



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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NCBA Requests Extension On Proposed GIPSA Rule Comment Period: NCBA is seeking a 120-day extension to the public comment period for the proposed rule on livestock marketing. The proposed rule, announced June 18, suggests major changes to the way producers can market their cattle.

The request for a delay was communicated in a letter from NCBA President Steve Foglesong to GIPSA Administrator J. Dudley Butler. Foglesong reiterated NCBA's concerns with the proposed rule and emphasized the need for additional time to thoroughly analyze its potential legal and economic impacts on U.S. cattle producers.

"The Secretary of Agriculture referred to this as one of the most sweeping reforms of the Packers and Stockyards Act," stated Foglesong. "As such, it's extremely important that we thoroughly understand the rule and both its intended, and unintended, consequences on the U.S. cattle community."

TCFA shares NCBA's concerns and firmly agrees that more time for analysis of the proposed rule is needed. A separate letter from TCFA will be sent next week.

In his letter, Foglesong said the scope of the proposed rule goes well beyond what Congress intended under the 2008 Farm Bill. "American cattle producers are innovators who have worked hard over the past several years to develop alternative marketing arrangements and marketing alliances to get paid for the value they add to their cattle," Foglesong continued. "Whether intended or not, we believe that this rule jeopardizes these long-standing marketing arrangements that compensate producers for providing higher quality cattle."

To read the full letter, go to <http://www.beefusa.org/uDocs/ncbaletteronextensionofgipsacomments-july2010593.pdf>.

The Drafting Of Legislation On The Use Of Antibiotics In Agriculture is expected to begin after a series of hearings by a U.S. House subcommittee, observers tell *Feedstuffs*. On July 14, the Energy and Commerce subcommittee on health is scheduled to hold its third hearing on the issue. A witness list for the hearing has not been announced. TCFA is monitoring all actions by Congress and the Administration regarding antibiotics and will vigorously oppose efforts to impose new restrictions on their use, especially if proposed restrictions are not based on sound science.

Agriculture Groups Urge Congress To Complete Trade Deals: In a joint letter to House and Senate leadership, NCBA and more than 40 other national agriculture groups called on Congress to move forward on pending free trade agreements (FTAs).

"The fact is, literally hundreds of FTAs are being negotiated around the world, and global trade liberalization is taking place. But it is taking place with the United States standing on the sidelines," stated the letter.

To read the full letter, go to <http://www.beefusa.org/uDocs/ftaletter07-08-10.pdf>.

President Obama recently announced his intention to set a November deadline for removing outstanding obstacles to the implementation of the U.S.-South Korea Free Trade Agreement (KORUS). It is now up to Congress to take action. The Korean market is the fifth largest for U.S. agriculture exports, valued at \$3.9 billion in 2009. Failure to implement the agreement would not only prevent us from taking advantage of this large and growing market, but it would also cede our market share to competitors that already have in place or are negotiating their own FTAs with Korea.

KORUS, however, is just one of three pending FTAs currently stalled in Congress. Agreements with Colombia and Panama have also been awaiting action for more than three years. Over the past five years, Colombia has been the largest market in South America for U.S. agricultural exports, with exports totaling \$4.3 billion.

The WASDE Report Released Today (July 9) Shows A Contraction Of Corn Supplies, which is a carryover from the recent acreage and stocks report. First, the amount of new crop corn acres planted was reduced 800,000 acres to 87.9 million acres. Beginning stocks for corn were reduced by 125 million bu.,

reflecting the larger than expected use of old crop supplies. The increased usage is thought to be the result of last year's light test weights, which has forced an increase in feeding rates. Production was lowered by 125 million bu. because of the reduction in planted acres and ethanol usage was lowered by 50 million bu. All of this combines to reduce total ending stocks projections by 200 million bu. Additional adjustments are expected in coming months. The reduction in stocks and production has caused USDA to raise the projected price forecast to \$3.45 to \$4.05 per bu. from last month's estimate of \$3.30 to \$3.90.

Cooperatives Working Together (CWT) Has Tentatively Accepted 194 Bids In Its Latest Herd Retirement,

representing 34,442 cows. Farmers had submitted a total of 209 herd retirement bids to CWT. Jerry Kozak, president and CEO of National Milk Producers Federation, said CWT's three herd retirements last year were the primary reason why U.S. cow numbers dropped steeply in 2009, "but cow numbers have leveled off since the end of the year." He added, "This latest herd retirement will push cow numbers lower still, which is what our industry needs to better align supply and demand."

Starting next week, CWT farm auditors will begin visiting the farms whose bids were accepted, checking their milk production records, counting cows, and then tagging each cow for processing. All farmers will be notified no later than July 30 as to whether their bid was among those accepted in this herd retirement round, the tenth that CWT has conducted since 2003. In CWT's three herd retirements conducted in 2009, the program removed a total of 200,000 cows and four billion pounds of milk. Details of past herd retirements can be found at <http://www.cwt.coop/sites/default/files/pdf/past-herd-retirements-060210.pdf>.



The Second Annual Junior Fed Beef Career And Leadership Program – better known as "Feedyard Camp" – attracted 14 young people this year. The program offered the prospective future cattle feeders a good grounding in all facets of the cattle business, including some hands-on experience. TCFA's partners in the program are West Texas A&M University and the Texas AgriLife Extension Service. For a look at the students engaged in Feedyard Camp activities, go to http://www.tcfa.org/Newsletter/feedyard_camp_2010.pdf.

A Joint Strategy Forum On Animal Disease Traceability Will Be Held Aug. 30-31 In Denver. The event – co-hosted by the United States Animal Health Association (USAHA) and the National Institute for Animal Agriculture (NIAA) – is intended to facilitate interaction between state and tribal animal health officials, animal producers, livestock marketers and handlers, and meat processors with a goal of providing valuable input on the preliminary standards which are being developed by USDA's Traceability Regulatory Working Group. The preliminary standards are expected to be released in mid-August.

Organizers said the Forum is open to everyone interested in the development of an effective and efficient system of identifying animals that move across state and tribal lines in the U.S. Interactive sessions will be held

covering all species of animals for which interstate movement requires compliance with animal health regulations. Hotel reservation and Forum registration information is available at <http://www.animalagriculture.org> or <http://www.usaha.org>.

New Federal Menu Labeling Requirements Were Included In The Health Care Reform Bill signed into law earlier this year. To begin the process of implementing the labeling requirements, FDA is inviting the public to submit comments.

The Affordable Care Act sets new federal requirements for foods sold at certain restaurants, coffee shops, delis, movie theaters, bakeries, ice cream shops and vending machines. Information that must be posted will include calorie content and other nutrition information on menu items at certain chain restaurants and similar retail food operations and vending machines. Prior to the new law, federal law required nutrition labeling on many packaged foods, which may be purchased in supermarkets and at other locations, and some states and local governments required nutritional labeling by restaurants in their jurisdictions.

The new law requires restaurants and similar retail food establishments that are part of a chain with 20 or more locations that offer substantially the same menu items to list calorie content information on menus and menu boards, including drive-through menu boards. Other nutrition information – total calories, total fat, saturated fat, cholesterol, sodium, total carbohydrates, complex carbohydrates, sugars, dietary fiber and total protein – must be made available in writing on request. The act also requires vending machine operators who own or operate 20 or more vending machines to disclose the calorie content of their items.

To see the *Federal Register* notice, which includes information on how to provide comments, go to <http://edocket.access.gpo.gov/2010/pdf/2010-16303.pdf>.

The 56th Annual Beef Cattle Short Course Will Showcase Basic Beef Cattle Production Tools and the latest technology available to cattlemen. The Short Course is scheduled August 2-4 on the Texas A&M University campus in College Station. The Texas AgriLife Extension Service sponsors the event. Cattle nutritional needs, safe cattle handling, DNA technology and sustainable land management are among the many subjects to be covered during the Short Course.

Participants can receive a pesticide applicator's license during the Short Course and receive at least seven pesticide continuing education units if already licensed. An industry trade show will be held during the event featuring more than 110 agricultural businesses and service exhibits.

Registration is \$140 per person and includes educational materials, a copy of the 600-page Beef Cattle Short Course proceedings, trade show admittance, admission to the prime rib dinner, meals and daily refreshments.

Registration information and a tentative schedule is available at <http://beef.tamu.edu> or by contacting Dr. Jason Cleere's office at (979) 845-6931.

The Checkoff-Funded Beef Innovations Group Has Added A New Online Tool that provides vast amounts of valuable information on the chuck roll. The tool includes several animated cutting demonstration videos that walk viewers through how to merchandise the chuck roll into its five portion cuts - the Delmonico Steak, Boneless Country-Style Beef Chuck Ribs, America's Beef Roast, the Sierra Cut and the Denver Cut.

The tool can be accessed at <http://www.beefinnovationsgroup.com/ValueCuts/index.html>.

NCBA's Cattlemen To Cattlemen program will continue its series on antibiotics in the new episode that debuts July 13 at 7:30 p.m. (CDT) on RFD-TV. The program will present experts on the effective use of antibiotics in cattle operations and explain how the federal government approves and monitors their use. The show will re-air July 14 at 9:30 a.m. and July 17 at 8 a.m. The program will also be available online through a link on the TCFA website's home page at <http://www.tcfa.org>.

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