BEEF USA National Cattlemen's Beef Association

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Beltway Beef is a weekly report from Washington, D.C., giving an up-to-date summary of top policy initiatives concerning the cattle industry; direct from the National Cattlemen's Beef Association (NCBA). Please feel free to reprint in full or in part. If you would like to include NCBA's logo, contact us at 303-694-0305.



2012 Cattle Industry Convention Special Edition Cattle Industry Annual Convention Underway in Nashville — Record Breaking Crowd Attending Action-Packed Convention

National Cattlemen's Beef Association (NCBA) President Bill Donald said with a record-breaking crowd of more than 6,836 cattlemen and women registered for the 2012 Cattle Industry Convention and NCBA Trade Show, the event offers something for everyone. The convention, which kicked-off Wed., Feb. 1, 2012, in Nashville, Tenn., is the largest annual gathering of the beef industry and Donald said it promises to be a convention to remember.

"Nashville is a legendary city known for its rural roots and country beats and this week America's cattlemen and women are taking the city by storm. We're here to highlight some of the successes of the past year while also setting goals and priorities for what lies ahead," Donald said. "From today's Cattlemen's College sessions to the many other educational events

that will take place over the next three days, cattlemen and women will have the opportunity to hear directly from the experts about how to sustain and improve their operations."

After learning about the latest trends and technologies in the industry during Cattlemen's College and attending the NCBA Trade Show,

convention goers will have the opportunity to attend committee meetings and take part in NCBA's grassroots policy process, Donald said.

"It is important to let the voice of our producers be heard. The grassroots



NCBA Vice President of Association Marketing Marvin Kokes welcomes Jesse Womack from San Antonio, Texas, to the convention. Womack was the 6,836 cattlemen to register and broke the previous attendance record, which was set during the 1998 centennial convention. policy process is the backbone and the strength of NCBA. Cattlemen come together to discuss policy priorities and then chart the course forward for NCBA," Donald said. "From cattle health and federal lands to marketing and tax policy issues, there will be critical issues addressed this week."



NCBA President Bill Donald addresses a crowd during the opening session of the 2012 Cattle Industry Convention and NCBA Trade Show.

While cattlemen and women will be hard at work during the day, Donald said there will be many opportunities to enjoy the Nashville culture at entertainment events, including a Honky Tonk Party, Thur., Feb. 2, and a Cowboy's Night at the Opry, Fri., Feb. 3, which will be held at *The Grand Ole Opry*, and feature performances by the legendary Charlie Pride and Little Jimmy Dickens as well as Josh Turner and more.

With so many events taking place during the convention, Donald encouraged all who are registered to download the 2012 Cattle Industry Convention app to their smart phones to see the schedule of events, locations, maps and receive alerts before, during and after the event.

Visit <u>www.beefusa.org</u> for more information about the convention. Click <u>here</u> for photos and follow NCBA on Twitter.

NCBA Backs Department of Labor's Reconsideration of On-Farm Child Labor Regulations — NCBA Calls on DOL to Scrap the Provision Completely

National Cattlemen's Beef Association (NCBA) President Bill Donald welcomed cattlemen and women to Nashville, Tenn., for the 2012 Cattle Industry Convention and NCBA Trade Show with news that the U.S. Department of Labor announced Wed., Feb. 1, 2012, the agency's intent to reconsider a portion of its proposed rule related to on-farm child labor. Donald commended American farmers and ranchers for making their voices heard on the proposed rule, which could have restricted, and in some instances totally prevented, America's youth from working on farms and ranches.

"You've all probably heard of the Department of Labor's proposed rule that would prevent youth under the age of 15 from working on farms and ranches. The department announced this afternoon that they will re-evaluate the original proposal. This is big news. Your voices – our voices – were heard," he said. "This issue goes to the very fiber of who we are in this country. It goes right to the fact that businesses are looking to fill positions with farm and ranch kids because they have a work ethic. They do their chores before they get on the school bus and do them again when they get home. So thanks to all of you, the Department of Labor listened finally."

Specifically, the department will reconsider the "parental exemption" portion of the proposal. According to Donald, the proposed rule would have prevented youth under the age of 15 years from working

on farms or ranches owned by anyone other than their parents. He said it failed to take into consideration youth working for an aunt or uncle or for a partnership with which their family is involved. He added in rural America, working on a neighbors' farm or ranch is a way of life and taking away that opportunity for America's youth would result in fewer people entering into production agriculture.

The Department of Labor received thousands of comments on the proposed rule and announced they would continue seeking input on the "parental exemption" language. The department said it expects to re-propose a rule in early summer 2012. Donald said the agency did not go far enough and should scrap the provision completely.

"Rather than strapping our hands behind our backs and preventing American youth from learning the ropes of food and fiber production from today's farmers and ranchers, the department should scrap this provision completely. Instead, it should work with farmers and ranchers to ensure the rules on the books are workable," Donald said. "Rules and regulations, including those related to America's youth working on farms and ranches, need to ensure safe working conditions. But the original proposal simply goes too far. Cattlemen's voices were heard today. We will continue working to ensure our kids and grandkids have the opportunity to earn a living producing the safest, most nutritious beef in the world."

Legislative Watch

S. 1528 - Farm Dust Regulation Prevention Act

To establish a temporary prohibition against revising any national ambient air quality standard applicable to coarse particulate matter (dust), to limit Federal regulation of nuisance dust in areas in which such dust is regulated under State, tribal, or local law. The House version, H.R. 1633, passed on Thurs., Dec. 8, 2011. NCBA urges a **YES** vote S. 1528. Key Sponsor: Sen. Mike Johanns (R-Neb.)

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S. 1061 / H.R. 1996 – Government Litigation Savings Act

Will amend the Equal Access to Justice Act (EAJA) to prohibit organizations with a net worth exceeding \$7 million from filing for EAJA funds; require EAJA filers to show a "direct and personal monetary interest" in the action to be eligible for payments; and cap the attorney fees. NCBA urges a **YES** vote on S. 1061 / H.R. 1996.

Key Sponsors: Rep. Cynthia Lummis (R-Wyo.), Sen. John Barrasso (R-Wyo.)

H.R. 3798 – Egg Inspection Act Amendments of 2012

To amend the Egg Inspection Act to mandate on farm production practices. NCBA urges a **NO** vote on H.R. 3798 Key Sponsor: Rep. Kurt Schrader (D-Ore.)

H.R. 2414 – Farmers' Freedom Act of 2011

Exempts certain farm vehicles from certain federal requirements (for a commercial driver's license, drug testing, medical certificates and hours of service). Prohibits federal transportation funding to a state from being terminated, limited, or otherwise interfered with as a result of the state's exempting a covered farm vehicle from any state requirements governing the operation of that vehicle. Key Sponsor: Rep. James Lankford (R-Okla.). NCBA urges a **YES** vote on H.R. 2414.

For a full list of legislation NCBA is monitoring click here.

New on the Web

Check out the Beltway Beef blog for inside perspectives on issues affecting U.S. cattlemen and women. Check out the latest updates from the 2012 Cattle Industry Convention and NCBA Trade Show. You can sign up on the blog to receive an email when new information is posted. You can also follow us on <u>Twitter</u>, be a fan of us on

<u>Facebook</u>, check out our latest photos on <u>Flickr</u> or watch video updates on our <u>YouTube</u> page. For audio, visit and subscribe to the Beltway Beef <u>Podcast</u>. You can also subscribe to our <u>podcast</u> on iTunes.

NCBA Calls Estate Tax Top Priority, Pushes Back on Regulation - 2012 NCBA President Points to Power of Grassroots Policy Process

A recording-breaking crowd of nearly 7,000 cattlemen and women from across the country jockeyed for a seat at the second general session of the 2012 Cattle Industry Convention and National Cattlemen's Beef Association (NCBA) Trade Show in Nashville, Tenn. NCBA President-Elect J.D. Alexander painted a picture of regulatory

chaos in Washington, D.C., but pointed to grassroots advocacy as the primary reason the cattle industry was able to "weather the storm."

"Because of the partnership between our state affiliates and your national organization, we managed to prevent ourselves from being the main course at the big government café," said Alexander, who is also a cattleman from Nebraska. "This partnership - this grassroots policy process - is the shining star of this

industry. You have a voice and it is being heard loud and clear."

Alexander used the slew of regulations from the Environmental Protection Agency; the U.S. Department of Agriculture's Grain Inspection, Packers and Stockyard Administration's proposed rule on livestock marketing; and the Department of Transportation's proposed

rule, which would have required cattlemen to acquire commercial driver's licenses, as examples of cattlemen's successful pushback of burdensome regulations. Alexander said NCBA will continue pushing for practical legislation and a commonsense approach to regulations. He called the estate tax his top policy priority as the 2012 NCBA

president.

"I pledge to you that my top priority as your president is to do all I can to build beef demand and producer profitability. This can only be accomplished if we are allowed to operate without government intervention and, most importantly, if decisions are made to ensure future generations are able to take over our family businesses," Alexander said. "The death tax is the biggest deterrent to young people returning to the cattle business. What we need now are jobs, a stable economy and food for a

growing global population. Leaving the next generation to choose between a life they love or the inability to pay the estate tax is not something we will tolerate."

Better Beef Sales: Beef Up Knowledge at the Meat Case - NCBA, Beef Checkoff Partner with Merck Animal Health to Launch Retail-Training Program

The National Cattlemen's Beef Association (NCBA) and the Beef Checkoff Program partnered with Merck Animal Health to launch Better Beef Sales, a new web-based retail training program to help boost knowledge about today's beef and how it's produced.

These organizations recognized the need for more training of meatcounter employees after Merck Animal Health conducted a series of consumer panels. The panels found that consumers identify the staff behind the counter as experts. Carrie Thomas, account manager for food chain affairs for Merck Animal Health, said the need for training was quickly confirmed during retailer discussions.

"We conducted four panels in two cities. One of the key take away messages from those meetings was consumers still identify the person in the "white coat" behind the meat counter - the 'butcher' - as the beef expert," said Thomas. "And, we want them to be beef experts. To do that, we need to arm them with information about today's beef supply and how it's produced."

Consumer decisions about the products they buy are now far more complex than they were in the recent past. Some consumers take into account how animals were raised, sustainability, animal welfare and a whole host of practices employed by cattle-farm families and

ranchers. Questions on those topics aren't always easily addressed by the individuals responsible for putting beef on people's plates retail meat counter employees. This new initiative is intended to bridge the knowledge gap between the consumer and their food. Retail employees can play a critical role in bridging that gap.

Better Beef Sales education program consists of a series of six webbased training modules for the retail meat counter employees on the front lines of consumer marketing. Topics covered in the videos include: types and quality of beef offered today; sustainability of today's beef; animal welfare practices; beef-improvement technologies; and ways retailers can add value to the meat case.

"As cattle numbers continue to decrease and retail beef supplies become tighter, it's going to take more effort to keep beef center of the plate," said Thomas. "We want to make sure retail employees and consumers understand how their beef is produced and how these wholesome, quality products end up on our dinner tables."

To learn more about the Better Beef Sales retail education program, visit www.beefretail.org.



CattleFax Update

On Wed., Feb. 1, the markets continued to build on Tuesday's gains. Live cattle futures closed about \$0.75/cwt. higher with most contracts trading at or near contract highs. Feeder cattle futures added about \$0.50/cwt. The CME reported the Feeder Index at \$153.78/cwt., down \$0.17. Boxed beef prices added around \$1/cwt., and the Choice-Select spread widened \$0.45 and is currently at \$5.59/cwt. Hide and offal values increased \$0.17/cwt. today, reaching their highest level in since November. Poor operating margins are leading to slower chain speeds at U.S. packing plants. Week-to-date USDA estimated beef slaughter is down 6,000 head compared to last week. In general, grains traded higher. Soybeans showed the most strength, increasing \$0.16/bu.

For recent market news and analysis, visit www.CattleFax.com.

Don't Miss Out on NCBA's Cattlemen to Cattlemen!

This week on *NCBA's Cattlemen to Cattlemen*, NCBA President, J.D. Alexander, talks about his life on the ranch and what he envisions for 2012. Plus, we talk with Merck Animal Health about their newly developed program, Better Beef Sales, and show highlights from the 2012 Cattle Industry Convention and NCBA Trade Show.

NCBA's *Cattlemen to Cattlemen* debuts each Tuesday at 8:30 p.m. The show also airs Wednesday at 10:30 a.m. and on Saturday at 9 a.m. (all times are Eastern). Don't forget that you can also <u>watch</u> <u>NCBA's Cattlemen to Cattlemen online</u> anytime by visiting our website. Follow us on <u>Twitter</u> and become a fan on <u>Facebook</u>.



Your NCBA

Pennsylvania Farm Wins NCBA Environmental Stewardship Award

The <u>Masonic Village Farm</u>, near Elizabethtown, Pa., was recognized as the national winner of the <u>National Cattlemen's Foundation</u> <u>Environmental Steward Award</u> during the 2012 Cattle Industry Convention and National Cattlemen's Beef Association (NCBA) Trade Show in Nashville, Tenn. The Masonic Village, a not-for-profit continuing care retirement community owned and operated by the Grand Lodge of Pennsylvania, has partnered with federal and state agencies as well as private agricultural organizations to manage natural resources.

The Masonic Village Farm, which has been in operation for more than 100 years, raises 180 cow/calf pairs, maintains a feedlot that finishes approximately 200 steers annually, grows corn, soybeans and hay land. The Village implements rotational grazing to maintain its pastures; uses manure from feedlots to fertilize its fields; and innovative watering systems throughout the farm. Additionally, the farm invites the public to tour the facilities and learn more about the possibilities of stewardship in agriculture.

The Environmental Stewardship Award Program (ESAP), now in its 21 year, was created to recognize beef producers who make environmental stewardship a priority on their farms and ranches while they also improve production and profitability. The ESAP award is sponsored by Dow AgroSciences; the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS); U.S. Fish and Wildlife Service; NCBA; and the National Cattlemen's Foundation. Dave Owens, the range and pasture portfolio leader for Dow AgroSciences, said the award recognizes the work beef producers do to conserve and improve the land and its resources. Dow AgroSciences has sponsored the program for the last 13 years.

The Masonic Village was nominated by the Pennsylvania NRCS and was recognized during the 2011 Cattle Industry Summer Conference as one of six regional ESAP winners.



The National Cattlemen's Beef Association (NCBA) has represented America's cattle producers since 1898, preserving the heritage and strength of the industry through education and public policy. As the largest association of cattle producers, NCBA works to create new markets and increase demand for beef. Efforts are made possible through membership contributions. To join, contact NCBA at 1 -866-BEEF-USA or **membership@beef.org**.