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Campbell Soup Company  
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May 10, 2013

Mr. Douglas Bell  
Chair, Trade Policy Staff Committee  
Office of the U.S. Trade Representative  
600 17th Street NW  
Washington, DC 20508

**Re: Transatlantic Trade and Investment Partnership (TTIP) – Regulatory and Tariff Barriers Facing Campbell’s U.S. Exports to the EU**

Dear Mr. Bell:

On behalf of the Campbell Soup Company (“Campbell”), this responds to the U.S. Trade Representative’s (“USTR’s”) April 1, 2013 *Federal Register* notice (78 *Fed. Reg.* 19566) requesting public comments on the proposed Transatlantic Trade and Investment Partnership (TTIP).

Campbell strongly supports the TTIP negotiations and wishes to identify the removal of non-tariff trade barriers facing the company’s soups and related food products as a negotiating priority. The European Union’s (EU) regulatory barriers impeding trade in poultry are particularly detrimental to bilateral commerce.

**I. About Campbell Soup.**

Tracing its heritage to 1869, Campbell is a global manufacturer and marketer of high-quality foods and simple meals, including soups, baked snacks and healthy beverages. Its portfolio includes retail and food service brands including *Campbell’s*, *Pace*, *Prego*, *Swanson*, *V8*, *Bolthouse Farms* and *Pepperidge Farm*. Headquartered in Camden, New Jersey, Campbell products are sold in 120 countries around the world. Campbell employs more than 17,000 workers and operates more than 30 principle manufacturing facilities in 10 countries. Its annual revenue is \$7.7 billion, and the company is a major consumer of U.S. agricultural and farm products.

**II. Barriers to Trade in Chicken Soup and Related Products.**

Campbell produces a variety of thermally processed soups, sauces and gravies at facilities in Ohio, North Carolina, and Texas. These include a number of consumer products containing poultry such chicken broth, chicken stock, and chicken gravy, as well as many chicken-based

soups, including chicken noodle soup, cream of chicken soup, chicken gumbo, chicken mushroom barley soup, light chicken with white and wild rice soup, chicken corn chowder, creamy chicken and dumplings soup, grilled chicken with vegetables and pasta soup, fajita chicken with rice and beans soup, and roasted chicken with country vegetables soup. These soups, broths, stocks and gravies are sold widely in North America under the Campbell's® and Swanson® brands.

- *SPS Barrier: EU Ban on U.S. PRT Poultry*

Campbell is currently prevented from exporting its innovative line of chicken soups and related products to EU countries as a result of a number of trade barriers. Most prominently, the EU's ban on U.S. poultry products that have been processed with pathogen reduction treatments (PRTs) precludes Campbell from exporting these products.

The suppliers of chicken to Campbell's operations in the United States have not been approved by the EU. The EU does not allow the use of PRTs that are required for processing chicken in the United States. This is despite the fact that the four PRTs used in the United States are approved by U.S. regulatory authorities and there is no scientific evidence that would justify the EU's highly restrictive conditions on them. In fact, EU scientific bodies have determined that four PRTs (acidified sodium chlorite, trisodium phosphate, peroxyacids, and chlorine dioxide) are safe, effective, and should be permitted for use during poultry processing.

The failure by the EU to approve these PRTs means that U.S. food processors such as Campbell cannot even begin to contemplate the export of value-added grocery products to European countries if they contain any U.S.-origin poultry.

- *Other Trade Barriers*

If the PRT barrier were lifted, there would still be considerable hurdles in exporting soup and related food products to the EU market. These include:

- *Significantly High Tariffs:* The EU's tariff on "U.S. soups and broths and preparations therefor" (HTS 2104.10) is 11.5%, much higher than the corresponding U.S. tariff of 3.2%.
- *Export Approval Requirements:* The USDA Poultry Export Verification (PEV) Program, developed to assist the U.S. poultry industry in marketing poultry to the EU, establishes requirements for suppliers of poultry products. Suppliers must meet these requirements through an approved USDA Quality System Assessment (QSA) Program. Trained Grading Branch auditors have the responsibility for reviewing and approving companies as eligible suppliers of poultry products under the PEV Program. The [Official Listing of Approved Suppliers Under the PEV Program](#) does not contain any potential chicken suppliers for Campbell.
- *Biotechnology Moratorium:* The EU's moratorium on approvals of U.S. agricultural products derived from modern biotechnology, such as certain corn and soybean varieties, as well as marketing prohibitions that individual EU Member States have imposed on agricultural biotechnology products that the EU had previously approved,

constitute another barrier to U.S.-origin processed foods. The backlog of approvals and the marketing restrictions have the effect of blocking U.S. exports of products containing soy or corn ingredients.

Together, these various tariff and non-tariff trade barriers prevent the export of Campbell's U.S.-produced line of poultry-based soups and related grocery items to Europe. While the EU would be a logical market for the introduction of these products, the trade-related disincentives are so great that most of the company's European sales are sourced locally.

### **III. Conclusion.**

Given the goal of a high standard trade liberalization agreement, Campbell encourages a serious engagement on SPS issues such as the poultry PTR ban and related barriers to U.S.-EU food trade in the context of the TTIP negotiation.

Sincerely yours,

A handwritten signature in dark ink that reads "Kelly Johnston". The signature is written in a cursive, flowing style.

Kelly Johnston  
Vice President, Government Affairs  
Campbell Soup Company