

September 4, 2008

The Honorable Bruce Knight
Under Secretary for Marketing and
Regulatory Programs
U. S. Department of Agriculture
Washington, D.C. 20250

Dear Under Secretary Knight:

Thank you for attending the unprecedented livestock industry meeting in Kansas City. Your presence and comments set the tone for the industry to "be bold" in developing ideas for implementation of the country of origin labeling (COOL) law.

As you witnessed, 70 representatives of over 30 livestock industry sector, species and food retail organizations and companies attended. Our principal goal was to reach agreement on universal language for affidavits and/or declarations of country of origin (CoO) to move origin claims along the livestock's chain of custody/ownership to slaughter facilities to assure that meat "covered commodities" will be accurately labeled at retail. We understand that USDA has no authority to regulate livestock as live animals are not "covered commodities." However, we want to provide our buyers with a framework they may rely on to comply with COOL. We sought the simplest, most effective, least burdensome and least costly approach for producers, marketing businesses, feeders and packers to use in implementing and complying with COOL. We were especially sensitive to the costs of paperwork to the industry.

We believe we have achieved our goal and wanted to inform USDA of our plans. Time is of the essence. The industry recognizes that steps must be taken today, with or without a final rule, to achieve compliance. Our plan builds on concepts discussed in the meeting and the flexibility offered in the interim final rule to the industry to develop our own systems.

This week, we began distributing the attached "continuous affidavit/ declaration of origin of livestock" to all sectors of the industry. We will be educating livestock producers, order buyers, livestock marketing businesses, and feedyards on the use and acceptability of "composite affidavits" to derive origin of animals. We also will be providing the industry with the simple clause entitled "origin declaration" to be used as a stand alone transaction specific declaration or to be placed on existing business documents to reference livestock origin. We also will be encouraging persons who sell to packer/processors to add language to their continuous affidavits that asserts the records will be maintained for one year from the date of delivery of the livestock and that access to specific records is permitted for compliance with a USDA audit.

It is also our intention to educate, inform, and encourage persons selling live animals to visually inspect *all* their livestock for markings of foreign origin. We all agree visual inspection for the presence or absence of foreign origin markings constitutes firsthand knowledge of the origin of those animals inspected and such inspection may be used to support an affidavit of origin. Given USDA's long-term success with monitoring, inspecting, and marking foreign origin livestock, especially cattle entering this country, we believe this system provides a reliable basis for verification of origin. Visual inspection for markings to support affidavits of origin provides the industry with a tool to verify origin that builds upon

Under Secretary Bruce Knight
September 4, 2008
Page 2

accepted and known practices in the industry; avoids burdensome paperwork and tracebacks; and is immediately available.

Visual inspection for verification of origin is particularly important to the trade during the period between July 15, 2008 (the date that technically declared all livestock present in the U.S. as U.S.-origin) and whenever the final regulation is published. Producers have placed livestock, particularly cattle, without all of the origin documentation that may be necessary. It would be very difficult and in some cases impossible to recreate the paper trail on many of these animals. We do not want livestock to become unmarketable because of a lack of paper trail on animals that were in the trade while the regulators and industry were working to outline what level of verification is necessary.

We intend to further review how brands, health markings, or livestock markings may be incorporated into this process to verify origin. It is our intent to provide more comments on these issues in the formal rulemaking process.

Finally, we intend to inform livestock operators of the animal identification systems that are NAIS compliant. Again, it is our intent to comment in the formal rulemaking process as to how breed records may also be used to verify origin.

This plan was the product of many persons representing many aspects of the livestock industry. We have the commitment of the parties listed below to implement COOL according to this plan. We believe it best serves every person in the supply chain from producer to consumer. Again, we appreciate your involvement in helping us reach consensus on this issue.

Sincerely,

American Farm Bureau Federation
American Foods Group
American Hereford Assn.
American Meat Institute
American Sheep Industry Assn.
Cargill Meat Solutions
Dairy Farmers of America
FPL Food
Greater Omaha Packing Co.
John Morrell Co.
Kansas Livestock Assn.
Livestock Marketing Assn.
National Cattlemen's Beef Assn.

National Farmers Organization
National Farmers Union
National Livestock Producers Assn.
National Meat Assn.
National Milk Producers Federation
National Pork Board
R-CALF USA
Smithfield Beef Group
Texas Cattle Feeders Assn.
Texas and Southwestern Cattle Raisers Assn.
Tyson Foods, Inc.
U. S. Cattlemen's Assn.

September 4, 2008

To Livestock Industry Stakeholders:

In an unprecedented meeting on August 26, 2008, 70 representatives of over 30 livestock industry sector, species and food retail organizations and companies came together in Kansas City, Missouri to develop universal procedures for implementing requirements of the Country of Origin Labeling (COOL) law which take affect Sept. 30, 2008. Our principal goal was to agree on universal procedures and language for using the necessary affidavits and/or declarations of Country of Origin (CoO) to move origin claims along the livestock's chain of custody/ownership to slaughter facilities to assure that meat covered commodities will be accurately labeled at retail.

The undersigned are pleased to report that we accomplished our objective and the attached universal "Country of Origin Affidavit/Declaration" statements are recommended to the livestock industry at-large in establishing and forwarding country of origin claims on livestock covered by the COOL law (cattle (including veal), swine, sheep and goats). In our endeavors, we sought the simplest, most effective, least burdensome approach for producers, marketing businesses, feeders and packers to use in implementing and complying with COOL. We hope you will agree and will join us in adopting the attached "Affidavit/Declaration of Origin" statements in your operation to eliminate duplicative onerous CoO procedures.

In addition to using an affidavit/declaration of origin, the U. S. Department of Agriculture permits packers to rely on the presence of an official ear tag and/or marking on animals that are part of a National Animal Identification System (NAIS) compliant system or other official identification system, such as the Canadian or Mexico official systems. For information on the use of COOL compliant identification systems, we strongly suggest you contact a USDA representative.

For questions or further information respective to the attached documents, please feel free to contact any of the assigned organizations and or companies in implementing CoO procedures in your operation.

Sincerely,

American Farm Bureau Federation
American Foods Group
American Hereford Assn.
American Meat Institute
American Sheep Industry Assn.
Cargill Meat Solutions
Dairy Farmers of America
FPL Food
Greater Omaha Packing Co.
John Morrell Co.
Kansas Livestock Assn.
Livestock Marketing Assn.
National Cattlemen's Beef Assn.

National Farmers Organization
National Farmers Union
National Livestock Producers Assn.
National Meat Assn.
National Milk Producers Federation
National Pork Producers Council
National Pork Board
R-CALF USA
Smithfield Beef Group
Texas Cattle Feeders Assn.
Texas and Southwestern Cattle Raisers Assn.
U. S. Cattlemen's Assn.

Recommended Country of Origin Affidavit/Declaration Statements

Continuous Country of Origin Affidavit/Declaration: *(The following affidavit statement could be used by any operation in the livestock chain attesting to the Country of Origin of livestock but particularly for first-level producers.)*

As an affidavit is deemed by USDA as an official record of Country of Origin, I attest through first-hand knowledge, normal business records, or producer affidavit(s) that all livestock referenced by this document or other communications specific to the transaction and transferred are of _____ origin. Should the origin of my livestock become other than that described above, I agree to notify the buyer/agent when this occurs.

This affidavit/declaration shall remain in effect until revoked in writing by the undersigned and is delivered to _____ (agent/buyer).

Signature	Date	Business/Farm/Ranch Names/Location
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Country of Origin Declaration Language for Seller/Buyer Invoices and Other Sales Documents with a Continuous Declaration on Record or as a Stand-Alone Declaration of Origin: *(The following declaration of Country of Origin statement would be used as a supporting declaration of origin specific to transactions involving livestock from persons with a continuous affidavit on file, or as a stand alone affidavit/declaration on specific transaction(s) on invoices, check-in sheets and other sales documents.)*

I attest that all livestock referenced by this document and transferred are of _____ origin.

Signature	Date
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Appended Declaration Statement for Immediate/Direct Supplier Transactions to Packers: *(Some packers may request that their immediate/direct suppliers add the following language to the continuous or sales record affidavit/declaration statements to affirm the period of time in which Country of Origin records would be maintained by their immediate suppliers. This may be necessary as packers are required by law to maintain Country of Origin records for one-year and they must be able to obtain records from their immediate suppliers within that one-year period to substantiate country of origin claims)*

I attest that _____ (Insert business name) has, and will maintain records of livestock origin for one year from the date of delivery of the livestock to the packer/buyer.

I attest that these records reflecting specific transactions are available for inspection for the sole purpose of compliance with an audit as described by the country-of-origin labeling provisions contained in the Farm Security and Rural Investment Act of 2002 as amended. (P.L. 108-767, USCA section 1638a, 2003).