

To:

June 25, 2010

Tom Ramey
Chief Executive officer
Cattlemens' Beef Board

Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture

Rayne Pegg
Administrator Agriculture Marketing Service
U.S. Department of Agriculture

Edward Avalos
Undersecretary Marketing and Regulatory Programs
U.S. Department of Agriculture

John Ferrell
Deputy Undersecretary Marketing and Regulatory Programs
U.S. Department of Agriculture

Via facsimile & email

To Whom It May Concern,

We, the under signed strongly support and applaud the Executive Committee of the Cattlemens' Beef Board (CBB) for their strong stand regarding the separation of a policy organization and the Federation of State Beef Councils. We agree that "a separate and independent Federation is in the best interest of all those who pay the checkoff, regardless of organizational affiliation or policy position." We support any action by United States Department of Agriculture (USDA) that would lead to the separation of NCBA from the Federation of State Beef Councils.

According to the Beef Promotion and Research Order of 1985 Section 1260.112 the Federation of State Beef Councils was implemented by, and transitioned to, NCBA as a successor organization to the Beef Industry Council of the National Livestock & Meat Board. This then would affirm that there is no policy firewall between the policy side of NCBA and the State Beef Councils. Therefore since the Federation is actually under the rule of a policy organization (NCBA) all indications are that it is in violation of the Beef Promotion and Research Act, Section 2904 (10). In turn our State Beef Councils do not have a non partisan independent voice with which to voice producer concerns to the Operating Committee.

Over 97% of producers belong to organizations not affiliated with NCBA. Of these producers approximately 72% are *exclusively* represented through their State Beef Councils and the Federation. This would indicate that 72% of beef producers would not have an equal voice in the governance of their checkoff program if the Federation remains under the dominance of NCBA.

The Executive Committee-approved motion states: **“The Federation should be a strong, independent, checkoff entity. The Federation should be separate from any policy organization, since all funds for the checkoff come from mandatory assessments of producers and importers. The checkoff is owned by, and responsible to, all producers and importers, and no specific organization. It is not the intent of the Executive Committee that this motion has any effect on the structure of state beef councils.”**

We believe this recent move by this Executive Board may very well be a deciding factor in the survival of the Beef Checkoff and ultimately the profitability and viability of these producers.

Signatures:

Dakota Rural Action
Independent Beef Association of North Dakota (IBAN)
Independent Cattlemen of Nebraska (ICON)
Independent Cattlemen of Wyoming (ICOW)
Kansas Cattlemens’ Association
Perkins County Livestock Association
R-CALF USA
SD Livestock Marketing Association
South Dakota Stockgrowers Association
Western Plains Action Group