



# TEXAS CATTLE FEEDERS ASSOCIATION

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# NEWSLETTER

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## **Oklahoma Beef Producers Set to Vote on a State Beef Checkoff**

Oklahoma Commissioner of Agriculture Jim Reese has authorized a referendum for later this year to determine if cattle producers in Oklahoma want a state beef checkoff that will run concurrently with the long-standing federal \$1 per head beef checkoff. Commissioner Reese, in giving the Oklahoma Cattlemen's Association the green light to proceed with a checkoff vote, determined that adequate numbers of signatures were gathered since the fall of 2015 to hold the vote, according to the *Oklahoma Farm Report*.

Here are the details:

- The vote for a state beef checkoff will be held on November 1, with voting available to all cattle producers in the state at any Oklahoma State University Extension office.
- Producers will also have a right during the month of October to request a ballot that can be mailed in lieu of showing on November 1.
- There will be a public information campaign explaining the need for the checkoff.
- There will also be a public information campaign to raise awareness about cattle producers having the right to cast a ballot on establishing a checkoff or not.
- If approved, the dollar will be collected and invested on behalf of Oklahoma cattle producers by the Oklahoma Beef Council, the current official body collecting and handling the federal dollar a head beef checkoff.
- The state dollar established by the vote is refundable, if a cattle producer makes a request for a refund.

For more information, go to <http://tinyurl.com/yaigxqcc>.

## **Beef Export Momentum Continues Strong**

U.S. beef exports posted a strong May performance, increasing significantly from the previous month and from year-ago levels, according to statistics released by USDA and compiled by the U.S. Meat Export Federation.

May beef exports, the most recent data available, totaled 105,321 mt, up 6 percent from a year ago, valued at \$582.6 million, up 9 percent. For January through May, beef exports were up 12 percent in volume (497,322 mt) and 16 percent in value (\$2.75 billion) compared to the same period last year.

Exports accounted for 13 percent of total U.S. beef production in May and 10 percent for muscle cuts only – each down one percentage point from a year ago. Through May, these ratios were steady with last year's pace – 12.8 percent for total production and 10 percent for muscle cuts. Export value per head of fed slaughter averaged \$265.55 in May, matching the average from a year ago. Through May, per-head export value averaged \$270.27, up 8 percent. Beef export prices are also increasing, especially in key Asian markets, with double-digit increases in Japan and Korea in May illustrating the strong demand for U.S. beef.

May was a particularly strong month for variety meat exports, with beef variety meat exports reaching 2017 highs in both volume (30,173 mt, up 12 percent) and value (\$77.7 million, up 10 percent).

For more export details, go to <http://tinyurl.com/y88eeads>.

## **Ag Groups: Don't "Steel" our Export Markets**

A coalition of 18 major ag groups, including NCBA, sent a letter to the Trump administration urging it to refrain from placing restrictions on imports of steel and aluminum. The organizations are very concerned that such restrictions will boomerang against U.S. food and agriculture exports.

The groups warned that "the aftermath [of restrictions on steel and aluminum imports] could be disastrous for the global trading system and for U.S. agriculture in particular." The groups pointed out that many countries that export the metals to the United States are also large importers of U.S. agricultural products. "The potential for retaliation from these trading partners is very real," said the groups.

Under the 1994 General Agreement on Tariffs and Trade (GATT) Article XXI, national security can be a legitimate reason to restrict trade, but it rarely is cited.

“No country can dictate another’s national security needs,” the organizations wrote, “so now every country with a sensitive industry would know that it could follow the example of the United States and find a national security reason to circumvent trade commitments, no matter how flimsy the reason might be.”

The farm groups urged the administration to “avoid igniting a trade war” through the imposition of restrictions on steel and aluminum imports.

To read the letter, go to <http://tinyurl.com/yaxhf7we>.

### **National Beef Quality Audit: We’ve Come a Long Way, Baby**

Results of the 2016 National Beef Quality Audit (NBQA) were presented this week at the Cattle Industry Summer Meeting in Denver, and there was much to be pleased about. But, researchers say, while the beef industry continues to improve the quality of its products, there is still room for improvement.

Among the positive findings in the 2016 NBQA are a significant increase in Choice and Prime carcasses, a high mobility score for cattle entering packing plants, and the fact that the number of blemishes, condemnations and other attributes that impact animal value remain small.

Among areas for possible improvement are the fact that there was more bruising (although bruising was less severe) and the fact that more than 30 percent of livers harvested did not pass inspection and were condemned.

In addition, according to Jeff Savell with Texas A&M University, there’s an issue with lack of consistency in carcass size and weight. “We know we have weights that are heavier today, but those are averages. The outliers are killing us, especially on the upper end.”

To read the 2016 NBQA executive summary, go to <http://tinyurl.com/y8vt375c>.

### **NCBA Applauds Trucking Bill**

NCBA applauded inclusion of language in the U.S. House’s Transportation-HUD appropriations bill this week that will delay for one year a requirement mandating the use of the new Electronic Logging Devices (ELDs) for livestock and insect haulers.

The U.S. House Appropriations Subcommittee on Transportation, Housing, and Urban Development approved its appropriations bill including this ELD language specific to the livestock and insect industries on Tuesday night. The full committee could mark up the legislation as soon as next week.

“We hope that our continued work with the Federal Motor Carrier Safety Administration (FMCSA) will allow them to understand the needs of our industry: balancing the welfare of livestock, the safety of our highly skilled drivers, and the need to get our animals moved in the safest and most efficient way possible for the driver, others on the road, and the animals,” said NCBA President-Elect Kevin Kester.

### **USRSB Holds Third Annual General Assembly Meeting**

The U.S. Roundtable for Sustainable Beef (USRSB) held its third annual general assembly meeting this week in Denver, Colorado. The multi-stakeholder initiative was launched in 2015 to provide a venue for all segments of the supply chain to collectively develop an acceptable framework for U.S. beef sustainability.

Over the past two years, the *Indicator Working Group*, selected six “sustainability indicators” that are most representative of the beef supply chain: efficiency & yield; employee safety & well-being; animal health & well-being; land resources; soil resources; and water resources. In addition to approving the six areas of focus, the members have also agreed that the U.S. Beef Life Cycle Assessment (first published by the Beef Checkoff in 2013) will serve as the scientific basis for measuring change in the industry; determined that the roundtable will not have a role in second party or third party verification of any production practices; and recognized that any verification or certification of sustainability programs or practices will be the role of individual business-to-business supply chain arrangements. The group has also developed draft metrics (measures) that can be used by each segment of the supply chain to make the six high priority indicators more tangible and meaningful to cow-calf, auction market, feedyard, packer/processor and retail/food service operations.

The focus of the coming year will be to finalize a report on indicators/metrics and work to develop sustainability assessment guides, which will include self-assessments, supporting documents, tools and other resources.

TCFA is represented on the USRSB Board by Ben Weinheimer, TCFA vice president, and Tom McDonald, JBS Five Rivers Cattle Feeding. Weinheimer also serves as co-chair of the Indicator Working Group. For more information on the USRSB, including the 2016 Annual Report, visit [www.usrsb.org](http://www.usrsb.org) or contact [ben@tcfa.org](mailto:ben@tcfa.org).

### **Brazil Court Clears JBS to Sell South American Assets**

A Brazilian federal judge has granted an injunction to JBS S.A. that lifts any restrictions to sell assets, freeing it to proceed with the sale of beef operations in Argentina, Uruguay and Paraguay to competitor Minerva, the company announced Thursday.

The \$300 million deal announced in June was blocked by another decision from a federal judge who considered the transaction “premature” amid the corruption investigations involving JBS’s controllers. JBS’s request to overturn the federal court decision was denied by the Supreme Court last week, which kept the transaction on hold, reports *MeatingPlace.com*.

The most recent court decision authorizes JBS “to continue the normal course of its business activities, to buy and also sell assets, specifically the totality of shares from its beef subsidiaries in Argentina, Paraguay and Uruguay to the Minerva group,” JBS said.

### **India’s Supreme Court Suspends Ban of Beef Slaughter**

India's Supreme Court suspended a government ban on the trade of cattle for slaughter this week, a win for the multibillion-dollar beef and leather industries mostly run by members of the Muslim minority, reports *MeatingPlace.com*.

Prime Minister Narendra Modi's Hindu nationalist government in May decreed that markets could trade cattle only for agricultural purposes, such as plowing and dairy production. For the first time, the sale for slaughter of buffaloes and camels, as well as cows, which Hindus consider holy, would have been illegal, according to *BBC News*.

India is the world’s largest beef exporter, and buffalo meat makes up most of India’s beef exports. The court’s decision stressed the economic effects of the ban, which would have had a major impact on the country’s \$16 billion meat and leather industries.

### **Are You Ready for Laboratory Meat?**

A substance peddled as animal protein but grown in a laboratory may be coming to a grocery store near you, and sooner than you want. A company called Hampton Creek thinks “eating well is a basic right,” and part of that, it argues, is eating “clean meat.” And perhaps more importantly, the company proudly says, we could be eating a laboratory-grown, chicken-like product by next year, according to *Food & Wine Magazine*.

“By the end of 2018, we’ll be out there selling a clean meat product,” the company CEO told *Food & Wine*. That product will be in the ‘avian’ family, he says, and will eventually explore a line of beef, pork, and seafood.

For more, go to <http://tinyurl.com/y82zq9p7>.

### **SAVE THE DATE for TCFA’s 50<sup>th</sup> Anniversary Convention**

Mark your calendars for TCFA’s 50<sup>th</sup> 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.

### **Mark Your Calendar for Oklahoma Cattlemen’s Convention**

The 65th annual Oklahoma Cattlemen’s Association (OCA) convention and trade show will be held July 21-22 in a new location: The Embassy Suites in Norman. The two-day event features informative speakers, a large trade show, educational opportunities and a banquet to recognize outstanding members and their accomplishments.

Cattlemen’s College sessions will be held both days. The Oklahoma Junior Cattlemen's Association and the Oklahoma CattleWomen's Association hold their conventions in coordination with the OCA convention. Junior cattlemen can participate in leadership workshops and public speaking competitions.

For more information, go to <http://www.okcattlemen.org/>

## Sponsor Spotlight

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