

THE WALL STREET JOURNAL.

U.S. Abandons Roquefort Threat

BY MATTHEW DALTON

BRUSSELS—The European Commission and the U.S. announced a provisional agreement in a lengthy dispute over the European Union's ban on hormone-treated beef.

The deal ends for now the threat of retaliatory duties from the U.S. on EU products ranging from Roquefort cheese from France to Spanish hams and Italian mineral water. And it more than triples the amount of beef from cattle untreated by hormones that the U.S. can export to the EU.

But it doesn't address the main controversy: the U.S. practice of feeding hormones to cattle to make them bigger. The U.S. says beef from hormone-fed cattle is safe to eat. The EU says one of the hormones causes cancer and others pose a health risk.

The arrangement is designed to allow U.S. beef producers to benefit economically more directly than they would from tariffs on EU goods. Obama adminis-

tration officials said they simply decided to table the long-running hormone dispute in exchange for an enlarged EU market for hormone-free U.S. beef. An official at the U.S. Trade Representative's office said it was too early to say if the administration would seek to revive the dispute later.

"We still believe that the EU's hormones ban is not scientifically justified," said USTR spokeswoman Nefeterius McPherson. "However, for the past 20 years, our beef industry has been virtually shut out of the European market. We therefore decided to set aside our differences, for the time being."

The deal must still be approved by officials from EU countries.

"This does not resolve the [World Trade Organization] case. It pushes it down the road for four years, with a sweetener for the U.S. beef industry," said Timothy Josling, professor emeritus at Stanford University's Food Research Institute in Palo Alto, Calif.

"We call this a first step," said



Associated Press

The U.S. and EU reached a provisional deal to end the threat of duties on EU products such as Roquefort cheese, seen here maturing.

Gregg Doud, chief economist of the National Cattlemen's Beef Association, which wants the administration to keep pushing the EU to drop the ban on hormone-treated beef.

"It's a great thing," said Liz Thorpe of New York specialty shop Murray's Cheese, which—

fearing a tariff increase—had ordered 300 extra pounds of Roquefort. Most of her stash sold as customers learned the venerable French blue might be priced off store shelves, Ms. Thorpe said.

—Neil King Jr., Scott Kilman, Paul Ziobro and Juliet Chung contributed to this article.