



Beef Business

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

BQA certifies 2,000 during certification campaign

This spring, nearly 2,000 producers from across the country became Beef Quality Assurance (BQA)-certified, thanks to the latest free certification supported by Boehringer Ingelheim Vetmedica Inc. (BIVI). Of those who signed up during the free certification window, 65% completed their certification, the highest percentage in the program's six-year history. Through the sponsorship of the BQA certification program, BIVI provides financial support for the Beef Cattle Institute, which developed the certification module.

The checkoff-funded BQA program provides producers a set of best practices for producing quality beef. It also gives consumers the assurance that the beef they eat is both safe and wholesome.

"I was taught at a young age that there is a right way and a wrong way to do business, no matter the task at hand. In any business there is a proven process for success. In the cattle industry, the benchmark is the BQA way," says Janet Crow, beef producer from Missouri.

"I had been raising cattle on my own for about 15 years. The key to promotion and selling more beef is to educate the public on the facts of beef production," Crow says. "The public — especially the people in large cities and suburbs — needs to know that beef producers are passionate about what goes on their plates. BQA and the beef checkoff dollars help promote the benefits of lean beef through many avenues and give us the tools we need to be environmentally sustainable on the farm, raise a healthy quality beef product for consumers, and a better process to do business right on the farm."

The BQA certification modules are customized to fit the specific needs of each segment of the cattle industry — cow-calf, stocker, feedyard and dairy operations. The program covers best-management practices, such as proper handling and administration of vaccinations and other products; using low-stress cattle-handling principles; and eliminating injection-site blemishes. For more information about how to obtain BQA certification, look to your state cattlemen's association for training sessions or find information online at www.bqa.org.

Source: *Cattlemen's Beef Board*.

Senate passes legislation to protect producer privacy

The Missouri Cattlemen's Association (MCA) initiated legislation nearly three years ago to protect the private information of farm and ranch families that is often collected through voluntary and mandatory government programs. Rep. Jay Houghton (R-43) has sponsored the legislation each year and, according to MCA Executive Vice President Mike Deering, the bill is finally advancing through the political process.

The Missouri House of Representatives passed the legislation 104-49 on Feb. 22, 2016. The Missouri Senate passed the legislation on April 26 with a bipartisan 25-6 vote. Deering said the legislation gives producers the confidence to participate in the Animal Disease Traceability program and other state and federal programs without fearing their private information will end up in the hands of those with improper motives.

"Missouri cattle farmers and ranchers certainly want to be transparent, but should not fear their private information being public knowledge because they chose to participate in a voluntary program," said Deering.

Deering said MCA is committed to take proactive steps to protect producers' private information. As a result of changes made in the Senate, the legislation goes back to the House for consideration.

Source: *MCA*.

House passes FY 2017 appropriations rider

Once again, funding for a final Grain Inspection, Packers and Stockyards Administration (GIPSA) rule has been revoked. The House Appropriations Subcommittee on Agriculture approved an amendment to the *Agriculture and Rural Development Appropriations* bill, which bans the use of any funds for publishing a final rule providing needed clarification and change to the GIPSA rule. The fiscal year 2017 agriculture funding bill will now be sent to the Senate for debate and approval.

Despite language being passed in the 2008 *Farm Bill* dictating the need for clarification and review of contracting and marketing practices in the livestock industry, the GIPSA appropriations "rider" has consistently blocked the implementation of a final GIPSA

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rule. If passed by the Senate, the amendment will effectively freeze GIPSA's authority to oversee a competitive marketplace, allowing anti-competitive buying practices to continue and weakening free-market principles.

Source: *U.S. Cattlemen's Association*.

Ag and Food Coalition asks Congress to pass TPP now

On April 11, 225 food and agricultural companies and associations, including the National Cattlemen's Beef Association (NCBA), sent a letter to members of Congress calling for a swift vote on the Trans-Pacific Partnership (TPP). NCBA President Tracy Brunner says cattle producers cannot wait any longer to level the playing field.

"Japan is our largest export market and our Japanese customers demand high-quality U.S. beef," said Brunner. "However, due to the Australia-Japan Economic Partnership Agreement, U.S. beef faces a tariff that is 11% higher than Australian beef, our leading competitor. That tax alone makes our beef less competitive and gives Australia's beef producers a significant advantage that has allowed them to capture over \$100 million in additional beef sales at the expense of U.S. producers."

With the implementation of the Australia-Japan Economic Partnership Agreement in early 2015, the tariff rate on Australian beef exports to Japan immediately dropped from 38.5% to 28.5%. On April 1, 2016, that tariff again dropped to 27.5% and will continue to decrease every April until the tariff rate hits 19% in 2031.

"On April 1, Australian beef producers got a tax break on beef exports to Japan and

we paid for it in lost sales,” said Brunner. “We know Japanese consumers want U.S. beef, but just like domestic consumers, they make their buying decision based on price and appearance. Until we level the playing field through TPP, U.S. beef is going to be at an economic disadvantage in Japan. That is why we cannot afford to delay passage of TPP; every day costs our producers real money.”

Upon implementation of TPP the tariff rate on U.S. beef into Japan will immediately drop from 38.5% to 27.5%. Moreover, that rate will continue to decrease over the following 16 years until it settles at 9%.

“TPP is a great agreement for U.S. beef producers and rural America,” said Brunner. “Trade supports U.S. jobs, commodity prices, and the next generation of U.S. beef producers. We are pleased to join with other food and agricultural groups in calling on Congress to pass TPP this Congressional session.”

Source: NCBA.

NFU pleased by withdrawal of Canadian Pacific Railway merger

On April 11, the Canadian Pacific Railway Ltd. announced it was terminating its efforts to merge with Norfolk Southern Corp.

The National Farmers Union (NFU) has been very concerned over the prospects of additional concentration in the freight rail sector. The takeover of Norfolk Southern by Canadian Pacific would have consolidated two of the remaining seven Class I railway companies.

“Family farmers and ranchers depend on rail transportation to move their commodities to market in order to compete in the global agriculture industry,” said NFU President Roger Johnson. “It’s good news for rural America that Canadian Pacific withdrew its plans to merge with Norfolk Southern because further consolidation would likely have stifled competition.”

Since the *Staggers Rail Act of 1980* deregulated the railroad industry, more than 40 Class I transport rail companies consolidated to form the seven companies that exist today. NFU was concerned the Canadian Pacific merger would trigger additional Class I railroads to merge, Johnson explained.

In addition to the proposed merger, Canadian Pacific filed a petition with the Surface Transportation Board (STB) for an expedited declaration concerning a “potential” and “hypothetical” voting trust arrangement with Norfolk Southern. NFU supported a statement filed by the National Grain and Feed Association asking for the STB to deny the petition on the grounds there was no merger application pending

before the Board and no formal request for approval of a voting trust arrangement.

Source: NFU.

National 4-H Conference delegates present to House Agriculture Committee

The House Agriculture Subcommittee on Biotechnology, Horticulture, and Research gathered April 12 to hear a presentation by the National 4-H Conference participants concerning the future of agriculture in the United States.

The National 4-H organization is the nation’s largest youth development

organization and serves to help its 6 million student members better understand the agriculture industry. Last year, members of the Agriculture Committee heard from 17 distinguished 4-H delegates to the National 4-H Conference whose presentation highlighted the importance of bridging the gap between rural and urban areas. Today, that discussion continued with 16 delegates from this year’s conference recognizing the challenges associated with food and fiber production, how to enhance global food security, and how those challenges affect the future of agriculture.

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“For the second year in a row, it has been a pleasure to hear from such distinguished young leaders in the agriculture industry on what they believe to be the biggest challenges and opportunities facing agriculture in the United States. The National 4-H organization is a great platform for young students of both agriculture and non-agriculture related backgrounds to develop leadership skills and learn about this great industry. As we work toward developing the next farm bill, it is essential we hear from a wide variety of stakeholders on where we can make meaningful improvements to agriculture policy. Today’s discussion provided a great opportunity to hear from some of these young stakeholders on what they hope to see for the future of agriculture,” said Subcommittee Chairman Rodney Davis (R-IL).

Each year more than 200 4-H students from across the country participate in the National 4-H Conference where they interact with executive agencies and Congress on issues of national importance. Together, the Cooperative Extension of 1862 and 1890 land-grant universities provide the leadership to engage young people in 4-H in all 3,007 counties of the

United States reaching every corner of the nation, from urban neighborhoods to rural farming communities. With a network of more than six million youth, 611,800 volunteers, 3,500 professionals and more than 25 million alumni, 4-H helps shape young leaders to be the driving change of a better tomorrow.

Source: House Committee on Agriculture.

Farms face increased financial pressure, AFBF president tells Ag Subcommittee

Farmers are feeling the pain of the continued slump in commodity prices, American Farm Bureau Federation (AFBF) President Zippy Duvall told Congress April 14. Lower prices will affect income for all farmers and ranchers, but will have an even greater impact on new and young farmers who have not built up equity, are renting a significant portion of their land or are paying off equipment.

Duvall’s testimony included a long list of bad economic news:

- ▶ Cotton — 80¢ per pound (lb.) just a few years ago — now brings prices in the 50¢ range.
- ▶ Milk that was selling for \$20 or more per

100 lb. a couple years back now fetches \$15 or \$16.

- ▶ Net farm income, which includes other factors, like depreciation, inventory change and other non-cash costs, declined from \$123 billion in 2013 to \$56 billion in 2015 and is estimated at \$55 billion for 2016.
- ▶ Longer-term projections by the Agriculture Department leave net cash income averaging less than \$80 billion for the coming decade and net farm income at less than \$70 billion during the same period.

Bad news notwithstanding, the AFBF president found hope on the horizon. Duvall told lawmakers there were numerous things they could do to help the farm economy, including:

- ▶ approving the TPP to raise overall farm income without adding to government spending;
- ▶ stopping the *Waters of the United States* (WOTUS) rule, which places additional costs and burdens on farming;
- ▶ reversing spill prevention and control requirements that add costs without clear environmental benefit; and
- ▶ establishing a nationwide labeling

standard for genetically modified food to avoid a patchwork of state laws.

Source: AFBF.

Purina selects VFD compliance software system

Purina Animal Nutrition has selected the RxExpress™ software platform from New Planet Technologies as its tool to help meet feed documentation requirements of the Veterinary Feed Directive (VFD). This federal regulation mandates documentation of a veterinarian's approval to feed or distribute

feed additive antibiotics that are deemed medically important to production livestock. It goes into effect Jan. 1, 2017.

Livestock producers, feed manufacturers and feed distributors are required to retain documentation of VFD orders. A turnkey software solution, RxExpress can be used to generate, distribute and store electronic VFD orders.

Available to feed manufacturers and distributors for use in preparation of VFD compliance, RxExpress runs on any computer or smart mobile device, online or offline. It

can receive records from other electronic VFD systems and can convert paper VFD orders to electronic format. It streamlines order validation and tracks expiration dates. It also can generate and send non-VFD prescriptions.

For more information, contact your local Purina Animal Nutrition representative, call 1-800-227-8941 or go to www.purinamills.com. To learn more about RxExpress from New Planet Technologies, call 1-888-633-4030 or go to www.dvmrexpress.com.

Source: Filament Marketing.

