



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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Report Finds No Benefit from COOL

In a report required by the 2014 Farm Bill, USDA's Office of the Chief Economist stated there is "no measurable benefit" gained as a result of the country-of-origin-labeling (COOL) law. The report includes work by agricultural economists at Kansas State University and the University of Missouri and was released just weeks before the World Trade Organization (WTO) is expected to issue a final ruling on the matter.

"This report demonstrates substantial economic damage to producers, packers, retailers and consumers from implementation of COOL in 2009 and losses which further increased with modifications contained in the 2013 rule," according to the Office of the Chief Economist. "There is no evidence of offsetting benefits associated with consumer demand increasing from COOL implementation."

Late last week, the USDA sent a letter to agricultural leaders in Congress outlining potential options to comply with WTO rules. One possible option is a "generic label" for the products of all animals born, raised and slaughtered in United States, Canada or Mexico. House Agriculture Committee Chairman Mike Conaway says such a generic label would not reduce the threat of retaliation and is prepared to "take the lead on this issue."

"In order to avoid what could be devastating retaliatory sanctions against U.S. business if we lose, the starting point needs to be that mandatory COOL for meat is a failed experiment which should be repealed," Chairman Conaway added.

NCBA and TCFA are pushing for Congress to take action immediately. "We've maintained that COOL is a failed program that results in discounts to the industry without any corresponding benefit to producers or consumers," said Philip Ellis, NCBA president. TCFA Chairman Tom McDonald observed, "The USDA report documents once again that MCOOL has been a failed experiment costing producers millions in with no benefit to consumers or producers. We expect the WTO will once again find the amended COOL rule in violation of our international trade obligations, and we urge Congress to fix this program before it does further damage to our industry and our \$7 billion export market."

The WTO is expected to issue its final determination by May 18. To see the report visit <http://tinyurl.com/2015-05-COOL-Report>.

Dietary Guidelines Comment Period Ended

Today was the last day to submit comments urging the Secretaries of HHS and USDA to reject the scientifically unsound report of the Dietary Guidelines Advisory Committee. TCFA thanks all who participated and submitted comments on this critical issue. This past week, TCFA submitted its official comments. Among its comments, TCFA said:

"Our nation's dietary guidelines are of critical importance to both beef producers and consumers. Factual, science-based guidelines are imperative for healthy decisions. The top priority of our members is to produce the safest, most nutritious and affordable beef products in the world, and our industry has a long history of supporting nutrition research to answer nutrition-based questions for consumers who enjoy beef as part of a healthy and balanced diet."

TCFA will continue to keep its members up to date on this issue. To read TCFA's official comments in its entirety, visit <http://tinyurl.com/2015TCFA-DGL-Comments>. The final 2015 Dietary Guidelines are expected to be finalized and published by the end of the year. To view the Dietary Guidelines Advisory Committee's full report, go to <http://tinyurl.com/dgac-report>.

Texas Legislature Approves Feed Truck Bill

On Friday, the Texas House of Representatives approved legislation (SB 971) to classify livestock feed trucks as implements of husbandry. The bill, which passed the Senate last week, was introduced by Sen. Charles Perry (R-Lubbock) and Rep. Kyle Kacal (R-Bryan) and amends the definition of implements of husbandry to include a motor vehicle designed and adapted to deliver feed to livestock. This statutory change will allow feed trucks to temporarily operate at slow speed on non-interstate highways within the state without registration or farm tags.

The change in classification will also exempt cattle feed trucks from width limitations during transport. The bill has been sent to Governor Abbott for his signature and, unless vetoed, will take effect on Sept. 1, 2015.

TCFA will continue to work with the Texas Department of Public Safety and publish a list of the requirements (lights and emblems) required for implements of husbandry to operate on non-interstate highways.

FSIS to Change E. coli Testing for Trimmings and Ground Beef

The USDA Food Safety and Inspection Service has announced its plan to reveal changes to its existing algorithms for sampling beef trimmings and ground beef for E. coli O157:H7 on July 28. The agency is currently completing a beef and veal carcass survey to assess pathogen control methods, a process that is expected to wrap up in July, as well.

“FSIS is changing its existing sampling algorithms for bench trim and other ground beef components besides trim to sample establishments proportional to production volume,” a notice in the *Federal Register* reads.

“Additionally, FSIS intends to overschedule to adjust for nonresponse under the redesigned programs, similar to how FSIS implemented changes to the trimmings program.” Read the full announcement at

<http://1.usa.gov/1dIAt9P>.

Aramark Expands Animal Welfare Policy

Aramark, a global food service supply company, has announced that it will be further expanding its animal welfare policies for the products it purchases. According to a statement on beef/dairy from the company’s new policy, “We will work with our suppliers to address issues of pain relief for disbudding and castration procedures, and eventual elimination of tail docking and dehorning. We strive to work with suppliers to eliminate the use of hormones or feed additives that are harmful for farm animals including recombinant bovine growth hormone (rBGH or rBST), zilpaterol hydrochloride and ractopamine.”

In this new policy, Aramark plans to follow up with suppliers by requiring them to provide progress reports and third-party accountability to document the producers’ animal welfare principles that they are implementing.

To view to new animal welfare policy, visit <http://tinyurl.com/Aramark-Animalwelfare>.

Texas House Passes Fire Code Bill

Late last week, the Texas House of Representatives passed a bill (HB 684) introduced by Rep. Kenneth Sheets (R-Dallas) to allow a commissioners court of a county with a population of over 25,000 or a county adjacent to a county with a population of over 250,000 to adopt a fire code and implement rules necessary to administer and enforce the fire code. TCFA, Texas Farm Bureau and Texas and Southwestern Cattle Raisers Association were successful in amending the bill to prohibit a commissioners court from adopting a fire code that applies to a building or structure used for an agricultural operation, unless the commissioners court has already adopted a fire code. The bill has been sent to the Senate for consideration.

USDA Suspends Eastern Livestock, Ex-President for 10 Years

This week, USDA’s Grain Inspection, Packers and Stockyards Administration (GIPSA) announced its final actions regarding Eastern Livestock and its former owner, Thomas Gibson, over theft and deception dating back to 2010.

In a news release, GIPSA said it entered a consent decree with Eastern Livestock, resulting in a 10-year suspension of the company’s registration under the Packers and Stockyards Act (P&S Act) and Regulations, effective Dec. 17, 2014. This consent decision will end GIPSA’s actions against Eastern Livestock.

A separate order was filed against Thomas Gibson, the former president and majority stockholder of Eastern Livestock for his role. This order prohibits Gibson from registering under the P&S Act for 10 years, starting on April 20, 2015.

EPA Sends RFS Rule to OMB

The EPA sent the Renewable Fuel Standard (RFS) proposals for volumetric requirements for 2014, 2015 and 2016 to the Office of Management and Budget (OMB) for interagency review. “The agency is committed to issuing the proposals by June 1 and finalizing volume standards by the end of this year, so we can provide for long-term growth of renewable fuels,” an EPA spokeswoman said. “EPA is also proposing and finalizing the RFS biomass-based diesel volume requirement for 2017 on the same schedule.”

“Biofuels are an important part of the president’s energy strategy, helping to curb our dependence on foreign oil, cut carbon pollution, and drive innovation,” the spokeswoman added.

Tyson, USDA Work to Reduce, Verify Antibiotics in Chicken for School Lunch

Fifteen school districts are establishing a new standard to reduce and verify the amount of antibiotics used in chicken for school lunch programs. With a combined purchasing power of \$36 million of chicken a year, these school districts are working with Tyson Foods Inc. and the USDA to create a system of third-party audits to earn

the “Certified Responsible Antibiotic Use” (CRAU) designation.

Although Springdale, Ark.-based Tyson plant along with other chicken producers have been working towards reducing or eliminating the use of antibiotics for years, this new standard includes a detailed checklist for farmers and processors to meet when audited by federal inspectors.

Craig Morris, deputy administrator for USDA’s Agricultural Marketing Service Livestock, Poultry and Seed Program notes, that although the school lunch program represents only a small fraction of U.S. chicken consumed, it would be feasible to scale up the verification system to include all chicken production.

To read the full article, visit <http://tinyurl.com/Tyson-USDA-SchoolLunch>.

#ProteinandthePlate - A Landmark Report on How Protein is Consumed

The NPD Group is conducting a research project exclusively for Midan Marketing and *Meatingplace*, sponsored solely by Yerecic Label, that helps identify why consumers are trending toward obtaining their daily protein from sources other than meat. This three part *Meatingplace* series, titled *Protein and the Plate*, explores a paradox that although meat is rated one of the most nutrient-dense foods, consumers on average are not seeking it out for its nutritional purposes.

The research found that in 2014, among consumers who eat meat, 70 percent claim they replace fresh meat with a non-meat protein source at least once a week. Additionally, since 2009, consumers consumed 2.6 times more eggs, 2.6 times more peanut butter, 4.3 times more yogurt and 9.6 times more cheese, in order to fill their daily protein requirements.

“Consumers get that proteins are important; the sad part is they’re going to other places to get it,” said Michael Uetz from Midan Marketing.

To watch the video for the second editorial feature of *Protein and the Plate*, visit <http://tinyurl.com/Proteinandtheplate>. Stay tuned for the third and final feature of *Protein and the Plate* to be released this June.

Panera Announcement Latest to Leverage Clean Food Trend

Panera Bread announced this week that it intends to eliminate a list of more than 150 ingredients by the end of 2016. This announcement comes one week after top competitor, Chipotle Mexican Grill, announced it will no longer serve ingredients containing genetically modified organisms (GMO).

Panera Bread’s published list of “No No’s” include artificial colors, flavors, sweeteners and preservatives such as artificial smoke flavor, added sulfites, high fructose corn syrup and artificial trans fats.

These recent decisions implemented by businesses, such as Panera Bread and Chipotle, are beginning to impact other fast food chains. McDonalds reported a 2.6 percent decline in their first quarter comparable sales in the United States as the fast food giant “could not overcome the competitive activity.” McDonald’s President and CEO Steve Easterbrook announced a global restructuring plan in order to turn around performance and increase sales, in the face of increasing competition.

To read the full article, visit www.meatingplace.com/Industry/News/Details/58169.

USDA Offers \$235M for Conservation Partnership Program

This Monday, Agriculture Secretary Tom Vilsack a program to improve the nation’s water quality, combat drought, enhance soil health, support wildlife habitat and protect agricultural viability. This \$235 million investment will be funded through the new conservation tool, established by the 2014 Farm Bill, the Regional Conservation Partnership Program (RCPP) of the USDA’s Natural Resources Conservation Service (NRCS).

RCPP allows local community leaders to work with multiple partners along with farmers and ranchers to design and establish a successful conservation solution for that region. Local partners and federal government will then have the opportunity to invest funding and labor to maximize the conservation project.

“This is a new, innovative approach to conservation,” said Vilsack. “This initiative allows local partners the opportunity to design and invest in conservation projects specifically tailored for their communities.”

To read the full article, visit <http://feedstuffs.com/story-usda-offers-235m-conservation-partnership-program-45-127261>.

Given Tenderness, Marbling is Key

A recent study conducted by Texas Tech, Utah State and Mississippi State universities concludes that consumers continue to choose beef according to tenderness and flavor. Data from recent studies have found that tenderness, juiciness and flavor all affect palatability. However, no study has isolated the flavor component by leveling the tenderness in the samples.

Mark Miller, the San Antonio Stock Show and Rodeo distinguished chair in meat science at Texas Tech, helped conduct this study published in *Meat Science*. The study evaluated consumers who purchase and

consume beef one to three times per week. Overall, the consumers named tenderness as their top palatability trait, followed by flavor. However, when the steaks were of equal tenderness, the majority of participants ranked flavor as the top trait.

“When juiciness and tenderness factors are met, the evaluation of that steak goes to flavor, so that’s why the focus of the evaluation is amplified, because we are more or less meeting the other two criteria,” Miller said, “If we are going to ask consumers to pay current prices, or more, it’s going to have to eat really well, consistently. There is no room for error if you consider the price of competing proteins.”

To read the complete study, visit www.cabpartners.com/news/research.php.

Farmland Film Now Available on Netflix

The *Farmland* film, featuring the next generation of U.S. farmers and ranchers, is available to Netflix subscribers, according to Farm Progress.

Farmland provides viewers with a firsthand glimpse inside the world of farming and ranching by depicting the lives of six young farmers and ranchers, including Brad Bellah, a sixth-generation cattle rancher from Throckmorton, TX.

“I’m thrilled that *Farmland* has found a new home at Netflix,” said Academy Award winning director and producer, James Moll. “There’s a lot of interest out there in the next generation of farmers and ranchers, and Netflix is a great venue to meet and be inspired by these six hard-working Americans.”

The film continues to be available for rent and purchase at several retail locations nationwide as well as online by digital download. Read the full article by visiting <http://farmprogress.com/blogs-farmland-farmers-8467>.

May is Beef Month

Across the nation, May is Beef Month. Although cattle producers strive year round to improve beef production and sustainability practices to ensure a safe, wholesome and nutritious product now and well into the future, this is a time for us to showcase and celebrate our industry in a broader way.

Take part in celebrating Beef Month by participating in the Beef Checkoff Program’s 30 Day Protein Challenge, participating in a Team BEEF event, or submitting your best beef grilling photo in BEEF Daily’s Summer Grilling photography contest.

No matter the month, remember to promote lean beef, as it provides a complete high-quality protein that contains all the essential amino acids the body needs for optimal health. To find out how to participate in a beef month activity, visit <http://tinyurl.com/BEEF-magazine-beef-month>. Happy Beef Month!

TCFA Upcoming Events:

- **TCFA Feedyard Camp**

The 2015 Feedyard camp will be June 29-July 1 at West Texas A&M University in Canyon. Applications are online at <http://tinyurl.com/fy-camp> and must be returned to TCFA by Friday, May 15. For more information, contact Jason Slane at jason@tcfa.org or Jayce Winters at jayce@tcfa.org.

- **2015 TCFA Safety Award Contest**

Submit your best safety practice to the 2015 TCFA Safety Award Contest by May 29. View the English Safety Award flyer at <http://tinyurl.com/sa-flyer-english> and the Spanish version at <http://tinyurl.com/safety-awards-spanish> for details. Applications can be found at <http://tinyurl.com/2015-sa-app>. For more information, contact Brady Miller at brady@tcfa.org.

Feeders and Feedyards In The News

Jon Vanwey, manager, departs Friona Industries, Littlefield Feedyard to pursue other interests.

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Texas Cattle Feeders Association

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