

CATTLE TRAILS

To promote the Wisconsin beef business through advocacy, leadership, and education.

March 2016



President's Path

Jena Swanson, WCA President Jenaswanson@yahoo.com

Forward. One simple,

powerful, positive word. Not only is this word the Wisconsin state motto, but a word that characterizes the current position of the Wisconsin Cattlemen's Association (WCA). As I reflect on my new position as your Wisconsin Cattlemen's Association President, I think of the great success our organization has accomplished, and the bright outlook we have for the future and to continue moving WCA forward.

Recently, I had the chance to attend the National Cattlemen's Beef Association (NCBA) annual convention and tradeshow in San Diego, CA. Beef producers from across the country gather at this important event to hear the latest on education and legislative efforts that impact the beef industry. Producers and industry representatives with very different backgrounds and segments of the industry all unite for the same cause, to promote the nation's beef industry.

Likewise, our Wisconsin Cattlemen's Association Winter Conference was held in February at the Wilderness Resort in Wisconsin Dells. Beef producers and industry representatives from Wisconsin attended this important event to learn from educational programming and knowledge sharing from their peers. This event is always very inspiring to me as it truly evokes all facets of our mission statement: to promote the Wisconsin beef business through advocacy, leadership and education.

Our goal for 2016 is to continue moving WCA forward, and to accomplish that we will focus primarily on increasing membership. WCA is the partner of all beef producers in the state. We are a grassroots organization that listens to the opinions and needs of our members, and work daily to provide legislative representation for the state's beef industry. In addition, as a state affiliate of NCBA, we not only receive national insights and updates, but our voice can be heard on a national level. This partnership with NCBA allows for a stronger voice through allies with neighboring states and national visibility on issues that affect WI beef producers.

In addition to increasing membership, we have recognized an overarching shift in agriculture to break down gender barriers. At the Winter Conference, the Wisconsin Cattlewomen's Association made the incredibly hard decision to dissolve the organization. This decision came after deep thought and consideration of the Board of Directors. Overtime, it has been clear that the beef industry and agriculture overall is changing, and decided it made more sense for members to align with WCA for a unified voice to work together towards the same cause. Although a difficult decision, the result will be more streamlined focus and greater support for the Wisconsin beef industry.

Yet still with the alignment of the two organizations, there are 14,500 beef producers and 9,900 dairy producers in the state to become potential members of WCA. What is important to you as a beef producer? Do any of the facets of our mission statement resonate with you? Do you want to advocate for the beef industry? Do you want to hold a leadership position and network with your peers? Do you want further education on management practices that improve your beef operation?

If you answer yes to any of these questions, I welcome you to join WCA today. Please visit our website at

www.wisconsincattlemen.com or call our office at 608-228-1457.



WI Cattlemen's Association Executive Committee Jena Swanson– President Eric Johnson– President Elect Austin Arndt– Past President JoDee George Nifong– Secretary David Delong– Treasurer

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The Beef Industry's New Long Range Plan

John Freitag, Wisconsin Beef Council Executive Director jwf@beeftips.com

The beef industry has adopted a new long range plan (LRP) that will guide the industry from 2016-2020. Developed by a task force of industry leaders, this new plan will focus on growing demand for beef over the next five years by addressing key challenges and opportunities. The plan's vision is simple and straightforward, "To responsibly produce the most trusted and preferred protein in the world." The mission statement summarizes key elements the plan will focus on and states, "A beef community dedicated to growing beef demand by producing and marketing the safest, healthiest, most delicious beef that satisfies the desires of an increasing global population while responsibly managing our livestock and natural resources."

The plan's overall objective is to increase wholesale beef demand by 2 percent annually over the next five years. Taking the turnaround in supply that is underway, that will be no small task. Given that, the LRP task force is challenging industry stakeholders across the supply chain to support the plan by taking specific action on those strategic initiatives most relevant to their area of expertise.

Background

In today's global marketplace, every successful cattle producer or other beef industry stakeholder knows the importance of planning when it comes to business success.

In fact, every decision companies and organizations make is ideally based on sound research and strategic foresight. While all beef related businesses likely have their own internal plans and objectives, the beef industry recently funded the development of a fiveyear beef industry long range plan to help ensure the industry, at a minimum, has the underpinnings to engage in and align to a consistent direction. More specifically, the beef checkoff will use this plan to very directly guide their efforts and funding decisions moving forward.

Developed by a task force of <u>16 industry lead-</u> <u>ers</u>, the plan took about eight months to complete and was ultimately adopted by the National Cattlemen's Beef Association, a contractor to the Beef Checkoff, and the Cattlemen's Beef Board during July's 2015 Cattle Industry Summer Conference in Denver. "While the beef industry has faced many challenges, the future holds tremendous promise for the industry," according to Don Schiefelbein, owner/operator of Schiefelbein Farms and task force co-chairman. "The task force took a research-based approach to not only determine where the industry is and how we got here, but also at the trends and issues potentially impacting the beef community so that we can be most successful moving forward."

The task force identified increasing beef demand as the single most important strategic objective for the industry to pursue and established a specific objective to "increase the wholesale beef demand index by 2 percent annually over the next five years" through focus on four core strategies: drive growth in beef exports; protect and enhance the business and political climate for beef; grow consumer trust in beef and beef production; and promote and strengthen beef's value proposition.

"The overall vision of the task force was straightforward," said John Butler, CEO of Beef Marketing Group and task force cochairman. "Recognizing the growing demand among the world's middle class for highquality protein, we want the U.S. beef industry to responsibly produce the most trusted and preferred protein in the world. At this pivotal point in the U.S. beef industry's history we need to focus our energies and limited resources on those areas that can provide our industry the best results."

Beyond these four core strategies, the task force identified specific strategic initiatives that support each. These initiatives are much more focused and at times more aggressive than direction provided by long range plans in the past. The task force clearly recognized the importance of calling out ways to address current issues facing the beef industry today.

Drive Growth in Beef Exports

This strategy focuses on gaining access to key foreign markets, adopting an animal I.D. traceability system and promoting the unique attributes of U.S. beef to foreign consumers.

Protect and Enhance the Business & Political Climate for Beef

This strategy begins with motivating stakeholders to become more engaged in policy concerns to improve the industry's effectiveness in managing political and regulatory issues that threaten the overall business climate of beef production. It must also include efforts to ensure beef's inclusion in dietary recommendations, the exploration of new production technologies to replace ineffective or unacceptable production inputs or methods, and a crisis prevention and management plan to prepare the industry to manage key risks and vulnerabilities. Finally, strategies must be developed to attract, develop and enable the next generation of beef industry stakeholders while simultaneously becoming more proactive in supporting global food security messages and activities.

Grow Consumer Trust in Beef & Beef Producttion

This strategy includes a critical focus on antibiotic stewardship, the implementation of a certification/verification program and continued investment in beef safety initiatives. Moreover, the industry must engage the entire beef community in building consumer trust and collaborate with a broader group of industry partners and outside organizations to protect beef's image.

Promote and Strengthen Beef's Value Proposition

This strategy is designed to revolutionize beef merchandising, invest in research to communicate beef's nutritional benefits and capitalize on media technologies to communicate beef's value proposition and connect directly with consumers. Furthermore, the industry must effectively respond to consumer-based market signals with product improvements and increased production efficiencies while continuing an industry-wide commitment to measuring, improving and communicating progress in beef industry sustainability.

A Call to Action

Challenge yourself and the Wisconsin Cattlemen's Association to help achieve the long range plan's objectives by taking specific action on those strategic initiatives you believe you could most positively impact. The plan will only be as good as the outcomes it achieves. Make your mark and get involved today.

The Wisconsin Beef Council will be discussing a new strategic Plan at the next board meeting using this Long Range Plan as our guidance in setting forth our course for the next few years. Material taken from Beef Issues Quarterly, 2015: Year in Review.

BEEF. IT'S WHAT'S FOR DINNER!!!!





Meet Cattleman Nate Moll

Nate Moll owner of Moll Cattle Co. with my brother Austin Moll and sister Whitney Moll in Poynette, WI. We farm with our parents Calvin and Sue Moll. Together we run around 20 purebred and percentage Simmental cows. We focus on out cross genetics with a show ring appeal that won't disappoint in the pasture. We have competed in shows at both the state and regional level. Off the farm I am a Market Manager for Equity Livestock. I run the operation in Johnson Creek, WI. We have two cattle sales a week focused mainly on cull and slaughter cattle. Besides being on the WCA board I am also the Vice President of the Wisconsin Simmental Association.

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Muddy Conditions Influence on Beef Cattle Performance

Bill Halfman, UW Extension Agriculture Agent, bill.halfman@ces.uwex.edu

As we move out of winter and into spring, prolonged periods of mud and moisture can significantly hinder cattle performance and profitability. Mud and deep manure problems can also be encountered inside buildings during the spring thaw and wet season if pens become dirtier and deeper in manure than is ideal.

For cow-calf producers, mud can negate the insulation value of the hair coat. Of distinct concern are newborn calves born in or near mud holes or muddy areas. Calves can become chilled by mud, trapped in it, or sickened by pathogens thriving in it. This is why it is so important to closely monitor calving, routinely check cattle, and move cow-calf pairs to fresh pasture soon after calving.

Additionally, mud on udders contributes to poor udder hygiene conditions. And can increase the risk of foot problems such as foot rot.

Mud creates suction on hooves and makes it more difficult for cattle to move around in a muddy area. They expend more energy moving through mud. One only has to walk into a feeding area with deep mud once to realize just how difficult it is to take steps. Boots must be held securely on feet or the mud will claim them quickly.

With mild mud conditions, just 4 to 8 inches of mud, cattle dry matter intake is reduced by 15 percent versus what it would be under the same conditions without any mud. When severe mud conditions are present, 1 foot or more of mud, dry matter intake plummets by 30% relative to the same conditions without any mud. It is no wonder that it becomes challenging to maintain good body condition on cows and desirable weight gains on calves when mud is all around.

From a feedlot prospective, when cattle are standing in four to eight inches of mud, gain can decrease by nearly 15 percent. A feedlot with mud that is belly deep can depress gain by nearly 25 percent. Consequently, the negative impact of mud on feed efficiency can result in up to a 56 percent increase in cost of gain as more days on feed are necessary to reach finish.

Factors that figure in to this profit loss situation include: 1) Cattle make fewer

trips to the feedbunk during muddy conditions which results in lower feed intake. 2) Cattle utilize more energy slogging through the mud to reach the feedbunk. Muddy conditions can increase energy requirements by 10 percent. 3) Wet cattle in cold weather need to metabolize more energy to stay warm, also resulting in reduced growth and production.

Pen maintenance and design in combination with management and plenty of bedding can greatly influence the level of moisture in the cattle housing areas. Proper drainage and prevention of runoff water from entering pens is the first step in reducing mud within the pen. Providing adequate space per animal can reduce mud depth especially in the high traffic areas around water troughs and feedbunks. Moving cattle to different areas during this time and perhaps constructing some feeding areas and other heavy use areas will help get through mud season.

Beef producers may want to consider checking with their land conservation and or NRCS office to see if cost sharing is available to help with construction of improved cattle housing facilities to help combat the mud.

Although adverse weather conditions cannot always be predicted or prevented, preparing for these unfavorable circumstances by having a plan in place can help.

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Steak Trailer

Dave and Rena Koning, WCA Steak Trailer Chair, dkoning@wekz.net

WCA Steak Trailer events are quickly approaching with the spring venue at WPS-Oshkosh, March 29-31, and Midwest Horse Fair – Madison, April 15-17.We are putting out another urgent message that we are in need of grill persons for these two events. Please consider helping. WCA Steak Trailer is the organizations main funding for the year. Please help us accomplish the goals set in previous years. Please consider the fate of the steak trailer by joining us for a year getting to know the personnel we work with and the time line it takes to accomplish those goals. The Steak Trailer legacy is in the hands of the WCA!

Legislative Summary

Jordan Lamb, DeWitt Ross & Stevens jkl@dewittross.com

Wisconsin State Legislature has officially wrapped up its action for the 2015-16 legislative session. The Legislature addressed a number of issues that affect Wisconsin farmers and also left a number of critical issues for the next session, which begins in January 2017.

<u>High Capacity Wells.</u> The Legislature considered two different approaches to addressing farmers' concerns surrounding the regulatory problems under current law with permitting of high capacity wells. Unfortunately, neither approach will be sent to the Governor for his signature this session.

Comprehensive High Capacity Well-Permitting Reform (SB 291 / AB 477) – FAILED TO PASS. Senator Rob Cowles (R-Green Bay) and Representative Scott Krug (R-Nekoosa) worked on legislation to provide comprehensive regulatory certainty to those seeking a new high capacity well or those who desire to reconstruct or repair an existing high capacity well, while also putting into place mechanisms to address particularly sensitive areas in Wisconsin in terms of groundwater pumping. This legislation was very thorough in the issues it addressed, but it could not be drafted in an agreed-upon manner before the session came to an end. It is expected to be revisited again during the 2017-18 session.

Repair, Replacement, Reconstruction and Transfer of Ownership of HCW's (SB 239 / AB 874) - PASSED IN DIFFERENT VERSIONS - FAILED. Senate Rick Gudex (R-Fond du Lac) and Rep. Lee Nerison (R-Westby) introduced more limited high capacity well legislation that would simply clarify that owners of existing HCW's can repair, replace, reconstruct and transfer the ownership of HCW's without triggering an environmental review of their wells. This legislation was amended at the very end of the session to include a mandatory study of particular sensitive watersheds in Wisconsin and, in the Assembly version, to include a provision that would allow private well owners to sue high capacity well owners under a nuisance action if they are "unreasonably harmed" by high capacity wells that have lowered the water table or caused a decrease in their water pressure. Under this provision, the prevailing party could collect their attorneys' fees and costs. This is the same as the provision under current s. 823.08. known as Wisconsin's "Right to Farm" law.

However, after the Assembly passed the legislation, several Republican Senators as well as the Wisconsin Realtors Association, objected to this fee provision when the bill reached the Senate. Accordingly, the Senate removed the provision. Unfortunately, at the time this article was written, the Assembly had no plans to reconvene to concur in the amended Senate version of the bill. As a result, even though this bill passed both houses, because it passed in different forms, it will not be sent to the Governor.

Transportation / Road Weight Limits. Senator Jerry Petrowski (R-Marathon) and Representative Keith Ripp (R-Lodi) continued to refine their initial comprehensive implements of husbandry (farm implements) weight limit legislation that was originally passed in 2014 (2013 Wisconsin Act 377) and which generally gave farm implements operating on the roadways a 15% increase in road weight limits.

Implements of Husbandry (IOH) 2.0 – ENACTED 2015 Wisconsin Act 15. In April 2015, the Governor signed 2015 Act 15, which clarified IOH issues related to towed and attached IOH; specified that IOH with rubber tracks *can* legally operate on a highway; and provided other technical changes that improve the application of the law to "agricultural commercial motor vehicles" (Ag CMVs).

Extension of Fall Harvest Weight Exemption – ENACTED 2015 Wisconsin Act 235. Assembly Bill 733 and Senate Bill 509, authored by Representative Spiros (R-Marshfield) and Senator Petrowski (R-Marathon), provides that the 15% seasonal weight limit increase for certain vehicles transporting agricultural crops from harvest to initial storage or harvest to initial processing, begins on August 1st rather than on September 1st of each calendar year. This weight limit increase ends on December 31 of each calendar year.

Implements of Husbandry (IOH) 3.0 – ENACTED 2015 Wisconsin Act 232. During the fall 2015 session, Representative Ripp and Senator Petrowski further updated IOH laws with roughly 15 distinct yet very technical modifications. For instance this legislation provided: the definition of farm tractor was updated to reflect recent changes in statutory language from Act 377 and Act 15; use of "farm implement" in Chapter 347 of statutes was changed to "implements of husbandry"; SMV sign usage was updated to correct inconsistencies and clarify its true purpose (too indicate speed); and further clarifications as to how wide implements being trailered need to be properly lighted and marked.

Other Legislative Issues.

Elimination of Adverse Possession Claims Against <u>Public</u> Property – ENACTED 2015 Wisconsin Act 219. Senate Bill 314 / Assembly Bill 459, authored by Senator Howard Marklein (R-Spring Green) and Representative Robert Brooks (R-Saukville) "grandfathers" all adverse claims against <u>public property</u> (*i.e.*, property owned by a town, county, municipality or the State of Wisconsin) that have "matured," in most cases extended 20 years. The bill, however, eliminates any future adverse possession claims against public property.

Producer-Led Water Quality Initiative (ENACTED in Budget Bill). As a part of the 2015-17 biennial budget bill, the State Legislature created a new grant program at DATCP called the "Producer Led Watershed Protection Grant Program." WCA worked with other Ag groups to secure the creation and funding of this program. The goal is to make water quality initiatives original from the farmers rather than the regulators.

This program provides an additional \$500,000 in funding over the biennium for water quality abatement activities. The new grant program is specifically for farmers within a watershed to design and <u>lead their</u> <u>own water quality activities</u>.

Authority of UW Board of Regents to Sell or Lease Agricultural Land – ENACTED 2015 Wisconsin Act 230. Assembly Bill 717 and Senate Bill 571, authored by Senator Jerry Petrowski (R-Marathon) and Representative Keith Ripp (R-Lodi), expands the authority of the Board of Regents of the University of Wisconsin System regarding transfers of agricultural land. Prior Wisconsin law allowed the Board of Regents to sell or lease specified tracts of agricultural land and improvements thereon subject to the approval of the Building Commission. This legislation allows the Board of Regents to sell or lease agricultural land without the approval of the Building Commission, allowing the University to be more nimble and responsive in terms of agricultural land transfers.

DATCP is authorized to award grants totaling up to $\frac{5250,000 \text{ each}}{\text{year}}$ to qualified groups consisting of at least five agricultural producers that wish to voluntarily conduct nonpoint source water pollution abatement activities in their watersheds. There are several statutory conditions that must be met for farmers to be eligible to receive these grants.

Farmers who are interested in seeking funds for a voluntary producer-led water quality project should form their producer group immediately and identify their collaborative partner in anticipation of the spring request for grant proposals. For more information, go to DATCP's website <u>http://datcp.wi.gov</u>.

State Income Taxation of Revenue Derived from Agriculture – IM-PLEMENTATION UNDERWAY. Wisconsin is in the third year of a transition into a state income tax credit for all revenue derived from agriculture. As a part of a state budget bill agreement reached with agriculture, the Wisconsin Legislature did not expand that credit to the anticipated 5.5% level, but instead adjusted the tax credit for ag income derived in 2015 to be only 4.0%. This means that income derived from farming during 2015 will pay at a state income tax rate of 3.75% instead of the full 7.75%. The reason for this change was to allow the state to maintain the revenue necessary to also terminate the "alternative minimum tax" in Wisconsin. Next year, the state income tax credit for income derived from agriculture in 2016 will be 7.5%. This means that on 2017 farm tax returns, the remaining income tax due from farm income will only be 0.25%.

Issues for Next Session.

Additional Funding for Local Roads – Budget Bill 2017-19. A number of Ag groups have expressed general support for the Governor, the Legislature, stakeholders and the Wisconsin DOT to work cooperatively on increasing funding for roadways in Wisconsin. In particular, increasing funding for local roads is of great concern to Wisconsin farmers. This issue is not currently active, but is continually discussed.

Funding for UW-CALS and UW Extension – Ag Research. The next biennial budget is just around the corner. The Governor will introduce his budget bill early in 2017 and the Legislature aims to finish work on the bill by the end of May or early June. Wisconsin farmers are watching closely as that budget will affect the funding for UW and we are concerned with funding for agricultural research inside CALS and UW-Extension. The inherent connection between robust agricultural research in Wisconsin and a robust agricultural economy in Wisconsin has become more apparent in recent years as budgets for ag research have steadily decreased.

High Capacity Wells. Despite the efforts to get legislative clarity for the regulation and permitting of high capacity wells this session, no statutory changes were made. Accordingly, this issue will again become a top priority for Wisconsin farmers during the 2017-18 legislative session. The legislature did show farmers that this is a priority, however. Accordingly, we made progress on this issue and hopefully can build on that during the next session.

Wisconsin Cattlewomen Update

Jena Swanson, WCA President Jenaswanson@yahoo.com

In recent years, it has been clear that both the beef industry and agriculture overall are changing, and there is an overarching shift to break down gender barriers. As announced at the Winter Conference, the Wisconsin Cattlewomen's Association (WCW) has recognized this shift, and made the incredibly hard decision to dissolve the organization. This decision came after deep thought and consideration of the Board of Directors.

All WCW members are encouraged and welcome to join and become active members of WCA. WCW members can still let their voices be heard and make a difference in the state industry through involvement in WCA. In fact, this will allow for a unified voice, and can work together to promote the WCA mission. Members can have a more focused organization and cause to dedicate their time and resources towards, while still promoting the industry they love.

We are excited to move ahead and allow the dedicated WCW members to make a positive impact on the growth of WCA.

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Cattle Trails is Going Digital!

You now have the option to receive your Wisconsin Cattlemen's Association Cattle Trails quarterly newsletter straight to your email inbox. Please email, call, or mail your preference for receiving your quarterly Cattle Trails to Alexis Nickelotti at 608-228-1457 or alexis@wisconsincattlemen.com.



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WI Cattlemen's Association Upcoming Events

Steak Trailer– Midwest Horse Fair April 15th-17th Farm Technology Days July 19th-21st

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