



Tyson Fresh Meats, Inc.

July 29, 2008

Re: Mandatory Country of Origin Labeling

To Our Valued Customers,

On September 30th, 2008 Mandatory Country of Origin Labeling (MCOOL) will go into full implementation. Although the industry has debated the relative merits of MCOOL for years, in the next two months we will all be required to have systems and practices in place that comply with the regulations.

A milestone was reached on July 28, 2008 when the Agriculture Marketing Service (AMS) of the USDA released their "Interim Final Rule" in time for the 60 day comment period to take place. This document represents the initial written interpretation of the law and the rules for its implementation in the retail marketplace.

The critical elements of MCOOL are the four possible categories of origin for covered commodities, including muscle cuts and ground product for beef, pork, chicken, lamb, and goat:

1. Born, raised and slaughtered in the U.S.
2. Multiple countries of origin
3. Imported for immediate slaughter
4. Covered commodity that is a foreign country of origin

Different levels of cost and complexity are tied to every stage of the supply chain for each category. In categories #1, #2, and #3 product can still be identified as USDA inspected and graded, where applicable.

In this age of rapidly escalating food costs and rising protein prices we can best serve consumer interests by choosing a strategy that keeps added expenses in check for the producer, packer, retailer and ultimately for the shoppers in your stores. The complexity, costs, and incremental record keeping associated with sorting livestock and finished product into both categories #1 and #2 is extremely costly. However, the "Interim Final Rule" from AMS allows for finished product from livestock that have been born, raised, and slaughtered in the U.S. to be labeled as "multiple countries of origin."

What multiple countries of origin, or "category #2" means for retail labels:

- Beef Label: "**Product of the U.S., Canada, or Mexico**"
- Pork Label: "**Product of the U.S. or Canada**"

We believe that the widespread implementation of this option will minimize added costs for everyone while continuing to provide consumers with the safe, wholesome product they expect. Our boxed beef and pork has been inspected and graded in the same plants, under the same strict guidelines here in the United States for years. Any additional segregation of livestock and finished product will translate to higher wholesale prices and reduced product availability.

At this time, the approach at Tyson Fresh Meats will be the adoption of a "Category #2" implementation strategy. This will give our suppliers and valued customers the best chance to succeed in providing the finest beef and pork in the world to their consumers at a competitive price.

Thank you for your business and continued support.

Sincerely,

A handwritten signature in black ink that reads "Jim Lochner".

Jim Lochner
Senior Group Vice President
Tyson Fresh Meats, Inc