



# Beef Business

► A look at current events affecting the cattle industry

## USDA clarifies COOL implementation, enforcement

Country-of-origin labeling (COOL) became mandatory Sept. 30, but it won't be fully enforced with citations and fines until April 2009, according to a press conference presented Sept. 30 by the U.S. Department of Agriculture (USDA). Instead, the marketing program will be operated under an "informed compliance approach," said Agriculture Undersecretary Bruce Knight. Suppliers and retailers of covered commodities are still expected to maintain records of origin, but for the time being USDA will focus on industry education and outreach.

"We are not going to begin enforcement until six months from now because we want to make sure that everyone will be able to come into compliance as quickly as possible," explained Agriculture Marketing Service (AMS) administrator Lloyd Day, noting that retail surveillance for fish and shellfish will continue as normal since COOL has applied to them since 2004.

For more information about COOL, visit [www.countryoforiginlabeling.info](http://www.countryoforiginlabeling.info) in Angus Productions Inc.'s (API's) library of topic sites.

## Montana's brucellosis-free status downgraded

The Montana Department of Livestock announced that the USDA Animal & Plant Health Inspection Service (APHIS) has officially downgraded the state's brucellosis status from Class Free to Class A.

Montana had been brucellosis-free since 1985, but the disease was found in a Bridger cattle herd in May 2007. Per APHIS rules, the state had to remain brucellosis-free for 24 months after that discovery to maintain Class Free status. The process of downgrading Montana's status was initiated in June 2008 after a cow in Paradise Valley was found to be infected with the disease.

The department has been working on a brucellosis action plan, and will reapply for Class Free status as soon as possible, on May 27, 2009.

The downgrade means Montana's livestock producers will, at a minimum, be required to test all sexually intact cattle more than 18 months of age within 30 days of export. Exempt from the testing requirement are cattle sent directly to harvest, from certified brucellosis-free herds and from ranch of origin to an approved market facility.

More information can be obtained from the Montana Department of Livestock's web site at: <http://mt.gov/liv/>.

## Minnesota's split state status approved

Three years after detecting bovine tuberculosis (TB) in northwest Minnesota, the USDA has approved Minnesota's Split State Status. With the approval of Split State Status, a large part of the state will upgrade its classification to Modified Accredited Advanced (MAA), and a smaller section of northwestern Minnesota will remain at the Modified Accredited (MA) classification. According to the Minnesota Board of Animal Health, this status will help the state target its resources where they are most needed, while also saving producers outside the affected area from the additional testing requirements that accompany MA status.

Herds in the MA Zone will still be subject to the more stringent shipping and testing restrictions. To view a map or review the testing and shipping requirements, please visit the state's bovine TB web site at [www.mntbfree.com](http://www.mntbfree.com).

## New Mexico's TB status downgraded

APHIS is also reclassifying New Mexico as MAA for bovine TB, according to the Texas Animal Health Commission.

Although this action is consistent with the reclassification of other Accredited-Free states with two or more TB-affected herds during a 48-month period, intact heifers still can be shipped interstate if moved directly to a feedlot or in feeder channels. Also, the movement of spayed heifers and steers, cattle from a TB-accredited free herd and cattle or bison less than 6 months of age, can continue.

At press time, APHIS was working closely with New Mexico animal health officials to conduct a comprehensive risk assessment to further examine the state's TB status.

## California's TB status changes

APHIS issued an interim rule, effective Sept. 18 to change California's classification to MAA for bovine TB. Previously, California had been listed as Accredited Free, but because of the discovery of two affected cattle herds since November 2007, the state no longer meets the requirements for that status. As a result of this change, cattle or bison moved from California now must meet specific testing requirements to leave the state.

## Research points to BSE testing on live animals

A group of Canadian scientists found that

## U.S. cattle on feed down 3%

Cattle and calves on feed for harvest in the United States for feedlots with capacities of 1,000 or more head totaled 10.0 million head Sept. 1, 2008. The inventory was 3% below Sept. 1, 2007, figures and 9% below Sept. 1, 2006, figures.

Placements in feedlots during August totaled 2.06 million, 3% below 2007 figures and 10% below 2006 figures. Net placements were 2.01 million head. This is the second-lowest placements for the month of August since the series began in 1996.

Marketings of fed cattle during August totaled 1.88 million, 9% below 2007 figures and 9% below 2006 figures.

Other disappearance totaled 49,000 head during August, 2% below 2007 figures and 17% below 2006 figures.

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

	No. of head (1,000 head)			2008 as % of	
	2006	2007	2008	2006	2007
On feed Aug. 1 <sup>a</sup>	10,822	10,299	9,869	91	96
Placed on feed during Aug.	2,290	2,119	2,061	90	97
Fed cattle marketed during Aug.	2,067	2,066	1,884	91	91
Other disappearance during Aug. <sup>b</sup>	59	50	49	83	98
On feed Sept. 1 <sup>a</sup>	10,986	10,302	9,997	91	97

<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.

changed levels of a protein in cattle urine indicates the presence of bovine spongiform encephalopathy (BSE).

Scientists at the Public Health Agency of Canada's National Microbiology Laboratory, the Canadian Food Inspection Agency (CFIA) BSE Reference Laboratories, the Federal Research Institute for Animal Health in Germany, and the University of Manitoba, also determined that changes in the abundance of a set of proteins corresponded with disease advancement.

The discovery could lead to the ability to perform accurate BSE diagnostic tests on live animals, according to *Meatingplace.com*.

### **Mexico meat exports to U.S. suspended**

Mexico has suspended meat exports to the United States while producers check conditions at their plants to comply with U.S. sanitary regulations, according to a *Reuters* article that cited U.S. officials and Mexican meat producers mid-September.

Amanda Eamich, a spokeswoman for USDA Food Safety and Inspection Service (FSIS), said Sept. 5 that Mexico informed U.S. authorities on Aug. 29 it was suspending exports voluntarily.

### **Alert network for 'backyard' herds**

The National Center for Foreign Animal and Zoonotic Disease Defense (the FAZD Center) will introduce a model network for alerting owners of noncommercial livestock and poultry to potential outbreaks of highly contagious and potentially catastrophic animal diseases.

The County Animal Security and Health Network (CASHN) is a county-level network of feed retailers established and maintained by county Extension agents. The network is activated by the state veterinarian to deliver critical disease alerts and educational material to owners of noncommercial livestock and poultry. CASHN has been pilot tested in six states.

### **Funding available for innovations**

Innovative farmers and ranchers who want to implement a new, sustainable idea to improve their operation are encouraged to apply for grants available through the North Central Region Sustainable Agriculture Research and Education (NCR-SARE) Program.

The program awards grants to farmers and ranchers for on-farm research, demonstrations, and education projects. By providing funds ranging from \$6,000 per

individual grant to up to \$18,000 for grants awarded to groups of three or more, NCR-SARE helps facilitate essential agricultural research and development.

Grant proposals are due in the NCR-SARE office by Dec. 1, 2008. Interested applicants may contact Kansas SARE Coordinator Jana Beckman at 785-532-1440 or [beckman@ksu.edu](mailto:beckman@ksu.edu), or the NCR-SARE Farmer Rancher Grant Program Coordinator Joan Benjamin at 402-472-0809 or [ncrsare@umn.edu](mailto:ncrsare@umn.edu).

The current Farmer Rancher Grant Call for Proposals application can be found on the NCR-SARE web site at <http://ncr.sare.org/prod.htm>.

### **USDA sets aside '840s'**

On Sept. 18, the USDA announced that the prefix "840" for animal identification (ID) numbers will be reserved exclusively for animals born in the United States.

The 840 designation will help producers participating in the National Animal ID System (NAIS) more easily identify their animals as being of U.S. origin. Additionally, the exclusive use of 840 for U.S.-born animals will help shorten the response time in determining the origin of an infected animal in the event of a disease outbreak.

### **Europeans raise BSE testing age**

The European Commission (EC) raised the BSE testing age for cattle to 48 months from the current testing age of 30 months. According to the National Cattlemen's Beef Association (NCBA), producers applauded the decision, saying it would reduce costs on ranchers.

Cattle more than 30 months of age that meet market requirements will no longer be discounted because of their age.

BSE cases in most EU (European Union) member states almost halved in 2007 and no new cases were registered in 14 of the 27 member states.

### **BSE cost U.S. \$11 billion, ITC says**

The U.S. International Trade Commission (ITC) released a report estimating that trade restrictions resulting from BSE cost the U.S. cattle industry \$11 billion from 2004 to 2007, *Meatingplace.com* reports.

Farm-gate sales of cattle and calves during that period were \$195.5 billion, so the \$11 billion in losses estimated by the ITC translates to 5.6% of cattle producers' income, according to NCBA. The report also estimated that tariffs and tariff-rate quota restrictions cost the industry another \$6.3 billion from 2004 to 2007.

### **Ag committee suspends base acre minimum**

The Agriculture Committee approved a

bill to suspend for the 2008 and 2009 crop years a Farm Bill provision that required producers to have a minimum of 10 base acres to receive program benefits. The move was, according to the committee, in response to the USDA's plan to deny farm program benefits to hundreds of thousands of producers.

Chairman Collin C. Peterson of Minnesota said, "This will protect the farm safety net for producers while giving us time to decide how to correct the problem for later years."

### **Stokes resigns from NCBA**

Terry Stokes, NCBA chief executive officer (CEO), announced Sept. 25 he will resign from his position following the 2009 Cattle Industry Convention, Jan. 31, 2009. He said he is looking forward to spending time with his family and exploring new opportunities.

### **AMI launches consumer videos**

The American Meat Institute (AMI) unveiled a new educational video series, "Ask the Meat Science Guy," which will feature Randy Huffman, president of the AMI Foundation.

The nine-part, short video series will provide answers to many of the questions consumers pose about meat and meat safety. The first three videos in the series, "Cooking Steaks and Burgers Safely," "Cured Meats and Nitrite" and "Processed Meat and Pregnancy" are currently featured at [www.youtube.com/meatnewsnetwork](http://www.youtube.com/meatnewsnetwork). Additional educational videos in the series will be added in the coming weeks.

### **Federation fund awards grants**

The Federation of State Beef Councils (FSBC) has awarded 12 new grants through its Federation Initiative Fund to help underwrite beef promotions in states with high human populations but low cattle numbers and limited beef checkoff collections.

Grants totaling more than \$172,000 were awarded to state beef councils who will execute one or more targeted beef promotions in Michigan, New York, Florida, Georgia, Hawaii, Ohio, Indiana, Pennsylvania and Vermont. The projects range from foodservice training, retail promotions and product sampling to a K-12 health education program designed to reach at least 350,000 teachers students and parents.

**Washington Watch** 

### **Court sides with USDA on BSE testing**

The U.S. Court of Appeals for the District

## BEEF BUSINESS

of Columbia overturned an earlier federal court decision stating Arkansas City, Kan.-based processor Creekstone Farms Premium Beef must be allowed to test for BSE because USDA can only regulate disease "treatment."

According to *Meatingplace.com*, the Court of Appeals ruled the USDA can prohibit meatpackers from testing cattle for BSE, saying the test doesn't qualify as a treatment because there is no cure for BSE and the test is conducted on dead animals.

The case now returns to the district court, where Creekstone can make further arguments.

### House passes oversight bill

The U.S. House of Representatives voted Sept. 19 to approve a bipartisan bill to increase the transparency, oversight, and anti-manipulation authority over commodity futures and options markets, according to the House Committee on Agriculture. The House overwhelmingly passed H.R. 6604, the Commodity Markets Transparency and Accountability Act of 2008 by a vote of 283-133.

Previous Committee action on H.R. 6604 and a summary of the bill's provisions can be

found on the House Agriculture Committee web site at <http://agriculture.house.gov/inside/legislation.html>.

### House passes budget resolution

Congress passed H.R. 2638 – the "Consolidated Security, Disaster Assistance and Continuing Appropriations Act" late September. The bill passed by a vote of 370-58, and included a Continuing Resolution (CR) for funding through March 2009.

Included in the legislation is nearly \$22 billion in Disaster Assistance funding, including \$1.433 billion in USDA and Department of Interior funding.

## Industry Events

### American Agri-Women Annual Meeting

**Nov. 5-9, San Antonio, Texas**

Investigative reporter Tim Findley will be American Agri-Women's (AAW) keynote speaker at their annual convention at the historic Menger Hotel in San Antonio.

He is a 25-year veteran of the media industry who wrote for the *San Francisco Chronicle* and broke the stories on Patty Hearst while working there. Now Findley covers issues dear to America's rural people

as a mainstay writer for *Range Magazine*.

Robert Balling Jr., professor in the climatology program in the School of Geographical Sciences at Arizona State University, will speak on climatology issues.

For a complete agenda of the 2008 American Agri-Women Annual Meeting & Convention visit [www.texasagriwomen.org](http://www.texasagriwomen.org).

### 2008 Beef Quality Summit

**Nov. 6-7, Colorado Springs, Colo.**

Penton Media's *BEEF* magazine will host its third annual *BEEF* Quality Summit Nov. 6-7 at the Antlers Hilton in Colorado Springs, Colo. The theme of this year's conference is "Quality — A Solution to Rising Costs." The *BEEF* Quality Summit provides attendees with the opportunity to network with producers, vendors and others in the industry, and to learn how to increase the value of their beef-cattle production. Full conference details are available at [www.beefconference.com](http://www.beefconference.com).

The \$150 registration cost includes the program, a trade show, two breakfasts, two lunches and a reception. The program features some of the nation's top experts providing participants with background and insight into the considerations, tools and practices that can help producers optimize beef quality as a competitive tactic in these challenging times.

CONTINUED ON PAGE 212

 **Insurance workshops**

**Nov. 4-6, Kansas, Colorado, Nebraska**

Three universities are teaming up to help answer questions regarding crop and livestock insurance under the latest farm bill. Their insurance workshop, titled “Meeting the Risk Management Challenges of a New Farm Bill and New Price Relationships” will be Nov. 4 in Brush, Colo.; Nov. 5 in Grand Island, Neb.; and Nov. 6 in Salina, Kan.

The program was designed for anyone

wanting to enhance their knowledge of risk management and their ability to design an appropriate risk management plan for their farm or ranch.

The workshops sponsors are K-State Research and Extension, University of Nebraska-Lincoln Extension and Colorado State University Extension. Presentation topics will include: The New Farm Bill: New Decisions for Producers; Grain Outlook — Can We Feed the World and Produce Bio-fuels; Using ACRE in a Risk Management Plan; Crop Insurance Program Update; Pasture, Range and Forage Policy Update; and Optimum Level of Crop Insurance

Combined with the New SURE (Standing Disaster Aid) Program.

More information, including registration instructions, is available online at <http://cropinsure.unl.edu> or by phone at 1-800-535-3456.

 **Land use conference**

**Nov. 17, Columbus, Ohio**

Addressing topics from the mortgage crisis to energy, Ohio State University (OSU) Extension will host its annual Ohio Land Use Conference Nov. 17, from 9 a.m. to 4 p.m. at the Nationwide and Ohio Farm Bureau 4-H Center, 2201 Fred Taylor Dr., in Columbus.

Registration is \$55 and includes all meals and materials. The registration deadline is Nov. 10.

The theme of this year's program is "Land Use Policy in Turbulent Times," and is targeted to county and township officials, planning and zoning officials, government agency personnel, OSU Extension educators, community organizations and resource professionals.

For more information or to register, visit [http://comdev.osu.edu/landuse\\_conf08.html](http://comdev.osu.edu/landuse_conf08.html). For questions regarding registration call 614-292-6232.



## **Beef cattle reproduction symposium**

**Dec. 2-3, Fort Collins, Colo.**

New methods and technologies to control and improve reproductive success in beef cattle will be the focus of the "Robert Taylor Memorial Symposium: Applied Reproductive Strategies in Beef Cattle" scheduled for Dec. 2-3 at the Hilton Hotel in Fort Collins, Colo.

The workshops are designed to improve the understanding of the physiological processes of the estrous cycle, procedures to synchronize estrus and ovulation and the application of these systems. They will also

focus on improving participants' understanding of methods to assess male fertility and how it affects the success of artificial insemination (AI) programs.

Program details and registration information are available at [www.appliedreprostrategies.com](http://www.appliedreprostrategies.com). Continuing education credit will be available.

More information is available by contacting Jack Whittier, Colorado State University (CSU) at 970-491-6233 or [jack.whittier@colostate.edu](mailto:jack.whittier@colostate.edu); or Nancy Weiss at 970-491-7640 or [nancy.weiss@colostate.edu](mailto:nancy.weiss@colostate.edu).

