

CATTLE INDUSTRY

LONG RANGE PLAN

2021-2025

Vision

To be a profitable and viable United States agricultural industry that supports rural communities and is comprised of widely dispersed family-owned and family-operated cattle farms and ranches whose owners and operators are free to make their own production and marketing decisions.

Mission

Achieve long-term prosperity of independent United States cattle farmers and ranchers and the rural communities they support by restoring robust marketplace competition for cattle and rebalancing the disparate market power now concentrated in both domestic and export markets for cattle and beef.

Industry Objectives

1. **GROW** domestic and export demand for beef from United States-born, United States-raised, and United States-harvested cattle by promoting the United States' unparalleled commitment and investment to cattle husbandry practices and beef quality and safety.
2. **IMPROVE** cattle-sector profitability for United States cattle farmers and ranchers by expanding available marketing outlets and increasing both competition and transparency within domestic and export markets for cattle and beef.
3. **INTENSIFY** efforts to preserve and protect the liberty and freedom of United States independent cattle producers to adopt production practices of their choosing based on their assessment of competitive market forces.
4. **ELEVATE** the United States cattle industry's critical role in achieving the United States' food security needs for an uninterrupted supply of high-quality, United States-produced beef protein.

Grow demand for U.S. cattle by growing demand for U.S. born, raised, and harvested beef.

Increase competition & market transparency for U.S. born & U.S. raised cattle.

Preserve & protect the liberties & freedoms of U.S. independent cattle producers.

Reform the cattle industry's legal and regulatory framework so U.S. cattle producers can protect the marketplace on their own.

Strengthen the U.S. cattle industry's role in achieving lasting food security for the U.S.

Shift away from global standardization and rely instead on free-market principles to drive innovation & excellence.



GROW DEMAND FOR UNITED STATES CATTLE BY GROWING DEMAND FOR UNITED STATES BORN, RAISED, AND HARVESTED BEEF:

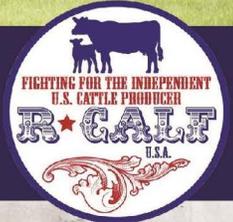


- Immediately pass legislation to require all beef from cattle harvested in the United States to be labeled as to where the animal was born, raised, and harvested, and require all beef from cattle harvested in a foreign country to retain its foreign country-of-origin label through retail sale.
- Pass legislation to require all imported cattle to be permanently marked as to their country of origin.
- Repeal the current beef checkoff program that prohibits the promotion, marketing and advertisement of beef exclusively born, raised, and harvested in the United States.
- Develop a nationwide, producer-oriented program for the promotion, marketing, and advertisement of beef exclusively born, raised, and harvested in the United States.
- Reform international trade rules that erroneously declare the origin of beef as the country in which the animal was merely harvested.
- Engage with consumer-oriented groups to educate them on the economic and health advantages of supporting the domestic live cattle industry by purchasing beef from cattle born, raised and harvested in the United States.
- Encourage American pet food manufacturers to source protein ingredients from cattle exclusively born, raised and harvested in the United States.



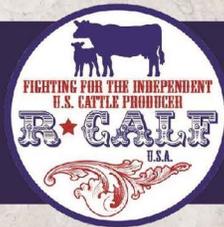


INCREASE COMPETITION AND MARKET TRANSPARENCY FOR U.S. BORN AND RAISED CATTLE:



- Immediately pass S.949, the spot market protection bill to create an enforceable law requiring packers to purchase at least 50% of their cattle from the ultra-thin cash market, which will immediately increase market competition and price transparency.
- Vigorously enforce United States antitrust laws and the Packers and Stockyards Act, ensuring they are properly interpreted as laws intended to protect both competition and competitors from abusive market power, and update those laws if they provide insufficient protections.
- Pass legislation to ban packer ownership and control of cattle and the use of unpriced formula-type contracts.
- Promote and encourage development of more local and regional beef packing capacity. Examples of such encouragement include support for the Processing Revival and Intrastate Meat Exemption (PRIME) Act and the Expanding Markets for State-Inspected Meat Processors Act.
- Amend the Livestock Mandatory Reporting Act to eliminate confidentiality guidelines that prevent reporting in regions lacking robust competition.
- Increase opportunities for cattle producers to retain ownership of their cattle through the sale of beef directly to consumers through new and innovative lending and marketing programs.

PRESERVE AND PROTECT THE LIBERTIES AND FREEDOMS OF U.S. INDEPENDENT CATTLE PRODUCERS:



- Stop government overreach by prohibiting the U.S. Department of Agriculture from mandating premises registration, radio frequency identification (RFID), or certifications associated with production practices as conditions for accessing markets or engaging in interstate commerce.
- Empower U.S. cattle producers to hold the government-controlled beef checkoff program accountable by conducting periodic producer referendums on the beef checkoff program.
- Encourage development of export markets for beef exclusively born, raised, and harvested in the United States while ensuring the adoption of export-related production and verification standards remains purely voluntary so United States producers can choose whether or not to produce for the export market.
- Reverse the government's restrictions and limits on grazing and water rights on federally managed lands and restore the allotment owners' surface rights so they can manage their operations in accordance with customary animal husbandry practices.





REFORM THE CATTLE INDUSTRY'S LEGAL AND REGULATORY FRAMEWORK SO U.S. CATTLE PRODUCERS CAN PROTECT THE MARKETPLACE ON THEIR OWN:



- Implement regulations to clarify that cattle producers subject to unfair packer buying practices do not need to show injury to competition to obtain protections under the law.
- Implement a law or regulation to clarify that packers engaged in unfair or deceptive conduct that harms cattle producers cannot claim a business justification for their actions.
- Amend the law to allow cattle producers to recover attorney fees after successfully enforcing provisions of the Packers and Stockyards Act.

STRENGTHEN THE U.S. CATTLE INDUSTRY'S ROLE IN ACHIEVING LASTING FOOD SECURITY FOR THE U.S.



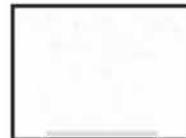
- Restore the U.S. Department of Agriculture's mission to strengthen the United States family farm and ranch system of cattle production.
- Educate members of Congress on how United States food security is strengthened by refocusing on policies that promote and support the domestic live cattle supply chain.
- Initiate measures to limit imports of cattle and beef from countries that persistently maintain trade surpluses with the United States.
- Increase production of beef produced exclusively from cattle born, raised, and harvested in the United States to at least equal the volume of United States beef consumption.
- Ban all imports from countries not declared free of foot-and-mouth disease (FMD), including from countries declared free of FMD only because they vaccinate and from countries with a history or risk of introducing other foreign animal diseases such as bovine tuberculosis and brucellosis.
- Ban the introduction of any live FMD virus onto the U.S. mainland for any purpose.
- Support research to explore the feasibility of increasing lean-beef production in the U.S. to lessen reliance on imports and increase opportunities for current and aspiring cattle producers.
- Require all imported livestock to meet identical, not merely equivalent production standards as required in the United States, including the use of pest controls and veterinary biologics, and require all imported beef to meet food safety standards that are at least equal to United States standards.
- Require more regular testing and inspection of foreign beef packing plants that export beef to the United States.

SHIFT AWAY FROM GLOBAL STANDARDIZATION AND RELY INSTEAD ON FREE MARKET PRINCIPLES TO DRIVE INNOVATION AND EXCELLENCE:



- Encourage investment in the live cattle industry's competitive marketing channels, including investments to address decades-old slaughtering plants; more, and more widely dispersed packing plants and feedlots; and to support local and regional livestock auction markets to increase price discovery for all classes of cattle.
- Maximize production and marketing choices for cattle producers by relaxing government and industry efforts to mandate global production standards and certifications as a condition to market access.





*To Help All U.S. Cattle Producers:
Renew Your R-CALF USA Membership or Join Today!*

R -CALF USA works on various issues that impact the continued profitability and viability of independent U.S. cattle producers, such as mandatory country-of-origin labeling (COOL), checkoff reform, animal identification, livestock price reporting, animal health concerns, captive supplies and packer ownership of livestock, as well as various trade agreements.

R-CALF USA (Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America) is the largest producer-only cattle trade association in the United States. It is a national, nonprofit organization dedicated to ensuring the continued profitability and viability of the U.S. cattle industry.

**For more information, visit www.r-calfusa.com or call 406-252-2516.
R-CALF USA | PO Box 30715, Billings, MT 59107**



CATTLE INDUSTRY

LONG RANGE PLAN *core strategies and goals*

Grow demand for United States cattle by growing demand for U.S.-born, raised, and harvested beef:

1. By 2025, 100% of beef sold at retail and 40% of beef sold at food service establishments is labeled as to where the animal was born, raised, and harvested.
2. By 2025, at least 90% of all domestic beef advertisements paid for by a producer-paid checkoff program are advertising beef exclusively born, raised, and harvested in the United States.
3. Increase the number of domestic pet food manufacturers that source exclusively U.S. born, raised, and harvested beef and beef products by 10% each year.

Strengthen the U.S. cattle industry's role in achieving lasting food security for the U.S.:

1. By 2025, the consumption of beef from cattle born, raised, and harvested in the United States will constitute at least 90% of domestic beef consumption.
2. By 2025, the incidence of meat recalls resulting from imported beef will be substantially reduced.
3. By 2025, the incidence of foreign animal disease introduction from foreign countries will be substantially reduced.

Reform the cattle industry's legal and regulatory framework so U.S. cattle producers can protect the marketplace on their own:

1. By 2025, both producers and beef packers will understand what constitutes unfair, deceptive, and unjustly discriminatory practices prohibited under the Packers and Stockyards Act.
2. By 2025, both producers and beef packers will understand what constitutes an undue or unreasonable preference or advantage in the cattle procurement market.
3. By 2025, and because of the new clarity and understanding regarding what constitutes unlawful conduct, substantially fewer instances of anticompetitive market conduct will be reported under the Packers and Stockyards Act.

Increase competition and market transparency for U.S. born and raised cattle:

1. In 2021, increase the nationwide volume of fed cattle sold in the fed cattle cash market to at least 50% and maintain at least this percentage through 2025.
2. By 2025, completely end the ownership and control of cattle for more than 14 days and the use of unpriced formula-type contracts by packers that own multiple beef packing plants.
3. By 2025, increase the share of fed cattle slaughtered by packers that own only one packing plant to at least 35%.

Preserve and protect the liberties and freedoms of U.S. independent cattle producers:

1. In 2025, U.S. cattle producers remain free to choose among a variety of animal identification devices when shipping cattle across state lines without a mandate that they must use a particular technology or register their premises with a private or governmental entity.
2. By 2025, U.S. cattle producers will have had the opportunity to vote in a beef checkoff referendum.
3. By 2025, beef destined for the export market will only be labeled a "Product of USA" if the beef was exclusively from cattle born, raised, and harvested in the United States.
4. By 2025, ranchers will report that previously reduced grazing restrictions on their allotments have been lifted.

Shift away from global standardization and rely instead on free-market principles to drive innovation and excellence:

1. Through 2025, U.S. cattle producers will not be compelled to meet globally established production standards to obtain access to domestic markets, though producers may voluntarily do so if such standards present opportunities for greater profitability.
2. By 2025, substantially more small- to mid-sized feedlots will be in business and they will be more geographically widespread than in 2019.
3. By 2025, there will be substantially more, and more geographically widespread beef packing plants across the United States.



2021-2025