



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

5501 I-40 WEST

AMARILLO, TEXAS 79106

806 / 358-3681

Volume 44, Number 14

April 2, 2010

The Anti-Modern Agriculture Propaganda Film *Food Inc.* Is Gaining New Audiences through the efforts of PBS and Whole Foods Market.

The PBS program *Point of View* will broadcast the movie on April 21 in celebration of Earth Day. For more information about the broadcast and to share your thoughts about the content, you may visit the *Point of View* website at <http://www.pbs.org/pov/foodinc/>.

Meanwhile, Whole Foods plans to show *Food Inc.* as part of its "Let's Retake Our Plates" film series <http://letsretakeourplates.com/>.

TCFA and NCBA encourage beef producers to make their views known through the *Point of View* website and by participating in question-and-answer sessions at Whole Foods screenings where possible. MBA participants are asked to be active online where opportunities for input are provided.

The Explore Beef website has a question-and-answer document http://explorebeef.org/CMDocs/ExploreBeef/commonconsumerquestions_answers.doc that offers real facts that respond to the misinformation in *Food Inc.*

Meanwhile, NCBA is reaching out to PBS and Whole Foods to offer the industry's perspective.

Efforts To Educate Congress About Antibiotics Continued This Week with the American Veterinary Medical Association (AVMA) taking the lead. Sen. John Ensign (R-Nev.) and Rep. Kurt Schrader (D-Ore.) – the only veterinarians serving in Congress – served as honorary hosts for a pair of education sessions AVMA conducted for congressional staffers. The discussions were intended to help the staffers learn about when and how veterinarians utilize antibiotics to keep animals healthy.

Speaking at the briefings as an expert in livestock medicine, Dr. Lloyd Keck, a former AVMA Congressional Science Fellow, dispelled arguments related to human antibiotic-resistance risks. "Antibiotics are necessary for veterinarians to protect the health and well-being of animals," Dr. Keck said. "Benefits to animals and people outweigh the current risk associated with bacterial resistance. Going forward, we need to let good sense and good science guide this issue."

AVMA is strongly opposed to H.R. 1549 and S. 619, the Preservation of Antibiotics for Medical Treatment Act (PAMTA). AVMA's scientific experts have twice testified before Congress that broad-based antibiotic bans, such as PAMTA, would have adverse effects on animal and public health. AVMA continues to emphasize the importance of judicious use of antibiotics.

Frustration For HSUS: It's "Irrational And Paranoid" for folks in animal agriculture to believe the radical animal rights organization is out to get them, according to HSUS President Wayne Pacelle.

In an interview with *Brownfield*, Pacelle said animal agriculture professionals are misguided if they don't understand that only kind-hearted intentions motivate HSUS to repeatedly launch state ballot initiatives against standard production practices. Pacelle must be agitated by the efforts of lawmakers in a growing number of states to block HSUS' trespassing on ag policy matters by forming state livestock care standards commissions like the one Ohio voters approved last year. If that trend is irritating Pacelle, he can't be pleased that the Kentucky legislature sent a bill to the governor this week to set up such an authority in their state.

Certainly, Pacelle wasn't happy with the April 1 **USA Today** ad that alerts the public to how little of HSUS' budget goes to actual pet shelters: http://www.tcfa.org/Newsletter/hsus_usa_today_2010-04-01.pdf.

While TCFA hopes that the spotlight of truth will ultimately defeat HSUS, we know they are not going away any time soon – especially if they can get at your children. It is a sad note that HSUS was given a presence at the recent National 4-H Conference. After receiving questions about that move, 4-H has posted a message on its Facebook site: <http://www.facebook.com/notes/national-institute-of-food-and-agriculture/4-h-national-headquarters-statement-regarding-the-presence-of-the-humane-society/375876188021>.

The statement says 4-H allows youth to "self-select" topics of interest for workshops, and the organization's planning committee determined that an HSUS presentation titled, "Animal Instincts: Service Learning and Animal Welfare," was acceptable.

The Market's Reaction Has Been Bearish to the USDA Prospective Acreage Report and the Quarterly Grain Stocks Report, which were both released Wednesday morning. Corn acres for the 2010 – 2011 crop are estimated at 88.8 million acres. That compares to 86.5 acres for the 2009 – 2010 crop year. The USDA estimate was slightly below the average trade estimate for the report but still viewed as bearish because of the increase over a year ago. Along with the 2.2 million-acre increase in corn, the acreage estimate for soybeans is a new record at 78.1 million acres – up 500,000 acres over a year ago. The increase in corn and soybean acres results from ground coming out of CRP and a 5.3 million-acre reduction in wheat acres.

Corn stocks as of March 31 were estimated at 7.7 billion bu. – at the upper end of the trade estimates, which shows that year-to-date usage is well off USDA's projected pace. At the current usage rate, ending stocks of corn could finish the crop year on top of 2 billion bu.

Ag Secretary Tom Vilsack Goes To Japan Next Week hoping to improve opportunities for U.S. beef. TCFA and NCBA are encouraged by Vilsack's efforts.

NCBA President Steve Foglesong said, "We appreciate Secretary Vilsack's efforts to strengthen the relationship between the U.S. and Japan when it comes to trade in agricultural products between our two countries. Japan is one of our top trading partners, and it's critical that the U.S. continues to engage with Japan and all of our international trading partners about the necessity of abiding by science-based international guidelines in beef trade."

According to NCBA's calculations, Japan's age restrictions on imported beef are costing U.S. producers roughly \$1 billion in lost export revenues each year. NCBA also says the restrictions limit U.S. beef to about 25% of the market share it would likely have if Japan's trade policies were in compliance with OIE standards, which say U.S. beef is safe at any age.

As for Vilsack, he is apparently trying to play down expectations for what can be accomplished on this trip. During a media briefing this week, Vilsack declined to specify what adjustments the Administration will seek regarding Japan age restrictions. "Ultimately, we want as open a market as we can get and want Japanese customers to have as much choice as they want," Vilsack said.

Meanwhile, Restoring Full Access For U.S. Beef In International Markets Is A Priority for the U.S. government, according to the Office of the U.S. Trade Representative (USTR). In a report delivered to Congress this week, USTR noted that nearly 30 countries have import restrictions on U.S. live cattle, beef and beef products that are not consistent with OIE guidelines related to BSE. USTR says the government is continuing efforts to negotiate bilateral protocols with trading partners to open their markets.

For more on the USTR report, go to <http://www.ustr.gov/trade-topics/enforcement>.

A U.S. Beef Advertising Campaign In South Korea Is Producing Good Results with consumers and retailers, according to the U.S. Meat Export Federation (USMEF). Developed with Beef Checkoff and USDA Market Access Program (MAP) funds, the multimedia advertising campaign with a "women-to-women" theme was launched in December 2009 by USMEF.

"For more than a year, the atmosphere in Korea was not conducive to high-profile promotions of U.S. beef," said Jihae Yang, USMEF-Korea director. "When the media signaled us that they were ready to begin running U.S. ads again, we were prepared."

The campaign is built around three American women: a rancher, a scientist and a food safety inspector. The ads were developed in response to what Korean consumer focus groups said they wanted to see: images of U.S. beef's safety and wholesomeness, and messages from people like themselves – women who feed U.S. beef to their families.

The most striking result from the first three months of the campaign is the purchase rate of surveyed Korean consumers. In the first eight months of 2009, only 3% of consumers surveyed said they were buying U.S. beef. That percentage gradually improved to 9.3% in November as the global economy improved and the anti-U.S. beef discussion abated.

As soon as the imaging campaign was launched, utilizing television commercials, magazine and bus ads as well as viewings of the commercials on the JumboTron screens that dot Seoul, the outlook changed dramatically. Among Koreans surveyed, 19.8% said they purchased U.S. beef in December, which increased

to 20.6% in January. Nearly 58% said they purchased U.S. beef at some point between December 2009 and February 2010, and one in five said they purchased U.S. beef after watching the commercial.

Import data from Korea indicates that its beef imports from all suppliers were up 13% in January-February compared to 2009, but that imports from the United States were up 50% to 13,027 metric tons. During that time frame, the U.S. market share climbed from 25% to 33%.

Top Trade Positions Filled through Recess Appointments: This week, President Obama installed Mr. Michael Punke as Deputy U.S. Trade Representative based in Geneva and Dr. Isi Siddiqui as Chief Agricultural Negotiator in the Office of the U.S. Trade Representative (USTR).

NCBA and TCFA have been supportive of both of these nominees and is pleased the Administration has finally moved forward on their appointments. With other countries outpacing us in the race to ratify new trade agreements, it's more important than ever that we have qualified individuals in these key negotiating positions. Punke and Siddiqui will play an instrumental role in our ability to increase U.S. beef access to countries like Japan and China, as well as work with Capitol Hill to move forward on our pending free trade agreements.

Department Of Homeland Security Is Providing \$21 Million To Texas A&M University (TAMU) And Kansas State University (KSU) for work on animal disease control and prevention. TAMU and KSU researchers will focus their efforts in four areas over the next six years:

- Development of vaccines to counter diseases that could cause catastrophic human illness or seriously impact the economy
- Development of rapid diagnostic methods for identification and detection of foreign animal, emerging and/or zoonotic diseases
- Development of models to simulate disease spread and impact
- Development of educational programs designed to train first responders and producers in recognition and control of these diseases.

For more information on the research, go to <http://aqnews.tamu.edu/showstory.php?id=1834>.

Regulations For Veterinary Feed Directive (VFD) Drugs Are Under Review, according to a notice posted by FDA this week. In announcing an advance notice of proposed rulemaking, FDA said it wants comments from the public by June 28.

FDA's VFD regulation, which became effective on Jan. 8, 2001, established requirements relating to the distribution and use of VFD drugs and animal feeds containing such drugs. FDA is undertaking a review of these requirements in an effort to identify possible changes to improve efficiency.

For more details, including information on how to submit comments, go to <http://edocket.access.gpo.gov/2010/pdf/2010-6872.pdf>.

The New Beef Checkoff Advertising Approach, Called "Profiles," continues to build on the popular "Beef. It's What's For Dinner" tagline. Slated to debut in May, the campaign focuses consumer attention on specific cuts – like the T-bone and the top sirloin – and communicates that these cuts not only taste great but are lean and powerful sources of protein too. In creating the new theme, the Checkoff's advertising committee reviewed and discussed recent consumer market research, new print concepts and radio spot scripts. The "Profiles" campaign reinforces consumers' passion for the great taste of beef, while enlightening them about the nutritional benefits of eating beef. For more about the Checkoff-funded advertising efforts, visit MyBeefCheckoff.com.

TCFA Dues Rebates Available. If you fed 10,000 head or more in 2009, you may apply for a dues rebate. The rebate is based on the cumulative number of cattle fed by a single feeding entity. Rebate applications must be completed and returned to the TCFA office by **April 15**. For more information or to request an application, call TCFA at (806) 358-3681 or contact Trent Tyson at trent@tcfa.org or Kaci Barclay at kaci@tcfa.org.

Please note: All links are still available at <http://www.tcfa.org> under This Week's Newsletter links.