



Beef Business

► A look at current events affecting the cattle industry

USDA declines early CRP release

The U.S. Department of Agriculture (USDA) announced July 30 it won't allow release of Conservation Reserve Program (CRP) land.

"We have just completed a very thorough review of whether we should allow the early release of acres enrolled in the Conservation Reserve Program (CRP) without penalty to landowners," Secretary of Agriculture Ed Schafer said in a USDA statement.

"After carefully considering recent crop reports and weather conditions, the price trends we are seeing in grain markets and the likelihood of increasing land for crop production, we have decided not to allow the penalty-free release of CRP land at this time."

Despite flood damage in the Midwest in June, at press time Schafer said the indications were that the effects on this year's corn and soybean crops were less than originally feared.

Schafer also cited a favorable market, good growing conditions, an already declining enrollment in CRP, and CRP land turnover within the next two years.

Help for drought-stricken counties

Secretary Schafer announced Aug. 1 that producers in counties approved for emergency haying and grazing on CRP land because of drought will have rental payments cut by 10% instead of the standard 25%.

To date, that includes counties in Colorado, Kansas, Montana, North Dakota, Oklahoma and Texas.

To be approved for emergency haying or grazing, a county must be listed as a level "D3 Drought-Extreme" or greater, or have suffered at least a 40% loss of normal moisture and forage for the preceding four-month qualifying period.

State Farm Service Agency (FSA) committees are reminded they may authorize emergency haying or grazing of CRP in counties currently listed as level D3 drought according to the U.S. Drought Monitor.

To participate, livestock producers in counties approved for emergency haying or grazing assistance must certify they are an eligible livestock producer in an eligible county approved for emergency haying and grazing and that they are requesting

emergency haying and grazing of eligible CRP acreage from another eligible CRP participant who is willing to provide hay or grazing.

More information on emergency haying and grazing and a list of eligible counties is available at local FSA offices and online at www.fsa.usda.gov; click on Conservation.

Organization sues USDA

The Farm-to-Consumer Legal Defense Fund filed suit in the U.S. District Court—District of Columbia July 14 in an effort to stop the USDA and the Michigan Department of Agriculture from implementing the National Animal Identification System (NAIS) as part of a mandatory bovine tuberculosis (TB) control effort.

According to a release issued by the Farm-to-Consumer Legal Defense Fund, the suit asks the court to issue an injunction to stop the implementation of NAIS at the state or federal levels by any state or federal agency. The organization states that if the suit is successful, it would halt NAIS nationwide.

Organization representatives stated in the release that they believe current records from sale barns and livestock shows provide ample documentation for tracking animal disease.

Beef checkoff launches new site

The Cattlemen's Beef Board (CBB) has launched a new web site, available at www.mybeefcheckoff.com.

According to CBB, it was designed to show cattlemen how national beef checkoff dollars are invested and the results of those investments.

For more information about the beef checkoff, visit www.mybeefcheckoff.com.

Additional \$202.5M for conservation

Secretary Schafer announced July 15 an additional \$200 million will be available through the 2008 Farm Bill to help farmers and ranchers nationwide solve natural resource problems through the Environmental Quality Incentives Program (EQIP).

An additional \$2.5 million will be available for Agricultural Management Assistance (AMA) in 16 states.

"Voluntary incentive-based programs like EQIP and AMA are the key to helping producers meet their conservation goals and provide the public with important benefits such as cleaner water, improved air quality, healthy soils and abundant wildlife," Schafer said.

Congress provided the extra funds for both programs for fiscal year (FY) 2008. Both programs were reauthorized in the 2008 Farm Bill.

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 10.3 million head July 1, 2008. The inventory was 4% below July 1, 2007, figures and 5% below July 1, 2006, figures.

Placements in feedlots during June totaled 1.51 million, 9% below 2007 figures and 22% below 2006 figures. Net placements were 1.45 million head.

Marketings of fed cattle during June totaled 1.97 million, 8% below 2007 figures and 10% below 2006 figures. This is the lowest fed-cattle marketings for the month of June since the series began in 1996.

Other disappearance totaled 60,000 head during June, 15% above 2007 figures but 5% below 2006 figures.

Table 1: No. of cattle on feed, placements, marketings and other disappearance, 1,000+-head-capacity U.S. feedlots, July 1, 2006-2008

	No. of head (1,000 head)			2008 as % of	
	2006	2007	2008	2006	2007
On feed June 1 ^a	11,187	11,272	10,815*	97	96
Placed on feed during June	1,946	1,657	1,513	78	91
Fed cattle marketed during June	2,198	2,140	1,973	90	92
Other disappearance during June ^b	63	52	60	95	115
On feed July 1 ^a	10,872	10,737	10,295	95	96

^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.

*Revised.

Source: National Agricultural Statistics Service.

For additional information about EQIP, visit www.nrcs.usda.gov/programs/eqip. For additional information about AMA, visit www.nrcs.usda.gov/programs/ama.

Study shows parasite control pays

According to Merial, a recent study from Iowa State University concluded that parasite control is the most economically important practice in beef production.

Iowa State researchers gathered the results of more than 170 previous studies and evaluated the various pharmaceutical technologies available to the cow-calf, stocker and feedyard segments, calculating their economic importance and their return on investment (ROI).

At the cow-calf level, the study showed that dewormers affect weaning rates and weights more than any other technology a producer can employ. Cow-calf producers who used parasite control saw an advantage of 23% in weaning rates and 4% in weaning weights. Eliminating parasite control practices would negatively affect breakeven selling prices by 34%, which would mean an added cost of \$165 per head.

These numbers are a sum of production losses for cow-calf producers, Merial reports.

Across segments, over the life of the animal, the study found that the effect of eliminating dewormers would be a 19% change in breakeven prices — or a cost of almost \$190 on each head the industry produces.

Woman tests positive for CJD

An elderly Massachusetts woman tested positive for the rare brain disease Creutzfeldt-Jakob disease late July, according to public health officials cited in a *Boston Globe* article.

At press time, the unidentified Cape Cod Hospital patient had not been tested for the variant linked to bovine spongiform encephalopathy (BSE), but further tests were to be conducted to determine the cause of the illness. According to the *Boston Globe*, state disease trackers said there is nothing to suggest that her case is associated with BSE.

Anthrax deaths confirmed in Canada

Seven bison in a Prince Albert, Sask., Canada, herd have died from anthrax, the Canadian Food Inspection Agency (CFIA) confirmed late July.

According to *The Canadian Press*, the CFIA quarantined the area after test results confirmed anthrax as the cause of the deaths.

Department of Ag increases loan limits

Secretary Schafer has put into place another new farm bill provision, increasing the limits on loans to \$300,000 — up from

\$200,000 — for direct farm ownership and operating loans. FSA loan limits had remained unchanged since 1984.

Direct loans are a resource for farmers to get the credit they need to build and sustain family farms and ranches. The increased loan limits are expected to help farmers whose credit requirements could not previously be met by the FSA loan limits. In addition, some existing FSA borrowers who have already reached the previous limit of \$200,000 will now be eligible to obtain additional credit from FSA.

For more information about these and other types of loans, visit the FSA's home

page at www.fsa.usda.gov and click on "Farm Loan Programs."

Hallmark/Westland has buyer

Meatingplace.com reports that Hallmark/Westland Meat Packing Co., based in Chino, Calif., has a potential buyer, according to the *Press-Enterprise*.

Hallmark/Westland was made infamous by abuse of nonambulatory animals earlier this year, which prompted the largest class-two beef recall in U.S. history.

According to *Meatingplace.com*, Arizona livestock broker and rancher Marvin

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Roberts, president and chief executive officer (CEO) of Phoenix-based Roberts Ent., reportedly plans to establish a new processing operation under a new company called American Beef Packers Inc. The company would employ some 250 people.

USDA's Food Safety and Inspection Service (FSIS) was still reviewing Roberts' application as of press time.

Research provides direction for checkoff

Checkoff funding has initiated 15 beef safety research projects in FY 2008, with a total budget of \$1.1 million, according to the CBB. In addition, multiple white papers and project summaries are being developed to disseminate research results. Three new one-page overviews of vital product enhancement research topics were recently posted on the checkoff's beef research web site.

Overview topics include tenderness, aging and muscle profiling. In addition, the site provides references to more in-depth publications printed with checkoff funding. To read these overviews and the full publications they reference, go to www.beefboard.org.

Export markets improve

As U.S. beef exports continue to recover from market disruptions resulting from BSE, cattle producers are focusing on the opportunities for growth in beef demand through growth in exports. Producers recently approved a CBB FY 2009 budget that increases investment in foreign marketing efforts by 11.2% year-on-year, even though the total CBB budget is down 6.6%.

According to the U.S. Meat Export Federation (USMEF), year-to-date U.S. exports of beef and beef variety meats through the first five months of 2008 — at 355,982 metric tons — are 29% above the same period in 2007 by volume, and up 39% in value.

Export volume during the first five months of the year represented 70% of the level during the first five months of 2003, while value of exports during that five-month period in 2008 are at 87% of 2003 levels. Individual bright spots so far this year include: Japan up 58% to 24,193 metric tons; European Union (EU) up 118% to 7,480 metric tons; Canada up 52% to 63,189 metric tons; Russia up 333% to 7,895 metric tons; Taiwan up 36% to 10,975 metric tons; and Vietnam up 679% to 14,772 metric tons. For more information about beef exports, go to www.usmef.org.

Washington Watch



Bill to limit Argentina trade

Sen. Tim Johnson (D-S.D.) included language in a bill that would bar the USDA rule allowing for imports from Argentina. According to the National Cattlemen's Beef Association (NCBA), this language would set a trade precedent for requiring the Secretary of Agriculture to report to Congress regarding diseases in Argentina. NCBA noted its opposition to the language.

Groups urge Congress to halt NAIS

In formal correspondence sent mid-July to the leaders of the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform, two national groups and nine others requested Congress immediately halt any further advancement of the National Animal Identification System (NAIS) and to conduct an oversight hearing on the USDA's NAIS activities.

According to Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA), the groups making the request were R-CALF USA, South Dakota Stockgrowers Association, Independent

Cattlemen of Nebraska, Independent Cattlemen of Iowa, Independent Cattlemen of Wyoming, Buckeye Quality Beef Association, Oregon Livestock Producers Association, Colorado Independent CattleGrowers (sic) Association, Kansas Cattlemen's Association, Independent Beef Association of North Dakota and the Cornucopia Institute.

Among other assertions, the group argues that USDA misrepresented privacy protections for livestock producers and improperly acquired premises registrations.

USDA issues interim final COOL rule

USDA issued an interim final rule July 28 for the mandatory country-of-origin labeling (COOL) program that will become effective Sept. 30. It was formally published in the *Federal Register* Aug. 1, but the pdf document can be viewed online at the *Federal Register* at http://federalregister.gov/OFRUpload/OFRDData/2008-17562_PI.pdf.

To stay abreast of what is happening with COOL, visit Angus Productions Inc.'s (API's) topic site www.countryoforiginlabeling.info, which provides recent news from various organizations and links to other sites that serve as resources on the subject.

API also tries to keep members informed on a daily basis through the Angus e-List. If

you're not currently receiving this electronic newsletter, delivered to your e-mail address on a daily basis, you can sign up simply by providing your e-mail address at www.angusjournal.com (see upper left corner of the page).

Industry Events



Nebraska Angus Tour **Sept. 19-21, North Platte**

The Nebraska Angus Association (NAA) will host its 2008 tour Sept. 19-21 in the North Platte area. Angus enthusiasts are encouraged to attend the event, which will include ranch tours, producer displays and speakers.

The tour will begin at 7 p.m. Friday, Sept. 19, at the Holiday Inn Express & Convention Center in North Platte. Evening events will include a program with hors d'oeuvres and refreshments. Bill Rishel will give a presentation on the history of the Beef Checkoff.

On Saturday, breakfast will be provided at Daigger Angus, North Platte. The stop also includes a tour of their herd. The tour will continue at the University of Nebraska West Central Research and Extension Center, followed by a stop at Arrow One Ranch south of North Platte. After lunch at Ankony

at Rishel Angus, the tour will stop at North Platte Feeders for a tour of their feedlot.

The afternoon continues with a pasture tour stop by L Bar L Angus of Wallace. The day's events will conclude with a stop at Triple B Angus Ranch and Knoll Ranch for the evening meal, tour of cattle, entertainment and a brief program conducted by Certified Angus Beef LLC (CAB) staff.

Activities Sunday begin with breakfast at Baldrige Bros. Angus west of North Platte along with viewing of their cattle. The tour will continue with a stop at Albrecht Angus north of North Platte with a display of cattle from the Hansen Ranch — Lawrence, Jeanne, Travis and Melody Hansen from Stapleton. From Albrecht Angus, the tour moves to Sutherland for lunch, with a stop at the Hanging H Ranch operated by Neal Hansen/Pat Stokey with a cattle tour. Craig Dethlefs, North Platte, will also have a display of his cattle set up for viewing. The tour will conclude with an afternoon tour stop at Snyder Bros. Angus, Paxton.

To register, contact Barb Rishel at 308-534-5305, Ron Sabata at 308-530-5959 or NAA Secretary Suzy Hebbert at 308-577-6700. Registrations for the tour are due by Sept. 5. A block of rooms at the Holiday Inn

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Express has been reserved, and attendees must make their own reservations by calling 1-877-863-4780 by Sept. 1.

Ohio Angus Field Day Sept. 21, Mansfield, Ohio

The Ohio Angus Association will conduct its field day Sept. 21 at the

Mansfield Correctional Institute Farm in Mansfield, Ohio. Angus breeders and enthusiasts are invited to spend the day in Mansfield as the interesting and educational program is sure to be enjoyable to all in attendance.

Registration is at 9 a.m., and the program will begin at 10 a.m. Featured speakers for the field day include Gerald Stokka, veterinarian, Pfizer Animal Health; Fernando Silveira, veterinarian, The Ohio

State University; and Brian House, beef specialist, Select Sires Inc.

A catered lunch will be served, and participants will be offered a wagon tour of the Mansfield Correctional Farm. In late afternoon the Ohio State Reformatory tour will begin.

Bryce Schumann, American Angus Association chief executive officer (CEO), will also be in attendance to meet and speak with Angus breeders.

Cattlemen join forces at conference

More than 850 cattlemen met in Denver, Colo., July 15-19 for the 2008 Cattle Industry Summer Conference, hosted by National Cattlemen's Beef Association (NCBA), Cattlemen's Beef Board (CBB), American National CattleWomen (ANCW), National Cattlemen's Foundation (NCF) and Cattle-Fax. The following are brief highlights from the annual summer meeting.

Members of NCBA voted July 19 to oppose government intervention in the renewable fuels marketplace and to support immediate efforts to significantly reduce the effects of that intervention on the cattle industry.

The vote, taken at the 2008 Cattle Industry Summer Conference, amends current NCBA policy to allow for more engagement in the debate over renewable fuels, as well as active promotion of a market-based system of renewable energy.

"NCBA is an organization of cattlemen and for cattlemen that is always working on solutions to challenges facing the industry," said Andy Groseta, a beef producer from Cottonwood, Ariz., and NCBA president. "The decisions made at this meeting allow us to create a more favorable business climate and aggressively oppose policies that would negatively impact cattle producers."

Other resolutions included beef quality assurance (BQA) efforts, cattle health, conservation, climate change and national security policies. Amendments and resolutions approved at this meeting are interim policy until they can be voted on January 2009 by the board of directors at the Cattle Industry Annual Convention in Phoenix, Ariz.

At the summer meeting, NCBA also launched a Governance Task Force to study the association's governance workings and identify improvements.

"We're always looking at how we can better serve cattlemen. I think our willingness to improve what we do is a large reason why we are one of very few associations experiencing double-digit growth in membership," Groseta said. Membership in NCBA has grown by 12% this year.

One such improvement in services was an interim policy passed July 19 to introduce a Young Producers Council at NCBA. In his term as president, Groseta has advocated engaging and developing programs to serve younger producers. The Young Producers Council will focus on reaching producers between the ages of 18 and 35.

Checkoff discussions

The Federation of State Beef Councils Division of NCBA hosted discussions during the meeting about the importance of qualified state beef councils working together and maintaining a coordinated state and national program to increase beef demand and improve the business climate for beef.

"We leave here with a renewed sense of purpose and unity to support an effective state and national checkoff partnership," said J.D. Alexander of Pilger, Neb., Federation Division vice chairman. "With limited resources, it's even more important that we find the most effective and efficient ways of investing in programs to increase beef demand."

In discussions on how to better coordinate the work of state beef councils and efforts of the national Federation, members raised the

possibility of changing the name of the Federation.

Also during the summer conference, joint checkoff committees with members representing CBB, the Federation of State Beef Councils, individual state beef councils and other groups met to review and recommend programs in research, information, education and promotion that can help increase demand for beef.

The programs are funded through the \$1-per-head beef checkoff. The recommended programs will be presented to the Beef Promotion Operating Committee, made up of producers representing the CBB and the Federation, for funding. Final programs must be approved by the U.S. Department of Agriculture (USDA) before implementation.

Expressing his optimism about the future of the cattle industry, Groseta pointed to positive trends, including increased producer support of the Beef Checkoff Program. Seventy-four percent of producers now say they approve the program, as compared to 72% who approved in January 2008.

Forward view

Groseta said he is encouraged by growing support among cattlemen because cattlemen face a growing list of opportunities that need to be addressed. He said the changing industry presents new policy challenges.

"This is an exciting time for the cattle industry, with a great deal of opportunities before us. Now, more than ever, it's critical that we present a unified voice so that we can take advantage of these changing dynamics," Groseta stated. "Meetings like this allow us to roll up our sleeves and work together to make this a stronger industry."

The 2008 Cattle Industry Convention and Trade Show will take place Jan. 28-31, 2009, in Phoenix, Ariz.

W.D. Farr Scholarship awarded

The academic careers of two outstanding graduate students were recognized July 17 with scholarships awarded in honor of one of the cattle industry's greatest pioneers. NCF honored the late W.D. Farr of Greeley, Colo., through two annual \$12,000 graduate scholarships bearing his name.

Mitchell Bowling is a doctoral candidate in the Department of Animal Sciences at Colorado State University, where he also received his master's degree. He received his bachelor's degree in animal science from Texas A&M University. Originally from Texas, Bowling is utilizing his degree work in meat science and food safety to increase exports of U.S. meat products.

Crystal Mathews is a doctoral candidate in the Department of Agricultural Education and Communication at the University of Florida. A native of Missouri, she received her master's degree from Texas A&M University and her bachelor's degree from the University of Missouri. Mathews' academic work focuses on agricultural education and communication with an emphasis on leadership. In her degree program, she is conducting research on volunteer leadership in the beef industry.

For more information visit www.nationalcattlemensfoundation.org.

Editor's Note: Information provided by NCBA and NCF.



Reservations are needed by Sept. 15. Make reservations by sending \$5 per Angus family to Joe Sanders, field day chairman, 5959 Hay Rd., Harrod, OH 45850; or Allen Gahler, Ohio Angus Association secretary and fieldman, 641 N. Ellistown Trowbridge Rd., Graytown, OH 43432.

Those who need accommodations should contact Holiday Inn, in downtown Mansfield, for reservations at 1-800-428-7290.

For more information about the Ohio Angus Association Field Day, contact Sanders at 419-648-3233, or Gahler at 419-350-2091 or secretary@ohioangus.org.

Kansas Angus Field Day **Sept. 27, Victoria, Kan.**

The Kansas Angus Association, in cooperation with the American Angus Association, is inviting all Angus breeders and enthusiasts to Victoria, Kan., for an Angus Field Day and celebration commemorating the 135th anniversary of Angus cattle arriving in the U.S. and 125 years of the American Angus Association.

The event will take place from 10 a.m. to 4:30 p.m., and will feature area cattle displays, a *Certified Angus Beef*[®] (CAB[®]) luncheon and presentation, an Angus history presentation, remarks by American Angus Association CEO Bryce Schumann, and an

unveiling of the renovated George Grant monument.

Preregistration is requested by Sept. 15. Visit <http://kansasangus.org> for more information.

National Angus Conference & Tour

Oct. 7-9, Oklahoma City, Okla.

The National Angus Conference & Tour (NAC&T) is set for Oct. 7-9 in Oklahoma City. The conference, “125 years — the Challenges of the Next Decade” will focus on production, marketing and performance. The Oklahoma Angus Association will host

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“An Angus Gathering,” a two-day tour of Angus operations, along with a museum and reining horse training facility. Purina Mills LLC and Alpharma Animal Health are the major sponsors of this year’s event.

A slate of industry speakers will address the state of the beef industry, performance information, selection tools, branded beef programs and marketing. Speakers include John Lawrence, Iowa State University; Mark Allan, U.S. Meat Animal Research Center (USMARC); William Herring, Smithfield Premium Genetics Group; Paul Roach,

Reasor’s Stores; and Rod Nulik, Purina Mills.

A marketing panel and two-day tour of scenic Oklahoma are also scheduled.

The early registration deadline for the NAC&T is Sept. 1. Cost of registration is \$75 before Sept. 1 or \$125 afterward. Registration includes the conference program, meals and transportation for the tour.

The Clarion Meridian Hotel and Convention Center is the headquarters for the 2008 NAC&T. A block of rooms has been reserved for \$73, plus tax, per room.



All attendees must make their own room reservations by calling the hotel directly at 405-942-8511. Rooms in the Angus block will be available until Sept. 22.

For further details, reference the insert in the July *Angus Journal* or visit the conference web site at www.nationalangusconference.com.

For additional information, contact Shelia Stannard at sstannard@angus.org or Monica Jordan at mjordan@angus.org, or call 816-383-5100.

Angus Productions Inc. (API) will provide online coverage of the event at www.nationalangusconference.com.

