



MCA Works Diligently through COVID-19

The economic and financial fallout of the Coronavirus (COVID-19) is beyond comprehension. The financial destruction is compounded by severe drought conditions that were followed by unprecedented flooding in many regions of the state and an extensive drain of equity due to the market disruptions caused by the fire at Tyson's Holcomb, Kansas, beef processing facility eight months ago.

Given the current market uncertainty and extreme volatility, your Missouri Cattlemen's Association leadership and staff are laser focused on finding solutions to help correct the market situation in the short term, but more importantly – focusing on what long term, structural changes can be made to increase transparency, price discovery and reduce volatility in the cattle markets. We are not taking this lightly and will entertain all ideas as we work with leaders in other states and at the national level. We cannot promise overnight success, but we will not stop working.

Also, during this time of uncertainty, we are asking for flexibility from creditors and lenders and have been in contact with the Missouri Bankers Association regarding the need for patience and partnership from the banking and lending community.

“Missouri cattle producers are undoubtedly under siege with extreme market volatility and uncertainty. It is apparent the market is trying to determine where it should be amidst this crisis. We urge creditors and lenders to take this into consideration and give the market time to adjust. Many cattle producers are facing extreme anxiety and banking and lending institutions need to be a partner in this and offer flexibility in these trying times.” – Marvin Dieckman, MCA President

MCA will continue to convey the needs of our members and the beef industry to the highest levels of government during this time of crisis.

Cattle producers need flexibility and increased access to low- and zero-interest loans in order to remain viable and ensure that grocery store shelves remained stocked. We are encouraging USDA/FSA to expand availability of these loans, in addition to increasing flexibility of terms for existing loans. We are also requesting that FSA coordinate with USDA Rural Development and the Small Business Administration throughout the implementation of these accommodations.

We have been in continued conversations with USDA/AMS regarding their plans to ensure that USDA inspectors do not become a limiting factor in keeping packing and processing plants from operating. In our members' best interest, MCA has requested that AMS/P&SD increase their vigilance and surveillance throughout the cattle and beef marketing chains to guard against market manipulation and price gouging.

The U.S. Department of Transportation recently announced an Hours of Service Emergency Waiver for commercial trucks, to include vehicles delivering food products to retail establishments. While this announcement will help the shelves of grocery stores remain stocked, we continue to remind the Administration that a significant amount of drive time is still necessary throughout the livestock supply chain. We believe it would be prudent for the Federal Motor Carrier Safety Administration's emergency declaration and suspension of Hours of Service to extend to haulers transporting shipments of livestock feed, critically important animal health technologies, and trucks moving livestock to feedyards and packing facilities. This critical step will not only keep cattle haulers in business, but it is the only way to ensure movement across the entire beef supply chain.

MCA leadership and staff remain committed to our members. Please know we are working diligently to find solutions to the current situation while keeping our long-term focus on improving market transparency, price discovery and reducing market volatility. We will continue to keep you up to date as more information becomes available.