Testimony by Shawna Morris Vice President of Trade Policy U.S. Dairy Export Council & National Milk Producers Federation To the United States Senate Committee on Finance Subcommittee on International Trade, Customs and Global Competitiveness July 29, 2014

The U.S.-Korea Free Trade Agreement: Lessons Learned Two Years Later

Madame Chairwoman and members of the Committee, my name is Shawna Morris and I am here this afternoon representing the National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC). I appreciate the opportunity to express the views of America's dairy farmers on the lessons we have learned in the first two years of the U.S.-Korea Free Trade Agreement (KORUS).

The National Milk Producers Federation (NMPF) develops and carries out policies that advance the wellbeing of dairy producers and the cooperatives they own. The members of NMPF's 31 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 40,000 dairy producers on Capitol Hill and with government agencies. The U.S. Dairy Export Council (USDEC) is a nonprofit, independent membership organization that represents the export trade interests of U.S. milk producers, proprietary processors, dairy cooperatives, and export traders. The Council was founded in 1995 by Dairy Management Inc. (DMI), the farmer-funded marketing, promotion and research organization, to build global demand for U.S. dairy products and assist the industry in increasing the volume and value of exports.

Summary of Key Points:

I would like to express our appreciation that KORUS was approved by Congress. It has played a great role in opening up more export opportunities for many U.S. companies in Korea. In fact, we believe that KORUS is a good example of how the U.S. was able to deal successfully with a country's market access sensitivities regarding dairy products. This should be a useful model to build on in the ongoing Trans-Pacific Partnership (TPP) negotiations.

However, we wish that all interested U.S. dairy companies could take advantage of those opportunities rather than having their products effectively shut out of the market. Instead, as a result of the EU-Korea FTA, U.S. companies have been prohibited from selling in Korea several widely produced cheeses: feta, asiago, gorgonzola and fontina. The restrictions on certain U.S. cheese exports that first cropped up in Korea as a result of its FTA with the EU have rapidly proliferated to other markets, including many U.S. FTA partners. This pattern, driven by EU FTA pressures, has become a deeply concerning barrier to trade in more and more markets with indications that the problem continues to worsen.

Importance of Trade to U.S. Dairy Industry

Trade has taken on an increasingly important role in determining the economic well-being of the U.S. dairy industry. Our nation has gone from exporting less than \$1 billion in 1995, a time when a large portion of those sales were government-assisted, to exporting a record \$6.7 billion last year, none of

which used export subsidies^{1 2}. This growth has accelerated in the past 10 years with exports experiencing average annual value growth of 21%³. We are now the world's leading single-country exporter of skim milk powder, cheese, whey products and lactose⁴.

This growth is due in large part to the increasing competitiveness of American dairy producers and processors. But it is also the result of free trade agreements (FTAs) negotiated by the United States with some 17 nations over the past 15 years. These FTAs have created important new market access opportunities for us and we have worked very hard through our market development efforts to ensure that we are taking full advantage of them.

Positive Indications Under KORUS for U.S. Dairy Industry

Although KORUS has been in place only since March of 2012 and full free trade is still years away, it has already helped us expand dairy product shipments to the Korean market. Dairy exports to Korea in 2013 totaled over \$300 million, more than double the average of the three full years prior to KORUS. And shipments during the first five months of 2014 are running 40 percent higher than in the same period in 2013.

The most significant dairy product types exported to Korea are cheese, whey and skim milk powder. Korea has long been an important market for U.S. dairy exports, which is why NMPF & USDEC so strongly supported approval of this FTA. Since implementation, the agreement has largely been effective in kick-starting our goal of expanding U.S. dairy sales to this market by initiating the process of eventually eliminating virtually all Korean dairy tariffs.

This type of deep and broad trade liberalization seen in KORUS's dairy provisions can be a good model for ongoing Trans-Pacific Partnership negotiations with Japan and Canada. We hope that TPP will similarly result in an agreement that we can support as robustly as we have supported KORUS.

In a few cases, we have seen instances that have required assistance from the Foreign Agriculture Service in order to help ensure that the terms of the agreement are being honored. Generally, the response from Korea to date has been encouraging. For instance, early on there were concerns related to how Korea was operating its auction system that KORUS authorized to administer certain dairy TRQs. The initial auctions held were not very successful in utilizing the TRQ quantities granted to the U.S. under KORUS. During the year following implementation, the Administration engaged extensively with Korea to better understand why this was occurring and explore additional ways to ensure that the auction was not interfering with market demand for U.S. dairy products. Over the past year, the process seems to have improved and we are currently satisfied with how it is operating, although it is an issue that merits continued monitoring to ensure that Korea does not use its auction system to hinder use of KORUS TRQs.

Similarly, we are currently working with FAS on a matter related to a rules of origin request from Korean Customs. We are trying to ensure that our exporters provide the necessary information to Korean

¹ Trade data: Foreign Agricultural Service's Global Agricultural Trade Service

² Subsidies: U.S. Dairy Export Council

³ Foreign Agricultural Service's Global Agricultural Trade Service

⁴ U.S. Dairy Export Council

authorities that may be needed occasionally to document compliance with the KORUS rules of origin requirements. However, this need must also be carefully balanced by ensuring that Korean Customs is not demanding overly invasive and burdensome information in a manner designed to impede trade. At this stage, rules of origin documentation requirements do not appear to be a pervasive problem for U.S. dairy exports, although it is our understanding that many U.S. agricultural sectors have faced similar challenges in this area. We encourage the Administration to continue to work with Korea to ensure that the KORUS compliance needs are appropriately balanced with the need to ensure that Customs requirements do not unnecessarily impede trade.

Finally, a third issue that arose with Korea over the past two years relates to U.S. exports of organic products to Korea. This issue was successfully resolved this month, as we hope the rules of origin matter referenced above soon will be as well. In the case of organic products trade, the U.S. exported \$35 million dollars worth of organic products to Korea last year, some of which were dairy products. In late 2013, however, Korea announced its intent to begin enforcing organic certification regulations adopted in 2008 but not previously enforced. After successful work with Korea by USDA and USTR, the U.S. announced on July 1st an organic equivalency agreement that provides assurance that the U.S. will be able to continue to export these high-value products to our FTA partner. U.S. companies making organic dairy products welcomed this excellent news.

Trade Compliance Concerns re: Korea FTA due to GI Restrictions

Despite the overall positives of KORUS and successes in resolving some early-on snags, however, it is also important to take note of instances that have not worked out as well and where resolution does not appear to be in site. While stressing that my industry's overall experience to date with KORUS to date has been positive, the bulk of my remaining testimony will focus on the deeply concerning new type of trade barrier we saw develop in Korea just prior to implementation of our FTA. When trade moves smoothly, the market can largely operate without the assistance of our trade agencies. However, when trade problems arise, that is where the government focus is needed in order to find ways to address the challenges and avoid having other countries replicate the barriers.

It is with that in mind that we call the committee's attention to one very ominous development that has undermined a key portion of the market access benefit many of our members had envisioned from KORUS, thereby impairing the value of concession negotiated by the U.S. Moreover, this situation is playing out in the case of several other U.S. FTA partners' markets. Many U.S. companies and organizations have expressed deep concern about these developments in recent months. Some examples of those comments are included as part of this testimony. (*Attachment 1*)

Since mid-2011, Korea has restricted access for certain U.S. dairy products as a direct result of its separate FTA with the European Union (EU). I must stress at the outset that this matter is not a flaw in KORUS and we continue to strongly support the agreement and its approval by Congress. The problem is that we are not seeing the across-the-board market access gains in Korea and other FTA partner countries for all dairy products that we had anticipated during negotiations and this is without question due to EU efforts to "claw back" use of common names of certain dairy products for the sole use of EU producers.

In a nutshell, the EU has been using its muscle to lean on countries around the world to block imports of products from countries that allow the use of product names the EU wishes to reserve for itself. The EU-

Korea FTA and its impact on our KORUS agreement was the first indication of what has turned into a massive world-wide problem for us and for other dairy-producing countries.

I know that some members of Congress are very aware of this issue and many have expressed their concerns about its impact on the U.S. dairy and other affected industries. In particular, we thank the numerous members of this subcommittee that signed one of the two letters sent this past spring to USTR & USDA on the EU's abuse of geographical indication regulations to restrict trade. But for those who are not as familiar with some of the details of this issue, let me provide a little background.

Many well-known names for cheeses, meats and other foods trace their origins to Europe, but thanks to generations of emigration and trade, these products are now made and enjoyed throughout much of the world. This has greatly increased the popularity of certain cheeses such as parmesan, romano, feta and others to the commercial benefit of both European and non-European producers.

However, the EU has been working in recent years to monopolize usage of these terms, while resisting efforts to clearly identify which names have already entered into wide-spread common usage. This is being done through use of the EU geographical indication (GI) system, which is aimed initially at keeping such products out of its own market. It is now also being done, however, through EU efforts to negotiate exclusive use of many EU GIs through its free trade agreements, including with many U.S. FTA partners. This prevents any competition with EU products in those markets, as well.

For instance, the EU-Korea FTA forbids the use of the terms gorgonzola, feta, asiago and fontina by non-EU suppliers. It also required Korea to register the EU GIs automatically; that is, stakeholders with an interest in the Korean market had no opportunity to present arguments that the GIs at issue were in fact widely used generic names or otherwise should not have been protected in Korea. Even the EU provides a case-by-case opposition procedure, something it prevented Korea from adopting as part of their FTA.

U.S. companies have had to forego sales opportunities in Korea due to these restrictions. Had it not been for efforts by the Office of the U.S. Trade Representative (USTR), which conducted an exchange of letters with the Korean government in 2011 in order to seek clarification on the scope of the EU-Korea FTA's GI commitments with respect to certain terms, the use of the common names brie, camembert, emmental, grana, mozzarella, parmesan, romano and provolone could also have been at risk of facing future prohibitions. (Preservation of these latter terms was able to be achieved since the GIs they pertain to were listed in the EU-Korea FTA as multi-word GIs rather than as single terms. For instance, the GI listed in the EU-Korea FTA was "Parmigiano Reggiano", not parmesan. The letter exchange therefore clarified that it was the full GI that was being protected, not individual pieces of it. In contrast, feta, asiago, gorgonzola and fontina were each listed using just that name, i.e. "Feta".)

A recent article in the Economist summed up well the impact of these Korean restrictions on a familyowned Wisconsin dairy company:

"In 1925 Ron Buholzer's family left Switzerland and settled in lush, green, rural Wisconsin. Here, like so many Wisconsinites, his family started to make cheese. Since then four generations of cheesemakers have worked in the family firm. Their most popular product is feta, a crumbly cheese that goes well in Greek salads. Mr Buholzer worries that he may soon be banned from selling it, because the European Union is trying to "claw back" food names that Americans consider generic but which Europeans believe should only apply to products made in specific bits of their continent.... Already Mr Buholzer is barred from exporting his feta to South Korea if he calls it "feta". Also, any new feta products sold in Canada that are not from Greece will soon have to be called "like" or in the "style" of feta—and not use Greek symbols. The EU is demanding protection for 145 food names, including feta, asiago, Gorgonzola, munster and fontina." http://www.economist.com/news/united-states/21607867-europeans-want-their-food-namesback-americans-are-peeved-stressed-are-cheesemakers

International Expansion of EU-Driven GI Restrictions on Common Names

After the initial shot across the bow fired in the EU-Korea FTA, the EU has busied itself expanding that model to many other markets around the world. EU pressure has resulted in similar restrictions being replicated in Central America, Peru, Colombia and most recently in South Africa. Canada announced that it had agreed in its FTA with the EU to adopt new restrictions on several cheese names such as feta, muenster, gorgonzola, asiago and fontina that require all new entrants to the market to label their product as "imitation feta" or "similar to muenster". (Harmful as this restrictions is in the EU-Canada FTA, in all other EU FTAs to date with other countries the limits go even further and directly prohibit any use of the term, banning for instance the use of "similar to asiago" or "feta-style".) We understand that the EU is pursuing its objectives in Singapore, Japan, the Philippines, Malaysia and Vietnam, as well as through a GI-specific arrangement with China that is close to being finalized.

Unfortunately, we have not been able to negotiate clarifying exchanges of letters with those countries, as we did with Korea. After extensive U.S. outreach, some countries such as Guatemala and El Salvador have chosen to do the right thing and preserve access for many key U.S. exports but others such as Costa Rica and South Africa have introduced harmful new restrictions on the use of certain common names.

In the case of Costa Rica, the government interpreted its EU FTA commitments as requiring it to restrict the use of parmesan and provolone, despite the fact that the applied-for GIs were "Parmigiano Reggiano" and "Provolone Valpadana". This is despite the fact that even the EU does not currently restrict use of "provolone" and the Central America-EU FTA clearly permits a country to decline to restrict use of a generic term such as parmesan which has been used by the local industry for decades and more recently by U.S. exporters under CAFTA. In South Africa, the government quietly moved in early 2014 to restrict the use of a number of terms claimed as GIs by the EU, grandfathering local use in a direct acknowledgement of likely generic status for many of the names. We believe that this action directly impairing access for U.S. cheese opportunities should factor into consideration of GSP preferences for South Africa.

And now we are in the midst of negotiations on an FTA with the EU -- the Transatlantic Trade and Investment Partnership (TTIP) -- and it is abundantly clear that EU producers and politicians expect their negotiators to deliver an agreement that imposes strict EU GI rules on the United States. Our industry is even more adamant in its expectation that our negotiators should only come to an agreement on GIs with the EU if it simultaneously rejects restrictions in the U.S. market on common names, addresses the trade barriers erected against U.S. exports to third country markets and restores access into the EU for key U.S. exports such as parmesan and feta, labeled as such.

Global in Scope: Expansion of International GI Register under WIPO

As if the EU efforts to lock up common product names for itself through trade agreements were not enough, it is also working feverishly to modify the World Intellectual Property Organization's (WIPO) *Lisbon Agreement for the Protection of Appellations of Origin and their Registration* (Lisbon Agreement), which was adopted in 1958 and entered into force in 1966. Changes sought by the EU and current participant countries would dramatically expand the types of names that could be registered for protection under this agreement and would expand the criteria for who could join as a party to the agreement.

The scope of protection for a GI is extremely broad and ambiguous – virtually anything the GI holder may deem at any future stage to be problematic could be claimed as a violation of the GI. In particular, the agreement provides no clarity about how countries are to protect multi-word GIs such as Mortadella Bologna, leaving a high likelihood that the GI holder could claim that use of a portion of the GI is still a violation of the agreement.

In contrast, there are virtually no safeguards for users of common food names, particularly on an export basis. The Lisbon Agreement effectively provides cheap and fast "one stop shopping" for GI registrants while providing no such similar "single streamlined window" to common name users. These types of tremendous imbalances in the agreement are deeply problematic.

Although the Lisbon Agreement is a voluntary plurilateral agreement, its impacts will be felt by many non-members such as the U.S. when member countries agree to adopt restrictions on the use of registered GIs, even if they have long been in the global public domain as having been produced and traded by other WTO members. For instance, Italy has submitted to register the terms asiago and gorgonzola this year. Mexico and Peru are Lisbon Agreement members. If they do not reject these applications, then U.S. exporters will be forbidden from shipping asiago or gorgonzola to those two U.S. FTA partners as of next year. Again, this type of restrictions violates U.S. FTAs by impairing the value of concessions in those agreements and also violates WTO commitments.

Efforts are underway by the EU and its member states to finalize this dramatic expansion of international GI restrictions in October 2014. If successful, the EU will have taken major strides in accomplishing all of its objectives in restricting the use of common names for its own producers. We are working with U.S. officials to prepare for the next WIPO meeting on this topic and hope that the U.S. and other governments will give the matter their full attention.

Support for GIs "Done Right": the Path to GI Trade Compliance

I want to make it entirely clear that we are not opposed to legitimate GIs. Having an avenue to protect GIs is an existing international obligation and the U.S. complies with that obligation by permitting the registration of both U.S. and foreign GIs through our trademark system. In fact, the EU already has a number of GIs registered in the U.S. system. They have available to them all the same enforcement opportunities as do U.S. companies, many of which are small or medium size operations themselves.

In other words, we have no problem with the registration of names such as "Provolone Valpadana" or "Parmigiano Reggiano", both of which are registered and protected in the U.S. What we oppose is the EU's effort to effectively license to itself names that are commonly (and globally) used to identify a type

of cheese. Production of such cheeses outside the European region to which the EU wants to provide a monopoly often represents a very sizable portion of global production, a clear indication that the name is not a term unique to one corner of the world. In some cases the names were even used generically in the EU until the EU decided to bestow just one country the permanent claim to them. (This was the case for parmesan and feta, which were produced by many European countries until roughly a decade ago when the EU made its final decision to award sole use within the EU of those generic names decides to Italy and Greece respectively.)

As I have noted, the problem is not only a U.S. problem and it is not only a dairy problem. The U.S. Dairy Export Council has joined with other U.S. companies and organizations such as NMPF & the International Dairy Foods Association, as well as other groups from around the world that are concerned about EU efforts putting at risk the continued ability to use common names for cheese and other products, including certain meats. In response to this threat, the Consortium for Common Food Names (CCFN) was created two years ago. CCFN believes that several guidelines can be helpful in establishing a model that protects both common names and legitimate food-related geographical indications.

Considerations include:

- Encouraging the use of multi-word GIs this include the name of the region or sub-region where the product is produced, and a second term that describes the product with a clear assurance that the common names portion can remain in free usage (e.g., "Gouda Holland" GI with a statement preserving free use of "gouda");
- Requiring any desired translations of a GI to be clearly identified and separately applied for in order to ensure clarity and transparency;
- Establishing reference points for identifying common names, such as existence of a Codex standard or other international standards; use of the term in newspapers, product descriptions in tariff schedules to denote a type of product; levels and diffusion of global production; international trade originating from the non-applicant country; etc.;
- Providing ample opportunity (i.e. 5 to 6 months from the date of publication) for stakeholders around the world to comment on geographical indication applications to ensure that officials have fully considered the request and its impact on other farmers and food producers, as well as the trade compliance impacts of the decision.

The Need for EU Course Correction

Certainly, abolishing bans on common food names – both those in the EU and in other markets – would be a critical first step. But the EU would also have to remove its inward focused blinders and begin to recognize the impact its policy has on producers and consumers in other nations and rein in some of the more problematic GI decisions it has rendered in recent years.

This includes the deeply problematic principle of evocation, whereby any term that overlaps with a portion of a GI is at risk of being ruled a GI infringement. For example, the EU ruled that a new cheese name that used the ending "zola" was not permitted due to the existence of a GI for "gorgonzola," despite the fact that this was the only overlapping portion of the name. This extremely broad scope of

protection makes it virtually impossible to know where the GI holders' rights end and the rights of everyone else begin.

Another example is the designation of "feta" as a GI. The word "feta" is in fact neither a place in Greece nor even the name of the cheese alone – it is simply the Greek or Italian word for "slice." But the EU approved "feta" as a GI for use throughout all of Greece (and only Greece), despite the fact that at the time of the ruling roughly 75% of the world's feta was produced outside of Greece and in places such as the entire Balkan region, Denmark, the Netherlands, Germany, France, Turkey, the United States, Oceania and elsewhere. As the Danes so aptly put it shortly after this misguided ruling, "The door is now open for other cheeses such as cheddar or camembert to apply for PDO status... And why should it stop there? Could we see Britain registering the name bacon, or Italy registering pizza?" – Hans Bender, Danish Dairy Board, Just-Food, 2005.

Ironically, but not surprisingly, Danish producers recently applied for a GI that would prevent producers in any other country from using the name "Havarti" -- this despite the fact that the international food standards-setting body, CODEX Alimentarius, has already adopted a production standard for "havarti" for use by all countries, with full EU support. If the EU approves the Danish request, then the risk magnifies that other products for which international production standards exist, such as cheddar and mozzarella, may also face future attacks. As you can imagine, we have expressed our strong opposition to granting of GI recognition by the EU to havarti.

Attack on Common Names: Violation of International Trade Commitments

The EU's approach to restricting common food names through the use of GI registrations abuses a good concept in order to impose trade barriers against competitors. This has no place in TTIP or any other trade agreement. In forcing its trading partners to adopt the same trade-restrictive GIs in recent FTAs, the EU has turned FTAs, which are supposed to expand trade, into tools for discriminating against third countries to gain unfair market shares.

This raises serious questions about whether the EU's GI policy is compatible its WTO obligations. The fact that the EU had hoped to use the dormant WTO Doha negotiations to write new rules on GIs, suggests that it felt that this was a loose end that needed to be tied up. Legal analysis indicates that these restrictions on the use of common names violate the WTO TBT agreement. In addition, the lack of opposition procedures and genuine intellectual property analysis in certain countries such as Korea also violate the TRIPS Agreement.

Actions Needed to Address Concerns

Although the EU typically uses the guise of intellectual property to impose these restrictions in common food categories, it is clear that the EU's real objective is to crowd out competition in as many markets as possible in order to give its producers a leg up over those in the U.S. and other countries. This goal is most clear when examining the cases in which the EU's restrictions bypass a country's intellectual property system's evaluation process entirely such as in Korea, South Africa and reportedly in Canada.

This targeting of terms long in the public domain through wide-spread international usage is certainly not fair competition, nor appropriate use of intellectual property systems. In determining how to tackle this dilemma, U.S. tactics must take this into account in order to properly combat the threat.

We greatly appreciate the work that USTR in particular, as well as USDA in certain instances, has devoted to the challenge of EU attacks on U.S. market access opportunities through the imposition of restrictions on the use of common food names. This issue is one that both agencies are very well familiar with; both Ambassador Froman and Secretary Vilsack have been clear about the serious concerns the EU's actions pose. For instance, USTR work in particular with Korea, Singapore and Japan on this topic has been very engaging. In addition, USTR & PTO staff have worked extensively in TPP to reduce the likelihood of inappropriate outcomes such as those seen in the EU-Canada FTA's GI provisions. Unfortunately, the size of the problem seems to continue to grow swiftly.

We are firmly convinced that EU goals will not remain limited to only those terms facing direct attack today by the EU. History indicates – dating back to the EU's initial focus primarily on imposing GI restrictions for certain wines & spirits – indicates that the EU will continue to push the envelope as far as it can in exploring how best to crowd out competitors, particular in categories such as wine or cheese that threaten EU value-added production.

- All too often, vital information and opportunities are missed. The U.S. could be deploying its embassy staff, particularly Foreign Agriculture Service employees posted abroad, much more effectively to gather information and act in a coordinated manner to respond to attacks on market access for U.S. products.
- As cited earlier, we applaud USTR's work with Korea to limit the scope of the potential damage that the EU-Korea FTA could have inflicted on U.S. dairy exporters. Although these efforts did not succeed in preserving negotiated access for all U.S. products, it was still a very important step towards reigning in the EU's efforts to sow restrictions and confusion through the GI provisions of its FTAs. We continue to encourage the U.S. government to pursue similar understandings with U.S. trading partners in order to ensure that the value of market access that U.S. negotiators secure is not impaired.
- Utilize U.S. trade negotiations to promote a better path forward on GIs. As TPP is in the most advanced stage and includes other countries that share U.S. concerns in this area, TPP represents a vital opportunity to do something to foster improvements to the current handling of GI requests/applications. The U.S. must seize this opportunity and maximize our ability to use this agreement to combat the EU's pervasive attacks on the use of common food names around the world by offering a counter model.
- At the international level, it is vital that the U.S. do all it can to underscore the trade impacts and questions regarding WTO compliance that are at stake as a result of the nearly finalized efforts to expand the WIPO Lisbon Agreement's international list of GIs.

Conclusion

We look forward to working with the members of this committee to address barriers to U.S. exports and to continuing to collaborate closely with USTR & USDA to combat the EU's aggressive efforts to plant trade barriers to our products around the world. I appreciate the opportunity to present information to this committee both on how KORUS has operated to the benefit of the U.S. dairy industry and elaborate on a trade barrier that has limited access to that market for some products.

Attachment: Examples of Commentary on EU Attacks on Common Names, First Displayed in Korea

Jim Sartori – "If we're not able to use these common names that our customers have become familiar with, we're going to sell less cheese, we're going to have less employees working for us. It's going to hurt rural America, because they're the foundation, supplying the milk for the cheese products."... "It would be devastating to the state of Wisconsin, America's Dairyland."

http://www.nbcnews.com/nightly-news/food-fight-cheese-wars-its-europe-vs-u-s-n110386

Wisconsin Cheese Makers - "It's a clever trade barrier," says John Umhoefer, executive director of the Wisconsin Cheese Makers Association. "There would be a lot of uphill work to do for cheese makers to convince consumers that their 'salty white cheese in brine' is feta. They would have to market it all over again."

http://time.com/22011/europes-war-on-american-cheese/

Farr Hariri, president of Belfiore Cheese Company: "If all nations followed this mentality, where do you draw the line? Would all manufacturers—of spaghetti, lasagna, beef stroganoff, Hungarian goulash, hummus, salami, lavash—in this country someday fall victims to such irrational claims, which are purely motivated by greed and desire to artificially manipulate supply and demand?" -

<u>http://www.specialtyfood.com/news-trends/featured-articles/article/cheese-industry-embattled-over-</u> <u>eu-naming-proposal/</u>

Marin Bozic, an assistant professor of dairy foods marketing economics at the University of Minnesota, says a deal would not only give Europe a non-price advantage in foreign markets, where American cheese exports are booming, but would affect domestic consumers, too. "People will be confused," Bozic says. "But the problem is that those names don't indicate origin. They indicate method of preparation."... Consumers have come to understand these names as representative of a type of cheese rather than rooted in a certain place, Bozic argues..."[Feta is] a common food name and reverting back 50 years is no solution."

http://time.com/22011/europes-war-on-american-cheese/

The International Dairy Foods Association called the EU's plans "the kinds of restrictions that have the capacity to stall job growth in the United States and limit our expanding dairy export market." http://www.csmonitor.com/Business/The-Bite/2014/0312/EU-wants-to-ban-US-use-of-Parmesan-Gouda.-Lawmakers-cheesed.-video

Pete Kappelman, who owns a family dairy farm in Manitowoc, Wis - "We've been manufacturing, marketing, advertising, and making the cheese interesting to consumers, and now we're supposed to walk away from it? That's not quite a level playing field."

http://www.cbsnews.com/news/parmesan-feta-gorgonzola-cheese-names-prompt-big-stink-in-europe/

Errico Auricchio - Some producers say they are incensed because it was Europeans who originally brought the cheeses here, and the American companies have made them more popular and profitable in a huge market. Errico Auricchio, president of the Green Bay, Wis., company BelGioioso Cheese Inc., produced cheese with his family in Italy until he brought his trade to the United States in 1979. "We have invested years and years making these cheeses," Auricchio says. "You cannot stop the spreading of culture, especially in the global economy."

http://washington.cbslocal.com/2014/03/11/european-union-wants-to-ban-parmesan-feta-names-oncheese-made-in-us/