



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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U.S. Cattle Inventory Called Neutral To Slight Price Friendly, Smallest All Cattle And Calves Number Since 1952.

- All cattle and calves, 90,768.5 million, down 2%
- Cows and heifers that have calved at 39,112.4 million, down 2%
- Beef cows, 29,882.9 million, down 3%
- Dairy cows, 9,229.5 million, up 1%
- Heifers 500 pounds and over, 19,387.8 million, down 1%
- Beef replacement heifers, 5,211.6 million, up 1%
- Dairy replacement heifers, 4,527.0 million, down 1%
- Other heifers, 9,649.2 million, down 2%
- Steers 500 pounds and over, 16,071.5 million, down 2%
- Bulls 500 pounds and over, 2,052.0 million, down 5%
- Calves under 500 pounds, 14,144.8 million, down 3%
- 2011 calf crop, 35,313.2 million, down 1%
- Cattle on small grains pasture in KS, OK, TX at 1.59 million, down 1%.

NCBA, Other Livestock Groups Oppose HSUS/United Egg Producers Legislation. The Egg Products Inspection Act Amendments of 2012 (H.R. 3798) was introduced this week to put into law an agreement made between the United Egg Producers and the Humane Society of the United States (HSUS) to establish federally mandated, on-farm egg production practices. In exchange for a national standard, HSUS agreed to stop seeking stricter state-level egg standard laws, which create a patchwork of varying and sometimes conflicting regulations for the industry. TCFA, NCBA and several other state and national livestock groups are opposing the bill.

"The legislation would set a dangerous precedent for allowing the federal government to dictate on-farm production practices and disregards decades of work the cattle industry has undertaken to develop science-based, voluntary animal care programs," NCBA President Bill Donald said. "This ill-conceived legislation could set the model for a one-size-fits-all approach to cattle production. Unfortunately, one-size-fits-all doesn't work with cattle producers, who are in diverse settings in all 50 states. This legislation won't improve animal health or care and will result in further costly and burdensome regulations being placed on America's food producers."

U.S Supreme Court Struck Down California Law On Handling Of Non-Ambulatory Livestock. The Supreme Court Justices unanimously ruled that California Penal Code 599f is unlawful because the federal government, and not the states, is solely responsible for the rules that govern slaughterhouse operations.

"The Federal Meat Inspection Act (FMIA) regulates slaughterhouses' handling and treatment of non-ambulatory pigs from the moment of their delivery through the end of the meat production process," Justice Elena Kagan wrote. "California's (law) endeavors to regulate the same thing, at the same time, in the same place—except by imposing different requirements. The FMIA expressly preempts such a state law."

TCFA And Other Texas Agriculture Groups File Amicus Brief In Support Of Private Property Ownership. The case pending before the Texas Supreme Court concerns a lawsuit filed against Cemex by the General Land Office (GLO) seeking over \$550,000,000 in damages related to the mining of sand, gravel, caliche, limestone and granite from tracts originally conveyed as public school lands. The GLO argues that because the state retained the mineral rights when the land was conveyed, they are the owners of the mined minerals of the surface estate and not the current landowner.

The trial court sided with Cemex, but the El Paso Court of Appeals reversed the lower court's ruling and rendered partial summary judgment in favor of the GLO concluding that the public school lands mineral

reservation included not only sand, gravel, limestone and granite, but also mineral substances of any kind or character having commercial value. The ruling by the El Paso court and the GLO's newly devised definition of minerals carry broad ramifications to the owners of the more than 7,500,000 acres of public school lands and could set a dangerous precedent for all landowners who have severed their mineral interests.

Should the El Paso court's interpretation remain unchanged, the State of Texas would claim ownership to a broad list of materials, including the sand, gravel, caliche and limestone making up the surface and subsurface of a vast section of the state, thus blurring, if not eliminating the long-recognized distinction between the surface and mineral estates. It follows that the GLO could thereafter enter into mining leases for the production of these substances substantially impairing the existing surface use of millions of acres. TCFA will continue to monitor the case. To read the amicus brief, go to http://www.tcfa.org/Newsletter/2012_links/ag_amicus.pdf.

MF Global Customers Need To Submit Claims against the bankrupt brokerage firm before the January 31 deadline. MF Global is accused of defrauding investors after making bad investments on European debt. Forms and filing instructions have been mailed to all former customers. Customers need to only submit basic information by January 31 to be eligible for claim payouts, and can submit more complete forms later. Online forms and instructions are available at <http://dm.epiq11.com/MFG/Project/default.aspx>.

Researchers Are Making Progress In Eliminating E. coli in beef using low-voltage electricity. The team reported successfully eradicating E. coli bacteria growing on the surface of heavily contaminated beef, advancing previous research that used higher electrical currents.

Levels of E. coli O157:H7 were almost completely inactivated, although the researchers noted that the bacterium may have also been affected by active chlorine gas generated at higher AC levels and the effect of sodium chloride, a known antimicrobial. However, the scientists from Fort Valley State University in Atlanta and Virginia Tech concluded in the study that the levels of E. coli were "significantly affected" by the intensity and duration of the exposure to low-levels of electricity. They also noted that the level of contamination of the study samples was higher than contamination levels found on beef at commercial slaughterhouses.

The research may open the door for a more inexpensive and easier protocol to reduce the risk of E. coli exposure and subsequent food poisoning among U.S. consumers. It also could potentially reduce the use of more costly or chemical-based procedures sometimes used during beef processing.

An abstract of the study, published in the *International Journal of Food Safety, Nutrition and Public Health*, is available at http://www.inderscience.com/search/index.php?mainAction=search&action=record&rec_id=44624&prevQuery=&ps=10&m=or.

In Other E. coli Research, Manganese May Be "Magic Bullet" To Fight Infections. According to *Meatingplace.com*, a new study by researchers at Carnegie Mellon University is showing promising results in helping cells fight off the effects of Shiga toxin, a deadly poison produced by strains of E. coli and Shigella that result in diarrhea, intestinal complications and other serious conditions.

Cells in mice that were given small doses of the metallic element manganese became completely resistant to Shiga toxin, the study reports. The non-toxic injection of manganese made the mouse cells more than 4,000 times more resistant to Shiga toxin, which currently is untreatable.

"We hope to develop something with respect to human use of manganese to treat E. coli and Shigella, but there are several hurdles on the clinical side," Molecular biology professor Adam D. Linstedt said. "For the next year or so, we plan on continuing our experiments on mice to get a better idea on the next overall steps."

To read the findings, published in the *Science* journal, visit <http://www.sciencemag.org/content/335/6066/332>.

USDA Will Release Its New Long-Term Agricultural Projections on February 13 at noon EST. The new projections cover crops and livestock, agricultural trade and aggregate indicators, such as farm income and food prices through 2021. A USDA announcement notes the projections do not represent a USDA forecast, but a conditional, long-run scenario based on specific assumptions about farm policy, weather, the economy and international developments.

Those assumptions can and likely will change. For instance, provisions of the 2008 Farm Act and subsequent legislation are incorporated into the projections and are assumed to remain in effect through 2021 even though the 2008 Farm Bill expires in September. Normal weather also is assumed throughout the projection period.

When released, the *USDA Agricultural Projections to 2021* report will be available at <http://www.usda.gov/oce>.

The First-Ever Mobile APP For The Cattle Industry Convention (CIC) And NCBA Trade Show, held February 1-4, is now available for download. Available for the iPhone, Android and BlackBerry the CIC & NCBA App gives its users access to everything the oldest cattle business convention has to offer.

The CIC & NCBA mobile app is a free download and features an interactive exhibitor map and listings, seminars and speakers, schedules to help users plan their trip to the largest cattle business convention. The CIC & NCBA app will also provide digital information from exhibitors, text alerts, product updates and instant connectivity, all right in the palm of your hand. To download the app, visit <http://m.core-apps.com/cic-ncba2012>.

The Beef Checkoff Annual Research, Education And Innovation Annual Update was released this week.

"In the end, all development, education and communications programs are founded on research, which is vital if the industry is to have the science-based knowledge to fuel innovation at all sectors of the beef chain," according to the checkoff. "Marketing and communication programs must have a story worth telling. In today's social climate, to answer challenges from the health community and the consumer's need for convenience, marketing and communications messages must be data-driven, based on irrefutable research."

To view the report, visit http://www.beefresearch.org/CMDocs/BeefResearch/2012_REI_AU_web.pdf.

USDA Has Changed School Meal Standards in an effort to add more fruits, vegetables and whole grains to U.S. school meals. First Lady Michelle Obama, along with Agriculture Secretary Tom Vilsack, introduced the new standards at a Washington, D.C. elementary school Wednesday morning. USDA officials promote the standards as an important accomplishment of the Healthy, Hunger-Free Kids Act that President Obama signed into law last year. Major changes in the new standards include:

- Ensuring students are offered both fruits and vegetables every day of the week;
- Substantially increasing offerings of whole grain-rich foods;
- Offering only fat-free or low-fat milk varieties;
- Limiting calories based on the age of children being served to ensure proper portion size; and
- Increasing the focus on reducing the amounts of saturated fat, trans fats and sodium.

According to the USDA, "These improvements to the school meal programs, largely based on recommendations made by the Institute of Medicine of the National Academies, are expected to enhance the diet and health of school children, and help mitigate the childhood obesity trend. Schools will need to comply with provisions of the rule by July 1, 2012.

As for the standards specific to meat and proteins, school lunches will need to offer at least a minimum amount of meat or meat alternatives daily. The report notes that offering meat or a meat alternative daily "supplies protein, B vitamins, vitamin E, iron, zinc and magnesium to the diet of children, and also teaches them to recognize the components of a balanced meal."

Acceptable protein foods listed by the agency include lean or extra lean meats, seafood, poultry, beans, peas, fat-free and low-fat dairy products and unsalted nuts and seeds. For school breakfasts, the final rule does not require a daily meat or meat alternative.

To view a set of sample school lunch menus, visit

http://www.fns.usda.gov/cnd/Governance/Legislation/cnr_chart.pdf.

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

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