



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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China, U.S. Finalize Agreement on Beef Exports

The United States Department of Agriculture (USDA) and Chinese officials reached a final agreement last week on a deal that will allow U.S. producers to export beef to China for the first time since 2003.

Restoring beef access to China has been a top priority for TCFA for years. TCFA Chairman Jim Lovell says, "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 excited to begin exporting our beef to China."

Key provisions in the final agreement include:

- Beef from animals processed after May 24 is eligible for export.
- Chilled, frozen, bone-in and boneless beef, ground beef and other variety meats are eligible for export from animals 30 months and younger.
- Use of beta agonists and hormones are prohibited. Shipments will be tested upon arrival in China.
- Animal identification and traceability will utilize existing private-sector "bookend" systems in the U.S., which will allow trace back from the packing plant to the ranch of origin. Approved programs, including TCFA's program, are listed on the AMS website.
- Beef from cattle born in Mexico and Canada but fed in the U.S. is eligible.
- Animal health status and disease control measures in the U.S. will be recognized by China.
- China will accept beef from FSIS-approved plants in lieu of inspecting each plant themselves.
- Future cases of BSE will not prohibit exports as long as the U.S. retains its negligible risk status from the OIE.

The United States is the world's largest beef producer and was the world's fourth-largest exporter. Until the ban took effect, the U.S. was China's largest supplier of imported beef, providing 70 percent of total imports, according to *Meatingplace*. To learn more, visit <http://tinyurl.com/TCFA-China-Export>.

Cooked Chinese Chicken Imports Step Forward in China Trade Deal

The United States Department of Agriculture's Food Safety and Inspection Service (FSIS) has determined China's poultry slaughter inspection system is equivalent to the U.S. system, thus paving the way for China to export poultry products to the U.S.

China is currently eligible to export poultry products that have been processed from birds slaughtered in U.S. establishments or at slaughter facilities in other U.S.-eligible countries. But the new trade deal that will allow for U.S. beef exports to reach China will also allow the import of Chinese chicken, a move that signifies the trade deal is making progress.

"In order to be effective, free trade must operate as a two-way street," Mike Brown, president of the National Chicken Council, said in a statement. "Any country that is able to meet the stringent food safety standards set by USDA should be able to compete in a marketplace free of protectionism and artificial trade barriers."

Poultry producers are optimistic that a continued dialogue between China and the U.S. will lead to U.S. broiler access being restored. U.S. chicken has been banned from China since 2015.

TCFA Urges USDA to Withdraw Final GIPSA Rule

Prior to leaving office, President Obama and his administration published several hundred pages of GIPSA anti-competition rules that would have negatively affected the beef industry. The rules consisted of an interim final rule (IFR) on competitive injury, which propagates "that it is not necessary to demonstrate that an unfair practice harms the entire market in order to prove a violation of the Packers and Stockyards Act," concerning unfair practices/undue preferences.

The IFR was scheduled to take effect Feb. 21, 2017; however, at the request of TCFA, NCBA and other livestock groups, the date was extended for 30 days and then again for 180 days. TCFA filed comments with the Trump Administration in March and again this week asking the USDA to withdraw the rule.

“These rules will encourage frivolous lawsuits based on accusations of harm rather than economic evidence, and it would require buyers to justify all transactional price differences to disprove undue preference or advantage,” said Jim Lovell, TCFA chairman. “The 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.” To read TCFA’s comments, go to <http://tinyurl.com/TCFA-GIPSA-2017>.

TCFA Submits Comments on NAFTA

The Trump Administration has asked for comments on renegotiating the current North American Free Trade Agreement (NAFTA) and will hold a listening session in Washington, D.C., June 27. TCFA provided written comments.

“NAFTA has been one of the greatest success stories in the history of U.S. agriculture, with Mexico and Canada becoming two of our best international customers,” Ross Wilson, TCFA CEO, said in the comments. “TCFA supports efforts to modernize NAFTA, but those efforts must not erode the market access and scientific standards that NAFTA has provided for U.S. beef.”

TCFA members and staff have had direct conversations with Members of Congress, urging them to weigh in with the Administration about supporting NAFTA. Furthermore, TCFA has developed a broader Texas agriculture industry letter to Congress explaining the benefits of the trade deal for agriculture and our economy. TCFA is also working with Members of Congress on a letter from the Texas delegation directly to the Trump Administration outlining NAFTA’s success. To read TCFA’s full comments, visit <http://tinyurl.com/TCFA-NAFTA-2017>.

Sponsor Spotlight

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

This week’s spotlight shines on:



Boehringer Ingelheim

Boehringer Ingelheim Vetmedica, Inc. is the U.S. animal health division of Boehringer Ingelheim Corporation, a family-owned company founded in 1885 in Ingelheim, Germany. Dedicated to improving the lives and well-being of animals, Boehringer Ingelheim Vetmedica, Inc. continues to invest in research to develop optimal solutions for the unique needs of today’s livestock producers.

For more information, contact your local Boehringer Ingelheim Vetmedica cattle representative or visit www.bi-vetmedica.com/.

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. The speaker lineup includes *Lone Survivor* author, Marcus Luttrell; generational/millennial expert, Jason Dorsey; and agricultural economist and global futurist, Dr. Lowell Catlett. The Cattle Feeders Get Together will feature live entertainment from 80s cover band The Spazmatics. Make plans to join us in Amarillo for this special event.

Beef Jerky Claims the Number 2 Salty Snack Spot

Beef jerky sales rose by 7 percent in 2016, placing the salty snack in the second spot behind potato chips, according to *Nielsen* reports.

According to the National Cattlemen's Beef Association (NCBA), portable sources of protein like beef jerky continue to rise in consumer popularity, with nearly 75 percent of people seeking healthier salty snack options. The report was released this week coinciding with National Jerky Day.

Second Week of BPI Trial

The \$1.9 billion defamation lawsuit between Beef Products Inc. (BPI) and ABC News continued this week with testimony from ABC producers.

David Theno, a food safety expert who led Jack in the Box's recovery after its *E. coli* outbreak, testified that ABC's Jim Avila called him for information, but when Theno disagreed with Avila's framing of BPI's Lean Finely Textured Beef (LFTB), Avila became hostile and ended up hanging up the phone. Theno called back twice more and was hung up on by Avila both times.

Janet Riley, North American Meat Institute senior vice president for public affairs, testified Tuesday that she had a casual meeting with an ABC producer prior to the reports. Her testimony sorted through emails that showed Riley, the American Meat Institute, and others had provided the network with information on LFTB that was never used.

Fox News reported that Diane Sawyer's videotaped deposition played for jurors Tuesday sought to distance herself from the report, noting that she read the script and it "seemed" like solid reporting. When BPI attorney Dan Webb asked Sawyer if she agreed that the word slime was derogatory, she replied that she was "told" it was an accurate description. Sawyer was at one time named in the lawsuit, but has since been dismissed.

BPI must show that ABC and producer Avila made defamatory implications or statements, and that they either knew the statements were false or acted with reckless disregard for the truth. The company must also prove that ABC hurt BPI.

New Report Suggests Changes to Food Safety Standards

A new report from Cargill Inc. and Pew Charitable Trusts is urging Congress to combine staff from the United States Department of Agriculture (USDA) and the Food and Drug Administration (FDA) into a new agency called the Food Risk Assessment Authority (FRAA).

According to the report, the purpose of the new agency would be to "address all foods — both those regulated by USDA-FSIS and FDA — and would be responsible for performing the risk assessments that should be the basis of the regulatory performance and process the standards and policies that are developed and enforced by the regulatory agencies, the risk managers."

The report calls for Congress to give one federal agency authority to develop and enforce food safety standards at every step of the production process. The report goes on to recommend that a program be established that clearly communicated the risks associated with meat and poultry products, and that food safety education be taught in schools. To read the full report, visit <http://tinyurl.com/Chinese-Poultry-TCFA>.

PETA Using Fake Videos of Animal Abuse

A *Mashable* headline from last week read "PETA's new formula: deception, manipulation, and fake animal abuse." According to *Animal Ag Watch* contributor Hannah Thomson-Weeman, the headline confirms what all of us in the ag industry already knew — "that PETA is willing to lie and fabricate things to advance its mission of animal liberation."

According to the article, Weeman states that PETA was working with a PR firm on an animal abuse story pitch that included a video of a man abusing a cat, only that the video was produced with computer animation, looked incredibly real, but was actually fake.

"Apparently, when PETA can't capture any footage it can use in an "undercover video" campaign, they are just going to try to animate it," Weeman said. "I'm glad that Mashable and other media outlets saw through this stunt and refused to assist PETA in spreading 'manufactured outrage.'"

Weeman said that, after the video went viral, PETA came forward and admitted that it was fake.

NCBA Summer Meeting

The Cattle Industry Summer Business Meeting will take place July 12-15, 2017, in Denver, Colorado, at the Hyatt Regency Hotel. The pre-registration deadline is June 25. Participants can register online at <http://tinyurl.com/TCFA-NCBA-Meeting>.

The meeting is a chance for cattle industry members to discuss current issues as a group, to work on programs and initiatives, and to set the course the industry should take with projects for the betterment of the beef cattle industry.

New Farm Journal Wildfire Fund Doubles Your Donation for Wildfire Recovery

Farm Journal announced a new fundraising effort for producers affected by the March wildfires. The Million Dollar Wildfire Relief Challenge will enable donors to help ranching families rebuild by doubling donations through July 31, 2017. To learn more and/or donate, visit <http://tinyurl.com/Wildfire-Fund>.

Texas A&M Beef Cattle Short Course Set for August 7-9

The 63rd Texas A&M Beef Cattle Short Course is scheduled to take place Aug. 7-9 at Texas A&M University in College Station. The short course is the largest beef cattle educational event in the country and attracts more than 1,600 beef cattle producers from Texas and abroad.

This year's general session will focus on export markets and how they play an important role for cow-calf producers.

"The beef export market continues to grow for U.S. ranchers and is an important part of the overall cattle market," said Jason Cleere, conference coordinator and AgriLife Extension beef cattle specialist. "We will be looking at how much export value there is in a weaned calf and what hurdles there are when it comes to accessing emerging markets such as China."

Also scheduled for the general session is a long-term weather outlook. The course will feature 22 sessions covering basic practices, new technologies and other industry topics.

Registration is \$180 before July 31 and \$220 after. For more information or to register, visit <http://beefcattleshortcourse.com/>.

Angus Certification Requirement Changes Take Effect July 1

Effective July 1, the revised specifications for phenotypic evaluations will require that cattle have a main body that is solid black with no color behind the shoulder, above the flanks, or breaking the midline behind the shoulder, according to USDA's Agricultural Marketing Service (AMS).

Under current requirements, certified Angus cattle must be predominantly (51 percent) black, along with other exclusionary criteria. The agency said it is making the changes at the request of beef industry stakeholders. To read the full statement from AMS, visit <http://tinyurl.com/TCFA-AMS>.

TVMDL to Host Seminar on BRD July 8

The Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL) will host a seminar on the recent advances in understanding the Bovine Respiratory Disease Complex (BRD) Saturday, July 8, 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 seven 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>.

TCFA Member Feedyards Job Openings Web Page

As a reminder to member feedyards, if you have job openings that you would like placed on the TCFA website, please email them to carmen@tcfa.org.

TCFA member feedyards are eligible to post jobs to the site. However, anyone in search of a job may view and access the site. The website is not designed for direct communication between job seekers and feedyards, so applicants should contact the feedyard via information listed on the posting. Job postings will expire after one month and will be removed unless extended by the feedyard.

To view the web page and current listings, visit www.tcfa.org/news-events/jobs.html. If you have any additional questions, please contact Carmen Fenton at carmen@tcfa.org.