



Beef Business

► A look at current issues affecting the cattle industry

Congress reauthorizes the Animal Drug User Fee Act

The Animal Drug User Fee Act (ADUFA) passed the House of Representatives June 3 on a vote of 390-12. With the May passage of ADUFA in the Senate, the legislation, which authorizes the Food and Drug Administration (FDA) to collect fees for certain animal drug applications, now heads to the White House for the president's signature.

The passage of ADUFA is important because new animal health technologies allow cattle producers and veterinarians to prevent, control and treat diseases to maintain a healthy herd, says Scott George, National Cattlemen's Beef Association (NCBA) president. "The reauthorization of ADUFA will provide resources for the FDA to conduct timely and thorough reviews of new animal drugs for safety and effectiveness."

For more detail see the June 7 *Angus Journal Daily* online at <http://bit.ly/19iOkYc>.
— Source: NCBA.

FY 2014 Beef Board budget approved

National checkoff leaders approved a Cattlemen's Beef Board (CBB) budget of about \$40.7 million for fiscal year (FY) 2014, reflecting a 5.6% decrease from the FY 2013 amended budget amid continued tight supplies and an expected slowing of cow slaughter.

The CBB Budget Committee, the Operating Committee, and the CBB Executive Committee each reviewed their respective portions of the proposed budget during separate conference calls June 4. The budget is based on projected beef checkoff assessment revenues of \$39 million in the coming year, down slightly from 2013. In addition, it incorporates an estimated \$1.7 million in FY 2013 funds returned from programs coming in under budget for the current year, plus funds that the Operating Committee decided last September to carry over from FY 2013 revenues to counter the revenue decline expected in FY 2014.

As approved, the budget for the fiscal year running Oct. 1, 2013, through Sept. 30, 2014, includes more than \$37.9 million for the Operating Committee to assign for funding of national checkoff work plans from promotion, research, consumer information,

industry information, foreign marketing and producer communications budget categories of the CBB budget. It also incorporates \$2.8 million to fund a CBB administration and USDA oversight budget approved by the Executive Committee, as well as program development and evaluation expenses approved by the Operating Committee.

— Source: CBB.

NAC&T website is live

Details for the 2013 National Angus Conference & Tour (NAC&T), themed "Angus Along the Hudson," are now available online. Scheduled for Aug. 28-30, 2013, the event will be headquartered out of Albany, N.Y., and includes trips to upstate New York and historical locales.

The conference will focus on consumers and business. In an area full of consumers who ask more questions about where their food comes from, conference attendees will hear about advocating and transparency, marketing genetics and end products, the business side of beef, preparing for the future and more.

For more information, see the insert in this issue and visit www.nationalangusconference.com.

— Source: Angus Journal.

Responses needed for AI survey

Your help is requested in learning about practices beef producers use in conjunction with artificial insemination (AI) and synchronization of estrus. Responses are sought from those who use AI for their own operation, as well as those who provide AI services to others. The survey should take 10-20 minutes to complete. One lucky respondent will receive 50 Estroject™ Heat Detection Patches. Survey results will be available at www.beefrepro.info.

To participate in the survey by the deadline of July 15, follow this link: <http://bit.ly/11DtK78>.

— Source: K-State.

Animal Welfare Institute petitions USDA to make slaughter more humane

The Animal Welfare Institute (AWI) submitted a petition to USDA's Food Safety and Inspection Service (FSIS) requesting the agency write regulations designed to decrease

the "needless suffering of animals during slaughter." AWI asked FSIS to require all slaughter establishments to create and implement a comprehensive, written animal-handling plan.

AWI further requested that FSIS require that all workers who have contact with animals be trained in humane handling, that stunning equipment be routinely tested and maintained, and that backup stunning devices be available in both the stunning and holding areas of every slaughter plant.

An AWI news release stated that its petition is based on a review of more than 1,000 humane slaughter violations occurring at state and federally inspected slaughter plants from 2007 through 2012. The organization said it received records describing the incidents in response to more than 100 Freedom of Information Act requests submitted to USDA and state departments of agriculture.

AWI describes its mission as "to alleviate suffering of nonhuman animals," though it "condemns violence directed against all living creatures," including humans. When it was formed in 1951, its focus was on animals used for experimentation. According to the organization's website, today, one of its "greatest areas of emphasis is cruel animal factories, which raise and slaughter pigs, cows, chickens and other animals."

— Source: AWI.

Smithfield confirms agreement to sell to Chinese firm for \$7 billion

Smithfield Foods and Shuanghui Int'l Holdings Ltd. announced May 29 that they have entered into a definitive merger agreement that values Smithfield at approximately \$7.1 billion, including the assumption of Smithfield's net debt.

Shuanghui Int'l is the majority shareholder of Henan Shuanghui Investment & Development Co., which is China's largest meat-processing enterprise and China's largest publicly traded meat-products company as measured by market capitalization.

Smithfield will become a private company. Current leadership and management will remain in place. The headquarters will remain in Smithfield, Va.

There will be no Smithfield plant closings as a result of the transaction, Smithfield President and CEO C. Larry Pope said on a conference call. He also confirmed that he will remain in his current role.

"This is a great transaction for all Smithfield stakeholders, as well as for American farmers and U.S. agriculture," said Pope in a news release. "We have established Smithfield as the world's leading and most

trusted vertically integrated pork processor and hog producer, and are excited that Shuanghui recognizes our best-in-class operations, our outstanding food-safety practices and our 46,000 hard-working and dedicated employees.

“It will be business as usual — only better — at Smithfield,” he assured. “We do not anticipate any changes in how we do business operationally in the United States and throughout the world. We will become part of an enterprise that shares our belief in global opportunities and our commitment to the highest standards of product safety and quality. With our shared expertise and leadership, we look forward to accelerating a global expansion strategy as part of Shuanghui.”

The transaction is expected to close in the second half of 2013.

For more information, visit Meatingplace.com.

— Source: Meatingplace.com.

USDA, USMEF React to U.S. Upgrade to ‘Negligible’ Risk for BSE

The World Organization for Animal Health (OIE) May 29 announced its decision to upgrade the United States’ risk classification for bovine spongiform encephalopathy (BSE) to negligible.

“This is a significant achievement that has been many years in the making for the United States, American beef producers and businesses, and federal and state partners who work together to maintain a system of interlocking safeguards against BSE that protect our public and animal health,” commented Ag Secretary Tom Vilsack. “This decision demonstrates OIE’s belief that both our surveillance for, and safeguards against, BSE are strong. U.S. beef and beef products are of the highest quality, wholesome and produced to the highest safety standards in the world.”

Vilsack noted that U.S.-origin beef and beef product exports totaled \$5.5 billion last year. The negligible-risk classification will provide a foundation for expanding exports of U.S.-origin beef and beef products.

“In doing so, we will continue to press trading partners to base their decisions on science, consistent with international standards,” he said. “U.S. food and agricultural exporters and consumers worldwide benefit when countries adopt science-based international standards.”

USMEF President and CEO Philip Seng also welcomed the announcement, saying, “This decision by the OIE should clear away any remaining concerns that some countries have about the risk associated with importing beef and beef products from the United States. We think the

decision announced by the OIE today should provide a number of beef-importing countries with a reason to reevaluate their requirements for beef imports from the United States.”

— Sources: USDA and USMEF.

Emergency food and water supply: Is your family prepared?

For those who have ever experienced the inconvenience of a power outage, you understand the challenges associated with preparing a meal for your family. Families that have had to deal with a power outage that lasts more than 24 hours or an emergency situation, such as an earthquake, hurricane, winter storm or other natural disaster, understand how important it is to have access to safe food and water.

Even though it’s unlikely that an emergency would cut off your food supply for an extended period of time, families should consider maintaining a food and water supply that will last at least two weeks.

The publication *Food and Water in an Emergency* provides the following recommendations when preparing an emergency food supply:

- ▶ Take into account your family’s unique needs and tastes. In an emergency situation, you want to have food on hand that is not only high in calories and nutrition, but will be enjoyed by members of your family and help lift their morale during a stressful time.
- ▶ Make sure to stock foods that require no refrigeration, water, special preparation or cooking.
- ▶ Take into account family members that have special diets and/or allergies. Don’t forget about babies, toddlers and the elderly; who may require special foods.
- ▶ Store a manual can opener and disposable utensils.
- ▶ Don’t forget to regularly check the expiration dates of canned and dried goods.
- ▶ Make sure to have nonperishable food stored for your pets.
- ▶ It’s important not to forget about water. Access to clean, drinkable water should be your No. 1 priority in an emergency situation. The safest and most reliable source of water is commercially bottled water. Make sure to keep bottled water in its original container and do not open it until you are ready to use it.

For more detail see the June 3 *Angus Journal Daily* online at <http://bit.ly/19iOkYC>.

— Source: MSU Extension.

MOVIN’ FORWARD

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and workshops for CAB licensees and industry organizations. The facility offers an economy-scale kitchen and meat-fabrication area, as well as classrooms and meeting space. It now plays a central role in bolstering our capabilities to promote our product and advance the interests of the brand.

Angus TV. Since the official launch of Angus Television in October 2011, Angus TV programming has reached more than 4 million viewers, enabling our organization unmatched capabilities in communicating with the industry and sharing the good news of Angus.

Our online viewership of Angus TV channels on YouTube and Vimeo will surpass 2 million lifetime views this year, ranking our content among the most-watched in the cattle business.

Commercial DNA tools. The newly developed GeneMax™ test, which was developed as a direct result of the Long-Range Strategic Plan, equips producers of commercial Angus cattle with the ability to make precise keep/cull decisions when it comes to managing and marketing their cattle.

The test, which evaluates marbling and postweaning performance in high-percentage Angus cattle, enables producers to identify the highest-value replacement females before they invest unnecessary time and money in the wrong heifers; make better breeding decisions; and leverage GeneMax results as a proven mark of quality when they’re marketing their cattle.

In addition, the test helps feedyards manage risk by feeding cattle with more predictable gain and grade potential.

GeneMax also enables producers to assign specific sires to tested animals — at no additional cost. To enable sire match, potential sires must be tested using the Zoetis HD 50K genomic test and be registered with the American Angus Association.

We’re proud of the progress we’ve made in the last two years but recognize that much more work remains to ensure the growth of demand for Angus cattle. Member input was central to all of these initiatives — and your guidance in the future will continue to guide this organization for years to come.


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