



# BEEF WATCH

**THIS BEEF WATCH EDITION SUMMARIZES THE PUBLICLY AVAILABLE INFORMATION ON THE VOLUNTARY PRODUCT OF USA (PUSA) INITIATIVE.**

## VOLUNTARY PRODUCT OF USA (V-PUSA) LABELING

- In March 2020, the USDA's Food Safety and Inspection Service (FSIS) states that: "Product of USA" (PUSA) labels may be misleading consumers about where their meat comes from. This was in response to a petition filed by the United States Cattlemen's Association in regards to labeling.<sup>(1)</sup>
- A plan by USDA to review the label receives the support of organizations such as the National Farmers Union (NFU) and the Consumer Federation of America (CFA).<sup>(2)</sup>
- In July 2021, the USDA launches a review of the label after the Federal Trade Commission's (FTC) vote to strengthen its enforcement of the "Made in USA" standard. In response to that announcement, the USDA says that "we will be considering all ideas suggested by the whole range of stakeholders, including our trading partners with whom we will engage to ensure that this labeling initiative is implemented in a way that fulfills our commitment to working cooperatively with our trade partners and meeting our international trade obligations."<sup>(3)</sup>
- In August 2021, bills at the House of Representatives and the Senate propose that the "PUSA" labeling claims must be limited to beef products derived from cattle born, raised, and slaughtered in the United States. In Feb 2022, FSIS announces its intention to "collect information using a web-based survey/experiment to help gauge consumer awareness and understanding of current "Product of USA" labeling claims on meat (beef and pork) products and consumer willingness to pay (WTP) for meat products labeled as "Product of USA" using the current and potentially revised definitions of the claim."<sup>(4)</sup>
- In November 2022, FSIS publishes the results of the web-based survey commissioned to RTI International to analyze US consumers' understanding of the labeling claim. According to the report, eligible consumers were willing to pay more for meat products bearing the "Product of USA" claim versus products without this claim (when no definition was provided). The "average marginal Willingness-To-Pay (WTP) price was US \$1.69 for one pound of ground beef, US \$3.21 for one pound of NY strip steak, and US \$1.71 for one pound of pork tenderloin."<sup>(5)</sup> The USDA later states that "consumer WTP estimates, such as those obtained by the RTI survey, rely on stated preferences and may not reflect actual purchasing references in real life situations as the survey respondents do not have their own money on the line."<sup>(7)</sup>

On March 6, 2023, the USDA publishes a draft of a proposed rule to "define the conditions under which the labeling of meat, poultry, and egg products, as well as voluntarily inspected products, may bear voluntary label claims indicating that the product is of United States origin."<sup>(7)</sup> This document can be found at [https://www.fsis.usda.gov/sites/default/files/media\\_file/documents/FSIS-2022-0015\\_0.pdf](https://www.fsis.usda.gov/sites/default/files/media_file/documents/FSIS-2022-0015_0.pdf)

The proposed rule would also allow for U.S.-origin label claims other than the two authorized claims "Product of USA" and "Made in the USA." All US' origin label claims that are not authorized claims are known as "qualified claims."<sup>(7)</sup>

These "qualified claims" would need to include a description on the package of all preparation and processing steps (including slaughter) that occurred in the United States upon which the claim is made. The official publication of the proposed rule in the Federal Register may include changes from the draft version. The comment period will not begin until the date of publication in the US Federal Register.<sup>(7)</sup>

## References

- 1) USDA admits it may be misleading consumers with 'Product of USA' labeling | Food Safety News
- 2) USDA to Review 'Product of USA' Labelling - Modern Farmer , July 5, 2021
- 3) USDA Announces Efforts to Promote Transparency in Product of the USA Labeling | USDA, July 1, 2021.
- 4) Federal Register: Notice of Request for a New Information Collection: Analyzing Consumers' Value of "Product of USA" Labeling Claims, February 1, 2022.
- 5) Analyzing Consumers' Value of "Product of USA" Labeling Claims (usda.gov), November 30, 2022.
- 6) The futility of 'Product of USA' labeling in a world of global supply chains | The Hill , July 17, 2021.
- 7) Voluntary Labeling of FSIS-Regulated Products with U.S.-Origin Claims , March 6, 2023.