

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

American Meat Institute, *et al.*

Plaintiffs,

v.

United States Department of Agriculture, *et al.*

Defendants.

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Civil Action No. 13-cv-1033 (KBJ)

DECLARATION OF JOE PONGRATZ

I, Joe Pongratz, declare as follows:

1. I am a fourth generation U.S. rancher/farmer. My wife and I ranch and farm on our family-run operation near O'Neill, Nebraska. We raise irrigated corn and soybeans and also raise dry land alfalfa and small grains. We run 285 cows that calve out starting in early March for 60 days. We also run 60 first calf heifers which calve out starting in mid-February for 60 days. We put up enough native grasses hay to feed the cows through the winter. We wean calves in mid-September and background the steers until December when we sell them at our local sale barn. The heifer calves are weaned at the same time but we background them until mid-January, when we sort off the calves we will keep for replacement heifers and the remaining calves are sold at the same sale barn that the steers were sold at earlier.

2. I am a dues-paying member of Ranchers Cattlemen Action Legal Fund, United Stockgrowers of America ("R-CALF USA"), and I joined the organization because I support its mission to ensure the profitability and viability of independent U.S. cattle producers. I also believe R-CALF USA is the only cattle organization that truly represents the United States cattle producer. I am so busy operating our ranch and farm that I don't always have time to follow all

the issues affecting us and our family operation. That is why I keep my membership current with R-CALF USA. When money is tight we have to cut our expenses to keep food on the table and our name on the family farm, but I always pay my R-CALF USA dues because we can't afford not to.

3. My wife and I take great pride in our cattle herd and we cut no corners in the care and treatment of our cattle, crops, and land. From generation to generation we have made improvements to our cattle herd as well as our management to build a strong and responsible business that produces the highest quality product for consumers, whether it is cattle, corn, or soybeans. We consult with professionals when we are planning for the next crop year, including seed advisors, fertilizer/chemical specialists, marketing personnel, and equipment specialists. We also do the same for our next calf crop. When buying bulls we talk to the seller about genetics and traits that we want in our herd. We talk to our veterinarian when planning our vaccination program, as well as when an animal becomes sick or hurt. We even talk with the sale barn owner to see what cattle feedlots and consumers are looking for in a product so we can adjust our production to meet their demand.

4. I am very proud of how our operation has grown and how we successfully meet the demand for the type of food that our consumers want. When purchasing equipment and supplies for our ranch or farm, we always do research before buying or updating. My wife and I are very conscience when we buy food or things for our family or house. We always look to see where various products are produced, and when possible, we choose United States of America products. We take pride in the work that we put into our products, crops, and cattle, so we want to support other producers and manufacturers of United States of America made products, whether they are food, clothes, or household items.

5. The biggest difference between my great-grandfather and me is that I am in a global market. Even my dad says that when he started farming and ranching, prices for crops and livestock were based on American factors. Now, I believe that they are more affected by South American and Australian agriculture, global finances, and imports and exports, to name a few. Our United States' products are on the shelf today alongside products from all over the world. In order for us to successfully compete, I believe that it is necessary that we United States cattle producers be able to clearly distinguish our beef products with a country of origin label that tells consumers where the animal that their meat came from was born, raised, and slaughtered. By doing this, we are telling consumers in the United States that the package of beef with this label is made to a high standard by cattle producers like me from the time that the animal is born, all the way to the time it is harvested, and from there it is placed on the meat counter by United States packers and retailers.

6. This country of origin label, mandated by federal law, that tells consumers where the product was born, raised, and harvested, is important to me, a fourth generation United States rancher, because I will be able to get a better price for my cattle. When I sell my cattle at a sale barn, I sign an affidavit stating that all my cattle sold at that sale barn are born and raised in the United States of America. When my calves, cows, and bulls are bought, they, depending on weight, will either go to a feedlot to be finished or go directly to a packing plant for harvesting. If they go directly to the packing plant, it knows by the affidavit that I signed at the sale barn that my cattle are born and raised in the United States of America. If they go to a feedlot, it also knows that the cattle are born and raised in the United States of America by that affidavit.

7. When my cattle are sent from the feedlot to the packer, I expect the packer to obtain the information from the feedlot that I had included in my affidavit so the beef from my

cattle is properly labeled as a product that is born, raised, and harvested in the United States. When placed on the meat counter with products from around the world, that label will tell the consumer which meat came from cattle that were born, raised, and harvested in the United States. Every time a consumer chooses to buy a package of beef that has a "product of the U.S." label on it, I believe that demand will increase for beef born, raised, and harvested in the United States of America. The higher that demand gets for born, raised, and harvested in the United States beef, the better the price will be when I sell my cattle. The consumers will get high quality beef, and I will get a premium for my USA cattle.

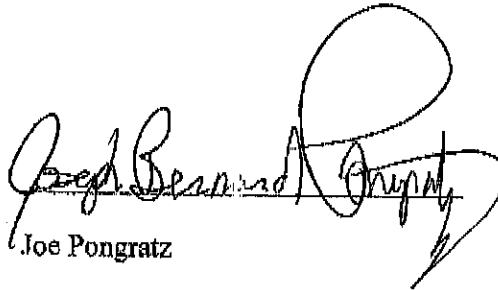
8. Under the 2009 country of origin labeling rules, the packers were allowed to mix the meat from my USA cattle with meat from foreign countries, and then label the meat from my cattle as if it came from two or more countries. I believe that, under this earlier labeling program, true supply and demand could not work properly because consumers could not tell the difference between meat from my cattle and meat from cattle that were born and raised in foreign countries. I believe the new country of origin labeling rules will correct this problem by creating competition and allowing supply and demand to begin working in the marketplace. I also believe that the 2009 rules hurt me because packers were not required to use the information on my affidavit to label the beef from my cattle with a born, raised and harvested in the United States label.

9. I strongly believe that consumers want high quality meat, which is what we produce with our cattle that are born, raised, and harvested in the United States. For my family and our neighbors, our crops and livestock are our livelihood. We strive to produce the safest and highest quality product, and we take pride in what we do. If the latest 2013 country of origin labeling rule is delayed or eliminated, I believe that consumers will not know which beef is

produced by producers like me that sell cattle that are born, raised, and harvested in the United States.

Pursuant to the provisions of 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 22 day of August, 2013.


Joe Pongratz