



# Beef Business

► A look at current events affecting the cattle industry

## Judge favors private BSE testing

A federal judge ruled March 29 the U.S. Department of Agriculture (USDA) must allow meatpackers to test cattle for bovine spongiform encephalopathy (BSE).

USDA previously denied Creekstone Farms Premium Beef's efforts to test all of its animals for BSE, claiming it unnecessary given the increased potential for false positives. Some in the meat industry also cited fears the move would force an unwanted industry-wide adoption of total BSE testing. However, U.S. District Judge James Robertson ruled the government does not have the authority to regulate the BSE test, according to *The Associated Press*.

In his statement, Robertson acknowledged the concern for false-positive results that could have detrimental effects on the industry; however, he noted, Creekstone has sought to use the same test utilized by USDA.

According to AP, Judge Robertson has put his order on hold until the government can appeal. The ruling will take effect if the government does not appeal by June 1.

## Japan reacts to beef requests

Yoshio Kobayashi, Japan's vice minister of

agriculture, forestry and fisheries, said March 29 that accurate scientific data — not U.S. pressure — would determine the fate of U.S. beef in Japan, according to *USAgNet*.

Kobayashi's statement came in response to President Bush's remarks made at the National Cattlemen's Beef Association (NCBA) Annual Spring Legislative Conference March 28 in which President Bush suggested Japan fully open markets to U.S. beef. Japan currently allows only beef from cattle 20 months of age or younger.

Kobayashi said it's too early to rethink beef import restrictions because inspections of U.S. meatpacking plants and other probes have yet to be completed, *USAgNet* reported.

Meanwhile, a Tokyo supermarket March 29 became the first major Japanese outlet to resume sales of U.S. beef, according to *Reuters*.

Owned 53% by Wal-Mart Stores Inc., the supermarket giant Seiyu Ltd. was expected to offer U.S. beef at 19 other Tokyo locations. According to *Reuters*, U.S. steak was selling for 298 yen per 100 grams (\$11.50 per pound) at press time, as opposed to Japanese domestic Wagyu steak, which sold for about 1,380-1,780 yen per 100 grams.

## Report says FDA used flawed analysis

The Center for Food Safety released a report late March claiming the Food and Drug Administration (FDA) used a flawed analysis when it gave initial approval December 2006 for food from cloned animals.

According to AP, the consumer group claims FDA based approval on "scant data from few peer-reviewed studies" and failed to consider possible side effects of cloning.

The FDA gave preliminary approval late last year to meat and milk products from cloned animals and their offspring, citing virtually no difference between such products from clones and those from other animals. However, the center said FDA relied on studies on cloned animals and whether they appeared healthy rather than relying on studies on the milk or meat from clones and that from conventional livestock, AP reported.

## Canada responds to contaminated feed

The Canadian Food Inspection Agency (CFIA) early March placed precautionary movement restrictions on cattle from nine farms in Saskatchewan because they received feed that did not meet Canada's current feed ban requirements. The CFIA reported in a March 2 release that no food safety risk was associated with meat and other products from the exposed animals.

According to the agency, the contamination occurred when misidentified ruminant meat-and-bone meal was distributed from a processor to feedmills. All of the contaminated feed was recalled, and the CFIA verified that all receiving farms had been properly cleaned. Preliminary findings of a science-based assessment indicate that the risk to animal health is, at most, very low. No exposed animals or their products were exported.

In addition, the agency released details March 8 regarding the investigation into Alberta's latest case of BSE. The CFIA reported the affected animal was a bull born in 2000, after implementation of the 1997 feed ban. The animal did not enter the food chain, the *Canadian Press* (CP) stated.

In related news, the World Organization for Animal Health (OIE) issued a preliminary recommendation that both Canada and the United States be designated "controlled-risk" countries for BSE.

According to *Bloomberg.com*, members will vote on the designation this month.

## TB confirmed in New Mexico

A case of bovine tuberculosis (TB) was confirmed in Eddy County, N.M., early March, according to officials at the New Mexico Livestock Board (NMLB).

The disease was discovered in an infected dairy cow during routine testing conducted at a harvesting facility. NMLB and USDA

## U.S. cattle on feed down 4%

Cattle and calves on feed for harvest in the United States for feedlots with capacities of 1,000 or more head totaled 11.6 million head March 1, 2007. The inventory was 4% below March 1, 2006, figures but 4% above March 1, 2005.

Placements in feedlots during February totaled 1.66 million, 4% above 2006 figures and 9% above 2005. Net placements were 1.58 million head.

Marketings of fed cattle during February totaled 1.71 million, up 7% from 2006 and up 5% from 2005 figures. Other disappearance totaled 75,000 head during February, 3% above 2006 figures, but 3% below 2005.

**Table 1: No. of cattle on feed, placements, marketings and other disappearance, 1,000+-head-capacity U.S. feedlots, March 1, 2005-2007**

	No. of head (1,000 head)			2007 as % of	
	2005	2006	2007	2005	2006
On feed Feb. 1 <sup>a</sup>	11,342	12,110	11,726	103	97
Placed on feed during Feb.	1,523	1,588	1,659	109	104
Fed cattle marketed during Feb.	1,634	1,602	1,711	105	107
Other disappearance during Feb. <sup>b</sup>	77	73	75	97	103
On feed March 1 <sup>a</sup>	11,154	12,023	11,599	104	96

<sup>a</sup>Cattle and calves on feed are animals for harvest being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade USDA Select or better.

<sup>b</sup>Includes death loss, movement from feedlots to pasture and shipments to other feedlots for further feeding.

Source: National Agricultural Statistics Service.

have launched an investigation, and State Veterinarian Dave Fly said all appropriate measures have been taken to ensure public health and livestock safety.

At press time, a beef herd in northeastern New Mexico was under surveillance for possible exposure to TB. NMLB reports the last case of TB in the state was more than two years ago.

### Scientists define gene language

An international group of scientists, funded in part by USDA's Cooperative State Research, Education and Extension Service (CSREES), has expanded the universal language for the genes of both pathogenic and beneficial microbes and their hosts. This expanded "lingua franca," called gene ontology (GO), gives researchers a common set of terms they can use to describe the interactions between a microbe and its host.

This new "common terminology" will speed development of new technologies for preventing infections by disease-causing microbes, while preserving or encouraging the presence of beneficial microbes.

For more information about CSREES, visit [www.csrees.usda.gov](http://www.csrees.usda.gov).

### Total red meat production sets record in 2006

Total red meat production for the United States totaled 47.7 billion pounds (lb.) in 2006, 4% higher than the previous year, according to USDA's National Agricultural Statistics Service (NASS). Red meat includes beef, veal, pork, and lamb and mutton. Red meat production in commercial plants totaled 47.5 billion lb. On-farm production totaled 139 million lb.

Beef production totaled 26.3 billion lb., up 6% from the previous year. Veal production totaled 155 million lb., down 6% from last year. Pork production, at 21.1 billion lb., was 2% above the previous year. Lamb and mutton production totaled 190 million lb., down 1% from 2005.

Commercial cattle harvest during 2006 totaled 33.7 million head, up 4% from 2005, with federal inspection comprising 98.4% of the total. The average live weight was 1,275 lb., up 19 lb. from a year ago. Steers comprised 52.7% of the total federally inspected cattle harvest, heifers 29.6%, dairy cows 7.1%, other cows 9.0%, and bulls 1.5%.

Commercial calf harvest totaled 711,300 head, 3% lower than a year ago, with 98.2% under federal inspection. The average live weight was 345 lb., down 8 lb. from a year earlier.

Iowa, Kansas, Nebraska and Texas accounted for 52% of the United States commercial red meat production in 2006, similar to 2005.

### Beef exports to slow in 2007, ERS says

USDA's Economic Research Service (ERS) has released a report indicating a slowdown in growth of U.S. beef exports in 2007.

The report cited a projected decline in exports to Mexico and a lagging Japanese market as cause for the projections.

According to *Meatingplace.com*, USDA Economist Monte Vandever said South Korea's rejection of U.S. beef at press time remained an issue.

### Washington Watch



#### Groups urge country-of-origin legislation

A coalition of farm organizations urged Congress early March to enact country-of-origin labeling (sometimes referred to as COL or COOL) legislation.

Although Congress passed a law requiring mandatory country-of-origin labels for beef and other products, only labeling for fish has taken effect, *Reuters* reported. While other foods are scheduled to follow suit in September 2008, the National Farmers Union (NFU) and more than 200 farm and rural groups are urging Congress to implement the law by September this year.

#### Superfund legislation introduced

Legislation was introduced March 8 to clarify that livestock manure is not a hazardous substance under Superfund laws, according to NCBA.

In recent years, some have suggested Superfund laws — the common name for the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, and Emergency Planning and Community Right-To-Know Act (EPCRA) of 1986 — should be applied to manure from animal feeding, farming and ranching operations.

However, eight senators and 58 House leaders from both political parties are now saying that Congress never intended for America's farms and ranches to be slapped with liabilities and penalties under the Superfund law, NCBA reports.

Although during the 109th Congress, 228 members of Congress signed House and Senate bills to exempt livestock manure from the Superfund laws, the bills did not pass prior to the end of the Congressional session in December.

#### Legislation aimed against animal rights extremists

Passage of the Animal Enterprise Terrorism Act mid-March will more easily allow government officials to prosecute

activists who intimidate or harass agricultural institutions, *Meatingplace.com* reports.

According to the article, federal prosecutor Richard Solano said, "First Amendment rights end when people cross the line from protest to threatening and intimidating others in hopes of getting them to stop their business or quit their jobs."

### Industry Events



#### Kentucky Angus Ass'n Field Day

May 19

The Kentucky Angus Association has set its annual field day for May 19. The Central Kentucky Angus Association (CKAA) is hosting the event that includes a tour this year.

The day begins with tour buses leaving the CKAA Pavilion in Danville at 9:30 a.m. Tour stops include a joint stop at Cliffside Farms and C&H Cattle Co., both at Lancaster; lunch stop at Akers Farm, Lancaster; Branch View Angus, Hustonville; and Tarter Gate, Dunnville.

Once the tour returns to CKAA, John Crouch, American Angus Association executive vice president, will provide information about the Association and its programs. The day will conclude with a steak dinner.

The Kentucky Angus Association appreciates its premium sponsors of the event, Tarter Gate, Homeland Equipment and Ag Credit, for helping offset the cost of this event. For more information about the Kentucky Angus Association, visit [www.kentuckyangus.org](http://www.kentuckyangus.org).

#### Community field day, ag barbecue

July 11, Dickinson, N.D.

The 31st Annual Dickinson Research Extension Center (DREC) Community Field Day will be July 11 at the DREC grounds in Dickinson. Area farmers and ranchers will be given the opportunity to tour the center and witness its research projects. A gardening horticulture tour is also scheduled.

The Dickinson Area Chamber of Commerce Ag Committee will host a barbecue, including barbecued beef and trimmings, at the conclusion of the tour. Farmers, ranchers, urban and rural customers and business people are invited to attend. Participants are asked to register by June 13. For more information contact the DREC at 701-225-5115 or visit [www.dickinsonchamber.org](http://www.dickinsonchamber.org).

