



# TEXAS CATTLE FEEDERS ASSOCIATION

## NEWSLETTER

5501 I-40 WEST

AMARILLO, TEXAS 79106

806 / 358-3681

Volume 43, Number 33

August 14, 2009

**The Climate Change Bill Will Hurt The U.S. Economy In A Big Way**, according to a report issued this week by the National Association of Manufacturers (NAM) and the American Council for Capital Formation (ACCF).

The report by NAM and ACCF projects that the legislation's consequences would include:

- Cumulative loss in Gross Domestic Product (GDP) up to \$3.1 trillion (2012-2030);
- Employment losses up to 2.4 million jobs in 2030;
- Residential electricity price increases up to 50% by 2030; and
- Gasoline price increases (per gallon) up 26% by 2030.

H.R. 2454, commonly referred to as the "Waxman-Markey Bill," narrowly passed the U.S. House of Representatives by a 219-212 margin in June. The Senate is expected to release its version in September. TCFA and NCBA are working with Members of Congress to defeat the legislation.

Analysis of the bill was conducted for NAM and ACCF by Science Applications International Corporation. To see the full report, go to [http://www.tcfa.org/Newsletter/climate\\_change\\_bill\\_2009-08-14.pdf](http://www.tcfa.org/Newsletter/climate_change_bill_2009-08-14.pdf).

**USDA Projects The Second Largest Corn Crop In History:** The long awaited August Crop Production report projects the 2009-2010 Corn Crop at 12.76 billion bu., compared to a 12.1 billion bu. crop a year ago. A large share of the market uncertainty in front of the August report occurred because USDA was making a third evaluation of planted acres in the seven states that make up the Eastern Corn Belt. However, the extra evaluation actually left the planted acres estimate unchanged at 86 million acres. USDA did lower the expected harvested acres total by a nominal 100,000 acres to 78.6 million. More than offsetting the reduced acreage forecast was a larger than expected increase in projected yield to 159.5 bu. per acre. As an offset to the larger than expected crop, USDA did increase projected corn usage for the coming year for:

- Feed and residual use by 100 million bu. in response to the larger crop size;
- Food, seed and industrial use by 100 million bu. in reaction to recovery and increased production in ethanol production; and
- Exports by 150 million bu. due to smaller world production and recovering global economy.

While there are still major concerns over the rate of crop development, additional increases in the expected crop size are anticipated in subsequent reports because of exceptional growing conditions this year.

**Lower Production Of All Three Major Proteins Is Forecast In The WASDE Report Released Thursday.**

USDA estimates beef production at 25.87 billion lbs., down 3% from a year ago; pork production at 22.82 billion lbs, down 2%; and total poultry production at 41.75 billion lbs., down 4%. This is the first time since 2004 that all three species have shown a reduction in the same year. Probably the most market-supportive aspect is this: when production of all three species is converted to a per capita, boneless, ready-to-cook basis, the total comes to 179.7 lbs. This is the lowest boneless per capita total since 1993 when the total was 178.7 lbs. The per capita projection for 2010 is even lower at 176.2 lbs.

**U.S. Beef Exports Fell During The First Half Of 2009**, when comparing year-to-date figures with those for 2008, according to USMEF. Combining the numbers for shipments of muscle cuts and variety meats, U.S. beef declined 2% in volume at 435,260 metric tons (mt.) and 6% in value at almost \$1.5 billion.

Although global economic woes are hurting U.S. beef exports overall, Japan provides a notable bright spot in the report. Through the first six months of the year, exports to Japan totaled 40,316 mt. in volume (up 17%) and \$209.4 million in value (up 18%). Japan is U.S. beef's number three market in value and number four in volume.

Meanwhile, the news is not so good for U.S. beef's top market: Mexico. Through June, shipments to Mexico were down 22% in volume (155,439 mt.) and down 27% in value (\$498 million).

For more data on U.S. beef exports, go to <http://www.usmef.org/TradeLibrary/files/June%202009%203.pdf>.

**The Cattle Feeding Industry's Bright Future** was evident as youth from throughout Cattle Feeding Country came to Canyon for the 2009 TCFA Junior Fed Beef Challenge.



**In the Senior Division**, Ben Wishert of Magnolia won Overall Champion honors and a \$2,000 college scholarship. Khaki Scrivner of Turkey was named the Overall Reserve Champion and will receive a \$1,500 college scholarship. Dana Schumacher of Gainesville took home First Runner-up honors and will receive a \$1,000 college scholarship. Hillary Slaughter of Bailey was named Top Rookie in the Senior Division.

**In the Junior Division**, Walker Carson of Turkey took top honors as the Overall Champion. Will Givens of Arnett was named Top Rookie of the Junior Division.



**The Team Challenge Contest** brought five strong teams to Canyon. The team of Aaron Perkins and Cole Perkins from Llano County 4-H took top honors as the Champion Team and will split a \$1,000 college scholarship. Jack Odom and Zachary Odom of Collingsworth County 4-H were the Second Place Team and Alan Burdge and Brandon Burdge of the Texhoma FFA earned the Third Place Team honors.



The TCFA Junior Fed Beef Challenge allows FFA and 4-H students to gain practical, real industry knowledge and experience in commercial cattle feeding. Students from throughout Cattle Feeding Country compete in cattle performance, a written exam, record book and presentation before a panel of judges. Students compete for over \$18,000 in scholarships, cash and prizes.

*Note: Click on the pictures above for larger images and caption information.*

### ...TCFA At Work For You...

#### In Recent Weeks, TCFA Staff:

- Attended the NCBA mid-year meeting in Denver to discuss current legislative and regulatory issues, make policy recommendations and participate in committee update sessions and a board meeting.
- Participated in a U.S. Animal Health Association TB Summit to discuss revisions to USDA regulations for bovine tuberculosis.
- Participated in an Agroterrorism Preparedness Workshop hosted by the FBI in Dallas. In addition, TCFA hosted a meeting of the Panhandle Agrosecurity Working Group to continue planning efforts on foreign animal diseases and natural disasters preparedness.
- Mailed a TCFA-produced brochure promoting retained ownership cattle feeding to more than 4,000 cow-calf operators across the U.S.
- Worked with TAHC to develop feedyard guidelines for feeding of breeding cattle during drought conditions.
- Worked with U.S. Senator John Cornyn (R-Texas) as he placed a hold on the nomination of animal rights activist Cass Sunstein to be Administrator of the Office of Information and Regulatory Affairs within the office of Management and Budget. Cornyn lifted his hold after Sunstein made assurances that he would not pursue an animal rights agenda in the office.
- Hosted the Oklahoma Cattlemen's Association Leadership Academy at the TCFA offices to provide an overview of cattle feeding, discuss current issues and hear a presentation on leadership and the Beef Checkoff from Jay O'Brien, TCFA past president and CBB past president.
- Attended the retirement luncheon honoring Dr. R. Nolan Clark, laboratory director for USDA-ARS in Bushland. Since the start of his career at Bushland, Dr. Clark has worked on several research projects focused on environmental management at cattle feeding operations. TCFA appreciates all the time and effort Dr. Clark has given to our industry.
- Conducted the 2009 Junior Fed Beef Challenge where 40 youth from throughout Cattle Feeding Country competed for college scholarships, cash and prizes.
- Attended the 2009 Texas Ag Teachers Conference to visit with Texas ag teachers and promote TCFA youth programs.

TCFA staff also conducted 64 visits to member feedyards during the month of July. And with the use of the TCFA Safety Training Trailer, TCFA staff has trained 102 feedyard employees during the past three weeks, for a total of 571 people in 2009.

**Past TCFA Chairman Paul Engler Was Formally Inducted In The Cattle Feeders Hall Of Fame** during a ceremony in Denver this week. Engler is an inaugural member of the new Hall. Former TCFA President & CEO Richard McDonald introduced Engler at the event.

To read more about the ceremony, go to <http://www.cattletradercenter.com/markets/cnstory.php?id=337568&title=The%20Cattle%20Feeders%20Hall%20Of%20Fame%20Inducts%20Farr,%20Engler>.

As reported in last week's TCFA *Newsletter*, Engler has also been selected as an original member of Meat Industry Hall of Fame.

**The U.S. Defense Department's Defense Commissary Agency (DeCA) Has Endorsed "The Mediterranean Diet."** DeCA, which operates a worldwide chain of commissaries providing groceries to military personnel, issued a news release advising that service members and their families should eat "very little red meat" and instead use fish or chicken as substitutes. "Lean red meat is okay to eat," the release noted.

Although DeCA chose to promote a particular diet, "there are many dietary patterns that promote optimal health and well-being, including those that incorporate red meat," according to Dr. Shalene McNeill, NCBA's executive director of nutrition research.

McNeill said the Mediterranean Diet is "loosely defined" by such characteristics as high consumption of fruits, vegetables, grains and cereals, potatoes, beans, nuts and seeds; olive oil as a monounsaturated fat source; low to moderate consumption of dairy products, fish and poultry; and relatively small amounts of red meat and eggs.

"Although people who closely follow a 'Mediterranean Diet' may experience health benefits, these benefits may not be entirely due only to what they are eating," said McNeill. "Studies have shown the health benefits enjoyed by people who closely follow a "Mediterranean Diet" may result from a combination of diet and lifestyle factors such as increased physical activity and extended social support systems."

McNeill added, "There is solid evidence that red meat – such as lean beef – can fit within the context of a healthy, balanced diet, and this is why the 2005 Dietary Guidelines for Americans and MyPyramid include lean red meat in their guidelines." She also noted that 14 of the top 20 most popular whole muscle cuts of beef – including T-bone, sirloin and tenderloin – meet USDA guidelines for lean.

"As a registered dietitian aware of the scientific evidence on red meat, I feel confident recommending beef as part of a well balanced diet," said McNeill.

**How Will Immigration Policy Change Under President Obama?** It looks like the workplace raids frequently conducted during the Bush Administration are out, but tougher enforcement measures against employers are in, according to *HRhero.com*, a company that offers resources to keep managers on top of human resources issues. For employers, self-protection certainly means having your records in order. For more analysis of where the administration is likely to take immigration policy, go to <http://www.hrhero.com/hl/080709-lead-immigration.html?HLR>.

**The Beef Checkoff Continues To Train Industry Advocates In Online Communication** techniques to spread positive beef information and to correct misinformation spread by others on the internet. Recently, Checkoff staff upgraded [www.ChewingTheCud.org](http://www.ChewingTheCud.org) to a new blog platform with new design layouts and images. Along with two other upcoming beef blogs directed at consumers, "Chewing the Cud" will be part of the Checkoff's "blogger network," through which producers from different regions and segments of the industry are sharing the real story about beef production with consumers nationwide. The network is linked through ExploreBeef.org.

**Argentina Is Further Relaxing Its Restrictions On The Country's Beef Exports.** Three years ago, the Argentine government clamped down on beef exports, saying it was attempting to protect its citizens from inflation. But Argentina's beef producers reportedly are receiving greater liberty because of an increase in supply and low domestic prices. Citing information from Meat and Livestock Australia, *Meatingplace.com* says Argentine processors can now export up to 70% of their supplies. Russia remains the top destination for Argentinean beef, receiving 32% of total shipments.

**Nominations Are Now Open For The 2010 Texas Environmental Excellence Awards.** Administered by TCEQ, the annual awards honor projects and individuals across the state that significantly reduce waste, prevent pollution and conserve natural resources. The deadline for submissions is Oct.16. The application is available by going to <http://www.teea.org/apply.htm>.

**Aug. 20 Is The Early Registration Deadline For The Manure Management Conference** scheduled Sept. 29-30 at the Austin Marriott North in Round Rock. It has been 10 years since the last such conference was held, according to the Texas AgriLife Extension Service. Over that time there have been major advances in technology to help manage animal manure and process generated wastewater. There have also been considerable changes in state and federal regulations governing livestock operations and the manure they

produce. For more information about the event and to register, go to <http://grovesite.com/page.asp?o=tamu&s=TAMMI&p=353016>

**TCFA Says Goodbye To Cara Van Meter**, our communications coordinator, who is leaving to work as an English language instructor in China. TCFA President & CEO Ross Wilson said, "Cara has been an important part of our communications team at TCFA and has served our membership well. We will miss her enthusiasm and creativity, and we wish her all the best in the future."

**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



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**Amarillo is the place to be October 28-30 for the TCFA Annual Convention.** The Convention will take place at the Ambassador Hotel and the Amarillo Civic Center. Make sure the TCFA Annual Convention is marked on your calendar and plan to be in Amarillo October 28-30!

*Please note: All links are still available at [www.tcfa.org](http://www.tcfa.org) under Newsletter links.*