

**Remarks for delivery by Christopher Cuddy, senior vice president and president, ADM Corn  
“Country of Origin Labeling and Trade Retaliation: What’s at stake for America’s Farmers,  
Ranchers, Businesses, and Consumers”  
Hearing before the Senate Committee on Agriculture, Nutrition and Forestry  
G50, Dirksen Senate Office Building  
June 25, 2015, 10 a.m.**

Thank you, Chairman Roberts.

And thank you, Ranking Member Stabenow and all honorable members, for this opportunity to share ADM’s views on the current Country of Origin Labeling rule.

As you said, Mr. Chairman, my name is Chris Cuddy, and I am a senior vice president at ADM, and the president of our Corn business unit.

Earlier in my career, I was president of the company’s Sweeteners & Starches business.

And before that, I ran an ADM joint venture in Guadalajara, Mexico, where we manufacture corn syrup.

ADM is one of the world’s largest agricultural processors and food-ingredient providers, with more than 33,000 employees and customers in more than 140 countries.

We play a vital role in feeding the world by buying millions of tons of farmers’ crops each year, including corn, soybeans, wheat, rice, edible beans and peanuts...

... transporting those crops to our 300 processing facilities ...

...and transforming them into a wide range of food ingredients, animal feeds and other renewable products.

Here in the U.S., we employ 17,000 colleagues in our various plants, grain elevators, transportation and logistics operations, and export facilities.

And last year, we spent a total of \$40 billion dollars with U.S. businesses in all 50 states. That figure includes farmers and businesses of all sizes.

ADM’s ability to generate this kind of economic activity depends in no small part on our export business.

Last year, we exported \$18 billion in crops and finished products to markets around the world, including Canada and Mexico.

Companies in those two countries represent a sizable portion of our customer base. We provide them with everything from corn and rice to corn syrup, soy proteins, flours, bakery mixes and other items.

If these valued neighbors and trade partners follow through on their threat to retaliate against U.S. products over the COOL rule, the economic impact across the food production, agriculture and manufacturing sectors could come to billions of dollars.

We at ADM have calculated that the cost to our company alone would exceed \$700 million per year.

Retaliation would render our exports—from ethanol to soy protein isolates to corn syrup—completely uncompetitive.

As a country and as an industry, we've gone down a similar road before, and paid a heavy price.

Between 1997 and 2001, Mexico imposed countervailing duties on high-fructose corn syrup imported from the U.S.

It has been estimated that direct costs to our industry came to about \$800 million, and that the ripple effect on corn sales amounted to another \$400 million in direct losses.

In addition, if we account for the cost of industry capacity that went unused during this period, the idle time generated another \$400 million in indirect losses. That's \$1.6 billion for one industry.

As unfortunate as that dispute was, the current situation involving COOL will have much more serious economic consequences if Congress doesn't act to prevent retaliation.

The impact will be felt by ADM and our employees. It will take a tremendous toll on American agriculture more generally—particularly on farmers and their communities. I know that other witnesses will speak directly to those serious impacts.

So Mr. Chairman, honorable committee members...

...on behalf of my colleagues around the world...

—and in the interest of farmers, businesses and communities who will suffer tremendous losses if this matter isn't resolved immediately—

...I would respectfully ask you to act quickly and decisively—to prevent retaliation by Canada and Mexico.

Rescind the COOL requirement for muscle cuts of meat.

Respect our country's obligations as a WTO member.

Reinforce the United States' standing as a responsible trade partner. And...

Return us to business as usual...right away.

Thank you for your time, and thank you in advance for taking action.

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