Economic Impact

Mandatory Country of Origin Labeling for Beef and Pork

Meat Institute
Nourishing Today Sustaining Tomorrow

A new economic analysis from [Decision Innovation Solutions] examined what would happen if Mandatory Country of Origin Labeling (mCOOL) for beef and pork were reinstated. The study updated previous USDA and industry research using current market, production, trade, and consumer data. The findings show that mCOOL would create significant new costs across the beef and pork supply chains, with the largest burdens falling on processors, retailers, and ultimately, consumers.

> Reinstating mCOOL would cost the beef and pork industries approximately **$1.02 billion** in the first year alone — including **$721M** for beef and **$296M** for pork.

$1.1B+	$4.8B	$10.1B
ADDED CONSUMER COST PER YEAR	CUMULATIVE COST OVER 5 YEARS	CUMULATIVE COST OVER 10 YEARS

Consumers Would Pay Higher Food Prices

The study concludes that compliance costs would largely be passed through the supply chain to consumers, adding more than $1.1 billion in additional costs paid by consumers each year.

- $835 million more for beef purchases annually
- $284 million more for pork purchases annually

Ground Beef Is Especially Challenging

Ground beef is one of the most complex products to label because it often combines lean beef from imported sources with domestic beef trimmings to achieve desired fat levels. Compliance costs for ground beef alone could range from $202 million to $688 million annually, depending on the labeling requirements adopted.

Packers, Processors and Retailers Bear the Burden

Processors and retailers must track animals and meat products by origin, maintain separate inventories, change production schedules, segregate products, update labels, and keep extensive records — especially difficult for products made from multiple sources.

- Retail beef faces the highest overall compliance costs in the supply chain
- Beef processors and retailers account for the majority of implementation costs
- Beef compliance costs at retail alone could generate nearly $488 million in year one and more than $5 billion over ten years

Producers Also Face Added Costs

While the 2013 version of mCOOL places fewer direct costs on cattle and hog producers than the earlier 2009 rule, producers would still face lower market efficiency, reduced sourcing flexibility, and additional documentation requirements — disruptions that can reduce livestock value and raise costs throughout the production system.

BOTTOM LINE

The study concludes that reinstating mCOOL for beef and pork would impose substantial costs on the entire supply chain, particularly processors, retailers, and consumers. While labels provide additional origin information, the research found little evidence that mandatory origin labeling significantly increases consumer demand for beef or pork products. The primary measurable effect would be higher compliance costs, higher food prices, and added operational complexity throughout the livestock and meat industries.