



FOR IMMEDIATE RELEASE April 26, 2019

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U.S. Special 301 Report Criticizes Europe for Wrongly Targeting U.S. Dairy Exports

ARLINGTON, VA – U.S. dairy officials today lauded the U.S. Trade Representative's Office for denouncing Europe's anti-trade agenda against common-name food products and pursuing avenues to preserve U.S. export access rights.

The U.S. Special 301 Report, issued yesterday by USTR, categorically rejects EU policies that seek to intentionally disadvantage U.S. suppliers in global markets by blocking their ability to use common names such as fontina, gorgonzola, asiago and feta cheeses.

"The EU pressures trading partners to prevent all producers, other than in certain EU regions, from using certain product names," read the report. "This is despite the fact that these terms are the common names for products and produced in countries around the world."

Europe's actions infringe on the rights of U.S. producers and imposes unwarranted market barriers to U.S. goods, according to the USTR.

"Europe has disadvantaged the U.S. dairy industry for too long by abusing geographical indications (GI) policies," said Tom Vilsack, president and CEO of the U.S. Dairy Export Council. "We face unfair barriers around the world because of Europe. USTR should be commended for recognizing the problem, and we look forward to working with them to rectify it."

Vilsack urged the USTR to prioritize securing binding commitments from America's current trading partners to prevent future GI restrictions. The market access preservation commitments secured with Mexico as part of the U.S.-Mexico-Canada Agreement, he said, provide a positive precedent to build upon.

Jim Mulhern, president and CEO of the National Milk Producers Federation, also urged the Administration to take into account the lopsided dairy trade imbalance between the United States and Europe in formulating policies to tackle the EU's predatory attacks on U.S. dairy exports.

Europe sent \$1.8 billion in dairy goods to the U.S. market in 2018 but only imported \$145 million of U.S. products, even though America is a major dairy supplier to the rest of the world.

"Trade is supposed to be a two-way street," Mulhern noted. "America's struggling U.S. dairy producers deserve a lot better than the current one-way trade relationship with the European Union whereby they sell us a billion dollars of cheese each year while erecting walls to our ability to compete head to head with them overseas."

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The U.S. Dairy Export Council is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe. The U.S. Dairy Export Council prohibits discrimination on the basis of age, disability, national origin, race, color, religion, creed, gender, sexual orientation, political beliefs, marital status, military status, and arrest or conviction record. www.usdec.org.

The National Milk Producers Federation (NMPF), based in Arlington, VA, develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit our website at <u>www.nmpf.org</u>.