



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

5501 I-40 WEST

AMARILLO, TEXAS 79106

806 / 358-3681

Volume 44, Number 20

May 14, 2010

The Senate Version Of The Climate Change Bill Was introduced This Week by Senators John Kerry (D-Mass.) and Joe Lieberman (I-Conn.). However, skepticism about the bill's prospects for passage this year was instantaneous. Various lawmakers and analysts cited obstacles such as the Senate's hectic schedule, concerns over the Gulf of Mexico oil spill and the fact that no Republican has stepped forward to support a bill that Senate Majority Leader Harry Reid (D-Nev.) has said must have bipartisan backing in order to succeed.

TCFA is continuing to work with lawmakers to make sure that any legislation on climate change is based on sound science and not driven by misguided politics.

USDA-APHIS Is Holding A Series Of Public Meetings During May to gain input on the new approach to animal disease traceability that was announced in February. The first two meetings took place this week in Kansas City, Mo. and Riverdale, Md. The third meeting is scheduled for Monday, May 17 in Denver, Colo.

TCFA will participate in an APHIS hearing in Texas. A date for that hearing has not been set but is expected to take place this summer.

During these public meetings, APHIS will discuss the outcomes from their March meeting with state and tribal leaders as well as outline their state/tribal working group discussions related to performance standards. TCFA and NCBA will closely evaluate this new information and provide input to the agency. In order to ensure a system that is both effective and workable for producers, as well as state and federal animal health authorities, it's critical that industry is a collaborator and partner in the discussion and development of the new program rules. A successful system will require a proactive coordinated effort at the state level. TCFA and NCBA have been closely engaged with APHIS and other partners since the announcement of their new approach.

It Looks Like Another Year Of Record Corn Supplies based on USDA production and WASDE reports released this week. The new production estimate for the 2010-11 crop had planted acres at 81.8 million, up 2.2 million acres from the 2009-10 crop. There are expectations that the acreage estimate will grow as record planting progress will encourage additional corn acres. The first yield estimate at 163.5 bu. per acre is off 1.2 bu. from this year's record yield of 164.7 bu. but still above the trend line. New crop production is estimated at 13.4 billion bu., up from the 13.1 billion bu. estimate of this year.

For the year to come, feed and residual use is expected to decline by 25 million bu. to 5.35 billion bu. Projections for export sales were increased by 50 million bu. Expected use for ethanol was increased 200 million bu. to 4.6 billion bu. Projected ending stocks for the 2009-10 crop year were revised down to 1.738 billion bu., and the first ending stocks estimate for 2010-11 is 1.8 billion bu. Bottom line: The U.S. is looking at very comfortable to excess corn supplies for the foreseeable futures. USDA national average farm price projection for the current year is a range of \$3.50 to \$3.70 per bu., and the price projection for 2010-11 is \$3.20 to \$3.80.

USDA Predicts An Average Price For Steers Of \$95 To \$102 Per Cwt. In 2011. That represents an increase from the \$94 to \$98 range USDA currently forecasts for 2010. The projections are included in the WASDE report released this week. Prices for steers are expected to improve in 2011 because of a rise in demand and declines in production. To read the full report, go to <http://www.usda.gov/oce/commodity/wasde/latest.pdf>.

U.S. Beef Product Exports Enjoyed A Strong First Quarter, according to a new report by the U.S. Meat Export Federation (USMEF). For the first three months of 2010, exports totaled 225,122 metric tons (mt.), up by 11% from the same period last year. The total dollar value of \$788.5 million is a 14% improvement.

Beef muscle cuts are off to a particularly strong start in 2010, increasing 22% in volume to 156,947 mt. for the quarter. The increase in value was even higher, up 24% to \$678 million.

With the exception of Mexico, U.S. beef exports are surging in nearly all key global markets. USMEF describes Asian markets as "performing well across the board" and cites "excellent gains" in Canada, the Middle East, the Caribbean and Europe and "explosive growth" in Russia.

For more information on exports, go to http://www.usmef.org/TradeLibrary/News10_0513b.asp.

The Beef Checkoff-Funded Masters of Beef Advocacy (MBA) Program Set A Record by adding 254 new graduates in April. That breaks the previous single-month record of 211 set in March. As of early May, the program boasted 1,366 graduates and 1,484 current students (2,850 total participants).

And there is now an online application to make it easier for new students to enroll located at <http://www.beef.org/mastersofbeefadvocacy.aspx>

As a reminder, **July 13 is the date for the TCFA MBA Graduation.** Arrangements are not finalized, but the event will take place in the Amarillo area. TCFA's Industry Relations Committee has made MBA an official TCFA project. All TCFA members are encouraged to go through the MBA program – a free, self-directed online training program designed to equip producers and industry allies with information they need to be everyday advocates and effective spokespersons for the beef industry. After completing six courses, graduates will be invited to attend a commencement advocacy training and graduation ceremony focusing on sharing the positive story of beef one-on-one with friends and neighbors and interacting with consumers across the country using social media tools like Facebook and Twitter.

After finishing the program, participants will be ready to get out and meet consumers where they live. This may be as simple as talking to friends, family and neighbors, or going out to broader audiences, such as schools, businesses and civic groups to tell the beef story.

Things Are Looking Up For Restaurants, according to a trade group's report. Hudson Riehle, senior vice president of the National Restaurant Association's Research and Knowledge Group, said, "Restaurant operators reported net gains in both same-store sales and customer traffic in March, the first time in 31 months that both indicators stood in positive territory." He added that restaurant operators "are increasingly optimistic about growth in sales and staffing levels in the months ahead" and "their outlook for the economy soared to its strongest level in five years."

Also in March, for the first time in 29 months, the Association's "Restaurant Performance Index" surpassed the 100-point threshold. For more information, go to <http://www.restaurant.org/pressroom/pressrelease/?ID=1935>.

Cattle Will Eat Anything That Looks Interesting. That's The Warning To Oklahoma Ranchers in the aftermath of recent tornados. Cattle could suffer a variety of health problems if they eat debris that was scattered by the storms – such as nails, small pieces of metal, insulation and building materials. More information from Oklahoma State University is available at <http://www.dasnr.okstate.edu/ag-media/Members/donald.stotts-40okstate.edu/debris-in-pastures-potential-health-risk-to-cattle>.

Former Beatle Paul McCartney Has Angered Beef Producers In The UK And Abroad. In a BBC interview, McCartney cited an obsolete United Nations report that claims livestock production causes more greenhouse gas (GHG) emissions than transportation.

Apparently Sir Paul has not heard, or has chosen to ignore, that the report he cited – "Livestock's Long Shadow" – has been repudiated (as *TCFA Newsletter* reported previously). In March, one of the report's authors conceded that faulty arithmetic led an exaggeration of livestock's contribution to global warming. The UN is now re-doing its analysis.

Unfortunately, McCartney is not the only vegan activist who continues to use the now-retracted claim. It still pops up in news reports, blogs, videos posted on the Internet, etc. Hopefully the activists will eventually embrace better science – such as EPA's data, which shows that, in the United States, livestock production accounts for only 2.8% of all GHG emissions compared to 28% for transportation.

An Additional \$14.3 Million In Conservation Financial Assistance For Working Lands has been announced by USDA-NRCS. The funding available through the Grassland Reserve Program helps landowners and operators protect working grasslands, including hay land, pastureland, native grasslands and certain other lands through rental contracts or conservation easements. NRCS and USDA's Farm Service Agency jointly administer the program. For information on eligibility, contact your local USDA Service Center or visit NRCS online at <http://www.tx.nrcs.usda.gov/programs/GRP>.

A Program To Help High School Students Prepare For Veterinary Medicine Careers has been launched by the National Center for Foreign Animal and Zoonotic Disease Defense, which is funded by the U.S. Department of Homeland Security. The One Health Career-Oriented Youth Educational National Program takes aim at a national shortage in veterinary paraprofessionals. The program emphasizes the public health and regulatory aspects of zoonotic and exotic diseases to qualify students as veterinary paraprofessionals and increase their probability of getting related jobs after graduation. To learn more, go to <http://fazd.tamu.edu/products/education-and-outreach-systems/development-of-a-national-201cone-health201d-career-oriented-job-trained-youth-educational-program.html>.

USDA Is Seeking Ways To Improve The Agriculture And Food Research Initiative (AFRI). Formerly known as the National Research Initiative, AFRI is a research, education and extension program that provides grants to agricultural experiment stations, academic institutions, federal agencies and private research efforts. For more information and to offer comments, go to <http://edocket.access.gpo.gov/2010/2010-10690.htm>.

Dr. Dave Price, 64, Of Las Cruces, Passed Away May 10. An international cattle consultant and author of many agricultural texts, Dr. Price had a B.A. from New Mexico State University, an M.A. from Texas A&M University, and a PhD. from Oregon State University. Survivors include his wife, Cheryl; son, David, Jr.; daughter, Capri; and brother, Tom.

A memorial service to celebrate Dr. Price's life will be Tuesday, May 18 at 11 a.m. (MDT) at La Paz-Graham's Funeral Home Chapel at 555 W. Amador Avenue in Las Cruces. In lieu of flowers, those who wish to honor Dr. Price may do so by supporting the University of Arizona Biology of Cancer Development Office. You may also send condolences to http://www.webfh.com/fh/obituaries/obituary.cfm?o_id=307532&fh_id=11112&s_id=15E7E84167A2B89DC9997BC71B757E69.

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



A long-time TCFA sponsor, Merial® is a proud partner of the cattle industry and TCFA. As an innovation-driven animal health company, Merial provides a comprehensive range of products and services to enhance the health and performance of livestock, including IVOMEK® Plus (ivermectin/clorsulon); TETRADURE™ 300 (oxytetracycline); RESPISHIELD™ and RELIANT® brand vaccines; the MERIAL SUREHEALTH™ calf preconditioning program; and the IGENITY™ DNA testing service. Contact Merial at 3230 Satellite Boulevard, Duluth Ga., 30096 or (888) Merial1. You can also visit their website at <http://www.merial.com>.

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

Texas Cattle Feeders Association

May 14, 2010