



**June 12, 2008**

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### **Past President's Steak Fry a Rousing Success!**

The 2008 MCA Past President's Steak Fry took place Thursday, June 5th at the Missouri Beef House in Sedalia. The event was a great opportunity for cattlemen from throughout the state to gather and enjoy one another's company and honor our Past President's for their humble contributions to our association.

The event kicked-off with a social from 4:00-6:30pm, which was immediately followed by a wonderful steak dinner prepared by the Pettis County Cattlemen's Association.

Jeff Windett, MCA Executive Vice President, introduced MCA and MBIC staff, Past MCA Presidents, and state congressmen in attendance after dinner. Jeremy Anstine, Kingsville Livestock Auction, provided his services for a very successful auction to raise funds for MCA to support future legislative efforts and other causes.

MCA would like to thank the following people/organizations for their contributions to the evening:

Pettis County Cattlemen's Association

Robert Gregory

Jim Anderson

County Distributing

Rusty Kahrs

Jeremy Anstine

Dr. Merrill Townley

Chris Schoen, Pfizer

Monteau County Cattlemen's Association

Brent Bryant

Dallas County Cattlemen's Association

Missouri Department of Conservation

Lafayette County Cattlemen's Association

Tri-County Cattlemen's Association

Larry & Andy Atzenweiler, Missouri Beef Cattleman

Boone County Cattlemen's Association

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Representative Brian Munzlinger  
Macon County Cattlemen's Association  
Bates County Cattlemen's Association  
Missouri Beef Industry Council  
St. Clair County Cattlemen's Association  
Cass-Jackson County Cattlemen's Association  
Polk County Cattlemen's Association  
Shering-Plough  
FCS Financial  
Jeff Windett  
John Roberts, MFA Incorporated  
WK Chevrolet

### News for Junior Cattlemen!

The MCA All Breeds Junior Show is right around the corner, and that means it's time to elect new Missouri Junior Cattlemen's Association Board members! If you are 16 or older and have an interest in serving this association, please apply! You can find more information and the application at [www.mocattle.com](http://www.mocattle.com) under the "Juniors" tab. We will be accepting applications up until Friday, June 13th.

With the coming of the Junior Show is the annual MJCA Scavenger Hunt. The event will take place on Friday, June 13th at 3:00 pm. Teams must have 4 members. If you would like to participate, round up your friends and meet in the Youth Building Sales Arena at 3:00 pm on Friday! The MJCA Board of Directors looks forward to seeing you all there!!

Finally, don't forget about the annual MJCA meeting! This year, the meeting will be held on Saturday, June 14th at 5:30 in the Youth Building Sales arena. This is YOUR opportunity to voice your opinions on the association and it's future! Any juniors across the state that are not exhibiting in the MCA All Breed's Junior Show are more than welcome to attend as well!

**REMINDER: MJCA members coming to the meeting will earn 5 pts. towards their MJCA Points Awards totals!!!!!!**

### Mandatory C.O.O.L. Defined

The National Meat Association recently provided this summary of the mandatory country of origin labeling (COOL) law set to go into effect Sept. 30.

The commodities covered by mandatory COOL include:

Muscle cuts of beef, lamb, chicken, goat, and pork; and

Ground beef, ground lamb, ground chicken, ground goat, and ground pork.

Non-meat ingredients are not a part of mandatory COOL. Also, if the commodity is an ingredient in a processed food item, the covered commodity is then excluded from mandatory COOL.

A processed food item in this case would mean a retail item derived from a covered commodity that has undergone specific processing resulting in a change in the character of the covered commodity, or that has been combined with at least one other covered commodity or other substantive food component (e.g., chocolate, breading, tomato sauce), except that the addition of a component (such as water, salt, or sugar) that enhances or represents a further step in the preparation of the product for consumption, would not in itself result in a processed food item.

Specific processing that results in a change in the character of a covered commodity includes cooking, curing, smoking and restructuring (e.g., emulsifying, extruding, or compressing into patties or meatballs). Examples of items excluded as a covered commodity include teriyaki flavored pork loin, roasted beef, breaded chicken tenders, and beef patties.

For commodities to receive U.S. COOL labeling, the beef, pork, lamb, chicken or goat must be:

From animals exclusively born, raised, and slaughtered in the U.S.;

From animals born and raised in Alaska or Hawaii and transported for a period of not more than 60 days through Canada to the U.S. and slaughtered in the U.S.; or

From animals present in the U.S. on or before July 15, 2008 and once present in the U.S., remained continuously in the U.S. -- *provided by the National Meat Association and Beef Cow-Calf Weekly*

**BEEF** *Checking in on the Checkoff*

Running ads to remind health-conscious consumers that beef is a passion that is permissible.

It's earth-friendly fuel for your body!

*Ads run in over 30 national publications like Health, Real Simple, Parents, Mens Fitness and many more. They also run in several Missouri publications.*

### **A Chat with Randy Blach on the Beef Economy**

Summing up the state of the cattle business has never been easier: input costs are historically high and likely to climb higher, in a volatile manner that often defies logic.

Figuring a way to the other side has never been tougher: cow numbers are declining, the traditional cattle cycle is in hibernation, and dog-eared rules of thumb no longer apply.

"Though costs are at extreme levels, that doesn't mean they're as high as they're going to get," says Randy Blach, Cattle-Fax CEO. "None of us thought we'd see Minneapolis wheat selling on top of \$20, but we have. None of us ever thought our economy could support oil prices at \$120/barrel, but the market has marched right through it."

So goes an historic period of relearning in the U.S. cattle business.

"We're all in a situation where cost of gain is approaching \$1, and exceeding it in some cases. There are big premiums in the deferred live cattle futures, and I suspect these premiums will continue until the market sorts out this cost squeeze," Blach says. "We've seen cow carrying costs increase \$100/head on average during the past few years. I expect we'll see them increase another 10% this year."

Salt in the wound comes with the fact that most of the increased cost has thus far been absorbed by producers.

"At some point, a portion of these added costs will have to be passed along to the consumer," Blach says. In other words, he expects prices for fed cattle, and wholesale and retail beef to begin marching upward for the next couple of years.

Along the way, Blach adds, "Despite the higher costs, I think the market will continue to support calf and feeder-cattle prices at higher prices than traditional thinking would suggest."

There were 32.6 million beef cows in the Jan. 1 national inventory, 28.5% fewer than the peak in 1975 and the fewest since 1971 when the National Agricultural Statistics Service began providing the current inventory reports. According to Blach, the number of beef-cow operations with 100 or fewer cows has declined 17% in the past 15 years. The total number of cow-calf operations has declined 25% since 1986.

Yet, by most estimates, cattle-feeding capacity has been overbuilt by about 25% for at least 10 years. Meanwhile, for all practical purposes, beef cow numbers have languished for a decade.

"We (Cattle-Fax) don't see any beef cow herd expansion, nor will we for the next few years," Blach says. In fact, he expects modest downsizing of the beef-cow inventory to continue for a few years. "I suspect we'll continue to rely more on increased cattle imports from Canada and Mexico since we're not growing the factory here," he explains.

In April, the USDA Economic Research Service (ERS) estimated 2.65 million head of cattle would be imported to the U.S. this year, 6% more than last year.

Ultimately, that means further consolidation and concentration in the feedlot and packing sectors as they reduce capacity toward an economic equilibrium with domestic cattle numbers.

"We'll likely see more consolidation and concentration in the packing sector. We'll also likely see more cattle-feeding pens idled in the next 12-18 months," Blach says. "When the dust settles, we'll have fewer, larger, better capitalized operations than we've had in the past."

A sustainability key. Fewer cow numbers and operations don't mean less beef, though.

"Beef-production levels will continue to be supported at close to all-time high levels

because of increased productivity," Blach says. "Beef-production levels won't fall dramatically here, though we may consume less of it here."

He emphasizes producers need to understand that domestic beef consumption will decline over the next couple of years, but it doesn't mean demand is declining. Cattle-Fax estimates domestic beef consumption will decline 1.5 lbs./capita this year and potentially another 1-1½ lbs. next year. That's partly because U.S. cow numbers will be stagnant to declining, but mostly because more of what's produced will be consumed outside the country.

Exports are a chief reason for Blach's optimism about the future of the business here, though he's concerned about the current economic squeeze.

"Only 4% of the world's population is in the U.S.," Blach says. "There will be 1 billion new beef consumers around the world in the next decade." Some of that's due to population growth, but most stems from the growing economic power of foreign consumers who find themselves with enough disposable income to contemplate making beef a diet staple for the first time in their lives. This at a time when world market prices for major food commodities such as grains and vegetable oils have risen more than 60% in two years, reaching historic highs, according to ERS.

Yep, it's the same global economic growth that's helped create the current dilemma in the cattle business here - global commodity demand has increased faster than supply. Given the U.S. dollar's weak value, U.S. grains have represented a bargain to global buyers.

Additionally, ERS analysts say short-term factors contributing to such steamy commodity-price inflation include: increased demand for bio-fuels feedstocks, adverse weather in some major grain- and oilseed-producing nations the past two years, and recent policies adopted by countries to mitigate food-price inflation.

For perspective, the entire U.S. population is currently 300 million. Global population grows by 78 million each year. There are 6.7 billion people today; by 2030, that will be 8 billion.

"The U.S. beef industry needs to have the opportunity to market globally, and then let the market sort it out," Blach says. "If we allow the market to work, it's very efficient at finding the right answer. Unfortunately, it hasn't been allowed to work since 2003." Everything from export markets being shuttered for non-scientific reasons, to government policies artificially inflating grain prices, have stymied the market's ability to do its job effectively.

"At some point in the future, the economic factors that supported a cattle cycle in the past will likely return, but not for three to five years," Blach says. There's too much global demand and too little global supply of grain and other commodities for the current cost-price squeeze to sort itself out quickly.

Traditional wild cards played in the current business environment would be magnified exponentially. Grain production this side of predictions - or increased demand - could push prices up another steep slope. The same goes for other commodities such as oil. The federal government could intervene, too, as it did in the 1970s, with disastrous consequences.

On the other hand, Blach points out a sustained rally in the valuation of the dollar could curtail some U.S. grain exports.

Hedge against rising inputs. In the meantime, Blach says there are a couple of opportunities cow-calf producers need to consider embracing as a hedge against rising

input costs.

"This is a period when cow-calf producers need to look at putting a couple hundred more pounds on their calves before merchandising them," Blach says. The calf-to-feeder price spread continues to narrow as feedlots place more demand on cattle entering the lot at heavier weights. The lesson is to sell heavier cattle.

"There also continues to be tremendous opportunity to differentiate the calf crop," Blach says. Price spreads for same-class, same-sex, same-weight calves and feeders in the same part of the world continue to be historically wide.

Whether it's for source verification, natural label eligibility, or some other added-value attribute, Blach believes, "We'll see wider price spreads over the next couple of years as the market has more opportunity to express itself based on differentiation. That's a good hedge for cow-calf producers."

On both counts, Blach says the further producers are from where the calf and feeder markets are made, the more they should consider adding weight and differentiating. At \$4/loaded mile, discounts will continue to cut deeper the further cattle are from the market.

"We have to maintain an open mind as we move forward; it's a new frontier," Blach says. "I believe it will sort out and we will find our way." -- *released by Wes Ishmael, Beef Cow-Calf Weekly*

### **Farm Management: Working Facilities, Curved Chutes**

A curved working alley takes advantage of an animal's natural behavior to turn away from potential danger or unpleasant sites or sounds. Curved working facilities prevent the animal from seeing the squeeze chute or truck until they are almost upon it. A facility with solid sides is likely to require a catwalk.

Cattle like to follow each other. Each animal should be able to see the one ahead of it. Blocking gates in a chute need to be see-through gates, so cattle can see the animal ahead. If the animal views a dead-end, it will balk. Make single-file chutes at least 20 feet long.

Uniform lighting can help avoid shadows. Cattle in the dark will move toward the light. If you are loading at night, use a frosted light in the truck or shine your flashlight into the truck. Avoid glare in their faces. Livestock tend to balk if they are forced to look into the sun. Position loading and squeeze chutes north and south for summer handling.

#### **Response to Movement or Strange Sights**

A white styrofoam cup in the bottom of the working chute will cause the entire herd to balk. Cattle also balk at moving or flapping objects. Therefore, do not place your jacket on a strategic fence post in the working area. Use solid sides for the construction of crowding pens, single-file chutes, and loading chutes. Stand back from the head gate so that the cattle cannot see you or at least think they can escape past you. -- *Source: The Beef Blog & Keith L. Smith, OSU Extension*

### **National Shows Quickly Approaching for Many Juniors**

As the show season for many juniors continues, many breed's national shows are approaching. These shows offer juniors the opportunity to meet other people engaged in their breed from across the country, participate in leadership development activities, and exhibit their livestock. Kansas City will be the location for four different breeds' National Junior Shows. Traveling to see these junior nationals would be a great opportunity to see youth engaged in the beef industry.

**Dates for Junior Nationals Are:**

June 24-28: National Junior Salers Show (Ozark Empire Fairgrounds, Springfield, MO)

June 29-July 4: National Junior Maine-Anjou & Chianina Shows (Kansas City, MO)\*

June 30-July 5: National Junior Shorthorn Shows & Youth Conference (Kansas City, MO)\*

July 6-11, 2008: Gelbvieh Junior Nationals (Waynesville, N.C.)

July 12-July 19, 2008: Junior National Hereford Expo (Kansas City, MO)\*

July 13-18, 2008: National Junior Limousin Show (Sioux Falls, SD)

July 13-19, 2009: National Junior Angus Show (Des Moines, IA)

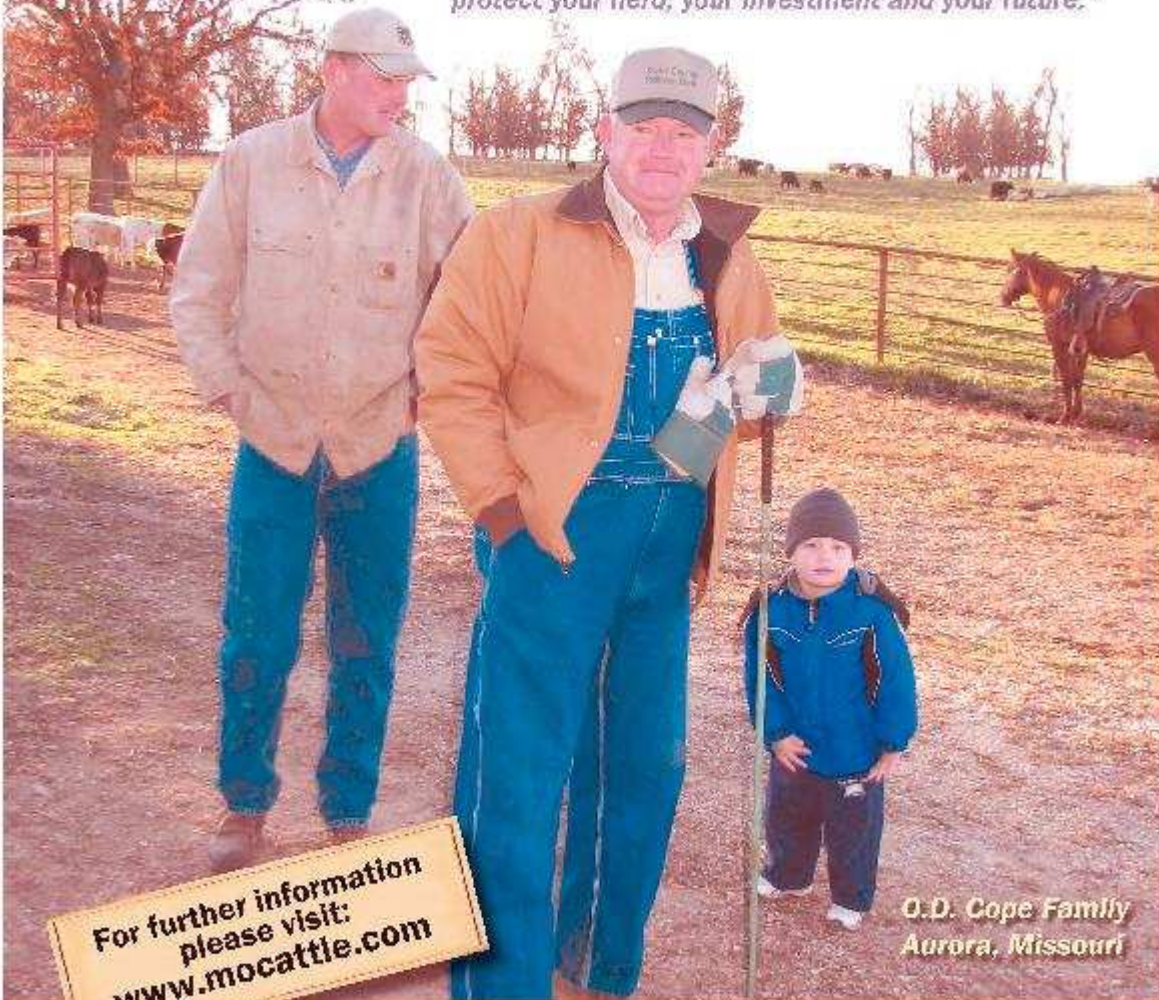
\*All shows held at the American Royal Complex in Kansas City

*If you know of any breed's Junior Nationals not listed, please e-mail  
[rachel@mocattle.com](mailto:rachel@mocattle.com).*



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### **Dietitians Explore the Power of Protein**

Thirty key nutrition thought leaders from Missouri, Kansas and Nebraska gathered in Kansas City earlier this month to participate in "A Nutrition Adventure: Explore the Power of Protein." This event was coordinated by the three state beef councils and funded solely through the \$1 per head beef checkoff program. During the three-day seminar, dietitians explored the senses and science with an intriguing look at the blending of taste and nutrition. Scientific, culinary and consumer research experts lead them through an

exploration of the 'power of protein' and the many aspects of our food choices. In addition to the interactive seminars, the dietitians were able to take a side trip where they indulged their senses with a springtime visit through the Flinthills of Kansas to the Tailgate Ranch (a working ranch in Kansas) and also heard first hand from a diverse producer panel.

According to Emily Melies, a dietetics student at MU and an employee of the Missouri Beef Industry Council, "These nutrition experts were captivated by the producer panel. It really answered a lot of the questions they had about the production process." She went on to add, "I have no doubt that this event made a real connection between the beef industry and the people who are offering consumers nutritional guidance."

This event was invitation only for registered dietitians in key influencer roles; and was intended to give them the opportunity to embrace the science of nutrition and food with noted national experts in the field. In addition, this was an excellent opportunity for the health professionals to gain beef knowledge and 'know how' to utilize as they counsel patients, educate future dietitians, and interact with members of their communities.

Because of their involvement in the event, the attendees will likely feel more confident when they convey positive messages about beef to media and other key audiences whom they work with.

To learn more about how checkoff dollars are used to educate consumers about the health benefits of beef, visit [www.mobeeff.org](http://www.mobeeff.org).

### **Missouri Master Farmer Award**

Do you know a top farm or ranch manager -- someone with innovative ideas, sharp business skills, sound conservation practices, agricultural leadership and community service? The Missouri Master Farmer Award program wants to recognize these individuals and is taking applications for its inaugural awards. The deadline is July 1.

Missouri Ruralist, along with University of Missouri Extension, the Missouri Department of Agriculture and FCS Financial, have launched the Missouri Master Farmer Award program. Four Master Farmers will be named each year, with \$1,000 prizes to each. Organizers plan an awards banquet for the next Missouri Governor's Conference on Agriculture, along with an educational roundtable discussion with representatives from young farmer organizations.

This is a program for all Missourians involved in agriculture - whether you are a crop farmer, livestock producer, vegetable or fruit grower, tree farmer or vineyard owner.

For an application form, visit the Web site [www.missouriruralist.com](http://www.missouriruralist.com) and click on the Missouri Master Farmer Award link. Forms are also available at MU Extension Centers and at FCS Financial offices. Got questions? Contact Ron Plain at 573-882-0134; [PlainR@missouri.edu](mailto:PlainR@missouri.edu).

### **MBIC Board of Directors Election - VOTE!**

The Director of Agriculture will be conducting an election to fill three positions on the Missouri Beef Industry Council Board of Directors. One regional council member will be elected from each of regions 2, 3, and 4. The elected individuals will serve for three years.

Any cattle producer within these regions of Missouri who produces cattle for market and is the legal owner of one or more head of cattle is eligible to vote in this election. There are MCA members running for each region and we encourage all of our producers in those regions to register. Registration can be completed at Farm Service Agency (FSA) offices prior to July 18, 2008. If you have participated in MBIC elections within the last five years, it is not necessary to register.

The MDA will mail ballots to the producers registered by August 15, 2008. Ballots must be postmarked no later than August 29, 2008 to be valid.

Any qualified producer may be nominated and have his or her name placed on the ballot. An independent nomination accompanied by a petition of at least 100 producers in the nominee's region and written permission of the candidate are required. Petitions must be delivered to the MDA Director's office by no later than July 18, 2008.

Register to vote!

Current Nominees:

Region 2 (NE)	Region 3 (SE)	Region 4 (SW)
Blue Geier*	Jim Freeman*	Jay Stahl*
Sally Angell	Mike Kasten	Chris Cloud

\*Denotes incumbent

### Missouri Beef House Schedule Posted

It's that time of year again! The Missouri State Fair is right around the corner and that means it's time to start planning to volunteer at the Missouri Beef House! We encourage all of you to volunteer at the Beef House some time during the fair, it's never too early to start putting those dates into your calendars!

To see a schedule of assigned county shifts, please visit our website at [www.mocattle.com](http://www.mocattle.com) or look for it in the July issue of the Missouri Beef Cattleman.

*If your county will be unable to fulfill their shift or bring their allotted number of people please contact MCA as soon as possible at (573) 499-9162.*

### Goat Brush Tour Coming to Jenkins

The Barry County UM Extension and the Barry County Commission are sponsoring the 2008 Goat Brush Tour in Jenkins, MO. The event will emphasize the methods of controlling brush ranging from herbicides to goats. Cattlemen can learn how to gain more acres for beef cattle grazing.

The Goat Brush Tour will be held June 16, 6:30 pm at the Cope Farm in Jenkins. For more information, contact Barry County Extension at (417) 847-3161.

### Cattlemen's Meetings

**June 12 - Henry County Cattlemen's Association**  
Shelter #2 Artesian Park - 6:30 pm

**June 12 - Polk County Cattlemen's Association**  
Smith's Restaurant - 7:00 pm

**June 13-15 - MCA All Breeds Junior Show**  
Missouri State Fairgrounds, Sedalia

**June 16 - Benton County Cattlemen's Association**  
4-H Building, Lincoln - 7:00 pm

**June 20-22 - MO Limousin Breeder's Assoc. Field Day**  
For More Information visit: [www.missourilimousin.com](http://www.missourilimousin.com)

## **June 30-July 3 - 2008 Beef Improvement Federation**

Annual Research Symposium & Annual Meeting  
Calgary, Alberta, Canada

*Looking for a program to present to your members during a county meeting?  
MCA provides Beef Quality Assurance training programs for county cattlemen. More more  
information contact (573) 499-9162.*

### **MCA Summer Events**

#### **MCA All-Breeds Junior Show**

The 2008 Missouri Cattlemen's All-Breeds Junior Show will be held June 13-15th at the Missouri State Fairgrounds in Sedalia. Please note the schedule changes from in previous years. Entries were due on May 16th. Late entries are accepted up until the show for \$30 per head. For more information on the MCA All-Breeds Junior Show, please visit the Junior page on the MCA website or call the office.

#### **BIF Annual Research Symposium & Annual Meeting**

The 2008 Annual BIF Conference will be June 30-July 3 in Calgary, Alberta, Canada. The Canadian Beef Breeds Council will host the event. Leading-edge Canadian genetic advancements will be showcased and discussed by industry leaders and innovators. In addition, United States industry leaders will discuss additional progress and current developments. More than 500 attendees will travel to Calgary, representing all aspects of the beef industry. For more information visit [www.canadianbeefbreeds.com](http://www.canadianbeefbreeds.com) or [www.beefimprovement.org](http://www.beefimprovement.org).

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