Product Sustainability Standard

Product Origin FAQ

Version 1.0: March 2022



Does PCC have a standard for labeling where products are made?

PCC has developed a Product Origin standard to outline our compliance with Country-of-Origin labeling laws, encouraging vendors to disclose where products were made, and how PCC defines products identified as "local." Under this standard, we encourage to vendors to be as transparent as possible in identifying where ingredients were sourced and where the product was made. You can read the full Product Origin standard <u>here</u>.

I see shelf tags in the store that say "local"—what geographic range does that include?

Products at PCC with a "local" shelf tag include those from Puget Sound, Washington, Oregon, Idaho, and British Columbia.

Why are products marked as local when the ingredients come from other countries?

When we designate a product "local," we are referring to its place of production. "Local" product ingredients may originate somewhere else but be processed or manufactured locally. For instance, Tony's Coffee is designated "local" even though the beans are grown outside the United States.

What is PCC's position on Country-of-Origin labeling laws?

<u>Country of Origin Labeling</u> (COOL) is a consumer labeling law, established originally in 2002, that requires retailers to identify the country of origin on certain foods, including some meats, seafood, produce, peanuts, ginseng, and macadamia nuts. There has been significant opposition to COOL, even causing a dispute within the World Trade Organization (WTO) in 2015, where Canada and Mexico argued that the United States' labeling law put their imported meats at a disadvantage in the marketplace. This dispute led to Congress repealing COOL requirements for beef and pork in 2016. Despite pushback to COOL, <u>PCC has been a strong supporter</u> and advocate for mandatory labeling rules and transparency in the supply chain.

Why can't PCC just require companies to fully disclose where all ingredients are from?

Various agencies, including the Food and Drug Administration (FDA), United States Department of Agriculture (USDA), and the Federal Trade Commission (FTC), have established laws and regulations around product labels and disclosure of certain information about products. Some laws, like the Country-of-Origin Labeling law, set stricter requirements for disclosing where certain ingredients or foods come from and generally, food packaging must display the name and location of the business responsible for the food. PCC encourages companies to be as transparent as possible about the sourcing of their ingredients but cannot require beyond what is set forth in law. Additionally, a company that makes a

multi-ingredient product may source ingredients from different suppliers depending upon availability. Since companies need to ensure their packaging is relatively consistent and accurate, labeling of potentially ever-changing information poses a challenge.