



Agricultural Marketing Service
U.S. DEPARTMENT OF AGRICULTURE



AMS

Module 1
Intro to COOL and
Regulatory Requirements



Module 1 Lesson Objectives

By the end of this lesson, you will understand:

- Why COOL exists.
- Who is subject to COOL.
- What is subject to COOL.



Country of Origin Labeling (COOL) Introduction

The USDA's Agricultural Marketing Service (AMS), Food Disclosure and Labeling Division (FDLD) is responsible for oversight of the Country of Origin Labeling (COOL) regulations. This video provides an overview of the COOL regulations:

<https://www.youtube.com/watch?v=19h0QNbi3IM>



COOL Authorization

COOL celebrates 20 years on May 13, 2022; it was authorized by the 2002 Farm Bill ([Public Law 107-171](#)) and the corresponding law is located at [7 U.S.C. 1638a](#). COOL provides consumers information about the source of certain food items, referred to as “covered commodities”.



COOL Regulatory Requirements

The COOL Final Rule is available at [7 CFR Part 60](#) for fish and shellfish and [7 CFR Part 65](#) for all other covered commodities.





Who is Subject to COOL?

Retailer

- 7 CFR 60.124 and 7 CFR 65.240 define retailer as: Any person subject to be licensed as a retailer under the Perishable Agricultural Commodities Act (PACA) of 1930 (7 U.S.C. 499a(b)).
- PACA defines retailer as a person with an invoice cost of perishable agricultural commodities in excess of \$230,000 in a calendar year.
- 7 CFR 65.205 defines perishable agricultural commodities as: **fresh and frozen fruits and vegetables** of every kind and character that have not been manufactured into articles of a different kind or character and includes cherries in brine as defined by the Secretary in accordance with trade usages.



Supplier

A supplier is: Any person engaged in the business of supplying a covered commodity to a retailer, whether directly or indirectly (i.e., including but not limited to growers, distributors, handlers, packers, and processors). 7 CFR 60.400(b) and 7 CFR 65.500(b)

Exempt From COOL

Food Service Establishments, as defined in 7 CFR 60.107 and 7 CFR 65.140, are exempt from COOL. These include:

- Restaurant
- Cafeteria, lunchroom
- Food stand
- Saloon, tavern, bar
- Food service facilities
- Salad bar, delicatessen (deli)
- Food enterprises located within a retail store that provide ready-to-eat foods such as a deli counter



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Knowledge Check 1

Who is subject to COOL?

- a. USDA defined farmers and ranchers.
- b. FDA defined food manufacturers.
- c. Retailers subject to be licensed under PACA.
- d. United Nations defined farmers and retailers.

Who is subject to COOL? (cont)

a. USDA defined farmers and ranchers.

b. FDA defined food manufacturers.

c. Retailers subject to be licensed under PACA.

d. United Nations defined farmers and retailers.



What is Subject to COOL?

COOL Covered Commodities

The COOL regulations list the specific food items, called covered commodities, that it covers. Both domestic and imported covered commodities are subject to COOL.

7 CFR 65.135

- Muscle cuts of lamb, chicken, and goat
- Ground lamb, ground chicken, and ground goat
- Perishable agricultural commodities
- Peanuts
- Macadamia nuts
- Pecans
- Ginseng

7 CFR 60.105

- Farm-raised fish and shellfish (including fillets, steaks, nuggets, and any other flesh)
- Wild fish and shellfish (including fillets, steaks, nuggets, and any other flesh)

Perishable Agricultural Commodities

- 7 CFR [65.205](#) defines perishable agricultural commodities as: **fresh and frozen fruits and vegetables** of every kind and character that have not been manufactured into articles of a different kind or character and includes cherries in brine as defined by the Secretary in accordance with trade usages.
- Unsure if an item is a perishable agricultural commodity? Check the [PACA Commodities List](#).



Perishable Agricultural Commodities (Cont)

Examples of covered commodities include:

- Chopped raw onions
- 16 oz. bag of frozen peas
- Fresh apples
- Frozen blueberries
- 5 oz. container of spinach



Peanuts, Pecans, Macadamia Nuts, and Ginseng

Examples of covered commodities include:

- Raw peanuts sold in a bulk bin
- 8 oz. bag of raw macadamia nuts
- 2 oz. bag of chopped pecans
- Whole root raw ginseng



Chicken (Ground and Muscle Cuts)

- Chicken is defined in 7 CFR 65.120 as the meaning given in 9 CFR 381.170(a)(1):
 - (i) Rock Cornish game hen or Cornish game hen
 - (ii) Broiler or fryer
 - (iii) Roaster or roasting chicken
 - (iv) Capon
 - (v) Hen, fowl, baking chicken, or stewing chicken
 - (vi) Cock or rooster
- Ground chicken means comminuted chicken of skeletal origin that is produced in conformance with all applicable Food Safety and Inspection Service labeling guidelines. 7 CFR 65.160

Chicken (Ground and Muscle Cuts) (cont)

Examples of chicken covered commodities include:

- Leg Quarters
- Breasts, wings
- Tenderloins
- Thighs
- Whole chickens
- Ground chicken



Examples of chicken items that are not covered commodities are:

- Organs (hearts, livers)
- Fat
- Feet and bones
- Living livestock

Goat and Lamb (Ground and Muscle Cuts)

- Goat means meat produced from goats. 7 CFR 65.150
- Ground goat means comminuted goat of skeletal origin that is produced in conformance with all applicable Food Safety and Inspection Service labeling guidelines. 7 CFR 65.165
- Lamb means meat produced from sheep. 7 CFR 65.190
- Ground lamb means comminuted lamb of skeletal origin that is produced in conformance with all applicable Food Safety and Inspection Service labeling guidelines. 7 CFR 65.170

Goat and Lamb (Ground and Muscle Cuts) (cont)

Examples of goat and lamb covered commodities include:

- Mutton
- Lamb shank, lamb chops,
- Ground lamb, ground goat
- Goat shoulder
- Goat leg

Examples of goat and lamb items that are not covered commodities are:

- Organs (heart, tongue)
- Bones (neck bones, femur bones)
- Living livestock

Fish and Shellfish

- Farm-raised fish means fish or shellfish that have been harvested in controlled environments, including ocean-ranched (e.g., penned) fish and including shellfish harvested from leased beds that have been subjected to production enhancements such as providing protection from predators, the addition of artificial structures, or providing nutrients; and fillets, steaks, nuggets, and any other flesh from a farm-raised fish or shellfish. 7 CFR [60.106](#)
- Wild fish and shellfish means naturally-born or hatchery-originated fish or shellfish released in the wild, and caught, taken, or harvested from non-controlled waters or beds; and fillets, steaks, nuggets, and any other flesh from a wild fish or shellfish. 7 CFR [60.133](#)

Fish and Shellfish (cont)

Examples of fish and shellfish covered commodities include:

- Salmon fillets
- Raw shrimp
- Lobster tails
- Golden pompano, on ice





Knowledge Check 2

Which item(s) are COOL covered commodities?

- a. Fresh and frozen fruits
- b. Fresh and frozen vegetables
- c. Peanuts, pecans, and macadamia nuts
- d. Ginseng
- e. All of the above

Which item(s) are COOL covered commodities? #1

- a. Fresh and frozen fruits
- b. Fresh and frozen vegetables
- c. Peanuts, pecans, and macadamia nuts
- d. Ginseng
- e. All of the above



Which item(s) are COOL covered commodities? #2

- a. Pig Ears
- b. Ground pork
- c. Chicken hearts
- d. Fresh salmon
- e. All of the above

Which item(s) are COOL covered commodities? #3

- a. Pig Ears
- b. Ground pork
- c. Chicken hearts
- d. Fresh salmon**
- e. All of the above



What is Not covered by COOL?

Not a Covered Commodity

The COOL regulation expressly lists what is a covered commodity. Items that are not covered commodities are not covered by COOL, such as:

- Coconut
- Other nuts such as walnuts, almonds, cashews
- Guinea fowl, turkey, quail, duck
- Beef, pork
- Frog legs, turtle, alligator
- Livestock



Not a Covered Commodity (cont)

The COOL regulation expressly lists what is a covered commodity. Items that are not covered commodities are not covered by COOL, such as:

- Decorative corn, gourds, and carving pumpkins
- Potted or living herbs
- Floral arrangements
- Items intended for planting such as onion sets, seed potatoes



Processed Food Items are Excluded

Processed food items are excluded from COOL.

Processed food item means a retail item derived from a covered commodity that has undergone **specific processing resulting in a change in the character** of the covered commodity, or that has been **combined with at least one other covered commodity** or other substantive food component (e.g., chocolate, breading, tomato sauce), except that the addition of a component (such as water, salt, or sugar) that enhances or represents a further step in the preparation of the product for consumption, would not in itself result in a processed food item. Specific processing that results in a change in the character of the covered commodity includes cooking (e.g., frying, broiling, grilling, boiling, steaming, baking, roasting), curing (e.g., salt curing, sugar curing, drying), smoking (hot or cold), and restructuring (e.g., emulsifying and extruding). Examples of items excluded include roasted peanuts, breaded chicken tenders, and fruit medley. 7 CFR [60.119](#) and 7 CFR [65.220](#)

Processed Food Items: Change of Character

Examples of processed food items that have undergone processing resulting in a change of character include:

Cooked	Fried	Canned	Roasted	Smoked	Restructured
Steamed crab legs	Fried chicken	Canned vegetables	Roasted peanuts	Smoked salmon	Fish sticks



Processed Food Items: Combined with Another Food Component

Examples of processed foods that have been combined with another food component include:

- Mixed fruit cup, mixed vegetable bag, mixed nuts
- Stuffed chicken, chicken cordon bleu
- Lemon pepper marinated chicken breasts





Knowledge Check 3



Which item is subject to COOL?

- a. Shredded coconut
- b. Marinated chicken
- c. Salted raw peanuts
- d. Potted basil



Which item is subject to COOL? (cont)

a. Shredded coconut

b. Marinated chicken

c. Salted raw peanuts

d. Potted basil



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Activity 1



Country of Origin Labeling Options

Country of Origin Notification

Labeling of covered commodities offered for sale whether individually, in a bulk bin, carton, crate, barrel, cluster, or consumer package must contain country of origin and method of production (wild and/or farm-raised) as set forth in this regulation. 7 CFR 60.200(a) and 7 CFR 65.300(a)



COOL Labeling Options

Country of origin declarations can be made on any of the following ways per 7 CFR 60.300(a) and 7 CFR 65.400(a):

- Placard
- Sign
- Label
- Sticker
- Other format that allows the consumer to identify the COOL
- Band
- Twist tie
- Pin tag
- Checkbox



COOL Labeling Options (cont)

Labeling examples include:

- On package, such as the raw shrimp from Mexico with method of production as wild.
- Tag on Kiwi from Chile.
- Sticker on lemons from Chile.
- Band on asparagus from Peru.
- Checkbox showing Mexico.



Country of Origin Notification Not Acceptable



The following are examples of country of origin declarations that are not an acceptable COOL declaration:

- Symbols and flags representing origin. 7 CFR 60.300(e) and 7 CFR 65.400(e)
- The disjunctive term “OR”(e.g., Product of Thailand or Vietnam).
- The term “AND/OR” (e.g., Product of U.S., Canada, and/or Mexico).
- The term “May Contain” (e.g., May contain products from U.S. and Mexico).
7 CFR 60.300 and 7 CFR 65.400

Abbreviations

In general, country abbreviations are not acceptable. Only those abbreviations approved for use under CBP rules, regulations, and policies, such as 7 CFR [60.300\(e\)](#) and 7 CFR [65.400\(e\)](#) are permitted:

- “U.S.” or “U.S.A.” for United States
- “U.K.” for United Kingdom including Northern Ireland
- “P.R. China” or “China” for Peoples’ Republic of China
- “Holland” for The Netherlands

Visit the AMS Website to view the [Abbreviations Guidance](#)

State Abbreviations

State abbreviations are only acceptable for fruits, vegetables, peanuts, pecans, macadamia nuts, and ginseng. 7 CFR [65.400\(f\)](#):

- Abbreviations may be used for state, regional, or locality label designations for these commodities whether domestically harvested or imported using official United States Postal Service abbreviations or other abbreviations approved by CBP.
- The label must refer to the product, not the farm or distributor.



Labels that are Not COOL Compliant

Some labels do not meet the COOL requirements. Vague regional designations do not provide accurate COOL and are not acceptable, such as:

- Appalachian Grown
- Pacific Northwest
- Locally Grown
- Island Fresh
- Product of Asia

7 CFR [60.300\(f\)](#) and [65.400\(f\)](#)





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Activity 2



**Thank you for completing
Module 1!**