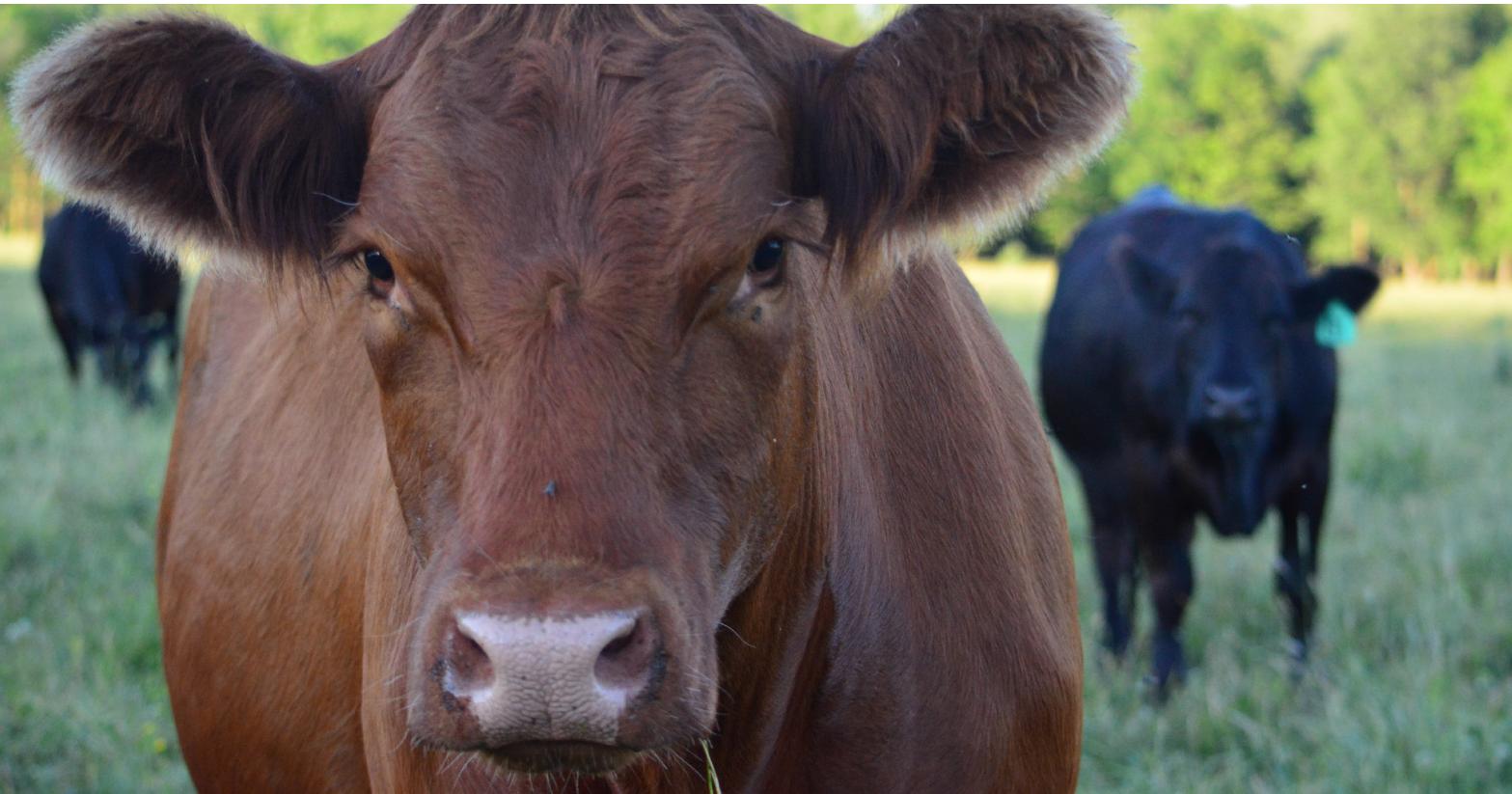


cattleTRAILS

MARCH 2021

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



President's Path

Matt Ludlow, WCA President

In the three months since our last Cattle Trails publication, the world and our cattle industry have both seen many wide sweeping changes. As of mid-December when my previous President's Path was published, President Elect Biden had yet to be sworn into office, a Capitol riot breaching the sanctity of US government seemed inconceivable, the world was attempting to rollout COVID vaccines, corn seemed expensive as it was trading around \$4 per bushel, and many throughout the cattle industry were looking forward to finally working our way through the backlog of fat cattle created during the plant shutdowns forced upon the industry last spring.

Today, President Biden is working his way through his first 100 days in office, COVID cases seem to be at least stabilizing as the vaccine rollout continues throughout the nation, our feed input prices have seen an incredible run up while cash fat cattle prices have been stagnant for the entire first quarter of 2021, and the most encompassing winter weather storm the US has seen in decades has created another backlog of market ready fat cattle for our industry to battle through.

As I have stated in many of my previous articles, the silver lining throughout this pandemic for our industry has been the incredibly strong beef demand. While the packers have maintained a stranglehold on their leverage over producers, I am hopeful that as we continue to work our way through the market ready cattle, there will be a shift in that leverage back to the producers.

A Silver Lining

I am hopeful that as we continue to work our way through the market ready cattle, there will be a shift in that leverage back to the producers.

It's no secret that there was a dramatic pullback in cattle placed into feedlots during the late fall of 2020. If there is a lull in market ready fat cattle this spring that coincides with the nicer spring weather and associated increase in grilling demand, can that leverage swing be sped up and amplified? As the government readies another \$1.9 trillion COVID stimulus package which includes direct payments to millions of Americans, there is a realistic possibility for multiple factors to line up in favor of our beef industry simultaneously: extra disposable income, spring grilling weather, a decrease in market ready fat cattle, and the beginning of restaurants reopening as vaccines continue to become more widespread.

As we are blessed with a few sunny, spring like days, it's hard not to think of the season ahead. I wish you and your operation the best of luck as we move into another spring and summer in Wisconsin. And as always, thank you for being a member of the Wisconsin Cattlemen's Association.



-Matt Ludlow
2020 WCA President



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upcoming events:

- **Profitable Meat Marketing & Introduction to the Cornell Meat Price & Yield Calculator Webinar, offered by University of Wisconsin Division of Extension**
7 pm, March 23, 2021
Pre-register at <https://livestock.extension.wisc.edu/events/>
- **Marketing with Confidence- Dairy & Livestock, offered by University of Wisconsin Division of Extension**
1 - 1:30PM, March 25, 2021
Pre-register at <https://livestock.extension.wisc.edu/events/>
- **WLIC Annual Meeting**
April 8, 2021 10 am-Noon
- **WCA Board of Directors meeting**
April 13, 2021 7 pm
- **May Beef Month**
- **2021 WCA Summer Tour**
June 26, 2021 Madison Area
Watch the WCA website and Facebook page for additional details about Summer Tour!

CHECK OUR WEBSITE FOR THE LATEST EVENTS AND INFORMATION

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wisconsincattlemen.com

What value can a Wisconsin Cattlemen's Association Membership provide?

Joe Scott, WCA Membership Chair

What do we say to others to recruit them? We like being part of WCA, but why should others join? Well let's just remind ourselves of the benefits. The Wisconsin Cattlemen's Association (WCA) is the voice of the Wisconsin cattle producer. Through our legislative efforts in Madison, we continue to represent and protect the beef producer's best interests. WCA works daily on behalf of its members by being the voice for all segments of Wisconsin's diverse beef industry; providing networking and educational opportunities amongst producers and industry professionals; working closely with the National Cattlemen's Beef Association to stay informed of national issues that will affect Wisconsin beef producers; building a strong network of local affiliates to allow a forum for all producers to be engaged and have a voice; and supporting youth in the beef industry by sponsoring scholarships and awards to encourage the next generation of Wisconsin beef producers.

We ask you to join or renew your membership to WCA and let your voice be heard to help shape important issues affecting our state's beef producers. Memberships start at \$50, and your dues are used to support these efforts. Watch your mailbox for a renewal mailing to arrive soon, or go to <https://www.wisconsincattlemen.com/membership> to download a membership form or pay online.

You can learn more about WCA's legislative agenda and projects that we will be focused on this coming year by reading the article of Jordan Lamb, our registered lobbyist with DeWitt LLP in Madison, on page 6.

Other benefits of being a WCA Member include:

- Partnership with UW-Madison, DATCP, and county agencies to develop programs to help producers
- Lobbying efforts in the state to stay on top of agriculture issues that could negatively affect your operation
- Operation of the Steak Trailer, which produces great beef sandwiches serving as the primary fundraiser for WCA, and provides interaction between beef producers and consumers at several events around the state
- Sponsorship of education programs, primarily Winter Conference and the Summer Tour
- Provides youth scholarships
- Quarterly Cattle Trails subscription

Membership recruitment is everyone's responsibility. Share the good news!



-Joe Scott

Phone: 217-617-9004 (call or text) · Email: jscott@endovacanimalhealth.com

Steak Trailer Update

As the temperatures continue to rise and winter fades away, the WCA Steak Trailer is gearing up for another great year of serving our famous beef products across the state of Wisconsin. Craig and Vickie Dunnum, WCA Steak Trailer Managers, are heading into their third year of management. We look forward to putting the challenges that COVID-19 brought behind us and seeing our many loyal customers at each event throughout the year.

In 2021, we are currently planning to attend the following events:

- Cancelled – WPS Farm Show, Midwest Horse Fair
- June 24-26, 2021 - Tomah Tractor Pull, Tomah, WI (tentative)
- June 30 – July 4, 2021 – Riverfest, La Crosse, WI (tentative)
- August 5-15, 2021 - Wisconsin State Fair, State Fair Park, West Allis
- September 23-26, 2021 - World Beef Expo, State Fair Park, West Allis
- September 28 – October 2, 2021 - World Dairy Expo, Alliant Energy Center, Madison



The Steak Trailer is crucial to funding the activities of WCA. Each year, we secure Group Labor to help at each event, with duties such as preparing sandwiches and serving food. If you would like to volunteer individually, or know a local 4-H/FFA/youth group looking for a fundraising opportunity, please consider the Steak Trailer! Please contact Vicki Dunnum (608-963-2428, wcasteaktrailer@gmail.com) to secure your group's time at an upcoming event.

We want to thank you all for the support in 2020 and look forward to another successful year in 2021!

2021 Summer Tour

Planning is underway for the 2021 WCA Summer Tour, which will be held on Saturday, June 26th, 2021. The tour will be in the Madison, WI area, including stops at Roche Feedlot near Columbus and Marda Angus Farms at Lodi. We are finalizing our third stop, hoping to visit a producer who direct markets a large amount of beef through a local processing business that they also own. We look forward to hearing from several industry leaders, including Jerry Bohn, current NCBA President.

At this time, we are NOT planning to have a bus for transportation – rather, attendees will drive themselves between the stops. As in past years, meals, drinks, and snacks will be provided along the way. We look forward to having WCA members back together, learning new information and making connections with other cattlemen from across the state. Be sure to mark your calendars, and we will see you there!

If you have any questions about the 2021 WCA Summer Tour, please reach out to Brady Zuck at brady_zuck@diamondv.com, or 715-415-9131. Additionally, the WCA website will continue to be updated with updated information.





WCA Member Spotlight: Ray Melander

My name is Ray Melander, and I am proud to represent the North Central Wisconsin Cattlemen's Association on the Wisconsin Cattlemen's Association Board.

I have been a member of the NCWCA for 14 years and a board member for WCA for the past 2 years. I grew up on a traditional farm near Spencer. My parents' farm included dairy cattle, hogs and chickens. I'm second oldest of eight, having five sisters and two brothers. I was involved in 4-H and FFA, both having a lasting impact on my adult life, especially the words of the FFA creed.

Our home is in a 40-acre woods near Merrill, an area of the state where open fields for crop farming ends and trees begin. I've been married to my high school sweetheart, Pam for the past 42 years. We have a son and two daughters, who have blessed us with seven grandchildren. My hobby is spending time in the woods tending to our maple operation. In a typical season our woods will produce 450 to 500 gallons of pure maple syrup.

January Red Meat Exports Update

U.S. beef and pork exports opened 2021 below the large volumes posted a year ago, according to January data released by USDA and compiled by the U.S. Meat Export Federation (USMEF). Beef exports totaled 105,047 metric tons (mt) in January, down 2% from a year ago, while value slipped 3% to \$653 million. The decline was due mainly to lower beef variety meat shipments, as muscle cut exports were steady with January 2020 at 81,398 mt, valued at \$584.4 million (down 1%) and accounted for a larger share of production than a year ago.

Over 37 years of my career has been devoted to livestock nutrition. When I began this journey, my focus was dairy but the emphasis changed to beef in 2007. My mission is providing healthy diets to produce sustainable meat and milk to feed a hungry world.

North Central Wisconsin area beef producers held their first organizational meeting to form an association in December 2007 and elected their first interim board members. Work developing their name, organizational structure, Bylaws, and membership occurred in 2008. The North Central Wisconsin Cattlemen's Association, Inc., held its first annual meeting in January 2009 and that included the election of board members. The mission of NCWCA is to build the reputation of its producer members and the beef industry of North Central Wisconsin by producing the quality cattle today's markets require. There are currently about 50 active members of the NCWCA involving themselves in a variety of events and projects such as:

- Beef Roundup that over the years included a production sale, cattle judging and a jack pot livestock show.
- Bull soundness testing every May at the Taylor County Fairgrounds evaluating semen from as many as 60 bulls. Because of Covid, we are now doing this at Equity Livestock in Stratford.
- Pasture walks and UWEX seminars hosted at member's farm in the summers.

This year NCWCA will be involved with:

- A Ranch Work Championship event on June 19 at the rodeo grounds in Medford.
- A Feedlot Project involving 45 yearling steers from 16 different producers demonstrating how their cattle finish.

The Feedlot project grew out of a concern from one of the NCWCA board members who pointed out the majority of our cattle born in North Central Wisconsin are weaned, and then sold to far away places where they are finished. Most producers don't know how their cattle perform in a feedlot. This project will allow members of NCWCA to watch and see how their cattle finish, allowing them to evaluate the cattle they are rearing and sending to market as weanling cattle.

I enjoy being part of the NCWCA and representing them on the WCA board.

USMEF President and CEO Dan Halstrom said January represented a fairly solid start to 2021, but cautioned that exports still face COVID-related obstacles and significant transportation and labor challenges.

"As key destinations for U.S. red meat roll out COVID vaccination programs, the outlook for 2021 is optimistic, with retail meat demand remaining strong and the expectation that foodservice will rebound in more and more regions," Halstrom said. "But transportation challenges are currently a dominant concern, particularly the congestion and container shortages at our West Coast ports where shorthanded crews are handling record-large cargo volumes. Labor is also at a premium in processing plants, which affects the industry's ability to fully capitalize on demand for certain labor-intensive cuts and variety meat items."



Insight into Your Cow/Calf Business & Herd Performance

By Sandy Stuttgen, DVM

Agriculture Educator

UW-Madison Division of Extension

Tax season is a good time for beef cow-calf business introspection. Information from all sales (weights and prices received), financial records (income and expense) and the herd record book (breeding, calving, and weaning dates, birthweight, etc.) can be used to determine the cost of production and herd performance. Free worksheets for calculating cost of production for various types of cattle operations are available at <https://livestock.extension.wisc.edu/article-topic/decision-tools-and-software/>

The Beef Cow-Calf Redbook, published by the National Beef Cattlemen's Association, helps track cattle inventory and some inputs through the year. It may also be used to evaluate herd performance by calculating some of the Standardized Performance Analysis (SPA) benchmarks and identify areas for improving production. Visit https://blogs.cornell.edu/beefcattle/files/2016/09/Redbook_NCBA-Worksheet-Excel-2007-y4eo79.xlsx for a downloadable spreadsheet.

Cow Herd Appraisal Performance Software (CHAPS) is another tool to evaluate beef production data. Its available online at <https://www.ag.ndsu.edu/DickinsonREC/chaps-software-1>.

Three reproductive parameters can provide a basic understanding of your herd's performance. These are the pregnancy, calving and weaning percentages. CHAPS uses the following equations (multiplying the results of each equation by 100):

- Pregnancy % = total exposed females – females not calving /

adjusted exposed females

- Calving % = total exposed females – females not calving – females aborted / adjusted exposed females
- Weaning % = calves with weaning weight – calves not weighed – foster calves / adjusted exposed females.

The formulas are a bit confusing until the terms 'exposed female' used in the numerators and the denominator's 'adjusted exposed female' are understood. Total exposed females are the number of females exposed to at least one bull plus any pregnant culled females, from one breeding season to the next (approximately one non-calendar) year. For all three formulas, 'adjusted exposed females' are made to the exposed female number by subtracting the pregnant females that were culled in that same time range. Calves not weighed referenced by the weaning % are those that died or are not present on the farm to be weighed.

Potential benchmarks for SPA pregnancy, calving and weaning percentages were determined by CHAPS during 2010-2017 as 93.7%, 93.1% and 91.0% respectively. How does your herd compare?

Weaning weight is also used to evaluate herd performance and it's more meaningful when we calculate it using the formula, Pounds Weaned per Exposed Female = total pounds weaned / cows exposed.

Knowing your previous breeding season's cost of production and herd performance measures allow you to plan for what to do differently for the current year's calf and breeding decisions. Herd pregnancy, calving and weaning percentages all influence the true pounds weaned, and therefore the pounds available for sale. Benchmark yourself annually to find areas of improvement.

WCA Scholarship Committee Update

Spring is in the air and a sign of new things to come. Reviewing scholarships always brings excitement for the future of the beef industry. The scholarship committee looks forward to evaluating twenty graduating senior scholarship applications this Spring.

As COVID travel and gathering restrictions are relaxed, feel free to visit the WCA website for the travel grant application and information. The grant can be used to help cover expenses for any educational event related to the beef industry. (ie: AI schools, beef seminars, judging contests, fitting and showing clinics, or any other activity that will educate and benefit Wisconsin youth interested in the livestock industry).

Rob Vyryan
WCA Scholarship Chair

Wisconsin Legislative Update

Jordan Lamb, WCA Legislative Counsel
DeWitt, LLP

WCA Supports State Legislation to Require Clear Meat Labeling Standards. Senator Howard Marklein and Representatives Travis Tranel and Clint Moses have authored legislation that would clarify how milk, dairy products and meat are labeled in Wisconsin. Identical companion bills, Assembly Bill 75 / Senate Bill 82 drafted by Senator Marklein and Representative Moses would allow only products that are derived from animals to be labeled as "meat." On Feb. 9, the Senate Agriculture and Tourism Committee held a public hearing on all three legislative proposals. The Assembly Agriculture Committee held a public hearing on these proposals on March 10, 2021. WCA testified in support of the meat labeling legislation at both hearings. WCA believes that clear labeling standards protect the integrity of Wisconsin raised beef products and prevent consumer confusion.

DNR Releases Economic Impact Analysis and DRAFT of NR 151 Nitrate Rule Revision. The DNR has released an Economic Impact Analysis (EIA) and a draft of a proposed amendment to Wisconsin Administrative Code s. NR 151, which will create a targeted performance standard for the application of nitrates to agricultural land in Wisconsin as a way to control nitrate levels in groundwater. The EIA is posted for public comments from March 8 through April 10, 2021. The draft rule has not yet been posted for

public comments or noticed for a public hearing. This proposed rule change could impact many Wisconsin farmers with regard to how and when they can apply both commercial fertilizer and liquid manure to their crops. As such, WCA is reviewing all proposed changes very carefully and will be communicating more details with members in the coming days.

Governor Evers Proposes \$43 million Ag Budget Package. On February 16, 2021 Governor Evers released his 2021-23 biennial budget proposal to a joint session of the Legislature. This proposal included a total of \$43 million in investment in agricultural and rural initiatives aimed at "expanding market opportunities, supporting new and innovative farming practices, strengthening the agricultural workforce, and connecting local producers to foodbanks and pantries, and supporting farmer mental health and wellbeing." Many of the Governor's proposals are concepts and initiatives that WCA has supported in past legislative sessions. One of new proposals related to support for state-inspected meat plants is of particular interest to WCA. We will work to support this and other budget initiatives throughout the 2021 budget process. It is expected that information about opportunities to provide public input to the Joint Committee on Finance will be announced shortly.

NCBA Opposes Cattle Markets Transparency Act In Current Form, Welcomes Further Discussion

In early March, Senator Deb Fischer (R-NE) introduced the Cattle Market Transparency Act in the U.S. Senate. If enacted, this legislation would direct the Secretary of Agriculture and the Office of the Chief Economist at the U.S. Department of Agriculture (USDA) to establish regional mandatory minimums for negotiated trade of fed cattle. It would also direct USDA to establish a library of cattle formula contracts, amend the definition of "cattle committed" to expand the delivery window from seven to 14 days, and clarify confidentiality rules for administering Livestock Mandatory Reporting (LMR). Companion legislation has been introduced in the U.S. House by Congresswoman Vicky Hartzler (R-MO-4).

"Cattle producers continue to face serious obstacles when it comes to increasing profitability and gaining leverage in the marketplace," said NCBA Vice President of Government Affairs Ethan Lane. "Leveling the playing field and putting more of the beef dollar in producer pockets remains the top priority of this association. NCBA shares Senator Fisher's objectives, as do its affiliates and indeed the entire industry. The best way to achieve those objectives, however, continues to be hotly debated by the very cattle producers this legislation would directly impact. We have worked and will continue to work alongside our affiliates, Congress, and USDA toward regionally robust negotiated trade, the establishment of a cattle contract library, and commonsense in USDA's rules of confidentiality by taking direction from our membership through the grassroots policy process."

Last July, at NCBA's 2020 Summer Business Meeting, the Live Cattle Marketing Committee heard a wide range of disparate viewpoints from producers on this issue and spent hours in debate to arrive at a compromise. The resulting grassroots policy states that, "NCBA supports a voluntary approach that 1) increases frequent and transparent negotiated trade to regionally sufficient levels... and 2) includes triggers to be determined by a working group of NCBA producer leaders." The policy further states, "if the voluntary approach does not achieve robust price discovery...and triggers are activated, NCBA will pursue a legislative or regulatory solution determined by the membership."

In August of 2020, NCBA President Marty Smith appointed a subgroup of the Live Cattle Marketing Working Group to develop the triggers required by the member-approved policy. The voluntary framework — now two months into the implementation phase — established a series of triggers to evaluate negotiated trade volumes in each region and benchmarks for improvement. The subgroup is led by a group of producers from various regions with wide-ranging perspectives and opinions on this issue, and still meets regularly to discuss new and innovative solutions to this issue.

Cattlemen Support the Death Tax Repeal Act of 2021

The Death Tax Repeal Act of 2021 was recently introduced by U.S.

National Learnings on the Beef Checkoff

Tammy Vaassen

Executive Director, Wisconsin Beef Council

As I approach the 3-year anniversary in my role with the Wisconsin Beef Council, the Beef Checkoff program is celebrating 35 Years of driving demand for beef, and I continue to learn about the program on a national scope. When I first started I found it a bit complicated to get a grasp on the roles of the Cattlemen's Beef Board, Federation of State Beef Councils, Beef Promotion Operating Committee and national Beef Checkoff contractors. I would like to share some detail about the national contractors, as it is important to know that there are several organizations working on your behalf to grow demand for beef and educate consumers and influencers.

Beef Checkoff contracts must be established with national, nonprofit, industry-governed organizations to implement programs of promotion, research, consumer information, industry information, foreign marketing and producer communications. Contractors are reimbursed only for the work they actually do for the Beef Board on a cash recovery basis and are not allowed to make a profit from a Beef Checkoff Contract.

You're likely familiar with the National Cattlemen's Beef Association's Federation Division, which oversees programs like Beef. It's What for Dinner consumer advertising, and the U.S. Meat Export Federation's focus on growing overseas markets for beef. Below are a few of the other national contractors who have specialties in other areas, allowing us to reach a broader spectrum of consumers and influencers.

- American Farm Bureau Foundation for Agriculture: seeks to grow consumer trust in the beef industry by supporting educators' teaching efforts through beef production curriculum and On The Farm STEM programs.
- Kansas State University (a subcontractor through the U.S. Cattlemen's Association): KSU's Dr. Glynn Tonsor executes the quarterly Meat Demand Monitor, which tracks U.S. consumer's meat preferences, perceptions and demand.



- National Institute for Animal Agriculture: supports the beef industry's commitment to One Health – healthy humans, healthy animals, by hosting the annual Antibiotics Symposium, which focuses on continued knowledge about responsible antibiotic use, and the primary efforts aimed at combating antimicrobial resistance.

Other national contractors are Cattlemen's Beef Board, Meat Importers Council of America, Foundation for Meat and Poultry Research and Education and the North American Meat Institute.

I encourage you to reach out to learn more about the state and national Beef Checkoff programs. You can contact the Wisconsin Beef Council board and staff; Cattlemen's Beef Board Wisconsin members Daphne Holterman, Bob Mitchell, Terry Quam, and Steve Springer; and Valerie Gaffney, your director to the Federation of State Beef Councils. Each of them serves on a Beef Checkoff committee that helps guide the national contractors. We're also happy to join your cattlemen's meetings to share insight or answer questions.

Here's to grilling season; we're all hoping this will be one with more predictability for farmers and consumers than last year!

NCBA, cont'd

Senator John Thune of South Dakota and U.S. Representatives Sanford Bishop (D-GA) and Jason Smith (R-MO). "The estate tax disproportionately harms cattle producers because with few options to pay off tax liabilities, many farm and ranch families are forced to make tough choices at the time of death – and in worst case scenarios, must sell off land to meet their federal tax burden," said NCBA President Jerry Bohn.

An estimated 2,000 acres of agricultural land is paved over, fragmented, or converted to uses that compromise agriculture each day in the United States. With more than 40 percent of farmland expected to transition in the next two decades, Congress must

prioritize policies that support land transfers to the next generation of farmers and ranchers. Most farm estate values can be attributed to non-liquid assets such as the fair market value of land, livestock, and equipment.

"As small business owners, environmental stewards, and the economic backbone of rural communities across the country, U.S. cattle producers understand and appreciate the role of taxes in maintaining and improving our nation. However, they also believe that the most effective tax code is an equitable one. For this reason, NCBA ardently supports the Death Tax Repeal Act of 2021," Bohn said.



Wisconsin Cattlemen's Association

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