



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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Supreme Court Upholds Landowners' Rights, Challenges WOTUS Jurisdiction

This week, a Supreme Court opinion confirmed landowners' rights by unanimously ruling that landowners may challenge the U.S. Army Corps of Engineers' jurisdictional determination as to whether or not a piece of property contains "waters of the U.S." (WOTUS). This was determined in the case of *U.S. Army Corps of Engineers v. Hawkes Co., Inc.*

"This decision provides landowners and agriculturalists across the nation the right to challenge WOTUS implementations on their land and stand up against potential government overreach," said TCFA Chairman David Baumann. "I applaud the Court in its common sense decision to uphold the rights of private property owners."

Four separate opinions were given by the justices following the ruling. In Justice Kennedy's concurrence, he stated, "[t]he Act... continues to raise troubling questions regarding the Government's power to cast doubt on the full use and enjoyment of private property throughout the Nation."

NCBA filed an amicus brief in support of Hawkes. TCFA and NCBA will continue to fight against WOTUS implementation on a federal level.

Fewer Consumers Reading Nutrition Labels

NPD Group conducted a consumer survey which found that 24 percent of consumers do not read federally mandated nutrition labels, up from 15 percent 10 years ago. The survey also found that consumers who do read the labels have shifted their focus to sugars per serving, moving calorie content to second place. NPD Group says some of the disinterest in the label may be caused by the fact that it hasn't been updated in 20 years, and a new label from the Food and Drug Administration (FDA) may recapture consumer interest.

To learn more, visit <http://tinyurl.com/6-3-16-NPD>.

2016 Beef Market Summary

Derrell Peel, Oklahoma State University Extension Livestock Marketing Specialist, released a summary of the year-to-date beef markets for 2016. He addresses factors which impact beef demand, such as summer holidays, weather and retail marketing.

Peel said, "Beef production will continue to grow in the second half of the year as large feedlot placements from February through April begin showing up in slaughter by late summer. The industry has done a lot to help itself prepare for that by getting current and pulling down carcass weights, but good feedlot marketing discipline will be needed for many months to come as cattle numbers coming into feedlots continue to grow. Wholesale and retail beef prices will continue to trend down in the face of growing beef production. However, beef markets so far in 2016 are encouraging, suggesting that modest decreases in prices are stimulating beef demand quickly. Going forward, beef trade - both exports and imports - will be very important, along with domestic beef demand, in determining how beef markets fare in a world of growing beef supplies."

To read Peel's full market analysis, visit <http://tinyurl.com/6-3-16-OSU>.

Jury Rejects Multimillion Dollar Claim Against CAFO

Ten plaintiffs filed a civil complaint in 2014 against a commercial hog operation in Scott County, Ill., that houses 15,000 hogs annually, saying the company had been negligent in managing dust and odors. The plaintiffs claimed these factors were affecting their personal health and sought \$7.5 million in damages.

According to *Pork Network*, jurors deliberated for less than 90 minutes in making their decision to side with the hog operation. Defense attorney Stephen Kaufmann said the decision sends a clear message that the jury did not think the plaintiffs' case had any merit. The plaintiffs have the opportunity to appeal the decision within 30 days of the ruling, but have not yet filed.

To learn more, visit www.porknetwork.com/news/another-nuisance-case-win-hog-farmers.

Canadian Government Proposes Irradiation Amendment for Ground Beef

The Canadian government has proposed an amendment to its Food and Drug Regulations to permit the sale of irradiated fresh and frozen raw ground beef. This would allow the industry to use irradiation as a tool to improve food safety for beef, and the products that undergo this process must be clearly labeled in accordance with existing guidelines.

The government will be seeking public comment on this amendment for a period of 75 days. To view the amendment, visit <http://tinyurl.com/CA-Gov-Ground-Beef>.

Gourmet Burgers Increasing U.S. Beef Demand

An article published this week in *Reuters* highlights the growing popularity of gourmet burgers in the U.S. and what impact that has had on beef demand. The consumption of gourmet burgers, which usually includes fresh rather than frozen beef as well as unique and specialty ingredients, is growing among consumers, particularly millennials, seeking a “better burger.” Sales of these types of burgers have increased 15 percent in 2015 over 2014 numbers, equating to about a \$5 billion increase in sales.

The article also notes that consumers are willing to pay higher prices for the more gourmet options. A double cheeseburger at Shake Shack costs about \$8, compared with about \$2 at McDonald’s in downtown Chicago. A gourmet burger with Wagyu beef, truffle and foie gras offered by Fleur restaurant at the Mandalay Bay Casino in Las Vegas costs \$65.

To read the full article, visit www.reuters.com/article/us-usa-beef-burgers-idUSKCN0YN5VJ.

Importance of Website Transparency

The Center for Food Integrity (CFI) released some tips for agriculturalists to utilize in order to make their websites more transparent to consumers. While many companies do a good job of covering the basics on their website, consumers are looking for more, and websites can be a valuable tool in building consumer trust.

“Specifically, consumers want to see concrete examples on websites of ‘practices,’ which CFI’s research shows is most important to demonstrating transparency,” said J.J. Jones of CFI. “Why? Because practices are a reflection of internal motivation. They demonstrate values in action.”

CFI recommends using video actively to give tours, address frequently asked questions or hot topics and share company values. It helps to highlight third-party verifications or audits that the company has undergone as it relates to food safety, impact of food on health, environmental impact, animal well-being, labor/human rights and business ethics. Do not use auto-reply options for website engagement. No matter what segment of the food system, whether food company, retailer, restaurant, grocer, farmer or rancher, responsiveness is an expectation of consumers seeking transparency.

Learn more from CFI at www.foodintegrity.org/research/consumer-trust-research/current-research/.

Ag Committees Request Comment Period Extension for USDA Organic Livestock Rule

U.S. Senate and House Agriculture Committee leadership called on USDA to grant a 90-day extension of the public comment period for the Agency’s proposed rule regarding revised organic livestock and poultry production standards.

A press release from the Senate Agriculture Committee notes, “Our constituents have expressed significant concern regarding possible unintended consequences, including reduced access to organic products, substantially increased organic food costs for consumers, significant disruption to the organic feed and processed organic products industries, increased exposure to disease and mortality for organic poultry, increased risk of contamination or food-borne illness, and significant barriers for current organic producers to maintain organic certification. We respectfully request additional time to ensure more thorough public comment on these key areas to inform your decisions prior to this rule moving forward.”

To read the letter to USDA, visit www.agriculture.senate.gov/imo/media/doc/1622_001.pdf.

Blood Test Developed to Detect Bovine Tuberculosis

Researchers at the University of Nottingham in England have developed a blood test that can quickly detect *Mycobacterium tuberculosis* complex bacteria in cattle, which is an indicator of bovine tuberculosis.

According to the study, “A bacteriophage-based method combined with PCR (phage-PCR) has been recently used to detect and identify viable pathogenic mycobacteria in the peripheral blood mononuclear cells of animals suffering from paratuberculosis. To adapt this method for the detection of *M. bovis* in blood, a new isothermal DNA amplification protocol using Recombinase Polymerase Amplification was developed and was found to be able to detect *M. bovis* BCG within 48 hours, with a limit of detection of approximately 10 cells per milliliter of blood for artificially inoculated blood samples.”

To read the full study, visit <http://tinyurl.com/TB-6-3-16>.

MS Beef-a-Thon

The Panhandle Chapter of the National Multiple Sclerosis Society will hold its 46th annual MS Beef-a-Thon Sunday, June 5 from 3:00 p.m. to 6:00 p.m. on television station KCIT Fox 14. The Panhandle Chapter is the only one in the nation to conduct an event of this kind that features beef. All proceeds go toward the Panhandle Chapter of the National Multiple Sclerosis Society. Last year, Beef-a-Thon raised \$32,500.

Area cattle producers donate beef that will be sold in custom-cut quarters and ground beef packages. Edes Custom Meats processes the cattle and packages the beef quarters according to the custom orders. Thank you also to the Potter and Randall County Sheriff's departments who will be picking up the cattle.

Thank you to all TCFA member feedyards who each graciously donated a steer to be auctioned off at this year's Beef-a-Thon: Bar-G Feedyard; Bovina Feeders, Inc.; Cimarron Feeders; Circle Three Feedyard; Coronado Feeders; Dean Cluck Feedyard; Dimmitt Feed Yard, LLC; Dumas Feedyard, LLC; Hartley Feeders; Keeling Cattle Feeders, Inc.; Kirkland Feedyard, Inc.; Owl Feedyard, Inc.; Quien Sabe Feeders; Rafter 3 Feedyard, Ltd.; Randall County Feedyard; Western Cattle Feeders, LLC; and XIT Feeders.

Visit www.beefathon.org to learn more. Call toll free (866) 227-5292 to bid during the event.

Feeders and Feedyards in the News

Dr. Charles Graham of Graham Land & Cattle Co. was recently honored as a Texas A&M University Distinguished Alumni. He earned his bachelor's degrees in animal husbandry and animal science at the university in 1953 and later a doctorate in veterinary medicine. Please join us in congratulating Dr. Graham on this honor.

Jordan Levi of Arcadia Asset Management was featured in a recent *Livestock Weekly* article for his success and leadership in the cattle markets. Pick up the May 26 copy of *Livestock Weekly* to read Levi's feature.

Sponsor Spotlight

TCFA is proud to recognize its top sponsors whose efforts help deliver top-notch service.

This week's spotlight shines on



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Texas Cattle Feeders Association

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