JBS-Swift Falls in Line With COOL

by **Tom Johnston** on 10/24/2008

JBS-Swift & Co. said Wednesday it will comply with the intent of mandatory country-of-origin labeling law, saying it will label the majority of its beef products as a "Product of U.S.A."

The Greeley, Colo.-based company's statement comes the week after competitors Tyson Foods Inc. (See Tyson cool with federal labeling law on Meatingplace.com, Oct. 16, 2008.) and Cargill Meat Solutions made their intentions known. (See Cargill boards the COOL train on Meatingplace.com, Oct. 17, 2008.)

Like Tyson and Cargill, JBS had decided to label most of its product with the "Product of U.S., Canada and Mexico," or Category B, label to cut down on the costs of segregating livestock and products. However, USDA closed that so-called "loophole."

"This adaptation will require additional complexity and add cost in our facilities," JBS-Swift President and CEO Wesley Batista said in a letter to customers. "However, it is clear that despite the additional financial and business strains that may be involved, there is a significant amount of industry encouragement and government support to change our initial approach to labeling beef products."

Most of JBS-Swift's pork products have been produced as a "Product of U.S.A.," and will continue to labeled that way, the company said.

USDA's Agricultural Marketing Service has granted a six-month period of education and outreach, during which the law will not be enforced, that is scheduled to end in March 2009.

"During this time, it is our intent to continue working with our partners throughout the industry to develop ideas that will minimize the burden of COOL to all entities involved," Batista said.