



Beef Business

► A look at current issues affecting the cattle industry. Compiled by *Kasey Brown*, senior associate editor

BQA free certification period

During the 2016 annual Cattle Industry Convention, Boehringer Ingelheim Vetmedica Inc. (BIVI) announced a Beef Quality Assurance (BQA) free-certification period through April 15.

Beef and dairy producers can take advantage of free BQA certification online courtesy of BIVI and the BQA program, which is funded in part by the beef checkoff. Register today and complete your certification at your own convenience.

BIVI will pick up the \$25-\$50 online training fee for every person completing BQA training through April 15. That includes anyone who works with cattle, whether beef or dairy. Visit www.bivi-bqa.com to take advantage of the open certification period.

The BQA program is important to the cattle industry because it is a producers' consumer-friendly story to tell, helping them talk about using BQA Best Management Practices for producing a safe and high-quality beef product. See "Creating a Culture" on page 272 of this issue.

Source: Boehringer Ingelheim.

Chesapeake Bay residents do not trust federal regulation

Nearly three in four residents of the Chesapeake Bay Watershed say state and local government authority over water resources should trump federal authority. When health, safety and environmental regulations are needed, nearly half say they trust state and local governments, compared to only 28% who trust the federal government.

Those were two key findings of new Morning Consult polling conducted Jan. 21-22 of 1,042 registered voters who reside within the Chesapeake Bay Watershed. The American Farm Bureau Federation (AFBF) sponsored the poll.

"Residents of the Chesapeake Bay region believe their local governments should have authority when it comes to protecting their water, and, understandably, they trust state and local authorities much more than they do the federal government," said Ellen Steen, general counsel for AFBF.

Source: American Farm Bureau Federation.

Meat Matters campaign

The Animal Agriculture Alliance unveiled a new campaign focused on promoting the

role of meat and poultry in a healthy, balanced diet. The Meat Matters initiative counters claims made by activist groups about the nutritional value of animal protein, as well as the sustainability of meat and poultry production.

"We've heard a lot of concern over the years from our members about activists pushing the 'Meatless Mondays' movement in their local schools and communities," said Kay Johnson Smith, Alliance president and CEO. "This misleading movement is another tactic to eliminate consumer choice — the ability that we each have to determine the right food choices for ourselves and our families. Our new campaign will help consumers sort through the myths and misinformation to understand the true value of meat and protein in their diets."

The Alliance has produced and maintained consumer-facing resources explaining the truth behind Meatless Mondays for nearly a decade, and the new Meat Matters materials take that content to a new level with eye-catching graphic design and easily digestible information.

You can find more information at www.animalagriculturealliance.org/engage/.

Source: Animal Agriculture Alliance.

R-CALF USA responds to TPP testimony

During a formal hearing convened recently by the U.S. International Trade Commission (ITC), representatives of the world's largest multinational meatpackers praised the proposed Trans-Pacific Partnership (TPP) free-trade agreement. Hearing witnesses representing U.S. livestock and meat industries included the Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America (R-CALF USA), the National Cattlemen's Beef Association (NCBA), Cargill Inc., the U.S. Dairy Export Council, and the U.S. Hide, Skin and Leather Association, an affiliate of the North American Meat Institute (NAMI, formally AMI).

R-CALF USA was the only livestock industry representative that opposed the TPP during the hearing.

"I don't represent the beef industry," said R-CALF USA CEO Bill Bullard, adding, "I represent the cattle industry. Our members sell cattle to beef industry packers. The TPP will impact the cattle industry very

differently than it impacts the beef industry."

Among the many pro-TPP claims made by the NCBA was that beef exports in 2014 accounted for nearly \$350 per head in overall sales of fed cattle, with similar benefits expected from the proposed TPP.

However, R-CALF USA explained in its post-hearing brief that if the meatpackers' claim was true, then U.S. cattle feeders would have received an additional \$8.3 billion in export-generated revenues from the sale of the 23.8 million fed cattle marketed in 2014. However, even the meatpackers testified that total beef export revenues in 2014 were only \$7.1 billion.

"It is not possible; rather it is impossible, that exports had conferred more value on U.S. finished steers and heifers than the total value received for all exports during the 2014 record year for exports," wrote R-CALF USA.

Another NCBA claim was that TPP countries Australia, New Zealand, Canada and Mexico cannot compete with grain-fed U.S. beef because those countries primarily export beef from grass-fed cattle.

R-CALF USA explained the TPP lasts for perpetuity and countries around the world are emulating the U.S. grain-fed industry, which is being made very easy because multinational meatpackers now have both feedlots and packing plants in two or more TPP countries.

More information can be found at www.r-calfusa.com/r-calf-usa-responds-to-dubious-tpp-testimony-and-ncba-jabs/.

Source: R-CALF USA.

Cattle market pressured by heavier weights

More feedlot placements than expected, coupled with large supplies of cold storage beef, will pressure cattle prices in the near term, according to a Texas A&M AgriLife Extension Service livestock economist.

David Anderson, livestock economist in College Station, said the recent *Cattle on Feed* report released by the USDA depicts fewer heifers placed on feed, signaling continued expansion among producers across the country.

"The report has indicated the running themes we have had throughout 2015, which has been fewer placements and a trend in placing heavier animals," he said. "This is

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being driven by fewer cows and calves in 2014 and continued in 2015. There were heavy financial losses by cattle feeder operators in 2015. They paid premiums for those animals and then the market dropped lower, forcing them to hold on to those feeders and add more gain to compensate for the premium they paid.”

The USDA report indicated placements were slightly lower, about 1% less than the year before, Anderson said.

“More cattle were placed weighing over 700 and 800 pounds while total placements declined,” Anderson said.

Source: Texas AgriLife Communications.

\$1.35 million to farm management resources

The USDA's National Institute of Food and Agriculture (NIFA) announced Feb. 9 the availability of \$1.35 million for the Farm Business Management and Benchmarking (FBMB) program.

The FBMB Competitive Grants Program provides funds to improve the farm management knowledge and skills of agricultural producers and establish and

maintain a national, publicly available farm financial management database to support improved farm management.

This year's applications should address the maintenance and expansion of farm financial management databases; the establishment or expansion of collaborative farm management and producer partnerships; advancing data gathering; the development or expansion of cooperation and data sharing; the provision of training, assistance and software to farm management associations; the improvement of profitability and competitiveness of small- and medium-sized farms; and/or the improvement of producers' abilities to manage operations.

Applications are due April 11. Applications and more information are available at <http://content.govdelivery.com/accounts/USDANIFA/bulletins/13558f9>.

Source: USDA Office of Communications.

USDA seeks proposals for market-based wetland protection systems

Agriculture Secretary Tom Vilsack announced Jan. 28 the establishment of the Natural Resources Conservation Service (NRCS) Wetland Mitigation Banking Program, made possible by the 2014 Farm Bill. Through the program, NRCS will provide \$9 million to help states, local governments or

other qualified partners develop wetland mitigation banks that restore, create or enhance wetland ecosystems, broadening the conservation options available to farmers and ranchers so they can maintain eligibility for other USDA programs.

“Over the past seven years, USDA has worked with private landowners to enroll a record number of acres in conservation practices, and we are seeing significant reductions in nutrient runoff and greenhouse-gas emissions. Wetland Mitigation Banks will give farmers and ranchers more conservation options, so they can find the best solution for their land and circumstances, and produce even more results,” Vilsack said.

Wetland mitigation banking is a market-based approach that involves restoring, creating or enhancing wetlands in one place to compensate for unavoidable impacts to wetlands at another location. Wetland mitigation banking is commonly used to compensate for wetland impacts from development, but can also be used to offset impacts from agriculture.

Source: USDA Office of Communications.

Outlook for 2016 Exports

The USDA's January *World Agricultural*

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Supply and Demand Estimates (WASDE) provide updated expectations for beef supplies and prices. Beef production for 2015 was revised up to 23.7 billion pounds (lb.). Production in 2016 was expected to increase by nearly 900 million lb. from last year at 24.6 billion lb. Per capita consumption is expected to also be higher at 54.5 lb. per person, due to increased production and lower anticipated prices.

Beef exports for 2016 are expected to be 212 million lb. higher than a year ago — positive news for beef cattle producers who've otherwise witnessed a rough start to 2016 markets.

Source: The Angus Report.

President vetoes resolution of disapproval of WOTUS

After bipartisan passage in both chambers of Congress, President Obama vetoed Senate Joint Resolution 22, disapproval of the EPA's *Waters of the United States* (WOTUS) rule.

2015 NCBA President Philip Ellis said this is a clear indication the president does not understand the role America's cattle producers, landowners and state

governments play in preserving our natural resources.

"We are extremely disappointed the president chose to side with the EPA (Environmental Protection Agency), which has pulled out all the stops and shown an appalling disregard for the law throughout this rulemaking process," said Ellis. "In siding with the EPA, the president has ignored the will of Congress, including members of his own party. Moreover, he has taken side against the 32 states and countless stakeholders who have challenged the WOTUS rule. With Congress clearly showing their disapproval of this rule, the consequences of WOTUS implementation now rest solely with President Obama."

The Senate voted 53-44 on Nov. 4, 2015, and the House voted 253-166 on Jan. 6, 2016, in support of S.J.Res. 22.

Source: NCBA.

RFD-TV and The Weather Channel partner to deliver weather forecasts to America's farmers and ranchers

Premiering Jan. 18, 2016, the RFD-TV/The Weather Channel *Farm & Ranch Forecast* is a new tool to assist those involved with production agriculture as they make decisions vital for the success of their operation. The daily feature will begin by

delivering North America's most accurate seven-day forecast. It combines RFD-TV's vast knowledge of the variety and needs of worldwide agriculture with The Weather Channel's unmatched technology and production abilities.

The segment will air on RFD-TV's *Market Day Report*, as well as on the nightly broadcasts of *Rural Evening News* on both coasts, and throughout prime-time programming. The updates will also be aired on *Rural Radio* (SiriusXM channel 147) and will be available through digital means, including the Country Club on <http://rfdtv.com> and on mobile devices through RFD-TV's new app.

The partnership allows RFD-TV viewers to access customized weather news and forecasts in real time from The Weather Channel, while teaming up both organizations' expert meteorologists.

The RFD-TV/The Weather Channel *Farm & Ranch Forecast* marks the beginning of a long-term partnership to deliver integrated weather content to those whose livelihood depends on production agriculture. Plans are under way to provide even more in-depth weather news to farmers and ranchers via digital and other technologies as they develop.

Source: RFD-TV and The Weather Channel.

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Missouri Senate votes 30-1 against tax hikes on farm families

The Missouri Senate passed Senate Concurrent Resolutions 51 and 52 (SCR 51 and 52) Jan. 25, 2016, which disapprove the Missouri Tax Commission's recommendation of a 5% tax increase on Missouri farmers and ranchers. The resolutions, sponsored by Sens. Will Kraus (R-8) and Mike Parson (R-28), passed with a bipartisan 30-1 vote. The resolution is supported by the Missouri Cattlemen's Association (MCA) and is a priority for members of the association. MCA President Keith Stevens said now is not the time to increase taxes on Missouri farmers and ranchers.

"It would be irresponsible for this association to compromise on yet another tax increase when we have members struggling to even make a loan payment," said Stevens. "The market is volatile, and we are seeing a dramatic downward trend that has some family farmers and ranchers in a very difficult situation."

The Missouri Tax Commission makes recommendations for tax adjustments on agricultural property every two years. Two years ago, the Commission increased taxes on farm and ranch ground by 5%. This tax hike went into effect in 2015. According to Stevens, the formula used by the tax commission when considering taxes on farm and ranch property does not take into account flooding — or weather of any kind — volatility in the market or the value of the food produced from the land. Stevens said an increase of any rate could prevent expansion and growth in the state's top industry.

SCR 51 and 52 now move to the Missouri House of Representatives. The House passed an identical resolution by a 133-24 vote. The House version, House Concurrent Resolution 58, was to be heard in committee on the Senate side in late January.

"We commend Senators Kraus and Parson for their leadership on this issue," said Stevens. "The 33 senators who stood firm for Missouri's food producers are not taken for granted. My goal as a farmer is to make a living for my family while also ensuring consumers in this state have access to nutritious and affordable food."

Source: MCA.

Grace period gives brand owners more time

The deadline to renew North Dakota livestock brands was Dec. 31, 2015, but brand owners who missed the deadline can still secure their expired brands if they act soon.

Brands that were not renewed by the Dec.

31 deadline are considered expired, but state law provides a one-year grace period, which prevents an expired brand from being picked up by a new owner in that 12-month period. The grace period, which ends Dec. 31, 2016, aims to protect brand owners from losing their brands by mistake.

Brand owners who want to keep their brands, but who still need to renew them should complete the yellow brand renewal form that was mailed in August 2015 to the address listed on the brand recording.

North Dakota Stockmen's Association (NDSA) Brand Recorder Rachael Preusse reminded brand owners to complete the renewal process as quickly as possible to avoid issues when marketing livestock.

"By law, brands that have not been renewed are expired," she explained. "Therefore, sale proceeds on an animal with an expired brand will be held until the brand is renewed or other proof of ownership information is provided."

Those who have opted not to renew their brand but still have livestock wearing the brand should contact their local brand inspector to have a local inspection done and to obtain the ownership paperwork they will need when marketing those animals.

To complete the brand-renewal process, brand owners must fill out, sign and return their renewal form to the NDSA office at 407 S. 2nd St., Bismarck, ND 58504. Those who have misplaced their forms can request a new one by calling 701-223-2522.

For more information, visit <http://ndstockmen.org>.

Source: NDSA.

Avian Influenza

According to USDA and media reports, the highly pathogenic H7N8 Avian Influenza was found present in a number of commercial turkey flocks in Dubois County, Ind. The virus was confirmed in a 60,000-head turkey farm on Friday, Jan. 15. On Jan. 16, reports indicated another eight farms around the initial location also were affected.

The fact that the disease strain found is different from the one that caused so much destruction last spring does not appear to make much difference. They are both highly pathogenic, which means that aggressive culling of affected flocks is the best way to contain the spread of the disease. Neither of these two strains, H5N2 and H7N8, has in the past been associated with human deaths. Rather, the primary impact of the virus is economic, causing significant losses for the affected farms.

For more information, please view the *Daily Livestock Report* online at www.dailylivestockreport.com/.

Source: Steve Meyer and Len Steiner Inc.

USDA expands microloans to help farmers

Agriculture Deputy Secretary Krysta Harden announced Jan. 19 that the USDA will begin offering farm ownership microloans, creating a new financing avenue for farmers to buy and improve property. These microloans will be especially helpful to beginning or underserved farmers, U.S. veterans looking for a career in farming, and those who have small and mid-sized farming operations.

The microloan program, which celebrates its third anniversary this week, has been hugely successful, providing more than 16,800 low-interest loans, totaling more than \$373 million to producers across the country. Microloans have helped farmers and ranchers with operating costs, such as feed, fertilizer, tools, fencing, equipment and living expenses since 2013. Seventy percent of loans have gone to new farmers.

Source: USDA Office of Communications.

Farm Bureau approves strategic action plan for 2016

The American Farm Bureau Federation (AFBF) released highlights of its 2016 strategic action plan, which addresses public policy issues in the coming year. The plan is a result of deliberations of delegates to the AFBF's 97th Annual Convention in Orlando, Fla.

The board-approved plan focuses the organization's attention on a number of key issues, including:

- ▶ Creating a more-positive dialogue with consumers about modern agricultural practices;
- ▶ Protecting farmers' ability to use biotech plant varieties and other innovative technologies;
- ▶ Opposing unlawful expansion of federal jurisdiction under the *Clean Water Act*; and
- ▶ Moving forward with congressional approval of the TPP Agreement.

"We will continue to work hard to protect the business of American agriculture on all fronts. This plan is an important roadmap to key issue areas that AFBF and our grassroots members will address in 2016," AFBF President Vincent "Zippy" Duvall said.

The EPA's new WOTUS rule remains among the most pressing issues in agriculture. Although presented as a water issue, the measure in fact would unlawfully regulate land in violation of the *Clean Water Act* itself. The rule takes over local and state authority, while threatening private property rights and normal farming activity nationwide.

Source: AFBF.

