

COOL Final Rule Q&A from USDA 5/31/13

A Final Rule, "Mandatory Country of Origin Labeling of Beef, Pork, Lamb, Chicken, Goat Meat, Wild and Farm-raised Fish and Shellfish, Perishable Agricultural Commodities, Peanuts, Pecans, Ginseng, and Macadamia Nuts" was published on May 23, 2013, leaving some unanswered questions for retailers. NGA has been working with the USDA to clarify questions in the final rule regarding signage, labeling, and the six month educational period. The Q&A can be seen below:

Question: Can a retailer just post a sign and not print on the label?

<u>USDA Answer:</u> Yes, a sign can be used in lieu of individual package labeling as long as the sign is clear as to the specific origin of the products available for sale. In practice this would usually mean that all of the meat is of the same origin. For example, a sign saying, "All of the chicken for sale in this case are from chickens hatched, raised and harvested in the United States" is acceptable. However, a sign saying, "All of the beef in this case is from livestock born in the United States or Canada, raised in the United States or Canada, and Slaughtered in the United States" would not be acceptable as the case contains different origin meat products. In that instance, each individual package would need to be individually labeled since there are varying origins of meat for sale.

<u>Question:</u> What does the education period mean for retailers in terms of how USDA will be enforcing COOL labeling on muscle cuts during the six month time frame?

<u>UDSA Answer:</u> The education and outreach period means that we [USDA] will work to do everything that we can during the next six months to minimize the impact of this regulation upon the industry. We will work with groups such as NGA to participate in outreach activities so that retailers understand their requirements under the new regulations. In the near term that also means that we have asked our State reviewers not to find retailers out of compliance with the COOL program due to their use of the prior labeling scheme for muscle meat cuts until we have an opportunity to provide further guidance to both the industry and our State reviewers on transitional issues. More information with regards to this will be forthcoming.

Question: If a retailer receives covered muscle cut product from a supplier that is labeled "Product of the U.S." on the shipping container, can the retailer rely on that label to post a sign that says "Beef Born, Raised and Slaughtered in the U.S."? Also assume that a similar sign could be posted for pork and chicken products.

<u>USDA Answer</u>: If a retailer has been assured by their beef supplier that the product meets the prior COOL regulatory requirement for "Product of the U.S." (the COOL A Category definition) then, yes, the retailer can market that product as "Beef born, raised and slaughtered in the U.S.". However, boxes of

beef labeled as "Product of the U.S." did not before and do not now necessarily meet the COOL "A Category" definition of "Product of the U.S." or now "Beef born, raised and slaughtered in the U.S."

<u>Question:</u> If a retailer prints labels on product that was previously labeled "Product of the U.S." and can't change the printer or label during the six month period, can he continue to print labels that say "Product of the U.S." and post the sign.

<u>USDA Answer:</u> As stated above, if all of the product for sale meets the prior COOL requirement for "Product of the U.S.", then a sign can be used to explain what that label means under the new regulation (Born, Raised and Slaughtered in the U.S.). The main issue here relates to if the sign is able to accurately convey the origin of the meats for sale.