



February 20, 2009

President Obama Signs \$787 Billion Economic Stimulus Package into Law

On Tuesday, President Obama signed into law the \$787 billion economic stimulus package passed by Congress last week. NCBA worked closely with members of the House and Senate to successfully prevent the inclusion of a dairy buyout or a ban on the processing of non-ambulatory animals in the final bill.

Senators John Cornyn, James Inhofe, Mike Johanns and Pat Roberts were instrumental in helping prevent a proposed buyout of 6.5 billion pounds of milk, which could have crashed prices for beef by anywhere between 24 and 49% if implemented. In a letter to the Chairman and Ranking Member of the Senate Committee on Appropriations, these four Senators reiterated NCBA's concerns about the proposed dairy buyout, and urged the committee to, "forego considering any taxpayer-funded program to thin America's dairy herd at this time."

At the request of NCBA, 19 Congressmen sent a letter to House Appropriations Chair Dave Obey asking that conferees on the stimulus package remove language from the bill banning the processing of non-ambulatory cattle. Thanks to these efforts, this language was not included in the final bill. NCBA is supportive of the current non-ambulatory ban, but not a statutory ban mandated by Congress.

Released by NCBA on 2/19/09.

LAST CHANCE to register for Young Cattlemen's College

The Missouri Cattlemen's Association annual Young Cattlemen's College will be held February 24 and 25 at the Missouri Cattle Industry Headquarters in Columbia, Missouri.

As in previous years each county may select one producer to attend. The event is limited to the first 25 registered.

This year's YCC is packed full with sessions on how to better your county organization and how to be successful in the industry. From media training to meeting with your legislator the two-day college is full of useful and informative sessions. **Don't miss out, register NOW!**

There are still spaces available to attend. The only cost to the participant is getting

to Columbia. All meals and the cost of the hotel are included in the program.

For more information please contact Lesley Snodgrass at (573) 499-9162 or by email at lesley@mocattle.com.

JBS Acquisition of National Beef is Terminated

U.S. Premium Beef, LLC (USPB) and National Beef Packing Company, LLC (National Beef) today announced that the Membership Interest Purchase Agreement with JBS S.A. (JBS), previously announced on March 4, 2008, has been terminated effective as of February 23, 2009.

Steve Hunt, Chief Executive Officer of USPB said, "Although this is not the outcome we anticipated, we are excited to continue the growth and success of our business on a stand-alone basis. As demonstrated by our fiscal year 2008 and first quarter 2009 financial results, National Beef's value-added business model, rooted in strong relationships with cattle producers and beef customers, continues to generate industry-leading profits."

John Miller, CEO of National Beef, added that, "this development has re-energized our management team. With our strong liquidity position and numerous opportunities to grow our business - both internally and externally - we are eagerly looking forward to building on our value-added model while continuing to focus on serving the needs of our customers."

U.S. Premium Beef, LLC is the majority owner of National Beef Packing Company, LLC, a leading U.S. beef processor. More than 2,100 producers from 36 states have marketed cattle on USPB's quality-based grids. These high quality cattle are the foundation of National Beef's value-added product lines and have enabled it to be a leader in branded product programs for both domestic and international markets. More information about USPB is available at www.uspremiumbeef.com.

National Beef Packing Company, LLC, based in Kansas City, MO, has operations in Liberal and Dodge City, Kansas; Brawley, California; Hummels Wharf, Pennsylvania; Moultrie, Georgia and Kansas City, Kansas. National Beef processes and markets fresh beef, case-ready beef and beef by-products for domestic and international markets. More information about National Beef is available at www.nationalbeef.com.

Released by Cattle Network on 2/20/09.

A New Look for the Missouri Cattlemen's Association website

If you've logged onto the MCA website during the last week you might have noticed some significant changes or rather the brand new look.

Over the last several months, MCA's Maureen Hamill has been creating the new website. Hamill is behind the design and layout of the site and tried to focus on accessibility when building the new website.

The new site went live this past weekend and we are very excited to have this new and fresh look to represent the association on the world wide web.

To check out the new website visit: www.mocattle.com.

If you have any questions, concerns or ideas for the website please email Maureen at maureen@mocattle.com.

Reach out to your State Legislators

MCA's Cattlemen at the Capitol is a great way to talk face to face with your state legislators and inform them on the importance of your business, the beef business. Missouri's cattle industry is facing tough opponents in the legislature. In order to protect your interests and your livelihood, speak with your legislators on what issues effect you before its too late.

Each Wednesday during the legislative session MCA will host cattlemen from around the state at the Capitol in Jefferson City. Sign up today by calling the MCA office at (573) 499-9162.

The personal affect that each of you may have on a legislator could sway them on a vote that could make or break your livelihood. Be involved in the issues affecting your business.

Mandatory COOL Has A Long Way To Go

USDA is strongly indicating changes to the mandatory country of origin labeling (MCOOL) regulations, or at least changes in the interpretation of the rule. USDA Secretary Tom Vilsack said this week he intends to ask packers to label each meat package with the country in which the animal was born, the country in which it was raised and the country in which it was slaughtered. He's also seeking to change the window for ground-meat sourcing from 60 days to 10 days.

Due to the declining economy and concerns about American protectionist policies, tensions have already increased around the globe; the likelihood of increased trade wars and disruptions is very real.

While I'm not sure anyone understands the rulemaking process, it appears Vilsack is seeking agreement from the packing industry to these changes; it's not going to be an easy sale. Failing to get agreement, we may be faced with yet another rulemaking process.

But it appears the changes may be inevitable. The real question is timing, and when we actually see full implementation.

On related notes: With the strength of the Canadian dollar, higher feed costs, and concerns about MCOOL, the Canadian cattle inventory declined for the fourth-straight year in 2008. Canadian beef-cow numbers were down 6.6% to 4.655 million head.

Meanwhile, U.S. beef exports rose by 34.8% in 2008 in volume and by 40.3% in value. We are now within a half-billion lbs. of the 2003 pre-BSE levels. Mexico and Canada are our top two beef customers, respectively, and represent more than half of U.S. export totals in terms of dollars. However, those purchases could drop sharply in 2009 depending on the course of trade retaliation on which Canada and Mexico embark.

Written by Troy Marshall. Released by Cow-Calf Weekly on 2/20/09.

Beef Demand Study Provides an Industry Wakeup

I recommend that everyone takes a look at the recent checkoff-funded research study entitled "U.S. Beef Demand Drivers and Enhancement Opportunities" (see "Consumers Seek Convenience, Nutrition, Safety" elsewhere in this issue). It was conducted by Kansas State University's James Mintert and Ted Schroeder, and Michigan State University's Glynn Tonsor.

Looking at the Retail Choice Beef Demand Index, beef demand has been declining since its peak in 2004, which saw us climb back to the demand levels of the early 1990s. While the success has been rightly heralded, it's also a stark reminder just how bad things were; beef demand in 2008 is just 56% of what it was in 1980. The exciting thing about that is it does represent an incredible opportunity for the beef industry to increase profitability and expand the size of our industry. Rebuilding demand by just 10% would dramatically alter our industry economics.

Without question it will take the entire production system to build demand. We also face challenges, what with the global economy in recession and both the purchasing power of checkoff dollars and actual checkoff dollars decreasing.

But while disposable income plays a large role in beef demand, there are other factors we can control. One area is food safety. Mintert says food safety recalls in 2007 caused beef demand to fall by 2.6%! With the loss of markets caused by BSE and with the humiliating animal-handling debacles at Hallmark/Westland in Chino, CA, it's probably a positive that beef demand hasn't declined more precipitously. We can't afford to have any food-safety concerns regarding beef.

Not surprisingly, the study also indicated the importance of telling beef's story and raising beef's image. Telling the positive story about beef as it relates to nutrition will continue to be a priority.

Convenience is also growing in importance as lifestyle changes continue to lead to less meal preparation time, and more meals consumed away from the home.

This report should be a wakeup call to all of us that while beef demand has stagnated or declined, it continues to grow for poultry and even pork. For every new beef product introduced in the marketplace, the poultry industry is introducing 1.6 new products.

There's no doubt that the beef industry's muscle-profiling project has been a huge success, but a lot more is needed.

Written by Troy Marshall. Released by Beef Magazine on 2/19/09.

Missouri Farmer Today

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ACC Annual Scholarship Dinner, Auction & Dance

Audrain County Cattlemen's Annual Scholarship Dinner, Auction & Dance will be held Saturday, February 28 at the Audrain County Fairgrounds on Highway D in Mexico, Missouri. The evening will kick off with a social hour at 5:00 pm. The Ribeye Steak dinner will begin at 6:00 pm followed by the auction and then entertainment from 9:00 pm to midnight.

All of the proceeds from this event go towards Audrain County Cattlemen's Scholarship Program. In 2008, ACC had the pleasure of awarding \$9000 in scholarships to area youth.

The highlight of the evening will be entertainment by Becky Blackaby. Blackaby, of Paris, MO, has performed all over the state of Missouri and draws large crowds for each performance. For a little preview of Blackaby's talent visit her website at www.beckyblackaby.com. Blackaby will take the stage at 9:00 pm.

Dinner, Show & Dance Tickets
\$30 couple/\$15 single

Show & Dance Only Tickets
\$10 each

Tickets for the evening can be purchased at MFA Agri-Services (573) 581-6868 or you can

RSVP to Teresa Carlson at tcarlson@mfa-inc.com or during the evening at (573) 581-7465.

Come out to support your area youth and take in an evening of excellent food, entertainment and friends!!

Planning for a Successful Breeding Season

What tasks need to be done to help assure a successful breeding season this year? There are two sides to this story. Let's start with the bulls.

With a BSE on all bulls and an RTS on all heifers, you're heading in the right direction toward excellent herd fertility.

Nationally, about 10% of all bulls fail a Breeding Soundness Examination (BSE) each year, and a similar or greater percentage are marginal breeders. In our 300 days of grazing demonstration herd in Batesville, we leased two bulls for our cowherd. One of those bulls failed the BSE. If a BSE had not been conducted on those bulls, our calving rates would have been 4050%. Every dollar counts when trying to make a profit, and this loss of income would have been devastating to the project.

Skipping a BSE on a bull may seem like a good way to cut expenses, but it is not. It may be one of the greatest returns on investment you can make in your herd. Dr. Mark Hilton wrote an article for BEEF magazine and stated this: "If the BSE exam was at an average price and the improvement in fertility was only 3%, the benefit:cost ratio was just over 13:1. Thus, the value of the service was thirteen times greater than the cost."

Visit your local banker today, give him \$1 and tell him you'd like to get \$13 in return next fall. I think you'll get an odd look. There's no doubt that a BSE is the most cost-effective procedure you can do to ensure bull fertility.

On the heifer side, more and more herds across the country are doing reproductive tract scoring (RTS) on yearling heifers. At about 60 days pre-breeding, these heifers are walked through the chute and palpated to see if the reproductive tract is mature enough for breeding and to see if she is cycling.

Heifers that score 4 or 5 on the five-point scale have a mature reproductive tract and should be excellent candidates as long-term investments for the herd. Heifers that score 1 should receive an invitation to leave the breeding herd. Implant and ease them onto feed so these infertile heifers can change careers to a feedlot animal.

Heifers that score 2 and 3 are marginal. If you have mostly 4s and 5s, ask yourself, "Why did 75% of the heifers mature to become 4s and 5s, while the other 25% only score 13?" After all, they all had the same nutrition and opportunity to become that long-term investment.

Should you feed the entire group more to get that 25% cycling, or sort out the 2s and 3s and feed them more? I recommend doing neither, as you should set the bar high for inherent fertility. A marginally fertile heifer that's asking for "a little special treatment" is likely to become a late-calving or open cow. Neither option is good for your herd.

If you have a large number of 2s and 3s and almost no 4s and 5s, I'd question the nutrition or genetics. Weigh and frame-score the heifers at the same time as the RTS is performed. If they average 650 lb and frame score 5.2, you likely underfed the entire group from weaning until now. If they're 800 lb and a frame 7, look hard at genetics (and put them in the feedlot where they belong).

What if they're all 4s and 5s? This sounds good on paper, but it may indicate they were all pampered and fed too much since weaning. We really need a few that score 3 and under to be sure we're selecting for inherent fertility and not just overfeeding them.

With a BSE on all bulls and an RTS on all heifers, you're heading in the right direction toward excellent herd fertility. For more information on improving reproductive rates in your herd, please contact your local county extension office.

*Source: Brett Barham, PH.D, Arkansas Ag Extension
Released by CattleNetwork.com on 2/20/09.*

MCA Expands Membership Benefits with APEX Financial

MCA has recently increased membership benefits by partnering with APEX Financial. Programs provided for membership through APEX are:

- College 1, 2, 3: Preparation for college
- Long-term Care
- Discount Vision Plan
- Identity Theft Protection
- Agri-Plan

For more information contact Rick Henderson at (573) 876-6011.

MJCA to Host Missouri Beef Leadership Conference

The Missouri Junior Cattlemen's Association will be hosting the first Missouri Beef Leadership Conference "Show Me Beef Leadership" on June 4th through 6th in Columbia, Missouri. The conference will have a leadership and industry focus and will be open to teens entering the 8th grade through 12th grade.

Registration will open March 1st and is limited to the first 60 applicants.

If your business or county organization is interested in help sponsoring this youth event please contact Rachel Bartholomew at (573) 499-9162 Ext. 235 or by email at rachel@mocattle.com.

Be watching for more information and registration on the MCA website www.mocattle.com.

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.