

UF STUDY SHOWS FOOD-ORIGIN LABELING WILL BENEFIT CONSUMERS AND PRODUCERS

By Chuck Woods

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GAINESVILLE, Fla.---At a time of rising concern over food security, public demand is growing for information about where food originates.

“There’s nothing new about food imports, but there is a lot of interest by a lot of people about where the food they consume comes from,” said John VanSickle, a University of Florida agricultural economist who believes new country-of-origin labeling will benefit consumers and producers.

“Congress last year passed a law requiring that by September 2004 all fruits and vegetables, beef, lamb, pork and fish sold in the United States include a label showing where the food originated,” he said. “But some retailers and processors would prefer that consumers didn’t know, and they are reluctant to support legislation in the 2002 farm bill.”

VanSickle, a professor with UF’s Institute of Food and Agricultural Sciences, is the lead author of a new study by faculty at five universities that shows country-of-origin labeling – often referred to as COOL – would have significant benefits for consumers. He said U.S. consumers eat about 236 billion pounds of the commodities annually, or about 842 pounds per person.

The actual cost of record keeping for the new labeling would be less than one-tenth of a cent per pound, VanSickle said.

“Consumers will be more confident about food products when they know where they come from,” he said. “Labeling allows them to identify U.S. products and support those producers in the marketplace.”

For example, knowing that domestically produced fruits and vegetables meet high quality and safety standards is reassuring to consumers, he said. Imports from some foreign countries may not be produced under the same standards U.S. producers must follow, particularly when it comes to pesticide residues and other safety issues.

“For consumers in today’s global marketplace, the trend is clearly toward more information – not less,” VanSickle said. “Consumers have demonstrated a desire to know, and they support labeling.”

He said labeling also reduces the risk and cost of food-safety problems by providing information that would make food recall efforts easier to track and identify.

“Americans are being led to believe that all meat with a U.S. Department of Agriculture grade stamp is produced in the U.S., but that’s not the case,” VanSickle said. “About 20 percent of the beef sold in the U.S. comes from cattle born outside of the country, and consumers have little or no idea where it came from.”

Some American ranchers, who say consumers should be concerned about meat-mixing by processors, believe country-of-origin labeling would be a good way to build customer loyalty, he said.

Opponents of the federal legislation – especially meat processors and retailers who profit from cheap beef imports – are comfortable with the current system of withholding information from consumers, VanSickle said. They claim the cost of adding labeling would be more than \$2 billion.

VanSickle, who worked on the study with researchers from Auburn University, Iowa State University, Kansas State University and Purdue University, said USDA can and should implement the labeling program in the most cost-effective way.

“There has been considerable debate and several competing claims about the cost of this program,” he said. “The fact of the matter is that USDA has not yet designed the regulations to implement mandatory labeling, and our study indicates it can be done in a way that will benefit the consumer – 90 percent to 95 percent cheaper than what opponents say it would cost.”

VanSickle, who directs UF’s International Agricultural Trade and Policy Center, said the cheapest way to implement country-of-origin labeling would be to presume that all covered commodities are from the U.S. unless otherwise noted on the label.

“Our study shows that, according to the labeling law, producers themselves would not be subject to USDA jurisdiction; only those who supply covered products directly to retailers would be covered,” he said. “This eliminates the regulatory burden for farmers and ranchers who sell live animals or raw crops to processors or wholesalers.”

Adding country-of-origin information to imported products would comply with World Trade Organization rules and other trade laws, VanSickle said. Since existing customs requirements and federal health regulations already require identification of most imported animals, the information should be made available to consumers.

“The UF study, conducted by respected experts at five universities, is a comprehensive and thorough validation of the value of mandatory origin labeling,” said Mike Stuart, president of the Florida Fruit and Vegetable Association in Orlando.

“Fruit and vegetable producers have always advocated a simple, straightforward approach to country-of-origin labeling, and that’s what USDA must do,” he said.

Other faculty working on the study include Neil Harl, a law professor and economist at Iowa State University; Roger McEowen, an agricultural law professor at Kansas State University; John Conner, an agricultural economist at Purdue University; and Robert Taylor, an agricultural economist at Auburn University.

The study was completed to assist in discussions that will lead to federal regulations being developed by USDA to comply with provisions for country-of-origin labeling in the 2002 farm bill. The complete study is available at <http://www.iatpc.fred.ifas.ufl.edu>