



Beef Business

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

Food and ag groups send letter in support of Asia trade

A total of 87 organizations and companies from the food and agriculture sector, which supports more than 15 million jobs nationally, sent President Donald Trump a letter in early February highlighting the importance of trade with countries in the Asia-Pacific region and the industry's interest in working with the administration to build strong trade relationships with the world's largest market for food and agriculture.

"Reducing and eliminating tariffs and other restrictive agricultural policies in this region will help American workers in our sector compete, creating an opportunity to supply Asian markets with high-quality food and agricultural goods," the letter says.

"We hope your administration will create such opportunities for our sector by deepening U.S. economic engagement in this critical region while responding to the Asia-only regional trade agreements being negotiated by our foreign competitors."

Source: U.S. Food and Agriculture Dialogue for Trade.

In the cattle markets

The USDA National Agricultural Statistics Service (NASS) annual crop production report showed significant revisions to its estimate of hay acres harvested in 2016.

Changes from the October crop report indicated a 7%,

1.2-million-acre reduction in the number of alfalfa acres harvested and a 4%, 1.5-million-acre reduction in all other hay acres harvested. Final acres showed South Dakota, Wisconsin and Iowa having more than 200,000 acres taken out of alfalfa production. North Dakota, Ohio, South Dakota, Missouri and Kentucky all had declines of 100,000 acres or more in other hay acreage categories.

New alfalfa seedlings for the 2017-2018 marketing year are also continuing the long-term trend downward, posting an 11% year-over-year decrease. Despite large acreage

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revisions, Dec. 1 hay stocks moved up slightly (1%) relative to last year, and production was unchanged from last year.

Source: Katelyn McCulloch, AFBE.

Win registration to 2017 Animal Agriculture Alliance Stakeholders Summit

The Animal Agriculture Alliance announced Feb. 8 that farmers and ranchers who advocate for animal agriculture are eligible to win a free registration to the 2017 Stakeholders Summit.

The 2017 Summit, themed "Connect to Protect Animal Ag" will be hosted May 3-4 in Kansas City, Mo. The conference will build on the 2016 Summit's focus of taking action to secure a bright future for animal agriculture. Speakers will give the audience actionable solutions to take home and implement on their farm or in their business.

Free registrations will be awarded to the top entries in two different competitions — a blog contest and a photo contest. Discount registrations will be offered to the second- and third-place entries.

Source: Animal Agriculture Alliance.

USCA sends letter of support for Congressman Ryan Zinke

U.S. Cattlemen's Association (USCA) President Kenny Graner penned a letter of support for Congressman Ryan Zinke to be appointed to the position of Secretary of the Interior.

The Senate Energy and Natural Resources Committee approved President Trump's nominee for the position of the Secretary of the Interior by a vote of 16-6 on Jan. 31. Rep. Zinke will now go before the full Senate, where a confirmation vote will likely take place in the weeks ahead.

In the letter, Graner outlines USCA's support for Congressman Zinke:

"U.S. cattle producers are one of many vested stakeholders and users of our country's public lands. The U.S. livestock industry requires a voice that will balance the needs of both U.S. ranchers and the natural resources

at hand. Through his previous seat on the House Committee on Natural Resources, Rep. Zinke will seamlessly fit this role."

Source: USCA.

R-CALF launches 'COOLin100' campaign

One of the staunchest supporters of mandatory country-of-origin labeling (mCOOL) for beef, Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA), is launching a new campaign called "COOLin100." The campaign calls on the new Trump administration and new Congress to reinstate COOL for beef and pork during the Trump administration's first 100 days in office.

The idea to launch the new campaign was conceived after R-CALF USA CEO Bill Bullard participated in a 15-minute interview in January with Tomi Lahren, host for The Blaze cable network, to talk about COOL. The video went viral with more than 700,000 views and Lahren's related "Final Thoughts with Tomi" attracted more than 5 million views.

"Having learned about the public's keen interest in COOL, we now want to help President Trump achieve his stated rule to 'Buy American,'" said R-CALF USA COOL Committee Chair Mike Schultz, who also is a cow-calf producer from Brewster, Kan.

Schultz said the rule to "Buy American" was one of the two rules for America that Trump announced during his inauguration speech.

According to USDA data, the United States now imports beef from 20 foreign countries, including countries that continue to combat dangerous livestock diseases. For example, the United States relaxed restrictions for Brazil, where foot-and-mouth disease (FMD) remains endemic; and for France, which continues to detect bovine spongiform encephalopathy (BSE, the latest case was detected in March 2016).

Learn more about the campaign at R-CALF's website, www.r-calfusa.com.

Source: R-CALF USA.

Industry players react to Trump administration's withdrawal of TPP

National Farmers Union (NFU) — A staunch opponent of the Trans-Pacific Partnership (TPP) trade agreement, the

NFU applauded the Trump administration's decision to withdraw the United States from what it calls a "deeply flawed" trade agreement. NFU President Roger Johnson released the following statement in response:

"The Trans-Pacific Partnership was a continuance of our nation's deeply flawed trade agenda, and we're pleased that the Trump administration has decided to formally withdraw the U.S. from the pact to prioritize a fair-trade agenda.

"For too long, our nation's trade negotiators have prioritized a free-trade over fair-trade agenda, leading to a massive \$531 billion trade deficit, lost jobs and lowered wages in rural communities across America. It's time our country refocuses the trade agenda to prioritize balanced trade, U.S. sovereignty, and U.S. family farmers, ranchers and rural communities. The Trump administration should look to do so with a level of tact that does not motivate our trade partners to take retaliatory actions or threaten the integrity of positive trade markets that American agriculture relies upon."

The National Cattlemen's Beef Association (NCBA) expressed concern over the new administration's actions, stating, "sparking a trade war with Canada, Mexico and Asia will only lead to higher prices for American-produced beef in those markets."

Tracy Brunner, president of NCBA, released a statement in response to Trump's announcement that he is withdrawing the United States from TPP and may seek to take action on the North American Free Trade Agreement (NAFTA).

"TPP and NAFTA have long been convenient political punching bags, but the reality is that foreign trade has been one of the greatest success stories in the long history of the U.S. beef industry," Brunner said.

"Fact is, American cattle producers are already losing out on \$400,000 in sales every day because we don't have TPP, and since NAFTA was implemented, exports of American-produced beef to Mexico have grown by more than 750%. We're especially concerned that the administration is taking these actions without any meaningful alternatives in place that would compensate for the tremendous loss that cattle producers will face without TPP or NAFTA."

The American Farm Bureau Federation (AFBF) stated, "U.S. agriculture creates jobs and supports economic growth in rural America, and American agriculture depends on maintaining and increasing access to markets outside the United States. Trade is

vital to the success of our nation's farmers and ranchers. More than 25% of all U.S. ag production ultimately goes to markets outside our borders.

"While President Trump signed an executive order withdrawing our nation from the Trans-Pacific Partnership, we viewed TPP as a positive agreement for agriculture — one that would have added \$4.4 billion annually to our struggling agriculture economy. With this decision, it is critical that the new administration begin work immediately to do all it can to develop new markets for U.S. agricultural goods and to protect and advance U.S. agricultural interests in the critical Asia-Pacific region."

U.S. Meat Export Federation (USMEF)

President and CEO Philip Seng said the withdrawal of TPP will keep the U.S. red meat industry at a "serious competitive

disadvantage" in some key markets, "unless meaningful market access gains are realized."

Sources: NFU, NCBA, AFBF and USMEF.

Trump appoints Sonny Perdue as Secretary of Ag

On Jan. 19, President Donald Trump selected former Georgia Governor George Ervin "Sonny" Perdue III as the USDA Secretary of Agriculture for the new administration.

Perdue is a veterinarian and served as governor of the state of Georgia from 2003 to 2011. Prior to his term as governor, he served in the Georgia Senate for 10 years. He served on Trump's agricultural advisory team and was raised on a farm in central Georgia.

National Pork Producers Council (NPPC) President

John Weber said Perdue will be "very good for America's farmers and ranchers."

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NFU President Roger Johnson said he is “hopeful.”

“Given the challenging state of the farm economy, more than ever, family farmers and ranchers need a champion in Washington. I am hopeful we will find that champion in Sonny Perdue,” he said.

Georgia Agriculture Secretary Gary Black showed great enthusiasm for Trump’s pick.

“We are ecstatic and grateful to the president for making this appointment. Agriculture is in Sonny Perdue’s DNA and now that he has the opportunity for it to be his full focus, we are confident that he will lead Trump’s team in making rural America great again.”

House Agriculture Committee Ranking Member Collin Peterson said Perdue’s background in agriculture is a strong advantage.

“Agriculture and rural America play such an important role in our economy. With the appointment of Perdue, who has a background in agriculture, I am hopeful we will get a better sense of the incoming administration’s policy plans for rural America.”

Agriculture Committee Chairman K.

Michael Conaway said he looks forward to working with Perdue.

“Agriculture is the backbone of our nation. However, America’s farmers and ranchers are facing difficult times under current farm conditions, and they deserve a secretary who will work diligently to turn those tides,” he said. “As we begin working on the next Farm Bill, the secretary will play a vital role in implementing positive changes for our producers and must understand every aspect of the job at hand. We need someone who is willing to work every day with the mind-set of protecting America’s farmers and ranchers, especially when it comes to introducing regulatory actions. I look forward to working with Sonny Perdue, especially on the committee’s priorities as Congress begins its work toward the next Farm Bill.”

Sources: NPPC, NFU, Georgia Department of Agriculture and the House Committee on Agriculture.

K-State offers youth animal science learning opportunity

Students from across the country with an interest in the livestock industry and related careers can apply now for the

Kansas State University (K-State) Animal Sciences Leadership Academy (KASLA). The academy is an intensive four-day educational experience designed to enhance the leadership skills and animal science knowledge of students in ninth through 12th grades.

Hosted by the K-State Department of Animal Sciences and Industry and sponsored by the Livestock and Meat Industry Council, the academy’s goal is to develop young leaders within the livestock industry and prepare them for a successful future in the field.

This year’s program will take place June 14-17 in Manhattan. Applications are due April 1 and can be found at www.YouthLivestock.KSU.edu.

Source: K-State Research and Extension News.

Chairman Conaway disappointed in Organic Animal Welfare Rule

On Jan. 18, Ag Committee Chairman K. Michael Conaway issued the following statement in response to the USDA’s Agricultural Marketing Service (AMS) release of its new organic animal welfare standards.

“I am disappointed to see yet another

controversial rule pushed through during the final hours of the Obama administration. Not only do animal welfare standards go beyond the scope of the National Organic Program, the requirements regarding expanded outdoor access for poultry fly in the face of lessons learned from the recent and devastating outbreak of HPAI (highly pathogenic avian influenza), and are particularly concerning given the detection of the virus in a wild duck in Montana earlier this month. I hope that the incoming administration will immediately withdraw this rule, but stand ready with my colleagues on the Hill to roll back the regulation if necessary.”

Source: The House Committee on Agriculture.

Immigration reform good for U.S. economy, agriculture

Immigration reform continues to be a hot topic on the political scene and a priority for farmers and ranchers. In a session at the AFBF 2017 Annual Convention & IDEAg Trade Show, Tom Hertz of the USDA and Mark Delich of FWD.us discussed the economic and political realities of the current immigration system and the impact of proposed reforms.

Tom Hertz, economist at the USDA’s Economic Research Service, explained trends in the farm workforce, including declining immigration rates and rising labor costs. Even though farm wages are up, the agriculture workforce still faces a labor deficit, and demand for workers continues to increase, said Hertz.

Hertz outlined a recent USDA report, assessed the impact of expanding the H2A program (a temporary program that allows agricultural employers who anticipate a shortage of domestic workers to bring nonimmigrant foreign workers to the United States to perform agricultural labor or services of a temporary or seasonal nature) vs. increasing border security. According to USDA, H2A expansion over the long term would increase the farm workforce and expand outputs and exports overall. Whereas, an enforcement-only approach would likely reduce both the workforce and overall ag output, hurting workers and farmers. USDA’s study is not designed to advocate for any particular policy approach, Hertz noted, but to simulate what the leading proposals could look like 15 years down the road.

Taking a look at the political landscape,

Mark Delich, director of congressional affairs at FWD.us, an organization that supports comprehensive immigration reform, improving the quality of American education, and encouraging more investment in scientific innovation, emphasized that fixing our “broken immigration system” is about more than just border security. Agriculture is looking for a balanced approach to immigration reform that also addresses the worker-visa program and the status of undocumented workers. Immigration from Mexico is actually down in recent years due to economic improvements there and increased U.S. border patrol, according to Delich.

“We’re a nation started by immigrants,” Delich said. “It’s important to start the reform discussion by looking at the overall benefits of immigration — the entrepreneurship, work ethic and innovation immigrants bring — and we want to see that continue.” Although the issue is complex, Delich said that collaboration and engagement are vital. “Your members of Congress need to hear directly from you on this issue and why it’s important to you.”

Source: AFBF.

