



U.S. Beef Is #1 In South Korea

In the first month after South Korea's major discount outlets agreed to resume sales of the product, U.S. beef quickly became the favorite of Korean consumers. *Joong Ang Daily*, a major Korean newspaper, reports that sales of U.S. beef are exceeding those for both Australian and Korea's domestically produced meat.

Korea's three leading discount retailers — Lottemart, E-mart and Homeplus — reported combined sales of 1,276.1 tons between Nov. 27 and Dec. 26. USMEF points out that, although this volume level is well below the estimated 30,000 tons that have cleared customs and entered distribution channels since product arrivals began in June, the retail relaunch has achieved a significant accomplishment by restoring traders' confidence in the salability of U.S. beef.

A report by USMEF also indicates that competition between retailers is helping Korean consumers in terms of beef prices. For example, at Homeplus' 113 stores, shoppers can buy presliced frozen U.S. short plate, chuck short ribs or sliced chuck-eye roll for \$3.45 per lb. That price is below the cost of some pork and poultry items.

Another good note regarding U.S. beef sales: South Korea's Constitutional Court has rejected a petition effort by activists who claimed the Korean government's decision to resume U.S. beef imports violated the government's constitutional obligations toward public safety. "Based on the international standards of the World Organization for Animal Health (OIE) and today's scientific and technological knowledge, there is no reason to rule that the new safeguard measures had violated the state's constitutional duty to protect the lives and physical safety of citizens," the Court's majority said in a statement, according to *Joong Ang Daily*. The decision came by an 8-1 vote.

The Court also said it dismissed the petition because no additional cases of BSE have been reported recently in the U.S. and the new regulations imposed by the Korean government provided adequate risk control measures.

Approximately 96,000 people had signed the petition, which was filed on June 5 during the height of street protests over the return of U.S. beef.

Mexico Acts Against 30 U.S. Plants

Little more than a week after Mexico blocked imports from 30 U.S. meat processing plants, significant progress has been made toward getting the plants reinstated. As *TCFA Newsletter* went to press Wednesday, USDA had announced that Mexico had already agreed to lift the suspensions for 25 of the 30 delisted plants. USDA was working to get corrective action plans for the other plants submitted to Mexican authorities.

Most of the 30 plants initially suspended by Mexico are pork facilities. Only two major beef plants were involved: National Beef Packing Company in Dodge City, Kansas and Swift Beef Company in Hyrum, Utah. The suspensions on those two plants were lifted, according to USDA.

A USDA spokesperson said, "The issues triggering the action by Mexico were not of food safety concern, but regarding quality or technical issues," according to *Bloomberg*. Meanwhile, *Reuters* reported speculation by some U.S. analysts that Mexico's action was an expression of its opposition to COOL. However, both Mexico and USDA denied that the labeling law was a factor.

NMA, AMI Oppose California Law

A California law banning harvesting of non-ambulatory livestock for human consumption is the subject of a court challenge by NMA and AMI. *Feedstuffs* reports the two organizations contend federal law allowing harvesting of non-ambulatory hogs, goats and sheep takes precedence over state law. (USDA has imposed a ban on harvesting of non-ambulatory cattle.) NMA and AMI argue that animals often become non-ambulatory due to injuries, not disease.

A New Era For Our Newsletter

This is *TCFA Newsletter's* final print edition as we convert to an all-electronic format. By taking advantage of modern communications technology, *TCFA Newsletter* can now provide members with much fresher news and access to an abundance of information via the Internet. Call the TCFA office if you will be unable to receive *TCFA Newsletter* by e-mail or fax.

Cattle Produced In South Korea are subject to a new traceability system implemented last week by the nation's Ministry of Food, Agriculture, Forestry & Fisheries. Initially, the requirements apply to the farm level. After the requirements are expanded to the distribution level on June 22, 2009, USMEF reports that any cow raised in Korea that does not have an ear tag will not be allowed to be harvested. A USMEF spokesperson said Korea's announcement "reinforces the message that the U.S. industry needs to move forward with a traceability program if it is serious about remaining competitive in the international marketplace."

The European Union's BSE Testing Limit has been raised to 48 months from 30 months effective Jan. 1, 2009. The move follows improvement in BSE rates. In 2007, BSE rates in most member states were cut almost in half, and no new cases were registered in 14 of the 27 states.

Growth-Promoting Hormones continue to be a source of dispute for the European Union and the U.S. and Canada. The latest chapter in the long-running saga involves a new challenge the EU has filed with the WTO. *Farm Futures* reports the EU claims that revisions to its restrictions on hormone-treated beef make them compliant with WTO law. Now the EU wants WTO-administered consultations with the U.S. and Canada with hopes of eliminating sanctions authorized by the WTO.

Restaurant Sales Will Drop By 1% in 2009 when figures are adjusted for inflation, according to analysis by the National Restaurant Association (NRA). In raw numbers, NRA projects total sales of \$566 billion in 2009, a 2.5% increase over 2008 before factoring inflation. Texas is expected to lead the nation in restaurant sales growth at a rate of 4.0%. Despite the struggling economy, NRA predicts that nearly half of consumers' food budgets will be spent in restaurants.

Trade: President-Elect Obama Has Picked former Dallas Mayor Ron Kirk to be the nation's next trade representative.

The Beef Checkoff is helping elementary school students learn about food production. "Connect the Dots: Where does my food come from?" is an educational kit designed for elementary school students. To view the types of information used, go to www.BeefFromPastureToPlate.org.

TCFA Sponsor Spotlight. TCFA is proud to recognize its top sponsors whose efforts help deliver top-notch services to members.

This week's spotlight shines on



Animal Health

Pfizer Animal Health provides the beef industry with innovative science-based products and programs to help producers increase their productivity and profitability. The Pfizer Animal Health portfolio encompasses a full range of products including: DRAXXIN® (*tulathromycin*) Injectable Solution, CattleMaster® GOLD™, Dectomax®, EXCEDE® (*ceftiofur crystalline free acid*) Sterile Suspension, Excenel® RTU (*ceftiofur hydrochloride*) Sterile Suspension, and many other reputable products.

The Annual Southwest Beef Symposium, held by Texas and New Mexico Extension Agencies, is set for Jan. 13-14 in Midland. The program includes three educational sessions and a trade show as well as a panel discussion on the changes area cattlemen are making to survive rising costs. For a schedule and to register, go to <http://cahe.nmsu.edu/ces/swbeef/>.

Texas AgriLife Has Scheduled Beef 706 Sessions for Jan. 13-14 and Jan. 15-16 at Texas A&M University in College Station. To register for the program, which is free to Texas cattle producers and educators, contact Jill at jhodgkins@txbeef.org or call the Texas Beef Council at (800) 846-4113. For more information, go to <http://www.beefusa.org/uDocs/Beef706.pdf>.

NCBA's Cattlemen To Cattlemen has begun its third year on RFD-TV. New episodes air Tuesdays at 7:30 p.m. CST. You can also watch by going to <http://www.cattlementocattlemen.org/>.

TCFA Chairman Monte Cluck is profiled in the latest edition of *Territorial*. With the challenges facing the industry, Cluck told the magazine there is a need for cooperation among independent cattle feeders, corporate feeders, ranchers and small farmers feeding cattle. "We all have the same common goal and when times get hard we all need to pull together," he said.