



TEXAS CATTLE FEEDERS ASSOCIATION

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The Cattle Feeders Hall of Fame has been established to honor the people who have made lasting contributions to the industry. A ballot of nominees will be distributed to the industry and the first inductees will be announced in May, according to *CattleNetwork*. The nominating committee is comprised of five industry leaders: Richard McDonald, former President & CEO of TCFA; Betty Jo Gigot, editor and publisher of *CALF News*; Dr. Del Miles, veterinarian and industry consultant; Terry Stokes, former CEO of the NCBA; and Topper Thorpe, former CEO of Cattle-Fax.

"It truly will be a task this year to pick a handful of cattle feeders to recognize," said McDonald. "There have been so many outstanding men and women who have helped build the framework of our industry and improve the way we all do business each day." Additional plans are being made, but in the near term a virtual museum will be created to house the history of the U.S. cattle feeding industry.

EPA Proposed A New Rule For National Reporting Of Greenhouse Gas Emissions This Week.

The reporting applies to any entity that produces 25,000 metric tons of carbon dioxide, or other greenhouse gas equivalents, per year. For cattle operations, EPA has suggested in the proposed rule that feedyards with a capacity of 89,000 head of cattle or more would be required to report. This estimate is based largely on the estimated amounts of methane and nitrous oxide that may be emitted from the manure management system. The methane produced from the digestive process of ruminant animals via enteric fermentation is not included. Under the proposal, facilities would file the first annual emissions report on March 31, 2011, for emissions during calendar year 2010.

TCFA staff is reviewing the 1,400-plus page proposal and will work with the cattle feedyard air quality research team to evaluate the science used by EPA. The research team includes scientists from Texas AgriLife Research-Amarillo; Texas A&M University; West Texas A&M University; Texas AgriLife Extension Service; Kansas State University and USDA-ARS. The proposed rule will be published in the *Federal Register* in the next few days. A public comment period of 60 days after publication in the *Federal Register* will be provided.

The WASDE Report For March was released Wednesday by the USDA World Agriculture Outlook Board. The report contained a couple of modest changes in the corn stocks numbers. First, projected corn usage for ethanol was increased by 100 million bu. from the February report to 5 billion bu. The increase was based on record use of ethanol during December and recovering blenders' margins. Also factored in is the possibility that the Obama Administration could increase blending rates to 12% or even 15%, up from the current 10% (see article below). The projection for corn exports was lowered by 50 million bu. to 1.7 billion bu., reflecting the disappointing export sales pace for the year to date. Corn usage for the year is projected to be 12 billion bu. with projected ending stocks of 1.740 billion bu. As a result of the anticipated 50 million bu. increase in corn usage, the WASDE update raised the annual price forecast to a range of \$3.90 to \$4.30 per bu., which is up from \$3.65 to \$4.13 in February.

A Formal Request To Allow The Use Of Gasoline Blended With 15% Ethanol (E-15) has been filed with the EPA by Growth Energy, a Washington D.C.-based ethanol producers alliance. The request sets in motion a 270-day process by which EPA must determine whether E-15 is a safe blend for vehicles. *Feedstuffs* reports that approval for E-15 could potentially increase ethanol production by 50%.

An Estimated 33% Of The 2009 U.S. Corn Crop Will Be Used To Produce Ethanol, according to USDA Chief Economist Joe Glauber. In 2008, 30% of the corn crop went to ethanol. According to *The Food & Fiber Letter*, Glauber told the USDA annual Outlook Forum that despite the ethanol industry's current financial problems, ethanol production will continue to rise because of government mandates.

The Omnibus Appropriations Bill Was Signed Into Law Wednesday. Included in the bill is \$1,090,000 that TCFA requested for air quality research. The research effort will be led by Texas AgriLife Research in Amarillo with partners including Texas A&M University, West Texas A&M University, Texas AgriLife Extension Service, Kansas State University and USDA-ARS.

In total, the bill provides \$410 billion for programs across the government spectrum. Despite wide public criticism and an admission that the bill was "imperfect", President Obama agreed to give it his signature. However, the President vowed that it would be the last appropriations bill of its kind and proposed some reforms to the earmark process – saying that earmarks need not be eliminated entirely as long as they are open to public scrutiny and have a legitimate and public purpose.

The agriculture appropriations portion of the bill is \$20.5 billion, an increase of \$2.5 billion over FY2008. Some of the funding provisions that impact the cattle industry include:

- Cattle tick research - \$9,907,000
- FMD and foreign animal disease research - \$4,000,000
- Tropical bont tick research - \$425,000
- National Veterinary Stockpile - \$3,739,000
- Brucellosis management - \$9,584,000
- Johne's disease research and management - \$6,821,000
- Tuberculosis management - \$15,657,000
- Wildlife Services operations - \$76,047,000
- Country-of-Origin Labeling Compliance – \$9,600,000
- Humane Methods of Slaughter Act Enforcement - \$2,000,000
- Conservation Technical Assistance \$10,000,000
- Animal Health Monitory and Surveillance - \$129,180,000 (Including \$14,500,000 for NAIS)

...TCFA At Work For You...

In Recent Weeks, TCFA Staff:

- Worked with property tax experts and state legislators to identify ways to save members' tax money by alleviating the rapid rise in feedyard property values.
- Conducted training for feedyards on the TCFA QSA Program for age and source verification of cattle into the Japanese market.
- Participated in groundwater district meetings and updated water use projections for the Panhandle Water Planning Group.
- Submitted comments and participated in a public meeting on a draft EPA environmental permit for New Mexico feedyards.
- Participated in meetings regarding revisions to TCEQ's soil sampling guidance document and draft environmental permit for Texas feedyards.
- Hosted a financial seminar focusing on liens and cattle financing.
- Met with members of the Legislature and staff, working on legislative initiatives and monitoring numerous bills on subjects including animal welfare, property taxes, renewable energy and water.

Also, since Feb. 1, 2009, TCFA staff has made over 90 feedyard visits to conduct safety inspections and employee training, BSQA audits, environmental visits and sampling, QSA audits and membership visits.

...Feeders And Feedyards In The News...

Former TCFA President James Herring, in his capacity as chairman of the Texas Water Development Board, testified before the Texas Senate Finance Committee last month regarding the agency's budget request for the upcoming biennium.

Former TCFA Chairman Ernie Morales, who is chairman of the Texas Animal Health Commission, also testified before the Senate Finance Committee in support of his agency's budget last month.

TCFA Board Member Tom McDonald attended a meeting of the EPA Farm, Ranch and Rural Communities Advisory Committee in Washington, D.C., last month. Tom represents NCBA on the committee.

TCFA Announces 2009 Junior Fed Beef Career And Leadership Program. TCFA, in conjunction with the Texas AgriLife Extension Service and West Texas A&M University, will host a junior career and leadership camp June 28-July 1 in Canyon. The program is open to any incoming high school juniors and seniors who are interested in pursuing a career in feedyard management and the fed beef industry. The Career and Leadership Program will expose students to many aspects of the cattle feeding industry with tours

of commercial cattle feeding operations and a beef processing facility. They will also have opportunities to learn beef carcass anatomy and fabrication, and to participate in a consumer beef taste panel. Students will also learn day to day operations of a feedyard and can participate in job shadowing activities at a local feedyard after the program. Applications for the program must be returned to TCFA prior to May 1. For more information about the Junior Fed Beef Career and Leadership Program and to obtain an application, contact Trent Tyson at (806) 358-3681 or trent@tcfa.org.

Card Check Legislation Update: As expected, union supporters in the U.S. House and Senate introduced the creatively named Employee Free Choice Act (EFCA) on Tuesday. The legislation, H.R. 1409 and S. 560, sponsored by Rep. George Miller (D-Calif.) and Senator Edward Kennedy (D-Mass.) respectively, would eliminate secret ballot voting and implement a "card check" system to organize a union. The bill also would require forced arbitration to determine wages and benefits without a ratification vote by employees. TCFA and NCBA are actively opposing this legislation and have sent separate letters to Congress. Additionally, TCFA urges you to contact your Member of Congress by going to <http://capwiz.com/tcfa/issues/alert/?alertid=12912931&PROCESS=Take+Action> to quickly and easily send a message in opposition to EFCA.

The Legislative Effort To Stop The "Cow Tax," now includes a bill filed in the U.S. House of Representatives by Rep. Frank Lucas (R-Okla.), the Ranking Republican on the House Agriculture Committee. Lucas's bill, H.R. 1426, will prevent the government from requiring livestock producers to obtain Title V operating permits under the Clean Air Act. "This bill is a way to protect our livestock producers from costly and burdensome government intervention. And it would end any and all discussion about regulating emissions from livestock under the Clean Air Act," said Lucas. H.R. 1426 is a companion bill to S.527, which was introduced last week by Senators John Thune (R-S.D.) and Chuck Schumer (D-N.Y.).

Animal Identification: On Wednesday, the House Agriculture Subcommittee on Livestock, Dairy, and Poultry held a hearing on the National Animal Identification System (NAIS). Several key Congressmen, including Subcommittee chairman David Scott (D-Ga.) and full Committee chairman Collin Peterson (D-Minn.), indicated their intent to push forward with efforts to create a mandatory NAIS program.

Bill Nutt, president-elect of the Georgia Cattlemen's Association, testified on behalf of NCBA. Nutt explained that NCBA is opposed to a mandatory national system. NCBA has concerns about privacy issues that could arise from confidential producer records being housed in a USDA database. Chairman Scott, Ranking Member Neugebauer (R-Texas), and others acknowledged that privacy would indeed be a serious issue of concern under the proposed mandatory system.

NCBA also has economic concerns about a mandatory animal identification system. According to NCBA, such a system could cost roughly \$200 million a year. In addition, mandatory RFIDs used to track cattle would cost producers roughly \$3-\$5 per head, which could be cost-prohibitive for small and mid-sized family ranches.

Many producers are already voluntarily taking part in validated, private-sector animal identification systems, which provide traceability and guarantee confidentiality. NCBA believes complying with an additional national system would require a significant increase in time, money, and burdensome paperwork.

TCFA Dues Rebates Available. If you fed 10,000 head or more in 2008, you may apply for a dues rebate. The rebate applies to 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.

"Death On A Factory Farm" is the title of a documentary HBO will begin airing on March 16. *Meatingplace.com* reports the 87-minute program is based on video taken at an Ohio hog farm for the Humane Farming Association in 2006. A worker, who obtained a job at the farm, secretly shot video over a six-week period. The video contributed to the prosecution of the farm manager, who was convicted on animal cruelty charges. The documentary is also scheduled to air on March 19, 26 and 31.

Promoting Veganism Is The Goal Of The "Operation Prop 2 Follow-Through Campaign" launched in California by a coalition of activist groups, *Feedstuffs* reports. The effort builds on last year's passage of a state ballot initiative that will impose new regulations on the poultry, hog and veal industries. Led by the Farm Animal Rights Movement (FARM), the new coalition plans to solicit financial support to pay for

billboards, bus displays, leafleting, news releases and a website – all aimed at promoting veganism as a way California consumers can help protect animals.

COOL: An Ongoing Survey Will Tell USDA-AMS how well labels reflect the new law and will evaluate packaging as seen in 50 stores in seven states including Texas, California, Colorado, Florida, Illinois, Nebraska and New York. *Meatingplace.com* reports data gathered in the surveys will tell AMS:

- The number and percentage of commodities that are labeled according to COOL, by commodity group (fish and shellfish, meats, perishable agricultural commodities, nuts and ginseng).
- The number of stores that had products with COOL labels containing abbreviations.
- The number of stores that had products with COOL labels containing the terms "or" or "and/or".
- The number of stores whose information was contradictory when they provided information about specific commodities in more than one form.
- The number and percentage of notification statements for muscle cuts labeled with multiple country-of-origin declarations, including "U.S., Canada and Mexico", "U.S. and Canada", "U.S. and Mexico", "U.S. and Country X", "Canada and U.S." and "Country X".
- The number of origins and specific countries included in notification statements for ground meat.
- The notification method of conveying country-of-origin information for muscle cuts and ground meat (for example, sign over display case or individual product labels).

A New Record: Red Meat Production For The United States totaled 50.4 billion lbs. in 2008, 3% higher than the previous year, *CattleNetwork* reported. Red meat includes beef, veal, pork, lamb and mutton. Red meat production in commercial plants totaled 50.2 billion lbs. On-farm production totaled 137 million lbs.

Beef production totaled 26.7 billion lbs., up 1% from the previous year. Veal production totaled 152 million lbs., up 4% from last year. Pork production, at 23.4 billion lbs., was 6% above the previous year. Lamb and mutton production totaled 180 million lbs., down 5% from 2007.

The Nomination Of Former Dallas Mayor Ron Kirk To Serve As U.S. Trade Representative was the subject of a Senate Finance Committee confirmation hearing Monday. Advised that the Obama Administration could lose Republican support on trade if it attempts to renegotiate NAFTA, Kirk said the interests of American agriculture would be closely considered. But he would not commit to leaving all agriculture provisions untouched if NAFTA is reopened. Kirk's nomination is expected to be considered by the full Senate next week.

Do You Have Ideas On How To Feed The World and also meet its growing energy needs? If so, you could be a strong contestant for a new competition announced by the Farm Foundation. The competition seeks innovative ideas to address public policy changes outlined in the Foundation's report: "The 30-Year Challenge: Agriculture's Strategic Role in Feeding and Fueling a Growing World." To read the report, go to <http://www.farmfoundation.org/news/articlefiles/1694-Final%2030%20Year%20Challenge.pdf>.

The Foundation intends to award cash prizes totaling \$20,000.

"Agriculture globally faces the challenge of how to provide food to a world that is expected to have 9 billion people by 2040 (compared with the current 6.8 billion)," says Farm Foundation President Neil Conklin. "This challenge exists at the same time that we are already seeing pressures on global resources, as well as increased demand for agriculture to provide not only food, but feed, fiber and fuel."

Details of the competition and entry process are available at the Farm Foundation Web site, which can be accessed at <http://www.farmfoundation.org/news/articlefiles/1694-Competition%20for%20Web%203-5-09.pdf>.

The Farm Foundation is a 76-year old organization devoted to helping develop public policy by providing objective information to foster a deeper understanding of issues shaping the future for agriculture, food systems and rural regions.

Please note: All links are still available at www.tcfa.org under Newsletter links.