

# BEEF BUSINESS

by Julie Mais, editor

*February's "Beef Business" brings you information on the animal agriculture industry sustainability, 2019 trade outlook and a program to build broadband infrastructure in rural America.*

## Animal Ag Alliance sustainability report

The Animal Agriculture Alliance released its "Sustainability Impact Report" focusing on animal agriculture in the U.S. on Jan. 14, 2019. The report highlights how the animal agriculture industry shares the same values as today's consumer with its never-ending commitment to animal care, environmental stewardship, responsible antibiotic use, food safety and nutrition.

To access the report, go to [www.animalagalliance.org/engage/#sustainability](http://www.animalagalliance.org/engage/#sustainability).

The 33-page report covers nine industries, including: dairy, beef, veal, pork, chicken, turkey, egg, sheep and aquaculture.

"Animal agriculture has made great strides in environmental stewardship, animal welfare and overall sustainability over the years," says Kay Johnson Smith, Alliance president and CEO. "As new technology and research become available, the industry will continue to innovate and improve."

*Source: Animal Agriculture Alliance*

## Agricultural trade outlook

American Farm Bureau Federation (AFBF) policy experts gave an overview of the issues expected to

affect farmers and ranchers in 2019 in a workshop at the organization's 100th Annual Convention, Jan. 13.

David Salmonsens, senior director of congressional relations for AFBF, said the diverse impacts of tariffs, the outcomes of free trade agreement negotiations and the future of relations with China are all critical for the future of ag exports and the growth of American agriculture.

Salmonsens discussed the United States-Mexico-Canada Agreement (USMCA) and outlined the process for ratification. "It could be quick or it could be slow, but there is a timeline that has to be followed," Salmonsens said.

If USMCA is implemented, it will increase quota access for U.S. dairy products into Canada and end Canada's Class 7 pricing. It will also keep agricultural tariffs between the U.S. and Mexico at zero.

Salmonsens said that the U.S. has also begun trade negotiations with Japan, the European Union and the United Kingdom, although the start of U.K. negotiations depends on when the U.K. completes the process of leaving the EU.

He added that in any agreement, there is political bargaining that will go on over several months.

With an update on China, Salmonsens said a U.S. delegation

went to the country last week to negotiate, United States Department of Agriculture Under Secretary for Trade Ted McKinney and United States Trade Representative Chief Agricultural Negotiator Greg Doud. There have been no formal announcements yet from the administration, and talks will be continuing in the future.

"All of these negotiations are with major trading partners," Salmonsens said. "These are substantive and important negotiations that we will be following very closely throughout the coming year."

Salmonsens was joined by AFBF director of congressional relations Veronica Nigh, who discussed the economic impacts of the trade issues and tariffs, she noted that exports will continue to be important to the U.S. agricultural industry.

"Ninety-five percent of the world population is outside the U.S., so export markets will always be our opportunity for growth," she added. Overall, 20% of U.S. agricultural production is exported.

Discussing the potential impact of USMCA, Nigh said that while it is positive that the U.S. will be exporting more dairy to Canada, it isn't going to be a major mover of the market as Canada's total population is 36 million people and the country has a strong

domestic dairy industry. But it is a positive sign for U.S. agriculture.

Nigh noted that if the U.S. were to withdraw from the North American Free Trade Agreement (NAFTA), there would be great cause for concern as old tariffs we have not seen in 20 years could return.

Citing the impact of Chinese tariffs, Nigh said that ag exports to China were down by \$2 billion in 2018, and USDA forecasts exports to decline by an additional \$7 billion in 2019. China was ranked as our second-largest trading partner for several years but is projected to be fifth in 2019. Currently 99% of all U.S. ag products exported to China are subject to tariffs.

Summing up the impact of the China trade disputes, Nigh said that the biggest concern is that many countries grow soy and corn, and now there's room in China's markets for these commodities. "We could

lose the market even if the tariffs eventually go away, and it would take time to restore them," he said.

*Source: AFBF*

## USDA program to build broadband infrastructure in rural America

Agriculture Secretary Sonny Perdue announced Dec. 13, 2018, that the USDA is offering up to \$600 million in loans and grants to help build broadband infrastructure in rural America.

Telecommunications companies, rural electric cooperatives and utilities, internet service providers and municipalities may apply for funding through USDA's new ReConnect Program to connect rural areas that currently have insufficient broadband service.

Congress appropriated funds in the fiscal year 2018 budget for this

broadband pilot program. USDA Rural Development is the primary agency delivering the program, with added assistance from other federal partners.

USDA will make approximately \$200 million for grants (applications due to USDA by April 29), as well as \$200 million for loan and grant combinations (applications due May 29), and \$200 million for low-interest loans (applications due by June 28) available for those who qualify.

Projects funded through this initiative must serve communities with fewer than 20,000 people with no broadband service or where service is slower than 10 megabits per second (mbps) download in addition to 1 mbps upload.

*Source: USDA* 



**ESTROTECT**  
BREEDING INDICATOR

**BREEDING SUCCESS**

**THE WORLD'S LEADING BREEDING MANAGEMENT INNOVATION NOW FEATURING THE BREEDING BULLDOGS!**

The NEW ESTROTECT™ Breeding Indicator featuring patent pending Breeding Bulldogs™ technology makes it easier than ever to identify cows that are in heat, pinpoint timing for AI and timed AI protocols, as well as confirm successful pregnancies.

According to third-party research, when the new ESTROTECT™ Breeding Bulldogs™ is rubbed off by mounting activity, cows are up to three times more likely to conceive. Not only does ESTROTECT™ with the Breeding Bulldogs™ indicate when a cow is in heat, it tells you exactly when the animal should be bred to achieve optimal results.



To learn more about this new and improved ESTROTECT™ featuring the Breeding Bulldogs™, visit [www.estroprotect.com](http://www.estroprotect.com)

**AS GOOD AS A BULL™**  
[www.estroprotect.com](http://www.estroprotect.com)



©2019 MAZ, Inc. All rights reserved. MAZ, the MAZ logo and the MAZ logo with a registered trademark symbol are trademarks of MAZ, Inc. in the U.S. and other countries.