



# Beef Business

► A look at current issues affecting the cattle industry. Compiled by **Shelby Mettlen**, assistant editor

## American Farm Bureau Federation joins initiative to give farmers control of data they collect

On March 3, the American Farm Bureau Federation (AFBF) and a host of other agricultural groups revealed a groundbreaking data repository that supporters say will give farmers ultimate control over the ever-increasing business data gathered and transmitted by high-tech farm machinery.

Tractors, tilling equipment, planters, sprayers, harvesters and agricultural drones are increasingly connected to the Internet. Even so, farmers don't always have the ability to precisely control where that data goes, nor transfer it from one data processor to another. The newly formed Agricultural Data Coalition (ADC) will empower farmers to better control, manage and maximize the value of the data they collect every day in the fields.

"Farmers must retain ownership and control of the private agricultural data that originates from the work they do in their fields," AFBF President Zippy Duvall said. "Harnessing that proprietary information for field-level efficiency and effectiveness is the key that will unlock more profitability and the greater adoption of precision agriculture. That's good for business and the environment, too."

The ADC is the result of years of planning and coordination by AFBF, Auburn University, Ohio State University, the University of Nebraska—Lincoln, AGCO, CNH Industrial, Crop IMS, Raven Industries, Mississippi State University and Topcon Positioning Systems Inc.

ADC's goal is to build a national online repository where farmers can securely store and control the information collected by their tractors, harvesters, aerial drones and other devices. Over time, that data can then be scrubbed, synced and transmitted in an efficient and uniform way to third parties—whether researchers, crop insurance agents, government officials, farm managers, input providers or any trusted advisor the farmer chooses.

"The key is that farmers are in complete control, and they decide who is allowed access to their data," ADC Interim Executive Director Matt Bechdol said. "That's what sets ADC apart. This is not about profit for others; it's about streamlining data

management, establishing clear lines of control, and helping growers utilize their data in ways that ultimately benefit them."

Farmers interested in learning more about data collection, and organizations interested in joining ADC's efforts, should visit [www.AgDataCoalition.org](http://www.AgDataCoalition.org).

Source: AFBF.

## Livestock diversity: Storing genes for the future

The National Animal Germplasm Collection, part of the Agricultural Research Service (ARS), is ensuring that our livestock genetic diversity doesn't disappear.

The mission is to build a germplasm collection as diverse as our present livestock populations as insurance against disasters like the foot-and-mouth disease (FMD) outbreak that hit Britain in 2001. An incident like that could easily decimate the gene pool of a livestock species and cost billions in lost revenue, explained ARS geneticist Harvey Blackburn, who oversees the Collection. Dead is dead-and-gone if there aren't backups in the freezer as the National Animal Germplasm Collection has in Fort Collins, Colo., he added.

As the world's largest gathering of genetic material from food and fiber animals, the Collection stores nearly a million samples from 31,000 domestic animals. This includes conventional livestock like pigs, chickens and cattle, and farmed fish like trout, as well as unexpected species such as bison, elk and even yaks, because they are also raised for food and wool.

Right now, the Collection is helping to pry open a genetic bottleneck in the Holstein dairy breed, which has had a decline in fertility and genetic diversity. All pedigrees of Holstein artificial insemination (AI) sires currently trace back to just two bulls in the 1880s.

At least two other lineages from the 1880s existed as late as the 1960s. With its reputation for preserving genetic diversity and making such material publicly available, the Collection was able to acquire donations of frozen semen from both lines, which should help the breed's gene pool.

Bison, once only wild animals, have been gaining popularity as livestock, with about 400,000 now being raised for meat. While there may not be a strong breed association

currently keeping track of bison pedigrees, the Collection is already storing bison semen to preserve the species' diversity before any genetic bottlenecks develop, Blackburn said.

Bison have been at such a point before, when hunting reduced herds to 541 individuals in the 1880s. The Collection's storage means never having to risk another genetic narrowing.

Read more about the National Animal Germplasm Collection in the March issue of *AgResearch* magazine.

Source: USDA ARS.

## Groups oppose CME Group's discount plan for South Dakota cattle deliveries

In comments sent March 8, Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America (R-CALF USA) and the South Dakota Stockgrowers Association (SDSA) jointly urged the CME Group to withdraw its plan to impose a seasonal discount of \$1.50 per hundredweight (cwt.) on all cattle tendered for delivery at Worthing, S.D., pursuant to the CME Group's October live-cattle futures contract.

The CME Group recently announced its intention to change its live-cattle futures contract specifications. The CME Group asserted its proposed financial discount on cattle deliveries to Worthing would "achieve a more equal distribution of cattle deliveries across multiple delivery points." The deadline for public comments initially set for March 7 has been extended to March 21.

In its own analysis, the CME Group determined that more than 50% of all loads of cattle delivered since August 2009 were delivered to Worthing, which is the northernmost delivery point among the CME Group's 13 centrally located delivery points between Texas and South Dakota.

"This suggests that Worthing is the most competitive delivery point throughout the year for U.S. fed-cattle producers that deliver live cattle," wrote the two cattle groups.

They assert the proposal would disrupt competitive market forces and stymie competition by artificially penalizing cattle producers who find Worthing to be their most profitable delivery point, while simultaneously subsidizing the other 12

delivery points that are not currently competitive with Worthing.

The cattle groups further allege the proposal would lock in industry inefficiencies, which they say is evidenced by the majority of cattle deliveries now occurring in the North while most packer-plant capacity remains in the South. This, the cattle groups say, could make the U.S. cattle industry less competitive in the global marketplace.

The third criticism leveled against the proposal by the two cattle groups is that the discount constitutes a punitive sanction imposed on certain fed-cattle owners for no other reason than the geographic locations of their cattle-feeding operations.

“This makes no sense and constitutes an unprecedented, unfair and punitive policy targeted at northern cattle feeders in general and Worthing-area cattle feeders in particular,” the comments state.

“The proposal to impose a discount at Worthing, South Dakota, will harm northern cattle producers, harm competition, lock in industry inefficiencies and penalize Worthing-area cattle feeders. The beneficiaries of this proposal appear only to be fed-cattle buyers that have, for whatever reason, resisted long-term competitive market signals that suggest more packing capacity is needed in the North and perhaps less capacity is needed in the South,” concluded the cattle groups.

Source: *South Dakota Stockgrowers Association.*

### **NASS suspends July Cattle and the August U.S. and Canadian Cattle reports**

The USDA's National Agricultural Statistics Service (NASS) is suspending the July *Cattle* report, which was slated for release on July 22, and the *U.S. and Canadian Cattle* report scheduled for Aug. 23.

The *Cattle* report traditionally issued in July has contained inventory numbers of all cattle and calves in the United States. The *U.S. and Canadian Cattle* report is a joint effort of Statistics Canada and NASS to report the number of cattle and calves by class and calf crop for both countries within one publication.

NASS published the January *Cattle* report on Jan. 29, 2016, and published the *U.S. and Canadian Cattle* report, which uses data from

the January *Cattle* report, on March 8.

Before deciding to suspend these reports, NASS reviewed the estimating programs against mission- and user-based criteria, as well as the amount of time remaining in the fiscal year to meet our budget and program requirements while maintaining the strongest data in service to U.S. agriculture. The decision to suspend this report was not made lightly, but was necessary given available fiscal and program resources.

NASS will continue to review federal agricultural statistical programs using the same criteria to ensure it provides timely, accurate and useful statistics.

Source: *USDA NASS.*

### **TAHC releases equine herpes virus quarantine**

Texas Animal Health Commission (TAHC) officials have released the premises quarantined for equine herpes virus (EHV-1) in El Paso County. There are no other reported EHV-1 cases in Texas.

The first case of EHV-1 in El Paso County was confirmed on Feb. 18, 2016, in two horses at one premises.

The TAHC reminds equine owners to keep their horses healthy by practicing simple biosecurity measures. Biosecurity is a set of management practices designed to reduce the risk of introduction and transmission of an infectious disease agent, such as EHV-1.

By following these simple guidelines, owners can minimize the risk to their equine:

- ▶ Consult your veterinarian to establish an appropriate vaccination program for your horse(s).
- ▶ Tie your horse(s) to your trailer. If using a stall, clean and disinfect it, if possible, before stalling your horse. Always use clean, fresh bedding.
- ▶ Minimize your horse(s) having direct contact with unknown horses, especially nose-to-nose contact.
- ▶ Use your own water and feed buckets. Avoid letting your horse(s) drink from a communal water trough. Fill water buckets from a faucet.
- ▶ Do not share grooming equipment or tack. If you must, then wash and disinfect it before returning to your own horse(s).
- ▶ Avoid petting and touching other horses

to minimize the risk of transferring a disease back to your horse. If you must handle other horses, then wash your hands or use hand sanitizer before handling yours.

- ▶ Avoid letting strangers pet your horse, especially if they have horses of their own.
- ▶ Before returning home from an event, clean up your equipment (boots, tack, grooming supplies, buckets, etc.) to help reduce the risk of transporting an infectious agent back home.
- ▶ Consider washing and disinfecting your trailer when you return home.
- ▶ If possible, isolate your returning horse(s) for 2 weeks or at least prevent nose-to-nose contact with your other horses.

Your private veterinary practitioner can provide additional information on steps you can follow to reduce the risk of your horse acquiring an infectious disease while traveling.

For more information on protecting your livestock from EHV-1, contact your local TAHC regional office [www.tahc.texas.gov/agency/TAHC\\_RegionalOfficeMap.pdf](http://www.tahc.texas.gov/agency/TAHC_RegionalOfficeMap.pdf).

Source: *Texas Animal Health Commission.*

### **Cattlemen testifies to importance of voluntary conservation**

On March 1, Frank Price testified on behalf of the National Cattlemen's Beef Association (NCBA) to the importance of voluntary conservation during the House Agriculture Subcommittee on Conservation and Forestry hearing “Voluntary Conservation: Utilizing Innovation and Technology.” Price is co-owner and operator of the Frank and Sims Price Ranch in Sterling City, Texas, and recipient of the 2014 NCBA Environmental Stewardship Award. Price, a member of the Texas and Southwestern Cattle Raisers Association (TSCRA) and NCBA, told the committee that given the diversity of rangelands across the country, voluntary conservation programs are key to achieving meaningful results.

“A one-size-fits-all approach that accompanies a top-down regulation does not work,” said Price. “It's the voluntary part of the conservation practices that really make

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them work for ranchers. We've had success using some of these conservation programs, but just because a system works for us does not mean it is right for everybody. If these programs were to become mandatory, the rules and regulations that follow would make it harder for farmers and ranchers to use unique conservation practices to ensure their individual operations thrive."

Price stresses that voluntary conservation efforts have allowed him and his son to achieve their top goals: ensuring the ranch remains profitable and that they leave the land in better condition for future generations. While drought and wildfire decimated their ranch in 2011 and 2012, conservation and grazing management allowed them to improve their rangelands through these difficult times. One of the programs he says has helped him achieve their goals is the Environmental Quality Incentive Program (EQIP).

"When wildfire came through our ranch in 2011, we had to rebuild miles of fencing," said Price. "EQIP helped us do it through a cost-share. One of the reasons EQIP has become popular among ranchers is because it is a working-lands program. Conservation programs that keep land in production and do not limit its use are the best for both the ranchers and conserving our resources."

While drought is a constant problem in West Texas, innovative practices and voluntary conservation programs have allowed the Prices to improve their ranch and make their grasslands resilient. For Price, the success of conservation and the ranch economy are not at odds in ensuring we can sustain our country's natural resources and our way of life for generations.

"I believe that economic activity and conservation go hand-in-hand," said Price. "We are always looking for new, innovative conservation programs that will have tangible benefits for the environment and help improve our ranching lands. USDA's conservation programs have been a great asset to cattle producers, and it is important that these programs continue to be implemented in the same practical, producer-friendly and voluntary manner for years to come."

Source: NCBA.

### **Changes in leadership for FDA's foods and veterinary medicine program**

The U.S. Food and Drug Administration's (FDA) Deputy Commissioner for Foods and Veterinary Medicine Michael Taylor announced March 8 that he is leaving the agency on June 1, 2016. As part of a

succession plan that ensures both continuity in the program and strong new leadership for the future, Stephen Ostroff will become the second Deputy Commissioner for Foods and Veterinary Medicine upon Taylor's departure. Ostroff led the FDA as acting commissioner until the recent confirmation of Robert Califf as FDA commissioner.

Taylor joined FDA in July 2009 and was named to this position in 2010. Since that time, he has led the implementation of the FDA Food Safety Modernization Act, the most sweeping food-safety reform in more than 70 years, and guided nutrition-related initiatives to reduce the risk factors for chronic disease and other adverse diet-related outcomes. He has overseen the move to eliminate the use of certain antibiotics that can contribute to the development of antimicrobial-resistant bacteria. Understanding the importance of dialogue, partnership and active stakeholder engagement in effecting change, Taylor has sought to ensure everyone had a place at the table in designing rules and taking actions to protect Americans and contribute to a safer, more wholesome food supply.

A nationally recognized food-safety expert, Taylor has served in numerous high-level positions at FDA, as a research professor in the academic community, and on several National Academy of Sciences expert committees studying food-related issues. He also served as administrator of USDA's Food Safety and Inspection Service (FSIS) and acting undersecretary for food safety at USDA, where he spearheaded public health-oriented reform of FSIS, guided the development of new safety requirements for meat and poultry products, and addressed the hazard associated with *E. coli* O157:H7 in beef products.

Taylor plans to continue working in the food-safety arena, focusing on those settings where people lack regular access to sufficient, nutritious and safe food.

Ostroff's expertise in public health and knowledge of food safety, nutrition and veterinary medicine programs will ensure a smooth and seamless transition. Between now and June 1, Taylor and Ostroff will work closely together, with FDA Commissioner Califf's strong support, to manage a transition that sustains the program's momentum on the many challenges and opportunities that lie ahead for FDA.

Source: FDA.

### **NCBA, PLC tell courts BLM and USFS Land Use Plans are detrimental to healthy rangelands**

On March 9, the NCBA and the Public Lands Council (PLC) along with the Idaho Cattle Association, American Farm Bureau Federation, and Idaho Farm Bureau Federation filed an *amicus* brief on Tuesday regarding the Bureau of Land Management (BLM) and the Forest Service's restrictive land management plans that came as a back-door alternative to not listing the Sage Grouse under the Endangered Species Act. Brenda Richards, PLC president and federal-lands rancher, said the associations are chiefly concerned these plans will undermine conservation efforts already under way by ranchers.

"It is critical for the livestock industry's voice to be heard in this case, particularly because these plans have such a damaging impact to ranchers operating on or near public lands throughout the West," said Richards. "The agencies made the right decision to not list the grouse, but these plans are detrimental to the conservation efforts already in place that have allowed the bird to thrive."

Richards stressed that conservation efforts and land-use decisions are best made as close to the ground as possible. A report released in February showed that since 2010, private landowners have worked with USDA and its partners through the Sage Grouse Initiative to restore 4.4 million acres of habitat for Sage Grouse while maintaining working landscapes across the West.

Tracy Brunner, NCBA president, said imposing regulatory change on the grazing livestock industry without any scientific basis is unwarranted.

"Ongoing state management has led to a 63% increase in Sage Grouse population in the past two years alone, further illustrating that these Range Management Plans and the Land-Use Plan Amendment are unnecessary," said Brunner. "As these new standards are implemented, they will have a negative economic impact on ranchers and rural communities without any corresponding benefit to the grouse habitat."

Source: NCBA.

