



# News Release

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**THE NATIONAL GROCERS ASSOCIATION URGES CONGRESS TO ENACT  
FOOD PROMOTION ACT**  
*Santorum Bill Replaces Unworkable Mandatory Labeling Statute with  
Consumer Driven Program*

WASHINGTON, DC — June 24, 2005 — America’s independent food retailers and wholesalers are applauding efforts by Senate Republican Conference Chairman Rick Santorum (R-PA) to implement a voluntary labeling program. Senator Santorum introduced The Food Promotion Act of 2005 (S. 1300) yesterday which will replace the costly and unworkable mandatory country of origin labeling law with a voluntary program.

“U.S. consumers will benefit from Senator Santorum’s bill,” said Thomas K. Zaucha, president and CEO of the National Grocers Association (N.G.A.). “Retailers will have a USDA framework for labeling products while consumers will not face an unnecessary increase in food costs as a result of the needless and costly bureaucratic requirements of the current mandatory system.”

“The measure is the best solution to a law that would injure all segments of the food industry — from producers and processors to wholesalers and retail grocers. Small, independent businesses in the food industry stand to be harmed the most from mandatory country of origin labeling,” said Thomas F. Wenning, N.G.A. senior vice president and general counsel.

The bill, titled the Food Promotion Act of 2005, directs the U.S. secretary of agriculture to develop voluntary country of origin labeling programs for produce, beef, veal, lamb, pork and seafood.

The voluntary law would cut costs by giving the secretary of agriculture the authority to recognize preexisting labeling programs. For example, the secretary could allow the industry to use state and regional product promotional programs already in place to show that products originated in the U.S. Most of these programs would be endangered under the mandatory law, which requires country labels.

The record-keeping provisions do not include the extensive third-party audits, year-long paper trails and other paperwork requirements in the mandatory law — measures that are redundant and unneeded, Zaucha said, given the requirements of current laws and enforcement measures under state and federal truth-in-labeling statutes.

A voluntary program gives the industry more flexibility to label the country of origin in the most cost-effective manner. The mandatory law holds retailers responsible for the labels when, in many cases, producers or packers could add country information without significantly revamping their operations.

“Congress needs to move quickly to enact this legislation,” said Wenning. “The seafood regulations are in effect and are damaging the entire grocery industry and ultimately, consumers.”

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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 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. For more information about N.G.A. and the independent sector of the industry, see the N.G.A. website: [www.NationalGrocers.org](http://www.NationalGrocers.org).