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“It is not enough for farmers/ranchers to produce safe, wholesome food. It’s also necessary to show that farmers and ranchers are accomplishing larger societal goals such as nutrition education, hunger relief, economic stimulus and conservation of existing resources,” he quoted Thomas Quaiffe from the August 2012 edition of *Dairy Herd Management*.

There are plenty of challenges to this, as the agriculture community is becoming less relevant in political life, he cited from Agriculture Secretary Tom Vilsack, as evidenced by the lack of a five-year farm bill.

To counteract this, the agriculture industry must be proactive instead of reactive.

The vocal minority is a large issue, but they make a bigger splash than there are actual consumers who agree with them. Only 4% are lifestyle buyers who oppose conventional production methods, and 1% are fringe buyers. Of polled consumers, 94% either support the use of technology or are neutral about it as long as food is safe.

Smith said he’s not as concerned about the vocal minority as much as when things go viral, like the lean, finely textured beef/“pink slime” debacle.

“Once a problem goes viral, everyone is responsible for creating a solution,” he charged.

The question is: How?

There are many ways to reach out to consumers, especially with methods of social media. “Eighty-three percent of U.S. citizens with access to the Internet visit social media sites,” he said. While social media is important domestically, it is even more important for the Asian markets.

Smith mentioned other means of communicating the beef story, like the U.S. Farmers and Ranchers Alliance (USFRA) or the National Cattlemen’s Beef Association (NCBA) Masters of Beef Advocacy (MBA) program. There are also resources like the *NCBA Beef—The Real Story is Your Story*

Worldwide Beef Issues

An international panel addresses worldwide issues and challenges.

by *Kasey Miller*, associate editor

Even with some export markets being closed, some since 2003, U.S. meat exports have still eclipsed 5 billion pounds (lb.) this year, said Phil Seng, CEO of the U.S. Meat Export Federation (USMEF). Major markets have expanded. Canada, our No. 2 export market, has increased by 13%; Japan, our No. 3 market, has increased by 19%; and Hong Kong has increased by 37%, which shows “the export market continues to perform,” said Seng.

Seng; Arturo Llavallol of the Sociedad Rural Argentina; Guillaume Roué of INAPORC, France; and Hsin Huang, general secretary of the International Meat Secretariat, explained worldwide beef issues to attendees of the International Livestock Congress—USA 2013 (ILC). The event was hosted Jan. 15 in Denver in conjunction with the National Western Stock Show.

Keeping a strong export market

Seng predicted the export market in 2013 would increase by 9%-10% on a volume basis and 13%-14% on a value basis. The export market, he noted, adds about \$225 in value per head.

Trust is a major factor in international trade. Eating is an extremely personal experience. Seng illustrated that international consumers don’t know as much about a foreign country’s production practices, so those consumers must have trust to ingest another country’s product. When the first bovine spongiform encephalopathy (BSE) case occurred in 2003, Seng said many



► Phil Seng, CEO of the USMEF, forecast that the export market in 2013 would increase by 9%-10% on a volume basis and 13%-14% on a value basis.

markets were offended and affronted because they had placed their trust in American beef.

“BSE was really a wake-up call for all of us about things we needed to do,” he explained. “There were some learnings from that experience. I think number one is we realized our limitations. To a large degree, when I was younger, I thought everything was possible. There were infinite possibilities everywhere. You really learn that you can’t do things totally by yourself or just with your organization.

“One of the things that we recognized, as we did surveys with consumers and looked at what it would take to re-establish this valued trust, is that we just don’t have the dollars to talk about or convey to consumers

around the world our value attributes and production practices.”

The way around this limitation is to target the right audiences. To consumers, the supermarkets in these countries are the farms, he said, similar to the United States. This means that USMEF targets its message to the supermarkets. Supermarkets are the first point of contact with consumers and where credibility can be established.

For example, in Japan, the “We Care” campaign has reached more than 65% total trust from consumers. In Korea, the “To Trust” campaign support is at an all-time high.

From these campaigns, Seng said they have learned that science and philosophy must go hand in hand, and USMEF works with key opinion leaders. It is best when someone outside of the industry conveys your message, he said.

Production challenges

Each panelist explained livestock production in his respective country, and similar issues emerged that the United States faces, as well.

Animal welfare practices were a major concern. Llavallol said the on-farm welfare benefits can be lost in three hours, because many slaughterhouses have poor transport and animal management in Latin America. In Argentina, he said, forest is often compromised for cattle production, but studies have shown that cattle show excellent growth results if forest integrity is kept and used as shade. Finding ways to produce beef

brochure or industry websites with myth vs. fact sections, like that found on the Animal Agricultural Alliance website, in which producers can chime in with their industry experience.

There is plenty of science to defend production practices, like that offered by Frank Mitloehner of the University of California–Davis and Capper, for instance, as well as through the Center for Food Integrity, the Federation of Animal Sciences, and many more. The most important factor is how those facts are communicated.

“Do, in fact, try to be transparent on the use of technologies, because we are seeking trust,” Smith reminded. It is far easier to stay out of trouble than to get out of trouble, he

added. The industry must be transparent enough to stay out of trouble. That way, if a problem does arise, consumers already trust that the industry is working to correct a problem. Additionally, the problem won’t get blown out of proportion in the first place. Such was the case with the cow that was confirmed as positive for bovine spongiform encephalopathy (BSE) earlier this year.

Trust is what the beef industry craves from its consumers, and the way to gain that trust is to use confidence (show that producers have similar values to that of consumers), competence (scientific data) and influential others (like the American Medical Association agreement on not labeling GMO foods), he explained. These three things lead

to trust, which then becomes social license and freedom to operate.

Of these three, he noted, confidence, or values, is three to five times more resonant with consumers than competence, or science.

He gave the example of stores like Sprouts, Trader Joe’s and Whole Foods, at which shoppers believe they don’t have to spend as much time poring over labels because they trust that those companies share their values and do the right thing.

It is now the beef industry’s challenge to get consumers to align their trust with us. Just as the industry can meet the challenge of producing more food, Smith believes that trust is possible, too.



in a symbiotic relationship with existing natural resources is a challenge.

Roué explained that the conflict between anti-ag groups and ag producers is his biggest concern, especially when it comes to high-production practices in the pork industry, but beef producers meet the same challenges. He said society wants to eat, but at a lower price, though urban neighbors complain about intensive production practices.

Consumer challenges

Science gives the luxury of not thinking about the price of food, which leads to waste, said Huang.

“We don’t pay enough or put enough value on food,” he asserted. “Our challenge is to communicate how to produce food that fits with consumers’ concerns and values.”

A giant international challenge, Huang added, is that governments, and even the Food and Agriculture Organization (FAO), think that meat production is bad for the environment and the health of consumers. To combat that, he said that international organizations, like the International Meat Secretariat or the World Organization for Animal Health, are working with the FAO to be more balanced.

Science and government challenges

A major challenge between beef production and trade between the United States and the European Union (EU) is that science is regarded differently in terms of hormones and growth promotants. For a free-trade agreement to occur, the two entities need shared principles.

Huang explained that science can be interpreted in many ways, because it is not as exact as we would like it to be. Humans are subjective creatures, and we can interpret different truths from the data.

The European mind-set toward science



► From left, Guillaume Roué of INAPORC; Arturo Llavallol of the Sociedad Rural Argentina; and Hsin Huang, general secretary of the International Meat Secretariat, joined Seng on a panel discussing the issues of the beef industry worldwide.

is generally to be more cautious of what future effects will be, including what future science may disprove. He said the American mind-set is to trust the science now and deal with future implications as they come. These differences in mind-set affect trade. For now, he said, both entities will have to live with that.

“Nothing offends someone more than telling them their science is wrong,” he explained.

Another question was posed about the government’s role in consumer choice, especially in Europe, where the government bans specific imports containing growth promotants. Huang said that in Europe, many producers and consumers do not like that a central authority makes those choices for them.

However, he granted, the population voted in the legislators who made the regulations, so they must live with the consequences. This particularly affects the agriculture population in these countries because they are the minority and, thus, have less chance of voting in legislators who will enact pro-agriculture legislation.

Roué shared more frustration with regulations in France to production practices,

specifically in regard to animal welfare. This is another reason for ag producers to be proactive in sharing why scientific technology is beneficial to ease fears and lessen regulations.

A final question from the audience asked whether pressure comes from governments, consumers or interest groups. Roué said that pressure in France comes from wealthy anti-ag lobbying groups. These groups gain funding by playing on the emotions of pet owners (sound familiar?). These groups then are able to lobby for more restrictive animal-welfare legislation.

“Are we (the producers) heard on this? I’m not sure,” he said.

Llavallol observed that it is a mixture. Regulations come from governments with which your respective country wants to trade. To increase demand for products, producers try to meet these regulations, and consumers give pressure only once they take notice from the media. He added that governments shouldn’t make so many regulations to which they become impossible to comply, though. He pushed for free-trade agreements. The biggest priority should be producing safe food.

