



Beef Business

► A look at current events affecting the cattle industry

McDonald's calls for animal traceability

Speaking at the World Meat Congress in Brisbane, Australia, Gary Johnson, senior director of supply chain management for McDonald's, called animal traceability programs a "down payment on consumer trust that's going to pay big dividends for years to come."

Johnson commended Australia for its year-old system and said, "Consumer trust in the safety of the food they eat across the entire food chain, including the proteins, is the single most critical factor for our industry."

"Animal traceability is the most important thing the cattle industry can do to earn and keep the trust of consumers," Johnson said. "Any company that can't build and maintain their public trust doesn't have to worry about any other trend in the food industry. That company simply will not be in business any more."

For more information about the United States' plans for an animal traceability

program, see "New ID Plan Unveiled" on page 60.

R-CALF drops effort to close Canadian border

Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA) will not appeal a decision by a U.S. District Court in Montana that denied the group's request for a permanent injunction to close the U.S. border to Canadian cattle, *meatingplace.com* reported.

R-CALF's decision effectively ends the case, the article said. U.S. District Judge Richard Cebull originally granted a temporary restraining order against a March 2005 U.S. Department of Agriculture (USDA) rule that would have allowed the U.S. to resume imports of Canadian cattle less than 30 months of age. In July 2005, an appeals court reversed Cebull's decision. R-CALF then asked for a full hearing of the case, but was refused.

New sustainable-farming research wing

A new research wing was unveiled at a USDA laboratory whose mission includes finding nonchemical solutions to agricultural pests across the Midwest.

Officials at the North Central Agricultural Research Laboratory in Brookings, S.D., dedicated the new laboratory and office space, part of which will serve as a technology transfer area for accommodating farmers, growers and other customers who benefit from the Brookings scientists' research. The new addition will also help support the development of technologies to make ethanol fuel production more efficient and profitable.

Reopened beef export markets

The government of China conditionally agreed to resume imports of U.S. beef at the 17th annual senior-level meeting of the Joint Commission on Commerce and Trade (JCCT), the American Meat Institute (AMI) reported.

U.S. and Chinese inspection authorities were to begin discussing conditions for resuming U.S. beef exports, the AMI article said. China also committed to addressing U.S. trade concerns, including enhancing access of U.S. companies, farmers and ranchers to the Chinese market.

Four teams from South Korea's Ministry of Agriculture and Forestry were to visit the U.S. to inspect 36 meat-processing facilities that want to ship beef to South Korea, *The Korea Times* reported.

The team of experts was to examine the U.S. facilities for two weeks and submit a report on their findings. If the Korean government gave its final approval, U.S. beef was to be sold in the country as soon as early June.

EU lifts 10-year ban on UK beef

A 10-year ban on the export of United Kingdom (UK)-raised beef into the European Union (EU) has been lifted, BBC News reported. The ban was originally instated due to bovine spongiform encephalopathy (BSE) concerns.

Live cattle born after Aug. 1, 1996, can now be exported, as can beef from cattle

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U.S. cattle on feed up 9%

Cattle and calves on feed for harvest in the United States for feedlots with capacities of 1,000 or more head totaled 11.8 million head April 1. The inventory was 9% above the same time last year and 10% above April 1, 2004, figures. This is the highest April inventory since the series began in 1996.

Placements in feedlots during March totaled 1.84 million, 5% above 2005 figures and 1% above 2004 figures. Net placements were 1.75 million head.

Marketings of fed cattle during March totaled 1.96 million, down slightly from 2005 and slightly below 2004 figures. Other disappearance totaled 90,000 head during March, 32% above 2005 figures and 34% above 2004 figures.

Table 1: No. of cattle on feed, placements, marketings and other disappearance, 1,000+-head-capacity U.S. feedlots, April 1, 2004-2006

	No. of head (1,000 head)			2006 as % of	
	2004	2005	2006	2004	2005
On feed March 1 ^a	10,987	11,154	12,023	109	108
Placed on feed during March	1,810	1,750	1,837	101	105
Fed cattle marketed during March	1,967	1,963	1,958	100	100
Other disappearance during March ^b	67	68	90	134	132
On feed April 1 ^a	10,763	10,873	11,812	110	109

^aCattle and calves on feed are animals for harvest being fed a ration of grain or other concentrates and are expected to produce a carcass that will grade USDA Select or better.

^bIncludes death loss, movement from feedlots to pasture and shipments to other feedlots for further feeding.

Source: National Agricultural Statistics Service.

harvested after June 15, 2005, the article said. Restrictions will remain for beef containing vertebral material and for beef sold on the bone. The Netherlands, Greece and Italy are expected to be the first major markets for British beef.

BSE in U.S. less than one in a million

Agriculture Secretary Mike Johanns announced the USDA's estimate of the prevalence of BSE in the U.S.

"We can now say, based on science, that the prevalence of BSE in the United States is extraordinarily low," Johanns said. "The testing and analysis reinforce our confidence in the health of the U.S. cattle herd, while our interlocking safeguards, including the removal of specified risk materials (SRMs) and the feed ban, protect animal and human health."

USDA's data show the most likely number of cases present in the United States is between four and seven animals. The department concluded that the prevalence of the disease in the U.S. is less than one case per million adult cattle, based on an adult cattle population in this country of 42

million animals. The estimate of BSE prevalence in the United States is based on data gathered from the enhanced surveillance effort that has been under way since June 2004, and from surveillance conducted in the United States for the five years prior.

Washington Watch

Cattlemen call for Death Tax repeal

Farmers and ranchers from across the country rallied together in early May to plea for permanent repeal of the Federal Estate and Gift Tax, commonly called the Death Tax.

The National Cattlemen's Beef Association (NCBA) designated May 9 as the national 2006 Capitol Hill call-in day for agriculturalists to encourage their Senators to vote for permanent repeal. The Senate was expected to vote on the issue this spring, and many had called for the vote to occur by Memorial Day weekend.

As of this writing, current law calls for the

applicable tax-exclusion amount to phase in gradually toward full repeal in 2010. But because of a "sunset provision" in the law, all reforms expire in 2011. Therefore, the Death Tax will be fully reinstated at rates of up to 55% only one year after repeal.

"Right now, unless we conveniently die in the year 2010, the threat of a crushing tax on our family operations is inevitable," said Mike John, NCBA president and Missouri cattleman.

For more detailed information on the Death Tax and how it affects farmers and ranchers, visit <http://hill.beef.org/tax>.

Industry Events

MU Field Days Summer 2006, Missouri

The latest in crop, livestock, forage, horticultural, wildlife and agroforestry research will be on display at a series of field days conducted at University of Missouri (MU) research centers and farms.

The 2006 field day schedule includes:

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- ▶ June 15-16, Grazing School at Wurdack Farm in Cook Station, Mo. Contact John Poehlmann at (573) 882-4450.
- ▶ June 23, Native Plant Field Day at Bradford Research and Extension Center in Columbia, Mo. Contact Tim Reinbott at (573) 884-7945.
- ▶ July 11, Turfgrass and Ornamental Field Day at South Farm in Columbia, Mo. Contact Brad Fresenburg at (573) 442-4893.
- ▶ July 12, Weed and Integrated Pest Management (IPM) Field Day at Bradford Center in Columbia, Mo. Contact Reinbott.
- ▶ July 25-28, Crop Injury and Diagnostic Clinic at Bradford Center in Columbia, Mo. Contact Reinbott.

For a complete list of MU field days conducted June-October, visit <http://aes.missouri.edu/>.



Electronic Beef ID Crash Courses

June 21-22, July 19-20

Manhattan, Kan.

Kansas State University will host two Electronic Beef ID Crash Courses this summer at the Stocker Unit outside Manhattan, Kan. They will include live-animal demonstrations, hands-on use of animal identification (ID) equipment, a review of available technologies and how to budget a system.

The June 21-22 program is aimed at operators of feedyards, sale barns and stocker-grower operations. The July 19-20

program is aimed at cow-calf producers and veterinarians. Space is limited to 100 attendees in each session. For more info, contact Lois Schreiner at (785) 532-1267 or lschrein@ksu.edu.



Angus Foundation Golf Tournament

July 11, Prairie View Golf Club, Carmel, Ind.

The Angus Foundation will host its 6th annual Golf Tournament at the Prairie View Golf Club in Carmel in conjunction with the National Junior Angus Show (NJAS) in Indianapolis, Ind.

For a \$100 entry fee for adults and a \$75 entry fee for junior members, players can enjoy a round of golf with fellow Angus enthusiasts and know that the proceeds generated will support the Foundation's education, youth and research activities. Early registration must be received by Thursday, June 15. After that date, an additional \$10 charge will be added to player registration rates.

Visit www.angusfoundation.org/golf_tournament.html to download a player registration form or sponsorship form.



Soil and Water Conservation Society Annual Conference

July 22-26, Keystone, Colo.

The Soil and Water Conservation Society will host its annual conference at the Keystone Resort in Keystone, Colo. The conference will focus on a variety of conservation topics, with emphasis on water use and management, the science of targeting, and the 2007 Farm Bill.

For more information visit the "SWCS International Conferences" link at www.swcs.org.

