

# Cattlemen's Newsletter

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## OTM Rule Still Open Under Obama

Group Gives Vilsack Information to Reinforce Its Opposition

Washington, D.C. (January 29, 2009) – In a Jan. 27, 2009, letter to Agriculture Secretary Tom Vilsack, R-CALF USA has provided to the U.S. Department of Agriculture (USDA) more detailed information to support its request that the agency overturn in its entirety the over-30-month rule (OTM Rule), which allows into the U.S. imports of older Canadian cattle, as well as beef products from those older Canadian animals. Canada has an ongoing problem with bovine spongiform encephalopathy (BSE), also known as mad cow disease.

USDA did not publish in the *Federal Register* a final agency action in this matter on or before noon on Jan. 20, 2009, and as such, the OTM Rule is now under the purview of the current Administration as a directive of a White House memo that states President Obama's appointees and designees have the opportunity to review any new or pending regulations.

"The OTM Rule is only available to the Obama Administration because R-CALF and others relentlessly pursued litigation that forced the reopening of the rule by court order on July 3, 2008," said R-CALF USA CEO Bill Bullard.

"...our unwavering commitment to protect our cattle herd health and human health has resulted in our ability to deliver to you the opportunity to fully reverse the final and most egregious act of disease-safeguard abandonment committed by the past Administration – the act of throwing open our nation's borders to cattle and beef known to be of increased risk for an always fatal disease..." the letter states in part. The letter also emphasized that:

\* Canada continues to detect BSE in cattle born after March 1, 1999, the date USDA claims BSE was not likely circulating in the Canadian herd at sufficient levels to cause infection.

\* The Centers for Disease Control and Prevention (CDC) estimates that Canada's BSE prevalence likely is between 18-fold and 48-fold higher than is the prevalence in the United States.

\* Herd mates of Canadian BSE cases have been exported to the United States. Herd mates of Canadian BSE cases have been slaughtered in Canada, creating potential further avenues for BSE infection.

\* The U.S. continues to experience severe difficulty in reopening lost export markets.

\* The native U.S. BSE cases were an atypical strain of BSE not yet known to be spread by the consumption of contaminated feed, as is the classical strain found in the UK and Canada.

\* R-CALF USA's arguments have resulted in three preliminary injunctions against the agency, the latest of which resulted in the remand of the OTM Rule to USDA for reconsideration.

"Overturning the OTM Rule would protect our cattle herd and beef supply from the introduction of BSE," Bullard said. "This would help restore confidence in our domestic beef supply and reverse the downward price spiral our cattle industry experienced within months after the OTM Rule went into effect."

## Group Supports Senators' Requests that Vilsack Restore Congress' Intent in COOL Rule

Washington, D.C. (February 5, 2009) – R-CALF USA applauds a group of bipartisan senators who have contacted Agriculture Secretary Tom Vilsack to request that he abide by the congressional intent of the mandatory country-of-origin labeling (COOL) law that currently is under review as a "Rural Agenda" item by the Obama Administration.

"We write to highlight our concern with loopholes granted in this rule, which allow meatpackers to put a multiple country of origin label on products that are exclusively U.S. products as well as those that are foreign. The USDA regulations defeat the primary purpose of COOL – provide clear, accurate and truthful information to American consumers...If we are just creating a system to label all products as multiple country origin, there is no value in COOL and no benefit to the consumer," states a Feb. 3, 2009, letter sent to Vilsack by the following Senators: Byron Dorgan, D-N.D., Russ Feingold, D-Wis., Kent Conrad, D-N.D., Amy Klobuchar, D-Minn., Ron Wyden, D-Ore., Jon Tester, D-Mont., and Diane Feinstein, D-Calif.

"We appreciate the decision to reexamine the final rule for mandatory COOL...Ensuring that consumers throughout America have the opportunity to identify 'U.S. origin' exclusive product is a priority..." wrote Sen. Tim Johnson, D-S.D., and Sen. Mike Enzi, R-Wyo., in a letter to Vilsack dated Jan. 22, 2009.

"R-CALF truly appreciates the efforts of these senators to ensure that COOL is properly implemented and to keep it in the forefront of discussions with the Administration, and we are aware that Secretary Vilsack strongly supports COOL," said R-CALF USA COOL Committee Chair Mike Schultz. "As such, we hope correcting these loopholes won't take long and

that improvements to the COOL rule will be implemented as quickly as possible to benefit both U.S. cattle producers and U.S. beef consumers."

Additionally, R-CALF USA also has contacted Vilsack to request the following, with regard to the COOL rule:

- \* Meat packers must be prohibited from labeling meat derived from animals exclusively born, raised, and slaughtered in the U.S. with a mixed-origin label.
- \* To eliminate the need for unnecessary paperwork from producers, meat packers must be authorized to visually inspect each animal that is being slaughtered for the presence or absence of foreign import markings, and declare animals lacking any foreign import marking as exclusively originating in the United States.
- \* Meat from animals imported for immediate slaughter must be labeled with the name of the foreign country appearing first on the label followed by the name of the United States, e.g., "Product of Canada and the U.S."
- \* Commodities with different origins sold in bulk containers, such as a full-service meat counter, must be segregated or individually labeled as to their respective country-of-origin so consumers can choose to purchase commodities from the country of their choice.
- \* Commodities covered by COOL must be subject to labeling requirements even if they undergo minor processing such as cooking, smoking, curing, breading or adding tomato sauce.
- \* Meat processors must be prohibited from including the name of a country on a ground meat label if the processor discontinued sourcing that product from the foreign country for more than one week.

## Group Urges Vilsack to Immediately Redress 3 Rulemaking Blunders by Bush USDA

Washington, D.C. (January 20, 2009) – Today, former Iowa Governor Tom Vilsack was confirmed to be this nation's next Agriculture Secretary, and R-CALF USA wasted no time in sending Vilsack a formal letter not only to congratulate him on his confirmation, but also to seek his immediate assistance in redressing three fundamental rulemaking-related blunders made by the previous Administration and the previous U.S. Department of Agriculture (USDA).

R-CALF USA members have literally expended millions of dollars over the past several years to fund our intense, heated fight against the previous Administration's efforts to: 1) willfully expose U.S. consumers and the U.S. cattle herd to an unnecessary and avoidable risk of BSE (bovine spongiform encephalopathy, or mad cow disease); 2) prevent U.S. cattle producers from distinguishing beef produced exclusively from their cattle – born, raised and slaughtered in the United States; and, 3) dismantle historically successful disease prevention and control programs and to substitute them with an unproven, intrusive and ill-conceived National Animal Identification System (NAIS) scheme that constitutes a national premises registration for private property, both personal (i.e., livestock) and real (i.e., land).

Specifically, R-CALF USA urged Vilsack to take the following actions within the first few days of President Barack Obama's Administration:

- \* Fully rescind the Animal and Plant Health Inspection Service's (APHIS') rulemaking in Docket No. APHIS-2006-0041, commonly known as the over-30-month rule (OTM Rule). The agency's own risk modeling predicts that the OTM Rule will result in the introduction of between 19 and 105 BSE-infected Canadian cattle, resulting in two to 75 BSE infections of U.S. cattle over the next 20 years. R-CALF USA, the South Dakota Stockgrowers Association, five national consumer groups and several individual ranchers won a preliminary injunction in U.S. district court on July 3, 2008, that required the agency to reopen the rulemaking for this docket. The new rulemaking is Docket No. APHIS 2008-0093, and no final agency action is evident in the *Federal Register*.
- \* Modify the Agricultural Marketing Service's (AMS') final rule for mandatory country-of-origin labeling (COOL), in Docket No. AMS-LS-07-0081, which is scheduled to take effect March 16, 2009. The final rule defies Congress' intent to distinguish meat produced from animals exclusively born, raised and slaughtered in the United States with a USA

label. Instead, the final rule allows meatpackers to mislabel beef exclusively of U.S. origin with a mixed-origin label (e.g., "Product of the United States, Canada, and Mexico") if the meatpacker responsible for making an origin declaration commingles any amount of meat derived from imported cattle during the meatpackers' production day. In addition, the final rule improperly limits commodities subject to labeling requirements if the commodity undergoes minor processing.

- \* Rescind all actions by APHIS to register the premises of livestock owners under the agency's proposed NAIS, including the agency's Veterinary Services Memorandum No. 575.19 dated Dec. 22, 2008, and the agency's Jan. 13, 2009, proposed rule in Docket No. APHIS 2007-0096. Together, these actions usurp Congress' authority by effectively mandating NAIS participation, including premises registration, by producers that participate in any number of federal disease programs.

"APHIS is trampling over the rights of U.S. livestock owners and the states in its attempt to compile a national registry of individuals' premises and their livestock," wrote R-CALF USA President/Region VI Director Max Thornsberry, a veterinarian who also chairs the group's animal health committee. "R-CALF USA looks forward to working with you to improve APHIS' ability to control disease outbreaks in a manner that is more cost-effective than NAIS and that does not intrude on the rights of independent cattle producers.

"Fundamental changes are needed in the agency you now lead, and R-CALF USA looks forward to working with you to accomplish the goal of re-establishing USDA as an agency that furthers U.S. agriculture by properly balancing the interests of agricultural producers, food consumers, and industry agribusinesses," Thornsberry said.

"The U.S. cattle industry and U.S. consumers would benefit greatly by the three actions described above," he added.

"It is our belief that USDA's severely damaged credibility, which resulted from the agency's irresponsible pursuits described in each of the forgoing requests, would be substantially restored if these matters were to be expeditiously addressed under your leadership," Thornsberry concluded. "R-CALF USA has submitted comprehensive comments on each of these issues to the agency. We are available to meet with you and/or your staff at your convenience to further discuss the urgent need for these actions."

# OP-ED Decision to Relocate Plum Island Facility Disregarded Public Comments

by R-CALF USA President/Region VI Director Max Thornsberry, DVM

Billings, Mont. / Richland, Mo. (January 15, 2009) – On Monday, Jan. 12, 2009, the Department of Homeland Security officially announced that the Plum Island, N.Y., facilities that currently conduct research on dangerous and highly contagious animal health diseases – such as foot-and-mouth disease (FMD) – will be relocated to Manhattan, Kan., smack-dab in the heart of cattle country. The new facility will be called the National Bio and Agro-Defense Facility (NBAF).

What is disheartening about Monday's announcement is that the deadline for comments from the public on the Manhattan Campus Site's Environmental Impact Statement (EIS) was midnight on Jan. 12. This tells us in no uncertain terms that the bureaucrats already had made up their minds to approve the Kansas location and chose to blatantly disregard any concerns the public may have submitted in formal comments. Only time will tell what sort of political favors were involved in this unsuitable decision.

Proponents of moving the Plum Island facilities to the U.S. mainland claim that job creation and the economic boon outweigh any risk of FMD escaping from the lab and ruining the U.S. cattle industry. Keep in

mind that the Plum Island facility was offshore and had natural barriers to prevent FMD and other diseases from impacting animals and humans on the mainland. In 1978, there was an FMD leak on Plum Island, but the natural barriers prevented a catastrophe.

There are no natural barriers at the Manhattan Campus Site. Just last year, the campus was struck by a tornado, and FMD can be transmitted long distances via air. In 2007 in the United Kingdom – due to human error – FMD leaked from a vaccination lab and infected animals in the surrounding area. And don't forget what the UK suffered in the 2001 FMD outbreak – almost total destruction of the cattle, sheep and hog industries.

Kansas ranks third in economic importance to the U.S. live cattle industry. Should an FMD leak occur, it would pose a strategic vulnerability to the economic viability of the U.S. cattle industry as a whole. The highly contagious nature of FMD and other diseases to be domiciled in the NBAF dictate that only a site far removed from significant livestock and meat production – and one protected by natural barriers – should be considered. Only the Plum Island site meets these cru-

cial criteria.

It is irresponsible for Homeland Security to increase the inherent risk of a disease outbreak by willfully introducing disease pathogens in a strategically vulnerable location. The consequences of an inadvertent disease outbreak in such an area would most severely harm the very sectors of the U.S. economy and U.S. population that the NBAF is supposed to protect: the U.S. livestock herd, U.S. cattle producers and U.S. red meat consumers.

It is simply unconscionable that Homeland Security would proceed with its ill-conceived plan, particularly when the Government Accountability Office (GAO) reports that there is no evidence to conclude that FMD research can be done safely on the U.S. mainland.

R-CALF USA respectfully requests that the Department of Homeland Security abandon its plans to locate the NBAF in Kansas. There is no amount of job creation or economic boon that can justify the disaster that awaits this country should a leak occur. R-CALF USA also will encourage Congress and the next Administration to make certain this sort of disease research remains on Plum Island.

## Group Supports Bill to Prevent Introduction of FMD from Argentina

Washington, D.C. (January 28, 2009) – R-CALF USA supports proposed legislation introduced today by Sen. Tim Johnson, D-S.D., and Sen. Mike Enzi, R-Wyo., that would prevent the introduction of foot-and-mouth disease (FMD) into the U.S. from Argentina. The pair originally introduced similar legislation in 2008. Co-sponsors of the *Foot and Mouth Disease Prevention Act of 2009* include: Sens. Jon Tester, D-Mont., John Thune, R-S.D., Claire McCaskill, D-Mo., Byron Dorgan, D-N.D., and Ben Nelson, D-Neb.

The bill prohibits the importation into the United States of any ruminant or swine, or any fresh (including chilled or frozen) meat or fresh (including chilled or frozen) product of any ruminant or swine, that is born, raised, or slaughtered in Argentina until the Agriculture Secretary certifies to Congress that

every region of Argentina is free of FMD without vaccination. FMD was detected in Argentina as recently as 2006.

"FMD is recognized internationally as one of the most contagious diseases of cloven-hoofed animals and it bears the potential to cause severe economic losses to U.S. cattle producers," said R-CALF USA President/Region VI Director Max Thornsberry, a Missouri veterinarian.

"This piece of common-sense legislation recognizes that the most effective prevention measure against this highly contagious disease is to ensure that it is not imported into the U.S. from countries where FMD is known to exist or was recently detected," he continued. "We want to thank all of these senators for their continued efforts to stay on top of

this situation and we encourage all of our members to contact their respective Senators to express their support for this bill."

On March 6, 2007, R-CALF USA filed comprehensive comments in opposition to the U.S. Department of Agriculture's Jan. 5, 2007, proposed rule to change the FMD status of the Patagonia South Region of Argentina that would have allowed exports of fresh and chilled beef from there to come to the United States. R-CALF USA member-established policy states that the organization "opposes the weakening of any animal health or food safety standard concerning the importation of cattle or beef into the United States."

## CEO Informs Stock Show Audience That True Trade Balances have been Hidden from Ranchers

Rapid City, SD (February 6, 2009) – Speaking at the Black Hills Stock Show and Rodeo this week, R-CALF USA CEO Bill Bullard described how, over the past decade, cattlemen successfully addressed key industry issues that conventional beef-industry trade associations found too contentious to tackle.

"Because R-CALF USA receives no financial contributions from multinational meatpackers or the government, our members have been free to aggressively fight for country-of-origin labeling (COOL), free to use the judicial system to strengthen import restrictions that successfully delayed the U.S. Department of Agriculture's (USDA's) efforts to expose the U.S. to an increased risk of foreign animal disease, free to defend the constitutional and private property rights of U.S. cattle producers that continue to prevent USDA from implementing an intrusive mandatory national animal identification system that would require the federal registration of an individual's personal and real property, free to encourage the U.S. Department of Justice and 17 state attorneys general to file an anti-trust action to block the merger between Brazilian-owned JBS and the nation's fourth largest meat-packer, and free to disclose the fallacy behind both government and industry reports that have effectively hidden the tremendous trade deficit in cattle and beef and the negative impact this deficit has wrought upon the U.S. cattle industry," Bullard told the audience.

"If it weren't for the thousands of cattle producers who helped to build and support R-CALF, none of these important issues would be on the table today,"

he added.

Bullard showed the audience a series of charts that, unlike government and beef-industry reports, included information on both the volume and value of both beef and cattle imports and exports that he said provided a true trade balance for the U.S. cattle industry.

"When measured in volume, we've been running a significant global deficit in beef and cattle trade since well before 1996, the year we began liquidating the U.S. cattle herd," he pointed out. "When measured in value, our trade balance fell to the negative 10 years ago and has hovered around a minus \$3 billion for the past four years. The reason for the growing deficit is that a long-run lack of profitability has prevented the U.S. cattle industry from increasing its production sufficiently to meet the growing domestic consumption of beef that began way back in 1994 – we are supplanting our domestic production with imported cattle and imported beef at an alarming rate."

Bullard said that current trade policy hides the impact of millions of live cattle imports on the U.S. beef supply by not considering beef and cattle as like/kind products.

"As a result, we have beef-industry trade associations and the government claiming that the U.S. maintains a positive beef trade balance between and among Canada and Mexico, but this isn't true because we import beef in two distinct forms -- pre-slaughtered beef that is imported in the form of live cattle and then converted to a beef commodity upon

entering U.S. slaughtering plants, and the beef commodity itself derived from cattle slaughtered in a foreign country," he explained. "For example, the U.S. imported 2.4 million live cattle from Canada and Mexico in 2007 and about 850,000 of these cattle were imported for immediate slaughter. When the beef from these imported cattle are included in our trade balance, the U.S. has a trade deficit with Canada and Mexico of 550 million pounds. The deficit is actually much greater because there were an additional 1.6 million cattle imported for some additional feeding before slaughter that likewise added to the supply of U.S. beef.

"Until ranchers begin demanding accurate and factual trade information, some elements of our industry will continue to claim that we are winning the trade competition in beef while our industry simultaneously suffers from depressed cattle prices caused by the growing tide of imported beef and live cattle," Bullard emphasized.

R-CALF USA is seeking a comprehensive solution to the United States' lopsided trade balance, which includes designating cattle and beef as like/kind products, implementing COOL so consumers can distinguish U.S. beef from imported beef, reforming the Beef Checkoff program so U.S. producers can promote USA beef, strengthening U.S. import standards, as well as removing the anticompetitive cattle procurement practices that packers use in conjunction with imported supplies to artificially lower cattle prices, according to Bullard.

## Group Introduces Visa Platinum Card as Fund-Raising Tool

Billings, Mont. (February 16, 2009) – R-CALF USA is pleased to announce that members now have the opportunity to help fund the organization's important work through a joint effort with CardPartner to launch the R-CALF USA Visa affinity credit card.

"When a cardholder activates the card, R-CALF receives \$50, and then, once a month for the life of the program, R-CALF will receive a check for a portion of every dollar that every cardholder charges," said R-CALF USA Office Manager Candace Bullard, who coordinated the project.

"Everything in the program is strictly confidential," Bullard added. "The R-CALF staff has no access to members' purchase information or credit history. Every-

thing is handled by CardPartner, and R-CALF reaps the rewards.

"What's nice, besides the benefits listed to the right, is that there are five versions of the card for members to choose from: one that fits the cow/calf sector of our industry, one for feeders, a couple of options offer picturesque country scenes, and one is a cowboy on horseback," she continued.

"All members have to do is visit the 'Credit Card' link on our Web site at [www.r-calfusa.com](http://www.r-calfusa.com) and go through the easy online application process or call the R-CALF USA office for a paper application," Bullard said.

The R-CALF USA Visa Platinum card offers qualified cardholders these exceptional benefits:

- \* No annual fee
- \* 0% APR on purchases and balance transfers for the first six months.
- \* Purchase protection
- \* Zero liability protection for unauthorized purchases
- \* Emergency cash and card replacement
- \* Lost/stolen card reporting service
- \* 24-hour roadside assistance
- \* Warranty manager service
- \* Lost luggage replacement

# Resolutions Proposed at the 10th Annual Convention of R-CALF USA January 24, 2009

## 1. Animal Health Resolution No. 1:

**WHEREAS:** The Department of Homeland Security has received bids from states for a site for a proposed National Bio Agro-Defense Facility (NBAF) to replace the present Plum Island, N.Y., site; and,

**WHEREAS:** The United Kingdom recently experienced an outbreak of foot-and-mouth disease (FMD) from a laboratory that was located in close proximity to farms and ranches; and,

**WHEREAS:** The livestock population of the United States is susceptible to numerous foreign diseases, and an outbreak could have severe consequences for producers and consumers,

**THEREFORE BE IT RESOLVED:** R-CALF USA strongly promotes extensive biosecurity measures to prevent the release of animal disease agents into the environment.

**BE IT FURTHER RESOLVED:** R-CALF USA strongly supports maintaining and implementing a workable emergency management plan.

**BE IT FURTHER RESOLVED:** R-CALF USA demands that any National Bio Agro-Defense Facility remain on Plum Island or be built in a similarly secure area, taking full advantage of natural barriers, out of proximity of farms and ranches.

## 2. Animal Health Resolution No. 2:

**WHEREAS:** The National Bio and Agro-Defense Facility (NBAF) is to be moved from an island – Plum Island, N.Y. – to the mainland of the U.S. in Manhattan, Kan., and

**WHEREAS:** The jurist Learned Hand devised a calculus of risk: the *magnitude* of the harm multiplied by the *probability* of harm, versus the *burden of prevention*, and

**WHEREAS:** The magnitude of harm moving the NBAF is beyond disastrous. A contagious pathogen could be unleashed that would decimate the entire U.S. cattle herd because the disease research site would be placed squarely in the heart of cattle country: Kansas. Airborne pathogens, such as foot-and-mouth disease (FMD) could travel vast distances to infect the entire cattle herd of our country. The probability of this happening is a near certainty since no human plan is foolproof, and total containment has never happened.

**HENCE:** Congress originally insisted that livestock disease research be kept away from the mainland and placed on an island where water would form a natural boundary protecting against the possibility of spreading disease. Given the natural water boundaries of Plum Island, N.Y., sometimes outbreaks occurred but were stopped before reaching land.

**HENCE:** The burden of preventing this harm is minimal. Simply keep Plum Island operating. Upgrading Plum Island would be no more expensive than building from scratch an entire new facility in Kansas. Until now, Plum Island has proven itself capable of keeping contagious disease from being transmitted to the mainland.

**HENCE:** The risks are too great. The public has not been given adequate time to make its case against the Kansas site, nor has the public truly been heard.

**THEREFORE BE IT RESOLVED:** R-CALF USA supports keeping such research on Plum Island to protect U.S. livestock, and opposes the NBAF being located in Kansas or any other mainland site.

## 3. Animal Health Resolution No. 3

**WHEREAS:** Independent animal owners, through years of experience, know how to best care for their animals because their livelihoods depend on it, and

**WHEREAS:** States such as California and Florida, by referendum ballot initiatives, have adopted animal husbandry practices that are dictated by thousands of voters, most of whom have no knowledge of what is best for the animals or their owner,

**THEREFORE BE IT RESOLVED:** R-CALF USA opposes ballot initiatives to dictate animal husbandry practices and stresses the fact that those decisions are best made by the independent animal owner.

## 4. Animal ID Resolution No. 1

**WHEREAS:** the U.S. Department of Agriculture has violated its promise to maintain a voluntary status for the National Animal Identification System (NAIS) at both the federal and state levels, and

**WHEREAS:** NAIS has neither been debated or adopted by the members of Congress, nor presented to the President for signature, but rather is being implemented solely through USDA rules, regulations and funding under statutes adopted and previously implemented, and

**WHEREAS:** the implementation of NAIS has not been subject to the requirements of the National Environmental Protection Act (NEPA) to prevent the cost-prohibitive impact on the small producer and the negative impact on the custom, culture and economic stability of local communities, and

**WHEREAS:** NAIS has no demonstrated value for disease control, which is already well served by existing state brand laws and veterinarian services, and its benefits are solely to USDA for control of private property, to mega-agribusiness and to the manufacturers of equipment for the implementation of NAIS, and

**WHEREAS:** combining mandatory state programs with NAIS premises registration is in violation of the Fourth Amendment of the U.S. Constitution, which states, "The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated," and

**WHEREAS:** USDA has implemented policies that compel accredited veterinarians, at the risk of losing their state licenses, to register premises that are not voluntarily registered, and

**WHEREAS:** combining mandatory state programs with NAIS violates the Fifth and 14<sup>th</sup> Amendments, which guarantee that neither the federal government nor any State "Shall deprive any person of life, liberty, or property, without due process of law," and

**WHEREAS:** NAIS has usurped states' rights by violating the 10<sup>th</sup> Amendment, which states, "The powers not delegated to the United States by the U.S. Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people," and

**WHEREAS:** USDA has established rules and regulations for the levying of excessive fines, from \$5,000 to \$500,000, or imprisonment of up to 10 years, a violation of the Fifth and Eighth Amendments of the U.S. Constitution, and for the enforcement of said rules and regulations through its Investigative and Enforcement Services, and

**WHEREAS:** USDA continues its pattern of violating Constitutional rights by pursuing critical mass to justify its objectives,

**NOW, THEREFORE BE IT RESOLVED:** R-CALF USA vigorously opposes USDA's implementation of the National Animal Identification System as a means of registering private property as premises subject to increased government control, a system which was neither originated by grassroots producers, nor warranted for disease prevention, control or traceback ability.

## 5. Checkoff Resolution No. 1

**WHEREAS:** In order to ensure full and fair participation in any future referendum by the maximum number of National Beef Checkoff Program contributors,

**BE IT RESOLVED:** R-CALF USA opposes any requirement by USDA that mandates premises registration to qualify for a Checkoff ballot.

## 6. Marketing Resolution No. 1

**WHEREAS:** Excessive speculation has reduced the effectiveness of the commodities futures market to provide cattle producers accurate price discovery and meaningful opportunity to offset price risk,

**THEREFORE BE IT RESOLVED:** R-CALF USA supports fundamental reforms to the commodities futures market, including:

A prohibition against speculative short selling (i.e., selling commodity contracts without either owning the commodity or purchasing commodity contracts).

Establishment of aggregate speculative position limits across all markets and imposed on the portion of speculative activities carried out by participants that may also participate as physical market hedgers.

Speculative position limits must be determined by physical market hedgers (i.e., by participants who use the futures market for its intended purpose of providing price discovery and risk management to buyers and sellers of cattle).

Excessive daily market volatility must be minimized by restoring the more reasonable daily limit of \$1.50 per hundredweight (cwt).

A prohibition against cash settlements on futures contracts in lieu of actual cattle delivery.

## 7. Marketing Resolution No. 2

**WHEREAS:** Due to concentration and collusion by many major corporations and the economic condition of this country, which both have stifled free market competition, the Packers and Stockyards Act must be enforced,

**THEREFORE BE IT RESOLVED:** R-CALF USA should ask Congress to pass legislation that would ban the practice of packers subject to mandatory price reporting from feeding and owning livestock that would go further than the Consent Decree of 1920.

## 8. Private Property Rights Resolution No. 1

**WHEREAS:** National scenic byways and scenic landscapes, which are promoted by economic development governmental agencies and non-governmental agencies, create any and all inverse takings of private property,

**THEREFORE BE IT RESOLVED:** R-CALF USA opposes all national scenic byways, scenic landscapes and acquisitions without due process and appraisal at highest and best use under uniform appraisal standards for federal land acquisition.

## 9. Private Property Rights Resolution No. 2

**BE IT RESOLVED:** R-CALF USA opposes the use of condemnation and eminent domain for benefits to others, such as governmental agencies, non-governmental agencies, private entities and entities of the proposed North American Union, and

**BE IT FURTHER RESOLVED:** Land acquired by eminent domain cannot be sold or re-dedicated unless it is to the original owner, heirs or assigns.

## 10. Private Property Rights Resolution No. 3

**WHEREAS:** The United States of America is a sovereign nation, and the U.S. Congress did not debate or vote in favor of Agenda 21 (Sustainable Development);

**WHEREAS:** The United Nations has proposed and promulgated Agenda 21, which is a collectivist planning document;

**WHEREAS:** Agenda 21 alienates you from your owner rights in private property, as states the U.S. Constitution,

**THEREFORE BE IT RESOLVED:** R-CALF USA opposes Agenda 21.

## 11. Private Property Rights Resolution No. 4

**WHEREAS:** Custom and culture determine the direction of societies, and good government makes the pursuit of custom and culture a realistic possibility; and

**WHEREAS:** The American custom and culture mechanism is based in individualism and personal responsibility; and

**WHEREAS:** The nature of the cultural mechanism requires a fixed and measurable money system to reward individuals for their skills, labor and productivity; and

**WHEREAS:** People who produce value in society deserve to have a stable storage system to secure that wealth and provide for their future needs; and

**WHEREAS:** The historically respected system of measuring and storing the fruits of labor and skill has been through gold and silver and landed property; and

**WHEREAS:** Banking lenders have been entrusted through the Federal Reserve to replace the gold and silver system with a stable non-commodity-based monetary system, and they have failed in that trust; and

**WHEREAS:** The lack of stable property in the form of commodity based money has made self-earned security impossible for most wage earners, and therefore, the burden of property rights protection has fallen on landed property owners; and

**WHEREAS:** Farmers and ranchers lament the loss of property rights and find political success extremely difficult due to minority numbers; and

**WHEREAS:** Stable value money would bring together wage earners, farmers and ranchers for the common goal of property rights protection; and

**WHEREAS:** A return to commodity based money as property would perpetually secure all producers' self-earned wealth, and would bring a political majority into the fold as property rights protectors.

**THEREFORE BE IT RESOLVED:** R-CALF USA supports legislation to dismantle the Federal Reserve and its non-commodity based monetary system, and to re-establish a commodity based currency as the lawful money of the United States according to Article 1, Sections 8 and 10 of the U.S. Constitution.

## 12. Private Property Rights Resolution No. 5

**WHEREAS:** R-CALF USA supports an exemption from the federal estate tax for estates meeting the following requirements:

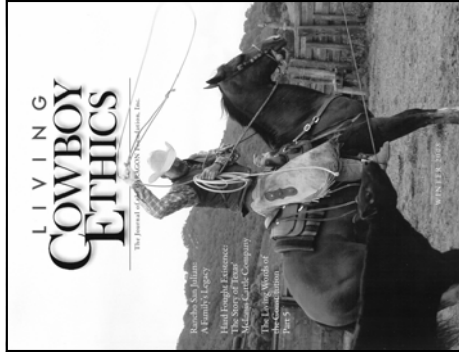
1. Seventy-five percent of the value of the estate is attributable to the value of a family owned and operated business, regardless of how the ownership of the business is held; i.e., sole proprietorship, general partnership, limited partnership, limited liability corporation, sub-S corporation, or C-type corporation;

2. One or more heirs is/are, and will continue to be, an active participant in the family operation which participation is in the form of labor, management or capital;

3. The family business employs less than 50 persons; and,

4. The entire business operation is based within the United States with no off-shoring of any facet of production.

**THEREFORE BE IT RESOLVED:** Estates meeting the foregoing will not be subject to the estate tax.



## Living Cowboy Ethics Welcomes Members of R-CALF USA

To improve our communications with our members, R-CALF USA has partnered with the PARAGON Foundation to bring you the outstanding quarterly magazine, *Living Cowboy Ethics*. The PARAGON Foundation is an R-CALF USA affiliate organization that shares common interests with R-CALF USA.

Each issue of *Living Cowboy Ethics* will feature a special section devoted to R-CALF USA and because the relatively new magazine is experiencing substantial growth in circulation, R-CALF USA will be able to extend its message to even more readers, which will help our organization grow even stronger.

*Living Cowboy Ethics* is an award winning publication and we hope you enjoy receiving this very informative magazine as part of your membership in R-CALF USA.

## Hundreds Celebrate Group's 10<sup>th</sup> Anniversary at Annual Convention

The 2010 convention will again be held in Rapid City January 22 and 23.

Rapid City, S.D. (January 27, 2009) – More than 200 members and their families celebrated R-CALF USA's 10<sup>th</sup> Annual Convention here Jan. 23-24 at the Ramkota Hotel where it all started back in 1999.

"This year, everything was very focused on R-CALF itself," said R-CALF USA CEO Bill Bullard. "We did have some guest speakers during the meals, but most of our speakers were internal committee chairs or other active volunteers, and the mix was perfect."

"The comments that I received about the structure of the two-day convention were all quite positive, so we'll likely continue with that format," he continued. "There was no tension because we all knew we were among friends and we are united for a common cause. We also were able to accomplish a great deal of business for the organization. The event was exceptionally well run – smoother than others in the past."

Several policy proposals were brought to the floor during Saturday's business session, and R-CALF USA staff will send out the ballots for voting members on or before March 12, according to R-CALF USA Membership Services Coordinator Laurel Masterson. (Ballot enclosed.)

"Members took advantage of the shortened length of the convention, and this translated into more in attendance during the meetings, as well as during our business session where the policy development occurs," Masterson said.

The Saturday evening festivities included both a silent auction featuring more than 30 items, as well as a live auction, which between the two raised more than \$5,000 for the organization.

- Nebraska Member Vince Hulinsky, with Ag-West Feeds, donated a bronze statue titled "When Cowboys Take a Dare," which was purchased by Wyoming Member Taylor Haynes, M.D., for \$1,050.
- Missouri Member Dudley Butler, with Butler Farm & Ranch



**2009 convention attendees left to right: Candace Krebs, Enid, Okla.; Mike Callicrate, St. Francis, Kan.; William Bledsoe, Hugo, Colo.; Bill Bledsoe, Hugo, Colo.; Keith Beach, Ekalaka, Mont.; Katrin Kolder, Thermopolis, Wyo.; Jim Madsen, Thermopolis, Wyo.; and Mike Schultz, Brewster, Kan.**

Law Group, PLLC, donated a refurbished Ryon saddle, which was purchased by South Dakota Members Rick Fox and Ken Knuppe for \$800, who in turn donated it back for re-auction where it is sold to South Dakota Member Pat Trask for \$900.

Dakota Community Bank donated a limited edition 10<sup>th</sup> anniversary R-CALF USA sign, which was purchased by R-CALF USA Region IX Director George Chambers, of Georgia, for \$1,400.

Anders Ranch, located in South Dakota, donated a Boxer Hitch, which was purchased by Utah Member Bert Smith for \$275.

A copy of the coffee-table book titled *Great Ranches of the West*, authored by Jim Keen and donated by Kansas Member Mike Callicrate, was purchased by South Dakota Member Chris Harvey for \$185.

Vendors from several states filled the exhibit room, and many local businesses also helped sponsor the event.

"We are very thankful to all the businesses and individuals who sponsored the R-CALF USA convention," Masterson concluded. "Rapid City gave us a great 'welcome back,' and we are excited to go back next year."



*Fighting for the U.S. Cattle Producer!*

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# IMPORTANT!

## Official 2009 R-CALF USA Membership Policy Ballot

Return ballot in enclosed envelope on or before March 20, 2009.

### 2009 Mail-Back Ballot

Per R-CALF USA's Bylaws: Article III Members, Section I. Classes and Qualifications of Members:....Members shall be U.S. residents who own cattle. Each member shall have one vote in setting policy and electing directors. (per R-CALF USA Articles of Incorporation: Article V Members: Associate members shall not be vested with voting rights.)

Section 3. Rights of Members:....Members shall have the right to vote for the election of directors and to set corporation policy by majority vote.

Article IV Directors, Section 3. Nomination and Election of Directors: Upon the expiration of a director's term or upon a vacancy each region shall be responsible for nominating nominees who reside within the district. Further nominations will be taken from the floor at the annual meeting. In addition, any member may petition to be nominated by forwarding a letter to the Board of Directors making such a request.

Article XVIII—Setting Policy: Members shall set policy by majority vote. Policy shall be nominated and refined as to wording at the annual meeting with a final vote on any such proposal resulting in that proposal being nominated. Any such proposal shall then be presented to the entire membership and voted up or down by the majority vote for the members then voting. Voting shall be by mail in a manner prescribed by the Board of Directors and shall take place within forty-five (45) days of the annual meeting. Thereafter, the Directors shall have the duty and obligation of implementing the policy directed by the members as previously set forth herein.

*Cattlemen's Newsletter*

**United Stockgrowers of America**

**R-CALF USA  
PO Box 30715  
Billings, MT 59107**

Membership Type:  
Membership Expires: