

29 August 2019

Mr David Hatfield Director, Adjudication Australian Competition and Consumer Commission Level 17, 2 Lonsdale St MELBOURNE VIC 3000

Via email: CTMs@accc.gov.au

Dear Mr Hatfield,

RE: CTM 1914662 - Humane Farm Animal Care - Submission

Cattle Council of Australia is the peak national body representing the grass-fed cattle sector. The application by Humane Farm Animal Care (HFAC) for a Certified Trade Mark "Certified Humane" (CTM Application #1914662) is directly relevant to Cattle Council's constituents and therefore warrants a response to ACCC's request for a submission.

Cattle Council considered the matter at its Board meeting on 15 August 2019 and did not support the proposal. A range of issues was discussed and are summarised below for your attention.

1. Product without the brand could be misrepresented

It is important to note that all cattle producers in Australia must, by law, meet all elements of the Cattle Welfare Standards that are being implemented consistently by jurisdictional governments. It is this set of Standards HFAC intends using as the basis for its certified branding ("The CTM rules which are available to Australian farmers and/or suppliers are compliant with Australian Animal Welfare Standards and Guidelines and will be automatically modified in accordance with these standards", p. 3 of the ACCC letter).

The question must therefore be asked: If all producers are meeting these minimum Standards, what additional assurance does the brand bring with it and how will the community consider equivalent product that isn't branded, even though it has been produced in a manner compliant with the Standards?

Cattle Council's concern is, if branded product is seen as taken from 'humane' practices, unbranded product, *ipso facto*, could be seen as from inhumane practices, which clearly would be false. There is therefore a risk of misleading consumers.

2. A commercial matter, but with a twist

Ultimately it will be a commercial decision on the part of the manufacturer whether to meet HFAC's accreditation requirements, apply the brand and pay for the process. As it will come at some cost, there will be a need for the manufacture to promote the 'certified humane' brand (which would be additional to its own brand) as being superior to otherwise equivalent product.

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CATTLE COUNCIL OF AUSTRALIA



Given the point made under #1 above, there would be a high likelihood of such promotion to comprise covert denigration of unbranded product when, in reality, there may be no difference in the way the animals were treated during the production process.

Put another way, it may be that the only difference between the branded product and the unbranded product relates to the financial transaction between the manufacturer and HFAC.

3. Australian versus US Standards

Cattle Council notes the intention for HFAC to reference the Australian Livestock Welfare Standards as against the US Standards, which is the practice of HFAC's existing arrangements in the US. This would be essential for the beef cattle sector should the application be accepted.

While the US Standards referenced by HFAC/US are similar to Australia's Standards, they are designed around conditions that apply in the US, which are quite different from those in Australia.

Cattle Council acknowledges ACCC's preference for making submissions publicly available via its Online Consultation Hub and has no objections in the case of its submission.

Should you require further information from Cattle Council regarding this submission, please contact Justin Toohey on 0409 447 972.

Yours sincerely

Da Hegarty

Tony Hegarty President