

June 8, 2015

TO THE MEMBERS OF THE UNITED STATES HOUSE OF REPRESENTATIVES:

As members of the COOL Reform Coalition, we write to express our strong support for H.R. 2393, the Country of Origin Labeling (COOL) Amendments Act of 2015. Thanks to bipartisan leadership in the House of Representatives, this legislation, introduced by House Agriculture Committee Chairman Mike Conaway (R-TX) and Rep. Jim Costa (D-CA), would effectively respond to last month's World Trade Organization (WTO) final ruling against the U.S. COOL requirements for muscle cuts of beef and pork.

On May 29, the WTO Dispute Settlement Body adopted the fourth and final report that confirms the U.S. COOL requirements for muscle cuts of beef and pork violate U.S. international trade obligations. Canada and Mexico are moving to institute retaliatory tariffs against U.S. exports as soon as possible. So, it is now critical that Congress enact corrective legislation before adjourning for August recess.

Likely targets of retaliatory tariffs are clear. Canada has 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 announced a preliminary retaliation list, but has implemented retaliatory tariffs in the past which may be indicative of future tariff opportunities. Reports indicate that the retaliatory tariffs could total over \$3.5 billion in the first year. We invite you to review the state-by-state retaliatory analysis available at <u>www.COOLReform.com</u>.

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 rules that the U.S. was instrumental in writing. This is especially true because experience has shown that once such export sales are lost, it takes years to recover market share. Retaliatory tariffs against the U.S. would leave exports punished, farm prices depressed, businesses hurt and jobs lost.

We respectfully urge you to vote in favor of H.R. 2393 when it comes to the House floor later this week.

Thank you for your attention to this very important matter and for helping save American food production, agriculture and manufacturing from severe economic harm.

Sincerely,

Abbott Agri Beef Co. Alabama Grocers Association American Bakers Association American Beverage Association American Feed Industry Association American Frozen Food Institute American Peanut Product Manufacturers, Inc. American Seed Trade Association American Soybean Association Amway Anheuser-Busch Animal Health Institute Appvion Archer Daniels Midland Company Baker Boy Bel Brands USA Biscuit & Cracker Manufacturers' Association Business + Institutional Furniture Manufacturers Association California Apple Commission Campbell Soup Company Cargill, Incorporated Carolinas Food Industry Council The Coca-Cola Company ConAgra Foods, Inc. Corn Refiners Association Dean Foods Company The Distilled Spirits Council of the U.S., Inc. Emergency Committee for American Trade Food & Consumer Products of Canada Food Marketing Institute General Mills Glier's Meats Inc Georgia Food Industry Association Glanbia USA Grocery Manufacturers Association

Herbalife Ltd. The Hershey Company Hormel Foods Corporation International Dairy Foods Association International Fragrance Association, North America International Franchise Association International Sleep Products Association JBS USA Kellogg Company Kraft Foods Group, Inc. Leprino Foods Company Mars, Incorporated Michigan Grocers Association Midwest Food Processors Association Missouri Grocers Association Mondelez International 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 (NFTC) National Grain and Feed Association National Grocers Association National Oilseed Processors Association National Pork Producers Council National Renderers Association National Retail Federation Nestlé USA North American Meat Institute Northwest Horticultural Council OFD Foods, Inc. Ohio Grocers Association Peanut and Tree Nut Processors Association Pennsylvania Food Merchants Association PepsiCo Pernod Ricard USA Pet Food Institute Red Gold, Inc. Remy International, Inc. Rocky Mountain Food Industry Association

Seaboard Corporation **Smithfield Foods** Snack Food Association Sweetener Users Association Tate & Lyle Americas Texas Retailers Association Tyson Foods, Inc. Unilever **USA Rice Federation** U.S. Apple Association U.S. Chamber of Commerce U.S. Hide, Skin and Leather Association U.S. Premium Beef United States Council for International Business Utah Food Industry Association Utah Retail Merchants Association Vermont Retail & Grocers Association Wal Mart Stores, Inc. Washington Food Industry Association Washington State Potato Commission WineAmerica Wine Institute