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Nation's Community-Focused Retail Grocers and Wholesalers Call On Congress to Repeal Country of Origin Labeling

WASHINGTON – The USDA's Country of origin labeling (COOL) program is burdensome, ineffective, and unfair to the grocery industry, as well as confusing, misleading and costly to the American consumer, the National Grocers Association (N.G.A.) told a House panel today, and urged lawmakers to repeal it.

"Community-focused grocers are committed to providing their customers with the safest, highest quality food products, as well as furnishing them all the useful and pertinent information about these products. We believe this is best accomplished through voluntary means, driven by consumer demand and marketing leverage," said J.H. Campbell, Jr., President & CEO of Associated Grocers, Inc., of Baton Rouge, LA, in testimony delivered Thursday on behalf of N.G.A. before the House Agriculture Committee.

"What type of public policy do we want to promote? One in which only selected products sold in selected retail outlets are subject to costly, burdensome, and useless labeling? Or one in which adequate resources are given to government agencies to provide more effective and efficient food inspection at points of entry?" Campbell asked.

If food safety and security are at issue, Campbell said, COOL is an ineffective solution because it covers only certain items – fresh and frozen muscle cuts of beef, veal, lamb, pork and fish, fresh and frozen fruits and vegetables, and peanuts – and only those sold at retail grocery stores. The law excludes restaurants, fast-food outlets, military commissaries, hospitals, schools, cafeterias, airlines, trains, as well as small grocery stores, convenience stores, meat purveyors and seafood markets.

Furthermore, not only are all other foods excluded, such as chicken or turkey, but those commodities listed under the law would also be excluded from labeling if they are an "ingredient in a processed food item" or "materially changed." Raw beef and pork must be labeled, but not cooked ground beef crumbles, bratwurst, or fresh pork sausage; fresh and frozen fruits and vegetables must be labeled, but not orange and other fruit juices, as well as a frozen prepared pie that includes frozen sliced apples; peanuts must be labeled, but not peanut butter or peanuts in a candy bar.

"How do we protect the young, the elderly and infirmed, or the entire restaurant-going public? Why is a banana served in a restaurant, a school, or a nursing home different from one sold in a supermarket? Half of the nation's food comes from outside the grocery industry – why is it necessary to label some but not all?" Campbell asked.

"If providing consumers with more information is at issue, COOL also proves to be ineffective, as well as extremely costly," Campbell added. "Worse, the program would actually mislead consumers by implying that imported products are less safe and by providing them with only fragmentary, irrelevant information. A better and more honest approach would be voluntary, cooperative merchandising programs, he said. If U.S. producers want to market their products as U.S., they can do so without government mandates and without misleading consumers into thinking that imported food is inferior.

"Instead of COOL, real food safety and security increases could be made through increasing appropriations to USDA and the Food and Drug Administration to improve the number and quality of food

inspections of imported foods. Ultimately, COOL will shift costs and burdens to retailers that will be reflected in consumer prices, while providing no increase in food safety, and/or food security, and providing no useful information to help consumers. After a decade of political debate followed by the trauma of September 11, the legislation was passed under the veil of concern for food safety and security,” he said.

“Food safety and security are indeed high priority items for anyone in the food business. In our marketplaces across America we have available the broadest variety, selection, and choices of food products for the American consumer to enjoy each and every day,” Campbell said. “We should work to preserve that free marketplace and adequately fund the USDA and FDA so that port-of-entry inspections of imported foods are thorough and complete to maintain the safety and security of the food products we enjoy from abroad.”

N.G.A. is the national trade association representing the retail and wholesale grocers that comprise the independent sector of the food distribution industry. An independent retailer is a privately owned or controlled food retail company operating in a variety of formats. Most independent operators are serviced by wholesale distributors, while others may be partially or fully self-distributing. Some are publicly traded but with controlling shares held by the family and others are employee owned. Independents are the true “entrepreneurs” of the grocery industry and dedicated to their customers, associates, and communities. N.G.A. members include retail and wholesale grocers, state grocers associations, as well as manufacturers and service suppliers.