



South Dakota Farmers Union

1410 Dakota Avenue South | PO Box 1388 | Huron, SD 57350 | 605.352.6761 | www.sdfu.org

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Food Safety and Inspection Service
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250-3700

Dear Committee members:

I write as the voice of the South Dakota Farmers Union membership, a group of nearly 17,000 family farmers and ranchers, most of whom long for the day that only products entirely of domestic origin will bear the name "Product of U.S.A." It is with this in mind that we express our unbridled support for the petition submitted by the Organization for Competitive Markets and American Grassfed Association earlier this year, to restrict the use of "Product of U.S.A." labels exclusively to products that are of domestic origin.

The Current Food Safety and Inspection Service (FSIS) labeling policy for "Product of U.S.A." lets down the American consumer and stacks the market against domestic farmers and ranchers. It unfairly grants foreign countries and foreign interests marketing opportunity that brings harm to America's family farmers and ranchers. These labeling policies allow foreign entities to receive a premium from consumers who unwittingly believe they are buying meat and meat products with ingredients that originate domestically.

Research has shown that as many as 93% of Americans want to know where their food comes from and 75% of Americans indicate the source of origin of their food is a major attribute when making their food choices. These consumer behaviors, if given free will in the market place, will directly benefit the industry for American farmers and ranchers. The current FSIS policy misleads Americans when they are making their purchases and denies vital food dollars that the American farmer and rancher desperately need. FSIS food labeling policy for "Product of U.S.A." should be based on the source of the ingredients. Americans should have access to information that blatantly impacts their buying decisions.

In passing the Federal Meat Inspection Act (FMIA), Congress acknowledged the financial harm misbranding and mislabeling causes America's livestock producers and clearly stated this as a key basis for the adoption of FMIA. Both FMIA and FSIS regulations clearly establish that meat and meat product labels must not mislead the consumer nor must they be false. FMIA states that meat or meat food products shall be "misbranded" if its "labeling is false or misleading in any particular." The current FSIS policy on labeling "Product of U.S.A." must be clarified to correctly reflect the federal law ensuring U.S. consumers are not misled or deceived.

Australia is a leading beef exporter into the U.S. and has just implemented a mandatory retail Country of Origin Labeling requirement. The current U.S. policy that allows Australian beef to pass through a USDA inspected facility and then to be labeled "Product of U.S.A." clearly gives Australian ranchers and foreign interests a grossly unfair marketing advantage over American family farmers by allowing these foreign interests to receive a premium in both the U.S. and Australian market.

In short, we encourage the FSIS to accept the proposed amendment to the standard labeling policy for "Product of U.S.A." By doing this FSIS will acknowledge the undeniable right the American consumer has to be informed in the market place and relieve the burden placed on American farmers and ranchers by competing in an unfair market place.

On behalf of our membership, I thank you in advance for your consideration of these comments.

Respectfully,

Doug Sombke, S.D. Farmers Union President