

Cow Country Reporter



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News from your CEO

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Hope everyone had a safe and happy 4th of July. Freedom is a wonderful thing that tends to get put on the back burner. I am glad we set aside a day to remember why we have this freedom and who continues to preserve it everyday!

The cattle market took a dip in the last part of June, so I hope sellers sold or contracted their calves before this dip. If you have not sold your fall calf crop, you need to contact your marketing agent NOW! Tell your sale barn manager, order buyer or video rep what you have and see what their advice is. Really, the only question that needs to be answered is "do I want to run them on the cows for another 40-50 days (during hot, humid conditions with very little forage) or do I sell them today"! If you have spring born calves and they are not sold/contracted, your question to ask your marketing rep is "do I sell in late summer/early fall or ryegrass them"?

Another situation I would like to discuss is the "China Beef Deal". From all accounts many are saying this deal will solve a lot of our problems. This agreement was finalized on June 12 and two days later the first shipment of U.S. beef under this trade agreement was shipped and on its way to China. This shipment is the first for U.S. beef in 14 years. However, before we get too excited there are requirements that we must meet. Any beef that is destined for China must be under 30 months of age, born, raised and slaughtered in the U.S. (so why did we get rid of COOL) and traceable to its birth place and free of any growth promoters. Ask yourself this question, can my calves qualify for this "China Deal"? My guess is there are not many calves that can. So to be eligible to have your calves sell into this market are you prepared to meet these requirements and will your calves bring a premium if they do meet the standards? A lot of hype but how many can play!

Dave Foster, CEO

CELEBRATE THE CATTLE INDUSTRY ACROSS THE COUNTRY ON JULY 4

By: Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

As we celebrate Independence Day and the freedoms we enjoy in this country...often with a grilled hamburger...think also about the vast and varied cattle industry across the country. The U.S. cattle industry is very complex in no small part as a result of the tremendous variety of environments and climates in which cattle production takes place. I have the privilege to visit and learn about cow-calf, stocker and feedlot operations in many different locations and situations.

I am endlessly fascinated and impressed by the many shapes and sizes of the cattle industry across the country. Every operation is part of the same broad industry that collectively satisfies the wide range of demands for countless beef products. The underlying economic principles that drive the industry are the same for all producers. And yet, those economic principles lead to very different answers about the optimal way to manage production in environments that range from subtropical to subarctic. The industry uses a vast array of forage and feed resources in very dynamic markets which make efficient management a constantly moving target.

In just the past two weeks I traveled from the Mexican border on the southernmost part of New Mexico to within 100 miles of the Canadian border in Western Montana. This covers extensive production in arid regions of the Southwest with stocking rates of 60+ acres per cow to intensive irrigated pasture and hay production in western Montana that use about 2 acres per cow. In such a range of production conditions, the marginal economic decisions that optimize production result in very different answers for many production factors such as cow size, calf weaning weight, weaning percentage, etc. (continued on page 2)

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on cow-calf and/or stocker production. The cattle industry is unique among livestock industries because production must be figured out in every region. Though the questions are the same, there certainly is no one set of right answers to be found in any book that fit all regions of the country.

Included in a few examples that I have visited in recent months is cattle production in the swamps of Florida with very unique challenges of nutrition, disease and health management in the subtropical climate. Preconditioning calves is often impractical in such an environment so the majority of calves are shipped west at weaning. In contrast, the cattle industry in the Northeast operates somewhat apart from the rest of the country with feeder cattle flowing north from Virginia for finishing in feedlots and under bank barns. The Sand Hills of Nebraska provides an ocean of grass, shoulder high on a horse, for cow-calf production while farther south the Flint Hills in Kansas is home to early intensive summer grazing for many thousands of stockers. Wheat pasture in the Southern Plains provides a winter home for millions of stocker cattle. Cattle move from widely dispersed cow-calf production all over the country towards increasingly concentrated stocker and feedlot production in the middle of the country.

I continue to be amazed that a single industry can look so different in different settings and even more amazed that markets are able to efficiently coordinate all of this diversity with market forces to provide a steady flow of beef products that is competitive in domestic and international protein markets. As you celebrate July 4 with those hamburgers on the grill, don't forget to celebrate the hard work of cattle producers in all parts of the country who figure out how to produce in every environment and the incredible markets that guide and coordinate it all so that consumers everywhere can take for granted the availability of fresh beef all year around.

COULD BEEF BE THE PERFECT FOOD TO PREVENT ALZHEIMER'S?

Alzheimer's impacts 5 million Americans. Could a diet rich in beef be the answer to preventing and treating this disease?

By: Amanda Radke

Aging ranchers have plenty of things to think about, such as transitioning the operation, working with the next generation and making plans for retirement. More than likely, another top concern is health.

As we advance in years, it seems like more health issues tend to crop up. Common problems like diabetes, heart disease and strokes are prevalent in our society, and there's no shortage of articles — many of which are very conflicting — about the best diets to prevent these diseases and live a healthy life well into our twilight years.

According to the Alzheimer's Association, Alzheimer's disease is the sixth leading cause of death in the United States today, with more than 5 million Americans currently living with the disease. Since 2000, deaths by heart disease have decreased by 14% while deaths from Alzheimer's have increased by 89%. The disease, which causes memory loss and dementia, kills more people than breast and prostate cancer combined.

Watching a family member suffer from this cruel disease is heart-wrenching, and I know many ranching families and their aging loved ones are impacted by this disease. That's why I was so interested to read some recent articles that indicate beef as a healthy food to prevent and treat Alzheimer's.

According to new research reported by Psychology Today, "We used to feel helpless in the face of Alzheimer's because we were told that all of the major risk factors for this devastating condition were beyond our control: age, genetics, and family history. We were sitting ducks, living in fear of the worst—until now.

"Eating too many of the wrong carbohydrates too often is what causes blood sugar and insulin levels to rise, placing us at high risk for insulin resistance and Alzheimer's. You can't do anything about your genes or how old you are—but you can certainly change how you eat.

"It's not about eating less fat, less meat, more fiber, or more fruits and vegetables. Changing the amount and type of carbohydrate you eat is where the money's at. Replace most of the carbs on your plate with delicious, healthy fats and proteins to protect your insulin signaling system."

So what kinds of healthy fats and proteins should we be looking for? Turns out, despite the numerous anti-red meat articles that currently exist, the simple answer is beef provides the perfect saturated fats and nutrient-dense protein per serving to fight and prevent Alzheimer's.

In a blog post, David Perlmutter, MD, a nationally-recognized neurologist, summarizes recent research conducted at the Mayo Clinic. He writes, "We need more fat in the diet to protect the brain against dementia, not carbs at the expense of healthy fats, and the Mayo Clinic totally agrees.

"Researchers reported the results of a study in which they explored the role of diet as it relates to dementia risk. They followed a group of over 2,000 elderly individuals for close to four years and carefully monitored their dietary intake of protein, fat and carbohydrate. The subjects also underwent mental evaluations every 15 months to determine if they were developing any issues related to dementia.

"The results of the study were impressive by any measure. The risk of dementia in those at the higher end of the scale, in terms of carbohydrate consumption, increased by close to 90%! Those whose calories came more from fat were found to have a reduced risk of developing dementia by around 44%."

In the discussion section of the report, the authors call attention to other studies that relate these dietary parameters to brain health and function. They summarize research describing how reducing carbohydrate consumption is associated with reduced risk of mental decline.

In addition, they point out results from the National Health and Nutrition Examination Survey, revealing that a diet with a high percentage of fat is associated with better processing speed, learning and memory while lower processing speed was associated with a diet that favored higher carbohydrate foods. This information is important because, beyond looking at risk for developing dementia, it relates diet to moment-to-moment brain function.

Perlmutter recommends a diet rich in animal proteins and fats, such as red meat and eggs, to fuel the brain and ward off diseases like Alzheimer's.

If this isn't a positive story to tell, I don't know what is! Beef could be the key ingredient to a long, healthy life. We, as an industry, just need to find a way to clearly express this message to our consumers.

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

ARE WE HEADED THE RIGHT DIRECTION OR ON THE WRONG TRACK WITH THE U S FOOD SYSTEM?

Consumers are generally pleased with the system that provides them safe, healthy food, research shows.

By: Nevil Speer

During the past several weeks, Industry At A Glance has featured highlights from a recent annual survey performed by the Center for Food Integrity (CFI): Inside the Mind of Influencers – The Truth About Trust. Data has included most trusted sources around food and broader assessment of impression and knowledge of food and agriculture.

Last week's column revealed that survey participants were generally favorable toward agriculture. Nearly 70% of respondents possessed either a very positive (25%) or somewhat positive (43%) impression of food and agriculture. Meanwhile, nearly 80% expressed an interest in knowing more about the food system and where food comes from.

This week's data is the broadest category of all. The questions ask whether consumers believe the food system is headed in the right direction (55%), down the wrong track (23%) or were generally unsure about its direction (22%). To that end, CFI notes that, "Survey results show a fairly significant upward trend in the number of consumers who feel the food system is headed in the right direction – 55% this year, compared to 40% in 2015."

That's consistent with last week's data. That is, it appears that consumer attitudes toward food and agriculture may be improving. And better yet, there's an opening toward them learning more about where their food comes from.

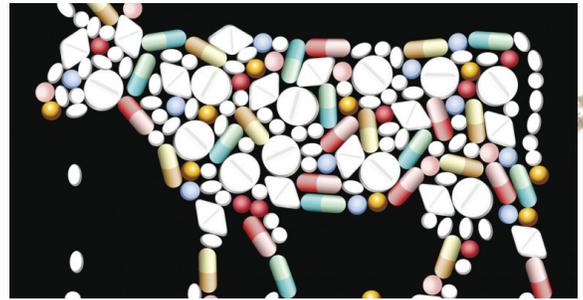
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A BEEF PRODUCER'S GUIDE FOR USE OF ANTIBIOTICS

Judicious use of antibiotics is no longer just a good idea – it's essential if we want to have antibiotics in our toolbox going forward. Here are 14 things to keep in mind when using antibiotics with your cattle.

By: Wes Ishmael

1. Prevent problems. Emphasize appropriate husbandry and hygiene, routine health examinations and vaccinations.
2. Select and use antibiotics carefully. Consult with your veterinarian on the selection and use of antibiotics. Have a valid reason to use an antibiotic. Therapeutic alternatives should be considered prior to using antimicrobial therapy.
3. Avoid using antibiotics important in human medicine as first-line therapy. Avoid using those medications that are important to treating strategic human or animal infections as the first antibiotic.
4. Use the laboratory to help you select antibiotics. Cultures and susceptibility test results should be used to aid in the selection of antibiotics, whenever possible.
5. Combination antibiotic therapy is discouraged unless there is clear evidence the specific practice is beneficial. Select and dose an antibiotic to effect a cure.
6. Avoid inappropriate antibiotic use. Confine therapeutic antibiotic use to proven clinical indications, avoiding inappropriate uses such as for viral infections without bacterial complication.
7. Treatment programs should reflect best-use principles. Regimens for therapeutic antimicrobial use should be optimized using current pharmacological information and principles.
8. Treat the lowest number of animals possible. Limit antibiotic use to sick or at-risk animals.
9. Treat for the recommended time period to minimize the potential for bacteria to become resistant to antimicrobials.
10. Avoid environmental contamination with antibiotics. Steps should be taken to minimize antimicrobials reaching the environment through spillage, contaminated ground runoff or aerosolization.
11. Keep records of antibiotic use. Accurate records of treatment and outcome should be used to evaluate therapeutic regimens; always follow proper withdrawal times.
12. Follow label directions. Follow label instructions, and never use antibiotics other than as labeled without a valid veterinary prescription.
13. Extra-label antibiotic use must follow FDA regulations. Prescriptions, including extra-label use of medications, must meet the Animal Medicinal Drug Use Clarification Act (AMDUCA) amendments to the Food, Drug, and Cosmetic Act and its regulations. This includes having a valid veterinarian-client relationship.
14. Subtherapeutic antibiotic use is discouraged. Antibiotic use should be limited to prevent or control disease and should not be used if the principal intent is to improve performance.



CATTLE MARKETS SLIDE INTO SUMMER, MORE CATTLE ON FEED

By: Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

With July 4 beef purchases complete, wholesale beef prices have dropped sharply the past ten days. Beef and cattle markets, have defied gravity by staying stronger, longer than most expected this spring. However, with seasonal pressure prevailing, beef and cattle markets have weakened and will likely struggle seasonally for the next six plus weeks. Beef markets often weaken during the summer doldrums, that period of summer heat between Independence Day and Labor Day. The summer slump may be mitigated somewhat if July 4 beef sales are strong prompting follow-up beef sales. Wholesale markets will likely struggle until August when Labor Day purchases will pick up to support beef features for Labor Day, the last big grilling holiday of the summer. Cash fed cattle prices have correspondingly dropped over \$10/cwt. in the past ten days or so. Feeder cattle prices have dropped \$10-\$12/cwt. in the past week. Domestic and international beef demand will continue to be a key as beef supplies will undoubtedly continue to increase year over year in the second half of the year. Recently released retail meat prices show that Choice and All-Fresh retail beef prices increased from April to May. Choice retail beef prices in May were up 1.0 percent from last year while the All-Fresh retail beef price was down 3.9 percent year over year.

Beef production for the year to date in 2017 is up 3.8 percent, with cattle slaughter up 5.7 percent but being offset by sharply lower carcass weights so far this year. At the current time, steer and heifer carcass weights are down 17 pounds from the same time last year. Steer and heifer carcass weights bottomed seasonally in early May and are expected to increase seasonally into the fourth quarter. However, a normal seasonal increase from current levels would still have carcass weight down significantly year over year and will continue to moderate larger slaughter numbers.

The June USDA Cattle on Feed report showed another month of large year over year increases in May placements pushing June 1 on-feed inventories to 102.7 percent of one year ago. May placements were 112.2 percent of last year. May marketings were 108.8 percent of last year, a continuation of strong marketings that began in mid-2016. For the year to date, January-May, feedlot placements are up 9.2 percent while marketings have been up 7.0 percent year over year. Most of the increase in May placements were cattle under 700 pounds which means that those cattle will be marketed towards the end of 2017.

Strong beef demand has helped make the first half of 2017 a pleasant surprise to all cattle industry sectors. Strong demand in the third and fourth quarters may help significantly but supply pressures are likely to weigh a bit more heavily on cattle and beef markets in the second half of the year holding markets generally to a sideways pattern for the remainder of the year.

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