

Facing the Future

Cattlemen gather for the event of the year.

by **Brooke Byrd & Meghan Soderstrom**

About 5,000 cattle producers from across the nation gathered at the Colorado Convention Center Feb. 1-4 for the cattle industry's largest meeting — the Cattle Industry Annual Convention and Trade Show.

This convention marked the 10th anniversary of the National Cattlemen's Beef Association (NCBA), which was formed in 1996 through a merger of the National Cattlemen's Association and the National Live Stock and Meat Board. In addition to NCBA, the convention was hosted by the Cattlemen's Beef Promotion and Research Board (CBB), American National CattleWomen Inc. (ANCW), the National Cattlemen's Foundation (NCF) and Cattle-Fax.

Activities kicked off Wednesday with the Cattlemen's College® a full day of hands-on instruction and demonstrations (see page 279). This year's Cattlemen's College, sponsored by Pfizer Animal Health, was held at the National Western Complex. It featured a demonstration of low-stress cattle handling techniques,

as well as breakout sessions on animal identification (ID), calf weaning strategies, feedlot performance, and Natural Resources Conservation Service (NRCS) programs.

Cattlemen also attended the Cattle-Fax Outlook Seminar Wednesday, getting expert insights on trends driving the industry and the cattle market (see page 284).

Long-range plan takes center stage

On Thursday, Feb. 2, cattlemen got down to business with the opening session of the Cattle Industry Annual Convention, which carried the theme, "Cowboy Up!" After welcomes by NCBA President Jim McAdams, CBB Chairman Alan Svajgr and ANCW President Marlene Strickland, the new Beef Industry Long-Range Plan was unveiled.

Patti Brumback, Washington State Beef Commission, and Richard McDonald, Texas Cattle Feeders Association, reviewed

the most recent Beef Industry Long-Range Plan and how the industry has changed in recent years. "We were basically a dying industry," Brumback said. "We've increased demand about 20% since 1998."

The previous long-range plan addressed six key areas: safety, preparedness and issues, exports and trade, nutrition, product innovation and development, and protecting and enhancing the business climate. Brumback and McDonald described how the beef industry has met its goals in each area.

"NCBA and the entire industry working together got it done," McDonald said.

Donnell Brown of R.A. Brown Ranch, Throckmorton, Texas, explained the new Beef Industry Long-Range Plan. The main challenge the long-range planning committee faced in developing the plan, he noted, was to maintain the industry's momentum. The

new long-range plan (see page 277) focuses on four priority areas: creating value, growth, sustainability and opportunity.

"This to me is a plan we can be a united part of," Brown said. "We can achieve success for the future with this long-range plan, and you are the reason we can succeed."

Strong business outlook

Renowned economist and speaker Barry Asmus delivered an optimistic statement about the future of the beef industry: "The good news is that the bad news is wrong," he said.

In a time of unprecedented growth, Asmus predicted 2006 would be a time of strong business expansion. The main reasons for this growth, he noted, are the demographics of U.S. consumers, predicted low interest rates and the incredible productivity of the U.S. workforce.

He then noted the importance of

New long-range plan focuses on creating value, growth, sustainability and opportunity.



PHOTOS BY SHAUNA ROSE HERMEL

► The American Angus Association, Certified Angus Beef LLC and Angus Productions Inc. shared a booth in the cattle industry's largest trade show. Staff of all three entities were on hand to discuss the products and services available to cattlemen.



►Outgoing NCBA President Jim McAdams said the U.S. cattle industry is coming off an exceptional year, but always looking for opportunities to grow and improve.

lowering taxes and of government deregulation. “Freedom is the mainspring of economic prosperity,” Asmus emphasized. For the cattle industry, that means “the golden age of the American beef industry is in front of us, not behind us,” he stated.

“Good things do not come without hard work,” Asmus concluded, adding, “Not one of us is doing this by ourselves. Team beats the world.”

The opening session concluded with a surprise visit by actor and beef checkoff spokesman Sam Elliott. Referring to his life growing up around agriculture and the natural world, Elliott finished with the words that will forever be heard in his voice: “Beef. It’s what’s for dinner.”

Thursday afternoon was devoted to Beef Industry Issues Forums and regional caucus meetings. Issues Forum sessions detailing the 2010 Beef Industry Long-Range plan were packed. Other issues discussed included the national animal movement database, the 2007 Farm Bill, instrument grading and retail marketing strategies (see page 274).

Johanns addresses convention

Despite recent trade setbacks, “unwavering consumer confidence in the safety of American beef” continues to

increase global demand, U.S. Secretary of Agriculture Mike Johanns said Friday, Feb. 3. Johanns’ visit was highly anticipated throughout the week, and the auditorium was packed with cattlemen.

“USDA (U.S. Department of Agriculture) is pushing hard to restore access to markets that closed a couple of years ago. And, we have accomplished a great deal,” Johanns said. “Hong Kong, Singapore, South Korea, Taiwan have resumed trade in various beef products.”

Johanns called Japan’s reinstated ban on U.S. beef a “temporary setback” and said the United States’ failure to meet the trade conditions was “unacceptable.” Although the U.S. is eager to resume trade with Japan, “we don’t intend to sacrifice thoroughness for speed in our investigation. We’ll move as rapidly as we can, but when we’re done we want to be able to say it was thorough,” Johanns explained.



►Industry spokesman Sam Elliott was a surprise guest speaker at the opening session.

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Johanns pledged “scrupulous attention” to trade agreements with customers around the world and maintained, “American beef is absolutely safe.

“Not only is American beef safe, I can also report to you, with a tremendous body of information to back this up, that our herd is healthy,” he continued. The largest herd health testing program in the U.S. has found only one positive case of bovine spongiform encephalopathy (BSE) out of more than 600,000 tested cattle to date.

Agricultural trade exports are forecasted to reach \$64.5 billion this

year — that’s 25% more than in 2000, he said. Johanns emphasized the importance of export markets by pointing out that 95% of the world’s population lives outside of the United States. That means 95% of our potential customers cannot be reached through domestic sales, he said.

“Free and open trade based upon scientifically sound and internationally recognized” standards are this administration’s goals. But, other issues, such as animal ID and traceability, can also limit trade, he said.

Johanns said implementing the National Animal Identification System (NAIS) would be a “crucial tool in safeguarding the health of agricultural animals from disease.

“One only needs to look to other parts of the world — to Australia or other countries — to understand another reason why it’s important. . . . They are aggressively marketing their animal traceability to gain whatever competitive advantage they can,” he said.

Johanns addressed concerns about USDA’s switch to a privately held ID database, saying the system is not a “retreat.”

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Johanns CONTINUED

“Our longstanding goals remain to move forward quickly without causing unnecessary burden on producers and without unduly increasing the size of government. ... Let me assure you that I’m not changing course,” he explained.

Under the current proposal, the industry would “continue to own and have control over the animal movement data,” Johanns said. “But, through agreements established between private entities and the USDA,” state and federal health officials would still be able to access the information if needed.

Johanns said the private database system provides “flexibility and allows for a robust private sector.” He also said a public system would take away price competition and innovation.

Friday also featured committee meetings covering specific policy areas (see page 286). Separate committees governing checkoff-funded programs received program updates and progress reports.

The cattle industry’s largest trade show was in full swing Thursday and Friday at the Colorado Convention Center’s



►Mike John, a cattle producer and member of the American Angus Association from Huntsville, Mo., was elected to succeed McAdams as the 2006 NCBA president.

exhibition hall. More than 280 exhibitors were on hand to showcase the latest products and services.

Convention wrapup

The convention concluded Saturday with meetings of the CBB and the NCBA Board of Directors, as well as the NCBA Annual Membership Meeting. None of the resolutions or directives presented by Resolutions Committee Chairman Sheri Spader, Rosendale, Mo., elicited discussion from the floor as cattlemen voted to accept them. The next step is for the policy items to be mailed out to all NCBA members for a mail-in vote (see “Producers reaffirm extensive policy priorities” at right).

McAdams said the U.S. cattle industry is coming off an exceptional year, but always looking for opportunities to grow and improve.

“I’ve never been more optimistic about the future of this industry, but success and profitability don’t just happen,” McAdams said. “Cattlemen will continue to make every effort to refine and market our product, and meet the needs of our consumers.”

Mike John, a cattle producer and member of the American Angus Association from Huntsville, Mo., was elected to succeed McAdams as NCBA president.

“We are experiencing unprecedented change in the beef industry. We can either direct it, or let it direct us,” John said. “This change offers opportunity, and if we embrace it we can also work proactively to manage it for [the beef industry’s] benefit.”

He expressed confidence in his ability to serve as president and said his confidence comes from “the knowledge that NCBA members are willing participants in the most effective effort to protect and enhance the beef industry.”

John Queen, Waynesville, N.C., was elected NCBA president-elect, and Paul Hitch, Guymon, Okla., was elected NCBA vice president.

Producers reaffirm extensive policy priorities

Thousands of National Cattlemen’s Beef Association (NCBA) members from across the nation joined forces at the 2006 Cattle Industry Annual Convention and Trade Show in Denver, Colo., to address key policy issues affecting the industry. Policy resolutions were passed at the committee level and brought to the NCBA Board of Directors meeting and NCBA membership meeting. Representatives from each state affiliate and NCBA member organization voted to approve renewal of various existing policies, while also adding new policy resolutions.

“This year, much of the attention was focused on cattle health priorities, international trade issues, environmental policy, animal identification (ID) and renewing existing tax policy,” said Jay Truitt, NCBA vice president of government affairs. “The policy resolutions approved at the meeting are not final, of course, until the mail-in membership ballots have been collected and counted.

“NCBA producer-members once again showed their exhaustive dedication to shaping the future success of the cattle industry at our annual convention,” Truitt said. “The members of NCBA are vocal advocates for the cattle industry, dedicated to leading a complex array of policy issues.”

The NCBA Policy Summary Report details more than 75 policy renewals, resolutions and amendments for 2006 that were passed by NCBA members attending the 2006 convention. The full NCBA Policy Summary Report is available online at <http://hill.beef.org/2006potentialpolicy>.

The full NCBA membership now has the opportunity to confirm or reverse each policy through the mail-in ballot process. Once the mail-in ballots have been collected and counted, the updated NCBA 2006 Policy Book will be available online at <http://hill.beef.org> and distributed. For more information visit www.beefusa.org.

