



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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Consumer Beef Demand Holds Strong

“There is considerable industry concern about how beef demand will react to the growing pressure for higher wholesale and retail beef prices,” says Derrell Peel, Extension livestock marketing specialist at Oklahoma State University. “So far, it appears beef demand is holding up well. Pork supplies are dropping as a result of the PED virus, and higher pork prices ahead will help support higher beef prices. However, abundant broiler supplies and relatively cheap poultry prices have, somewhat surprisingly, led to little substitution of chicken for beef so far.”

Consumers may be reacting differently to higher beef prices, in part, because of the expectations they have for the future, reports *Cattle Current*. “Considerable media attention has been drawn to the fact that beef prices will likely be high for an extended period of time. If consumers believed high beef prices were a short-term impact, they would very likely avoid the high prices and substitute away from beef. However, the prospects for high prices for an extended period of time may be causing consumers to have more of a ‘get it while you can before the price goes even higher’ attitude,” Peel says.

“Consumer preferences do not change easily or quickly. Consumers resigned to higher beef prices will make some adjustments but will continue to purchase beef,” he predicts.

Global Roundtable for Sustainable Beef Invites Public Comment

The Global Roundtable for Sustainable Beef (GRSB) released its draft document, “Principles and Criteria for Global Sustainable Beef” for public comment. The document identifies the key areas in the beef value chain that must be addressed to ensure beef production around the globe is environmentally sound, socially responsible and economically viable. The draft was developed by GRSB members, including producers and producer associations, the processing sector, retail companies, civil society organizations and regional roundtables.

The draft document, accessible at www.GRSBeef.org, is the product of more than a year’s work by members of the GRSB, as well as consultations with outside reviewers and beef sustainability subject matter experts around the globe. The public is invited to provide input and comments to the draft definition through May 16, 2014, after which the document will be updated to reflect the input received during the public comment period. Comments, along with any improvements to the draft definition, will be published for public review.

“This effort is one of many that TCFA leadership and staff have been engaged in over the past several years regarding beef sustainability. While the scope of the sustainability conversation includes environmental stewardship and community responsibility, we continue to remind participants in these discussions that without economic viability and profitability, there would not be any resources to address environmental or social issues,” said TCFA Vice President Ben Weinheimer. “For decades, TCFA members have maintained a strong focus and commitment to environmental stewardship and our communities. The focus in recent years on the term ‘sustainability’ is not a new concept to our members; it is more about discussing what we do and how we do it, and communicating it in a different way.”

The full document is available at <http://tinyurl.com/grsb-pr>. TCFA leadership and staff will be reviewing the draft GRSB document in detail and will file comments by the May 16 deadline. For more information, contact Ben Weinheimer at ben@tcfa.org.

Check Out Your Checkoff

Texas audiences recently learned how beef can fit into a fast and healthy meal during the Texas Beef Council’s (TBC) television cooking segment in Dallas. Registered dietitian, Shalene McNeill, showcased five-minute meal solutions and shared how a quick-and-easy meal can fit into every family’s fast-paced lifestyle. During the segment, consumers learned more about beef’s variety of cuts that provide nutritious and quick meals at home. Texans were also given cooking tips and new beef dinner ideas to make their in-home dining experience as delicious and worry-free as possible. Throughout the year, TBC appears on morning, noon and evening telecasts on leading television stations in 10 Texas markets. News stations also share the segments and recipes online, extending the checkoff’s reach.

TCFA Dues Rebate Criteria and Forms Available

If you fed 10,000 head or more in 2013 at a TCFA member feedyard, you may apply for a dues rebate. The rebate applies to the cumulative number of cattle fed by a single feeding entity.

Rebate applications must be completed and returned to the TCFA office by April 15.

Find the dues rebate application at <http://tinyurl.com/rebate-app> and the criteria at <http://tinyurl.com/rebate-criteria>, or contact Jason Slane at jason@tcfa.org or (806) 358-3681.

2014 TCFA Fed Beef Challenge – New Holstein Steer Division

The 2014 Fed Beef Challenge has been expanded to include a new division for Holstein steers. Feedyards will deliver their pens Wednesday, April 16, to the Amarillo Livestock Auction to compete.

Pens entered in the new division will only compete against other Holsteins, using the same TCFA index as traditional steer and heifer divisions. Thousands of dollars will be awarded to the winners of the contest. There will also be live evaluation contests open to the public, college students and feedyard employees. Students will compete for scholarships; feedyard employees will compete for a custom saddle; and the feedyard manager who wins the “Judge Your Own” contest will receive a Kenneth Wyatt print.

Also, enjoy a steak dinner and a calcutta to benefit the TCFA Education Foundation. We look forward to your participation. Contact Jason Slane at (806) 358-3681 or jason@tcfa.org for more information.

Retail Beef Prices Continue to Set Records

Retail beef prices set yet another record in February. The February prices reflect the run of both the Choice and Select cutout values to then-record highs in late January, according to the *Daily Livestock Report (DLR)*. *DLR* economists predict the pull-back of cutout values in February will cause retail beef prices to decline in March, but April and beyond will likely reflect the resurgence of wholesale price in the past few weeks. View the report, along with USDA's Economic Research Service's highlights of the February data, at <http://tinyurl.com/dlr-3-19-14>.

Animal Health Industry Commits to FDA Guidance 213

Members of the Animal Health Institute (AHI) and the Generic Animal Drug Alliance have committed to align all affected products with the Food and Drug Administration's (FDA) policy on judicious use of antibiotics. Under the policy, the growth promotion uses of medically important compounds will be phased out, and veterinary oversight of the use of therapeutic products will be phased in.

FDA still must issue a final rule on proposed changes to the veterinary feed directive, the mechanism used to ensure veterinary oversight of products used in feed, according to AHI. Successful implementation of this policy means medically important antibiotics will only be used in food animals under the direction of a veterinarian when there is a specific disease challenge.

Meanwhile, FDA is encouraged by industry response to Guidance 213, reports *Feedstuffs*. FDA said it has received responses from all drug companies affected by this guidance and is reviewing and analyzing those responses. The agency said it is “encouraged by the positive response thus far.” Read more at <http://tinyurl.com/epa-guidance-213>.

Survey Shows Consumers Willing to Pay More for Hamburger, Pork Chops

Americans are more willing to pay higher prices for hamburger, deli ham and pork chops than they were last month, according to the latest willingness-to-pay survey conducted as part of Oklahoma State University's monthly Food Demand Survey. The survey also showed consumers were less tolerant of high prices for chicken and steak in March than they were in February. Survey respondents said they would pay an average of \$2.20 for deli ham in March, up 23 cents from the month before. They also said they would pay 22 cents more for a pound of hamburger and 8 cents more per pound of pork chops. Find more at <http://tinyurl.com/consumers-willing-pay>.

EPA Names New Acting Agricultural Counselor

EPA announced this week that Allison Wiedeman has been asked to serve as the agency's Acting Agricultural Counselor to the Administrator, a position previously held by Sarah Bittleman.

Wiedeman comes to her new position from EPA's Office of Water, where she was in charge of the development of national water pollution regulations for energy-related industries including coal mining and oil and gas drilling and production. Prior to that, Wiedeman worked at the EPA Chesapeake Bay Program for 9 years, where she was in charge of directing activities to accelerate the restoration of the Bay through technological innovation and implementation related to both point sources and agriculture.

Bacon? Schmacon!

Schmacon, one of the latest checkoff-funded Beef Innovations Group projects, looks and smells as tantalizing as bacon; crisps up and cooks like bacon; and fully satisfies with delicious all-beef flavor, but it is a much healthier alternative. A serving of Schmacon contains 30 calories, 2 g fat and 60 mg sodium; whereas, a serving of pork bacon averages 60-90 calories, 4.5-7 g fat and 190-360 mg sodium.

Read more about Schmacon at www.schmacon.com, or listen to an audio report at <http://tinyurl.com/bb-audio>.

Oklahoma's AG Sues Over "Sue and Settle" Tactics

Oklahoma Attorney General Scott Pruitt is at it again, this time filing a lawsuit this week against the U.S. Department of the Interior and the U.S. Fish and Wildlife Service (FWS), alleging the FWS engaged in "sue and settle" tactics when the agency agreed to settle a lawsuit with a national environmental group over the listing status of several animal species, including the lesser prairie chicken.

"Increasingly, federal agencies are colluding with like-minded special interest groups by using 'sue and settle' tactics to reach 'friendly settlements' of lawsuits filed by the interest groups. These settlements, which often impose tougher regulations and shorter timelines than those imposed by Congress, are having a crippling effect on the U.S. economy. Furthermore, because these settlements are taking place without public input, attorneys general are unable to represent the respective interests of their states, businesses, and citizens," Attorney General Pruitt said. To read more on the legal action brought by AG Pruitt against the Obama Administration, go to <http://tinyurl.com/att-gen-sues-admin>.

APHIS Implements Final Rule on BSE

USDA's Animal and Plant Health Inspection Service (APHIS) has implemented the final comprehensive rule for bovine spongiform encephalopathy (BSE). The rule is designed to bring the U.S. into line with standards set by the World Organization for Animal Health (OIE), with APHIS using the same criteria as OIE in determining another country's BSE risk status and import policy, according to the Southwest Meat Association. It also allows APHIS to conduct its own assessment when deemed necessary. Now all beef and beef products imported into the U.S. will need to have certification based on the BSE risk category recognized for the region of the country in order to export the meat.

New Project Illuminates Harmful Effects of Some Environmental Regulations

The Environmental Policy Alliance announced the launch of EPA Facts, a project devoted to educating the public about the harmful policies of the Environmental Protection Agency (EPA). The launch featured a full-page ad in *The Wall Street Journal* and a new website that details ways in which the EPA uses agenda-driven science and opaque operations to increase the cost of energy for millions of American households.

View the ad at <http://tinyurl.com/epa-facts-ad>. More information is online at www.EPAFacts.com.

TAHC Receives Excellence in Emergency Management Award

Texas Animal Health Commission (TAHC) was honored with an Excellence in Emergency Management Award for its Horseback Emergency Response Team, presented by the Emergency Management Association of Texas.

As part of the Texas Division of Emergency Management (TDEM) state response structure, the TAHC is designated as the state's lead agency for animal issues in disasters. The Horseback Emergency Response Team is comprised of TAHC livestock inspectors and USDA mounted patrol inspectors, whose primary role in the aftermath of a disaster is to assist with locating, rounding up, identifying and moving livestock. The team of approximately 25 responders enhances the state's capability to assist Texas citizens with animal issues during disasters. For more, go to <http://tinyurl.com/tahc-emat>.

FAPRI Estimates Show Cattle Prices Higher, Grain Prices Lower

The Food and Agriculture Policy Research Institute (FAPRI) at the University of Missouri released its Baseline Briefing Book, and cattle feeders will find much to like in the numbers, reports *Cattle Current*.

The FAPRI folks see beef cows increasing from 28.9 million head this year (Jan. 1) to 30.9 million head in 2018 and then declining to 30.1 million head by 2023. USDA estimated a peak of 33.7 million head in 2023 (USDA Agricultural Projections to 2023). FAPRI analysts estimate an average fed steer price for this year of \$137.20/cwt. (5-area average), compared to \$125.89 last year. Estimated prices are a touch higher in 2015 at \$137.74, drifting back to a low of \$120.22 in 2020 and then back up to \$126.73 in 2023.

FAPRI pegs steers weighing 600-650 pounds (Oklahoma City) at \$184.07 this year and \$185.82 in 2015, declining to \$147.64 in 2020 and then drifting back up to \$158.70 by 2023.

Find the Baseline Briefing Book at <http://tinyurl.com/mu-fapri>.

Social Media – The Global Language

Ten years ago, you never dreamed of putting a picture of your breakfast on the internet, or sharing your musings while you sit in traffic. And you couldn't show the world videos of the funny tricks performed by your children or your dog. Now you can, courtesy of social media outlets such as Facebook, YouTube and Twitter, to name a few.

"Social media is insanely popular and is incredibly powerful – and cost-effective – if used properly," said Dan Halstrom, USMEF senior vice president of global marketing and communications. "USMEF's marketing team around the world has adopted many of these tools for our use, timing our rollout of these tactics to keep us in step with the local conditions and, ideally, a step ahead of our competitors."

USMEF has followed the launch of the key social media channels closely, often using them as an efficient method for attracting the attention of the youthful early adopters who also have an interest in high-quality red meat products. USMEF offices also have relied on social media when traditional channels were either too expensive or unwilling to carry positive messages about American products.

Read more about how USMEF uses social media around the globe at <http://tinyurl.com/sm-global-lang>.

Setting the Record Straight on FSIS Inspector Vacancy Rates

Recently, the *New York Times* published an article claiming that job vacancies in the Food Safety and Inspection Service (FSIS) are leading to more food recalls. That's not true. The fact is, vacancies within the agency do not mean there are less inspectors on the job in our nation's meat plants, says Aaron Lavalley, FSIS deputy assistant administrator for the Office of Public Affairs and Consumer Education. The paper ran the article after receiving erroneous information from *Food & Water Watch*. The paper later ran a partial retraction.

FSIS is legally required to have a sufficient number of inspectors present in every single meat and poultry plant in the country. No plant in America is allowed to operate if it does not have the required number of safety inspectors in the plant at all times, and every plant currently operating in America has the necessary food inspection staff, Lavalley said.

"It is irresponsible to attempt to confuse FSIS vacancy rates with plant inspector shortages and then imply that meat and poultry products are less safe as a result. There is no connection between recent recalls and FSIS vacancy rates, and any claims that these issues are linked are false," he concluded.

See more at <http://tinyurl.com/fsis-insp-vac>.

New Poll Identifies Top 10 Consumer Questions on GMOs, Livestock Play a Role

The results of a new national survey, commissioned by GMO Answers and the Council for Biotechnology Information, identify the leading questions consumers have about genetically modified organisms (GMOs) and how our food is grown. The survey was conducted in order to identify, for the first time, the top 10 questions consumers have about GMOs and to open up the conversation on biotechnology's role in agriculture. Over the next several weeks, scientists, farmers, doctors and other experts will answer one of the top 10 questions each week on the GMO Answers website and via Twitter.

From a list of 23 environmental, business and health-related questions regarding GMOs, respondents identified these questions as the top 10 they want answered:

1. If GMOs cause cancer
2. If GMOs are causing an increase in allergies
3. If big companies are forcing farmers to grow GMOs
4. If GMOs are increasing the price of food
5. If GMOs are contaminating organic food crops
6. Why long-term health studies aren't conducted on GMO plants
7. If GMOs are causing an increase in the use of pesticides
8. Why GMO companies seem like they are so against labeling GMO foods
9. If GMOs are contributing to the death of bees and butterflies
10. If livestock eat genetically modified grain, will there be GMOs in my meat?

For more information, go to www.gmoanswers.com.