



# Beef Business

► A look at current events affecting the cattle industry

## Montana to harvest quarantined herd

The Board of Livestock sent orders July 11 for the state of Montana to begin planning the depopulation of a herd of quarantined cattle, *The Associated Press* (AP) reported.

At press time, the owners of the cattle and the federal government had yet to agree on a fair price.

Seven cows in the herd, owned by Jim and Sandy Morgan, tested positive for brucellosis (Bang's disease) in May. This put Montana on a two-year probation during which any additional cases would result in the state losing its brucellosis-free status.

Brucellosis is a contagious disease that causes cows to abort. It was widely eradicated from livestock in the last century. However, recent outbreaks in Idaho and Wyoming have been traced to elk herds in Yellowstone National Park, which many suspect was also the source of the Montana cases.

## Japan approves U.S. beef

Japanese inspectors found no safety problems during their inspection of 28 U.S. processing facilities, officials announced mid-June. As a result of the problem-free inspections conducted during May, Japan

will cease checking every U.S. beef shipment, according to AP.

Japan currently accepts only certain cuts of beef from animals 20 months of age or younger. According to AP, Japanese officials said in May they had no immediate plan to relax those restrictions.

## U.S. has fifth-warmest spring

The fifth-warmest spring on record for the contiguous United States occurred in 2007, according to scientists at the National Oceanic and Atmospheric Administration (NOAA) National Climatic Data Center in Asheville, N.C. A severe-weather outbreak in the nation's midsection brought devastating tornadoes in early May, while a record-dry spring in the Southeast led to worsening drought conditions.

Continued extreme dryness in May east of the Mississippi River and in the Far West expanded the drought area. The global land-surface temperature was the highest for the month of May, as well as for boreal spring. The combined global land- and ocean-surface temperature was fourth-warmest for May, and tied with 1998 as the warmest January-May period.

For further findings, visit

[www.noaanews.noaa.gov/stories2007/s2876.htm](http://www.noaanews.noaa.gov/stories2007/s2876.htm). The NOAA has also released a report from its Drought Monitor, available at [www.drought.unl.edu/dm/monitor.html](http://www.drought.unl.edu/dm/monitor.html).

## Beef mistakenly shipped to Korea, again

Another shipment of U.S. beef meant for distribution at home was mistakenly exported to South Korea, officials there reported June 19.

According to AP, 287 pounds (lb.) of U.S. meat was shipped to South Korea as samples on June 2 — the third time in less than a month U.S. processors have mistakenly exported beef meant for the domestic market.

South Korea currently accepts only boneless meat from cattle less than 30 months old.

## Researcher develops biodegradable feeder

Kansas State University (K-State) professor Xiuzhi (Susan) Sun and her colleagues have developed a biodegradable container that is being used to hold nutritional supplements for cattle. Sold under the name BioBarrel™ Single Trip Container (STC®), the container is made of ground straw coated with edible adhesive made from soy flour and is marketed to hold Crystalyx® feed supplement.

Although the environmentally responsible container was designed to hold the supplement and not necessarily to be eaten, it can be safely consumed by cattle because it uses no harmful chemicals, Sun said.

More information about BioBarrel is available at [www.crystalyx.com/biobarrel](http://www.crystalyx.com/biobarrel).

## U.S. cattle on feed up 1%

Cattle and calves on feed for harvest in the United States for feedlots with capacities of 1,000 or more head totaled 11.3 million head June 1, 2007. The inventory was 1% above June 1, 2006, figures and 5% above June 1, 2005 figures. This is the highest June 1 inventory since the series began in 1996.

Placements in feedlots during May totaled 2.16 million, 13% above 2006 figures but 3% below 2005 figures. Net placements were 2.06 million head.

Marketings of fed cattle during May totaled 2.09 million, down 3% from 2006 figures but up 4% from 2005 figures. Other disappearance totaled 99,000 head during May, 14% below 2006 figures but 3% above 2005.

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

	No. of head (1,000 head)			2007 as % of	
	2005	2006	2007	2005	2006
On feed May 1 <sup>a</sup>	10,641	11,559	11,297	106	98
Placed on feed during May	2,223	1,903	2,159	97	113
Fed cattle marketed during May	1,997	2,160	2,085	104	97
Other disappearance during May <sup>b</sup>	96	115	99	103	86
On feed June 1 <sup>a</sup>	10,771	11,187	11,272	105	101

<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.

## Consumer Reports poll favors labeling

According to a recent *Consumer Reports* poll, 92% of consumers think imported foods should be labeled by their country of origin.

The poll also found that irradiated foods are not popular with consumers. However, foods labeled as natural or organic are seen as desirable. Consumers also reported that they expect more from natural labels than current standards require. The majority of consumers (86%) said they expect the natural label to mean that processed food does not contain any artificial ingredients, though current standards only prohibit artificial colorings and additives.

The poll was conducted via telephone June 7-10.

American Meat Institute (AMI) president J. Patrick Boyle responded to the results by saying the poll "underscores the value of the existing mandatory country-of-origin labeling (sometimes referred to as COL or COOL) rules for imported meat and poultry enforced by the U.S. Department of Agriculture (USDA)."

## Retail food prices increase 4%

Retail food prices increased 4% during the second quarter of 2007, according to the American Farm Bureau Federation (AFBF) Marketbasket Survey. Of the 16 items in the market basket, 14 increased in price, one decreased and one remained the same.

Items that increased at a quicker rate than inflation include whole milk, sirloin tip roast, pork chops, ground chuck, whole fryers, apples, vegetable oil, bread, mayonnaise and regular eggs. Items that increased at a normal rate were cheddar cheese, flour, toasted oat cereal and corn oil. Russet potatoes decreased in price, and bacon remained constant.

"Consumers have no doubt noticed their food dollar stretched a little tighter lately," AFBF Economist Jim Sartwelle said. "As energy costs have increased, it has become more expensive to process, package and transport food items for retail sale. In addition, soaring demand overseas for U.S. dairy and meat products has reduced quantities available at home, resulting in retail price increases at the grocery store."

## \$19.25M in loans, grants available for rural business

Secretary of Agriculture Mike Johanns announced late June the award of \$19.25 million to create or retain jobs at rural businesses.

"These funds will help local communities finance business expansions, implement economic development plans and make infrastructure improvements to ensure rural areas remain attractive, economically viable places to live and work," Johanns said.

Johanns said the funding is expected to help create or save more than 1,000 jobs in 23 states.

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

## Washington Watch

### Senate denies immigration reform

The Senate voted late June to block comprehensive immigration reform, according to *The New York Times*.

After intense debate, the bill couldn't garner enough support to move it toward passage, receiving only 46 votes out of the needed 60, according to the article. Now it appears the issue — which, among other significant immigration reform, was set to establish updated citizenship procedures for illegal immigrants — will be tabled until after the 2008 elections.

### Johanns displeased with Farm Bill legislation

Secretary Johanns released a statement June 19 expressing his disappointment in the

Title I Farm Bill legislation put forth by the House Subcommittee on General Farm Commodities and Risk Management. The bill, he said, fails to recognize the need for greater equity and predictability in farm policy and does nothing to provide a more responsive safety net.

Although Johanns said he is encouraged by the signal from subcommittee members that this is only a starting point, he added, "We must address farm policy that provides the highest payments when abundant yields lead to moderate prices and provides no payments when low or no yields lead to high prices. The bill advanced [June 19] offers no remedy."

In addition, Johanns noted, the House draft fails to bring greater equity to farm policy, with some farmers receiving guaranteed money while others, including 60% of farmers, are left out.

"Additionally, the bill advanced today paints a bull's-eye on farmers' backs and risks jeopardizing a portion of the \$78 billion in U.S. agricultural exports by increasing trade-distorting support. This is especially disappointing when the Administration proposes an alternative that provides greater protection from international trade challenges, an increase in predictable, non-trade-distorting support and overall reforms that help to fund emerging priorities."

Visit [www.usda.gov/2007/06/0171.xml](http://www.usda.gov/2007/06/0171.xml) to read Johanns' complete statement.

## Industry Events

### K-State Beef Conference

Aug. 9-10, Manhattan, Kan.

K-State's two-day conference will take place at Weber Hall at the Manhattan campus and will focus on adding value to calves. The event will include presentations aimed at increasing efficiency and profit on cattle operations. Nine presentations are scheduled for Thursday, followed by three more the following day.

The conference will begin with registration at 9 a.m. Thursday and end at 6 p.m. The conference will begin at 8 a.m. Friday and end at noon.

Lunch and dinner will be provided on the first day of the conference. Breaks will be provided both days. Registration fees are \$150 per person and are due by Aug. 3.

For more information visit [www.asi.ksu.edu/beefconference](http://www.asi.ksu.edu/beefconference), or call Larry Hollis at 785-532-1246. Call Linda Siebold at 785-532-1281 for questions regarding conference registration.

### 2007 Kansas Angus Tour

Aug. 10-11

The 2007 Kansas Angus Tour, themed "Angus on the Santa Fe," will involve a mix of family fun and fellowship along with educational experiences. The two-day event highlights 10 Kansas Angus breeders and cattle operations, including tours of the following three ranches: Bohi Land and Cattle Co., Wellsville, Kan.; Sankey's 6N Ranch, Council Grove, Kan.; and Clay White Ranch, Peabody, Kan. In addition, guest speakers and several sponsor exhibits will be featured.

The tour begins with registration on Friday at Bohi Land and Cattle Co. A ranch tour, guest displays and speakers are planned. The evening concludes with a steak dinner, entertainment and youth activities.

Saturday's events begin with breakfast at the Hays House Restaurant, and ranch tours begin at Sankey's 6N Ranch. Guest herd displays and youth events are scheduled. A third ranch tour at Clay White Ranch will conclude the event.

There is no registration cost for the Kansas Angus Tour. Those interested in attending are encouraged to preregister by Aug. 1. You may register online at [www.kansasangus.org](http://www.kansasangus.org). Registrations and additional information may be obtained by contacting Anne Lampe, Kansas Angus Association secretary/manager at 5201 E. Rd. 110, Scott City, KS 67871; 620-872-3915; or [kansasangus@wbsnet.org](mailto:kansasangus@wbsnet.org).

Tour lodging headquarters are at the Cottage House Hotel and Motel in Council Grove, Kan. Call 1-800-727-7903 to make reservations. Attendees may also make reservations at the Comfort Inn, located in Ottawa, Kan., near Bohi Land & Cattle. Call the Comfort Inn at 785-242-9898 to make reservations.

### Missouri Angus Association Tour

Aug. 24-26

The Missouri Angus Association will host a tour of northeast Missouri, headquartered in Hannibal.

The tour, which includes meals and bus transportation, costs \$75 per person and does not include hotel accommodations.

Quality Inn & Suites in Hannibal will serve as the host hotel. Rooms start at \$76.95 or \$86.95 for suites. Call 573-221-4001 to make reservations. Ask for the Missouri Angus block of rooms.

All tour entries should be sent to Kris Graupman, 4152 CR 230, Palmyra, MO 63641. Be sure to include the names of each tour participant as well as \$75 for each person. Make checks payable to the Missouri Angus Tour.

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For more information contact Graupman at 573-769-2956.

 **NIAA ID Info  
Expo 2007**

**Aug. 28-30, Kansas City, Mo.**

The National Institute for Animal Agriculture's (NIAA's) annual ID Info Expo 2007 will be in Kansas City, Mo., Aug. 28-30 at the Westin Crown Center.

This year's conference is themed "Where Traceability Needs Intersect: Animal Health, Country of Origin Labeling, Food Safety and Consumer Demand."

Topics will include progress on the USDA National Animal Identification System (NAIS), as well as industry-driven programs such as source verification, quality assurance and branding of products. Conference coordinators also expect renewed dialogue on implementation of country-of-origin labeling and recent public concerns regarding pet food and similarly contaminated poultry and swine feed.

Basic information on individual registration, trade show participation, sponsorship opportunities and hotel registration is available at the NIAA web site, [www.animalagriculture.org](http://www.animalagriculture.org).

 **OSU Summer  
Workshops**

**August-October, Ohio**

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

- ▶ Aug. 28, Soil Health and Quality Workshop in Wood County — Agricultural Incubator Foundation, 13737 Middleton Pike Rd. (state Route 582), Bowling Green, 9 a.m.-3:30 p.m., \$25 (includes lunch and books). For farm families, crop consultants, Extension educators and others. Hands-on activities to assess, measure and improve the overall health and quality of farm soils. Call Alan Sundermeier at 419-354-9050 by Aug. 18 to register.
- ▶ Aug. 30, Organic Grain Research Field Day — West Badger Farm, Ohio Agricultural Research and Development Center (OARDC), 1518 Barnard Rd., Wooster, 1-4 p.m., free, 330-202-3528. Presented by scientists with OARDC's Organic Food and Farming Education and Research program, now in its ninth year. Tour organic grain plots and compare different production methods.
- ▶ 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). See Aug. 28 details. 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 summer 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](mailto:hogan.1@osu.edu).

