NCA CONVENTION REPORT

# NCA Stands United

John Lacey, newly elected president of the National Cattlemen's Association, told cattlemen and women attending the NCA Convention in Nashville, Tenn., that they must form coalitions within agriculture, influence government and educate the urban consumers if the cattle industry is to remain the largest segment of agriculture.

Nearly 6,000 cattlemen and women gathered at the Opryland Hotel in Nashville for the 1990 Convention. It was one of the largest ever held.

"Our success in the future depends on never fearing change, managing it to our advantage and always remembering the most important part of our business is the consumer," Lacey says.

This rancher from Paso Robles, Calif., notes that the challenges of the21st Century are mounting, but that cattle producers must be optimistic about meeting these challenges, solving the problems and capitalizing on the opportunities.

Along with environment, product quality and assurance, and animal welfare, there are many other issues that NCA will be forced to address in the next year.

"I also believe that the two most important priorities facing NCA are membership and our ability to spend funds in those areas which return the most benefit to members," Lacey says. "Without these two ingredients, we cannot be effective as our mission directs: To advance the social, economic and political interest of the U.S. beef industry."

Lacey says he sees many good years ahead for our industry - - provided we continue to believe in the free marketsystem; maintain a strong research, education and promotion program; understand what staying competitive means; and produce what the consumer demands.

Bob Josserand, NCA's 1989 president, concluded his presidency with a challenge to cattle producers:

"Let's get the system in place to provide the incentive to produce beef that meets the consumers' preferences and provide the beef chain a profit. Remember, the man who always faces the sun sees no shadows. You have made a difference. You will make a difference in the future."

#### Support Free Market System

NCA members reaffirmed their support of the beef industry's free market system at the Nashville convention. They voted to accept as a resource document, NCA's Concentration/Integration Task Force Report.

A resolution adopted at the annual NCA convention noted that the task force

had "unanimously endorsed the belief that the nation and the beef industry are best served by the capitalistic, competitive free market system."

The task fource, after a comprehensive study of all aspects of the beef business, had recommended that the free market system be permitted to continue operating, even though the system continues to bring changes in industry structure.

In another resolution related to task force findings, the NCA noted that cattle producers were concerned about the potential effect of packer control of live cattle inventory and its impact on the pricing process. It also was noted that cattle producers need "accurately reported price and volume information in order to satisfactorily market cattle."

The resolution, from the NCA Marketing Committee, called for: (1) boxed beef development and retail beef price reporting and its use, along with live cattle prices, in developing fed cattle and feeder cattle price indexes; (2) encouragement of voluntary price and volume reporting by all cattle and beef buyers and sellers; and (3) support of studies on the effects of packer control of inventory on prices and expansion of pricing systems to increase competition at all industry levels.

Another resolution pointed out that the carcass market (as opposed to the



1990 NCA officers are (l to t): Don Smith. Tribune, Kan., president-elect; John, Lacey, Paso Robles, Calif., president; Jimme Wilson, Trout Creek, Mont., 1st vice president.



The American National CattleWomen officers for 1990 are (1 to r,: Jane Lindgren, Joilet, Mont., president; Phyllis Rothleutner, Kilgore, Neb., president-elect; Wilma Ackerman., Sabetha, Kan., 1st vice president: Becky Terry, Alpine, Texas, 2nd vice president; and Laurie Stotts, Englewood, Colo., ANCW executive vice president.

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boxed beef market) is now lightly tested and is often misleading. The members resolved to oppose continued carcass beef reporting by USDA.

The task force, while recommending against government intervention to halt industry change, concluded that concentration at the Big Three packer level had gone far enough. The group concluded that the packing business was still very competitive. But it was felt that "no more mergers or acquisitions of beef slaughter facilities by the Big Three packers should be allowed."

## Seedstock Council Report

"Different Approaches to Marketing Seedstock: Developing Customer Loyalty and Repeat Business" was the focus of the Seedstock Council's educational program at Nashville.

Keith Vander Velde of American Breeders Service, DeForest, Wis., disussed quality assurance, genetic guarantees, building a customer base and retaining customer loyalty.

Vander Velde says it appears that the purebred and commercial segments of the beef industry are getting closer.

"Purebred producers are now paying attention to the end product," he says. "They are thinking about the "big picture."

ABS' theme, "Committed to Earning Your Business," is very important toVander Velde. His best advice to producers seeking better marketing success and customer relations is to ask these two essential questions: What are you doing to develop markets and new customers? What are you doing to retain customers?

**Guaranteed Genetics.** In the seedstock and bull business, it all depends on the individual customer's need and preferences, Vander Velde says. Even more important, however, the customer really needs to know what to expect before he begins a breeding program.

"An ABS customer has a pretty good expectation of what the animal is going to be and what type of genetics he is buying," Vander Velde says. "With the help of breed association record programs and sire evaluation summaries, ABS has better predictors today of what is being done and what is being merchandised than ever before. We can give customers a relative accurate estimate of what this bull will do and how he will compare to other individual sires in the breed. **Merchandising** programs of four well-known seedstock operations — Symen Brothers, of South Dakota, Leachman Cattle Company of Montana, True Ranches of Wyoming, and Deseret Ranches of Florida — were shared at the Seedstock Council meeting, as well. Here are their best tips:

Mark Smith, representing Symens Brothers Limousin: "Symens Brothers has been successful for three reasons: 1. Integrity; 2. Ability to listen; 3. Adaptability.

"Believe in your cattle and your program; then back them. Listen to your customers. Make your breeding program work for them first, then build on that. Keep a down-home philosophy and friendly attitude. Stay adaptable and make changes to meet your customers' needs. Provide options and advice. Service is a real value."

#### Leland and Jim Leachman, LeachmanCattleCompany:

Knowing their customers' needs and target markets, producing uniform, consistent quality bulls, and utilizing results and feedback from performance programs are this seedstock operation's keys to success. "We select for performance and a balance of traits. Our best purebred bulls are also our best commercial bulls. Most importantly, we keep flexible and re-evaluate our program whenever needed."

The Leachmans also make their annual bull sale, a two-day event billed as the "largest bull sale in the world," an educational, fun event. They provide seminars and videos for those interested in learning more about the beef industry. They also make the sale a "family affair," with entertainment and barbecues.

**Dave True, True Ranches.** This commercial cattleman from Wyoming feeds 36,000 head per year. He uses the following criteria in finding a good bull for his cow herd:

1. Investigate and review breeder's background and management of his own herd bloodlines:

2. Request background data (performance records, EPDs.) True likes to receive this information well in advance of farm visit.

3. Make on-farm visit for physical soundness test. Look for acceptable conformation, strength, longevity, scrotal circumference. True likes to look at only a few bulls at a time, preferably in small pens.

4. Breeding soundness test. Bulls must

be semen-tested and have strong libidos.

5. Free delivery of bulls and guarantees. The breeder should stand behind his product; guarantee it for at least first month after purchase.

Paul Genho, Deseret Ranch: "Shake them up without getting them mad." This is the new-found philosophy of Genho, manager of Deseret's 1,500-head purebred and 35,000-head commercial cattle operation in central Florida. Genho had the opportunity to serve on NCA's Concentration/Integration Task Force committee last year, an experience that awakened him to needed changes in the beef industry,

"We've got to become more efficient. After talking with poultry producers at the Task Force meetings and learning that it costs an average of only 50 cents to produce a pound of poultry meat, I realized just how much work is needed in the beef industry," Genho says.

'We are concerned too much with rate of gain. We need more data on feed conversion and it needs to begin now, before any radical changes take effect in our industry. If we could improve feed efficiency 3 to 4 percent, then pass that efficiency to the cow-calf producer, the backgrounder and the feedlot, it would be a great improvement. It needs to start first, however, with the seedstock producer.

"Those seedstock producers who know their cattle's feedlot and carcass performance are the ones I buy bulls from."

## Environment and the Cattle Industry

Last year, NCA president Bob Josserand chose environment, animal welfare and food safety as NCA's top priorities. In April of 1989 he appointed a group of NCA members, representative of all regions and segments of the industry, to develop a plan to guide the cattle industry's action on the environment.

That plan outlines action both inside and outside the cattle industry. Action inside the industry aims to encourage management techniques that improve stewardship of our natural resources, to gather scientific research and technical information on environmental aspects of cattle production, to educate producers about environmental issues and to identify as well as correct any environmental problems. Actions outside the industry aim to accurately inform the public and key influencer groups about the environmental commitment and practices of the cattle industry.

Several of these actions already have been initiated. More goals are expected to be reached in 1990.

John Lacey, newly elected NCA president and rancher from Paso Robles, Calif., shares Josserand's goals and says he will carry on his important priorities during his executive office term.

'The environment is a long-term, ongoing issue which causes great challenges and interest from our society," Lacey says. "As citizens grow increasingly distant from the land, people in agriculture must help them recognize that productive ranch land is as great of a national treasure as a national park or as holy and pristine as a majestic landscape. We are the custodian of this land. We will preserve it and pass it on to future generations in the American tradition . . . better than the way we found it."

The goals of NCA's Environment Plan are:

**Technical Papers**—Solicit technical papers on environmental issues that impact cattle production. Written by academic specialists and technical experts, the papers will provide objective, current analysis of the scientific background of key environmental issues. These papers will facilitate cattle industry efforts to communicate accurate information and to devise proactive programs within the industry.

Environmental Management Checklist — A list of suggestions for cattle producers to encourage use of the best management, practices for maximizing environmental conditions on their operations. The checklist will cover: potential problem sources with land, forage, water, wildlife and air. It will also cover alternative preventive measures, how to get baseline measurements of resource quality and condition, existing regulatory requirements, and where to go for information.

Stewardship Award — Recognition of cattle producers for outstanding contribution to environmental stewardship. A producer from each of NCA's seven geographical regions will be chosen for a regional award. From this group of seven, a national winner will be selected and given an award at NCA's midyear meeting this summer. Input from environmental organizations, scientists and technical experts will be solicited for determination of the selection process and award criteria.

**Groundwater Pilot Project** — Implement a groundwater pilot project within NCA's environmental strategic plan.

The project consists of testing groundwater conditions under producers' highest animal waste concentration areas, such as feedlots. The extensive tests are part of NCA's effort to ensure that the cattle industry is not contributing to groundwater degradation.

Environmental White Paper on Cattle Production — The white paper articulates the cattle industry's environmental commitment and describes basic production practices related to pasture, range, water, wildlife and air. For further details, see accompanying article.

## White Paper on the Environment

The U.S. cattle industry cares about and is committed to the environmental protection and conservation of our nation's renewable natural resources, and to providing consumers with safe, wholesome food.

The National Cattlemen's Association and the 230,000 cattle producers which it represents recognize the need for, and growing public interest in, protecting our land, water and air from environmental degradation. It is clearly in our interest to conserve our natural resources, for we directly depend on abundant forage, clean water and clean air in order to produce good, wholesome beef for the consuming public.

If we destroy these resources upon which our livelihoods depend, we as individual producers and as an industry will have no future. As responsible citizens and landowners blessed with the ownership and stewardship of some of our nation's most bountiful lands, we take our conservation responsibilities toward the earth and our fellow humans seriously.

The cattle industry is proud of its record of natural resource stewardship and conservation. Webster's Dictionary defines "conservation" as the "planned management of a natural resource to prevent exploitation, destruction, or neglect." That is the essence of good cattle production: the planned, careful and sustained management of soil, water, plants, animals and other renewable natural resources for the purpose of beef production.

#### Pasture and Range

More than 80 percent of the feed fed to beef cattle consists of renewable forages and byproducts not eaten by man. These renewable forages come from almost one billion acres of U.S. range and pasture land that constitute nearly one half of the U.S. and world land surface.

The ability of cattle and other ruminant animals to convert forage and browse what is inedible by humans into

rich, high-quality protein for human nutrition is a miracle that goes on forever. This may be the purest form of low-input sustainable agriculture.

Across the nation, cattlemen are continually working to improve range conditions on their private ranch and farmlands in order to boost productivity and leave their lands in better shape for their children. On federal lands, the records of conditions is one of steady progress.

Government officials view livestock as one of the best "management tools" for continuing to improve range conditions and achieve other management objectives. Range scientists in the government and academia generally agree that the American rangelands are in the best condition they have been in the past 100 years and that, on the average, they are continuing to improve.

#### Water

Cattlemen strongly support the need to adequately protect our nation's surface water, groundwater, wetlands, riparian areas and other waters from pollution and destruction. Because water rights are individual property rights protected by state law and the U.S. Constitution, we believe that positive incentives and cooperation between government regulators and those who own water rights are the keys to best protecting and managing our nation's waters.

We are proud of our role in providing and managing water on private and public lands, not only for livestock use but also for fish and wildlife, recreation, municipal, industrial and other agricultural uses, and for aesthetic enjoyment.

We believe that where water pollution or other environmental problems exist, adequate research should be conducted in order to truly identify the sources of the problems. For example, while EPA has charged that agricultural chemicals are responsible for much groundwater contamination, our data indicates that the livestock industry and feedlots are successfully preventing nitrate contamination of groundwater.

We believe that individual states are best equipped to establish and implement agricultural groundwater quality standards. We intend to find out if problems exist and do something about them if they do.

#### Wildlife

Ranchers and farmers are some of wildlife's best friends. As private landowners, they provide critical habitat and vital reservoirs of land, water, shelter and privacy for wild animals. Much of the nation's wildlife depends upon private lands. In the West in particular, private

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property with its rich grass and riparian resources often makes thousands of acres adjoining, arid public land viable for wildlife. Wildlife, including many endangered and threatened species, feed on ranchlands, crop fields and haystacks all over the country. In addition, many cattlemen permit the public to cross or use their land for hunting, fishing, photography and other wildlife purposes. Wildlife also benefits from predator and noxious weed control, and from salt and mineral licks for livestock.

On public lands, permittees have spent millions of dollars out of their own pockets to build and maintain stockponds and waterholes that benefit not only livestock but wildlife as well. As a result of these efforts, many big game and other wildlife populations are increasing on both private and public lands across the West.

#### Air and Global Warming

Air pollution and global warming have been in the spotlight recently as major environmental concerns. Cattlemen agree that clean air is critical to a healthy environment.

Some groups have charged that cattle are a significant source of methane gas, which they claim is destroying the earth's ozone layer and leading to global warming. World experts do not agree with that claim, and note that methane emissions from cattle have little, if any, effect on global atmospheric chemistry and global warming.

#### **Open Space and Rural Preservation**

As the nation grows increasingly concerned about urban sprawl and the loss of open spaces, farms and ranches continue to provide the public with scenic vistas and landscapes in rural communities across our country. Just as important, the cattle industry provides jobs and serves as a tax base to help keep small-town America economically strong and prosperous.

#### **Other Environmental Benefits**

Well-managed livestock grazing improves vegetation health and diversity. The hoof-action of livestock breaks up and loosens crusted soil and tramples down old plant matter, allowing moisture and new seeds to penetrate and regenerate the earth.

Vast tracts of western land (such as wilderness) that have been ungrazed by livestock for many years are in poor shape. The grass and forage have lost their vigor because of underuse, and oftentimes there is much more wildlife on neighboring ranches, where cattle graze and keep forage young and succulent. Livestock grazing also limits the buildup of excess, combustible vegetation that could otherwise fuel dangerous range and forest fires. And in many areas grazing is being used, instead of pesticides, as a tool to manage brush and reforestation.

#### Private/Public Land Stewardship

Private property ownership is a cornerstone of our free-enterprise system and our nation. Our ancestors who came to America seeking a better life for themselves and their families sought and settled land they could call their own. Private property ownership provides a far better incentive for conservation and environmental protection that does government ownership, because whose who know and live on the land want to keep it productive for themselves and their families. We oppose the continuing government acquisition of land and water when the federal government already owns onethird of the land in this nation.

Moreover, on public lands cattle permittees are working as partners with federal land managers to conserve and improve our nation's vast federal holdings. Livestock grazing is a congressionally authorized, legitimate and important multiple use of those lands.

We will continue to work with the BLM, Forest Service and other government land management agencies to provide food and fiber and other important environmental, economic, social, and cultural benefits from these lands to our nation. Thankfully, most of these uses are complementary and compatible, so that we can enjoy multiple benefits rather than single choices.

#### **Our Goals**

Agriculture is the nation's largest industry and the beef cattle industry is the largest segment of American agriculture. As individuals, family members, landowners and businessmen and women dependent on natural resources, we are committed to caring for our environment.

It is the goal of our industry to provide safe, abundant and nutritious beef to the public at a reasonable cost while preserving the environment, beauty, productivity and wholesomeness of our rural heritage.

We are fortunate as a nation to be blessed with the greatest expanse of fertile land in the world, located in a favorable climate, and with a people with the desire, spirit and individual entrepreneurship to make wise use of our resources. The nation's cattle industry remains committed to working to conserve and enhance that environment today and for all time to come.