

Fighting for the U.S. Cattle Producer!



R-CALF
USA

R-CALF United Stockgrowers of America
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October 12, 2012

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, D.C. 20250

Sent via facsimile, e-mail and U.S. Mail: 202-720-6314

Re: R-CALF USA's Request for a Meeting Following Release of the OIG Beef Checkoff Program Audit

Dear Secretary Vilsack:

Thank you for your letter dated October 3, 2012. R-CALF USA remains frustrated that your agency has not yet taken any meaningful action to redress the known and pervasive financial improprieties that are occurring in the Beef Checkoff Program. However, we do recognize the legitimacy of your position to await the findings of the audit initiated by your agency's Office of Inspector General (OIG) prior to your formulation of a definitive course of action.

R-CALF USA respectfully requests a personal meeting with you soon following the release of the OIG audit and before you formulate a course of action pursuant to that audit.

There are serious issues regarding the administration and operation of the Beef Checkoff Program that have surfaced subsequent to the initial findings of financial impropriety by the independent audit report completed in 2010. Those serious issues may or may not be outside the scope of the OIG's focus on the accounting of checkoff dollars by the Cattlemen's Beef Board (CBB) and its contractors. We remain concerned that if those other serious issues are not addressed in the specific course of action you decide, the integrity of the Beef Checkoff Program will continue to suffer.

As you are aware, several industry groups including the National Farmers Union, American Farm Bureau Federation, and the Livestock Marketing Association have rallied around the National Cattlemen's Beef Association (NCBA) to exclude R-CALF USA from their Beef Checkoff Industry Input Group's negotiations and discussions.

We believe that these groups' coordinated exclusion of R-CALF USA, and resulting defense of NCBA, indicates that they view R-CALF USA's position of seeking a permanent suspension of all contracts between the NCBA and the CBB and of prohibiting any policy-oriented organization from receiving checkoff funds as a threat to their organizational aspirations. We believe their primary motive is to share in the NCBA's ill-gotten checkoff bounty, rather than seek genuine reforms that will benefit the Beef Checkoff Program's intended beneficiaries – the individual farmers and ranchers who are required to pay into the Beef Checkoff Program.

The Honorable Tom Vilsack

October 12, 2012

Page 2

As a result of the actions taken by the National Farmers Union and others to insulate the NCBA from R-CALF USA members' concerns, any recommendation that may be made by the Beef Checkoff Industry Input Group regarding the Beef Checkoff Program must be viewed as self-serving and non-reflective of the interests of U.S. cattle producers. This is because only a few among the many U.S. cattle producers would condone the actions by these groups to exclude R-CALF USA – the largest producer-only cattle association in the United States whose members contribute several millions of dollars of checkoff funds each year – from an open and honest discussion about the Beef Checkoff Program.

R-CALF USA's options with which to assist in the restoration of a Beef Checkoff Program that functions as intended to benefit all cattle producers are now severely limited by the coordinated actions of the industry groups mentioned above.

A personal meeting between you and R-CALF USA representatives, as we are requesting, will enable the thousands of cattle producer voices that R-CALF USA represents to have their concerns and suggestions articulated and subsequently considered by you before you decide on a definitive course of action with which to restore the integrity of the Beef Checkoff Program.

Please let me know at your earliest convenience if you are willing to schedule a meeting with R-CALF USA following the release of the OIG audit – preferably within two weeks following its release – and before you begin formulating a definitive course of action regarding the Beef Checkoff Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bullard". The signature is stylized and cursive.

Bill Bullard, CEO

Cc: Select Members of Congress
Select Industry Representatives