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Bates County
May 12, 7:00 PM
MO-Kan Livestock Market,
Passaic

MCF Cattlemen's Classic

US & EU Take First Step in Resolving 20-year Beef Trade Dispute

Released by NCBA's Cattlemen's Capitol Concerns 5/7/09

The U.S. Trade Representative (USTR) on Wednesday announced a meaningful first step in the longstanding trade dispute between the U.S. and European Union (EU) over the use of growth promotants in cattle. The National Cattlemen's Beef Association (NCBA) has been working closely with industry and USTR on this issue for several years.

"We appreciate the leadership and persistence of Ambassador Kirk and his USTR team in getting this process moving in the right direction after 20 years of unsuccessful efforts," said Gregg Doud, NCBA chief economist. "Once approved, this will be a positive step forward in our goal of expanding U.S. beef market access, but we still have a long way to go before this issue is resolved to our satisfaction."

Under the current tariff-rate quota, the EU allows 11,500 metric tons (MT) of hormone-free, high-quality, grain-fed ("Hilton") beef imports each year from the U.S. Upon approval, this new accommodation provides for an additional 20,000 MT at zero duty. After three years, it will allow an extra 25,000 MT, for a total of 45,000 MT at zero duty. USTR and industry will closely monitor the terms of the agreement, and should it not be carried out satisfactorily, the U.S. reserves the authority to reinstate carousel duties on EU exports to the United States.

The EU has cited the use of growth-promoting hormones in U.S. cattle as the reason for imposing a trade barrier on U.S. beef for the past 20 years ago-despite the fact that these growth promotants have all been scientifically proven safe through rigorous Food and Drug Administration (FDA) testing.

In response to the EU's unjustified trade barrier, the U.S. has been imposing \$116.8 million in retaliatory sanctions on various European goods since 1999. As recently as October 16, 2008, the World Trade Organization (WTO) Appellate Body confirmed that the U.S. has the right to continue imposing these sanctions until the dispute is resolved. In January of this year, USTR announced plans to modify-or "carousel"-the list of goods subject to increased tariffs in order to step up pressure on the EU. On April 22, the day before the carousel rotation was set to take effect, USTR announced it would delay the rotation until May 9 in order to provide more time to negotiate a settlement.

"This accommodation conceded nothing in terms of the science; it is simply changing the terms of the payment plan," explained Doud. "This gives the U.S. beef industry an opportunity to gain duty-free access to one of the

Golf Tournament

May 20, 9:00 AM

Railwood Golf Course, Holt Summit

most valuable markets in the world. But this does not resolve the hormone dispute."

MCF Golf Tournament

The Missouri's Cattlemen Foundation will host their annual golf **Cattlemen's Classic Golf Tournament** at Railwood Golf Course in Holts Summit, MO on **Wednesday, May 20, 2009**. Registration will begin at 9:00 am and the tournament will have a shotgun start at 10:00 am. Entry fee is \$75 per person. For registration information visit www.mocattlemanfoundation.com.

The Missouri's Cattlemen Foundation raises money for scholarships funds, farm safety and education as well as provide assistance to farm kids injured in a farm related accidents. The Cattlemen's Classic Golf Tournament is a great way to help support the agricultural youth of Missouri.

Foundation License Plates are still available for purchase.

For more details contact MCF office at (573) 499-9162.

NCBA Submits Comments on Spill Prevention, Control, and Countermeasure Rule

Released by NCBA's Cattlemen's Capitol Concerns 5/7/09

On Friday, May 1, the National Cattlemen's Beef Association (NCBA) and its partners in the Agriculture Coalition on the Spill Prevention, Control, and Countermeasure (SPCC) rule submitted comments in response to the U.S. Environmental Agency's (EPA) delay of the effective date of the December 5, 2008 final rule amending the SPCC regulations. According to the Federal Register notice, EPA has delayed the rule in order to allow additional time for "assessment of policy and legal issues."

Under the Clean Water Act, farms and ranches are required to prevent discharges of oil into waters of the United States, and to contain those discharges should they occur. In 2002, the EPA amended these regulations; since that time, NCBA has been working with EPA to ensure the rule makes sense for farms and ranches.

The coalition has worked closely with EPA on a number of key reforms that we hope will be included in the final rule. In the comments, the Coalition reiterated its pending concerns and offered a number of recommendations to improve the rulemaking.

In general, the Coalition asks that before any rule is applied to farms/farming operations, EPA in consultation with USDA should evaluate the threat (if any) the industry presents and establish rules applicable to the industry. It also urges the Agency to make its intent clear in guidance provided to inspectors to ensure the fewest contrary incidences (i.e., disagreements) during implementation; make clear to the agricultural industry and inspectors the process and timeline for which any disagreements resulting from this proposed flexibility will be addressed; and in consultation with USDA and the industry, accurately calculate the costs of this rule to the agricultural sector in order to fully appreciate the impact upon the rural economy.

Specifically, the Coalition offered recommendations with regards to:

-Self-certification proposals: If SPCC is applied to all farms, agriculture should be given the option of self-certification. EPA should also make clear its intent in guidance provided to inspectors to ensure the fewest contrary incidences (i.e. disagreements) during implementation.

-Threshold triggers: The current 10,000-gallon aggregate trigger should not be applied to the agriculture industry, and the EPA has yet to produce the data needed to determine a meaningful trigger for all sectors of agriculture. Given its unique characteristics and lack of any significant spill history, the agriculture industry should not be regulated in the same way as huge oil tankers.

-Tank size and usage: The volatility in fuel prices makes it financially necessary for growers to seek tanks of a size that can accept bulk orders from their local supplier. The Agency's action on a 10,000-gallon aggregate threshold limits the ability of these growers to move to bulk orders and save money because the loss of a self-certification plan would require the hiring of PE's at substantial cost. By limiting choices among growers, EPA will increase costs on a segment of the U.S. economy that has the least power to pass costs along to their customers. EPA should allow tanks the ability to be removed from service and then placed back in service with minimal operational effort, thus giving farmers and agribusiness more storage flexibility

-Plan development and implementation: EPA should issue a compliance deadline that provides adequate time for producers to develop SPCC plans, secure budgets, and make necessary capital expenditures to comply with the final rule once it has been published. Farms operate on loans and funds are often dedicated several years in advance to other crucial elements of the operation.

Finally, the Coalition strongly affirms that members of the agricultural sector, who grow this nation's food and rely on well water from their property for their families' needs, are highly motivated to ensure that their environmental practices are sound. These producers strive daily to ensure a safe environment for their children and the communities in which they live.

USDA Announces Public Listening Session on Animal ID

Released by NCBA's Cattlemen's Capitol Concerns 5/7/09

The U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) has announced a schedule for public listening sessions in regards to the National Animal Identification System (NAIS).

APHIS Listening Session Schedule:

May 14 - Harrisburg, PA; May 18 - Pasco, WA; May 20 - Austin, TX; May 21 - Birmingham, AL; May 22 - Louisville, KY; May 27 - Storrs, CT; June 01 - Greeley, CO

As the first in these series of listening sessions to engage stakeholders and producers in a dialogue about NAIS, in April, USDA Secretary Vilsack hosted a meeting with 28 livestock and producer groups, including NCBA and the Public Lands Council (PLC).

NCBA recognizes and supports the need for a National Animal Identification System for the purpose of enabling state and federal animal health officials to respond rapidly and effectively to animal health emergencies, such as foreign animal disease outbreaks or emerging domestic diseases. Many of NCBA's members already participate voluntarily in numerous animal

identification programs as one of many tools to improve their herds, monitor disease, and better market their cattle. However, NCBA members continue to have concerns with NAIS, which is why NCBA's policy supports a voluntary -- rather than a mandatory -- system.

NCBA members are particularly concerned about the protection of producers' confidential information, which would be housed in a USDA-maintained database. The federal government has not demonstrated a strong track-record when it comes to preventing the leak of private information, and USDA has not been able to guarantee that the information in a mandatory system would be protected from release under a Freedom of Information (FOIA) request. USDA's own Office of General Counsel has indicated that protection is different between a voluntary and mandatory system.

NCBA is also concerned about the system's ability to move at the speed of commerce. The working, processing, and marketing of cattle cannot slow down in order to be scanned and entered into the system.

It is also important to note that animal ID will not serve to enhance food safety, nor was it intended for this purpose.

NCBA and PLC are committed to working with USDA in recommending continued refinements to NAIS, and we look forward to these discussions in the further development of a workable system.

USDA is encouraging producers to submit comments and suggested solutions for NAIS. To submit comments or to register for the public meetings, visit: www.usda.gov/nais/feedback.shtml.

U.S. Intervenes in Suit Against Former Beef Suppliers to National School Lunch Program

Inhumane Treatment and Slaughter of Disabled, Non-Ambulatory Cattle at Issue

Released by U.S. Department of Justice 5/1/09

The United States has intervened in a civil lawsuit against two former suppliers to the National School Lunch Program - Hallmark Meat Packing Company and Westland Meat Company Inc. - for submitting false and fraudulent claims to the Agricultural Marketing Service (AMS), a division of the U.S. Department of Agriculture (USDA), the Justice Department announced today. All ground beef containing defendants' products was recalled by USDA as of Feb. 16, 2008, and defendants no longer supply beef to the National School Lunch Program or AMS.

The National School Lunch Program is a federally-assisted meal program operating in public and nonprofit private schools and residential child care institutions. The program, established under the National School Lunch Act in 1946, provides nutritionally balanced, low-cost or free lunches to children each school day.

The suit was originally filed by the Humane Society of the United States under the qui tam or whistleblower provisions of the False Claims Act (FCA). In its complaint, the Humane Society alleges that defendants knowingly and falsely represented to AMS that all cattle at their slaughtering facility are humanely handled in accordance with federal regulations and that no meat from disabled, non-ambulatory cattle was included in AMS' purchases.

"The alleged misrepresentations by Hallmark and Westland could have

impacted the health of many of our nation's most vulnerable citizens--our schoolchildren," said Tony West, Assistant Attorney General of the Justice Department's Civil Division. "Our intervention in this case demonstrates how seriously we will pursue allegations such as these."

Under qui tam statute, a private party, known as a "relator," can file an action on behalf of the United States and receive a portion of the recovery. Under the FCA, the government is entitled to treble damages plus civil penalties ranging from \$5,500 to \$11,000 per violation.

The Department's Civil Division and the U.S. Attorney's Office for the Central District of California will pursue the case. The government plans to file an amended complaint. The U.S. Department of Agriculture's Office of Inspector General investigated the matter.

ATTENTION: Junior Cattlemen

All-Breeds Junior Show & Missouri Beef Leadership Conference around the corner

The **2009 MCA All-Breeds Junior Show** will take place June 12-14th at the Missouri State Fairgrounds in Sedalia. Registration information was mailed out this week so be looking out for it in your mail box and it is also available online at www.mocattle.com/jrshow.htm. Again this year we will be doing the "Design a T-shirt" contest where the winner of the contest will see their creativity on the shirts of all the exhibitors during the weekend.

Deadline for pre-entry is May 15.

The first **Missouri Beef Leadership Conference** is also scheduled for this coming June in Columbia, Missouri. There is still space available, so if you haven't signed up yet be sure to do so. This event will be full of educational, informational and fun events. This year's MBLC theme is "Show-Me Beef Leadership" and will be held on June 4-6. For more information visit

<http://mocattle.org/jrleadersconf.htm>.

CALL TO ACTION: Oppose a Mark-up of the Clean Water Restoration Act

This mark-up has been delayed one week due to the amount of response through calls and emails to your senators. Be sure to keep in contact with your senators on this issue.

This issue is very important to your rights as a landowner. By removing "navigable" this would include farm ponds and other standing water on your private property.

The Senate Environment and Public Works Committee plans to hold a mark-up of S. 787 - the Clean Water Restoration Act (CWRA) of 2009 THURSDAY, May 7th. S. 787 is being sponsored by Senator Russ Feingold (D-WI) and currently has 24 co-sponsors.

CWRA changes the definition of "**waters of the United States**" to remove the word "**navigable**" from the federal Clean Water Act, which could cause all waters to fall under federal jurisdiction. This would result in a HUGE land grab by the federal government and the taking of your private

property rights. This is the same bill that was introduced and in the House during the last Congress.

NCBA is strongly opposed to this bill and is urging the Senate Environment and Public Works Committee to NOT MARK-UP THIS BILL.

WE NEED YOUR HELP IN OPPOSING THIS MARK-UP!

Below is a list of the members of the Senate Environment and Public Works Committee.

If your Senator is ON THE COMMITTEE,

* Please CALL him or her at both their WASHINGTON, D.C. Office as well as their DISTRICT OFFICE and urge them to NOT HOLD a MARK-UP on S. 787.

* Please CALL your OTHER SENATOR and URGE him or her to OPPOSE S. 787 and to TALK TO MEMBERS OF THE EPA COMMITTEE and OPPOSE a MARK-UP

If your member is NOT on the Committee,

* Please CALL YOUR SENATORS and URGE THEM TO OPPOSE S. 787 and to TALK TO THE MEMBERS OF THE EPW COMMITTEE and OPPOSE A MARK-UP.

* Please CALL the EPW Committee at 202 224 832 and OPPOSE a S. 787 MARK-UP

* To find the Washington, D.C. and District Office phone numbers for your Senators, please click this link:

http://capwiz.com/beefusa/dbq/officials/?affiliate_lookup=1 Then click on your state and you will be taken to the contact information for your elected officials.

A legislative leave behind with talking points on the issue is attached to this email. Also, NCBA is sending call alerts from CAPWIZ to our members urging them to call both their Senators and the Committee and oppose a mark-up.

If you have any questions, or need any additional information, please do not hesitate to contact me, Elizabeth Bostdorff, at 202 879 9128 or ebostdorff@beef.org.

Senators/Phone

Barbara Boxer (D) - CA: 202 224 3553
Thomas Carper (D) - DE: 202 224 2441
Mike Crapo (R) - ID: 202 224 6142
David Vitter (R) - LA: 202 224 4623
Benjamin Cardin (D) - MD: 202 224 4524
Amy Klobuchar (D) - MN: 202 224 3244
Christopher Bond (R) - MO: 202 224 5721
Max Baucus (D) - MT: 202 224 2651
Frank Lautenberg (D) - NJ: 202 224 3224
Tom Udall (D) - NM: 202 224 5941
Kirsten Gillibrand (D) - NY: 202 224 4451
George Voinovich (R) - OH: 202 224 3353
James Inhofe (R) - OK: 202 224 4721
Jeff Merkley (D) - OR: 202 224 3753
Arlen Specter (D) - PA: 202 224 4254
Sheldon Whitehouse (D) - RI: 202 224 2921
Lamar Alexander (R) - TN: 202 224 4944
Bernard Sanders (I) - VT: 202 224 5141
John Barrasso (R) - WY: 202 224 6441

Will H1N1 Flu affect Cattle and Beef

Prices?

Written by Tim Petry, Livestock Marketing Economist; Released by The Cattle Business Weekly 5/7/2009

Will the H1N1 (swine flu) influenza virus affect cattle and beef prices? The short answer to that question is yes. However, the total magnitude of the impact is difficult to forecast at this time.

The swine industry already has been affected dramatically. The May lean hog futures contract closed at \$69 per hundredweight (cwt) on Friday, April 24, and one week later on Friday, May 1, the market declined to \$58.47, a decline of \$10.53. The cash hog market also declined throughout the week.

In addition, the hog market has been increasing seasonally and was expected to continue that trend, so the total price impact on the hog industry likely was more than the cash market decline indicated.

The H1N1 flu virus originally was called swine flu because it had characteristics of previously identified strains of swine influenza. However, it was soon determined that the virus also had similarities to avian and human influenza strains. Since there were no cases found in hogs and the virus seemed to be spreading only in humans, several world and U.S. organizations announced that the flu should be called Influenza A, H1N1, instead of the swine flu.

Later, a reported case of human-to-swine transmission was reported in Alberta, Canada.

Unfortunately, significant monetary damage already had occurred to the U.S., Canadian and Mexican swine industries. The entire international meat market will be affected.

The U.S. is the leading exporter of pork in the world and a leading exporter of beef and poultry products. Several countries immediately banned pork imports from the U.S. Russia, an important market for U.S. beef, pork and chicken, banned imports of those products from states where the flu has been detected.

Reduced exports of pork will increase domestic supplies and pressure prices. Lower than expected pork prices likely will adversely affect beef demand.

However, the extent is not known because it depends on how consumers in the U.S. and worldwide react and how long the problem stays in the limelight.

The June live cattle futures contract closed at \$82.60 cwt on April 24. One week later, on May 1, the contract closed at \$82.10, a decline of only 50 cents per cwt. Therefore, cattle futures did not seem to be affected nearly as much as hog futures prices. However, we do not know if cattle futures would have increased but instead stagnated because of the hype surrounding the flu virus.

Cash fed-cattle prices did decline about \$2 per cwt after increasing for several weeks.

Mexico has been impacted the most by the flu. Many businesses, including hotels and restaurants, are closed and travel is restricted. Mexico's already weak economy may weaken further, so meat consumption will be affected.

Mexico has not banned meat from the U.S. However, expectations are that meat exports will decline in the next several weeks and possibly longer. In

2008, Mexico was the leading destination for U.S. beef exports and the second leading destination for pork and poultry meats. Therefore, Mexico is a very important market for the U.S. meat complex.

The impact of H1N1 on cattle and beef prices probably will be less than occurred when demand for beef was severely affected by events earlier this decade such as 9/11 and the discovery of bovine spongiform encephalopathy (mad cow disease) in the U.S. Let's hope that it is a short-lived event and the impacts are temporary.

The negative impacts surrounding the unfortunate misnaming of the influenza virus should be another reminder to the livestock industry that prices can decline very quickly for reasons out of our control. Livestock producers need to consider having price-risk management strategies in place for this very reason.

For example, Livestock Risk Protection insurance was developed to protect livestock producers from price declines due to unforeseen and catastrophic events. It is available for feeder and fed cattle, swine and lambs.

Register for Beef Check-Off Elections

Be sure to register for the Beef Check-Off Elections before July 20, 2009. This can be done at your county Farm Service Agency office.

This election determines the Missouri Beef Industry Council Board of Directors. This board allocates Missouri's check-off funds. This will be your chance to elect board members who represent your voice in the allocation of those funds.

Famous K.C. Steakhouse damaged by fire

Released by Drivers.com 5/5/09

The landmark Golden Ox steakhouse, located adjacent to the Livestock Exchange Building in Kansas City's West Bottoms, was damaged by fire Monday afternoon. Grease in the vent above the kitchen grill caught fire, sending flames through the eight-story Livestock Exchange Building's ventilation system.

Employees and customers were evacuated and firefighters were able to extinguish the fire in about 15 minutes. No structural damage to the building was reported, but smoke damaged the restaurant's kitchen. The Golden Ox is celebrating its 60th anniversary this month, and co-owner Bill Teel said he expects to re-open the restaurant this week after rebuilding the ventilation system.

The Golden Ox was founded by the late Jay Dillingham, former president and chairman of the board of the Kansas City Stockyards Company from 1948 to 1975.

As always, MCA Membership is the key to the success of the organization.

Without producers who back our association our voice is not as strong.

Ask your friend, neighbor and fellow cattlemen to join the thousands of cattlemen in supporting the Missouri Cattlemen's Association.

For more industry news visit:

[Missouri Cattlemen's Association Website](#)

[Missouri's Cattlemen Foundation Website](#)



[Missouri Beef Industry Council Website](#)
[National Cattlemen's Beef Association Website](#)
[Missouri Department of Agriculture Website](#)

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Do you have questions, comments or suggestions?

Would you like to advertise in our newsletter?

If so, please contact Maureen Hamill at (573) 499-9162 (Ext. 233) or maureen@mocattle.com.