheless, Congress has held many hearings and investigations on country of origin labeling generally, and this record suggests that this law is turning out as many predicted—problematic.”

According to Davis, the provisions of the current law simply ignore many years of collective knowledge and debate on the subject.

He explained that currently, the USDA has had to make some tough decisions that may appear “arbitrary, unnecessarily bureaucratic, and costly.” These decisions and the implementation guidelines that USDA has released are creating concern for producers.

“Several issues of concerns include: (1) the inability for producers to self-certify the origin of livestock; (2) requirements that US producers document where animal was born, raised and processed; (3) statements by packers and retailers that they will require more information from producers than the law requires; (4) the manner in which USDA is interpreting the statute.

“There are clearly easier and less costly ways to implement a country of origin labeling program other than what is contained in the statute,” said Davis. “Clearly, the testimony given today and the frustration felt by all producers on USDA’s current thinking demonstrates that living with the law as outlined by USDA is not acceptable.”

Davis said the NCBA will work toward a country of origin labeling system that benefits the cattle producers of the United States, and doesn’t cause them to pay more than that system is worth. “The National Cattlemen’s Beef Association supports country of origin labeling,” he said. “We want producers to be able to market and promote US beef. After all the hearings, all the discussion, all the debate, all the acrimony, and all the USDA listening sessions, we believe our approach of a voluntary, producer led effort offers the greatest opportunity to benefit producers because it avoids the costly mandates of the current law.”

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Producer-directed and consumer-focused, the National Cattlemen's Beef Association is the trade association of America's cattle farmers and ranchers, and the marketing organization for the largest segment of the nation's food and fiber industry.