

**January 16, 2004**

**Food Industry News Release**

**Produce, Beef, Pork, Seafood Producers, Food Retailers and Wholesalers to Create Program to Inform Consumers About Products' Country of Origin Voluntary Program to Replace One Mandated by Law, Covering Meat, Seafood, Produce**

WASHINGTON, DC - January 16, 2004 — Associations for the nation's leading produce, beef, pork and seafood producers, along with food retailers and wholesalers, have agreed to craft a program to provide consumers country of origin information about these products, according to an announcement today by the United Fresh Fruit and Vegetable Association (UFFVA), National Cattlemen's Beef Association (NCBA), National Pork Producers Council (NPPC), National Fisheries Institute (NFI), Food Marketing Institute (FMI) and National Grocers Association (N.G.A.).

The group announced plans to hold a summit in the very near future with other concerned segments of the food industry to develop a consensus voluntary labeling program. Producers and retailers are committed to developing a cost-effective replacement to the program mandated in the 2002 farm bill.

The associations aim to finalize a labeling program by this spring, involving as many segments of the food industry as possible. They will then work with Congress to codify the program into legislation that replaces the mandatory labeling law.

“There is widespread agreement that the mandatory program is too costly and unworkable in the real world,” said UFFVA President Tom Stenzel. “We all agree that the goal is to give consumers useful information about where their food comes from. What is needed is an industry-driven framework for providing country of origin information that is market-driven and does not increase the cost of food by imposing needless bureaucratic requirements. A solution must be reached now before it adds further costs to produce grower-shippers and harms consumers through disrupting the distribution and marketing of healthy fresh fruits and vegetables,” Stenzel commented.

The U.S. Department of Agriculture estimates that in the first year alone the mandatory law will cost up to \$3.9 billion — costs that will be passed along to consumers or absorbed by producers and retailers in the low-profit food business, according to the industry groups.

“We do not need to create a bureaucratic nightmare that will drive small retailers and producers out of business,” said FMI President and CEO Tim Hammonds. “Food retailers have long promoted U.S. brands and their region, state or farm of origin. This initiative can build on these efforts and accomplish the same goal as the mandatory labeling law without the baggage of excessive compliance costs.” NGA President and CEO Tom Zaucha said his membership agrees with this approach.

NCBA President and Idaho Cattle Producer Eric Davis echoed these beliefs, emphasizing that, “We need a program that allows consumers to support American producers. At the same time, we must not confuse this promotional program with efforts to ensure that our beef supply is safe. “The mandatory labeling law was never designed to promote food safety. We have other laws for that purpose, and we are now working with the government to strengthen those measures and make sure that the American consumer can continue to buy the safest beef in the world.” NPPC President Jon Caspers, a pork producer from Swaledale, IA, says pork producers support a workable, voluntary country of origin labeling program that would include a national animal identification system. “This would protect the health of the U.S. livestock herd and ensure greater confidence in our food supply,” Caspers said. “Due to current low hog prices, it’s critical to increase the demand for pork. A voluntary program will be available to all segments, including restaurants and food service, and will reward those who choose to participate.”

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Founded in 1904, United Fresh Fruit & Vegetable Association's mission is to promote the growth and success of produce companies and their partners. United is the national trade organization that represents the interests of growers, shippers, processors, brokers, wholesalers and distributors of produce, working together with their customers at retail and foodservice, suppliers at every step in the distribution chain, and international partners. For more information about United, please visit [www.uffva.org](http://www.uffva.org) or call 202/303-3400.

Food Marketing Institute (FMI) conducts programs in research, education, industry relations and public affairs on behalf of its 2,300 member companies — food retailers and wholesalers — in the United States and around the world. FMI’s U.S. members operate approximately 26,000 retail food stores with a combined annual sales volume of \$340 billion — three-quarters of all food retail store sales in the United States. FMI’s retail membership is composed of large multi-store chains, regional firms and independent supermarkets. Its international membership includes 200 companies from 60 countries.

The National Cattlemen's Beef Association (NCBA) is the largest organization representing America's cattle industry. Initiated in 1898, NCBA is the industry leader in education, influencing public policy to improve producer profitability and in preserving the industry's heritage and future. Efforts are made possible through membership contributions. To join, contact NCBA at 1-866-BEEF-USA or

membership@beef.org. NFI is the national trade association for the diverse fish and seafood industry of the United States.

NFI is a “water to table” organization representing fishing vessel owners, aquaculturalists, processors, importers, exporters, distributors, retailers and restaurants. NFI is committed to assisting our members provide consumers with safe, sustainable, and diverse seafood choices. NFI is the leading voice for promoting safe, sustainable, affordable seafood as the daily protein food of choice for feeding the world.

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.

The National Pork Producers Council (NPPC) is one of the nation's largest livestock commodity organizations. It has producer members in 44 affiliated state associations and provides a unified voice for America's pork producers on a wide range of industry and public policy issues. NPPC's website is at [www.nppc.org](http://www.nppc.org). WASHINGTON – The National Grocers Association (N.G.A.), in concert with Food Marketing Institute, and the nation’s leading beef, pork and seafood producers, today announced an agreement among the groups to develop a voluntary program to provide consumers with country of origin information covering meat, seafood and produce which would replace the burdensome and ineffective mandatory labeling program established under the 2002 Farm Bill.

“N.G.A. has consistently supported repeal of mandatory labeling and its replacement with a voluntary system. The current law and proposed regulations will hurt all segments of the food industry – including producers, processors, and community-focused retail grocers and wholesalers,” said N.G.A. President & CEO Thomas K. Zaucha. “America’s grocery industry remains committed to providing consumers with the safest, highest-quality food products, as well as furnishing useful and pertinent information about these products. We believe this is best accomplished through voluntary means, driven by consumer demand and marketing leverage.”

N.G.A., the Food Marketing Institute, United Fresh Fruit & Vegetable Association, National Cattlemen’s Beef Association, National Pork Producers Council, and National Fisheries Institute announced plans today to hold a summit in the very near future with other conc

erned segments of the food industry to develop a consensus voluntary labeling program. “N.G.A. and its members have been consistent in their message to lawmakers that the mandatory program offers no benefits in terms of food safety or security, and

serves only to mislead consumers by implying that imported products are less safe. There are no benefits, only crushing burdens of paperwork and added costs,” said Tom Wenning, N.G.A. Senior Vice President and General Counsel. “N.G.A. stands ready to work with the food industry and with Congress to develop a common-sense, market-driven solution to replace mandatory labeling.”

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