



# Beef Business

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

## Help for Hurricane Harvey victims

Devastating flooding caused by Hurricane Harvey in southeastern Texas has affected nearly 150 Association members in nearly 20 counties. More than 50 counties in the state are reported to have been affected by the storm. With more rain on the way, many producers, including fellow Angus producers, are in need of aid in the aftermath of the damaging winds and rain.

American Angus Association members in Atascosa, Bexar, Brazos, Caldwell, Cameron, Comal, Grimes, Guadalupe, Hardin, Jasper, Kerr, Lee, Leon, Madison, Montgomery, Newton, Tyler, Walker and Washington counties have been affected.

The Texas and Southwestern Cattle Raisers Association has initiated a relief fund, which can be found at <http://tskra.org/relieffund/>.

The National Cattlemen's Beef Association (NCBA) has also compiled a list of resources for Hurricane Harvey relief. Visit [www.beefusa.org/hurricaneharveyreliefresources.aspx](http://www.beefusa.org/hurricaneharveyreliefresources.aspx) for more information.

*Source: Adapted from a release by Katy Holdener, American Angus Association.*

## Animal Supply Points seeking livestock-related donations

The Texas A&M AgriLife Extension Service has established Animal Supply Points (ASPs) for livestock and other animals in areas affected by Hurricane Harvey and has set up a phone bank to take calls from those who would like to make a donation.

Andy Vestal, AgriLife Extension emergency management specialist, College Station, said AgriLife Extension, Prairie View A&M Cooperative Extension and Texas Sea Grant personnel in each affected county, along with agriculture-related agencies and industry organizations, continue to assess agricultural and coastal/marine commerce and resource damage.

Vestal said donations to these locations are being supported through the Animal Supply Point Phone Bank at 979-845-7800.

Jeff Ripley, AgriLife Extension associate director—county operations, College Station, said livestock-related donations to these sites are needed and those general items being requested are:

— Feed for cattle, horses, sheep, goats, swine, poultry and other livestock.

— Buckets, troughs and other equipment for livestock feeding and watering.  
— Hay for livestock consumption.  
— Livestock panels and gates for temporary holding facilities.  
— Shavings and bedding materials for animals.

Ripley said pet food may also be needed at some of the locations.

Cash donations toward agricultural recovery efforts can go to the Texas Department of Agriculture State of Texas Agricultural Response (STAR) fund, where agricultural producers may apply for a matching grant for expenditures incurred for agricultural response, materials or other losses. Information and instructions on how to donate to the fund can be found at <http://ow.ly/EQ6x30ePrU3>.

Items that are not livestock-related should be donated to the American Red Cross, Salvation Army or another charity, Ripley said.

Call the Animal Supply Point Phone Bank number to donate at 979-845-7800. For more information contact Vestal at 979-862-3013 or [t-vestal@tamu.edu](mailto:t-vestal@tamu.edu).

*Source: Texas AgriLife Extension.*

## MU receives USDA grant to develop immunizations for anaplasmosis

Anaplasmosis is an infectious blood disease in cattle caused by certain bacteria transmitted by ticks worldwide. The USDA recently awarded \$460,000 to Bill Stich, professor of parasitology in the University of Missouri (MU) College of Veterinary Medicine, to study a new approach to interfering with this pathogen in the tick vector. Building on existing research, he and his team are working to develop immunizations with extracts from tick tissues to fight the disease.

It has been estimated that more than 80% of beef cattle are affected by ticks. Anaplasmosis, which is passed by ticks through their bite and saliva, infects the red blood cells and causes severe anemia, fever and weight loss; it is known to be fatal. Currently, prevention and control of this disease involves chemical pesticides and antibiotics to control ticks and infections, respectively; however, ticks are developing resistance to these methods.

"Ticks are important pests, but their main importance is in the transmission of germs that can cause life-threatening diseases," Stich said. "Chemical pesticides, while effective, often leave residues in food products from cattle and cause contamination to the environment, so these methods aren't sustainable. Therefore, we are examining other, more natural methods to control this disease that causes hundreds of millions of dollars in losses each year."

The goal of this program is to develop sustainable approaches to prevent the spread of tick-transmitted germs by attacking the germs inside ticks before they can be transmitted to cattle. Stich's strategy uses the immune response of cattle to interfere with tick

molecules that are required for survival of disease-causing germs in the ticks.

"By targeting tick molecules, this work is expected to help develop sustainable approaches to intervene with tick acquisition, maintenance or transmission of pathogens," Stich said. "In my opinion, the tick-pathogen-bovine interface is the best model system currently available for such work. Progress in this area is also expected to have a positive global impact in resource-restricted areas, because four of the five major vector-borne diseases of cattle are transmitted by ticks."

To do this, the team is targeting the two main parts of the tick where tick-transmitted germs are found — the midgut and salivary glands.

"Understanding how pathogens are maintained in the ticks that transmit them, including the bacteria that cause anaplasmosis, is key," Stich said. "Our lab and team will examine just how the tick molecules are involved with the development of bacteria and how we can create immunizations targeted at those tick molecules. The overall goal is to develop sustainable ways to treat the disease to keep cattle and herds healthy."

The project, "Targeting the tick-pathogen interface for tick-borne disease control," (grant #2017-67015-26630) will be led by Stich and an international research team, including Sathaporn Jittapalpong, dean of veterinary technology at Kasetsart University in Bangkok, Thailand.

*Source: University of Missouri.*

## Texans should watch for fraud, scams in wake of Hurricane Harvey

Texans affected by Hurricane Harvey should be aware of unscrupulous people who may try to take advantage of them through fraud, scams and identity theft, and other criminal activity, said a Texas A&M AgriLife Extension Service specialist.

“Texans need to be aware of the potential for things like fraud, ID theft and price gouging in the aftermath of Hurricane Harvey,” said Nancy Granovsky, AgriLife Extension family economics specialist, College Station. “Unfortunately, some people look at disasters as an opportunity to take advantage of the desperation and vulnerability of those affected. While recovering from a disaster, people may not want to think about this, but it could happen so they need to be vigilant.”

According to the Texas Attorney General’s Office, a natural disaster “pulls in an army of price gougers, fly-by-night door-to-door contractors and bogus charities.” Both state and federal recovery officials are encouraging those affected by Hurricane Harvey to take steps to avoid common post-disaster fraud.

Granovsky said price gouging is illegal under the Texas Deceptive Trade Practices Act, and the state’s attorney general has already warned against profiteering during a disaster.

For more information, read the AgriLife news release online at [today.agrilife.org](http://today.agrilife.org).

Source: Texas AgriLife Communications.

## Latest national feeder and stocker cattle summary

According to the USDA Agricultural Market Service (AMS) report published Friday, Sept. 1, 2017, feeder steers and heifers were mostly \$2-\$7 higher than the previous week; calves were steady to \$3 higher with heavyweight calves seeing trends up to \$8 higher. Demand for the week was moderate to very good, with active trade. Although feed prices are relatively low in cost, cattle feeders must be cognizant as they purchase livestock to ensure that they get their breakeven low enough to fit the Board and the current path of the market.

CME live- and feeder-cattle futures have mimicked a seesaw throughout the week. The August futures contract for live and feeder cattle closed out on Thursday, Aug. 31, with

live cattle ending the month at \$104.05 and feeder cattle ending at \$142.75. The week’s Fed Cattle Exchange sold 1,140 head; this follows two weeks of no sales. In the Fed Cattle Exchange, live sales from Kansas sold from \$105.00-\$105.25 and dressed sales from Nebraska sold at \$166, freight on board (FOB).

Cash cattle trade began on Tuesday, Aug. 29, with a few dressed sales in Nebraska at \$168; however, there were not enough sales for an adequate market trend. Trade continued on Wednesday and Thursday, Aug. 31, with dressed trades \$4-\$5 lower from the prior week from mostly \$165-\$166. A few live sales were reported \$2 lower in Nebraska at \$104-\$105, bulk \$105. In the Southern Plains, trade has been very limited at \$104-\$105, bulk at \$105, \$1-\$2 lower. Last week live sales in the Texas Panhandle were from \$106-\$107 and in

Kansas at \$107. As of mid-day Friday, Sept. 1, weekly five-area negotiated cash trade volume was reported at 52,791 head with the previous week’s total at 74,958.

Hurricane Harvey has impacted many regions within Texas, with 54 counties declared as disaster areas. Texas has the largest beef cow herd in the nation, and these 54 counties hold more than 1.2 million beef cows, 27% of the state’s cow herd. Due to seasonality, many of the calves in these areas are ready to be marketed, or very close to that point. Aside from ranches, multiple livestock auction markets, meat processing facilities, bulk grain terminals and exporting facilities lie within the affected regions.

On the afternoon of Aug. 29 the Choice-Select spread slipped below a dollar, closing at 98¢. This trend continued through the week’s end, closing on Friday, Sept. 1, at 70¢, down \$2.32 from the previous Friday, Aug. 25. Compared to the previous Friday, Aug. 25, Choice boxed-beef closed at \$191.35, up 3¢ and Select boxed-beef closed at \$190.65, up \$2.35. Auction volume this week included 48% weighing over 600 pounds and 40% heifers.

Source: USDA AMS.

## Ranch Management University set for Oct. 9-13 on Texas A&M campus

From soil management to cattle, forage and wildlife, the Texas A&M AgriLife Extension Service Ranch Management University Oct. 9-13 in College Station

will offer a little something for everyone, according to coordinators.

The workshop will meet at the G. Rollie White Visitor Center, 7707 Raymond Stotzer Parkway, on the Texas A&M University campus, said Larry Redmon, Texas A&M University soil and crop sciences associate department head and AgriLife Extension program leader, College Station.

Registration is \$500, with attendance limited to the first 50 who enroll. To register online and for more information, go to <http://agriliferegister.tamu.edu> and enter “ranch management” into the search window.

The five-day event is designed to help new and novice landowners improve their understanding of resource management on their ranch properties, Redmon said.

He said topics to be covered include soil fertility and sampling; hay production, sampling and sprayer calibration; financial considerations and government programs; forage legume management and winter pasture establishment and utilization; beef nutrition requirements and supplements; body condition scores, stocking rates, marketing and genetic strategies for livestock; pond and wildlife management; horse production; and chuteside live-animal handling demonstrations.

Source: Texas AgriLife Extension.

## Hy-Plains Feedyard opens education and research facility

Hy-Plains Feedyard in Montezuma, Kan., opened the doors of its newly constructed educational and research facility on Aug. 23. The 50,000-head-capacity feedlot welcomed about 200 attendees who enjoyed lunch and an industry-leading panel discussion focusing on sustainability in the beef industry. Leading the discussion were Carlos Saviani, vice president of the World Wildlife Fund and U.S. Food Team; Luke McKelvie, McDonald’s Global Farmer Program manager; Emily Murray, Cargill general manager for McDonald’s beef; Bob Smith and Trent Fox, veterinarians with Veterinary Research and Consulting Services LLC; Randall Spare, veterinarian with Ashland Veterinary Center, Ashland, Kan.; Mark Gardiner, Gardiner Angus Ranch, Ashland, Kan.; and Dan Dorn, ABS Powerline Genetics business manager.

For more information on the feedlot, facility or presentation and panel discussion, contact Tom Jones, [TomJones231@gmail.com](mailto:TomJones231@gmail.com) or Shannon Wharton, [shwharton@wbsnet.org](mailto:shwharton@wbsnet.org).

Source: Shelby Mettlen, Angus Journal.

## Secretary Perdue on President Trump’s tax reform agenda

U.S. Secretary of Agriculture Sonny Perdue Aug. 30 expressed his strong support for

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President Trump's tax reform agenda as a great benefit to the American agriculture community. Perdue issued the following statement:

"Just as he has done with excessive and costly regulations, President Trump has focused on the problem of onerous and burdensome taxes. Most agricultural operations are, in fact, small businesses, and the time and costs associated with merely complying with the tax code are impeding American prosperity. Farming is a complex enterprise, as even the smallest operations know, so the attention and financial resources that are diverted to handling taxes are an extra barrier to success.

"People should be able to keep more of what they have earned through the sweat of their brows, which will also invigorate the entire United States economy. The death tax is one section of the code that is particularly offensive to agriculture, as too many family farms have had to be broken up or sold off to pay the tax bill. The president's tax reform package will be of great benefit to agriculture and help improve rural prosperity."

*Source: USDA.*

### **Big meat supplies press prices, but consumer demand stays up**

Growing supplies of meat and dairy products apply pressure on farm prices through 2017 into 2019. With big supplies, strong consumer demand brings good news for producers.

The offsetting result can be prices near or above last year's prices.

The outlook comes from a "Baseline Update for Livestock and Dairy Markets" from University of Missouri (MU) Extension economists.

Scott Brown and Daniel Madison add their midterm livestock outlook to the MU Food and Agricultural Policy Research Institute (FAPRI) annual update.

This is only the fourth year since 1980 that per capita supplies of beef, pork and poultry have increased at the same time so prices stay strong, Brown says.

While more products are welcome news for today, they may set up future price drops if demand fails to keep pace with growth.

The previous consumer-driven price surge came in 2004 at the peak of the Atkins diet fame. That demand brought both a jump in domestic supply and higher prices.

This time, the current surge may not remain, the economists say. Projected declines in 2019 prices from 2017 include a 12% drop for fed steers, 14% for feeder steers, 7% for barrows and gilts, and 2% for chicken.

Now, more exports provide price support. However, risks remain with unknowns in those markets. Other exporting nations also respond to price signals for more supply. The impact of ongoing trade negotiations with major trade partners remains uncertain.

This year, U.S. meat production reached nearly 1.3 billion pounds above a year ago in the first two quarters. Exports took more than 60% of that meat out of domestic markets.

A strengthening economy aids domestic demand. One indicator is more meals eaten away from home.

Uncertainties remain in foreign trade deals.

The economists are from the Division of Applied Social Sciences in the MU College of Agriculture, Food and Natural Resources.

The full Food and Agricultural Policy Research Institute report, which includes crops and biofuel, can be seen at [fapri.missouri.edu](http://fapri.missouri.edu).

*Source: University of Missouri.*

