



South Dakota Department of Agriculture

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OFFICE OF THE SECRETARY

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FSIS Docket Clerk
Docket #00-036A
Department of Agriculture, Food Safety and Inspection Service
Room 102
Cotton Annex Building
300 12th Street, SW
Washington, DC 20250-3700

To Whom It May Concern:

The South Dakota Department of Agriculture is pleased to offer the following comments on the proposal by the Food Safety and Inspection Service to clarify the definition of "United States cattle" and "United States fresh beef products."

Our responses to the four questions proposed are as follows:

1a-Should cattle finished in the United States, but born and raised for a time in another country, be considered a product of the United States for USDA labeling purposes?

Yes. South Dakota believes that under Food Safety and Inspection Service regulations and the North American Free Trade Agreement and World Trade Organization agreement, the United States must consider such animals as products of the United States.

1b-What effects on the domestic and international markets would be imposed by defining which U.S. cattle and fresh beef products are products of the United States?

It is impossible to predict how other countries would respond to such labeling, but the action could be considered protectionist and contrary to international obligations. Proposed country-of-origin legislation has met with strong negative comments from Canada, Australia and other countries. Although "U.S. Beef" labeling is not as stringent as country-of-origin labeling, it is possible the reaction of these countries would be the same. In particular, the United States and Canada have established a feeder cattle project which has benefited both countries. Such programs

could be at risk if the United States pursues a program which Canada considers protectionist.

2-What labeling terminology would be most accurate and appropriate in conveying the idea that the product is a product of the U.S.A.? "U.S. Cattle", "U.S. Fresh Beef", "USA Beef", "U.S. Fresh Beef Products."

For the consumer, "U.S. Cattle" might not be meaningful. We suggest "Grown in the USA" as a more descriptive label.

3a-What other kinds of verification programs does FSIS need to employ to ensure that the labeling terms are truthful, accurate and not misleading?

Producers would be required to maintain adequate records on the cattle. If a producer also feeds imported cattle, separate pastures or feedlots might be needed. Packers would need to check the producer's records and certify that cattle were not commingled with imported cattle. All others who handle the meat would have to maintain records of source of the cattle.

3b-What are the estimated costs (recordkeeping, inventory management, labeling, etc) that are associated with such programs?

We are unable to determine the costs for South Dakota producers, so we must rely on other sources. An estimate from the General Accounting Office on a country-of-origin proposal said it would cost FSIS \$60 million a year to enforce country of origin labeling on beef and lamb. The meat industry has estimated an annual cost of \$182 million for meatpackers and processors to maintain country-of-origin information.

Country-of-origin requirements would be more strict than those proposed here, so "U.S. Beef" enforcement costs could be lower, but it is difficult to quantify the costs.

4a-How can industry and FSIS aid consumers in gaining a greater understanding of the suggested terms used to identify a product of the U.S.A.?

Some type of marketing plan would be needed, perhaps including radio and television, newspapers and point-of-sale information. FSIS could include information on its web site and beef commodity organizations could also participate.

4b-What factors would be influential in a consumer's decision to purchase beef labeled as a product of the U.S.A.?

Consumers should be aware that the United States has many regulations in place to protect the public from certain food-borne risks. For example,

the United States prohibits feeding to cattle protein derived from ruminants to minimize the risk of bovine spongiform encephalopathy, also known as “mad cow disease.”

Other regulations establish a minimum time period between the last time an animal is given antibiotics or other medications and the time it is slaughtered. This reduces the consumer’s exposure to the drugs.

U.S. consumers are very aware of quality, and American producers grow some of the best beef in the world.

Some studies also show that customers would purchase U.S. beef instead of imported meat, if the price was the same, in order to support American producers.

This is an important topic for American cattle producers and I hope you will give serious consideration to our comments.

Sincerely,

A handwritten signature in cursive script that reads "Patti Edman".

Patti Edman
Director, Office of Agricultural Policy
On behalf of Larry Gabriel, Secretary
South Dakota Department of Agriculture

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