



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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NCBA Names New Leadership

The National Cattlemen's Beef Association on the last day of the Cattle Industry Convention in San Antonio, Texas, passed the reins from outgoing President Bob McCan of Texas to Philip Ellis of Wyoming. Ellis is a fifth-generation rancher from southeast Wyoming where he has a commercial cow-calf operation.

The new NCBA president-elect is Tracy Brunner of Kansas. Craig Uden is NCBA's new vice president. Oklahoma native Richard Gebhart remains NCBA's treasurer. Jennifer Houston of Tennessee was elected chairman of the NCBA Federation Division, and Steve Hansen of Nebraska is the Federation Division's vice chair. The new NCBA Policy Division chairman is Kevin Kester of California, and Steve Scott of Tennessee is the new policy vice chairman. Read more about NCBA's leadership team at www.beefusa.org/ncbaleadership.aspx.

Beef Board Elects 2015 Leadership

Cattle producers Jimmy Maxey of Fresno, Calif., Anne Anderson of Austin, Texas, and Brett Morris of Ninnekah, Okla., are the new leadership team for the Cattlemen's Beef Board (CBB), elected unanimously by fellow Beef Board members during the 2015 Cattle Industry Convention in San Antonio, Texas, on Feb. 7. Maxey will serve as chairman, Anderson as vice chairman and Morris as secretary/treasurer of the Cattlemen's Beef Board to lead the national Beef Checkoff Program for the coming year.

The Board also elected members to serve on the CBB Executive Committee and CBB seats on the Beef Promotion Operating Committee (BPOC). The 11-member CBB Executive Committee includes the Board's three officers and eight members elected at large. In addition to the officers, members are Laurie Bryant, an importer representative; Sarah Childs of Florida; Dave Edmiston of Texas; Robert Fountain of Georgia; Barbara Jackson of Arizona; Laurie Munns of Utah; Kent Pruismann of Iowa; and Gary Sharp of South Dakota.

The BPOC was created by the Beef Promotion Research Act to help coordinate state and national beef checkoff programs. The 20-person committee includes 10 members of the CBB. Among them are the Board's three officers and seven others elected directly by Beef Board members. The other 10 members are appointed from the Federation of State Beef Councils.

CBB members elected to the 2015 BPOC during the annual meeting in San Antonio include: officers Maxey; Anderson; and Morris; Marty Andersen, Wisconsin; Jeanne Harland, Illinois; Brittany Howell, Kansas; Joe Guthrie, Virginia; Chuck Kiker, Texas; Stacy McClintock, Kansas; and Joan Ruskamp, Nebraska.

Learn more about the Beef Board's new leadership team at <http://tinyurl.com/2015-beef-board-leadership>.

Beef Checkoff MOU Wins Easy Approval from NCBA Board During Saturday Session

With no opposition expressed during the voting on Saturday morning, both the Policy and Federation Divisions of the National Cattlemen's Beef Association (NCBA) voted to endorse the Memorandum of Understanding (MOU) recommended by the Beef Checkoff Working Group. The MOU is designed to increase the current beef checkoff assessment rate from one dollar to two dollars if the current law authorizing the checkoff is modified by Congress and if producers then vote in favor of a new higher assessment.

The vote of support came during the closing business meeting of the NCBA Board of Directors as the Cattle Industry Convention in San Antonio came to a close. The votes were held first by the Federation Division, followed by a separate vote by the Policy Division of NCBA.

NCBA Past President Scott George, who has been representing NCBA in the meetings of the Beef Checkoff Working Group over the last three years, announced that the next meeting of the working group is scheduled for March 12 and 13. View the draft MOU at <http://tinyurl.com/draft-checkoff-mou>.

2015 American Heart Association Go Red for Women Event

February is American Heart Month, and as strong supporters of the American Heart Association, TCFA was a sponsor of the 2015 Go Red for Women Heart Health Awareness Luncheon on Tuesday at the Amarillo Civic Center. Thank you to Cargill and Champion Feeders for donating the beef tenderloin for the luncheon!

TCFA and Texas Beef Council partnered to present Jennifer Leheska, Ph.D., RD-Nutrition Consultant, who held a cooking demonstration prior to the luncheon and informed attendees about beef nutrition and how the powerful protein should be included in a heart-healthy diet.

The demonstration taught spectators how to prepare “Beef Chili Five Ways,” a basic, delicious Texas chili recipe that can be tweaked to change the flavor profile into Moroccan, Mexican, Italian and Cincinnati variations. Try the recipe for yourself at <http://tinyurl.com/chili-5-ways>.

Join us as we continue to raise awareness about the importance of beef during American Heart Month by sharing your love of beef through social media. Follow TCFA on Facebook and Twitter, and share our posts with those in your circle. Let’s make sure everyone knows about the 29 lean cuts of beef and the importance of including beef in a heart-healthy diet.

American Heart Association® Certifies Extra Lean Ground Beef as Heart-Healthy

The Beef Checkoff Program announced on Tuesday that Extra Lean Ground Beef (Ground Beef that is at least 96 percent lean, 4 percent fat) is now certified by the American Heart Association® to display its recognized and respected Heart-Check mark. Retailers now have the opportunity to help identify eight different extra lean beef items as options for part of an overall healthy diet to their shoppers using one of the most trusted nutrition icons on food packaging today.

The extra lean beef cuts that meet the American Heart Association’s® requirements for heart-healthy foods as part of an overall healthy dietary pattern and are certified to display the Heart-Check mark, include extra lean ground beef; bottom round steak; sirloin tip steak; top sirloin petite roast, boneless; top sirloin strips; top sirloin filet; top sirloin kabob; and top sirloin steak, boneless, center cut.

Before putting its Heart-Check mark on any food, the American Heart Association® evaluates it against nutrition requirements based on sound science regarding healthy dietary recommendations, food categories, specific product ingredients and nutrient values.

Multiple retailers with hundreds of stores across the U.S. currently display the Heart-Check mark on certified beef items in the meat case. For more information, visit <http://tinyurl.com/ground-beef-heart-healthy>.

Processed U.S. Beef Products Now Eligible for Japan Market

Japan, which has reclaimed position as the U.S. beef industry’s No. 1 beef export market, is now accepting a wider range of products. On Jan. 23, Japan’s Ministry of Health, Labor and Welfare approved the import of processed beef products from the U.S., creating exciting opportunities for exporters serving Japan.

BEEF magazine reports that Philip Seng, president and CEO of the U.S. Meat Export Federation (USMEF), noted the impact this new access presents with Japan’s enormous convenience store sector.

“This sector is aggressively targeted by food suppliers across the globe, and with good reason,” Seng explains. “There are five major convenience store chains in Japan operating a total of about 55,000 outlets, making up a \$90 billion industry. There are great opportunities for packaged convenience items, but also ready-to-eat entrées that can serve as a replacement for home meals.”

While Seng says the Japanese will continue to use U.S. raw materials to produce processed beef items, this opportunity to export finished processed items allows U.S. exporters to choose product options that best meet their customers’ needs.

“When we look at products such as beef jerky, brats, sausages, pastrami and salami – these are not only versatile and convenient, they are also an important driver in terms of added value,” Seng says. “When we export these items, we are utilizing U.S. seasonings, spices and other ingredients, not to mention the use of U.S. labor, equipment and packaging. These are very positive contributions to the American food industry and to the overall economy.”

He adds that because of the size of the Japanese market, U.S. companies are not limited to simply exporting product lines already on the market. Japanese buyers have a long history of collaborating with U.S. suppliers to develop products and concepts that specifically appeal to their customers.

Find *BEEF* magazine’s full story at <http://tinyurl.com/processed-beef-eligible-japan>.

Canadian Delegation in Washington to Talk About COOL

According to *Feedstuffs*, Canadian Minister of Agriculture and Agri-Food Gerry Ritz and members of the Canadian Cattlemen's Association, Canadian Pork Council and Canadian Meat Council were in Washington, D.C. the first week in February to meet with U.S. lawmakers about country-of-origin labeling (COOL). Reports indicate the delegation was encouraged by the discussions and the leadership of the new Congress.

During a conference call, Ritz expressed confidence in Canada's position before the pending WTO appeal in Brussels and reasserted the country's plan to retaliate against a variety of U.S. imports to Canada, including beef, pork, orange juice and wine. However, Ritz also expressed hope that Congress would act to change that law so that retaliatory tariffs would not be necessary.

The WTO has ruled against the U.S. COOL law on three separate occasions, declaring it discriminatory and a violation of treaty obligations. Despite this, the U.S. appealed the WTO panel's latest decision. A different WTO panel is scheduled to consider the U.S. appeal next week. Most believe the appeal will be unsuccessful, but a final decision won't be published until early summer.

In related news, the domestic and international meatpackers and trade groups challenging the constitutionality of COOL officially withdrew their lawsuit earlier this week.

BSE Case Confirmed in Canada

Canada confirmed today that for the first time since 2011, a case of bovine spongiform encephalopathy (BSE) was found in a beef cow in Alberta. A statement from the Canadian Food Inspection Agency (CFIA) said no part of the cow reached the human food or animal feed systems.

The government agency launched an investigation immediately upon confirming the disease and is working closely with provincial and industry partners. As part of the investigation, they are seeking to confirm the age of the animal, its history and how it became infected.

Port Labor Dispute Discussed in Senate Hearing

On Tuesday, the U.S. Senate Subcommittee on Surface Transportation and Merchant Marine Infrastructure, Safety, and Security held a hearing on U.S. ports titled, "Keeping Goods Moving." The hearing focused on the importance of a reliable and efficient supply chain and was held in the midst of a labor dispute between the shipping companies and port workers. The dispute shut down 29 West Coast ports over the weekend and has caused significant delays in the transport of goods.

The Asian market is a huge source of income for the U.S. beef industry. In 2014 Hong Kong, Japan and Korea together purchased over \$3 billion worth of beef. Norman Bessac, vice-president of International Sales for Cargill, testified in the hearing that this dispute is threatening our continued access to this market.

"Recently, the industry has been experiencing delays of 2-3 weeks on chilled product as ships and product have backed up in the West Coast port," said Bessac, in a statement submitted to the committee. "With this delay, our Asian customers cannot count on a dependable supply of US Beef and pork, so they have started to cancel orders and are looking to suppliers in Chile, Australia, and the European Union to meet their needs."

In addition to Bessac, the Committee called on three other witnesses: Katie Farmer, vice president for Consumer Products for BNSF; Dr. Walter Kemmsies, chief economist for Moffat & Nichol; and John Greuling, a board member for the Coalition for America's Gateways and Trade Corridors.

Farmer said the BNSF's biggest concern in the near future is the growing congestion. In 2014, a third of the U.S. economy was tied to international trade, and while there are a number of issues influencing the growing congestion, the port labor disputes have caused an unprecedented decline in productivity – as much as 50 percent. Without a timely agreement, we will continue to face slow work conditions that back up ships and trucks, keeping perishable items in transit much longer than expected.

State of the Rural Economy Discussed at House Agriculture Committee Hearing

On Wednesday, Secretary of Agriculture Tom Vilsack addressed the House Agriculture Committee on a number of issues, including the implementation of the 2014 Farm Bill. He also took questions regarding key issues such as the proposed rules to allow the importation of fresh and frozen beef from Brazil and Argentina, Country of Origin Labeling, and the 2015 Dietary Guidelines.

On the Dietary Guidelines front, Vilsack noted that the report expected out over the next few weeks, "are simply recommendations that we're free to accept, reject or modify as we see fit." Further, he stated that all recommendations should be driven by science, a basis industry continues to push.

Meanwhile, tax reform continues to be a topic of conversation in Washington, D.C. Along with 33 other groups, NCBA sent a letter to Speaker of the House, Rep. Boehner, this week urging the permanency of Section 179 of the tax code.

“Section 179 small business expensing provides agricultural producers with a way to maximize business purchases in years when they have positive cash flow,” the letter reads. “Under the expired law the maximum amount that a small business can immediately expense when purchasing business assets instead of depreciating them over time is \$25,000 adjusted for inflation. We strongly encourage you to restore the maximum amount of expensing under Section 179 to \$500,000 as it was previously set for 2014. We are concerned that the failure to make permanent Section 179 expensing will place additional burdens on farm and ranch families who are asset-rich and cash poor and already face an unpredictable tax code that encourages the breakup of multigenerational farm and ranch operations.”

The letter submitted to Rep. Boehner this week can be viewed at <http://tinyurl.com/support-sect-179>.

Cast Your Vote for the 2015 Cattle Feeders Hall of Fame

Vote for the 2015 Cattle Feeders Hall of Fame inductees now at www.cattlefeeders.org. In the seventh year of nominations, this group of nominees showcases five unique pioneers and visionaries for the cattle feeding industry, including TCFA Past Chairmen James Herring of Friona Industries and Robert “Bob” Josserand of AzTx Cattle Co. From the five nominees, two inductees will be announced during the Cattle Feeders Hall of Fame banquet this summer in Westminster, Colo.

In addition to the 2015 Hall of Fame nominees, voting is also open for the 2015 Industry Leadership Award nominees. The nominees for the Industry Leadership Award have contributed to the cattle feeding industry through outstanding advocacy and leadership. TCFA member Dr. Kenneth Eng, a pioneering consulting nutritionist, is featured as one of the nominees in this category.

The Cattle Feeders Hall of Fame established an award to honor the heart and soul of the cattle feeding industry – feedyard employees. The Arturo Armendariz Distinguished Service Award was established in honor of the late, long-time employee at Poky Feeders. His role as a devoted employee, family man, friend and longtime member of the beef industry made him an ideal namesake for the award. To nominate outstanding members of your feedyard operation, visit www.cattlefeeders.org or email nominations to info@cattlefeeders.org.

Voting for the 2015 Hall of Fame inductees and Industry Leadership Award nominees, as well as nominations for the Arturo Armendariz Distinguished Service Award, will close March 31.

2015 Fed Beef Challenge

The best cattle in Cattle Feeding Country will make their way to the historic Amarillo Livestock Auction on Wednesday, April 15 for the 2015 TCFA Fed Beef Challenge. Feedyards from throughout the TCFA area will bring top quality steers, heifers, as well as Holstein steers, to compete for awards, cash and bragging rights. In addition to the carcass contest to determine the best beef, there will be a live evaluation contest, steak dinner and special activities benefiting the TCFA Education Foundation. Watch future editions of the *Newsletter* for further details. Contact Jason Slane at (806) 358-3681 or jason@tcfa.org for more information, or visit <http://tinyurl.com/tcfafbc>.

Calling All Junior Cattle Feeders

The start of the 2015 Junior Fed Beef Challenge is just around the corner. Junior cattle feeders from all across Cattle Feeding Country will compete for more than \$20,000 in scholarships, cash and prizes by participating in four phases of the event, including carcass merit, record keeping, a written exam and oral presentation or interview. Steers can be validated March 1 – March 28. Find all contest details at <http://tinyurl.com/tcfajfbc>, or contact Jason Slane at (806) 358-3681 or jason@tcfa.org.

TCFA Dues Rebate Criteria and Forms Available

If you fed 10,000 head or more in 2014, you may be eligible 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. For more information, contact Jason Slane at jason@tcfa.org.

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