



Beef Business

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

Applications open for 10 \$1,500 CME beef industry scholarships

The National Cattlemen's Foundation (NCF) is now accepting applications for 2018-2019 beef industry scholarships sponsored by CME Group and administered by the National Cattlemen's Foundation. Ten scholarships of \$1,500 each will be awarded to outstanding students pursuing careers in the beef industry, and one student — the overall essay winner — will receive a trip to the 2018 Cattle Industry Convention & NCBA Trade Show in Phoenix, Ariz.

The CME Beef Industry Scholarship was first introduced in 1989 in partnership with CME Group. Today, the scholarship recognizes and encourages talented students who will each play an important role in the future of food production in America. Students studying education, communication, production, research or other areas related to the beef industry should consider applying for the scholarship.

Applicants for the 2018-2019 scholarship must submit a one-page letter expressing their career goals related to the beef industry. Students must also write a 750-word essay describing an issue in the beef industry and

offering solutions to this problem. Applicants must be a graduating high school senior or full-time undergraduate student enrolled at a two- or four-year college.

The 2017-2018 CME Beef Industry Scholarship overall essay winner was Taylre Sitz, a student at Montana State University pursuing a bachelor's degree in animal science, as well as a minor in business administration.

Online applications should be submitted by Nov. 15, 2017. To apply, or learn more about the scholarship, www.nationalcattlemensfoundation.org/cmebeefindustryscholarship.aspx. Scholarship winners will be announced during the 2018 Cattle Industry Convention & NCBA Trade Show.

For more information visit www.nationalcattlemensfoundation.org.
Source: NCBA.

USDA's Advisory Committee on Agriculture Statistics to meet Nov. 2-3

The annual meeting of USDA's Advisory Committee on Agriculture Statistics was scheduled to take place in Louisville, Ky., Nov. 2-3, 2017. The agenda includes a discussion

of the 2017 Census of Agriculture and census programs; the National Agricultural Statistics Service (NASS) Strategic Plan; big data; and the Agricultural Resource Management Survey and Chemical Use program. There will also be an update on NASS by administrator Hubert Hamer.

The meeting is open to the public and will take place at The Brown Hotel, 335 W. Broadway, Louisville, Ky. There will be an opportunity for public questions and comments at 8:15 a.m. Nov. 3. Registration is required. To attend, please contact NASS by email: HQOA@nass.usda.gov (ACAS RSVP in subject line); phone: 202-720-2707; or eFax: 855-493-0445.

The committee advises the Secretary of Agriculture and NASS on the scope, content and timing of surveys and the every-five-year census of agriculture. The 20 committee members represent a broad range of agricultural disciplines and interests. For more information about the Advisory Committee on Agricultural Statistics visit www.nass.usda.gov/About_NASS/Advisory_Committee_on_Agriculture_Statistics.

Source: USDA.

USDA issues farm safety net and conservation payments

Agriculture Secretary Sonny Perdue Oct. 3 announced that more than \$9.6 billion in payments will be made to producers through the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC) and Conservation Reserve (CRP) programs. The USDA is issuing approximately \$8 billion in payments under the ARC and PLC programs for the 2016 crop year, and \$1.6 billion under CRP for 2017.

"Many of these payments will be made to landowners and producers in rural communities that have recently been ravaged by drought, wildfires and deadly hurricanes," Perdue said. "I am hopeful this financial assistance will help those experiencing losses with immediate cash flow needs as we head toward the end of the year."

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in revenue or prices for covered commodities. More than half a million producers will receive ARC payments and more than a quarter million producers will receive PLC payments for 2016 crops, starting this week and continuing over the next several months.

Payments are being made to producers who enrolled base acres of barley, corn, grain sorghum, lentils, oats, peanuts, dry peas, soybeans, wheat and canola. In the upcoming months, payments will be announced after marketing year average prices are published by USDA's National Agricultural Statistics Service (NASS) for the remaining covered commodities.

Also, as part of an ongoing effort to protect sensitive lands and improve water quality and wildlife habitat, USDA will begin issuing 2017 CRP payments this week to more than 375,000 Americans.

"American farmers and ranchers are among our most committed conservationists," said Perdue. "We all share a responsibility to leave the land in better shape than we found it for the benefit of the next generation of farmers. This program helps landowners provide responsible stewardship on land that should be taken out of production."

Signed into law by President Reagan in 1985, CRP is one of the largest private-lands conservation program in the United States. Thanks to voluntary participation by farmers and landowners, CRP has improved water quality, reduced soil erosion and increased habitat for endangered and threatened species. In return for enrolling in CRP, USDA, through the Farm Service Agency (FSA) on behalf of the Commodity Credit Corporation, provides participants with rental payments and cost-share assistance. Participants enter into contracts that last between 10 and 15 years. CRP payments are made to participants who remove sensitive lands from production and plant certain grasses, shrubs and trees that improve water quality, prevent soil erosion and increase wildlife habitat.

For more details regarding ARC and PLC programs, go to www.fsa.usda.gov/arc-plc. For more information about CRP, contact your local FSA office or visit www.fsa.usda.gov/crp. To locate your local FSA office, visit <https://offices.usda.gov>.

Source: FSA.

Groups urge Congress to level the playing field for farmers, workers and consumers

On Oct. 4, a broad-based coalition of 210 farm, rural, worker and consumer advocacy organizations released principles for a fairer farm bill that would address the lack of competition in every link in the food chain. The groups point out that growing consolidation in the agribusiness, food processing and supermarket industries lowers prices for farmers and wages for farmworkers and other food-chain workers, erodes rural economies and raises prices while limiting choices for consumers.

The letter calls on Congress to address the ongoing consolidation of these industries with policies that address unfair contracts for farmers, increase market transparency, reform USDA guaranteed loans and guarantee worker rights.

A wave of mergers has swept through every step of the food system in recent years, from seed to supermarket. The deals have made already concentrated industries reach historic levels of control by just a few powerful companies. Recent deals between seed and chemical giants Dow and DuPont and ChemChina and Syngenta, retailers Amazon and Whole Foods Market, and food processors Kraft and Heinz have

changed the landscape of the food system.

The letter describes how meatpackers control livestock markets with tools including packer-owned livestock, contracts and marketing agreements that are susceptible to manipulation and vertical integration. These tools allow large meat companies to exert unfair market power over farmers and ranchers, lowering the prices they receive, while consumer prices continue to rise.

“Family farm agriculture is an economic and cultural cornerstone in America,” said Greg Fogel, policy director for the National Sustainable Agriculture Coalition. “Increasingly, however, our small- and medium-scale farms are disappearing, while corporate agribusinesses rapidly grow and consolidate. Without a fair playing field, these corporations can easily drive out family farmers, or relegate them to working within opaque and unfair contract systems. We need to bring equity and efficiency back to our agricultural markets. We cannot continue to allow agricultural consolidation to grow unchecked at the expense of our nation’s family farmers, natural resources, and the American taxpayer.”

The letter also described how the rapid consolidation has compromised the economic vitality of rural communities, which has been especially perilous during a

steep downturn of agricultural prices for crops, livestock and dairy.

The groups urged Congress to include commonsense protections to level the playing field for farmers, workers and consumers by prioritizing antitrust enforcement, anticompetitive behavior and market transparency.

The letter calls on Congress to ensure the *2018 Farm Bill* addresses the “negative trends in agricultural market control and anti-competitive business structures if we are to have any hope of restoring the economic health of rural America.”

Source: NFU.

Local FARMS Act will make farm-to-fork investments in American communities

On Oct. 4, a bipartisan coalition led by principal bill authors Sen. Sherrod Brown (D-OH) and Reps. Chellie Pingree (D-ME), Jeff Fortenberry (R-NE) and Sean Maloney (D-NY), introduced the *Local Food and Regional Market Supply Act* (the “Local FARMS Act”) to catalyze the *2018 Farm Bill*’s investment in programs and policies that spur economic development in rural and food-producing communities nationwide. The National Sustainable Agriculture

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Coalition (NSAC), one of the bill's leading nonprofit partners, praised the bipartisan coalition for prioritizing the development of new markets for farmers and expanded healthy food access for American families.

The Local FARMS Act will support the continued expansion of new market opportunities for American family farmers by helping farmers reach new markets through outreach, cost-share and technical assistance programs; increasing access to fresh, healthy, local food among low-income groups and communities in need; and developing new and strengthening existing infrastructure that connects producers to consumers.

Farmers from across the country have been quick to praise the Local FARMS Act's farm-to-fork investment approach.

"From economic development to community health, local food production is key to solving many of the challenges facing Mississippi," said Will Reed

of Native Son Farm, a certified naturally grown operation out of Tupelo, Miss., and chairman of the board for the Mississippi Sustainable Agriculture Network. "The Local FARMS Act will work to strengthen our local food system by helping to bridge the gaps that exist between local farmers and larger institutional buyers such as schools and hospitals. Continuing the growth and success of our state's farm-to-school program is an essential step toward curbing childhood obesity and ensuring that we have another generation of farmers interested in growing food."

As the American farm economy struggles through a multi-year downturn, family farmers have increasingly turned to opportunities in the local and regional food markets as a way of sustaining and even growing their businesses. USDA's Economic Research Service has found that farmers' bets on local have paid off. Farmers who market food directly to consumers have a greater chance of remaining in business than similarly sized farms that market through traditional channels. Additionally, USDA found that in 2015 alone, more than 167,000 U.S. farms produced and sold food through farmers markets, food hubs, community supported agriculture groups (CSAs), and other intermediate and direct market

channels, resulting in \$8.7 billion in revenue for local producers.

For more information, a summary and detailed outline of the Local FARMS Act are available on the NSAC website.

Source: National Sustainable Agriculture Coalition.

Secretary Perdue praises President Trump's tax reform agenda

On Sept. 27, Secretary of Agriculture Sonny Perdue applauded President Donald J.

Trump's vision of a broad reform of the American tax code, which will result in dramatic tax cuts for millions of American individuals, families, businesses, and family farmers, ranchers and foresters.

"The people of American agriculture work hard every day to provide food, fiber and fuel for their fellow citizens, so they shouldn't be overburdened by the tax collector, as well," Perdue said. "Most family farms operate as

small businesses, with the line between success and failure frequently being razor thin. Add to that the complexity and costs of merely complying with the tax code, and their budgets are stretched even tighter. On top of it all, the unfair 'death tax' can cause too many family farms to be broken up and sold off to pay the tax bill, undoing lifetimes of toil and preventing further generations from carrying on. President Trump is right to push for reform and reductions in the tax code — an overhaul that is long overdue."

Source: USDA.

AFBF says it is time to rescind WOTUS rule

American Farm Bureau Federation (AFBF) President Zippy Duvall expressed the importance of repealing the WOTUS rule to the Environmental Protection Agency (EPA).

"As [the] deadline for comments on rescinding the fatally flawed *Waters of the U.S.* rule is upon us, Farm Bureau applauds the Environmental Protection Agency's formal proposal to ditch the rule. We do not stand alone in our assessment that the WOTUS rule was much more about seizing land control than about protecting water, and in official comments [Sept. 27] we joined several broad-based coalitions expressing those sentiments. It is clear that this WOTUS rule violated the

law while creating legal risk and enormous uncertainty for farmers, ranchers and others who work with the land," Duvall said.

"It is time for EPA to take the final step of repealing the WOTUS rule. The agency should then move forward with a new rule that provides farmers, ranchers, towns, states and small businesses with clarity and certainty they need. The new rule should rely on commonsense directives that don't require teams of consultants and lawyers to navigate a maze of federal regulations. We will follow this process closely over the coming months to ensure that the new rule is based on law, that waters are protected and that farmland can be farmed."

Source: AFBF.

Ranch group urges Secretary Perdue to keep GIPSA a stand-alone agency

In strongly worded comments sent to Ag Secretary Perdue in October, Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America (R-CALF) urged that the USDA Grain Inspection, Packers and Stockyards Administration (GIPSA) not be demoted by folding it into its sister agency, the Agricultural Marketing Service (AMS). Secretary Perdue had proposed this change in his reorganization plan for the USDA issued in September.

The group's comments assert the principle role of GIPSA is to promote fair business practices and competitive markets, foster fair competition, and guard against deceptive and fraudulent practices.

According to the group, GIPSA's role in protecting the competitiveness of markets is perhaps "the most important function that Congress has assigned to the USDA to strengthen the family farm system of agriculture." The problem, it says, is that GIPSA has not properly carried out its statutory function for decades, which has allowed multinational meatpackers to act with impunity to reduce competition in U.S. livestock markets. This erosion of competition in U.S. livestock markets is, the group argues, the greatest challenge facing U.S. livestock and poultry producers.

Source: R-CALF USA.

PLC, NCBA praise mark-up of National Monument Creation and Protection Act

The Public Lands Council (PLC) and National Cattlemen's Beef Association (NCBA) praised Chairman Rob Bishop and the House Natural Resources Committee for marking up H.R. 3990, the *National Monument Creation and Protection Act*. H.R. 3990 would bring long-overdue reform to the

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— Sonny Perdue

national monument designation process by setting clear parameters for the appropriate size of designations, giving voice to local residents and business owners, and requiring environmental studies before sweeping designations can be made. A mark-up is an initial step in the legislative process that allows a bill to move forward for further consideration.

“Previous presidents consistently ignored original congressional intent for monument designations to be the ‘smallest area compatible’ with conservation objectives,” said Dave Eliason, PLC president. “Repeated abuse of executive authorities under the *Antiquities Act* harmed local economies and communities in rural areas across the country.”

The *Antiquities Act* – a mere four paragraphs – has been used to lock up more than 500 million acres of land and water without local input or economic analysis.

“H.R. 3390 adds critical details to original, vague legislation regarding the creation and management of national monuments,” said Craig Uden, president of NCBA. “By limiting presidential authority and restoring balance to the monument designation process, the bill would ensure local ranchers and communities are not subject to the whims of an unchecked federal government.”

Ranchers who hold grazing permits on

public land do vital work that benefits public land including the improvement of water sources, conservation of wildlife habitat and maintenance of the open space that Americans enjoy. Limitless power to make massive designations under the *Antiquities Act* poses a serious threat to that noble mission and rich heritage.

Source: NCBA.

NCBA rancher tells Congress: ‘Japan and Asia-Pacific markets vital to U.S. beef’

Kelley Sullivan, NCBA member and rancher from Santa Rosa Ranch in Crockett, Texas, testified Oct. 11 at a hearing on Capitol Hill about the importance of expanding export opportunities for U.S. beef in Asia. Convened by the House Ways and Means Subcommittee on Trade, the hearing asked witnesses for their perspectives on specific actions needed to deepen trade relationships with fast-growing markets in the Asia-Pacific region.

Sullivan’s remarks focused on the benefits of trade agreements for U.S. beef producers. She urged Congress and the administration to protect current agreements, such as the U.S.-Korea Free Trade Agreement (KORUS), and move quickly to strike a bilateral deal with Japan.

“Today, the success or failure of the U.S. beef industry depends on our level of access to global consumers,” she said. “We are extremely concerned that prolonged NAFTA (North American Free Trade Agreement) negotiations and withdrawal/modifications to KORUS will pose unnecessary setbacks for the U.S. beef industry. Our ardent desire is for U.S. negotiators to focus on securing new market access for U.S. beef exports, starting with making up the ground we lost [in Japan] by walking away from TPP.”

Sullivan explained how selling to global markets allows U.S. beef producers to generate more value. Many of the beef cuts that Americans find less desirable command higher prices in foreign markets where consumers have different tastes.

“Trade allows us to capitalize on differences in consumer preferences,” she said. “Exports are critical to U.S. beef producers — and the rural economies that depend on them — because they allow us to maximize the value of each carcass.”

Sullivan thanked the Trump Administration for restoring access for U.S. beef in China, noting U.S. Meat Export Federation estimates that U.S. beef sales to China will reach \$300 million annually in the first five years.

Source: NCBA.

