



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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Controversial GIPSA Rule Delayed

USDA announced a 180-day delay of the Grain Inspection, Packers and Stockyards Administration's (GIPSA) interim final rule, misleadingly referred to as the Farmer Fair Practices Rules — a move requested and welcomed by members of TCFA, NCBA and other ag industry groups.

"If implemented, GIPSA's rule will encourage frivolous lawsuits based on accusations of harm rather than economic evidence, and they require buyers to justify all transactional price differences to disprove undue preference or advantage," said TCFA Chairman Jim Lovell. "We are happy to see this rule delayed, but it ultimately needs to be struck down all together."

The final rules could allow producers to simply say — rather than prove — that a certain practice harms the entire market in order to show a violation of the Packers & Stockyards Act. This would ultimately discourage cattlemen and women from continuing to invest in improving the quality of beef being produced due to the risk of a costly lawsuit.

It would also significantly reduce the use of alternative marketing agreements and related benefits, which GIPSA in their own study in 2007 found to be very beneficial to both producers and consumers by rewarding the production of higher quality beef and therefore creating a more productive and efficient market environment, TCFA stated in comments filed to the agency in March.

"These rules have the potential to take the beef industry back 30 years by jeopardizing alternative marketing agreements and stifling the innovative efforts of U.S. cattle producers to add value, manage risk and enhance the quality and safety of their products," said Lovell.

To learn more, visit <http://tinyurl.com/FarmerFairPractice>.

Court Requires CAFOs to Report Air Emissions

A D.C. Circuit Court has struck down a rule that exempted concentrated animal feeding operations (CAFOs) from reporting air pollutants such as ammonia and hydrogen sulfide.

In 2008, the Environmental Protection Agency (EPA) issued a rule exempting CAFOs from reporting requirements stating that such reports were unnecessary because a federal response was "impractical and unlikely." Environmental groups argued that the agency is not authorized to grant reporting exemptions.

TCFA staff are evaluating the implications of the ruling and exploring options to further challenge the reporting requirement. If the requirement remains in effect, TCFA staff will provide the resources necessary to submit reports similar to the reporting that occurred in 2009 as part of the Emergency Planning and Community Right-to-Know Act (EPCRA). For more information, contact Ben Weinheimer at ben@tcfa.org.

To read the full ruling, go to <http://tinyurl.com/CAFO-Ruling>.

U.S. and China to Put Together Plans for Expanded Beef Access

At a press briefing with reporters this week, White House Press Secretary Sean Spicer confirmed that Chinese President Xi Jinping and President Trump did discuss plans to expand beef exports into China. Last September, China ended its 13-year ban on U.S. beef, but negotiations to actually get beef to Chinese consumers continuously hit technical roadblocks.

Spicer says that both countries will take 100 days to put together a plan that will address the technical barriers that have stalled expanded U.S. beef access. Getting U.S. beef to Chinese consumers would be a big boost for the industry. Global AgriTrends calculates the greater China region as a \$7 billion market.

The U.S. is one of the top beef exporters so any deal with China would represent new opportunity for the industry. To learn more, visit <http://tinyurl.com/ChinaLiftsBan>.

TCFA Says Goodbye to Former Director Cap Naegle

Former TCFA Director C.C. "Cap" Naegle passed away on March 22 in Bartlesville, Oklahoma. Cap was a feedyard co-owner and manager of Parmer County Cattle Company from 1968-85.

A family memorial service will take place in July at his birthplace of St. Johns, Arizona. Please keep his family in your prayers. To view Naegle's obituary, visit <http://tinyurl.com/CapNaegle>.

Gaps Remain in APHIS Traceability System

A report released by the Animal and Plant Health Inspection Service (APHIS) noted that while some fundamentals of the agency's Animal Disease Traceability System (ADT) program are in place, there are still gaps that must be filled in order for the system to work as planned. ADT implementation began in 2014 for most livestock, but excluded feeder cattle until the effectiveness of the program has been evaluated.

TCFA has long been supportive of animal identification for animal health purposes. The goal of any identification program should be to enable the cattle industry, state and federal animal health officials to respond rapidly and effectively to animal health emergencies.

The report identified several gaps, including that the system only tracks the interstate movement of animals, while cattle, for example, are often grouped and re-grouped at different points of the supply chain. Another gap lies within identification. Currently, livestock are recorded via visual-only identification eartags. Without more advanced technology, complicated populations, such as feeder cattle, are too difficult and too expensive to trace effectively, the report said.

To address these and other concerns, APHIS is hosting a series of meetings around the country. The remaining meetings will take place at the following locations:

April 20: Nashville, Tenn., Renaissance Nashville Hotel, 611 Commerce Street

May 2: Bloomington, Minn., Embassy Suites Minneapolis Airport, 7901 34th Avenue South

May 4: Denver, Colo., Doubletree by Hilton Denver, 3203 Quebec Street

May 11: Rancho Cordova, Calif., Sacramento Marriott Rancho Cordova, 11211 Point East Drive

May 24: Billings, Mont., Hilton Garden Inn Billings, 2465 Grant Road

Cattle producers who wish to attend should register at <http://tinyurl.com/ADT-registration>.

USMEF Hoping to Gain Greater Share in Japanese Beef Market

The U.S. Meat Export Federation (USMEF) is hoping to gain a greater share of the Japanese meat market through new campaigns that promote U.S. beef as a luxury product, according to an article in *Global Meat News*.

Last year, Japan surpassed Mexico as the number one export market for U.S. beef, reaching \$1.51 billion. The trend continued into January and February of this year with exports to Japan up 41 percent and 45 percent. USMEF demonstrated a cooking method that showcased the quality of beef tongue to Japanese buyers at the 2017 Japanese Foodex trade show this March. Statistics from USMEF show that Japan imported \$286 million of U.S. beef tongue in 2016, a 15 percent increase from the previous year. The organization says it is promoting the tenderness of its corn-fed beef tongue over that of grass-fed competitors. To read more, visit <http://tinyurl.com/JapanMarket>.

TCFA Registers Support for Eminent Domain Bills at State Capitol

TCFA registered support this week for House Bills 2684, filed by Rep. DeWayne Burns (R-Cleburne), HB 2694 by Rep. Kyle Kacal (R-Bryan) and HB 3687 by Trent Ashby (R-Lufkin).

Josh Winegarner, TCFA director of government relations, says each of these bills would help level the playing field for landowners when it comes to eminent domain. Some highlights of the bills include the requirement of project information and property protections be included in easement contracts that are presented to landowners by the condemning entity. HB 2684 specifically addresses the need for condemning entities to make a fair-market offer to landowners up front by providing disincentives to those entities that make below market offers.

Beef Checkoff Addresses Antibiotic Concerns Through New Research

The beef checkoff has released four new project summaries from newly completed antimicrobial resistance research. The projects are a proactive response to the rising concern and attention from consumers about antimicrobial resistance and antibiotic use practices in beef.

According to NCBA, food production systems have come under close scrutiny, and significant pressure has been placed on livestock producers to reduce and/or eliminate their use of antibiotics.

To read each project summary, go to <http://tinyurl.com/BeefSafetyResearch>.

USDA Raises Beef Production Forecast

According to USDA's latest World Supply and Demand Estimates (WASDE) report, the slaughter production and heavier cattle weights for 2017 are forecast higher, and the overall beef import forecast for 2017 is higher than expected. The global beef import forecast raised as higher than expected beef supplies from Oceania in the latter half of the year outweigh declines in the first half. No changes were made to beef exports.

USDA forecasts average steer prices for the year between \$115 and \$121, compared to last month's \$114 to \$121. To read the full report, visit <http://tinyurl.com/BeefForecast>.

TCFA Continues Work with the U.S. Roundtable for Sustainable Beef

The U.S. Roundtable for Sustainable Beef (USRSB) held meetings again this week in Denver. The Indicator Working Group and the Engagement, Measurement and Progress Working Groups met to continue the development of sustainability metrics, as well as supporting materials such as guidance documents, self-assessment tools, field projects and other resources.

The USRSB, originally launched in 2015, now has over 100 members and represent all aspects of the beef supply chain from cow-calf producers, auction markets, feedyards, packer/processors, retailers/food service, allied industry and civil society (both universities and non-governmental organizations). NCBA, TCFA and a number of TCFA feedyard members are active members of the USRSB and have helped to shape and direct the activities, direction and work of the roundtable. As an organization, TCFA holds one of the 10 seats on the USRSB Board of Directors. TCFA is represented on the Board by Tom McDonald, JBS Five Rivers Cattle Feeding and Ben Weinheimer, TCFA Vice President.

Weinheimer also serves as co-chair of the sustainability Indicator Working Group, which is where most of the activity has occurred since 2015. The Indicator Working Group identified six high priorities areas, which include: animal health and well-being; efficiency and yield; water resources; land resources; air and greenhouse gas emissions; and worker safety and well-being. These six areas were adopted in July 2016 by the USRSB members as priorities for the supply chain.

Since July 2016, the Indicator Working Group has focused on the development of "metrics" that will provide additional details for each indicator to make it more relevant and applicable to each segment of the supply chain. As an example, feedyards will be able to demonstrate current and on-going efforts related to "animal health and well-being" through programs such as the TCFA Beef Quality Assurance Program.

More information about USRSB membership, working groups and upcoming events can be found on the USRSB website at www.usrsb.org. The annual General Assembly meeting for the USRSB is scheduled for July 11-12, 2017 in Denver. For questions or more information about TCFA's role, contact TCFA Vice President Ben Weinheimer at ben@tcfa.org.

2017 Fed Beef Challenge Brief Recap

The 2017 Fed Beef Challenge was a big success, with 59 pens of cattle represented by 25 TCFA member feedyards at the Amarillo Livestock Auction. Individuals traveled from all over to view the best fed cattle around and to participate in the live evaluation contest and the TCFA Education Foundation Calcutta. With the generous support from member feedyards, Allied Industry representatives and TCFA supporters, \$1,872 was raised in the Calcutta to go toward the TCFA Education Foundation, which is used to award scholarships to graduate students with a future in the fed beef industry. TCFA will announce the winners of the Fed Beef Challenge next week.

2017 TCFA Feedyard Camp

TCFA, in conjunction with Texas A&M AgriLife Extension Service and West Texas A&M University, will host the 2017 Junior Fed Beef Career & Leadership Program, also known as Feedyard Camp. The program is open to incoming high school juniors and seniors who are interested in a career in the fed beef industry.

Participants will receive hands-on instruction about feedyard operations, as well as career opportunities in the fed beef industry. The registration fee for camp is \$100, which covers all costs except travel to and from Canyon. Applications must be returned to TCFA by May 12. To download an application, visit <http://tinyurl.com/FeedYardCamp>. Contact Brady Miller at brady@tcfa.org or Rachel Hernandez at rachel@tcfa.org with any questions.

Junior Fed Beef Challenge Information Due April 17

Entry forms, validation information and entry fees for the 2017 Junior Fed Beef Challenge must be received to TCFA by Monday, April 17. Junior cattle feeders compete on July 28 for scholarships, cash and prizes by participating in four phases of the event, including carcass merit, record keeping, written exam and oral presentation or interview. Find all contest details including entry forms at www.tcfa.org/news-events/jfbc.html,

or contact Brady Miller at (806) 358-3681 or brady@tcfa.org.

Wildfire Relief Giving

TCFA encourages members who are interested in continuing to give to the ongoing relief efforts to contact one of the following organizations as local supply points will soon be closing.

To help those in Texas, Oklahoma or Kansas, please send donations to:

Working Ranch Cowboys Foundation Wildfire Relief Fund

Donate online at <https://wrca.wildapricot.org/wrcadonate2016/> (indicate "WRCF Wildfire Relief Fund")

Send checks to WRCF Wildfire Relief Fund, 408 SW 7th Ave., Amarillo, TX 79101

(806) 374-9722

To help those in Oklahoma, please send donations to:

Oklahoma Cattlemen's Foundation

Donate online at <http://okcattlemen.org/firerelieffund.aspx>

Send checks to PO Box 82395, Oklahoma City, OK 73148 (indicate "fire relief" in memo)

(405) 235-4391

To help those in Kansas, please send donations to:

Kansas Livestock Foundation

Donate online at www.kla.org/donationform.aspx

Send checks to 6031 SW 37th Street, Topeka, KS 66614 (indicate "fire relief" in memo)

(785) 273-5115

Resources Available for Wildfire Recovery

Several government resources are available to assist wildfire victims in recovery efforts including the Livestock Indemnity Program (LIP) and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP).

LIP provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by adverse weather or disasters, and ELAP provides benefits to livestock producers for livestock losses that are not covered under other disaster assistance programs. Assistance may also be available for fence rebuilding through the Emergency Conservation Program (ECP).

For more information on LIP, visit <http://tinyurl.com/LIP-3-24-17>. For more information on ELAP, visit <http://tinyurl.com/ELAP-3-10-17>. For more information on ECP, visit <http://tinyurl.com/ECP-3-10-17>. Contact your local Farm Service Agency office at <http://offices.usda.gov> with any other questions related to disaster assistance.

SAVE THE DATE – TCFA 50th Anniversary Reception & Annual Convention

TCFA is turning 50! Save the date for TCFA's 50th Anniversary Reception May 18. Join members and friends of the Association at the Amarillo Civic Center Grand Plaza from 4 p.m. to 6 p.m. for a come-and-go reception celebrating this historic occasion. Invitations will follow, and you will be requested to RSVP.

Also, mark your calendars for the TCFA 50th Anniversary Convention, which will take place October 8-10 at the Embassy Suites Downtown Amarillo. An incredible speaker lineup is planned, including *Lone Survivor* author, Marcus Luttrell; TCFA-favorite and generational/millennial expert, Jason Dorsey; agricultural economist and global futurist, Dr. Lowell Catlett; and more. Back by popular demand, the Cattle Feeders Get Together will feature live entertainment from premier 80s cover band, The Spazmatics.

Make plans to join us in Amarillo for both of these special events. To view a "Save the Date" flyer for these events, visit <http://tinyurl.com/TCFA-SaveTheDate>. To be entered for a special prize drawing, Tweet a photo of the "Save the Date" with #TCFA50.

102nd Panhandle Grain and Feed Association Convention

The annual Panhandle Grain and Feed Convention is scheduled for May 4-5 in Amarillo. For more information or to register, visit www.panhandlegrainandfeed.org.

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