

October 14, 2014

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

We are writing to address an important issue concerning American jobs. A broad range of business interests have come together to urge the U.S. government to assure compliance with its international trade obligations, particularly with respect to Country of Origin Labeling of muscle cuts of meat (COOL). Questions about whether COOL is consistent with U.S. international trade obligations are now being litigated before the World Trade Organization (WTO). To date, COOL has been found to violate obligations the United States has undertaken as a member of the WTO at every step of the process.

We are especially concerned that, should the WTO litigation conclude with a ruling of noncompliance by the United States, Congress would be unable to amend the statute prior to Canada and Mexico, our two largest export markets, instituting WTO-authorized retaliation against U.S. exports. The history is clear. Buyer supply chain needs result in export markets being lost even before retaliation is authorized. More damaging, once export markets are lost, it takes years to regain the market.

We understand that U.S. Department of Agriculture officials believe they may not be able to act without a legislative change, and in light of that, we continue to be deeply concerned about a finding of noncompliance that would likely result in significant economic harm to the United States. We respectfully submit that it is essential that the U.S. government assure that there will be no period of knowing noncompliance with international trade obligations.

Accordingly, we urge Congress to act as soon as possible to authorize and direct the Secretary of Agriculture to rescind elements of COOL that have been determined to be noncompliant with international trade obligations by a final WTO adjudication. Such an action by Congress would not undermine COOL to the extent COOL is consistent with international trade obligations nor would it undermine the U.S. defense of COOL in WTO litigation.

You may find details of the possible economic harm of WTO authorized retaliation listed state-by-state at www.COOLReform.com. Thank you for your consideration of our views.

Sincerely,



Aric Newhouse
Senior Vice President for Policy
and Government Relations
National Association of Manufacturers



R. Bruce Josten
Executive Vice President for
Government Affairs
U.S. Chamber of Commerce

The NAM and the U.S. Chamber of Commerce co-chair the COOL Reform Coalition, which brings together more than 60 associations and companies that represent U.S. food, agriculture and manufacturing industries to advocate for U.S. compliance with WTO obligations.