

February 9, 2015

The Honorable Gerry Ritz
Minister of Agriculture and Agri-Food
1341 Baseline Road
Ottawa, Ontario
K1A 0C5

Dear Minister Ritz:

I learned of your recent trip to Washington, D.C. to meet with our lawmakers on the very popular Country-of-Origin Labeling (COOL) law in the U.S. I believe you were accompanied by members of the Canadian Cattlemen's Association, the Canadian Pork Council and the Canadian Meat Council.

As you know, National Farmers Union and its 200,000 members as well as the vast majority of US consumers are strong supporters of COOL. Farmers and ranchers are proud of the products they produce, and consumers have a strong and growing desire to know where their food comes from.

I thought you might be interested to learn about a report that we have been sharing with members of Congress. Recently, C. Robert Taylor, PhD, of Auburn University completed an econometric study and report on COOL and its impacts on cattle trade. Dr. Taylor's study addressed issues such as confounding factors and omitted variable bias present in the studies authored by Daniel A. Sumner, PhD, and Sebastien Pouliot, PhD. As you know, these studies were used by Canada in the WTO dispute. The result of Dr. Taylor's analysis revealed that COOL did not have a negative impact on Canadian cattle exports.

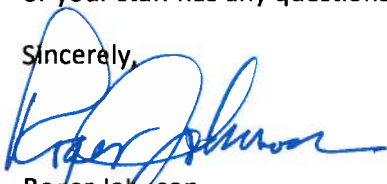
Unlike Sumner and Pouliot, Dr. Taylor used detailed Mandatory Price Reporting data, which is required to be reported by U.S. beef packers to the United States Department of Agriculture and is publicly available. Sumner and Pouliot largely relied on proprietary data that was provided to them by the Canadian Cattlemen's Association who, as you know, is a staunch opponent of COOL.

The report is available on our website at www.nfu.org. I strongly encourage you to study the report and use it to inform your assessments of the impacts of COOL. Below are some key findings of the study:

- Fed cattle price basis by class, grade and purchase arrangement declined after COOL went into effect (Canadian animals relative to U.S. animals actually received a higher price on average after COOL)
- COOL did not negatively impact imports of slaughter cattle
- COOL did not significantly affect imports of feeder cattle

The WTO has stated multiple times that countries have a right to label products with their country of origin and remain in compliance with WTO. Please do not hesitate to contact me at 202-554-1600 if you or your staff has any questions.

Sincerely,



Roger Johnson
President