

Cattlemen's Newsletter

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FMD Outbreaks Persist in South Korea Despite Wishful Thinking by Ag Secretary and OIE

Foot-and-mouth disease (FMD) is perhaps the most contagious disease known to cloven-footed animals like cattle, hogs, sheep, deer and elk. Argentina and Brazil are countries where the FMD virus is known to exist. Nevertheless, United States Secretary of Agriculture Tom Vilsack has already relaxed import restrictions on livestock and meat from certain areas within Argentina and Brazil and now proposes to greatly expand the areas within those FMD-affected countries that would be eligible to export livestock and meat to the United States.

But that would be irresponsible and dangerous according to R-CALF USA, the largest producer-only national cattle trade association in the United States. R-CALF USA CEO Bill Bullard points to the recurring outbreaks of FMD in South Korea, a country that Vilsack recently insisted was free of FMD and that the World Organization for Animal Health (OIE) has repeatedly declared free of FMD.

After South Korea experienced outbreaks of FMD in 2000 and 2002, the U.S. Department of Agriculture (USDA), in October 2008, completed a risk evaluation that declared South

Korea free of FMD. On December 28, 2009, Vilsack issued a final rule declaring South Korea free of FMD and eligible to export fresh beef to the United States beginning January 12, 2010.

However, on January 2, 2010, just days before the effective date of the Secretary's final rule, South Korea experienced an outbreak of FMD and the Secretary was forced to delay indefinitely the effective date of South Korea's FMD-free designation.

South Korea's horrific FMD outbreak lasted from January 2010 through April of 2011, and when the dust finally settled, South Korea had to destroy 324,922 hogs and 9,257 cattle.

Eager to "normalize" trade between South Korea and the rest of the world, the World Organization for Animal Health (OIE) declared South Korea free of FMD in May, 2014.

But, just two months later, on July 24, 2014, South Korea reported a new outbreak of FMD and on Sept. 11, 2014, it reported two others. The three new outbreaks occurred in three swine herds in two separate provinces and 1,320 swine had to be destroyed.

Then, on Dec. 3, 2014, South Korea reported

its fourth FMD outbreak for the year, this time in another swine herd in a new province. So far South Korea has destroyed 574 swine in response to its latest outbreak.

The official explanation by the South Korean government for what caused South Korea's recurring outbreaks since 2010 is "unknown or inconclusive."

Bullard says that Vilsack's and the OIE's declarations that South Korea was free of FMD was based on politics and wishful thinking rather than science.

"The fact that outbreaks continue to occur in a country where both Vilsack and the OIE say they should not raises serious red flags," said Bullard.

"When you further consider that South Korea cannot identify the cause of its recurring outbreaks after having destroyed hundreds of thousands of livestock, it becomes clear that Secretary Vilsack is endangering the health and safety of the U.S. cattle herd by systematically relaxing our longstanding FMD import restrictions for Argentina and Brazil," Bullard concluded.

Group Appreciates CME's Emergency Action that Unlocked Stalled Feeder Cattle Futures Market; Will Seek Investigation

Recently, the Chicago Mercantile Exchange Inc., (CME) took emergency action to unlock the stalled feeder cattle futures market that had been locked the limit down for an unprecedented five consecutive days. In response to the lockdown, cash feeder cattle prices fell approximately \$15 per hundredweight, or about \$120 per head for an 800 lb. steer, in just two weeks.

According to Bob Mack, R-CALF USA's representative on the Commodity Futures Trading Commission (CFTC) Advisory Committee, the lockdown may have been caused by panic selling.

"The CME took appropriate action by widening the trading range to allow prices to find market clearing levels in an orderly manner," said Mack.

The feeder cattle futures lockdown followed

about a \$10 per hundredweight decline in fed cattle prices and a weakening of beef prices. Other factors in play prior to the lockdown include an increase in corn prices, negative feeding margins, a continued strengthening of the dollar and financial instability around the world resulting from a steep reduction in crude oil prices.

Some industry analysts believe it was these factors that caused the unprecedented lockdown in the cattle futures market.

Mack does not disagree that these may be contributing factors, but he said that given how thinly traded the feeder cattle futures market is, and because the market is cleared by cash rather than by delivery of the actual commodity, the feeder cattle futures market is vulnerable to manipulation.

"It is essential that the CME and the CFTC look at the trading activity around this market move to verify that it is due to legitimate market signals and not the result of market manipulation," said Mack.

R-CALF USA CEO Bill Bullard said his group called the CME on Wednesday and urged them to take action to unlock the market, including action typically used to break a market squeeze given the group's concern that this lockdown may have been caused by manipulation.

"Our U.S. cattle herd size is the smallest in about 70 years making cattle supplies extremely tight while demand appears to be strengthening. These factors contradict the severe market correction we just experienced and fuel our concerns of market manipulation," Bullard said.

Trading in the feeder cattle futures market resumed yesterday so producers are once again able to hedge their feeder cattle risks.

"Time will soon tell if these actions are enough to prevent further market collapse. Meanwhile, we will be asking the CME and the CFTC to investigate the cause of the unprecedented, five-day market lockdown to determine if our suspicions of market manipulation are correct," Bullard concluded.

There is no passion to be found in settling for a life that is less than the one you are capable of living. —Nelson Mandela

20th BSE Case Raises New Concerns about Canada's Feeding Practices and Voluntary Testing Program; Highlights Importance of COOL

On February 13, 2015, Canada confirmed its 20th case of bovine spongiform encephalopathy (BSE or mad cow disease) in a native-born animal. Although Canada obtained confirmation of this latest case on February 11, it withheld information regarding the age of the cow until February 18, 2015.

As shown by R-CALF USA's BSE lifespan chart, at 71 months of age this beef cow is the sixth youngest BSE-infected cow to be detected in Canada. Also, the cow was born and raised in the province of Alberta, which R-CALF USA refers to as a "BSE hotspot" because, as R-CALF USA's BSE matrix shows, 75 percent of Canada's 20 BSE-positive, native-born cattle originated there. Canada's confirmation also establishes that the cow was infected with classical BSE, which is the strain many scientists believe is spread via the consumption of contaminated feed. In contrast, the atypical strain of BSE typically affects much older animals and is believed by some scientists to occur randomly or sporadically in nature.

All three of the BSE cases detected in native-born United States cattle were of the atypical strain not known to be caused by the now unlawful practice of feeding ruminant tissues to ruminants. The only case of classical BSE detected in the United States was a cow imported from Alberta, Canada, and subsequently detected with the disease in the states of Washington in 2003.

Based on scientific evidence linking the length of the disease's incubation period to the amount of infectivity ingested, the cow's relatively young age indicates she had consumed a relatively high level of infectivity, at least as high as that which caused the infection of Canada's comparably-

aged BSE cases detected in 2003, 2006, 2007 and 2008.

Canada resisted making any improvements to its 1997 ruminant-to-ruminant feed ban until after it had detected multiple BSE-positive cattle born well after the implementation of its feed ban, indicating its original feed ban was ineffective at arresting the spread of BSE in Canada. Canada's enhanced feed ban was then implemented July 2007 and Canada's newest BSE case is the country's first recorded BSE case born after the implantation of its upgraded feed ban.

"Given this new evidence that the BSE agent is still circulating in Canada's animal feed system, it is more likely than not that Canada's inferior testing program has failed to detect many other BSE-infected cattle, including asymptomatic cattle entering Canada's food system," said R-CALF USA CEO Bill Bullard.

Unlike other nations that instituted mandatory testing requirements for cattle entering the food chain after detecting multiple cases of classical BSE, Canada relies only on a voluntary testing program. The mandatory testing programs in the European Union and Japan successfully removed BSE-infected cattle that were entering the food system even though the infected cattle did not show any signs of the disease. This is because testing can identify BSE-positive cattle several months prior to the animal exhibiting any signs of neurological disorder.

Under the United States recently implemented country of origin labeling (COOL) law, beef that is derived from Canadian cattle can be distinguished in U.S. retail grocery stores because all muscle cuts of beef and ground beef are now required to be labeled as to their origin.

The U.S. Court of Appeals for the District of Columbia Circuit recently concluded that Congress' objective in implementing COOL included "empowering consumers to take possible country-specific differences in safety practices into account." The court also acknowledged that COOL can provide economy-wide benefits by "confining the market impact of a disease outbreak."

"The court found that U.S. consumers can use COOL to avoid purchasing meat from countries like Canada that refuse to implement a responsible testing program to keep diseased animals out of their food system," Bullard said.

"It is troubling that instead of acting responsibly by adopting the tried-and-proven eradication measures successfully used in the European Union and Japan, the Canadian Minister of Agriculture and other Canadian officials are bullying our U.S. Congress and U.S. citizens into repealing COOL, which is the consumers' last line of defense when foreign governments try to cut food safety corners.

"Canadian officials are essentially saying that if the U.S. does not agree to hide the origins of their meat in the U.S. market then they will retaliate against us, which is precisely what they are attempting to accomplish with their COOL complaint filed at the World Trade Organization.

"Congress and the public should ignore Canada's pompous posturing against COOL and instead work to demand that Canada be more responsible in its disease eradication efforts, particularly by implementing a mandatory testing program and strengthening its feed ban," concluded Bullard.

Customers Worldwide Demonstrate Importance of Knowing the Origin of Beef

At least five importing nations have imposed import restrictions on beef and beef-related products in response to Canada's detection earlier this month of a 71-month-old beef cow infected with bovine spongiform encephalopathy (BSE or mad cow disease). The major beef importing nations of South Korea and Taiwan along with Peru, Belarus and Indonesia all have imposed import restrictions on Canadian-origin beef and beef related products.

"The actions by these five countries demonstrate that consumers the world over not only have an interest in knowing the country of origin of the beef they purchase; but also, they make purchasing decisions based on country of origin information," said R-CALF USA CEO Bill Bullard whose organization successfully defended the U.S. country of origin labeling (COOL) law at the U.S. Court of Appeals for the District of Columbia Circuit.

However, Bullard says opponents are undeterred by real-world facts in their quest to ultimately overturn the U.S.

COOL law in Congress.

For example, a recent news article by NET News/Harvest Public Media (PBS/NPR) states that research by Kansas State University agricultural economist Glynn Tonsor indicated that "country of origin isn't really influencing what people buy."

The same article quoted Mark Dopp of the North American Meat Institute as saying that country of origin labels do not have anything to do with food safety.

In a recent Tri-State Livestock News article, COOL opponent Colin Woodall of the National Cattlemen's Beef Association (NCBA) was quoted as saying that COOL has 'nothing the producer is looking for' and that there is 'no benefit to consumers.'

"This anti-COOL rhetoric is nonsensical and debunked by the many countries that have now expressed their concerns over the safety of Canada's beef supply and have acted on those concerns by imposing bans on Canadian-

origin beef," Bullard said.

The United States has not yet restricted Canadian beef imports even though Canada cannot explain how a relatively young beef cow born 12 years after Canada implemented what it claimed was an effective feed ban and nearly two years after Canada upgraded that feed ban – which is the country's primary defense against the spread of BSE – was nevertheless infected with classical BSE.

"If U.S. consumers wish to avoid Canadian-origin beef pending Canada's official answer to this ongoing mystery, they can do so today by looking for the country of origin label on their meat purchases," explained Bullard.

"It is a travesty that the government of Canada and the meatpacking lobby here in the U.S. are tag-teaming in Congress to deprive U.S. consumers of their right to know the origins of their beef," he added.

R-CALF USA: NCBA's New Proposal Fails to Fix the Broken Cattle Tax

Despite the departures of both R-CALF USA and the National Farmers Union from the U.S. Department of Agriculture (USDA) sanctioned Beef Checkoff Enhancement Working Group, all of the checkoff contractors, led by principal contractor, National Cattlemen's Beef Association (NCBA), and four other contractors, along with three remaining industry groups recently finalized a proposal designed to increase the national Beef Checkoff Program's current mandatory assessment of \$1 per head of cattle sold to \$2 per head of cattle sold.

"This new proposal is window dressing designed to deflect attention away from the NCBA's misappropriation of over \$216,000 in producer dollars and Agriculture Secretary Tom Vilsack's failure to maintain the integrity of the program," said R-CALF USA CEO Bill Bullard.

"The national Beef Checkoff Program has become a USDA-supported cattle tax that helps the NCBA fight against policy proposals beneficial to independent farmers and ranchers as exemplified by the NCBA's ongoing litigation and congressional lobbying effort to eliminate the widely popular country-of-origin labeling for beef," Bullard added.

An in-depth investigative report into the Beef Checkoff Program by Pulitzer Prize winning journalist Mike McGraw and journalist Peggy Lowe published January 18 in The Kansas City Star and available at <http://www.flatland-kc.org/food-and-field/beef-checkoff/> reveals how independent family farmers and ranchers are disenfranchised

by the Vilsack-managed cattle tax.

Bullard explained that the new proposal contains no structural reforms to eliminate the ongoing conflict of interest in which the NCBA houses, owns and controls the Federation of State Beef Councils (Federation) and the Federation, in turn, controls at least half the votes needed to successfully and consistently award the lion's share of checkoff dollars to the NCBA, which has enabled the NCBA to effectively control the Beef Checkoff Program for decades.

Bullard further explained the proposal would perpetuate the practice of awarding checkoff dollars to advocacy groups that then use the cattle tax to offset their administrative costs, freeing up thousands if not millions of dollars with which to lobby for their own special interests.

According to documents R-CALF USA received via a Freedom of Information Act (FOIA) request, Vilsack helped establish the private, Beef Checkoff Enhancement Working Group (Industry Group) in 2011 by officially assigning a top level, U.S. Department of Agriculture (USDA) employee, Dr. Craig Morris, to assist the Industry Group.

After the Industry Group teamed up to oust R-CALF USA's representative from its ranks in 2012, Vilsack issued a written denial that he had sanctioned the Industry Group. Vilsack instead indicated that his agency's role was only to provide educational presentations. However, in his

official November proposal published in the Federal Register to establish a new beef checkoff program, Vilsack's leadership role was described as that of directing the Industry Group to reconvene their meetings and appoint a facilitator.

"Vilsack's favoritism toward the NCBA and its industry allies is demonstrated by his ongoing support of the Industry Group that rejected R-CALF USA and his refusal to even meet with R-CALF USA to discuss our group's concerns and suggestions regarding the Beef Checkoff Program.

"We believe Secretary Vilsack's inaction following disclosures by the independent accounting firm that indicated the NCBA had breached the Beef Checkoff Program's financial firewall has spoiled any opportunity for our group to achieve meaningful checkoff reforms.

"R-CALF USA, which is the largest producer-only, national cattle trade association in the United States, has been marginalized by Vilsack's inaction and the Industry Group, ostensibly led by the NCBA, has been empowered to continue pursuing its self-interests without the burdens of accountability," Bullard concluded.

R-CALF USA is urging the rejection of the NCBA's proposal and continues to urge Vilsack to fulfill his responsibility to the U.S. cattle industry by putting an end to the conflicts of interest that now permeates every level of the Beef Checkoff Program.

R-CALF USA: Vilsack Wrong to Blame Producers for His Checkoff Failure

In an interview with DTN Ag Policy Editor Chris Clayton, Agriculture Secretary Tom Vilsack reportedly announced that he was abandoning his plans to seek reforms to the national Beef Checkoff Program. Vilsack had issued a formal notice in the Federal Register on November 10, 2014, seeking public comments on how those reforms should look. The notice received 1,587 public comments by the December 10, 2014 deadline.

According to the DTN report, Vilsack criticized U.S. cattle producers for failing to agree on how the national Beef Checkoff Program should be reformed and he claimed that everyone in the industry agrees that the national Beef Checkoff Program needs more money.

"Secretary Vilsack is wrong to blame U.S. cattle producers for his failure to reform the beef checkoff program and his claim that everyone in the industry wants to increase

the checkoff fee is baseless," said R-CALF USA CEO Bill Bullard.

R-CALF USA submitted comprehensive comments in response to Vilsack's notice that refute Vilsack's claim that the industry agrees that more money is needed for the checkoff. The group's comments state that after a decade of inaction by USDA to correct the abuses, corruption and conflicts of interest that pervade the current national Beef Checkoff Program, members of R-CALF USA, which is the nation's largest producer-only cattle trade organization, voted overwhelmingly to urge Congress to repeal the program.

"The systemic problems within the beef checkoff are within the Secretary's purview as evidenced by at least two OIG (Office of Inspector General) reports that found the Secretary was not properly overseeing the national Beef

Checkoff Program and, as a result, it is not possible to determine if the millions of dollars collected by the checkoff program each year are being spent properly," Bullard added.

A 2010 independent audit report revealed that the checkoff program's primary contractor, the National Cattlemen's Beef Association (NCBA), misappropriated over \$216,000, which the NCBA was later forced to pay back.

"The Secretary is responsible for ensuring that the mandatory assessments collected from U.S. cattle producers are being properly spent and he has failed his responsibility. Blaming hard working U.S. cattle producers for that failure is disgraceful, as is pulling baseless facts out of thin air," concluded Bullard.

CHECKOFF CORNER



Joe Pongratz is the chair of R-CALF USA's Checkoff Committee. I am writing this to bring everybody up to date as to what is happening in regards to the Beef Checkoff program.

Hello All,

Hopefully winter has been good for everyone. Calving will have started for many of you by the time you receive this newsletter. I wish you all the best during this calving season. It is the best part of the job, but often it can also be the most trying.

To recount what is happening in our beef checkoff program, we will start with the memorandum of understanding (MOU) drafted in 2014 by the Industry Working Group that proposed raising the checkoff another dollar and allowing members of the Industry Working Group to vote on who will sit on the checkoff operating committee. The problem with that proposal is they would still be choosing candidates from the very same pool of people that they choose from now. This would not result in any change in leadership or direction and would not fix the corruption within the checkoff. R-CALF USA issued a press release on this initial MOU and soon after the National Farmers Union quit the Industry Working Group out of frustration with its lack of meaningful progress.

After all this happened the Secretary of Agriculture proposed a plan to create a totally separate checkoff program that would be modeled after the 1996 generic checkoff act. With this and the National Farmers Union's withdrawal from the Industry Working Group, the MOU appeared to have been stopped. Many questions were raised on how the Secretary's new checkoff would look and operate and whether it would replace the current program or run parallel to it. R-CALF USA submitted comments based on member-policy on how we want a checkoff program to operate. But, before the ball really got a chance to start rolling the strong lobbying in Congress by the National Cattlemen's Beef Association (NCBA) put a stop to the creation of this second checkoff and the Secretary withdrew it.

Which brings us to now . . . and we have come full circle. The Industry Working Group has resurrected its MOU and is moving forward with what appears to be a full head of steam. We are working on our plan to stop this new MOU because it would double the checkoff fee and still leave the NCBA and the NCBA-controlled Federation of State Beef Councils in complete control of the program. As I write this article, R-CALF USA is circulating a joint letter among other groups that will demonstrate widespread opposition to the MOU among checkoff-paying cattle producers. If any of you are members or know of members of a group that are in the Industry

Working Group, we ask that you call them to urge them to demand that their group abandon the MOU. The Industry Working Group includes American Farm Bureau Federation, American National Cattlemen Inc, Livestock Marketing Association, Meat Import Council of America, National Cattlemen's Beef Association, National Livestock Producers Association, National Milk Producers Federation, and United States Cattlemen's Association.

By an 89 percent margin the members of R-CALF USA recently voted to urge Congress to repeal the current beef checkoff program because the program is so corrupted. We will soon be making this request, but before we do we need to stop this MOU to prevent the false impression that the MOU would correct all the checkoff problems.

We will continue keeping on top of this. Good luck with calving!

Thank You

Joe Pongratz

Take a minute to celebrate your big win!

Dear Members and Affiliates,

An emphatic "CONGRATULATIONS" to you for successfully defending country-of-origin labeling (COOL), again. This time you defended COOL against an extremely well-funded and well-organized legal attack by nine prominent members of the meatpacking lobby. The meatpacking lobby decided to abandon their anti-COOL lawsuit and the case was dismissed on February 9, 2015. The anti-COOL meatpacker lobby includes the National Cattlemen's Beef Association (NCBA) and its Canadian and Mexican counterparts, the National Pork Producers Council (NPPC) and its Canadian counterpart, and four national and regional meatpacker trade groups, including the American Meat Institute (AMI) and the North American Meat Association (NAMA). It is extremely frustrating to know that one of the main reasons the meatpacker lobby has such deep pockets with which to wage a multi-year fight against the economic interests of independent U.S. cattle producers is because several in their group are direct recipients of millions of your checkoff dollars. Further, those members who are not direct recipients are nevertheless indirect beneficiaries of your checkoff dollars. As frustrating as this is it is equally disheartening to know that Agriculture Secretary Tom Vilsack refuses to do anything about it.

The meatpacker lobby first filed their COOL lawsuit in July 2013. R-CALF USA immediately joined forces with consumer group Food & Water Watch, affiliate South Dakota Stockgrowers Association, and the Western Organization of Resource Councils (WORC) to intervene in the lawsuit to defend COOL. Attorneys for our group were Zach Corrigan from Food & Water Watch and J. Dudley Butler, former USDA-GIPSA Administrator and attorney who specifically represented R-CALF USA.

Several of our members provided written testimony in the case including Hereford, South Dakota, rancher Gary Deering and O'Neill, Nebraska, rancher Joe Pongratz. South Dakota Stockgrowers Association Executive Director Silvia Christen and I also provided testimony as did individuals from Food & Water Watch and WORC. Our team spent countless hours refining our arguments to ensure that our positions were made crystal clear to the court, particularly our arguments that ours is not a "North American cattle industry" but rather a "U.S. cattle industry," that COOL provides information consumers can use to achieve their food safety objectives, that labels enable consumers to support U.S. farmers and ranchers through their purchases of exclusively U.S. born, raised and slaughtered beef, and that COOL implementation is not costly because packers already have bar-coded tracking systems in place that can readily track the origins of all beef products after they are separated from the carcass.

Because of the expertise R-CALF USA and our partners had gained from first working together to pass COOL in 2002 and then working together for the ensuing dozen years to properly implement COOL, we were able to successfully defend COOL for a relatively low cost when compared to most major lawsuits that involve both constitutional and statutory issues as did this one. R-CALF USA's total attorney fees and out-of-pocket expenses for defending COOL in this lawsuit since July 2013 were \$31,135.

You should be extremely proud of defending your pro-competitive COOL law against such a formidable legal attack. We now have a United States Court of Appeals decision that has found that COOL is constitutional, that Congress did authorize the "born, raised, and slaughtered" label, that USDA was authorized to prohibit the

practice of comingling that resulted in the mislabeling of USA beef with a mixed-country label, and that COOL labels provide benefits to consumers.

As you know, we have two remaining frontal attacks against COOL that we must defend. The most immediate is in Congress' upcoming FY 2016 appropriations bill that our opponents intend to use to include language to weaken if not repeal COOL. The other front is the World Trade Organization (WTO) where the same meatpacker lobby we just defeated in our U.S. judicial system is working aggressively with the governments of Canada and Mexico to undermine our constitutionally-based COOL law at the WTO. You just can't make this stuff up!

So, again congratulations on your victory and please make it a point to contact your Senators and Representatives to tell them that they should not, under any circumstances, support language in the FY 2016 appropriations bill or any other bill that would weaken or repeal COOL.

Sincerely,



Bill Bullard

P.S. We are receiving information indicating that some groups want USDA to rewrite the COOL rules to include a "Product of North America" label. Please make sure that none of the groups you are associated with are trying to sell you out in this way.

Group Fights to Stop Chinese-Controlled Industrial Hog Farms in Nebraska

In a letter hand-delivered recently to Nebraska Unicameral Legislature's Agriculture Committee, R-CALF USA urged the rejection of Nebraska Legislative Bill 176 (LB 176). Introduced by Nebraska Senator Ken Schilz, LB 176 would amend the state's Competitive Livestock Markets Act (Act) passed in 1999, an anti-corporate farming law that prohibits meatpackers from owning, controlling or feeding livestock for more than five days prior to slaughter.

Schilz's bill proposes to amend the Act to allow packers such as Chinese-owned Smithfield Farms to begin owning, controlling and feeding hogs in corporate-controlled contract swine operations in Nebraska. R-CALF USA wrote that LB 176 would result in a loss of marketing outlets for independent livestock producers that would force them to "either produce livestock under the command-and-control regime of the meatpackers or exit their industry."

R-CALF USA contends that the proposed amendments would drastically reduce livestock market competition in Nebraska because when meatpackers are allowed to own and control all the livestock they need from birth to plate,

the meatpackers will no longer need to compete with one another for available supplies offered by independent livestock producers. This, the group states, limits the marketing outlets available to independent producers.

Additionally, R-CALF USA described LB 176 as a means to allow meatpackers to capture the livestock supply chain away from independent farmers and ranchers.

The group attributes Nebraska's Act as enabling Nebraska to maintain among the most competitive price-discovery markets in the nation by preventing meatpackers from shrinking the competitive cash market through corporate ownership or control of livestock. R-CALF USA explained that the cattle industry's price-discovery cash market has been reduced nationally from 52 percent in 2005 to only 23 percent in 2014.

"In sharp contrast, and as a direct result of Nebraska's Competitive Livestock Markets Act that limits the packers ability to shrink the price-discovery market by capturing the livestock supply chain away from independent producers, the volume of fed cattle comprising the competitive cash mar-

ket in the Nebraska fed cattle procurement region is at 38 percent, which is much higher than the national average.

"Nebraska should fight to defend its Competitive Livestock Markets Act against LB 176, which is designed to help the meatpackers chickenize Nebraska's hog industry by helping the meatpackers to capture the hog supply chain from Nebraska's independent hog producers. And, where Nebraska's hog industry goes, the state's cattle industry is certain to follow."

R-CALF USA CEO Bill Bullard explained that the reason the cattle industry will likely follow the path of the hog industry is because the same meatpackers that slaughter and control the lion's share of all the hogs in the U.S. also slaughter and control the lion's share of fed cattle.

"The U.S. cattle industry is the meatpackers' Last Frontier and cattle producers need to aggressively fight against any and all efforts by the meatpackers to capture any more livestock supply chains away from independent farmers and ranchers, regardless of whether those supply chains involve sheep, hogs or cattle," Bullard said.

Has it been that long already?

Laurel's celebrated 10 years with R-CALF USA!

Grateful. When I think about the last 10 years working for R-CALF USA that's the word - and emotion - I keep returning to. I began my work for R-CALF as a college student on Christmas break filling a temporary job that was offered to my brother. The office needed someone to enter the backlog of data and I needed money to pay my next semester of school. As a bonus, they were willing to work around my other job. It was a great fit!

I'm sure you can guess the ending: my part-time temp job turned into a full-time, long-term job.

During my decade working for R-CALF USA and really for you (as an R-CALF member), I have had the honor of meeting many of you. Sometimes just a quick hello at a booth or meeting, and other times something a little more in depth. I am grateful to have so many friends among you.

It is truly an honor and a privileged to work for such wonderful people, and sometimes it's even fun!



Laurel Masterson
Organizational Activities Director



R-CALF USA Out and About

In December 2014 R-CALF USA along with Independent-Beef Producers of North Dakota (I-BAND) hosted a string of meetings in North Dakota. Together we had meetings in Wishek, Sterling, Drake and Richardton.

Recently along with South Dakota Stockgrowers Association (SDSGA) R-CALF USA hosted a booth at the Black Hills Stock Show (BHSS) in Rapid City, SD.

We've had a great time visiting with members in these two states and look forward to seeing more of you!

If you're interested in hosting a meeting in your area, let Laurel know: 406-252-2516 laurelmasterson@r-calfusa.com.



The joint R-CALF USA and South Dakota Stockgrowers booth at the Black Hills Stock Show in Rapid City, SD.

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A few pictures from the joint R-CALF USA and I-BAND meetings in North Dakota.



Cattlemen's Newsletter

United Stockgrowers of America Jan/Feb 2015

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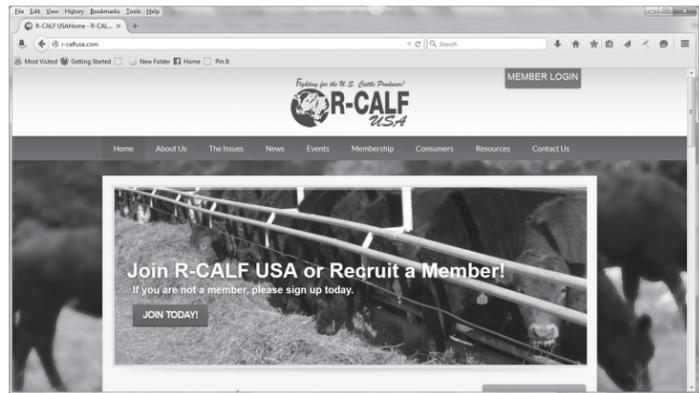
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Have you been to the R-CALF USA website lately?

If not, take a few minutes and check it out! We're excited to show off our new site and all the features it makes available. Most notable is the member-only section of the site. With login information provided by the office, members can enter this exclusive area to view newsletters, member alerts and participate in forums.



These forums are a great way to discuss issues and connect with other members throughout the country.

You can request login information by contacting Laurel at 406-860-8471 or laurelmasterson@r-calfusa.com.

Support R-CALF USA with the Exclusive R-CALF USA Credit Card!



Please mail completed Visa® credit card application to:
CARD SERVICES | P.O. BOX 419734 | KANSAS CITY, MO 64179-0626
 See second page for important rates, fees, disclosures and other cost information.

3 Easy Ways to Apply:

- Apply online at: <https://cardpartner.com/app/90E35>
- Apply over the phone at 1.800.821.5184
- Fill out and return this Application by mail

For Internal Use Only
 NT ID: _____ Submitter Location: _____
 Affinity ID: 90E35

Please use blue or black ink only UMB (R 8/14)

General Information

First Name _____ MI _____ Last Name _____ Suffix _____ Date Of Birth (MM/DD/YYYY) _____
 Email Address _____ Social Security Number _____ Mother's Maiden Name _____
 Physical Address Line 1 (no P.O. Boxes) _____ Physical Address Line 2 _____
 Zip Code _____ City _____ State _____ Length at Residence _____ YR _____ MO _____
 Mailing Address Line 1 (if different) _____ Mailing Address Line 2 _____
 Zip Code _____ City _____ State _____ Primary Phone _____ Alternate Phone _____

Financial Information

Employment Status: Part Time Full Time Self Employed Retired Unemployed Homemaker
 Position _____ Employer Name _____ Length of Employment (in years) _____ YR _____ MO _____
 Work Phone _____ Own Rent Other Monthly Housing Payment \$ _____ Primary Financial Institution _____
 Resident Status _____ Spousal support, child support, or separate maintenance income need not be revealed if you do not wish it to be considered as a basis for repayment.
 Gross Annual Income \$ _____ Gross Annual Other Income \$ _____ Other Income Source _____

Finalize

The Applicant, in signing this Application, certifies the information given herein is true and correct, and agrees to pay all charges on such Account when due in accordance with the Cardholder Agreement that will be sent with the Card(s). Applicant acknowledges receipt of the Important Cost Information disclosure provided with this Application. By obtaining an Account and Card, Applicant agrees that information concerning the Card and Account may be shared from time to time between UMB Bank and the co-branded company associated with the card.

To All Applicants: Applicant applies to UMB Bank, n.a., Kansas City, Missouri, or its successors or assigns ("Issuer") for a credit card account ("Account") as indicated in this Application. If this application is accepted and credit card(s) issued, Applicant will be deemed to be in agreement with the cardholder agreement and disclosures that we send with the card(s).

The Applicant authorizes the Issuer to obtain a credit report in connection with this Application and from time to time after the Account is established, the Issuer may verify that the Applicant continues to qualify for the Account. Issuer may verify Applicant credit, employment history and other information relating to the Applicant and to answer questions about the Issuer's experience with Applicant. The Applicant acknowledges and agrees that such information may be used to establish, administer or collect the Account, or for any legitimate purpose relating to the Account.

Cardholder Agreement: For additional information about the costs and terms of the Account, see your Cardholder Agreement, which will be sent with the Card. The Cardholder Agreement and the Account will be governed by Missouri and applicable federal law, but we will rely on the provisions of Nebraska law with respect to the fees and charges (other than interest) that apply to your Account, as authorized by Missouri Revised Statutes Section 408.145. The Cardholder Agreement permits us to change the terms of this Account, including the rates, fees and other credit terms, upon notice to cardholder and subject to the provisions of applicable law.

Notice to Young Applicants: If you are under 21 years of age, Federal law prohibits us from approving your application for a credit card unless you demonstrate that you have the independent ability to make the required payments on your account, or unless you provide a guarantor or cosigner. The guarantor or cosigner must be acceptable to us and must sign our form of guaranty agreement.

X _____
 APPLICANT'S SIGNATURE DATE



_Card A _Card B _Card C _Card D _Card E

APR for purchases 13.99% to 17.99%.

APR for Cash Advances 24.99%. These APRs will vary with the market based on the Prime Rate.

APR for Balance Transfers 0% Introductory for first 12 billing cycles for balances transferred within 60 days from account opening.

Important: Information about the costs of credit cards as shown in the Important Cost Information Chart is accurate as of Aug. 1, 2014, the date this document was printed. This info may have changed after that date. To find out what may have changed, call us at 855.368.0410 or write to us at UMB Bank, n.a. PO Box 419734, Knasas City, MO 64141-6734.

R-CALF USA receives \$50 for each new card (after the 1st use), and a percentage of each sale made on the card!