

Country of Origin Labeling and Livestock Producers

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Country of Origin Labeling (COOL) requires retailers to notify their customers of the country of origin of beef (including veal), lamb, pork, chicken, goat, wild and farm raised fish and shellfish, perishable agricultural commodities, peanuts, pecans, ginseng, and macadamia nuts. This mandatory program of the United States Department of Agriculture took effect September 30, 2008 and agricultural producers must be able to verify origin of their products should audit take place and retailers request verification.

A covered commodity may bear a declaration that identifies the United States as the sole country of origin at retail only if it meets the definition of United States country of origin.

Under the interim final rule, beef, pork, lamb, chicken, and goat must be derived from animals exclusively born, raised, and slaughtered in the United States; from animals born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the United States and slaughtered in the United States; or from animals present in the United States on or before July 15, 2008, and once present in the United States, remained continuously in the United States. For perishable agricultural September 11, 2008 commodities, peanuts, ginseng, pecans, and macadamia nuts, products must be grown in the United States. If not exclusively of US origin, other origins must be disclosed.

The making of this rule has actually been taking place for many years. The pros and cons have been hashed and re-hashed with input from livestock producers, producer organizations, consumer groups, meat packers, wholesalers, retailers, university personnel, government agencies, and more. Hopefully the best scenario possible for all involved has surfaced. If you missed the legal process in the formation of and public comment on this ruling you can catch up on what transpired by visiting the various websites listed below.

The purpose of today's article is to provide resources for livestock producers to understand and comply with the new rule. I will limit the information here to beef cattle and sheep production commonly practiced in western Oregon, as this is the focus of my job assignment. No information for goat producers could be found on the few producer organization websites that I searched, but the USDA site has information on all covered commodities. Poultry producers are urged to call the OSU Extension Poultry Specialist, Jim Hermes (541-737-2254), and pork producers are urged to call the OSU Extension Swine Specialist, Gene Pirelli (503-683-8395), or the see the Pork Check Off website (<http://www.pork.org/>) or National Pork Board website (<http://www.porkboard.org/>) as they will have updated information on those species/products.

My Regional Livestock and Forages Website (<http://extension.oregonstate.edu/douglas/lf>) has web-links to the different organizations that might have even more information on COOL at a later date ~ see Item D. (Important News and Notices), H. (Producer Organizations), and I. (Government Agencies).

The USDA Agricultural Marketing Service hosts the official government website on COOL (<http://www.ams.usda.gov/cool/>) and should be the primary source of your information. This site includes the history and the official ruling for COOL. Be sure to check out the information on *Frequently Asked Questions* and *Examples of Records for COOL Verification* under the "Resources" section.

The National Cattlemen' Beef Association website (<http://www.beefusa.org/>) also has resources to help producers, including the association's statement on COOL and an affidavit that can be down-loaded and used to provide buyers and sellers with a document that states the origin of livestock. The affidavit supplied there has been adopted by the major livestock groups in the United States.

However, evidence to prove statements on the affidavit needs to be available should an audit occur. The Iowa Beef Center (<http://www.iowabeefcenter.org/content/COOL.htm>) has suggested that producers keep the following:

Cow-Calf Producers: To begin building a good foundation for verification, producers can begin with ear tags, calving books, herd inventories, purchase receipts of herd animals, sale bills from sold animals.

Feedlots: Cattle feeders will also need to document that cattle were "raised" in the U. S. Appropriate documentation can include a declaration of origin from the seller, scale tickets with in- and out-weight, and closeout records. Feedlots will need documentation on where the cattle were before the feedlot, place of birth and stocker operation. Feedlot owners need to begin thinking about what type of documentation they will require from sellers and how that information will be transferred through the marketing channel (auction market, order buyer, trucker). Cattle feeders should also discuss COOL with their buyers to determine what information must be forwarded with the cattle when sold.

COOL will require retailers to develop and maintain an audit trail on the products they sell to verify the label indicating the country of origin. Members of the supply chain will have to keep sufficient records to support their claim of origin.

Note: Use the affidavit off the NCBA website, rather than the one on the Iowa Beef website, as it has been widely adopted across the different livestock species groups.

The American Sheep Industry Association (ASIA) website at <http://sheepusa.org/> has some helpful information on COOL for sheep producers. Look for the orange writing on the right side of the page. There, you can find a statement by ASIA on COOL, an explanation of the program, and an affidavit (Recommended Country of Origin Affidavit/Declaration Statements) that producers may use. Some excerpts from ASIA website are inserted here.

For more than 10 years, the American Sheep Industry Association has pushed for the implementation of a national system that would allow consumers to recognize the origin of the lamb on the shelves of American supermarkets. And with good reason: Labeling of domestic and imported product will allow American lamb to capture a larger share of the higher retail price versus the product blending or nebulous labeling practices that exist in many situations today.

The COOL law provides for the use of producer affidavits to provide origin information to packers. Thus, under the interim final rule, USDA will consider a producer affidavit as acceptable evidence on which a packer may rely upon to initiate an origin claim, as long as the affidavit is made by someone having first-hand knowledge of the origin of the animal(s) and identifies the animal(s) unique to the transaction. Evidence that identifies the animal(s) unique to a transaction can include a tag ID system along with other information such as the type and sex of the cattle, number of head involved in the transaction, the date of the transaction, and the name of the buyer.

With regard to what is considered first-hand knowledge, a subsequent producer-buyer (e.g., backgrounder, feed lot) that commingles cattle from several sources is authorized to rely on previous producer affidavits as a basis for formulating their own affidavit for the origin of the new lot. Such affidavits must also identify the animals unique to the transaction. In contrast, first-hand knowledge would not include an affidavit made by someone such as a truck driver whose knowledge would be limited to where he picked up the load. The driver would not have first-hand knowledge as to whether the animals were necessarily born at that location.

Other records that may be used to assist in a COOL verification audit include birth records, receiving records, purchase records, animal health papers, sales receipts, animal inventory documents, feeding records, APHIS VS forms, segregation plans, State Brand requirements, breeding stock information, Beef Quality Program papers, and other similar documents. In addition, participation in USDA Quality System Verification Programs, such as the USDA Process Verified Program and the Quality Systems Assessment Program that contain a source verification component is also considered as acceptable evidence to substantiate COOL claims. These examples are not inclusive of all documents and records that may be useful to verify compliance with COOL, but they should provide a strong basis to substantiate a claim during a supply chain audit.

Please study these materials on your own so that you are familiar with what the mandatory program is and what you might need to do to help retailers comply. As always, I welcome calls and e-mails from you for discussions on livestock and forage topics of all kinds.