



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

OCT 3 2012

Mr. Bill Bullard
Chief Executive Officer
R-CALF United Stockgrowers of America
Post Office Box 30715
Billings, Montana 59107

Dear Mr. Bullard:

Thank you for your August 28, 2012, letter regarding R-CALF USA's concerns about the Beef Checkoff Program (Beef Checkoff) and the National Cattlemen's Beef Association (NCBA). Strengthening the Beef Checkoff is a priority for the U.S. Department of Agriculture (USDA) and the Cattlemen's Beef Board (CBB). USDA has a direct interest in ensuring that the CBB operates as intended and is accountable to producers that pay into the program.

USDA takes any complaints about the integrity of the program seriously. In 2011, USDA's Office of Inspector General initiated an audit of the Beef Checkoff, which focused on the accounting of checkoff dollars by CBB and its contractors, including NCBA. I expect the final report this fall, and we will take action to address any issues brought to our attention.

In your letter, you also mention the lawsuit filed by R-CALF USA member Mike Callicrate. USDA cannot address that matter at this time because of the pending litigation.

I appreciate the information contained in your letter outlining your concerns. Thank you for your interest in the Beef Checkoff.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Vilsack". The signature is written in a cursive, flowing style.

Thomas J. Vilsack
Secretary