



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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U.S. Beef Access to China by Mid-July

The Trump Administration [announced](#) Thursday that one of the 10 initial actions of the U.S.-China Economic Cooperation 100-Day Plan includes protocols for U.S. beef access to China.

The U.S. Commerce Department released a [summary document](#) of the plan citing an important point that there is still “one more round of technical consultations between the United States and China, China is to allow imports of U.S. beef on conditions consistent with international food safety and animal health standards and consistent with the 1999 Agricultural Cooperation Agreement, beginning as soon as possible but no later than July 16, 2017.”

“We are very appreciative of the Administration’s hard work and thank President Trump for making U.S. beef a priority in trade negotiations with China,” said TCFA Chairman Jim Lovell. “TCFA eagerly awaits the final technical details, which are very important to how we will produce beef for the Chinese market. China is home to one-fifth of the world’s population, with a growing middle-class that is larger than that of the entire U.S. As more Chinese consumers achieve middle-class incomes, they seek increased amounts of higher-quality protein. U.S. beef fits that need very well, and we are anxious to begin exporting U.S. beef to China.”

Cattlemen Applaud New USTR Representative

The Senate confirmed Thursday Robert Lighthizer as the U.S. Trade Representative. Lighthizer, who for the past 30 years has been a trade lawyer for U.S. steel companies, formerly served in the Reagan Administration as the Deputy U.S. Trade Representative.

“International trade is vital to the success of America’s cattle industry and in his new role, Ambassador Lighthizer will serve as our chief negotiator in all trade matters,” said Craig Uden, National Cattlemen’s Beef Association president. “As Ambassador Lighthizer begins his new job, we urge him to focus his efforts on opening and expanding our access to other markets and preventing any action that may hinder our export growth.”

Lighthizer’s confirmation comes the same day that Agriculture Secretary Sonny Perdue announced restructuring at USDA and the establishment of Undersecretary for Trade, which was authorized in the 2014 Farm Bill.

Dr. Scott Gottlieb to Head Food and Drug Administration

The Senate Tuesday voted to confirm Dr. Scott Gottlieb as Commissioner of the Food and Drug Administration (FDA). Gottlieb served as the Deputy Commissioner of FDA under President George W. Bush.

In a statement issued by Tom Price, the Health and Human Services secretary, he said that Dr. Gottlieb’s background will be crucial for maintaining the FDA’s high standards for safe treatments while advancing new and innovative solutions to the nation’s public health challenges.

The FDA plays a crucial role in livestock production. The agency approves and oversees all antibiotics and other livestock production products that are used in animals raised for food. Both go through a comprehensive, multi-step scientific review by FDA to ensure animal health and human food safety. Approved products are regularly evaluated and must be continually proven safe to remain on the market.

TCFA to Celebrate 50th Anniversary May 18 in Amarillo

TCFA is turning 50! We would love to see you at TCFA’s 50th Anniversary Reception May 18 at the Amarillo Civic Center Grand Plaza from 4-6 p.m. The reception is come-and-go. Please RSVP by emailing shannon@tcfa.org or calling (806) 358-3681.

Texas House Passes Bill to Restrict Drones Over Feedyards

On Thursday, the Texas House of Representatives passed legislation (H.B. 1643) to make it a criminal offense to fly an unmanned aircraft over a feedyard, dairy or other CAFO without the owner’s written consent, unless

the unmanned aircraft is operated by a governmental entity or a commercial operator authorized by the Federal Aviation Administration.

The bill, introduced by Rep. Drew Springer (R-Munster), adds CAFOs to the list of critical infrastructure facilities that currently have this protection. Under the law, it is an offense if a person intentionally or knowingly operates an unmanned aircraft over a critical infrastructure facility and the unmanned aircraft is not higher than 400 feet above ground level. A single violation of this law is a Class B Misdemeanor punishable by a fine of up to \$2,000, up to 180 days in jail or both. A subsequent offense is a Class A Misdemeanor punishable by a fine of up to \$4,000, up to one year in jail or both.

Sen. Kel Seliger (R-Amarillo), who introduced an identical bill, will sponsor H.B. 1643 and shepherd it through the Senate process.

EPA Reaches Out to States for Input on WOTUS Rule

Environmental Protection Agency (EPA) head Scott Pruitt sent a letter Tuesday to governors asking for their input on what bodies of water should be regulated under the Clean Water Act.

President Trump signed an executive order in February to dismantle WOTUS. The EPA and the Army Corps of Engineers are first formally repealing that rule, and will follow with a new version that more narrowly defines jurisdiction of the federal government over bodies of water. Thirty-one states, including Texas, have sued the Obama Administration to stop the 2015 rule. The rule is currently on hold after a stay by the 6th Circuit Court of Appeals.

“EPA is restoring the states important role in the regulation of water,” Pruitt said in a statement. “Like President Trump, I believe that we need to work with our state governments to understand what they think is the best way to protect their waters, and what actions they are already taking to do so. We want to return to a regulatory partnership, rather than regulate by executive fiat.” To read more, visit <http://tinyurl.com/TCFA-EPA-STATES>.

Perdue Says Trump Will Protect Ag Immigration Work Force

At a meeting a few days after being sworn in as the Secretary of Agriculture, Sonny Perdue told producers that the President will not focus his immigration efforts on deporting farm workers, according to *Southwest Farm Press*.

“He understands there are long-term immigrants, [including] undocumented immigrant laborers, [and] many of them are doing a great job contributing to the economy of the United States,” Perdue said about the President. “That is not his focus, nor will that be my focus.”

Producers are concerned that the President’s strong stance on undocumented immigrants could cause instability in the industry. Perdue said the President is open to helping agricultural producers protect their workforce. According to the article, Farm advocacy groups have previously warned federal officials that if Trump deports millions of illegal workers, farm expenses will jump drastically and quickly.

To read the full article, visit <http://tinyurl.com/Perdue-Immigrants>.

Cargill and Teys Australia Donate to Support Texas Tech Meat Science Research

Texas Tech announced Wednesday two donations totaling \$2.75 million to support research in meat science. Cargill will donate \$750,000 to establish the Cargill Endowed Professorship in Sustainable Meat Science while Teys Australia, a partnership between the Teys family and Cargill, will make a \$2 million gift to support research in meat science at Texas Tech.

“We are grateful for the investment Cargill and Teys Australia have made to help Texas Tech University provide world-class expertise ensuring a plentiful and reliable food source,” Chancellor Robert Duncan said. “Philanthropy is how we advance higher education. The generosity of these gifts allows us to continue serving as global leaders in animal and food sciences.”

Sustainable meat science is research that looks at the production of meat animals and the processing of those animals into high-quality, nutritious protein sources to improve the quality of life and health of global consumers using production systems that are sustainable, environmentally friendly, nutritious and affordable, according to the release.

Mark Miller, a meat science professor at Tech, said that these donations will enable Texas Tech to develop future leaders committed to making meat sciences sustainable on a global level.

TAHC Adopts Fever Tick Amendments

The Texas Animal Health Commission (TAHC) adopted amendments to the Texas Administrative Code concerning dipping, treatment and vaccination of animals for fever ticks at the regularly scheduled commission meeting this week.

“Our goal is eradication of cattle fever ticks, and biology of the tick allows no shortcuts to reaching that goal,” said Dr. Andy Schwartz, TAHC executive director. “Cattle maintained on or near premises have significant value as sentinel animals, and when found, become control agents of the fever tick. This rule change allows us to consider the rancher’s particular circumstances in developing a science-based plan encouraging continued stocking with cattle while ticks are eradicated.”

The news by the commission comes after Gov. Greg Abbott announced the United States Department of Agriculture has allocated an additional \$3.7 million to fight the spread of fever ticks in South Texas. This addition brings the total USDA funds to control the tick in Texas to \$12.2 million. These funds are in addition to any efforts by the TAHC to control the destructive pest.

“The State of Texas is being threatened with a crisis, which if not contained quickly, could devastate the agricultural sector of our state,” said Abbott. “Texas cattle producers are currently experiencing an infestation of fever ticks not experienced since the 1970s, and I am committed to containing this threat before it becomes a statewide epidemic. I thank the USDA for their work with Texas on this matter and am hopeful that together we can reverse these trends, saving Texas cattle.”

TCU Seeking Volunteers for Wildfire Fencing Effort

Texas Christian University’s (TCU) Ranch Management alumni are sponsoring a volunteer work weekend in Canadian May 26-29 to help take down fences damaged in the March wildfires, according to a news release.

The group is encouraging others who would like to help but are unable to travel to the Panhandle to donate funds for lodging and meals. Anyone interested in donating should contact Janelle Davila at (817) 257-7145 or email ranching@tcu.edu by May 17.

Cactus Feeders, Inc. Makes Changes to Executive Ranks

Cactus Feeders, Inc. Board of Directors has announced that Dr. Mike Engler has been named Executive Chairman. Dr. Engler, a former TCFA chairman, has been with Cactus for more than 20 years serving as president, chief executive officer and chairman. The board also named Brad Hastings and Dr. Paul Defoor as Co-Chief Executive Officers. Hastings and Defoor previously held the President and Chief Operating Officer roles respectively. Hastings previously served on the TCFA Board, and Defoor is a current TCFA Board Member.

Group Offers “Raised Without Antibiotics” Certification

NSF International, a certification organization, has developed an independent certification protocol — Raised Without Antibiotics — to certify animal products have been raised without exposure to antibiotics, according to an article in *Meatingplace*.

The new certification will allow the use of ionophores to prevent infections, depending on labeling regulations in the region of product sale.

A 2016 survey conducted for NSF International found that 59 percent of consumers prefer products from animals raised without antibiotics. The new certification was created with partners from the food animal industry and veterinary stakeholders. NFS says the program encourages preventive measures such as vaccination, alternative treatments, litter management techniques and appropriate stocking density to maintain the health and welfare of animal. To learn more, visit <http://tinyurl.com/RWA-certification>.

SAVE THE DATE for TCFA’s 50th Anniversary Convention

Mark your calendars for TCFA’s 50th Anniversary Convention 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 this special event. To view a “Save the Date” flyer, visit <http://tinyurl.com/TCFA-SaveTheDate>.

TVMDL to Host Seminar on Bovine Respiratory Disease

The Texas A&M Veterinary Medical Diagnostic Laboratory will host a seminar on the recent advances in understanding the Bovine Respiratory Disease Complex (BRD) Saturday, July 18, at the Texas A&M AgriLife Research and Extension Center in Amarillo.

“BRD is a complex and constant challenge to the livestock industry,” said Dr. Gayman Helman, TVMDL. “The syndrome is the leading cause of sickness and death for cattle and calves in the U.S. This year’s seminar will focus on new information on prevention research, pathogens and treatment protocols.”

The seminar will offer attendees 7 continuing education credits while also hearing the latest information on the disease. To register, visit <http://tinyurl.com/AgriLife-Register>. Find a complete conference agenda and registration flyer at <http://tinyurl.com/TVMDL-2017>.

Applications for Texas Family Land Heritage Program Due June 1

Applications are due June 1 for The Family Land Heritage Program. The program recognizes families who have owned and operated a continuous agricultural operation for 100 years or more.

Applications are due June 1. For more information, including qualifications and an application, visit <http://tinyurl.com/Family-Land-Heritage>.

2018 National BQA Application due June 2

Guidelines for the 2018 BQA Award nominations are now available. The application is due no later than June 2, 2017. Award applications should be downloaded, completed and emailed in the format specified on the application to gwebb@beef.org. To download the application, visit <http://tinyurl.com/BQA-Award>.

Sponsor Spotlight

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

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TCFA MARKET REPORT



May 12, 2017

AVERAGE PRICE

	Steers	Heifers
This Week**	\$138.03	\$137.86
Last Week***	\$144.53	\$144.92
Net Change	-\$ 6.50	-\$ 7.06

SALES

	This Week**			Last Week***		
	Steers	Heifers	Total	Steers	Heifers	Total
Cash	2,995	3,194	6,189	3,432	3,294	6,726
Formula	44,601	13,950	58,551	49,025	13,104	62,129
Total	47,596	17,144	64,740	52,457	16,398	68,855

Year Ago

Steers	Heifers	Total
49,913	17,427	67,340

** Preliminary
*** Final

TCFA Area Sales

Steers	194	1250-1350	Lbs.	65-80%	Choice	138.50
	2,708	1250-1350	Lbs.	65-80%	Choice	138.00
	93	1250-1350	Lbs.	65-80%	Choice	CTF*
Heifers	2,323	1200-1275	Lbs.	65-80%	Choice	138.00
	144	1200-1275	Lbs.	65-80%	Choice	137.00
	106	1150-1250	Lbs.	65-80%	Choice	136.00
	621	1150-1250	Lbs.	65-80%	Choice	CTF*

The USDA released its World Agricultural Supply and Demand Estimates (WASDE) report this week. According to the report, the total red meat for 2018 is projected higher than 2017 on increased livestock production. Cattle placements during the second half of 2017 and early 2018 are forecast higher with slaughter weights to increase. Total red meat production for 2017 is reduced from the previous month due to lighter expected carcass weights. For 2018, larger beef supplies and lower prices are expected to support U.S. beef exports. Beef imports are forecast higher as supplies of domestic processing-grade beef remain relatively tight and supplies of beef increase in key exporting countries. According to the WASDE report, the 2017 beef export forecast are raised as demand is expected to remain strong and imports are raised on recent trade data for the first quarter. Cattle prices for 2018 are forecast to decline relative to 2017 as supplies are expected to increase. Prices for 2017 are forecasted to increase on recent price strength and on expectations that demand will remain relatively firm through the year.

*Convert to Formula

TCFA LIVE CATTLE BASIS (CASH MINUS FUTURES)	LIVE	05/12/17	Wkly Chg	05/05/17	05/13/16	5-Yr Avg
	Spot	12.86	-3.37	16.23	10.53	6.94
Jun 17	12.86	-3.37	16.23	10.53	6.94	
Aug 17	16.26	-7.10	23.36	15.23	7.82	
Oct 17	19.91	-8.15	28.06	15.98	5.45	
Dec 17	19.66	-8.05	27.71	17.03	4.19	
Feb 18	19.83	-7.90	27.73	18.30	3.70	
Apr 18	21.26	-8.42	29.68	19.65	3.12	
TCFA FEEDER CATTLE BASIS (CASH MINUS FUTURES)	FEEDER	05/05/17	Wkly Chg	04/28/17	05/06/16	5-Yr Avg
	Spot	1.38	12.24	-10.86	-7.44	-4.10
May 17	1.38	12.24	-10.86	-7.44	-4.10	
Aug 17	-8.28	7.73	-16.01	-7.25	-9.58	
Sep 17	-6.95	9.01	-15.96	-6.12	-8.68	
Oct 17	-3.63	11.23	-14.86	-4.42	-10.19	
Nov 17	-0.53	12.66	-13.19	-0.57	-9.45	
Jan 18	6.35	14.26	-7.91	3.38	-6.97	
Mar 18	10.20	15.46	-5.26	4.98	-6.34	

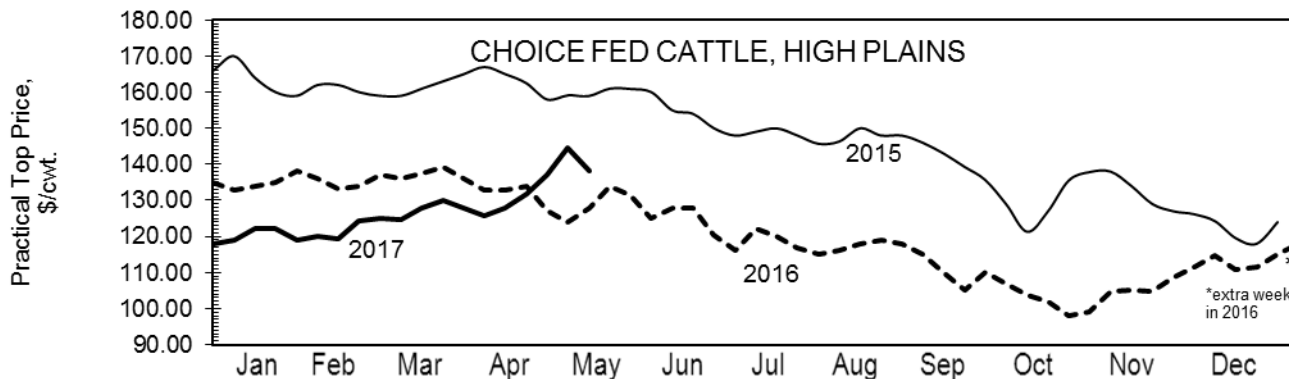
GRAIN SALES

	Price Per cwt.	Basis Per bu.
North Plains		
Corn	\$7.31 – 7.40	+40¢ to +45¢
Milo	\$5.97 – 6.24	-35¢ to -20¢
South Plains		
Corn	\$7.75 – 7.83	+65¢ to +69¢
Milo	\$6.47 – 6.70	-07¢ to +06¢

CARCASS CUTOOT

U.S. Exports	Sales	Shipments	Date	Ch. 1-3	Se. 1-3	Fab	Trmgs	Total
				600-900	600-900	Loads	Loads	Loads
	Million Bushels		Thurs. 05/11	246.86	226.66	82	28	110
Corn	10.9	28.5	Wed. 05/10	244.58	224.62	73	48	121
Milo	0.1	7.4	Tues. 05/09	242.16	223.03	82	36	118
			Mon. 05/08	241.44	222.89	61	19	80
			Fri. 05/05	238.87	219.57	50	25	75

Cash prices per cwt. f.o.b. elevator:
Basis – CBOT July Futures,
Thursday close



MEAT PRODUCTION

	Slaughter (head)				Production (million lbs.)			Total F.I. Meat Production for the week ending May 13, 2017 is 0.4% below last week and 2.4% above a year ago.
	<u>05/13/17</u>	<u>05/06/17</u>	<u>05/14/16</u>		<u>05/13/17</u>	<u>05/06/17</u>	<u>05/14/16</u>	
Cattle	609,000	612,000	598,000	Beef	486.5	489.6	485.0	
Hogs	2,258,000	2,262,000	2,162,000	Total Meat	971.1	975.1	948.8	

	Average Weights					
	This Week <u>05/13/17</u>		Last Week <u>05/06/17</u>		Year Ago <u>05/14/16</u>	
	Live	Dressed	Live	Dressed	Live	Dressed
Cattle	1325	800	1330	802	1336	812
Hogs	285	213	285	213	284	213

	Live Carcass – Retail Prices			
	This Week <u>05/12/17</u>	Last Week <u>05/05/17</u>	Month Ago <u>04/14/17</u>	Year Ago <u>05/13/16</u>
Live, \$/cwt.	138.03	144.53	128.00	133.95
Carcass Price Index	224.45	217.93	193.33	195.81
* Retail, \$/lb.	5.32	4.98	5.44	N/A

*Beginning 3/3/2017, calculated from USDA's National Retail Meat Report

WEEKLY BEEF EXPORTS (Metric Tons)			
	<u>05/04/17</u>	<u>04/27/17</u>	<u>05/05/16</u>
Weekly Exports	22,600	12,800	12,600
Weekly Net Sales	10,800	16,600	13,400

Average live weight of cattle slaughtered in Panhandle area plants last week was 1269 lbs. (35% heifers) compared with the previous week of 1303 lbs. (30% heifers) and a year ago 1311 lbs. (29% heifers).

Estimated Hide and Offal Value from an average 1,000-lb. slaughter steer this week was \$11.53 per cwt. live weight, compared to \$12.05 last week and \$11.13 last year.

FUTURES

	June			August			October			December		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Live Cattle												
Mon.	128.93	126.05	127.78	123.50	120.50	123.25	119.23	116.40	119.08	118.88	116.68	118.70
Tues.	129.63	124.78	124.98	124.93	120.25	120.65	120.15	116.08	116.38	119.88	115.70	116.20
Wed.	125.13	122.23	124.20	121.15	118.53	120.40	117.23	115.08	116.48	117.00	114.93	116.35
Thurs.	125.25	121.33	123.93	121.28	117.63	119.68	117.00	114.03	115.65	117.00	114.05	115.78
Fri.	126.88	124.20	125.18	122.28	120.53	121.78	118.58	116.93	118.13	118.65	116.80	118.38
Weekly	129.63	121.33	125.18	124.93	117.63	121.78	120.15	114.03	118.13	119.88	114.05	118.38

	May			August			September			October		
	High	Low	Close	High	Low	Close	High	Low	Close	High	Low	Close
Feeder Cattle												
Mon.	148.60	143.68	148.30	156.75	151.50	156.65	156.10	150.88	155.95	154.35	148.20	154.18
Tues.	150.15	143.80	144.53	158.80	152.15	152.15	158.08	151.45	151.45	156.00	149.68	149.68
Wed.	145.50	142.43	144.50	151.08	147.33	148.93	150.83	147.10	148.98	149.53	145.93	148.40
Thurs.	144.90	140.53	142.38	149.90	144.65	147.33	149.98	145.00	147.43	149.10	144.38	146.63
Fri.	145.78	142.18	144.55	151.83	148.93	151.83	151.93	148.90	151.93	151.13	147.95	151.13
Weekly	150.15	140.53	144.55	158.80	144.65	151.83	158.08	145.00	151.93	156.00	144.38	151.13

AUCTION REPORT

	<u>Amarillo</u>	<u>Okla. City</u>	<u>San Angelo</u>	<u>Tulia</u>	
Volume--	1,538	12,473	840	3,599	
Feeder Steers:					Amarillo
Med. 1 3/4	----	191.00-197.00	----	179.00	Feeder steers and heifers sold steady to \$2 higher on limited comparable sales.
4/5	164.00-187.00	187.50-195.00	----	164.00	
5/6	145.00-153.00	164.00-179.00	162.00-170.00	150.00-162.00	Oklahoma City
6/7	148.00-151.50	148.00-168.25	159.00	139.50-141.50	Feeder steers over 700 lbs. steady to \$4 higher; under 700 lbs. steady.
7/8	140.00-149.75	139.50-156.25	138.00-140.00	135.00-145.00	Feeder heifers 600-700 lbs. steady to \$4 higher, over 700 lbs. steady to \$2 lower.
Med. 1 & 2 3/4	179.00-182.00	177.00-180.00	171.00	----	
4/5	160.50-163.00	167.00-179.00	164.00-173.00	----	
5/6	152.00	159.00-176.00	149.00-158.00	147.50-151.00	
Feeder Heifers:					San Angelo
Med. 1 3/4	176.00	173.00-174.00	----	171.00	Feeder steers and heifers steady.
4/5	158.00-160.00	157.00-166.00	----	130.00	
5/6	145.75-156.00	153.00-159.00	139.00-145.00	137.50-150.50	Tulia
6/7	130.00-151.50	133.00-155.00	----	130.50-136.00	Feeder steers and heifers sold mostly \$4 - \$5 lower with instances \$8 lower.
7/8	129.00-137.75	125.00-143.75	125.00	128.00-133.00	
Med. 1 & 2 3/4	150.00-158.00	160.00-165.00	----	----	
4/5	140.00-160.50	156.00-157.50	143.00-146.00	149.00	

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