Lean Finely Textured Beef (LFTB) Defended In WSJ Ad. Nancy Donley, spokesperson for STOP Foodborne Illness, defended the product and the company in today's Wall Street Journal. "There has been a lot of misinformation swirling around the Internet and on television about lean beef trim produced by Beef Products, Inc....and the categorization of calling their product 'pink slime' is completely false and incendiary," Donley stated. View the ad at http://www.t DFA.org/Newsletter/2012_links/2012-03-23_Wall_Street_Journal_Ad.pdf.

Meanwhile, the product remains under attack as national grocery chains announce they will no longer purchase ground beef products containing LFTB. Kroger, the nation's largest grocery chain, Supervalu, the nation's second-largest grocery chain, Safeway, Food Lion and 400-store Stop & Shop have made this decision based on "considerable consumer concern," not on the safety or nutritional quality of the product.

"We are not pulling it off the shelves because it is not a health or food safety issue," said Supervalu spokesman Mike Siemienas. "We are doing this because of customer concerns."

Kroger has a similar statement saying, "Our customers have expressed their concerns that the use of lean finely textured beef--while fully approved by the USDA for safety and quality--is something they do not want in their ground beef. We highly value customer feedback, and the recent flood of news stories has diminished their confidence in the product."

Walmart announced it would start giving customers a choice by carrying ground beef that does not contain lean finely textured beef but did not say it would stop carrying ground beef products that do. Costco made a statement this week that they do not carry ground beef that includes LFTB.

In response, Beef Products Inc. released this statement saying, "We understand consumer concern, but together food makers and food sellers need to provide information to consumers so they can make informed decisions. When science, food safety and food quality do not rule the day, everyone--whether you sell food or eat food--loses. Lean Beef Trimmings is 100% beef--trimmed right off a steak or roast. And whether it's steaks, roasts or ground beef, it is all made in facilities that use smart safety interventions to deliver it in the safest form possible to the consumer. From a ground beef perspective, the only difference here is whether it is finely ground or coarsely ground."

USDA announced last week it would offer schools that buy food through the National School Lunch Program the option of ordering ground beef with or without lean finely textured beef.

TCFA Call To Action: As TCFA continues to work with NCBA, the Texas, Oklahoma and New Mexico Beef Councils and LFTB manufacturers to recover long-term demand for this product, cattle feeders are encouraged to educate consumers. To learn more about the scientific facts of LFTB, visit http://tcfa.org/communications/lftb_facts_resources.html. To personalize a letter to send to local school districts, visit http://www.t DFA.org/Newsletter/2012_links/lftb_letter_for_schools.rtf.

U.S. Appeals WTO COOL Ruling. According to Reuters, the U.S. has decided to appeal the November ruling of the WTO dispute settlement panel that concluded a U.S. law requiring country-of-origin labeling (COOL) of meat and meat products violates treaty obligations. The panel agreed with the Canadian and Mexican arguments that mandatory COOL requirements violated provisions of the WTO's Agreement on Technical Barriers to Trade. In particular, the panel concluded that the mandatory COOL requirements resulted in imported cattle and pork from Canada and Mexico being treated less favorably than U.S.-origin cattle and pork.

"Although we were pleased that the COOL panel report ... confirmed that the United States has the right under WTO rules to adopt mandatory COOL requirements to help consumers make informed purchasing decisions about the food products they buy, we were disappointed that the panel disagreed with the way that the United States designed its COOL requirements with regard to beef and pork," said Andrea Mead, a spokeswoman for the U.S. Trade Representative's (USTR) office. "Accordingly, we are challenging the Panel's report before the WTO Appellate Body."
TCFA and NCBA had urged USTR not to appeal the ruling and instead work with stakeholders and Congress to rewrite the law so that it complies with our WTO treaty obligations. "We are extremely disappointed that our government has ignored the wishes of cattlemen and pork producers around the country and has chosen instead to waste additional time and money appealing a ruling that most reasonable people believe will stand," said TCFA Chairman Jim Peters. "I'm amazed, given the economic issues of the day, that the U.S. government would continue to devote human and financial resources in a futile attempt to retain a protectionist policy that continues to harm our domestic economy. Mandatory COOL hasn't done what its proponents promised. In fact, it's done the complete opposite, adding unnecessary costs throughout the production chain without a return on investment. Mandatory COOL has cost American, Mexican and Canadian cattle producers millions, confused consumers and threatened our relations with the two largest importers of U.S. beef."

House Budget Proposal Calls For Major Farm Bill Cuts. The House Budget Committee narrowly passed a budget proposal introduced by the Committee Chairman Paul Ryan (R-Wisc.). The proposal calls for $5.3 trillion in government-wide spending cuts and entitlement reforms and $2 trillion in tax reductions to shrink the deficit $3.3 trillion below President Obama's proposed budget.

Speaking at a Capitol Hill press briefing shortly after he introduced the proposal, Chairman Ryan told reporters, "There's about a hundred pages here of details which are food stamp reform, welfare reform, federal employee reform, agriculture reform–I can go on and on but that's the bulk of where the savings come from."

Chairman Ryan's budget would reduce Farm Bill funding by approximately $181 billion over the next decade—$15.5 billion for commodity supports, $15.5 billion for crop insurance, $16 billion for conservation and $134 billion for nutrition assistance. The proposal notes, "Compared to an overall economy that is recovering slowly, the U.S. agriculture sector is improving dramatically." It also states, "The record-breaking prosperity of American farmers and farm communities . . . calls for a re-examination of federal agricultural programs that spend billions each year. Taxpayers should not finance payments for a business sector that is more than capable of thriving on its own."

In response to the Ryan budget, Agriculture Committee Chairman Frank Lucas (R-Okla.) cautioned stakeholders against reading too much into the numbers and proposals, referring to them as simply suggestions. "During our process, both policy and deficit reduction targets will be developed in conjunction with Ranking Member Peterson and Members of the Committee as we write a fiscally responsible Farm Bill that ensures Americans continue to have a safe, affordable and stable food supply," Lucas said.

However, Agriculture Committee Ranking Member Colin Peterson (D-Minn.) called the proposal "appalling" and said it "virtually guarantees there will be no new Farm Bill this year."

TCFA And NCBA Were Two Of Many State, Regional And National Organizations That Sent A Joint Letter To The Office Of Management And Budget (OMB) expressing serious concerns with the "Final Guidance on Identifying Waters Protected by the Clean Water Act" proposed by EPA and the U.S. Army Corps of Engineers (Corps). The letter urges OMB to conduct a thorough analysis of the Final Guidance, focusing on the agencies' failure to fully consider the costs of implementation.

"We believe EPA significantly underestimated the costs that they did attempt to quantify, while overstating the benefits," the letter states. "The Final Guidance increases regulatory uncertainty and imposes significant regulatory burdens on private landowners, industrial entities as well as local, state and federal regulatory agencies. As a result, our interests will face significantly more federal regulatory and permitting burdens, compliance costs, delays and constraints on use of land for economically productive activities and job creation."

The letter also points out that the Final Guidance significantly expands the scope of waters that will be regulated by EPA and the Corps—including playas—despite the United States Supreme Court decisions that narrowed the agencies' authority and is inconsistent not only with the procedural requirements of the Administrative Procedure Act but also with the scope of the agencies' authority under the Clean Water Act and Commerce Clause. To read the full letter, visit [http://www.tcfa.org/Newsletter/2012_links/2012-03-22_omb_letter.pdf](http://www.tcfa.org/Newsletter/2012_links/2012-03-22_omb_letter.pdf).

E15 Moving Toward Commercial Availability. According to *Farm Futures*, after quite some time and several delays, it appears that E15 ethanol may soon be available commercially. The Renewable Fuels Association (RFA) held a media call on Monday to review where they are in the process, saying real progress is being made. In February, EPA approved health effects testing, triggering fuel registrations, and last week, EPA
approved the Misfueling Mitigation Plan, submitted by RFA, that refiners, gasoline marketers and ethanol producers will have to abide by in order to sell E15.

The United States Supreme Court Ruled Unanimously In Support Of The Right Of Landowners to seek judicial review prior to enforcement of compliance orders. Ashley Lyon McDonald, National Cattlemen's Beef Association deputy environmental counsel, called the decision in the Sackett v. EPA a decisive victory for private landowners nationwide.

"The uncertainty and mountains of bureaucratic red tape surrounding the Clean Water Act (CWA) permitting process left the Sacketts in a lose-lose situation. Fortunately, this ruling will allow private property owners to challenge decisions before facing the threat of costly and burdensome fines," McDonald said. "While the decision did not reach the question of the limits of CWA jurisdiction, it made clear the agency cannot threaten property owners with large fines without having a court review their decision."

Specifically, the court held that Chantell and Michael Sackett can challenge EPA's "Administrative Compliance Order" (ACO), which alleged that private land the Sacketts purchased in rural Idaho to build a vacation home was a wetland and subject to CWA jurisdiction. It ordered the Sacketts to restore the land to its original condition or face tens of thousands of dollars in fines for each day of noncompliance.

McDonald said the Sacketts disagreed that the land was a wetland and appealed for a hearing on the alleged violation but were denied by EPA and the Ninth Circuit Court of Appeals. She said the Ninth Circuit threw out the case, because it determined that the CWA prevented judicial reviews of ACOs until enforcement action is taken by federal agencies. However, she noted that the Sacketts could not challenge the order until they refused to do what it instructed and were forced to pay thousands of dollars in fines.

Don't Forget! The Deadline To Validate Steers For The Junior Fed Beef Challenge Is April 1. For complete contest information, visit http://www.tcfa.org/jfbc. To request official contest rules and ear tags or to get additional information, contact Kaci Barclay at kaci@tcfa.org or (806) 358-3681.

The TCFA Fed Beef Challenge is just around the corner. It will be held at the Amarillo Livestock Auction on Wednesday, April 18. Some of the best cattle in the TCFA region will be available for viewing from 2 to 3:30 p.m. The live evaluation for feedyard employees vying for a custom-made saddle and college students competing for scholarships will begin at 4 p.m. The reception begins at 5 p.m. with this year's Calcutta beginning at 5:30 p.m., benefiting the TCFA Education Foundation. Be sure to stick around for the always popular steak feed starting at 6 p.m.

Pen space is still available for area feedyards interested in participating in this year's event. For more information, please contact Jason Slane at jason@tcfa.org or Kaci Barclay at kaci@tcfa.org or call (806) 358-3681.

Texas AgriLife Extension Service "Rebuilding The Beef Herd" Meetings will be taking place statewide throughout the month of April. Program topics include changes in lending policies that will impact availability of capital to reinvest in cattle; balancing forage recovery with cattle inventory recovery; systematic approach to evaluating options for securing replacement females; and developing a logical and systematic system to evaluate the worth of available replacement females.

The program sessions will also include discussions on such issues as herd health, biosecurity and creating strategic inventory flexibility into an operation. Programs are scheduled for Midland, Yoakum, Alice, Graham, Abilene and Athens. Registration is available online at http://agriliferegister.tamu.edu (keyword: beef).


Placing in the top 15 at the San Antonio Livestock Exposition Commercial Steer Show included Will Braack, second; Dawson Dittrich, third; Shelby Rogers, fourth; Dax Dittrich, fifth; Ryleigh Carson, sixth; Walker Carson, seventh; Cole Perkins, eighth; Emily Bujnoch, tenth; and Lucas Little, fifteenth. Other awards included Will Braack, Top Rookie; Dawson Dittrich, Top Animal Score; Shelby Rogers, Top Test Score; Dax Dittrich, Top Speech-Rookie; and Derrick Siebman, Top Speech.
**Runner's World Magazine Promotes Beef** in the April 2012 issue saying protein-rich red and dark meats can boost your health and strengthen muscles.

An excerpt from the article says, "Craving a juicy steak as a celebratory post-race meal? Go for it. A 3.5-ounce serving supplies 34% of your daily requirement for zinc, a mineral essential for a strong immune system. (Zinc is also abundant in cereal grains, but the body is better able to absorb it from meat sources.) You'll also get two milligrams of iron, a plus 'because running, especially high mileage, breaks down red blood cells, so athletes need about 30% more iron than non-athletes,' Rikki Keen, R.D., a sports dietitian, says. That's about 10 milligrams for men and 23 milligrams for women daily. And B-vitamins, which help convert carbohydrates into the fuel needed to make it through a training run, are particularly plentiful in beef." The article encourages shoppers to look for lean cuts including eye of round, sirloin, filet mignon, tenderloin, flank or 95% lean ground beef. It adds, "The perfect portion is the size of your palm–minus your fingers."

The list also includes, with beef being the first listed, dark meat chicken, lamb, pork and turkey pastrami as other proteins to include in a runner's diet. To view the article, visit [http://www.runnersworld.com/article/1,7120,s6-242-300--14241-0,00.html](http://www.runnersworld.com/article/1,7120,s6-242-300--14241-0,00.html).

**Consumer Optimism Is On The Rise** according to a new report on consumer and retail trends which indicated that while optimism among shoppers is on the rise, retailers are expected to pass along their higher costs more than they have in the past, according to Chicago-based SymphonyIRI Group.

Survey responses indicate that there is a sizable consumer segment that is feeling more optimistic about their economic conditions, even as a similar-sized group is expecting a deterioration of their personal financial health, according to the consulting firm's "CPG 2011 Year in Review: The Search for Footing in an Evolving Marketplace."

Consumers are expected to continue to define value based on price with more than half of them choosing their retail destinations based on the lowest prices. Additionally, retailers are expected to pass along more manufacturing price increases to shoppers, a shift from conditions in 2008, when retailers absorbed many of the increases through cost-cutting and more efficient supply chain operations. The report also predicts that private-label goods will continue to account for about 22% of unit sales and as much as 20% of dollar sales this year.

Meanwhile, drugstore chains are expected to move forward with plans to expand product offering to include more food products, especially in lower-income neighborhoods where access to fresh food is limited. SymphonyIRI Group officials add that consumer packaged goods retailers will need to respond to these trends by becoming even more vigilant in understanding consumer needs and purchase behavior if they want to increase their margins.

**Burger Chain Tops Technomic's 10 Fastest Growing Restaurant Chains In 2011.** Five Guys Burgers and Fries topped Technomic's list with $951 million in annual sales, up 32.8% in dollar sales and up 24.7% in its number of units. Other restaurants on the list included Chipotle Mexican Grill in second, Jimmy John's Gourmet Sandwich Shop, Yard House, Firehouse Subs, BJ's Restaurant and Brewhouse, Buffalo Wild Wings Grill & Bar, Raising Cane's Chicken Fingers, Noodles & Company and Wingstop.

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Please note: All links are available at [http://www.tcfa.org](http://www.tcfa.org) under This Week's Newsletter links.

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Texas Cattle Feeders Association

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