



**National Cattlemen's
Beef Association**



Beltway Beef

VOLUME 1, ISSUE 4

FEB. 3, 2011

In this Issue

[Trade](#)

[1099 Reporting Rule](#)

[Dietary Guidelines](#)

[Greenhouse Gas
Legislation](#)

[New on the Web](#)

[Rocky Mountain
Round-up Update](#)

[Cattlemen to Cattlemen](#)

[Cattle Fax Update](#)

[Your NCBA](#)

Contacts:

Mike Deering,
mdeering@beef.org

Mary Geiger,
mgeiger@beef.org

202-347-0228

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.

Cattlemen's Capitol Concerns NCBA Eyes Expanding Trade Opportunities in 2011

"It is sure hard to be a pessimist in the beef industry right now," said National Cattlemen's Beef Association (NCBA) Chief Economist Gregg Doud. "If you aren't at the very least cautiously optimistic about the direction of this industry, I sincerely question if you have a pulse." Doud was referring to several market indicators. However, demand for U.S. beef beyond American borders is particularly reassuring for Doud.

"Last year was a phenomenal year for U.S. beef trade with \$4 billion in exports," said Doud. "We are going to see the same trend continue this year as well. In fact, I wouldn't be surprised if we surpass 2010 numbers."

Doud said pending free trade agreements hold the ticket to record exports in 2011. Congress has yet to

ratify three pending trade agreements that have been signed for nearly four years. The trade pacts with Colombia and Panama have received little to no attention from the administration, according to Doud, but the Korea, U.S. (KORUS) trade agreement is nearing conclusion. President Obama has finalized an agreement on the pact and urged

\$325 million in tariff reductions annually once fully implemented," said Doud. "In 2003, U.S. beef producers sold \$815 million in beef, beef variety meats and processed beef products to Korea. If KORUS enters into force, Korea could eventually be a one billion dollar market for U.S. beef producers."

Doud said policy priorities were established by NCBA policy staff last month. The five priorities include trade; transportation; competition; environment; and cattle and consumer health. The five priorities are being discussed by NCBA members this week in Denver at the 2011 Cattle Industry Convention and NCBA Trade Show. More than 5,000 cattlemen and women are present at the event.

"It is sure hard to be a pessimist in the beef industry right now."

Congress during his State of the Union address to pass it as quickly as possible.

"If implemented, the KORUS FTA would reduce Korea's current tariff from 40 percent to zero over fifteen years. The U.S. beef industry would see \$15 million in new tariff benefits in the first year alone, with about

NCBA Encourages Congress to Repeal 1099 Provision

The National Cattlemen's Beef Association (NCBA) was pleased this week with the U.S. Senate's vote to repeal the 1099 reporting provision included in the Patient Protection and Affordable Care Act. The repeal was added as an amendment to the Federal Aviation Administration (FAA) reauthorization bill. Pending Senate passage of the FAA reauthorization, the legislation will go to the House for consideration. Recently, NCBA joined more than 25 agricultural organizations to send letters to U.S. Representative Dan Lungren (R-Calif.), Senator Mike Johanns (R-Neb.) and Senate

Finance Committee Chairman Max Baucus (D-Mont.), urging support for repeal of this onerous provision.

"Farms, ranches and related agribusinesses are already overburdened with tax paperwork and reporting requirements," Kent Bacus, NCBA manager of legislative affairs said. "This reporting requirement will hit small businesses, farmers and ranchers with a massive paperwork burden. This is yet another example of unnecessary, burdensome regulations coming from this administration."

Bacus said under new reporting

rules, which would take effect in 2012, 1099 forms will be required for virtually all business-to-business transactions. He said this will create a new major paperwork burden for the farms, ranches and related agribusinesses.

"We are pleased the Senate voted to repeal the 1099 reporting rule, but now this issue is in the House's hands," Bacus said. "We urge all members of the U.S. House to support a repeal of this burdensome reporting requirement."

Consumers Should Turn to Lean Beef to Meet New Dietary Guidelines

The U.S. Departments of Agriculture (USDA) and Health and Human Services (HHS) on Jan. 31, 2011, jointly released the 2010 Dietary Guidelines for Americans. The guidelines, which are updated every five years, create the foundation of the nation's nutrition policy. Specifically, the guidelines recommend Americans establish a nutrient dense diet. Texas medical doctor and cattleman Richard Thorpe said including lean beef in one's diet will help consumers achieve a well-balanced, nutrient dense diet like the new guidelines recommend.

According to USDA, the new 2010 Dietary Guidelines for Americans "focus on balancing calories with physical activity, and encourage Americans to consume more healthy foods like vegetables, fruits, whole grains, fat-free and low-fat dairy products, and seafood, and to consume less sodium, saturated and trans fats, added sugars, and refined grains."

"When reading these guidelines, consumers need to realize that protein-packed lean beef accompanied by an increase in fruits and vegetables translates into a healthy choice. These guidelines reinforce the fact that Americans are over fed, yet undernourished," said Thorpe on behalf of the National Cattlemen's Beef Association

(NCBA). "Lean beef is a nutrient-rich food that, on average, provides 10 essential nutrients provided in only 154 calories. As folks across the country adjust their diets to meet the new standards, they should look to lean beef as a good place to start."

Thorpe said USDA's calls for moderate amounts of lean beef consumption and for consuming more fish and seafood may confuse some consumers.

"There is no reason to insinuate that meat is over-consumed. In fact, on average, U.S. consumers eat 1.7 ounces of U.S. beef daily. To stay healthy, we need to eat 5 to 7 ounces from the meat and beans group daily," Thorpe said. "Additionally, a recommendation to eat more fish does not mean folks need to eat less meat."

To read more about the new guidelines, visit www.dietaryguidelines.gov.

NCBA will continue educating all Americans about the important role lean beef plays in a healthy, well-balanced diet and will work with USDA and HHS to help Americans make healthy choices that include lean beef.

NCBA Supports Bill to Stop EPA from Regulating U.S. Cattlemen out of Business

The National Cattlemen's Beef Association (NCBA) supports the Defending America's Affordable Energy and Jobs Act (S. 228), legislation introduced in the U.S. Senate by John Barrasso (R-Wyo.) to prevent the Environmental Protection Agency (EPA) from regulating greenhouse gases (GHGs) without first obtaining specific congressional authorization. Senator Barrasso's bill currently has 10 cosponsors and has been referred to the Senate Committee on Energy and Public Works.

"It is the authority of Congress, not the administration, to develop our nation's policies. EPA should not be allowed to usurp congressional authority and unilaterally regulate GHGs under the Clean Air Act (CAA). It is reassuring to see elected officials like Senator Barrasso step up to the plate and introduce legislation to prevent that from happening," said Tamara Thies, NCBA chief environmental Counsel. "EPA's efforts to-date to regulate GHG emissions would be devastating to U.S. cattlemen and women, to the entire U.S. agricultural industry, and to the entire U.S. economy."

In addition to preventing EPA from regulating GHG emissions without first obtaining explicit congressional approval, the legislation

also precludes legal action against sources of GHGs based only on the possibility of contributing to climate change. Finally, the legislation doesn't preempt states from enacting GHG emission regulations.

According to Thies, EPA's "endangerment" finding, which was issued in December 2009, provides the foundation for the agency to regulate GHGs from small and large sources throughout the economy, including farms, under the CAA. However, Thies said the CAA is ill-equipped to address climate change, and it was never the intent of Congress that it be used for this purpose.

"It is great to see 10 senators supporting Senator Barrasso's bill, but we encourage every member of the U.S. Senate to support this legislation," Thies said. "Whether or not they support regulating GHG emissions, they should support their role under the U.S. Constitution to establish and develop policies for our country. We look forward to working with Senator Barrasso to build support for his bill and to stop EPA's regulatory overreach."

New on the Web

Check out the [Beltway Beef blog](#) for inside coverage of the 2011 Cattle Industry Convention and NCBA Trade Show; a JBS USA donation of 16,000 pounds of beef to the Food Bank of the Rockies; the 2010 Dietary Guidelines for Americans; and more. You can also follow us on [Twitter](#), be a fan of us on [Facebook](#), check out our latest

photos on [Flickr](#) or watch video updates on our [YouTube](#) page. For audio, visit and subscribe to the Beltway Beef [Podcast](#). You can also subscribe to our [podcast](#) on iTunes.

The Rocky Mountain Round-Up is Off and Running

More than 5,500 cattlemen and women from across the country and even from nations abroad descended on Denver this week for the 2011 Cattle Industry Convention and National Cattlemen's Beef Association (NCBA) Trade Show. NCBA President Steve Foglesong kicked off convention at the Opening General Session on Wed. Feb.



2, 2011. He assured convention attendees that despite the Obama administration's "regulatory rollercoaster ride," NCBA did not waver in its efforts to defend cattle producers and sustain the U.S. beef industry.

"We buckled down and took them on, which resulted in several wins for U.S. cattlemen. You ladies and gentlemen sat

high in the saddle and worked with your NCBA to aggressively defend this industry," said Foglesong. "The success stories go on and on. As you set forth policy positions this week, I am confident the success stories will continue in 2011. We will go do battle again and again with forces that are aligned against us and our commonsense approach will win again"

Cattle Industry Convention attendees also had the opportunity to attend the 18th annual Cattlemen's College to hear from industry experts about a wide range of issues



affecting the beef industry. More than 750 cattlemen and women attended 18 forums with tracks covering six general management topics — cattle genetics and breeding; cattle reproductive technologies; production management; business management; beef quality and consumer trends; and environmental issues.

Foglesong said of critical importance at the convention are the committee meetings during which NCBA members will address NCBA policy. He said the committees will cover



issues including cattle health; federal lands; environment and property rights; cattle marketing; tax issues; nutrition and food safety; international trade and more. He added that any policy changes that come out of the committee process will be discussed and voted on during the NCBA Membership Meeting Sat., Feb. 5.

In addition to attending educational events like Cattlemen's College and participating in committee meetings, convention attendees also had the opportunity to take part



in the NCBA Trade show. This year's event included 265 vendors, making it the largest trade show for the beef industry. Cattlemen and women attending the trade show will see new technologies to improve beef production practices and have the opportunity to watch demonstrations on topics including low-stress cattle handling; fundamentals of horsemanship and animal processing techniques.

CattleFax Update

The fed cattle market was \$1 to instances \$2 lower this week in a moderate trade. In the South, sales were collected at \$104 to mostly \$105. For the North, the bulk of the trade was at \$104 live and \$167 to \$168 dressed. The boxed beef market was steady to firm early but weaker late. Load counts remained light. Trimmings and rounds continue to provide support. Feeder cattle prices were steady to \$3 lower for the week while calves traded in a wide range from as much as \$3 higher, to instances of \$2 lower after what have been very sharp advances over the past few weeks. Slaughter cows were even to \$2 higher. Corn prices were primarily range bound this week on a lack of fresh news to move the market. An annual Cattle inventory report was issued today. All cattle were reported at 92.58 million, the trade was expecting 92.31 million head. This is down 1 percent from 2010.

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

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

Check out special coverage of the 2011 Cattle Industry Convention and NCBA Trade Show from NCBA's *Cattlemen to Cattlemen* at www.cattlementocattlemen.org.

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 [watch NCBA's Cattlemen to Cattlemen online](#) anytime by visiting our website. Follow us on [Twitter](#) and become a fan on [Facebook](#).



Your NCBA

The 2011 Cattle Industry Convention and NCBA Trade Show is underway in Denver. Attendees heard from NCBA President Steve Foglesong and 9/11 hero Richard Picciotto at the Opening General Session held Wednesday, Feb. 2, 2011. Attendees will have the opportunity to hear from Karl Rove, former adviser to President George W. Bush, and incoming NCBA President Bill Donald during the Second General Session. Additionally, cattlemen and women in attendance can attend the NCBA Trade Show and attend committee meetings on critical issues affecting the industry. The convention will wrap-up Saturday, Feb. 5, with the NCBA Membership Meeting.

To stay up to date on the latest information coming from convention, check out NCBA's Beltway Beef [blog](#); check out pictures on [Flickr](#); or follow Beltway Beef on [Twitter](#).



National Cattlemen's Beef Association

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.