



June 5, 2009

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Upcoming Events &

More NAIS Listening Sessions

Released by Drovers news source 5/27/09

USDA has scheduled six additional public meetings to discuss stakeholder concerns related to the implementation of the National Animal Identification System. The meetings are being organized by the Animal and Plant Health Inspection Service and will be held from 9 a.m. to 4 p.m. each day.

The locations and dates for the public meetings are Jefferson City, Mo., June 9; Rapid City, S.D., June 11; Albuquerque, N.M., June 16; Riverside, Calif., June 18; Raleigh, N.C., June 25; and Jasper, Fla., June 27.

For more information, contact Dr. Adam Grow, director, Surveillance and Identification Programs, National Center for Animal Health Programs, VS, APHIS, 4700 River Road, Unit 200, Riverdale, Md. 20737; (301) 734-3752.

Is your email address changing?

We have received word that alltel.net addresses will be changing to windstream.net addresses. Rather than searching through thousands of members in the database, the simplest way to take care of this will be for you to **email us if your email address is changing.**

Aside from the change to windstream.net, we would like ANYONE who has changed or is changing their email address to let us know so that you can continue to receive Prime Cuts weekly.

Please email me as soon as possible at kaity@mocattle.com with any email address changes.

Thank you,

Meetings

St. Clair County

June 9, 7 PM

Appleton City Park Shelter
House

Bates County

June 9, 7 PM

MO-KAN Livestock Market
Passaic, MO

Polk County

June 11, 7 PM

Smith's
Bolivar, MO

Henry County

June 12, 6 PM

Artesian Park Shelter #2
Clinton, MO

Vernon County

June 13, 10 AM

Bushwhacker Days
Nevada, MO

Show-Me Beef Leadership Conference

June 4-6

Columbia, MO

MCA All-Breeds Junior Show

June 12-14

Missouri State Fair Grounds
Sedalia, MO

Kaity

Is a Commodity Price Explosion Coming?

Released by BEEFmagazine.com 5/29/09; Written by Troy Marshall

The Fed Reserve, concerned about deflation and jumpstarting the economy, has focused on increasing liquidity and pumping dollars into the economy. But it appears the possible signs of deflation were more likely just symptomatic of the economic contraction. As a result, this flood of dollars hasn't eased the decline in price and security prices. We needed to rationalize prices and the marketplace is doing that.

Despite all the governmental efforts to sidetrack it, the economic recovery may already be beginning. All these misguided steps won't stop private capital from returning to the marketplace when there's been enough value created by the rationalizing of prices.

The problem is how will the economy absorb all these dollars? The seeds for inflation have been sown. The more cynical among us would point out that inflation is the largest tax of all, but given the unprecedented increase in government spending moving forward, it may be the only way to keep the government solvent.

The theory that currently holds sway in Washington is that the economy is suffering from too little aggregate demand; thus, the government must step in and provide it through spending. While this is somehow well accepted, it's muddled thinking.

For instance, let's attempt to apply Keynesian economics to the dairy situation. Instead of reducing supply to meet falling global demand for dairy products, and/or focusing on rebuilding global demand, the government would just step in and start buying milk, support the price, and subsidize milk buyers, with the hope that eventually global demand would return to previous levels.

Of course, the general consumer would quickly realize that they were paying twice for their milk. So to avoid that issue, they simply borrow dollars by printing more and deferring the bill from today's consumers and taxpayers to the next generation, with the assumption that something will come along that will allow them to pay for it.

Obviously, when the logic is applied on a micro-level, it's not difficult to see that this isn't sustainable. Ultimately, we're writing and floating checks; at some point, the system will demand payment. Prolonged inflation is one way to begin to address this.

Certainly inflation brings a whole host of economic issues with it (increased interest rates, etc.), but as a whole, land values and commodities tend to fare better than most segments during inflationary times.

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.

**MCA Board of Directors
Meeting and Steak Fry**

June 25
Missouri Beef House
Sedalia, MO

Join Our Mailing List!

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.

Cattle Alert: Tuberculosis Herd Discovered in Rock County, Nebraska

Released by Cattle Trader Center 6/2/09

LINCOLN - According to Nebraska Department of Agriculture (NDA) State Veterinarian Dr. Dennis Hughes, NDA and the United States Department of Agriculture (USDA) veterinarians have discovered a herd of beef cattle in the Rock County area that have tested positive for Tuberculosis (TB).

NDA and USDA are currently in the process of working with the producer, who has been cooperating with the two agencies. The herd, which is under quarantine, is undergoing herd testing and an epidemiological investigation.

"The testing of these animals will take a significant amount of time," said Dr. Hughes. "We will be working to determine the source of the infection, and the extent of the spread of the disease. Neighboring premises are being contacted to determine if the disease has spread beyond the original premise."

TB is a slow, progressive disease and is difficult to diagnose in the early stages; however, as the disease progresses, animals can exhibit emaciation, lethargy, weakness, anorexia, low grade fever, and pneumonia with a chronic, moist cough.

Further information on tuberculosis can be found at www.agr.ne.gov under the Bureau of Animal Industry link.

Last Chance MCF License Plates!!!

Foundation License Plates are available through July 1. Time is running out, so don't miss this deadline!

In order to send in applications on this date, we must have 200 applications. Right now, we have 80. Without 120 more, we cannot order any at all. **This really is the last chance to order.** The money made from these license plates will go to youth scholarships.

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

Governor Signs "May is Beef Month" Proclamation

Released by MBIC 6/1/09

Missouri Beef producers were well represented last Wednesday as Governor Jay Nixon presented his proclamation declaring May as Beef Month. The Governor shared his thoughts about Missouri's beef industry, and expressed

his desire to maintain and build the industry as one of Missouri's cornerstone economic drivers. **Governor Nixon shared several beef related stories and told the group that over 70% of all meals served in the Governor's Mansion, including breakfast, have beef center of the plate!**



The image shows a screenshot of the Missouri Farmer Today website. At the top, there is a navigation bar with links for Home, News, Weather, Featured Ads, Classifieds, Features, Subscribe, Advertise, and About Us. Below the navigation bar, there are several sections: a search bar, a featured article titled "Farm Cooks" with a sub-headline "Recipes from the best country cooks", a "CropWatch Blog" section, and a "Corn Cam" section. A large banner in the center reads "Missouri Farmer Today" in a stylized font, with the website URL "www.missourifarmertoday.com" and the tagline "for more industry news and events" below it. To the right of the banner, there are advertisements for "Happy Cows Come From CattleSeller!" and "Buy, Sell & Advertise Your Cattle On CattleSeller.com".

Knapweed Biocontrol

Released by Weedbusters Biocontrol 4/13/09

Spotted knapweed, a recently declared noxious weed in Missouri, is spreading through the state at an alarming rate. Introduced to the state as early as 1963, it is now confirmed in 41 counties. Knapweed is an extremely aggressive invader capable of forming dense monocultures and displacing desirable livestock forage. It has very low palatability and cattle will avoid it. Knapweed readily infests roadsides and other disturbed sites and then spreads into adjacent undisturbed pastures and open forests. Spotted knapweed is most common in southwest and south central Missouri, however it has been recorded as far north as Putnam county on the Iowa state line and as far east as Ralls, Pike, Lincoln and Jefferson Counties.

In 2008 knapweed biocontrol insects were released for the first time by the Missouri Department of Transportation. These insects were the knapweed flower weevil and the knapweed root weevil. These weevils are the natural predators of knapweed in Europe and Asia. They feed only on knapweed and will starve to death before they feed on any native plants or crops. The flower weevil feeds on developing knapweed seeds, while the root weevil attacks the plant's roots, killing mature plants. Research by Montana State University has shown that when used together, these insects can reduce knapweed density by up to 99% over a period of several years.

A well known biocontrol success in Missouri is the musk thistle weevil, which reduced that noxious weed throughout Missouri as well as other parts of the United States. The concept of biocontrol in knapweed is the same as that behind the thistle weevil, natural predators feeding on the plant in an effort to reduce its density and occurrence. As the knapweed population is reduced by the biocontrols, the insect's population also declines until the plant and the insects come into equilibrium at a low population level. Biocontrols will

never eradicate the weed, but they will significantly reduce it's density and maintain it at a low level permanently.

University of Missouri Extension plans to make several releases of both the flower and root weevil in McDonald, Stone and Lawrence counties in the summer of 2009. These releases will spread and provide long term knapweed control in the areas where the releases are made.

Private landowners may apply for funding for biocontrol projects through the Natural Resource Conservation Service's (NRCS) Environmental Quality Incentive Program (EQIP) and Wildlife Habitat Incentive Program (WHIP). Contact your local NRCS office for further information on applying for funding through these programs.

For further information on knapweed biological control you may wish to contact Bob Rich with Weedbusters Biocontrol at (406) 251-4261 or visit their website at www.weedbustersbiocontrol.com.

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 was 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>.

Is the Farm Economy Out of the Economic Woods, or Just Now Entering?

Released by Cattle Trader Center 6/2/09

Cornbelt farmers have their fingers crossed. Crop inputs have been purchased, some at painful prices. Corn prices are holding their own because of planting delays. Beans are going up because of several market fundamentals. But there are miles of farmland that remain too wet to plant with uncertainties about what, if any, crop will be planted. But since the financial failures in the rest of the US economy have whip-sawed agriculture, many farmers have learned their market and the rest of the economy are too close for comfort.

"The agriculture sector is not an economic island." That is what Iowa State economist Neil Harl told Congress recently, and is telling farmers in the June issue of the Ag Decision Maker newsletter. But he says the bulk of the world's economic troubles have sped past agriculture. However, Harl says the longer

the recession lasts, the more likely there will be devastating issues for farmers, including diminished credit availability for production, land purchases, and trade.

Harl says the high commodity prices of 2007 and 2008 allowed agriculture to build a financial foundation and gain insulation from the global financial meltdown. But he says falling prices, the lack of profitability in the ethanol industry, and reduced demand for US commodities abroad have been felt in rural America.

The first of Harl's Danger Signals is found in the commodity market. He said the high grain prices of last year were capitalized into farmland purchases and cash rent leases, only to have prices decline with reduced income per acre. He believes commodity funds played a role in the up and down movement of oil, but their involvement in the up and down move of grain prices "is less well accepted." Harl notes the initial declining trend in land values, but does not expect a repeat of the 1980's.

A second Harl danger signal is the economic fortune of the ethanol industry. He says the demand for ethanol pushed corn prices higher, along with beans and wheat which had to compete for acres, but since the fall of oil prices, more than 20 ethanol plants are in bankruptcy court, with 30% of the capacity in park. Harl contends the future of the industry depends on US energy policies, the price of corn, and emerging technology. He says ethanol will be in the spotlight for several years, and then become one of several alternative energy sources, but must remain economically competitive with or without federal subsidies.

While farmers are experts at production, Harl's third danger signal is the demand side of the equation, which has also experienced a meltdown. Globally, incomes were growing, particularly in developing countries where increased income is used for more and better foods. But the global recession dampened that demand dramatically, and Harl says only China has been a buyer of US commodities, which he predicts will also fade as Chinese unemployment rises.

The fourth danger signal to Harl is tighter credit, not just for the general populace, but for agriculture as balance sheets weaken. He says the number of non-performing loans has dramatically increased in rural areas, making rural banks unprofitable. Although that is not reflective of the current agricultural economy, Neil Harl says lower commodity prices and higher costs of production will cause farmers to become problems for lenders in the future.

Harl believes agricultural profitability and financial strength will be heavily dependent on the direction of the world economy. Deterioration in financial systems will contribute to a decline in the agricultural economy, because of how the economy considers debt. He says the downshifting economy that began late in 2007 resulted from a shift in the way consumers think about debt, corporate strategies to curtail debt, and governments living beyond their means. After the bubble burst, Harl says there has been a more cautious use of debt and that will affect the general economy in the near future.

Summary:

Agriculture has been somewhat insulated from the economic downturn, but it may only be a matter of time before that changes. There is a danger to the farm economy that results from a cost-price squeeze, lack of profitability in the ethanol industry, a global decline in demand for US foods, and growing restrictions on credit. The farm economy will possibly feel more of a pinch from the global recession, unless it quickly turns around, and then there may be some delays before agriculture regains its growth trend.

Source: Stu Ellis, <http://www.farmgate.uiuc.edu>



Checking in on the Checkoff



INSIDE COLUMBIA MAGAZINE'S
**WINE & FOOD
FESTIVAL 2009**
JUNE 20-27 COLUMBIA, MISSOURI

The Missouri Beef Council has partnered with Inside Columbia magazine and several Mid Missouri restaurants to showcase beef as the perfect partner with wine. The attendees fit the exact demographics of "Food and Health Involved"- the audience we know can make a difference to increase beef demand!

Search is on for Next Class of Master Farmers

Released by Missouri Ruralist

Four Missouri farmers can earn \$1,000 cash prizes and industry-wide recognition in the Missouri Master Farmer Awards program. Missouri Ruralist and University of Missouri Extension have announced that **the application deadline for the 2009 awards is July 1.**

Organizers plan an awards banquet plus an educational roundtable discussion with representatives from young farmer organizations next winter. Gold sponsor FCS Financial helps fund the awards program and roundtable.

This is a program for all Missourians involved in agriculture - whether you are a crop farmer; beef, dairy, livestock or poultry producer; vegetable or fruit grower; tree farmer; or vineyard owner. The award program seeks individuals with innovative ideas, business skills, sound conservation practices, agricultural leadership and community service.

For more information, profiles on the 2008 Master Farmers, and an application form, visit the Missouri Ruralist Web site. Click on the "More Missouri Ruralist" link and then select "Missouri Master Farmer" from the drop-down list. Forms also are available at MU Extension Centers and at FCS Financial offices across the state.

If you have questions or would like to nominate a deserving Missouri farmer or rancher for the award, contact Ron Plain at 573-882-0134 or e-mail him at plainr@missouri.edu.

Exciting times! Do not miss the deadline!

Are you 70 1/2 or older? Do you know someone who is 70 1/2 or older?

Do you or they own an IRA or other tax qualified asset?
Time is running out!

You only have until December 31, 2009 to make the most tax efficient donation to the Missouri Cattlemen Foundation that the IRS has probably ever allowed.

You will probably never have this chance again to help to children of Missouri with the help of the IRS. Yes, the IRS will help you contribute to the foundation.

Call your tax preparer and call our partners at APEX Financial LLC to find out if you qualify for this exciting opportunity. Call 800-843-9429 or 573-876-6011 and tell them you want to talk about a Missouri Cattlemen Foundation Contribution.

Remember time is running out!

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 Kaity Kerwin at (573) 499-9162 (Ext. 233) or kaity@mocattle.com.