

## NLPA Representatives Meet with Congressional Staff in Conjunction with NLPA's Quarterly Meetings

**Colorado Springs, CO (NLPA)** -- For the fourth year, representatives for the National Livestock Producers Association went to Washington, D.C. to promote NLPA and to provide information about pertinent livestock issues to members of Congress on April 18th.

NLPA Chairman Sam Philips, Vice Chairman John Frank, NLPA CEO Scott Stuart, and Melissa Schneider, NLPA Director of Communications, spent the day meeting with staffers from the following offices: Packers & Stockyards, Sen. Jim Inhofe (R-OK), Rep. Frank Lucas (R-OK), Sen. Don Nickles (R-OK), Sen. Ben Nighthorse Campbell (R-CO), Rep. Tom Latham (R-IA), Sen. Chuck Grassley (R-IA), and Rep. Jim Nussle (R-IA).

The NLPA representatives gave each office a copy of NLPA's position statements on animal identification and current environmental issues. These were two major topics of discussion, but the group also invited each of the offices to use NLPA as a resource for any kind of legislative issues pertaining to animal agriculture.

On April 19th, the NLPA Sheep & Goat Fund Committee held its quarterly meeting to discuss new applications to the

Fund. The NLPA Executive Committee met following the NLPA Sheep & Goat Fund Committee, and then both committees were joined for dinner by NLPA's CEO/General Manager members and several of NLPA's allied association representatives and congressional staff.

Following dinner, the allied association representatives and congressional staffers were invited to talk briefly about the current situation in their respective offices/industries. Following the talks, the entire group had a dynamic roundtable discussion.

On April 20th, NLPA held its first annual CEO/General Manager retreat. The goal of the retreat was to bring together the leaders of each organization and give them an open forum to discuss the major issues they are dealing with and to collectively develop solutions to these issues.

The CEO/General Manager and the Executive Committee had previously expressed concern in animal identification as a major issue to focus on in the coming year, so in light of that focus, NLPA invited Dr. John Wiemers, National Animal Identification Coordinator for the United States Department of Agriculture's Department of Veterinary Services to discuss the USDA's vision of a national animal identification system.



NLPA Chairman Sam Philips, NLPA Vice Chairman John Frank and NLPA CEO Scott Stuart meet with Nicole Scott, legislative director for Rep. Frank Lucas (R-OK), and Randy Johnson, National Council of Farmer Cooperatives at Rep. Lucas' office in Washington, D.C., April 18th.

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## Summit on FMD Scheduled for June 4 in Chicago

**Mt. Morris, IL (Watt)** -- Watt Publishing and Vance Food Systems Group are co-sponsoring a Summit on Foot and Mouth Disease at the Hyatt Regency Hotel, in Chicago on June 4th.

Asia, Africa, South America and Europe: Over the past three years, the latest strain of foot-and-mouth disease has marched across the globe, devastating food and animal industries. Now FMD threatens North America with the probability of an outbreak estimated as high as 80 percent. What are the real threats to animal and food production in the USA? What is being done? What more should be done? What can individuals do to protect their businesses?

Summit on FMD — June 4 in Chicago — brings together an international panel of experts to advise top animal producers, practicing veterinarians, animal industry suppliers and other professionals involved in pork, beef and dairy production. The Summit will spotlight the following: critical information on FMD; lessons to be learned from other countries;

prevention and control in the USA; and FMD's economic impacts, including export trade.

Foreign animal disease specialist Dr. Simon Kenyon of Purdue University will provide an overview of FMD and moderate the Summit. Experts on FMD will include: Extension veterinarian Dr. Larry Firkin of the University of Illinois; Dr. Keith Baker, advisor to the UK Ministry of Agriculture and Food; Dr. Simon Barteling, advisor to the Dutch and South African governments; a USDA-APHIS representative involved in FMD emergency planning; Dr. Linda Logan, Texas state veterinarian; Dr. Chris Hurt, Purdue University ag economist specializing in FMD economic impacts; and representatives of critically affected animal industry organizations. In a final roundtable wrap up, the expert panel will field questions from the audience.

Summit on FMD will take place 8:30 a.m.-4:30 p.m., June 4, at the Hyatt Regency O'Hare Hotel in Chicago, Illinois. Early registration is \$260 if payment is received by May 21, 2001.

After the 21<sup>st</sup>, registration will increase to \$285. Registration includes a luncheon, two coffee breaks and the printed proceedings. Groups of three or more registrants are eligible for a 10 percent discount.

Check the website at [www.wattnet.com/fmd/home.cfm](http://www.wattnet.com/fmd/home.cfm) for online registration information. For additional information, contact Marcia Riddle at +1.815.734.4171 or [riddle@wattmm.com](mailto:riddle@wattmm.com). For hotel reservations, contact the hotel directly at +1.847.696.1234. Identify yourself as a participant in Summit on FMD to be eligible for the special group rate.

## NLPA Plans Annual Commodity Conference in Chicago, June 21-23

**Colorado Springs, CO (NLPA)** — National Producers Service Company is hosting its annual Commodity Conference at the W. Chicago City Center (formerly the Midland Hotel) in Chicago, June 21-23, 2001.

Conference participants will start the conference on June 21, by visiting the Man Financial offices and then will discuss several of Man Financial's services with their representatives. On June 22, participants will visit the CME floor and hear overviews of the livestock,

dairy and grain markets. Finally, on June 23rd, commodity branch personnel will hold a closed session to discuss internal business issues.

All participants are invited to join the National Introducing Brokers Association's 10th Annual Conference "Competing for the Future -- Let's go Global" on June 22-23, also in Chicago.

For more information about attending this conference, please contact Scharee Atchison at 1-800-237-7193.



### **The National Producer**

*Monthly newsletter of the National Livestock Producers Association*

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# Montana Sheep Producer Meets with President Bush

By Laura Gerhard, Senior Editor  
*Sheep Industry News, American Sheep Industry Association*

Aggie Helle, a Dillon, Mont., sheep producer, was one of 16 individuals selected to meet with President George W. Bush on Monday, March 26, 2001, at The Tractor Supply Co. in Billings, Mont.

"We had a wonderful visit," said Helle, who with husband, Joe, ranches in the southwestern part of the state. "I was thrilled to be a participant."

"We feel that food and fiber in America is the best, and that Americans would pay a little more (for them) if they were identified as such."

-- Aggie Helle  
*Montana Sheep Producer*

Bush was visiting the state to gain support for his proposed budget and tax-cut plan.

After introducing himself to each guest, the president spoke to the group and answered questions for half an hour. He said he considers farmers and ranchers a crucial part of the U.S. economy, and that he would make certain agriculture is included in future trade agreements, with the goal of selling U.S.-produced products globally.

Bush touched on items in the proposed ag budget including reducing tax burdens by eliminating estate tax, reducing marginal tax rates and establishing tax-deferred savings accounts for use during lean income years. He also discussed securing money for trade expansion, pest and animal disease prevention, food safety research and development, core programs that would assist low-income families and rural communities dependent upon agriculture, and a 5-percent increase in agriculture discretionary spending. Bush said he would address emergency disaster funding by utilizing a sum of almost \$1 trillion set aside in the

projected 10-year budget surplus.

Bush also expressed concern over the foot-and-mouth disease outbreak ravaging other countries and said he considers keeping such disasters at bay

a top national security item. He added that keeping consumer confidence of U.S. produced food products is crucial.

Competing

globally was on the participants' mind as well.

"I expressed to the president our appreciation for being provided the ability to meet with him to voice our concerns and problems facing agriculture," said Helle. "I also told him we cannot compete globally because of

the regulatory restrictions and rules that have been piled on us, especially during the past eight years."

Helle and the others asked for support of country-of-origin labeling, noting that American consumers would pay more for American-produced product.

"We feel that food and fiber in America is the best, and that Americans would pay a little more (for them) if they were identified as such," Helle added.

Helle brought to the president's attention two other industry-specific issues.

"I asked him to consider making U.S. military uniforms out of American wool again," said Helle. "And when I spoke with him one-on-one, I told him he would have on his desk a letter from the U.S. Senate asking for his support of the 201 trade action. I told him several senators had signed it, and that we also needed his support."

## USDA Looking at Changes in Mandatory Price Reporting Rule for Livestock

*AgricultureLaw.com (4-25-01)* -- Stung by widespread criticism that there's less information available under the mandatory livestock price reporting rule than there was before it became effective April 2, USDA is examining alternatives and solutions to the problems.

That's the word this week from Sen. Charles Grassley (R-Iowa) a critic of the rule. Most of the trouble stems from the "3/60" provision: price reports are prohibited from sectors where there are fewer than three firms bidding on livestock, or where any one packer handles more than 60 percent of the packing in the area. Producers have complained there are many regions where fewer than three firms bid on a given day - so there would be no reports at all for that day, from that region.

Grassley has offered alternatives to the 3/60 rule that would change reporting criteria and confidentiality requirements. USDA is considering these changes and some action could happen soon, Grassley said this week.

# USDA Assures Congress That Producers Will Be Compensated in Case of an Animal Health Emergency

**Washington, D.C. (USDA)** — In testimony before the House Agriculture Appropriation Subcommittee, U.S. Agriculture Secretary Ann M. Veneman said, April 26th, that USDA would be prepared to compensate farmers fair market value for livestock losses should there ever be a foot-and-mouth disease outbreak.

Veneman said increased vigilance by federal and state agencies, particularly since recent outbreaks of FMD were discovered in Europe, has been successful in reducing the risk of entry and keeping it out of the country for more than 70 years.

“We are making every effort to reduce the risks so that FMD will not enter our country,” Veneman said. “However, we must always be on guard. It is responsible to plan and prepare in case there ever were an emergency. That is why our agency has been increasing our vigilance in the areas of prevention and preparedness.”

While Veneman said details of a compensation program are still being prepared, she stressed that this was part of ongoing efforts to review programs and ensure the United States has the adequate resources to respond if there ever were an emergency situation.

Stringent measures taken to reduce the risk of FMD entering the United States includes prohibiting shipments of products from high-risk countries; increasing personnel at ports of entry; tightening regulatory enforcement; increased surveillance of incoming passengers and cargo; enhanced monitoring and surveillance of domestic livestock; strengthening federal, state and industry coordination; implementing public education campaigns; and dispatching experts to the United Kingdom to assist in containment efforts.

This year, USDA has begun hiring 400 new inspection personnel and doubling the size of its canine inspection teams. Secretary Veneman also authorized an additional \$32 million to hire 350 more inspection personnel and reassigned 200 inspectors to critical ports of entry.

## **Uruguay Confirms Case of FMD United States Announces Import Restrictions**

On April 25, Uruguay confirmed two cases of FMD in cattle just west of the city of Palmitas in the Department of Soriano. Based on this information, USDA is prohibiting importation of susceptible animals and their products (primarily cattle, swine and sheep) from Uruguay produced on or after March 23.

Products already enroute to the United States will be held at the port of entry where they will either be re-exported or incinerated. Uruguay has been notified of these new regulations, which apply to all countries affected by FMD.

FMD is a highly contagious and economically devastating disease of ruminants and swine. The United States has been free of FMD since 1929, and USDA’s Animal and Plant Health Inspection Service continues to be vigilant in its efforts to protect against the introduction of the disease, which exists on four of the seven continents.

Travelers wanting to learn of steps to take before leaving and entering the United States should call 1-866-SAFEGUARD. Current information on foot-and-mouth disease is available on the Internet at <http://www.usda.gov>.

### **Order your Cattleman's Calculator today!**

If you are interested in purchasing one of these handy tools or would like more information, call the National Livestock Producers Association at (800) 237-7193 or email Melissa Schneider at [maschneider@nlpa.org](mailto:maschneider@nlpa.org).



### **NLPA Sheep & Goat Fund Applications are available online!**

Visit the NLPA Web site at  
[www.nlpa.org](http://www.nlpa.org)  
or call 1-800-237-7193

# NPPC Announces Restructuring Task Force

**Des Moines, IA (NPPC)** -- As directed by the National Pork Producers Council (NPPC) producer delegates to the 2001 National Pork Industry Forum, a task force has been named that will lead the restructuring and development of the industry organization.

"The task force will have significant impact on the future viability, organizational structure and profitability of the pork industry in the United States," Barb Determan, NPPC president said. "NPPC has a long tradition of providing pork producers with the tools they need, but with the separation of NPPC and the National Pork Board underway, the task force will remake our industry organization to create the future to meet the specific needs of the pork industry in the 21<sup>st</sup> Century."

The resolution leading to the creation of this task force was explicit in the

breadth and depth of industry representation on the task force. Invited to participate on the task force are 39 members from 20 states that include pork producers representing a variety of production sizes and styles, allied industry and state pork associations.

"The NPPC Board of Directors actually increased the size of the task force from the original resolution to better represent all aspects of the pork industry. The monumental challenge faced by the task force will have direct impact on the pork industry today and into the future," said Determan, an Early, Iowa, pork producer.

"The NPPC Board of Directors recognizes the critical need that all pork producers have confidence in the NPPC transition process. We are determined to make sure that as information becomes available pork producers will have access to it to provide an understanding of what is being done to

create their organization for the future," Determan said.

The task force will meet in the near future and establish a timetable for recommendations.

NPPC has been in a transition phase since a settlement agreement was signed by the U.S. Department of Agriculture, the Michigan Pork Producers Association and NPPC that ensured the continuation of the mandatory pork checkoff. That agreement calls for a total and complete separation of the National Pork Board and NPPC, including the programs carried out by each organization. NPPC will conduct only non-checkoff-funded policy activities, while the National Pork Board will carry out checkoff-funded education, research and consumer information programs.



## LMA President Willis Says Livestock Disease Outbreaks Emphasize the Need for Country-of-Origin Labeling for Beef

**Kansas City, MO (LMA)** - With foreign livestock diseases making headlines almost every day, country of origin beef labeling is needed now more than ever, according to Livestock Marketing Association President John Willis. And, Willis said, the USA label should only appear on beef from cattle which are born, fed and processed entirely in the United States.

Willis, of Lake City, Fla., said he is confident livestock diseases such as foot and mouth and "mad cow" can be kept out of the U.S. "The industry at all levels is working with federal and state authorities to ensure the safety of, and consumer confidence in, our beef supply."

But because of constant news coverage of the overseas disease problems, U.S. consumers increasingly want to know where the food they eat comes from, he said.

"That's a reasonable request - and so is the livestock industry's request for legislation that will tell consumers what they want to know, about the number one meat on their tables, beef."

At the same time, any beef labeled of U.S. origin should be "all-American, from conception to consumption," Willis said. Imported cattle, or cattle fed or processed outside the United States should not qualify for this label.

Willis also said LMA does not support putting the U.S. Department of Agriculture quality grade stamp - such as "USDA Prime," or "USDA Choice," on imported beef.

"These quality stamps are, in effect, the domestic industry's valuable trademarks - evidence that American producers have worked long and hard to produce the tenderest, tastiest beef available.

"No company gives away its trademarks to the competition, and neither should U.S. producers," he said.

LMA represents North America's independent livestock marketing businesses.

# Market Commentary

May 1, 2001 Report

by John Nelson, Director of Commodity Marketing  
Producers Livestock Marketing Association, Omaha, Neb.



PRODUCERS LIVESTOCK MARKETING ASSOCIATION

## LIVESTOCK FUNDAMENTAL COMMENTS

### CATTLE

We lost more ground last week, as we are entering the time of the year when showlists increase substantially, regardless of strong spring-time beef demand. Consequently, psychology has turned in favor of the packer, and may stay this way for 30-60 days yet. Feedlots are still feeling the effect of the winter, as numbers have been pushed back into May, which could exaggerate this reliable seasonal tendency. It will be even more important to see beef demand strengthen, which may keep prices from slipping below \$70 for the seasonal low. Placements on feed continue to decline, due to the tough winter feeding conditions and lack of yearling numbers available. This is helping our chances for a late-summer / fall rally.

### HOGS

Last week, packers seemed to find more hogs to buy, but couldn't get them bought any lower, as 51-53 percent lean hogs held basically steady with the previous week at \$48-50 live. The start to field work in the western corn-belt may have forced packers to bid steady money to entice producers off their tractors. On the other hand, pork product prices really took a hit, leaving packers with terrible margins. This was in stark contrast with the most recent cold storage report, which showed frozen pork belly supplies at a 14-year low! Futures prices have been hammered, which started when Japan lifted the ban on Danish imports. In addition, the United States is considering lifting the ban on European meat imports from countries that have remained hoof and mouth disease free. This is somewhat negative as well.

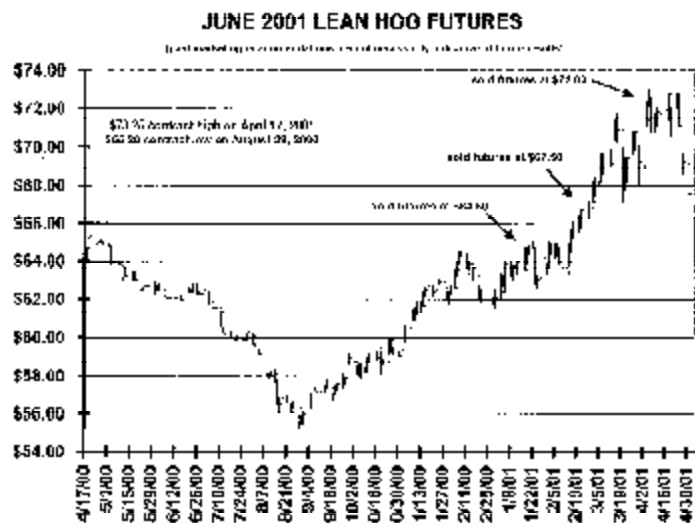
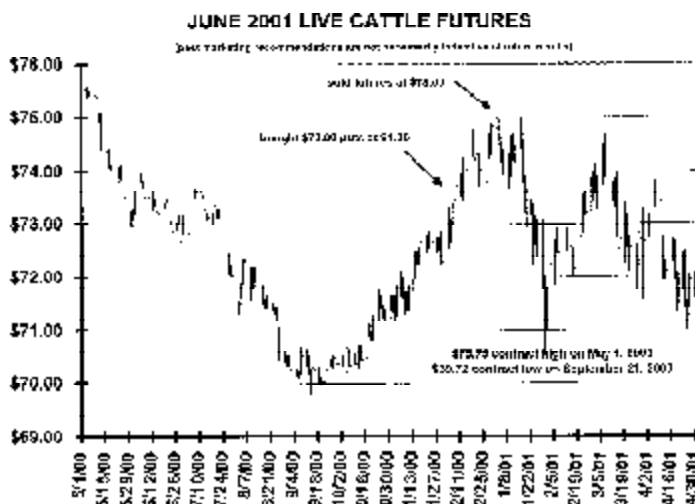
## LIVESTOCK MARKETING RECOMMENDATIONS

### CATTLE

No new recommendations are being given at this time, as we added December hedge protection last week with the purchase of \$68 puts at \$1.25/cwt. This gets us covered for the remainder of the year. Futures hedges for the fourth quarter aren't being recommended as of yet. We should get a better opportunity.

### HOGS

Lean hog futures have taken a big hit, with nearby futures off over \$6/cwt. from their highs of just a few weeks ago. This is enough of a break for the time being, so no additional hedges are being recommended at this time. Continue to maintain previous hedge positions covering 50-75 percent of estimated marketings for the remainder of this year.



Information contained herein is based on what is believed to be the most reliable resources available at the time of publication. Trading commodity futures or options involves risk, and past performance does not indicate future results.

# Preventing Foot-and-Mouth Disease in the United States

***\*The following is a special notice from the New York State Department of Agriculture and Markets***

With the recent outbreak of Foot-and-Mouth Disease (FMD) in Europe, you should know that this disease is a severe and highly transmissible viral disease of cattle, swine, sheep, goats, deer and other cloven-hoofed animals. As livestock producers, please be prepared to take every precaution to prevent the spread of this disease here in the United States.

FMD is characterized by fever and blisters followed by erosions on the tongue and lips, in the mouth, on the teats, and between the hooves. Although the disease is not fatal, it leaves animals debilitated and causes severe losses in the production of milk and meat. FMD is most commonly introduced through the movement of animals, but can also be spread by people and materials that come into direct physical contact with susceptible animals.

## Movement of Animals

- When a new animal moves onto your farm, be sure that you know the health status and the source of the animal.
- If possible, new addition or animals returning to your farm after going to a show or sale should be separated from the rest of the herd for at least two weeks.

## Farm Traffic

- Have one common entrance/exit onto

your farm with disposable boots or a disinfectant footbath provided.

- All footwear should be disinfected before entering and after leaving an animal housing area.
- Keep vehicles, such as milk, feed and livestock trucks, from driving through areas where animals and feed are kept.

## International Visitors

- International visitors should declare to customs if they have been on a farm, in contact with livestock, and the presence of meat, dairy and other animal products.
- If possible, exclude international visitors from your farm for at least five days after their arrival in the United States.
- Ask international visitors to provide information about recent farm and animal contacts.
- Clothing worn on farms in other countries should be washed and footwear should be disinfected.
- No visitors with soiled clothing from another farm should be allowed on your farm.

- Do not allow animal products, clothes, luggage, cameras and other items from affected countries onto your farm.
- Discourage walking through feed mangers and physical contact with animals by international visitors.

For more information about Foot and Mouth Disease, call the New York State Department of Agriculture and Markets at 1-800-554-4501 or check the following Web sites for FMD information:

- [www.agmkt.state.ny.us](http://www.agmkt.state.ny.us)
- [www.aphis.usda.gov/oa/fmd/](http://www.aphis.usda.gov/oa/fmd/)
- [www.maff.gov.uk/animalh/diseases/fmd/](http://www.maff.gov.uk/animalh/diseases/fmd/)
- [www.guardian.co.uk/footandmouth/](http://www.guardian.co.uk/footandmouth/)

## E D & F Man Changes Name to Man Financial

***Man Financial (4-5-01)*** — Formerly E D & F Man International Inc., has changed its name to Man Financial Inc to reflect a focus on financial services.

Under the Man Financial umbrella, Man Financial will continue to deliver the same high-level of service and expertise to meet all of your investment needs.

If you have questions or would like to inquire about Man Financial securities or futures trading accounts, please call a representative at 1-800-572-2962, or send a reply e-mail to <mailto:chicago@manfinancial.com>.



## News Highlights for April 2001

**National Pork Producers Council (4-12-01)** -- In an effort to be proactive and help protect the health status of the U.S. swine herd and protect U.S. pork producers, the National Pork Producers Council (NPPC) is announcing the cancellation of the 2001 World Pork Expo.

"We have seen tremendous devastation in countries around the world from Foot-and-Mouth Disease outbreaks. The U.S. has been free of Foot-and-Mouth Disease since 1929 and we don't want to take any risk of a possible outbreak potentially spread through the hosting of World Pork Expo, an event attended by pork producers and pork industry leaders from around the world," Barb Determan, NPPC President said.

In its fourteenth year, World Pork Expo was expected to attract approximately 40,000 pork producers and consumers. In addition to the U.S. pork producers, about 2,000 international visitors from 60 countries annually attend the event.

**AgricultureLaw.com (4-30-01)** -- Environmental Protection Agency Administrator Christine Whitman has cited agricultural issues among her list of accomplishments during

the first 100 days of the Bush administration. Whitman affirmed a rule to protect America's wetlands by more closely regulating construction activities in wetlands. This rule will help prevent loss of wetlands to construction practices that were being conducted under a "loophole" in regulations previously promulgated. In response to numerous requests from the agricultural community, the administrator extended by 75 days the public comment period for the rule on concentrated animal feeding operations (CAFOs). Whitman also noted that EPA achieved agreement among a broad group of stakeholders to an amended consent decree in a case concerning the use of pesticides in farming practices. The changes will guarantee new opportunities for public participation and additional external review of critical pesticide decisions aimed at protecting health and safety. To help prevent a repeat of last summer's high spike in fuel costs in Chicago and Milwaukee, the Administrator directed that refiners blending gasoline for sale in those two cities may use increased amounts of ethanol. To better protect public health and confidence in America's food supply, the Whitman said EPA will no longer approve a biotech food product -- StarLink corn -- for animal consumption unless it can also be safely approved for human consumption.

