



May 14, 2015

TO THE MEMBERS OF THE UNITED STATES SENATE:

The World Trade Organization is set to issue its fourth and final ruling regarding U.S. Country of Origin Labeling (COOL) of muscle cuts of beef and pork on or before May 18. COOL effectively requires that livestock from the U.S., Canada, and Mexico remain segregated from birth through meat labeling to assure the accuracy of origin labeling of each piece of meat sold to consumers. Canada and Mexico challenged the COOL requirements at the World Trade Organization (WTO), alleging that the required segregation hurts the value of livestock from their countries and violates our international trade obligations.

The WTO has ruled against the U.S. three times, consistently finding the COOL labeling law to be non-compliant with WTO rules. If the U.S. is found to be in violation of WTO rules in this final ruling, Canada and Mexico, America's two largest export markets, will promptly move to institute billions of dollars' worth of retaliatory tariffs on U.S. food, agricultural, and manufactured goods.

This calendar and previous experience indicates that WTO authorized retaliatory tariffs could be imposed as early as late summer. Further, necessities of supply chain contracting mean that likely targets of retaliatory tariffs will begin to experience a substantial drop in export sales upon the announcement in May. So, significant economic damage will start even before the retaliatory tariffs are implemented.

Likely targets of retaliatory tariffs are clear. Canada has already issued a preliminary retaliation list targeting a broad spectrum of commodities and manufactured products that would affect every state in the country. Mexico has not yet announced a preliminary retaliation list, but has implemented retaliatory tariffs in the past which may be indicative of future tariff actions.

If tariff retaliation is authorized, U.S. industries as a whole would suffer billions in lost sales and take years to recover lost export markets after the tariffs are lifted. Given the negative impact on the U.S. manufacturing and agriculture economies, we respectfully submit that it would be intolerable for the United States to maintain, even briefly, requirements that have been deemed non-compliant by the WTO. We expect the House of Representatives to pass legislation to repeal violative requirements of COOL promptly upon announcement of a final WTO adjudication of non-compliance. We are anxious that the Senate be well prepared to act on that legislation before the August recess.

The COOL Reform Coalition, co-chaired by the U.S. Chamber of Commerce and the National Association of Manufacturers, and undersigned stakeholders, urges compliance of COOL with our international trade obligations. The COOL Reform Coalition website ([www.COOLReform.com](http://www.COOLReform.com)) includes a state-by-state interactive map outlining possible retaliation targets.

Thank you for your consideration. We would be pleased to address any questions or concerns you may have regarding bringing COOL into compliance with U.S. trade obligations.

Sincerely,

Abbott

Agri Beef Co.

Altrius Group, LLC

American Bakers Association

American Beverage Association

American Chamber of Commerce of Mexico, A.C.

American Feed Industry Association

American Frozen Food Institute

American Fruit and Vegetable Processors and Growers Coalition

American Peanut Product Manufacturers, Inc.

American Seed Trade Association

American Soybean Association

Amway

Anheuser-Busch

Animal Health Institute

Appvion

Archer Daniels Midland Company

Auto Care Association

Bel Brands USA

Business and Institutional Furniture Manufacturers Association (BIFMA)

California Chamber of Commerce

California Cherry Export Association

California Pear Growers Association  
California Table Grape Commission  
Campbell Soup Company  
Cargill, Incorporated  
The Coca-Cola Company  
ConAgra Foods, Inc.  
Consumer Electronics Association  
Corn Refiners Association  
Dart Container Corporation  
The Distilled Spirits Council of the U.S., Inc.  
Dr Pepper Snapple Group  
Emergency Committee for American Trade (ECAT)  
Fashion Jewelry and Accessories Trade Association  
Food & Consumer Products of Canada  
Food Marketing Institute  
General Mills  
Georgia Food Industry Association  
Glanbia USA  
Grocery Manufacturers Association  
Hawaii Food Industry Association  
Herbalife Ltd.  
The Hershey Company  
Hills & Company  
Hilmar Cheese Company Inc.  
H.J. Heinz Company  
Hormel Foods Corporation  
Independent Bakers Association  
Information Technology Industry Council (ITI)  
Ingredion Incorporated  
International Dairy Foods Association  
International Fragrance Association, North America

International Franchise Association  
International Sleep Products Association  
JBS USA  
Kellogg Company  
Kraft Foods Group, Inc.  
The Latino Coalition  
Leprino Foods Company  
Louisiana Retailers Association  
Mars, Incorporated  
Metals Service Center Institute  
Midwest Food Processors Association  
Mondelez Global LLC  
National Association of Egg Farmers  
National Association of Manufacturers  
National Beef Packing Co., LLC  
National Cattlemen's Beef Association  
National Confectioners Association  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Foreign Trade Council  
National Grain and Feed Association  
National Grocers Association  
National Milk Producers Federation  
National Oilseed Processors Association  
National Pork Producers Council  
National Renderers Association  
National Retail Federation  
Nestlé USA  
North American Equipment Dealers Association  
North American Export Grain Association  
North American Meat Institute

Northwest Food Processors Association  
Northwest Horticultural Council  
NPES The Association for Suppliers of Printing, Publishing and Converting Technologies  
Peanut and Tree Nut Processors Association  
Penford Products Co.  
Pennsylvania Food Merchants Association  
PepsiCo  
Pernod Ricard USA  
Pet Food Institute  
Produce Marketing Association  
Red Gold, Inc.  
Remy International, Inc.  
Retail Association of Nevada  
Roquette America  
Sargento Foods Inc.  
The Schwan Food Company  
Seaboard Foods  
Smithfield Foods  
Snack Food Association  
Sweetener Users Association  
Tate & Lyle Americas  
Texas Retailers Association  
Transportation Intermediaries Association  
Tyson Foods, Inc.  
USA Rice Federation  
Unilever  
United Egg Producers  
United Producers, Inc.  
United States Council for International Business  
U.S. Chamber of Commerce  
U.S. Dairy Export Council

U.S. Hide, Skin and Leather Association

U.S. Premium Beef

Wal-Mart Stores, Inc.

The Walter Bagehot Council

WineAmerica

Wine Institute