

Special Executive Report

S-4766

September 29, 2008

ADDITIONAL INFORMATION ON
COUNTRY OF ORIGIN LABELING (COOL) REQUIREMENTS
FOR LIVE CATTLE FUTURES DELIVERIES
BEGINNING WITH THE OCTOBER 2008 CONTRACT MONTH

As you were previously notified in Special Executive Report S-4755 dated September 9, 2008, beginning with deliveries on the October 2008 Live Cattle Futures contract, all cattle in the delivery unit must be born and raised exclusively in the United States. In addition, at the time of delivery the seller must provide an affidavit attesting that the cattle being delivered were born and raised exclusively in the United States, as defined by the USDA in 7 CFR Part 65.

Pursuant to the 2008 Farm Bill, and as set forth in 7 CFR Part 65, animals present in the United States on or before July 15, 2008, and once present in the United States remained continuously in the United States, shall be considered of United States origin:

PART 65—COUNTRY OF ORIGIN LABELING OF BEEF, PORK, LAMB, CHICKEN, GOAT MEAT, PERISHABLE AGRICULTURAL COMMODITIES, MACADAMIA NUTS, and PEANUTS

§65.260 United States country of origin.

United States country of origin means in the case of:

- (a) Beef, pork, lamb, chicken, and goat:
 - (1) From animals exclusively born, raised, and slaughtered in the United States;
 - (2) From animals born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the United States and slaughtered in the United States; or
 - (3) From animals present in the United States on or before July 15, 2008, and once present in the United States, remained continuously in the United States.

In addition, on September 19, 2008, USDA-AMS published the following information describing how animals may be considered of United States origin if they do not have any markings or other identification that indicates foreign origin:

**Country of Origin Labeling (COOL)
Frequently Asked Questions**

Q. *If a producer visually inspects their livestock and determines that there are no markings or other identification that would indicate that the animals are of foreign origin, can the producer issue an affidavit affirming firsthand knowledge that the animals are of U.S. origin?*

A. For the period July 16, 2008, through July 15, 2009, producers may issue affidavits based upon a visual inspection at or near the time of sale that identifies the origin of livestock for a specific transaction. However, affidavits of this kind may only be issued by the producer or owner prior to, and including, the sale of the livestock for slaughter (i.e., meat packers are not permitted to use visual inspection for origin verification). This provision is necessary to permit livestock currently in production without origin information to clear the channels of commerce.

Therefore, the Farm Bill and USDA have provided two additional methods, besides records maintained in the course of the normal conduct of business, for determining whether animals are of United States origin. Market participants may rely on any of these methods when completing a Country of Origin Affidavit.

If you have any questions regarding this matter, please contact Paul Peterson, Director, Commodity Research & Product Development at (312) 930-4587.