

# Beef Business

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

#### **USDA confirms New World** screwworm cases in Florida

The USDA's Animal and Plant Health Inspection Service (APHIS) confirmed the presence of New World screwworm in Key deer from National Key Deer Refuge in Big Pine Key, Fla. USDA's National Veterinary Services Laboratories in Ames, Iowa, confirmed this is a local infestation of New World screwworm (Cochliomvia hominivorax). This is the first local infestation



in the United States in more than 30 years. In response to this infestation, Florida Commissioner of Agriculture Adam H.

Putnam recently declared an agricultural state of emergency in Monroe County, Fla.

Additional deer from the same refuge and a few pets in the local area exhibited potentially similar infestations over the past two months, though no larvae were collected and tested in those cases. All of the potentially affected animals are from the same Key. There have been no human or livestock cases.

Animal health and wildlife officials at the state and federal levels are working jointly to address these findings. Response efforts will include fly trapping to determine the extent of the infestation, release of sterile flies to prevent reproduction and disease surveillance to look for additional cases in animals. The initial goal will be to keep the infestation from spreading to new areas while eradicating the New World screwworm flies from the affected Keys.

Florida residents who have warm-blooded animals, including pets and livestock, should watch their animals carefully and report any potential cases to 1-800-HELP-FLA (1-800-435-7352). Non-Florida residents should call 850-410-3800. Visitors to the area should ensure any pets that are with them are also checked in order to prevent the spread of this infestation.

While human cases of New World screwworm are rare, they have occurred, and public health officials are involved in the response. For more information about this disease in humans, please contact your local public health department. Using fly repellents and keeping skin wounds clean and protected from flies can help prevent infection with screwworm in both people and animals.

New World screwworms are fly larvae

(maggots) that can infest livestock and other warm-blooded animals, including people. They most often enter an animal through an open wound and feed on the animal's living flesh. While they can fly much farther under ideal conditions, adult flies generally do not travel more than a couple of miles if there are suitable host animals in the area. New World screwworm is more likely to spread long distances when infested animals move to new areas and carry the pest there.

Source: USDA APHIS.

### **Registration open for 2017 Cattle Industry Convention**

Registration and housing for the 2017 Cattle Industry Convention and National Cattlemen's Beef Association (NCBA) Trade Show is now open. The 120th annual convention will be hosted in Nashville, Tenn., Feb. 1-3, 2017. Advanced registration is open until Jan. 4, 2017. Convention participants will hear from industry leaders, gather insight on industry trends, and enjoy an evening of stars and guitars at the Country Music Hall of Fame, as well as an exclusive event at the famous Grand Ole Opry. NCBA President Tracy Brunner said this convention is a must for everyone involved in the cattle industry.

"The Cattle Industry Convention is the oldest and largest national convention in the cattle business," Brunner said. "We look forward to another great meeting in a great location for cattle producers. Once again, NCBA will have one of the largest trade shows in agriculture and revisit one of our favorite cities, with great entertainment around every corner."

In addition to access to all of the 2017 convention events, registrants for the full convention will receive a 50%-off coupon for Roper and Stetson apparel and footwear at the NCBA Trade Show. To register and secure housing for the 2017 Cattle Industry Convention and NCBA Trade Show, visit www.beefusa.org or email meetings@beef.org.

Source: NCBA.

### Fund-a-Farmer project will improve animal welfare on family farms

Starting Oct. 4, farmers seeking to improve the welfare of their farm animals may apply for grant funding from Food Animal Concerns Trust (FACT). FACT is calling for applications for its Fund-a-Farmer Project,

which provides grants up to \$2,500 to qualifying livestock and poultry farmers for projects designed to improve farm animal welfare. This year the Fund-a-Farmer Project will offer two distinct types of grants, one for pasture-based farming systems, and the other for farm improvements that result in successful animal welfare certification.



Pasture-based systems grants are for projects that help farms transition and/or improve access to pasture-based systems. FACT is interested in providing funds to working, independent family farmers who raise pigs, broiler chickens, laying hens, dairy cows, turkeys and/or beef cattle. Applications will only be considered from farms already considered highly welfare-oriented, as determined by holding or substantially working toward one of six specified humane certifications for their livestock or poultry. FACT will consider funding for a variety of projects that are designed to improve animal welfare within pasture-based systems.

Animal welfare certification grants are for on-farm improvements that are required for successful application and attainment of one of three specified animal welfare certifications. This first-time grant category will make it possible for farmers to attain animal welfare certification from Animal Welfare Approved, Certified Humane, or GAP (specifically steps 4-5+). These farmers are eligible to apply for funding to underwrite on-farm improvements that are directly related to certification requirements, allowing them to attain certification.

All applications must be submitted online by Nov. 21, 2016, for grants that will be awarded in March 2017.

**CONTINUED ON PAGE 180** 

#### **■ BEEF BUSINESS**

CONTINUED FROM PAGE 178

For grant application guidelines and to access the online grant application, visit www.fundafarmer.org. In addition to awarding grants, FACT also offers free webinars, conference scholarships, and an online farmer forum. Direct questions about the project to Humane Farming Program Director Larissa McKenna at 773-525-4952 or grants@foodanimalconcerns.org.

Source: FACT.

## TSCRA: Fresh beef from Brazil is not a good idea

Because the U.S. cattle herd has been safe from foot-and-mouth disease (FMD) since 1929, Texas and Southwestern Cattle Raisers Association (TSCRA) first vice president Robert "Bobby" McKnight is concerned by the Aug. 1 announcement from the USDA that the United States is considering the importation of fresh beef from Brazil, a country that has an active vaccination program against FMD.

FMD is not a threat to human health, but it is devastating to the livestock species that are susceptible to it. Ranchers in countries such as Brazil mount expensive animal health campaigns to control the disease and work to eradicate it. The United States' major trading partners — Canada, Australia and New Zealand — are FMD-free.

It is disappointing, McKnight said, that the USDA moved forward with its decision to allow the importation of fresh beef from Brazil before the Government Accountability Office (GAO) had completed its audit of the procedures USDA used to formulate its rules for importation.

A bill that passed Congress at the end of last year — a bill that TSCRA helped to get passed — included language that required audits and site inspections of packing facilities in Brazil and included language that required USDA to outline the process for their audits.

At the time, this language was touted as a great victory for the U.S. cattle industry. Now, he said, we have to ask why the USDA is going forward with allowing fresh beef to be imported from Brazil and not fulfilling the requirements of the bill.

The USDA says that due to the FMD vaccination protocols followed by Brazilian ranchers, the risk of FMD being brought into this country in fresh beef is very low. However, the risk remains.

In 2015, the United States imported more than 570,000 metric tons of beef from Australia, almost 300,000 metric tons from New Zealand, and 285,036 metric tons from Canada.

Until the United States has a trade

agreement with Brazil, fresh beef imports from that country will be limited to less than 65,000 metric tons. At the most, we could expect 5.5% of our imported beef to come from Brazil.

He asks, "Are we willing to risk the health of the U.S. beef herd on such a small amount?"

The slightest risk, he says, no matter how small, is not worth bringing FMD into the country.

TSCRA supports trade with other countries, he says, but we do not want to forego science and expose the rest of this industry to a risk we already fought almost 100 years ago. It was expensive then; it would be devastating now.

Source: TSCRA.

## Proposed estate tax regulations threaten family businesses

NCBA, along with more than 3,800 organizations and family-owned enterprises, sent a letter to Treasury Secretary Jacob Lew adamantly opposing and asking for withdrawal of the newly proposed estate tax regulations by the Department of Treasury. The proposed regulations under section 2704 of the Internal Revenue Code would permanently change estate planning for families that own a controlling interest in a privately-held entity.

"The proposed guidance is one of the most sweeping changes to estate tax policies in the last 25 years and would be detrimental to active enterprises and family-owned businesses that employ millions of workers throughout the nation," the letter reads. "In particular, these rules would impose significant new tax costs on family-owned businesses, diverting capital from business investment, costing jobs and threatening the ability of families to pass businesses on to the next generation of owners."

Danielle Beck, NCBA director of government affairs, said the regulations would eliminate or greatly reduce available valuation discounts for family-related entities, which in turn increase the tax associated with common transfers, including inheritance.

"These proposed regulations would eliminate or greatly reduce marketability for family-related entities, effectively discouraging families from continuing to operate or grow their businesses and pass them on to future generations," said Beck. "Producers are often forced into selling land or cattle in order to pay the tax, and in some cases, are put out of business. The Administration is causing unnecessary economic harm to family businesses."

Source: NCBA.

### Neogen and CRV partner to deliver health and efficiency traits

Neogen Corp. announced Oct. 3 that its GeneSeek subsidiary has entered into a partnership with CRV to add CRV's innovative health and efficiency traits to GeneSeek's extensive dairy genomic testing solutions.

The new partnership brings together GeneSeek, the largest agrigenomics laboratory in the world, with CRV, a world-leading cattle improvement organization. Four proven traits, Better Life Health, Better Life Efficiency, Hoof Health and Udder Health, will be offered as an add-on to GeneSeek's Igenity genomic profiles, and allow U.S. producers to select animals based on their ability to respond to specific ailments and produce efficiently.

"Many commercial dairy operations are finding a great return on investment with genomic screening of their herds. The opportunity to add CRV's well-respected health and efficiency traits to our dairy genomic tests provides even greater value to the results that we can provide producers," said Neogen's Stewart Bauck.

For more visit www.neogen.com, or contact your local Neogen or Merck Animal Health representative.

Source: Neogen GeneSeek Operations.

### **USDA** issues safety-net payments to farmers

The USDA recently announced that many of the 1.7 million farms that enrolled in either the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs will receive safety-net payments due to market

SDA 2

downturns during the 2015 crop year. "This fall, USDA will

be making more than \$7 billion in payments

under the ARC-County and PLC programs to assist participating producers, which will account for over 10% of USDA's projected 2016 net farm income. These payments will help provide reassurance to America's farm families, who are standing strong against low commodity prices compounded by unfavorable growing conditions in many parts of the country," said Agriculture Secretary Tom Vilsack. "At USDA, we are standing strong behind them, tapping into every resource that we have to help. So far

CONTINUED ON PAGE 182

#### **■** BEEF BUSINESS

CONTINUED FROM PAGE 180

in 2016, this has included creating a onetime cost share program for cotton ginning, purchasing about \$800 million in excess commodities to be redirected to food banks and those in need, making \$11 million in payments to America's dairy farmers through the Dairy Margin Protection Program, and reprogramming Farm Service Agency (FSA) funds to expand credit options for farmers and ranchers in need of extra capital. As always, we continue to watch market conditions and will explore opportunities for further assistance in the coming months. For producers challenged by weather, disease and falling prices, we will continue to ensure the availability of a strong safety net to keep them farming or ranching.

Unlike the old direct payment program, which issued payments during both weak and strong market conditions, the 2014 Farm Bill authorized the ARC-PLC safety net to trigger and provide financial assistance only when decreases in revenues or crop prices, respectively, occur. The ARC and PLC programs primarily allow producers to continue to produce for the market by making payments on a percentage of historical base production, limiting the impact on production decisions.

Payments are 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 for the remaining covered commodities. These include long and medium grain rice (except for temperate Japonica rice), which will be announced in November, remaining oilseeds and chickpeas, which will be announced in December, and temperate Japonica rice, which will be announced in early February 2017. Upland cotton is no longer a covered commodity.

The Budget Control Act of 2011, passed by Congress, requires USDA to reduce 2015 ARC and PLC payments by 6.8%. For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

Source: USDA.

### USDA releases statement on inhumane livestock handling

The Food Safety and Inspection Service (FSIS), is announcing its intent to hold livestock owners, transporters, haulers and

### **Digital extra**

#### **Livestock biosecurity**



What is biosecurity and how does it affect your operation? What biosecurity really comes down to is preventing disease from coming onto your operation, said Kansas State University (K-State) beef veterinarian A.J. Tarpoff.

"When it comes to biosecurity, it's all about risk and understanding where that risk comes from and where you can actually mitigate these risks," Tarpoff said in a video for K-State Research and Extension (KSRE). To view the full video, go to <a href="http://bit.ly/2dPpOMd">http://bit.ly/2dPpOMd</a> or click on the photo above.

Source: KSRE.

other persons not employed by an official establishment responsible if they commit acts involving inhumane handling of livestock in connection with slaughter when on the premises of an official establishment. The



Agency intends to initiate civil or criminal action, in appropriate circumstances, against individuals not employed by an official

establishment, if these individuals handle livestock inhumanely in connection with slaughter when on the official premises. FSIS believes these actions will further improve the welfare of livestock handled in connection with slaughter by ensuring that all persons that inhumanely handle livestock in connection with slaughter are held accountable.

Source: USDA FISIS.

#### 2017 National Ag Day

The Agriculture Council of America (ACA) will host National Agriculture Day on March 21, 2017. This will mark the 44th anniversary of National Ag Day, which is celebrated in classrooms and communities across the country. The theme for National Ag Day 2017 is "Agriculture: Food for Life."

On March 21, ACA will host major events in the nation's capital, including a breakfast event at the National Press Club, as well as a Taste of Agriculture Celebration on the Hill. Additionally, the ACA will bring approximately 100 college students to Washington to deliver the message of Ag Day.

These events honor National Agriculture Day and mark a nationwide effort to tell the true story of American agriculture and remind citizens that agriculture is a part of all of us. A number of producers, agricultural associations, corporations, students and government organizations involved in agriculture are expected to participate.

National Ag Day is organized by the Agriculture Council of America. ACA is a nonprofit organization composed of leaders in the agricultural, food and fiber community, dedicating its efforts to increasing the public's awareness of agriculture's role in modern society.

The National Ag Day program encourages every American to:

- ► Understand how food and fiber products are produced.
- ► Appreciate the role agriculture plays in CONTINUED ON PAGE 184

### **■** BEEF BUSINESS

CONTINUED FROM PAGE 182

- providing safe, abundant and affordable products.
- ► Value the essential role of agriculture in maintaining a strong economy.
- ► Acknowledge and consider career opportunities in the agriculture, food and fiber industry.

In addition to the events in Washington, D.C., March 21, the ACA will once again feature the Ag Day Essay Contest in addition to an Ag Day Photography Contest. The winning photograph will be part of the 2017 National Ag Day Poster.

Visit www.agday.org for more information on National Ag Day in 2017.

### Beef producer input sought for National Beef Quality Audit

Beef producers across the country, from every segment of the industry, are being encouraged to participate in a survey that will help establish a benchmark and course for the beef industry for 2017 and beyond. The Producer Survey of the checkoff-funded 2016 National Beef Quality Audit (NBQA) will collect producer information and opinions, which will be added to the

audit's traditional production research to form an in-depth look at where the industry stands and assess its successes and shortcomings.

The survey will be completely anonymous and will include both information about the industry's cattle operations and the opinions of the people who run them, focusing on the strengths and weaknesses of the industry. Input from every segment of the industry — cow-calf, stocker, feeder, dairy and others — is valued and will become part of the detailed picture of the U.S. cattle industry. The survey can be accessed at the Beef Quality Assurance website at <a href="http://www.bqa.org/nbqa-producer-survey">http://www.bqa.org/nbqa-producer-survey</a>.

Since its inception in 1991, NBQA has provided the industry with a meaningful set of guideposts and measurements relative to the quality conformance of the U.S. beef supply. Conducted every five years, it is based on a set of core principles:

- ► Only that which is measured can be effectively managed;
- ► An industry-wide scorecard provides direction to individual decision-makers across the beef supply chain to improve

- the quality and value of the U.S. beef supply; and
- ▶ Identifying and correcting quality shortfalls and nonconformance will lead to greater profitability through improved beef demand in both domestic and international markets, the capture of lost opportunities, and commitment to the hard work of continuous improvement.

The most recent NBQA, conducted in 2011, concluded the industry has come a long way in terms of improving beef quality, and suggested significant changes for further improvement in product integrity and eating satisfaction. Similar information is expected in the 2016 NBOA.

Upon completing the survey, participants can choose to leave their contact information to be entered for a chance at winning a YETI® Tundra 75 Marine Cooler. For more information, contact Jesse Fulton at jfulton@ beef.org or 303-850-3461.

Final results of the 2016 NBQA will be released in July 2017.

Source: Beef Checkoff.

Аj