

BEEF BUSINESS

by Julie Mais, editor

In this month's "Beef Business," we present beef advertising updates and trade news.

"United We Steak" campaign

Funded by beef farmers and ranchers, *Beef. It's What's For Dinner.*, launched "United We Steak," a new summer grilling campaign showcasing 50 steaks and all 50 states. "United We Steak" celebrates not only a shared tradition of grilling delicious steaks but also what makes each state unique when it comes to this beloved pastime. The idea comes to life at <http://unitedwesteak.com> with an interactive map of the United States made from 50 hand-cut state-shaped steaks. The interactive map is packed full of grilling spirit and state-specific recipes and fun facts that can help consumers nationwide "beef up" grilling season this summer.

Underpinning the campaign is a recognition that across all 50 states and a million tastes there is a universal love of beef sizzling on a summer grill. According to research conducted by *Beef. It's What's For Dinner.*, which is managed by the National Cattlemen's Beef Association (NCBA), a contractor to the Beef Checkoff, nearly one-third of consumers say they plan to grill more this summer than they have in the past.

As part of the campaign, the state and U.S.-shaped steaks will be featured in national advertisements including still images and videos that will be shared on digital and social

media platforms. The advertisements will also be shared on video platforms including YouTube and Connected TV in an effort to inspire Americans to grill up their favorite beef meal no matter where they live. Each state is getting in on the fun, too, with localized advertisements that will reach proud grill masters in their local markets.

The campaign follows the kickoff of summer grilling season, which *Beef. It's What's For Dinner.*, marked with a new video released Memorial Day weekend showcasing the dedication of farmers and ranchers to raising safe, sustainable and nutritious beef. It concludes with the simple declaration: "Summer Grilling Season Brought To You By Beef Farmers and Ranchers."

Source: Beef Checkoff

May meat exports

U.S. beef and pork exports trended lower in May due in part to interruptions in slaughter and processing, according to data released by USDA and compiled by the U.S. Meat Export Federation (USMEF). Beef exports dropped well below year-ago levels and recorded the lowest monthly volume in 10 years. Pork exports remained higher than a year ago, but were the lowest since October 2019.

"As protective measures related to COVID-19 were being implemented,

plant disruptions peaked in early May with a corresponding temporary slowdown in exports," said USMEF President and CEO Dan Halstrom. "Unfortunately the impact was quite severe, especially on the beef side. Exports also faced some significant economic headwinds, especially in our Western Hemisphere markets, as stay-at-home orders were implemented in key destinations and several trading partners dealt with slumping currencies."

Halstrom noted the recent rebound in beef and pork production will help exports regain momentum in the second half of 2020. The global economic outlook is challenging, but he looks for export volumes to recover quickly in most markets as U.S. red meat remains an important staple, not only in the United States but for many international consumers, as well.

Source: USMEF

USMCA takes effect

The United States-Mexico-Canada Agreement (USMCA) went into effect July 1, at a crucial time for farmers and ranchers struggling to recover from COVID-19 losses and a depressed agricultural economy. The expected \$2 billion annual increase in U.S. agricultural exports and overall increase of \$65 billion in gross domestic product (GDP) will provide a welcome boost.

USDA estimates COVID-19 contributed to a \$50 billion decline in commodity value alone for 2019, 2020 and 2021 production totals. This does not include all of agriculture's losses, which would be billions more.

"The launch of the USMCA brings optimism to the country's farmers and ranchers at a time they need it the most," said American Farm Bureau Federation President Zippy Duvall. "We're grateful for the opportunity to build on the success of the North American Free Trade Agreement (NAFTA), and we're eager to see the results on America's farms. It's important that our neighbors uphold their end of the deal, so the agreement provides a stabilizing force amid the unpredictability of a pandemic in all three countries."

Under USMCA, Canada will increase quotas on U.S. dairy products, benefitting American dairy farmers by \$242 million.

Source: AFBF

Flexibilities for fall school meals

U.S. Secretary of Agriculture Sonny Perdue announced on June 25 a range of nationwide flexibilities to ensure America's children receive the nutritious food they need throughout the upcoming school year. These waivers give states, schools and childcare providers time to plan for how they will serve children in the fall, including allowing for new and innovative feeding options as the nation recovers from the pandemic.

"As the country re-opens and schools prepare for the fall, a one-size-fits-all approach to meal service simply won't cut it," said Secretary Sonny Perdue. "The flexibilities announced give states, schools and childcare providers the certainty

they need to operate the USDA child nutrition programs in ways that make sense given their local, on-the-ground situations and ensure America's children can count on meal service throughout the school year."

As fall nears, schools are considering many different learning models. This announcement empowers them to operate the School Breakfast Program (SBP) and National School Lunch Program (NSLP) to best serve their students. It also allows providers in the Child and Adult Care Food Program (CACFP) to tailor operations to serve the children in their care. USDA is providing flexibilities around meal patterns, group-setting requirements, meal service times, and parent/guardian pickup of meals for kids across all three programs to address anticipated changes for the coming school year.

USDA is also announcing a new flexibility that waives the requirement for high schools to provide students the option to select some of the foods offered in a meal. While this practice, known as "offer versus serve," is encouraged, social distancing or meals-in-the-classroom models would make this regulatory requirement difficult. Collectively, these waivers reduce barriers to meal service options that support a transition back to normal operations while simultaneously responding to evolving local conditions.

Source: USDA

FMD vaccine bank

The USDA Animal and Plant Health Inspection Service (APHIS) announced the initial purchase of vaccine for the National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB). APHIS will invest \$27.1 million in

foot-and-mouth disease vaccine, which the agency would use in the event of an outbreak to protect animals and help stop the spread of disease.

"While we are confident we can keep foot-and-mouth disease out of the country, as we have since 1929, having access to vaccine is an important insurance policy," said Marketing and Regulatory Programs Under Secretary Greg Ibach. "Vaccines could be an important tool in the event of an incursion of the disease in the U.S., but their use will depend on the circumstances of the incursion and require careful coordination with the affected animal industries."

Vaccination helps control the spread of infection by reducing the amount of virus shed by animals and by controlling clinical signs of illness. While an outbreak would temporarily disrupt international markets, vaccination would allow animals to move through domestic production channels. Foot-and-mouth disease is not a threat to public health or food safety. It is also not related to hand, foot, and mouth disease, which is a common childhood illness caused by a different virus.

The NAVVCB is one component of a three-part program established by the 2018 Farm Bill to comprehensively support animal disease prevention and management.

Source: USDA APHIS

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