



# TEXAS CATTLE FEEDERS ASSOCIATION

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# NEWSLETTER

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Volume 49, Number 2

January 9, 2015

## **TCFA Chairman, Staff in D.C. This Week**

The 114<sup>th</sup> Congress was sworn into office this week, and TCFA Chairman Tom McDonald and TCFA staff were in Washington, D.C., to attend a number of events and meet with members and staff about issues important to the Texas cattle feeding industry.

The TCFA contingent had the opportunity to meet with House Agriculture Committee Chairman Mike Conaway (R-Texas), Senate Agriculture Committee Chairman Pat Roberts (R-Kansas), House Armed Services Committee Chairman Mac Thornberry (R-Texas) and a number of other representatives and staff.

"I don't want to jinx us, but there was a noticeable level of excitement and optimism that things were going to improve and that some of our lingering policy issues would finally be resolved by this Congress," McDonald said.

The TCFA delegation also met with officials from the USDA Animal and Plant Health Inspection Service, the USDA Food Safety Inspection Service, the USDA Agriculture Marketing Service and the Environmental Protection Agency.

"This trip reminded me of how important it is for us to maintain strong working relationships with our elected officials and agency staff. They need to see us and hear from us regularly so that they're reminded of how their actions impact their constituents," said McDonald. "I encourage all TCFA members to engage with their elected officials and develop those relationships."

## **West Texan Takes Helm at House Ag Committee**

Rep. Mike Conaway (R-Midland) was sworn in this week as Chairman of the House Committee on Agriculture. Conaway represents Texas's 11<sup>th</sup> Congressional District and has been a member of the Agriculture Committee since beginning his service in Congress in 2005. Most recently, Conaway served as chair of the General Commodities Subcommittee working on two Farm Bills.

"I am humbled and honored to be selected as the 50<sup>th</sup> Chairman of the storied House Committee on Agriculture," Conaway said. "The work that farmers and ranchers do is part of our country's foundation. They feed, fuel and clothe our nation. I look forward to building on the bipartisan work of the chairmen who have led this committee for the past two centuries.

"There are fewer and fewer voices representing rural America, and I am honored to be one of those voices. That is my overarching drive as the Committee moves forward," Conaway continued.

Rep. Randy Neugebauer (R-Lubbock) will serve as Vice Chair of the committee. He represents Texas's 19<sup>th</sup> Congressional District and, like Conaway, has served on the Agriculture Committee since his election to Congress in 2003 and chaired several subcommittees. Rep. Frank Lucas (R-Cheyenne, Okla.), the previous Chairman, will remain on the committee. Rep. Filemon Vela (D-Brownsville) and Rep. Michelle Lujan-Grisham (D-Albuquerque) also are expected to remain on the committee but have yet to be announced by the Committee's Ranking Member, Rep. Colin Peterson (D-Minn.).

Chairman Conaway has moved quickly to hire a team of seasoned professionals with Texas roots to lead the committee's staff. "They are Capitol Hill veterans with significant experience in their respective areas. They share my vision for a committee that will work aggressively and intelligently on the issues that are important to America's farmers and ranchers and all of us who depend on them. Over the next month, I look forward to hiring the rest of what is going to be a top notch staff," Conaway said.

Scott Graves will serve as committee staff director. Graves is a native of Bronte, Texas, and previously served as chief of staff for Conaway's personal office. He earned a bachelor's degree in Agricultural and Applied Economics from Texas Tech University and a master's degree in Strategic Security Studies from National Defense University. Graves comes from a cattle ranching and farming family and worked at a feedyard during college. Scott began his career on Capitol Hill as an intern for the House Agriculture Committee in 2005. Shortly

thereafter, he was hired by Conaway to handle agriculture issues and worked closely with the Agriculture Committee on writing and advancing both the 2008 and 2014 Farm Bills.

Matt Schertz will serve as policy director, overseeing the committee's legislative team and operations. A Robstown, Texas, native, Schertz most recently served as Senior Professional Staff to Chairman Lucas and Staff Director to Chairman Conaway on the General Farm Commodities and Risk Management Subcommittee. Schertz came to Washington and the House Committee on Agriculture in 2002 to work for then-Chairman Larry Combest. He holds a bachelor's degree in Agricultural and Applied Economics from Texas Tech University.

Bart Fischer will serve as chief economist, overseeing the economic analysis of policies coming before the committee. Fischer, a Frederick, Okla., native served in the same capacity under the leadership of Chairman Lucas. Prior to joining the Committee in June 2011, Fischer worked with the Agricultural and Food Policy Center at Texas A&M University as well as the U.S. Government Accountability Office in Washington, D.C. He holds bachelor's degrees in Agricultural Economics and Business Administration from Oklahoma State University, a master's degree in Environmental Policy from Cambridge University, and is currently finishing a Ph.D. in the Department of Agricultural Economics at Texas A&M University.

### **Roberts Makes History Taking Over Senate Ag Committee**

Pat Roberts (R-Kan.) officially became Chairman of the Senate Agriculture Committee on Thursday, making him the first lawmaker to chair both that panel and its House counterpart.

Roberts signaled that he will join Environment and Public Works Chairman Jim Inhofe in attacking EPA regulations while also working on reauthorizing child nutrition programs and the Commodity Futures Trading Commission.

"Production agriculture must rise to face a daunting challenge: feeding a growing and hungry global population," Roberts said in a statement Thursday.

"I will work to see that the federal government is an ally, not an adversary, in this purpose," he said. "I will fight to ensure farmers and ranchers have the tools they need to advance American agriculture. I will fight barriers to trade opportunities and regulations that threaten our producers' competitiveness. And I will continue my work to maintain the security of our food supply and ensure science-based regulations govern our food and agriculture sectors."

Roberts was chairman of the House Agriculture Committee from 1995 to 1997 and led the drafting of the 1996 farm bill, best known as known as "Freedom to Farm," which dismantled a longstanding system of price-based commodity subsidies and replaced them with fixed annual payments. Those payments survived until they were abolished in the 2014 farm bill.

While Roberts has continued to defend the changes that the 1996 law made he has said he won't reopen the 2014 bill. Find more information at <http://tinyurl.com/roberts-takes-senate-ag>.

### **University of Missouri Works to Extend Shelf Life of Ground Beef**

The University of Missouri (UM) is engaged in research that is finding ways to extend the shelf life of ground beef. According to a university news release, researchers are discovering how to harness the bright, red color in beef, because second to price, consumers consider color when selecting meat.

Bryon Wiegand, UM meat scientist, says meat accounts for an estimated \$1 million in lost revenue annually due to markdowns. Ground beef's shelf life is about three days, and attempting to extend that by a single day, he says, makes a significant difference.

Research has shown that there are several causes that lead to discoloration and odor in meat. Packaging and oxygen exposure are two factors, but UM's research is focusing on heat from lighting displays. The study tested meat kept under fluorescent light against that kept under LED lights and a control group with no exposure. Their findings show that heat emitted from fluorescent lights caused the meat to brown faster than meat stored under LED lights.

Wiegand hopes these findings will help retailers reduce losses as supply and demand fluctuate. "If beef is the new gold, let's do our best to preserve it for the consumer that stays loyal to its purchase."

Find the news release at <http://extension.missouri.edu/n/2421>.

### **U.S. Lifts Ban on Irish Beef**

Ireland is officially the first country in the European Union (EU) allowed to export beef to the United States since 1998. The United States had placed a ban on all beef from the EU due to risks of Bovine Spongiform Encephalopathy (BSE). The ban on the EU was lifted in March of 2014, but further inspection was necessary to determine if exports were allowed to resume.

The Food Safety Inspection Service (FSIS) audited the Irish beef production system from June 30 through July 7, 2014. The audit stated, "Ireland has consistently and effectively implemented a beef slaughter inspection system that satisfies all criteria for equivalence with the United States system."

According to the USDA, the size of the United States cattle herd is at its smallest since 1951, due greatly to drought and high feed prices. Tight supply and higher prices have given Irish beef a chance to be competitive in the U.S. market. Ireland is the sixth largest producer in the EU and is third largest in exports, according to Eurostat.

### **By-product Exports One Key to Cattle Prices**

Beef exports on a value basis set a record high in 2014 and so did beef by-products. While variety meat dishes, such as beef tongue, are not a typical dish featured on American dinner tables, offal from beef processing still is a large contributor to the bottom line of the U.S. meat industry.

The USDA's Agricultural Marketing Service (AMS) publishes a daily "USDA By-product Drop Value" report for fed cattle, which is available at <http://tinyurl.com/mnreports-441>. According to the report, by-products amount to approximately 10 percent of a 1,375-pound steer's value. According to a weekly "USDA By-product Drop Value Cow" report (<http://tinyurl.com/mnreports-444>), by-products of a 1,100-pound cow would amount to approximately 13 percent of the cow's value.

By-product values of fed steers increased to record high levels in the first part of 2008 (\$12 per hundredweight), but the U.S. and world economic crisis sent values plummeting to \$6 per hundredweight by the end of 2008. Values began improving in late 2009 as economic conditions improved, and gradual improvement throughout 2010 resulted in record high values again at more than \$12 by year's end. Continued gradual improvement, fueled by strong export demand, has resulted in the current record high values of more than \$16 per hundredweight.

Projected lower U.S. fed cattle and cow slaughter and continued strong export demand should support by-product values at near record levels again in 2015.

### **Connecting Beef Producers with Influencers, Consumers**

Through customized immersion experiences, beef producers are able to build valuable relationships with consumer influencers. The recent LongHouse Food Revival, funded in part by the beef checkoff, brought together food-informed influencers – including media, bloggers, chefs and writers – for a discussion about telling food stories. During the event, a beef panel discussion with two producers allowed influencers to interact directly with producers and get their questions answered.

For more information about the event, visit <http://tinyurl.com/longhouse-beef-checkoff>.

### **Caviness Beef Packers Partner Up to Build New Beef Processing Plant**

The Hereford-based Caviness Beef Packers recently formed a joint venture with J.R. Simplot Company to build a \$100-million beef packing plant near Kuna, Idaho. The new facility, named CS Beef Packers, will process up to 1,700 head of cattle and will create approximately 600 jobs.

Pending approval of various regulatory permits, the 300,000 square foot plant construction would begin in spring 2015 and is expected to open in fall 2016. The primary purpose of the plant is to harvest cull cows and bulls from Northwest dairy farms and cattle ranches throughout the Intermountain Region. There are more than 600,000 beef cows and an estimated 600,000 dairy cows that the plant will serve.

"Together we will bring significant strengths and expertise to this project," said Caviness CEO Terry Caviness. "We look forward to being a valued partner to area ranchers and dairymen as we expand our footprint in the United States with another world-class beef packing facility."

The final boxed beef product will be primarily marketed toward food-service suppliers and retail outlets.

"We are excited to bring a new advanced plant to the area. This plant is ideally suited to meet the increasing demand for processing from the dairy and beef cow industry," said Tom Basabe, president of Simplot Land and Livestock. "Caviness Beef has a long-history in beef processing. Caviness is the perfect partner to join Simplot in this venture."

### **Nominations Open for 2015 Meat Industry Hall of Fame**

Nominations are now open for the 7th Annual Meat Industry Hall of Fame. Candidates must meet key requirements that include having spent a significant portion of their professional career in an industry-related field; contributed to significant innovation, or otherwise positively impacted their organization, institution or larger industry segment; and must have engaged in significant community service or philanthropy.

The deadline to submit nominations is March 15. A list of qualified candidates will be compiled and sent to the board and hall of fame members on March 16. New members will be announced May 18.

To nominate an individual into the Meat Industry Hall of Fame, simply request a nomination form from Chuck Jolley at [Chuck@MeatIndustryHallofFame.com](mailto:Chuck@MeatIndustryHallofFame.com) or (913) 205-3791.

For more information about the Meat Industry Hall of Fame or to see all of the requirements and qualifications, visit [www.meatindustryhalloffame.org/nominations](http://www.meatindustryhalloffame.org/nominations).

### **Coldest Temps Since Polar Vortex Test U.S. Transport Network**

The U.S. transportation and shipping network faced its first big test of the winter this week as harsh cold and dangerous wind chills pummel the Plains to the East Coast. It is the coldest weather since the region was hit last year by a polar vortex, which is a mass of frigid air that typically only resides over the North Pole.

Plains feedlot operators sold cattle at higher-than-expected prices in weekly auctions early this week as beef packers scrambled to secure livestock struggling to retain weight in the bone-chilling cold.

According to *Drover's CattleNetwork*, major freight railroads appeared to be prepared after unprecedented service issues last year that blocked shipments of coal, grain and other goods. CSX Corp moved extra equipment into position ahead of the cold snap and had no problems, a company spokesman said on Wednesday. BNSF Railway Co. is running shorter trains to ensure air brake systems work properly, a practice introduced after they experienced the brunt of service issues last winter, its spokesman said.

To read more about how the cold is affecting the U.S. transport network, visit <http://tinyurl.com/polar-vortex-us-trans-ntwk>.

### **2015 Beef Industry Safety Summit**

The 2015 Beef Industry Safety Summit will be held March 3-5, 2015, at the Hyatt Regency DFW in Dallas. During the Summit, attendees will discuss current safety issues with representatives from all sectors of the beef industry during technical sessions; build their knowledge base on beef-chain challenges, pathogens and interventions during research results presentations; network with colleagues and representatives from all industry sectors, government agency staff and the research community; and determine future courses of action to help each sector enhance the safety of U.S. beef products.

The cost to attend is \$500 for an industry representative or \$300 for researchers or students. To view the full agenda and to register online, visit [www.bifsc.org/2015beefindustrysafetysummit.aspx](http://www.bifsc.org/2015beefindustrysafetysummit.aspx).

### **2015 International Livestock Congress**

The 2015 International Livestock Congress –USA will be held March 4-5, 2015, at the Houston Livestock Show and Rodeo in Houston and will bring together an elite group of livestock and meat industry leaders to discuss a variety of proactive strategies that address the ever-changing beef industry. This year's program will feature make-or-break issues regarding "Providing Animal Protein to the World."

Concurrent sessions will be held the afternoon of March 5. Topics and speakers include:

- *Beef in the Diet – What Does the Science Say?* – Shalene McNeill, NCBA
- *Are There International Markets for All Kinds of Beef?* – Leann Saunders, Where Food Comes From, Inc.
- *The Future of Agriculture in a Global Market* – Paul Genho, Farm Management Co.
- *Beef Quality/Safety/Sustainability in U.S. Feedlots* – Kevin Hazelwood, Cactus Feeders
- *Antibiotic Resistance Issues and Solutions Facing the Beef Industry* – H. Morgan Scott, Texas A&M University
- *Will Salmonella Ever Be Treated as E. coli O157:H7? Should It?* – Mohammad Koochmaraie, IEH Consulting
- *Global Animal Protein Production Health Concerns* – Sam Thevasagayam, Bill and Melinda Gates Foundation
- *Mandatory vs. Voluntary Animal Tracking Systems* – John Clifford, CVO, USDA

Find a complete schedule of events at [www.theisef.com](http://www.theisef.com). The cost to attend is \$150. Student registration is \$50. Register online at <https://agriliferegister.tamu.edu/ILC>.

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