



Beef Business

► A look at current events affecting the cattle industry

Association, USDA sign agreement for premises registration education

The U.S. Department of Agriculture's (USDA's) Animal and Plant Health Inspection Service (APHIS) has signed a cooperative agreement with the American Angus Association.

Under the terms of the agreement announced Aug. 8, the Association will utilize its resources to provide every Association member with education about the National Animal Identification System (NAIS). Educational efforts will include on-site educational discussions through the Association's Outreach Seminars and other educational programs, print advertising, direct mail and e-mail communications. In addition, with the assistance of ABG Inc., online training programs will be available to cattle producers across the nation.

See page 125 for more information.

Association launches new company

The American Angus Association Board of Directors has voted to authorize the formation of a new company. Angus Genetics Inc. (AGI) will conduct business as the Beef Improvement Company and will focus on the genetic evaluation of cattle traits.

In addition, it will conduct research and implement new technology, including DNA,

for use throughout the beef industry. The new company evolved as a result of ongoing input from registered seedstock suppliers and the beef industry stressing the need for more accurate evaluation tools for all Angus genetics used in the commercial beef sector. See page 180 for further information.

Angus, Pfizer Animal Health team up

The American Angus Association and Pfizer Animal Health announced Aug. 7 a marketing alliance for two premier feeder calf programs. The collaboration pairs AngusSource®, an age-, source- and genetic-USDA Process Verified Program (PVP) for Angus-sired cattle, with SelectVAC®, the premier branded preconditioning program from Pfizer Animal Health.

"Our goal is to give our customers the opportunity to maximize their marketing options and profit potential," Sara Moyer, director of AngusSource, says. "While we aren't requiring them to participate in SelectVAC in order to register with AngusSource, we highly recommend it for the added benefits of better health and quality it brings to their animals."

While AngusSource documents genetics and origin, participating in a certified preconditioning program can complete the total value picture. See page 373 for more information.

CAB sets sales record

Certified Angus Beef LLC (CAB) set a record in June, selling more pounds of product than in any other month in the brand's history. CAB moved 56 million pounds (lb.) through its network of licensed packers, distributors, retailers and restaurants.

The previous record, set in August 2003, was 53.6 million lb. CAB President John Stika says the recent record sales volume was a result of planning and the unique blend of "product, people and program."

Cattle industry to see slow growth

The midyear cattle inventory report issued by the USDA July 20 indicated that the total U.S. cattle herd had decreased slightly, including the beef cow herd specifically.

This report followed the mixed January report where all cattle numbers were up slightly, while the beef cow herd was down slightly.

"Also in the July inventory report," said Derrell Peel, Oklahoma Cooperative Extension Service livestock marketing specialist, "beef replacement heifers were down 6%. All of these numbers confirm that the industry is not growing, and the replacement numbers imply that we don't have a lot of intention to grow, at least in the short run."

Peel said that the July inventory numbers represent a temporary disruption rather than a change in the cattle cycle. He said cattle producers are moving cautiously due to a series of droughts, uncertain international trade issues, health issues and unsteady feed costs.

For all of these reasons, Peel said that producers are moving very slowly and cautiously toward a modest expansion, which he believes will stretch out over the next two to four years.

"I think we'll continue to see strong farm and retail levels. We have strong supply fundamentals to support present cattle prices, and I don't see any breaks coming from the relatively high retail prices of beef from the consumer standpoint," Peel said.

FMD case surfaces in UK

Chief Veterinary Officer (CVO) Debby Reynolds of the Department for Environment, Food and Rural Affairs (DEFRA) in the United Kingdom (UK) provided an update early August on the foot-and-mouth-disease (FMD) outbreak in Surrey. Reynolds initially reported one premises that had infected animals on three sites. A total of 97 animals had been culled; 64 from the infected premises plus 33 from two dangerous contact premises. The carcasses were disposed of by incineration.

U.S. cattle on feed down 1%

Cattle and calves on feed for harvest in the United States for feedlots with capacities of 1,000 or more head totaled 10.7 million head July 1, 2007. The inventory was 1% below July 1, 2006, figures but 3% above July 1, 2005, figures.

Placements in feedlots during June totaled 1.66 million, 15% below 2006 figures and 6% below 2005 figures. Net placements were 1.61 million head.

Marketings of fed cattle during June totaled 2.14 million, down 3% from 2006 figures but up 3% from 2005 figures. Other disappearance totaled 52,000 head during June, 17% below 2006 and 2005 figures.

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

	No. of head (1,000 head)			2007 as % of	
	2005	2006	2007	2005	2006
On feed June 1 ^a	10,771	11,187	11,272	105	101
Placed on feed during June	1,769	1,946	1,657	94	85
Fed cattle marketed during June	2,083	2,198	2,140	103	97
Other disappearance during June ^b	63	63	52	83	83
On feed July 1 ^a	10,394	10,872	10,737	103	99

^aCattle 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.

^bIncludes death loss, movement from feedlots to pasture and shipments to other feedlots for further feeding.

Source: National Agricultural Statistics Service.

On Aug. 14, Reynolds announced two other locations that had been placed in “temporary control zones” as precautionary measures.

As part of DEFRA’s contingency plan, 300,000 doses of strain-specific vaccine have been ordered from the UK’s vaccine bank, to be made up from antigen. No decision has been made on whether or not to use the vaccine.

The USDA released a statement Aug. 3 immediately placing restrictions or prohibitions, depending on the type of product and level of processing, on all UK products derived from any FMD susceptible species.

FMD is a highly contagious viral disease of cattle, swine and other cloven-hooved ruminants. It has serious implications for animal agriculture in any country where it is detected.

Northern Plains experiences second anthrax case

As of mid-July, a second case of anthrax in the Red River Valley drainage system of the Northern Plains had been reported. According to North Dakota State University’s (NDSU’s) “Ranch Hand” newsletter, South Dakota reported the first 2007 case in late April, and Minnesota reported the second in early July. In both instances, neither animal was vaccinated.

Although cases of anthrax develop in the region almost every year, the occurrence is very unpredictable and dependent on environmental conditions, according to NDSU.

“Pay attention to your flocks and herds,” Extension Veterinarian Charles Stoltenow advises producers. Anyone who suspects a case of anthrax should not move a carcass or open it. Producers should have a veterinarian check any unexplained sudden deaths. North Dakota has specific rules and requirements for the reporting and disposal of cases of anthrax. Stoltenow urges producers to consult with their local veterinarian.

Contact your local veterinarian for more information or call the State Board of Animal Health at 701-328-2655. For the latest information on anthrax, visit www.ag.ndsu.edu/pubs/ansci/beef/v561w.htm, or contact Stoltenow at 701-231-7522 or charles.stoltenow@ndsu.edu.

Idaho receives ‘Class Free’ brucellosis status

APHIS is amending its brucellosis regulations concerning the interstate movement of cattle by changing Idaho’s classification from Class A to Class Free. APHIS has determined that Idaho has met the standards for Class Free status.

Class Free status is based on a state’s finding no brucellosis in cattle for the 12 months preceding designation as Class Free. Restrictions on the interstate movement of cattle become less stringent as a state approaches or achieves Class Free status. This action relieves certain restrictions on the interstate movement of cattle from Idaho, APHIS reports.

USDA expands CRP emergency haying, grazing

Agriculture Secretary Mike Johanns July 20 announced a measure to provide livestock in drought-affected states needed additional hay and forage. Conservation Reserve Program (CRP) acreage eligible for emergency haying and grazing in Alabama, Indiana, Mississippi, Montana, Ohio, Oregon and Tennessee has been expanded to include land in an area radiating 210 miles out from all counties previously approved for emergency haying and grazing.

The expansion permits approved CRP participants to cut hay or graze livestock on CRP acreage, providing supplemental forage to producers whose pastures have been negatively affected by drought.

To be approved for emergency haying or grazing, a county must be listed as a level “D3 Drought — Extreme” or greater according to the U.S. Drought Monitor, available at <http://drought.unl.edu/dm/monitor.html>, or have suffered at least a 40% loss of normal moisture and forage for the preceding four-month qualifying period.

Maps relating to this announcement and more information on emergency haying and grazing are available at local FSA offices and online at: www.fsa.usda.gov/FSA/webapp?area=home&subject=copr&topic=crp-eg.

Washington, Beijing conclude food safety talks

Washington and Beijing officials reported progress after talks concluded early August aimed at establishing bilateral food safety pacts, according to *Meatingplace.com*.

Mike Leavitt, Secretary of Health and Human Services (HHS), said the discussion covered specific concerns, including how China can meet U.S. requirements in the event the Food and Drug Administration (FDA) issues an import alert on Chinese products.

More talks were to take place in Beijing by August’s end. The two sides hope to complete the drafts by December, according to the article.

Japanese ag minister resigns, affects beef talks

Japanese Agriculture Minister Norihiko Akagi resigned Aug. 1 after coming under fire

for questionable accounting of his political funds, according to *The Japan Times*.

Akagi said his resignation is meant to take responsibility for the Liberal Democratic Party’s defeat in the Japanese government. Environment Minister Masatoshi Wakabayashi will serve as Minister of Agriculture, Forestry and Fisheries in the meantime.

As reported by *Meatingplace.com*, Akagi’s resignation was to derail a meeting originally set for Aug. 2 with Secretary Johanns on beef exports to Japan. So far, the talks have not been rescheduled, the news site reported.

FSIS makes ‘downer’ rule permanent

The U.S. Food Safety and Inspection Service (FSIS) announced a permanent prohibition on the harvest of cattle that are unable to stand or walk, according to an article appearing July 12 in *Science Daily*.

The agency’s rule cements what had been an interim final rule prohibiting the harvest of downer cattle. According to the article, the final rule becomes effective Oct. 1.

The rule is published in the July 13 *Federal Register*.

K-State debuts Beef Cattle Institute

A new targeted Kansas State University (K-State) effort, the Beef Cattle Institute, will focus on the cattle business, its role in the state’s economy and the need to provide safe, nutritious beef products to the state, region and world.

The interdisciplinary initiative will include teachers, researchers and subject specialists from several of K-State’s colleges. The goal is to centralize teaching, research and outreach related to the beef business. While not a new building or visible center, the institute concept will offer a platform for faculty from complementary disciplines to integrate their expertise and maximize potential benefits from that expertise.

More information on the new Kansas State University Beef Cattle Institute is available by contacting Daniel Thomson at 785-532-4254.

Kentucky scientists research biomass, hay production

For the next four years, scientists with the University of Kentucky (UK) College of Agriculture will work with farmers in northeast Kentucky on biomass production using switchgrass, as well as continue their work on hay production in the region.

According to a UK release, changes have taken place that have made tobacco a less viable income source. As a result, farmers have looked to other crops such as switchgrass — a renewable fuel alternative

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that works well with existing hay production systems and equipment.

Through a grant from the Kentucky Agricultural Development Board, the Kentucky Forage and Grasslands Council is funding UK research that will focus on biomass and demonstrate the region's capability of producing sustainable and economical biomass crops. The hay portion of the project will continue, according to UK Extension.

Twenty farms involved in the project will each grow five acres of switchgrass. UK specialists will also look at a wide range of biomass crops in research trials at Lexington and at Eden Shale Farm.

ABS Global to build new facility

ABS announced it has purchased 240 acres located 15 miles north of the ABS Global headquarters facility in DeForest, Wis. The farm, referred to as ABS Dekorra, closed on Monday, July 16.

Scott Bentley, ABS Global Dairy Product manager, said the company needs to grow its housing capabilities to accommodate an increasing number of sires in its progeny test program.

According to ABS, new construction was to begin on the property in August. ABS Dekorra will be used for housing young sires. During the next four years, four barns will be built to house a total of 350 dairy and beef sires.

Mycotoxin information web site launched

A new, comprehensive mycotoxin information web site, www.knowmycotoxins.com, produced in conjunction with Alltech was launched July 16.

The interactive web site allows the audience to participate in discussion forums and webcasts with industry experts. It is targeted to all levels in the industry such as animal producers, nutritionists and veterinarians. For further information visit www.knowmycotoxins.com or contact a local Alltech representative.

Texas provides emergency contacts

Texas is providing a "free, easy-to-remember phone number connecting callers with health and human services in their community," according to www.211texas.org.

Residents who don't have a vehicle or have a physical or medical condition limiting their mobility should call 2-1-1, said Janie Harris, Texas Cooperative Extension housing and environment specialist.

The service is available at all times — not just in emergencies — to provide information on such community resources as rent and utility assistance, food, emergency shelters, employment help, medical and mental health services, transportation, and suicide intervention counseling. Information on affordable childcare, caring for an aging relative and disaster recovery is also provided.

The service is handled through 23 information centers throughout the state. Visit www.211texas.org for more information.

China suspends pork, poultry shipments

At press time, China had suspended seven U.S. plants from exporting pork and poultry products following the discovery of salmonella-contaminated chicken and other products with growth agents or other additives, *Reuters* reported.

The American Meat Institute (AMI) released a statement July 16, saying China's actions are not based upon sound science.

According to AMI, like all raw agricultural products, raw poultry products can contain low levels of bacteria, including salmonella. As AMI suggests, this is normal and is allowed under USDA rules because the products are intended to be cooked.

Washington Watch

House advances COOL legislation, passes Farm Bill

On July 27, the U.S. House of Representatives passed a version of the 2007 Farm Bill the White House has threatened to veto. According to *Meatingplace.com*, the 231-191 vote was largely along party lines and without the support needed to override a veto. The Senate was expected to start on its version of the legislation this month.

Secretary Johanns expressed his displeasure with the Farm Bill proposal offered by the House Agriculture Committee earlier that week. During a news conference July 25, Johanns said the bill put forth by the committee "misses a major opportunity."

Johanns said the House bill proposal didn't generate "true savings" and creates a farm policy that is less responsive to the free market.

The National Cattlemen's Beef Association (NCBA) gave the bill a mixed review. Jay Truitt, NCBA's vice president of government affairs, said the country-of-origin labeling (sometimes referred to as COL or COOL) measure offers many improvements for the

nation's cattlemen compared to previous provisions. Points of contention remain, however. As NCBA notes, poultry — beef's primary competitor — was still completely exempt from all requirements imposed on beef, pork and lamb as outlined in the Agriculture Committee proposal. And the labeling law could cause misconceptions that it will address food safety issues, the organization stated.

Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA) also released a statement expressing their support for the country-of-origin labeling legislation.

Country-of-origin labeling is scheduled for implementation September 2008.

Bill introduced to fight agroterrorism

Sen. Richard Burr (R-N.C.) and Sen. Susan Collins (R-Maine) have introduced legislation that sets out a national strategy to prepare for, detect, respond to and recover from an agroterrorism attack or catastrophic food emergency, according to a press release issued late July from Sen. Burr's office.

The National Agriculture and Food Defense Act requires federal, state and local governments to work with private businesses to prepare for, detect, respond to, and recover from an agroterrorism attack or deliberate food contamination. It authorizes \$2 million in funding to train and educate state personnel on food defense and help states develop food emergency response plans.

The legislation also seeks to improve communication and coordination between state and federal authorities by authorizing states to hire agriculture and food defense liaison officers. To speed up detection of animal disease outbreaks and food-related emergencies, the bill integrates nationwide diagnostic laboratory networks and develops on-site rapid diagnostic tools.

The full text of the bill can be downloaded in PDF format at

http://burr.senate.gov/_files/National_Agriculture_and_Food_Defense_Act.pdf.

Bush creates food safety working group

President Bush has announced the establishment of a Cabinet-level working group to recommend how to guarantee the safety of imported food and other products brought into the country.

According to AMI, the panel will consist of the Secretary of Health and Human Services, who will serve as chair; the Secretaries of State, Treasury, Agriculture, Commerce, Transportation and Homeland Security; the Attorney General; the director of the Office of Management and Budget; the United States Trade Representative; the

administrator of the Environmental Protection Agency (EPA); chairman of the Consumer Product Safety Commission; and others appointed by the chair.

The panel was expected to report its recommendations to the president in 60 days.

The working group will review current procedures and methods aimed at ensuring the safety of products exported to the United States. Additionally, the panel will identify potential means to promote appropriate steps by U.S. importers in order to enhance the safety of imported products.

The panel is also charged with surveying authorities and practices of Federal, State, and local government agencies regarding the safety of imports to identify best practices and enhance coordination among agencies.

Visit www.whitehouse.gov/news/releases/2007/07/20070718-6.html for more information.

Industry Events

OSU Summer Workshops

September-October, Ohio

The Ohio State University's Sustainable Agriculture Team will sponsor a series of tours and workshops. Events include:

► Sept. 27, Soil Health and Quality Workshop in Wayne County — Fisher Auditorium, OARDC, 1680 Madison Ave., Wooster, 9 a.m.-3:30 p.m., \$25 (includes lunch and books). Call Alan Sundermeier at 419-354-9050 by Sept. 17 to register.

► Oct. 10, Organic Livestock and On-farm Biodiesel Production — Mike and Dawn Roberts farm, 7203 Waynesburg Rd. N.W., Waynesburg, 11:30 a.m.-2:30 p.m., free, 330-866-2132. A certified-organic, grass-based operation that milks Normande cattle using an all-forage diet in a managed grazing system, produces and direct-markets pasture-raised beef and poultry, and recently received a USDA Sustainable Agriculture Research and Education grant to develop an on-farm biodiesel system to refine used cooking oil and use it to power the farm's equipment.

Visit <http://sustainableag.osu.edu> to download the schedule, along with the schedule of tours and workshops offered by Innovative Farmers of Ohio, the Ohio Ecological Food and Farm Association, the Ohio Grassland and Forage Council, and the Small Farm Institute.

For more information contact Mike Hogan, Carroll County office, OSU Extension, 32 W. Main St., Carrollton, OH 44615; 330-627-4310; hogan.1@osu.edu.

CUP Lab Ultrasound Technician Training, Certification

Sept. 5-7, Ames, Iowa; Sept. 17-19, Athens, Ga.

The National Centralized Ultrasound Processing (CUP) Lab has announced the fall field technician training and certification dates.

The Beginner Ultrasound Training Course will be offered at Iowa State University (ISU) in Ames, Iowa, Sept. 5-7. Participants need no prior experience or equipment, but they must preregister by downloading a registration form at www.cuplab.com.

An Advanced Training Course will follow on Sept. 17-19 in Athens, Ga., with an opportunity to take the certification exam on Sept. 20 or 21. Certification will be administered by the Ultrasound Guidelines Council (UGC) and co-hosted by the University of Georgia and The National CUP Lab. UGC Certification will also be offered in Athens on Sept. 24-26. Trainees are encouraged to register early, as classes fill quickly. For more information on Ultrasound Training or UGC Certification, call The National CUP Lab & Technology Center at 515-232-9442.

FDA public hearing

Sept. 10-11, Adelphi, Md.

The FDA has scheduled a public hearing to address the use of symbols to communicate nutrition information on food labels, according to the AMI. The purpose of the hearing is to assist the FDA in obtaining information about programs currently in use.

The hearing will be from 9 a.m. to 5 p.m., Sept. 10-11, at the Inn and Conference Center by the Marriott, located in Adelphi, Md. To register, go to www.cfsan.fda.gov/register.html.

Comments may also be submitted through Nov. 12 to the Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Ln., Room 1061, Rockville, MD 20852, or online at www.fda.gov/dockets/comments.

MU beef field day

Sept. 15, MU South Farm, Columbia, Mo.

Adding value to Missouri feeder calves is the theme of the annual beef field day at MU South Farm, Sept. 15.

Beef herd owners will hear several ways to capture more value from their feeder calves during the event, which will feature beef research and Extension programs at the Beef Research and Teaching Farm, off Highway 63, south of Columbia.

Topics will include adding value to calves by backgrounding, the value of preconditioning and evaluation of BVD

(bovine viral diarrhoea) effects, beef marketing and retained ownership.

The effects of genetics on adding value in beef cattle will also be discussed, and there will be continuous demonstrations at the beef barns. Topics include feed-intake research, use of coproduct feeds, use of timed-artificial insemination (AI) and stockpiled fescue grazing.

There will be pasture walks on the newly established beef grazing paddocks.

Registration opens at 8:30 a.m. Demonstrations start at 9 a.m. and run until 4:30 p.m.

A free lunch will be served at 11:30 a.m. Reservations are required; to reserve a meal, call Judy Burton at 573-882-7327. Commercial exhibits will be on display in the barns.

Additional information can be obtained from farm manager Phillip Brooks at 574-823-7930.

Purdue agribusiness conferences, seminars

Oct. 22-26; Nov. 13-14

Purdue University will conduct two conferences and seminars aimed at those in agribusiness. An agrimarketing seminar will take place Oct. 22-26, and a National Conference for Agribusiness: "Re-Thinking Service Strategies: Innovations that Drive Profit" is scheduled for Nov. 13-14.

For more information about these conferences and seminars, contact Purdue's Center for Food and Agricultural Business at 765-494-4247 or agbusinessinfo@purdue.edu.

Range Beef Cow Symposium

Dec. 11-13, Colorado State University

The 2007 Range Beef Cow Symposium, hosted by Colorado State University (CSU), will be at the Larimer County Fairgrounds Dec. 11-13. The event is a biennial educational symposium designed as in-service training for cow-calf ranchers. It will feature well-known speakers who will provide updates on production topics in the areas of beef industry issues, genetics, reproduction, range and forage management, cattle health, beef nutrition and more.

The symposium is a joint effort of the Extension services from CSU, University of Wyoming, University of Nebraska and South Dakota State University.

For additional information, contact Jack Whittier, CSU Extension beef specialist, at 970-491-6233 or jack.whittier@colostate.edu; or Nancy Weiss, Extension secretary, at 970-491-7640 or nancy.weiss@colostate.edu.

