



Beef Business

► A look at current events affecting the cattle industry

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USDA: Second-largest corn crop projected

The U.S. Department of Agriculture (USDA) released its World Agricultural Supply and Demand Estimates (WASDE) report Aug. 12, projecting U.S. feedgrain supplies for 2009-2010 higher. Corn production for 2009-2010 is projected at 12.8 billion bushels (bu.), up 471 million bu. due to higher yield forecasts. U.S. Grains Council (USGC) President and CEO Ken Hobbie said rising demand for ethanol and exports are responsible for the outlook.

Argentina beef prices skyrocket

Local beef prices in Argentina have risen more than 20% in 2009, according to a *Fortune* magazine article released through CNN.com Aug. 11. According to *Fortune*, beef in Argentina accounts for 5% of the consumer price index and is the country's third-largest export.

The price increases are reportedly due to scarcity caused by a severe drought and complicated by the global recession. Many farmers there are converting their fields from grazing to grains, now the country's top export.

Senate amendment would slash NAIS funds

The Senate Agriculture Appropriations Subcommittee has accepted an amendment to reduce the budget for the National Animal Identification System (NAIS) by nearly half, according to *Drovers*. The amendment introduced by Sen. Jon Tester (D-Mont.) and Sen. Mike Enzi (R-Wyo.) would also limit the use of funds to pay for rule-making activities, *Drovers* reported mid-August.

First case of VS detected in Texas

The nation's first case of vesicular stomatitis (VS) for 2009 has been detected in a horse in Starr County, in far south Texas.

Texas State Veterinarian Bob Hillman said many states and countries will place additional entry requirements or restrictions on the movement of animals from affected states, or portions of the state, to prevent the spread or introduction of infection. Hillman suggests calling the state or country of destination before moving livestock to ensure that all entry requirements can be met.

USDA launches retooled loan assistance

Agriculture Secretary Tom Vilsack announced Aug. 10 that the USDA is undertaking an unprecedented effort to use the department's administrative flexibility to provide relief to individuals and businesses in struggling agriculture industries. Vilsack has ordered USDA Rural Development and the Farm Service Agency (FSA) to use all available means to help producers, processors and other small businesses who have been hit by worsening economic conditions.

Visit www.fsa.usda.gov for further information.

Death tax legislation introduced

Congressmen Mike Thompson (D-Calif.) and John Salazar (D-Colo.) introduced legislation that would provide farmers and ranchers relief from the death tax, according to the National Cattlemen's Beef Association (NCBA).

HR 3524, the Family Farm Preservation and Conservation Estate Tax Act, would exempt working farm and ranch land from the death tax, as long as the land is kept in production agriculture. Should the land be used or sold for other purposes, a recapture tax would be imposed.



Cattlemen address industry challenges at summer conference

Nearly 800 cattlemen and women attended the annual Cattle Industry Summer Conference July 14-18 in Denver, Colo., where members of the National Cattlemen's Beef Association (NCBA) approved policy resolutions and directives. The resolutions were passed by vote during the membership meeting at the culmination of the conference.

- Animal identification (ID) was one of the most popular topics of discussion at the conference. NCBA members voted to work toward an efficient national animal identification system (NAIS) that meets the needs of beef producers, while minimizing additional costs and maintaining confidentiality of producer, animal and premises information. NCBA will also work to ensure the system operates at the speed of commerce, integrates private-sector databases, and is phased-in within and between species. NCBA policy continues to support a voluntary NAIS and strongly encourages all producers to acquire premises IDs.
- Members also voted to amend current policy with regard to the H-2A Jobs Program. NCBA policy continues to call for meaningful immigration reform and supports passage of "The Agricultural Job Opportunities, Benefits and Security Act" (AgJobs), which would streamline the current H-2A program and make it more workable for the cattle industry. The amended policy recommends that provisions in the AgJobs bill ensure that all livestock workers are treated fairly and that the legislation retains provisions to address the unique and specialized occupations required for livestock production.
- Members also approved a new policy to learn more about an emerging cattle virus with similarities to bovine viral diarrhea (BVD) recently discovered in South America and southeast Asia to determine if surveillance is needed in the U.S. The policy encourages the U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) to adhere to and implement strict international biosecurity measures for pestiviruses, addressing shipment of animals and animal products.
- In public lands news, as the number of big game animals increases in certain regions, state game management agencies have been unsuccessful in maintaining targeted population numbers. Because big game can damage private pastures used for grazing cattle, maintaining a level population is important for cattle production. Big game animals tend to seek habitats on wildlife refuges and parks during hunting season, which prevents them from being hunted, and prevents game management agencies from managing their populations. For this reason, NCBA's members voted to request that the Department of the Interior authorize hunting of big game on these refuges and parks, similar to the programs currently in place for waterfowl.
- The Packers & Stockyard Administration mandates that livestock weights for purchase and sale must be from a scale certified twice per calendar year. Members resolved to work to streamline this process by urging the Packers & Stockyard Administration to allow all channels of trade on certified scales officially inspected within the previous 12-month period or in accordance with individual state statutes.