

Cow Country Reporter



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News from your CEO

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We in agriculture have been tested in 2016 both as a nation and as a state. Louisiana has certainly been tested. Record rainfall and other weather related events prevented crops from getting planted on time, hay to be harvested at it's peak and then to add insult to injury rains in south Louisiana at peak harvesting time. Let's not forget about March rains that shut down north Louisiana.

The cattle market, apparently, did not want to get left out so we have been in a downward price trend basically all year and there is no real change in sight. We are into our fall runs at the local stockyards and if you only sell once a year, be ready for "sticker shock" at the prevailing prices. The packers are in control of the live market, which effects our calf market, and the retailers are in command of the packers. Wouldn't it be nice to sit down at the table with all entities of the cattle industry and work

together to keep all of us in business and show a profit? Sadly, this event will not happen soon. Greed is an evil thing!

The meeting that took place August 11, 2016 in Alexandria was a huge success (close to 200 people registered). Thank you Tim Page, Beef Cattle Specialist, LSU Animal Science, for putting this program together. CPL played a major role and as an attending organization had the most people there. Looking forward to more of these types of programs that show cooperation throughout the Louisiana cattle industry.

Don't forget to pay your CPL dues! I would hate for you not to be part of a growing, creditable organization. Summer ends September 22! Will the rain in south Louisiana end also? Enjoy the start of Fall and please, if you have not sold your calves call your marketing rep today!

Dave Foster, CEO

LOUISIANA BEEF MARKETING STRATEGIES & BEEF ADDED VALUE CONFERENCE

By: Dr. Tim Page, LSU School of Animal Sciences

The beef cattle industry has experienced depressed feeder cattle, finished cattle and cow prices since last fall. Because of this trend and the need to increase the value of our cattle, the LSU AgCenter, McNeese State University and Hitch Enterprises sponsored a conference on Thursday, August 11, 2016 at Dean Lee Research Station Evacuation Center. The title of the conference was "Beef Marketing Strategies & Beef Added Value".

Conference topics included "Louisiana Livestock Industry", "Feeder Cattle Grading, Order Buyers & Retained Ownership", "Louisiana Stocker Cattle Operations", "Superior Livestock Marketing", "Red River Livestock Marketing", "McNeese State University Calf to Carcass Program", "Hitch Feedyard Changes", "Dominique Livestock Marketing", "Lafourche Parish F1 Heifer Sale, Heifer Vaccination Program and Breeding Soundness Exam", "McNeese State University Heifer Development Program", "Beef Cattle Marketing Cooperatives/Alliances", and "Fall Forage Transition Strategies". Also, LSU Animal Science students presented a complete plan for starting a successful beef cattle operation by new, young producers.

Dr. Mike Strain, from the Louisiana Department of Agriculture and Forestry, addressed the conference about today's Louisiana cattle industry

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HOW THE BEEF INDUSTRY CAN CAPITALIZE ON MILLENNIAL MEAT BUYING HABITS

Millennials spend \$162 per person on meat each month compared to \$62 for boomers. New research looks at millennial priorities at the meat case. Here's what beef producers need to know.

It's Labor Day, and I hope everyone is finding a way to relax a little bit over the long weekend. September brings more than cutting silage and doing fall calf work; it's also a time for tailgating, ball games, back-to-school activities and fall bonfires.

Food is typically a big part of any gathering, and meat is the center of it. New research conducted by Midan Marketing is helping the beef industry identify the needs of consumers — from baby boomers to millennials.

According to the study, which was featured on The Shelby Report, millennials represent a \$75.4 million market, overtaking boomers as the largest generation. With this spending power, it's important to pay close attention to how this generation spends their dollars in order for beef producers to capitalize on their purchasing habits.

The study looked at 425 millennials and 400 boomers in May 2016 to determine their attitudes and perceptions about meat. The research identified 12 differences between the two groups; here are a few that the beef industry should think about:

First, millennials spend significantly more on meat than boomers. The study revealed that, "In an average month, Millennials spend significantly more on meat than Boomers (\$162 vs. \$93). This can be explained by two important differences between these groups: one, Millennials have larger households (and growing families), and two, they purchase proportionally more prepared meats than Boomers."

In fact, of the meat millennials purchase, 44% of it is prepared meats compared to only 22% for boomers.

The study revealed that both groups have positive attitudes toward meat, but health concerns are a top concern for decreasing consumption. However, boomers said the cost of meat was the second reason for cutting back on meat while millennials listed animal welfare, environmental concerns and social influences as reasons to decrease their meat intake.

As a millennial myself, I can understand some of the thoughts this group is going through when they go to the grocery store. Whether they are fresh out of college, getting married and having kids, this is the time in their lives when they are developing their lifelong spending habits, personal beliefs, food habits, and determining how they will feed their families in a way that also aligns with their values and busy schedules.

It won't be an easy task to meet the increasing societal demands of this generation, especially when they are being blasted on social media with so much negative, misguided information about food. Everywhere you look, there's another negative report slamming meat production and consumption for a myriad of reasons, and it could be tough to change perceptions.

I think the millennial consumer would benefit greatly from having the opportunity to meet and visit with real meat producers who can explain how we, too, share the same values in caring for the environment and the livestock, and that we also want to eat food that is healthful, nourishing and safe.

We can no longer afford to sit idly by and hope someone else does the advocacy for us. We need to be proactive in engaging with consumers — online and in person. We need to engage and inspire folks to feel confident in their meat purchases without the guilt.

The opinions of Amanda Radke are not necessarily those of beefmagazine.com or Penton Agriculture.



Please continue to keep those affected by the recent floods in your thoughts and prayers

Never Forget



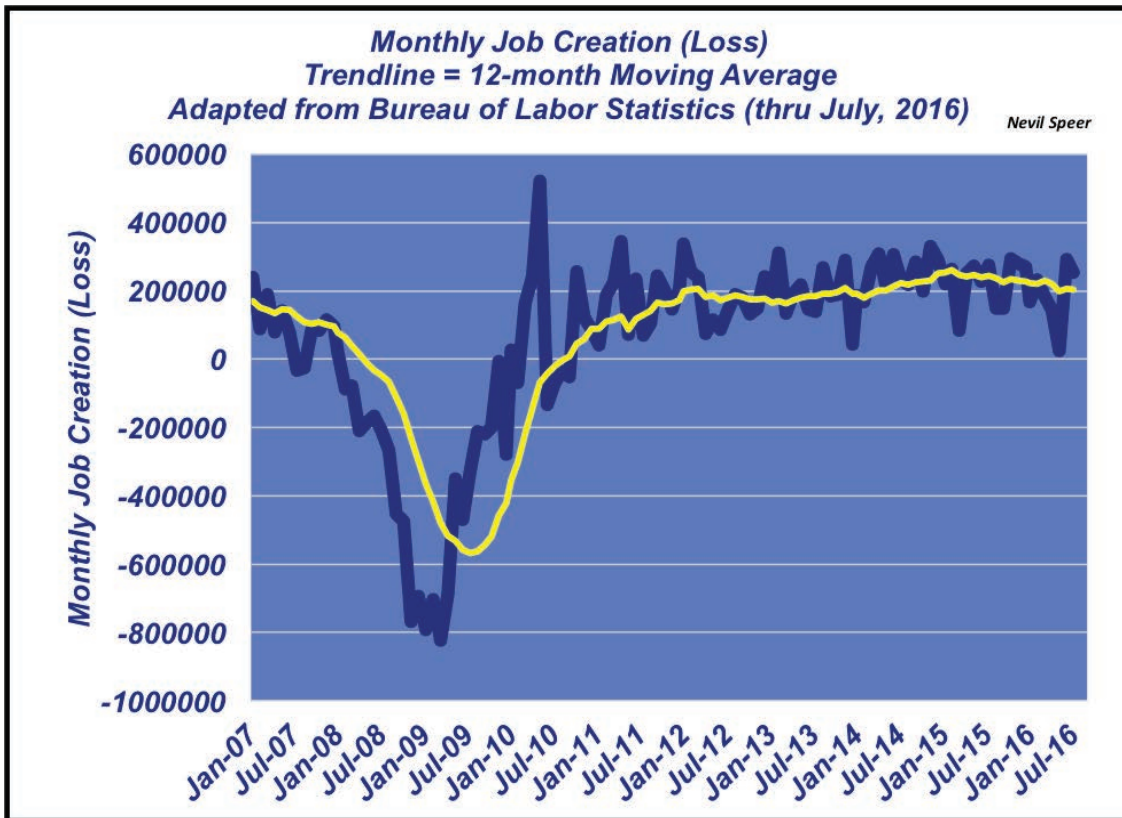
CONNECTING THE DOTS BETWEEN JOB CREATION, INTEREST RATES AND YOU

By: Nevil Speer

Much of last week's economic headlines revolved around the Kansas City Fed's annual symposium in Jackson Hole, Wyoming. At the top of the list came Federal Reserve Chair Janet Yellen's speech on Friday. The markets listened carefully in an attempt to handicap the likelihood of the Federal Open Market Committee (FOMC) raising the benchmark federal funds rate (the overnight bank lending rate) as part of their upcoming September 20-21 meeting.

Traditionally, the FOMC made those decisions based largely on their assessment of the nation's economic growth rate. However, since the financial crisis and the huge plunge in employment, the FOMC has largely operated under the "dual mandate." That is, FOMC monetary policy is now directed by both inflation and employment in the United States.

With that in mind, one of the key indicators for consideration stems from the Bureau of Labor Statistics. The agency's Jobs Report (formally known as the Employment Situation Summary) is highly anticipated every month by traders as proxy for economic growth. The August report marked 255,000 new jobs being created in July – well ahead of pre-report expectations. The next report is scheduled for Sept. 2 and will be a key for any change in rate policy going forward.



All of this discussion is important with respect to the interest rates, the general economy and the connectivity to beef demand, agricultural loan rates, exchange rates and export markets, and a whole variety of other considerations. What's your general assessment of the economy? What do you think the FOMC will do in September? What impact would a quarter-point rate increase have on agriculture and the beef industry? Leave your thoughts in the comments section below.

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MANAGING BEEF COW MARGINS, GRAZING COST

as well as challenges and positives we are facing in the near future as Louisiana cattle producers. One of the highlights of the conference was Mr. Dave Foster, with Cattle Producers of Louisiana and years of experience marketing cattle, speaking about feeder cattle grading and pricing and LA cattle producers understanding order buyers, what kind of cattle they are looking for, and what producers needed to know about dealing with order buyers. A second part of Mr. Foster's talk was presented by Mr. Mike Kovac, a Louisiana beef cattle producer on the pros and cons of retained ownership, especially during times of depressed calf prices.

Other guest speakers included Mr. Ronald Black with the Louisiana Beef Industry Council, Mr. Rayburn Smith with Superior Livestock, Mr. Robert Bergner with Hitch Enterprises, Mr. Michael Dominique with Dominique Livestock Marketing, Mr. Kenneth Sharpe with the LSU AgCenter, Mr. Darrin Goodwin with McNeese State University, Dr. Bill Storer with McNeese State University, Dr. Ryon Walker with the LSU AgCenter, Mr. Mike Hebert with the LSU AgCenter, Mr. Andrew Granger with the LSU AgCenter, and Mr. Stan Dutile with the LSU AgCenter.

Hitch Enterprises sponsored a steak lunch during the conference cooked by Mr. Jim Cobb and Mr. Boo Persica. Conference cooperating partners and speakers include the LSU AgCenter, LSU School of Animal Sciences, McNeese State University, Louisiana Department of Agriculture and Forestry, Louisiana Beef Industry Council, Cattle Producers of Louisiana, Louisiana Farm Bureau, Dominique Livestock Marketing, Hitch Enterprises, Superior Livestock, Red River Livestock Auction, Dean Lee Research Station, Hill Farm Research Station, Lafourche Parish Cattlemen's Association, Louisiana Cattlemens' Association, Purina, and Kentwood Coop.

The topics covered in the conference will help Louisiana beef cattle producers remain more competitive and profitable for the next several years until more positive cattle prices return. It is evident by the participation at the conference there is a keen interest in the beef cattle industry in Louisiana and improving profitability for the producers in the state. This was a timely conference, with depressed cattle prices, producers need to be aware of all available markets and opportunities to improve their operations. For more information on this topic, you may contact Dr. Tim Page (LSU School of Animal Sciences), Dr. Chip Lemeix (McNeese State University), and Mr. Dave Foster (Cattle Producers of Louisiana).

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