



IMPLEMENTATION GUIDE FOR USDA COUNTRY OF ORIGIN LABELING REQUIREMENTS FOR MEAT AND POULTRY PRODUCTS

*A guidance document from the
Meat and Poultry Business to Business Data Standards Organization*

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INTRODUCTION

The Farm Security and Rural Investment Act of 2002, the 2002 Supplemental Appropriations Act, and the Food, Conservation and Energy Act of 2008 amended the Agricultural Marketing Act of 1946 to require retailers to notify their customers of the country of origin of “covered commodities.” mpXML and GS1 US have developed the following recommendations and best practices to assist meat and poultry industry members with adoption of a common solution for the Country of Origin Labeling (COOL) requirements, thereby reducing implementation and maintenance costs amongst trade parties.

mpXML will be issuing revised guidance on using X12 EDI standards and GS1 US implementation guidelines shortly.

COUNTRY OF ORIGIN LABELING REGULATION OVERVIEW

The Country of Origin Labeling (COOL) Final Rule was published by USDA on January 12, 2009 as a marketing initiative to provide consumers with accurate information on the source of certain minimally processed foods available for purchase, referred to in the Act as “covered commodities.” For the meat and poultry supply chain, COOL regulations require the following:

- Retailers must notify their customers of the country(ies) of origin for covered commodities, which are the muscle cuts of beef, veal, lamb, pork, goat, chicken, as well as ground beef, ground lamb, ground pork, ground goat, and ground chicken.
- Retailers must maintain, for a period of one year from the date of sale, records and other documentary evidence provided by the supplier to establish a product’s country(ies) of origin.
- Suppliers must maintain records to establish and identify the immediate previous source (if applicable) and immediate subsequent recipient of a covered commodity, and records to substantiate origin claims for a period of 1 year from the date of the transaction.

In addition, USDA Food Safety Inspection Service (FSIS) regulations published August 2008 require that a country of origin statement, if present on the label of a covered commodity product that is to be sold by a retailer, must comply with COOL regulations. As a result, FSIS regulations require that:

- Country of origin designations on packages of covered commodities offered for retail sale must conform to COOL labeling requirements.

BEST PRACTICE RECOMMENDATIONS

Recommendations for Suppliers

- Recommendation 1: Suppliers should print country of origin statements directly on cases and retail packaging.
- Recommendation 2: Suppliers should include on the invoice the total number of cases shipped for each product of a covered commodity by COOL category.
- Recommendation 3: If trading partners use electronic advance ship notices (ASNs such as the EDI 856 Ship Notice/Manifest), suppliers should also include origin designations in these messages. The incorporation of COOL information into EDI messages is described later in this document.

Recommendations for Retailers

- Recommendation 1: Retailers must retain invoices for covered commodities at least one year after product is received to satisfy the COOL record keeping requirement. Retailers

typically already retain the invoice for multiple years as the document of record for financial transactions.

- Recommendation 2: Retailers that process product in stores (e.g., prepare consumer tray-wrapped product from primal or sub-primal cuts) need to capture the country of origin from the case label onto the consumer item label or other display signs associated with the product. Retailers should also be able to associate their sell-by date for each covered commodity consumer product with the date that product was processed by the retailer, and be able to determine the supplier, product (GTIN or SKU), and COOL category of the product used to create each covered commodity consumer product that day.
- Recommendation 3: Retailers that display unpackaged product in stores (e.g., a meat and poultry service counter) need to capture the country of origin from the case label onto display signs associated with the product.

SUMMARY OF BEST PRACTICE RECOMMENDATIONS

Package Type	Retailer	Supplier
Case-ready Product	Retailer retains consumer product invoice with origin claims for one year.	Supplier prints country of origin information on case-end panel and on case-ready retail package AND includes origin claims on invoice showing for each covered commodity the number of cases supplied for each COOL category.
Store-Processed and Tray Ready Product	Retailer makes claim to consumer either by placing origin sign on display case or by printing origin information on retail package label. Retailer maintains association between consumer product sell-by date and source of product by COOL category. Retailer retains case product invoice with origin claims for one year.	

BACKGROUND

The following information on labeling categories and meat and poultry package types will be useful in understanding and applying the implementation guidance in this document.

COOL Product Categories

The USDA defines four COOL product labeling categories that apply to the meat and poultry supply chain. These are:

- **Category A:** Product of the United States – A covered commodity is eligible for designation as “Product of the U.S.” only if it is derived “exclusively from an animal that is exclusively born, raised and slaughtered in the United States.” Note that under the Final Rule, product that is from a single source (Product of US) cannot be represented as being of multiple origins (Product of US and Canada).
- **Category B:** Multiple countries of origin – A product is deemed to have multiple countries of origin if the animal from which it was derived was born and/or raised in a different country or countries and then raised and slaughtered in the U.S. Covered commodities in this category would have to identify all the relevant countries. Labels would typically read “Product of Country X, Y, and Z.” Countries listed can include possible origins as product from each of the countries listed is not required in any container or shipment of product.
- **Category C:** Animals imported for immediate slaughter – Covered commodities from animals raised in another country but imported for immediate slaughter in the U.S. fall into this category and would be labeled “Product of Country X and the United States.” The country of import must be noted first in the label.
- **Category D:** Imported products to be sold at retail – Covered commodities raised and slaughtered in a foreign country and imported for further processing or direct sale to consumers in the US are to be labeled “Product of Country X.”

Suppliers should note that USDA Country of Origin label designations may not be appropriate for use on packages intended for export.

Package Types

Generally, products are delivered by suppliers to retailers, wholesalers, distributors, or foodservice operators in one of the following package types: Case Ready; Tray-Ready; and Store Processed.

Package Type	Definition	Product Examples
Case-Ready	Processed, packaged, and labeled for consumer sale by supplier. Price label information provided by retailer to supplier to be applied (pre-priced) or applied directly by retailer (un-priced). Includes all fixed weight products and some variable-weight products	Chilled-tray-wrapped products ,IQF bagged poultry parts, hams, whole turkeys
Tray-Ready	Processed and bulk packed into variable-weight sealed bags by supplier. Packaged, labeled, and priced for consumer sale by retailer.	Smoked ham hocks, chilled and smoked turkey parts
Store Processed	Wholesale cuts of meat vacuum packed by supplier. Processed, packaged, labeled, and priced for consumer sale by retailer	Meat primals, sub-primals, and coarse ground beef tubes

IMPLEMENTATION AND AUDITING

The USDA has determined that the requirements of the COOL regulation apply to products shipped after March 16, 2009. The USDA will conduct audits on retailer and supplier compliance with COOL labeling and recordkeeping requirements to provide guidance to industry and to ensure that implementation practices comply with the regulation. Using the implementation guidance above, suppliers and retailers should be able to fully respond to a USDA audit request. Examples of common audit situations would be:

- **Audit Example for Pre-priced and Un-priced Case-Ready Product:** USDA auditor selects retail packages from a store for audit. Retail packages are marked with an origin claim (e.g., Product of US), the supplier’s name, the product’s name, and a sell-by date. The retailer would then provide, within 5 days, the retained invoice for that product establishing that the product was received from the supplier. In turn, the supplier would be able to identify the specific production run that created the product listed on the invoice. Finally, the supplier would be able to link this production run to the animals that were slaughtered or the raw product that was used for that production run using company information.
- **Audit Example for Tray- Packaged, Store-Processed Product:** USDA auditor identifies tray-packaged, store-processed product such as ribeye steaks. The retailer uses either display case signs showing the country of origin for that product or printed country of origin designations on the retail label of the steak package. The retailer would then associate the tray-packaged product with the origin claim of the case product used to create the tray-packaged product and provide, within 5 days, the invoice from the supplier for that product. The supplier would respond to an audit request on case product used for store-processed products the same way as for case-ready product.

Audit Example for Store Processed Product sold through Service Case: USDA auditor identifies service case product such as filet mignon steaks. The retailer uses service case signs showing the country of origin for that product. The retailer would then associate the bulk product with the origin claim of the case product using the case-end labels under the service case trays. The retailer would also provide, within 5 days, the invoice from the supplier for that case product. The supplier would respond to an audit request on case product displayed in a retailer service case the same way as for case-ready product