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Pennsylvania Center for Beef Excellence

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Federal Court Ruling Provides Temporary Relief from WOTUS

The day before the rule was set to be implemented, a Federal Court ruling in North Dakota sided with the National Cattlemen's Beef Association (NCBA) and Pennsylvania, blocking the Environmental Protection Agency (EPA) and the Army Corps of Engineer's "waters of the United States" or WOTUS rule, which was set to take effect August 28. The court issued a preliminary injunction, which blocks the agencies from moving forward with their rule, stating it poses "irreparable harm." Cattlemen and women agree, and have argued this point for more than a year-and-a-half to the agencies, only to be pushed aside.

Under the guise of clarifying the Clean Water Act, the rule changed the definition of what would be considered a "water of the United States" and, as such, fall under federal jurisdiction. As it turns out, the new rule would apply to nearly all waters across the country with nearly no bounds. For Pennsylvania that would mean stock ponds, ditches, and potentially even puddles.

Note: Pennsylvania has on average over 40" of precipitation annually and ranks in the top third nationally as a wet state.

NCBA Environmental Counsel Scott Yager explained that although the court's injunction is good news for cattle producers, there is still some uncertainty about the scope of the ruling.

"We believe the injunction applies nationally due to the language in North Dakota's order that halts implementation of the rule, which is a rule that's national in scope," said Yager. "However, EPA is taking a contrary position that it only applies to the 13 states in the case: Alaska, Arizona, Arkansas, Colorado, Idaho, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota and Wyoming."

He said the injunction could last until the court hears the merits of the case, but it could be lifted earlier if EPA succeeds in a challenge against the injunction.

"Since this type of injunction is largely unprecedented, I would advise caution in relying on it as members consider projects that might affect jurisdictional waters in the near future," said Yager. "However, this is a great victory and sets an important precedent moving forward. We will continue our push in Congress as well in the courts."

Earlier this year the U.S. House of Representatives passed legislation with bi-partisan support which calls for the rule to be withdrawn. The Senate has a companion bill, S. 1140 *The Federal Water Quality Protection Act*, which has passed through the Environment and Public Works Committee and is awaiting further action. Yager said the Senate bill would require EPA to withdraw the rule and start over, this time with stakeholders at the table.

CBE, NCBA and Pennsylvania are calling for cattlemen and women to contact Senator Casey 717-231-7540 and Senator Toomey 717-782-3951 to express support for Senate Bill 1140. The two groups are also encouraging members to send letters to the White House, urging the Administration to end this land grab and rewrite the problematic WOTUS rule. To send letters, visit BeefUSA.org and click on the "Ditch the Rule" tab.

Pennsylvania Embraces the New Beef Industry

Long Range Plan Established for 2016-2020

Sixteen beef industry leaders representing every link in the beef value chain presented a plan for meeting aggressive goals to strengthen the beef industry from 2016-2020 during the NCBA 2015 Summer Conference held in Denver, CO.

"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. The leaders 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 defined the mission of the U.S. beef industry as, "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."

In addition, the task force agreed the single most important strategic objective the industry should pursue is increasing beef demand and established a specific objective to "increase the wholesale beef demand index by 2 percent annually over the next five years," which will require resources be committed in four core strategies:

• Drive growth in beef exports, a strategy that focuses on

(NEW continued on page 2)

CBE: PRESIDENT'S MESSAGE



Glenn Binkley
President

Fall harvest has arrived! Mother Nature hasn't been very cooperative over the last few years with those of us in the cattle industry. Although the challenges of the recent "historic drought" are continuing to impact cattle numbers, the beef industry continues to move forward.

The opportunities in Pennsylvania are unprecedented.

As an organization, CBE continues to provide programs and resources that benefit the beef industry. These programs are a win, ensuring a vibrant business environment and a future for the next generation.

With the recent update to the industry long range plan focused on increasing beef demand, CBE continues to set direction and equip the beef industry with tools and resources. Although we aren't able to change the impacts you feel from Mother Nature, we have developed a marketing tool to promote your individual operation.

Add your operation information to the voluntary online beef industry directory. This free resource available through our website, allows you to increase your marketing opportunities. Just complete your information in the "add your organization" drop down under the service directory. We hope this service proves valuable to all segments of the

industry and continues to grow in the coming years.

If you are weaning calves to offer for sale, our "market place" is another available place to feature your sale calves. A link to photos is provided to feature your sale cattle, equipment, services, commodity or other items you are selling. Enter your sale items on our website under the "Marketplace tab" in the respective sale category.

The Carcass Data Evaluation Program provides you with a report generated by USDA AMS Graders.

The report looks at eight traits that impact final quality and yield grades; maturity, marbling, ribeye area, hot carcass weight, fat thickness, % Kidney/pelvic/heart fat and final yield grade. This information will allow you to evaluate your breeding program, compare feed programs and enhance your operation decision making. Complete the request form for the Carcass Data Evaluation Program under the Programs tab of our website.

Through these and other programs, together we can beef up our industry and keep our families and our communities strong. I look forward to continuing our efforts to build a better beef industry here in the state of Pennsylvania!

The Center for Beef Excellence was established in 2007 to promote the beef industry through education, production efficiency, government and community relations and economic development. Representing 28,000 beef producers with 1.62 million head of cattle with Pennsylvania consumers spending 4.5 billion dollars on beef products annually. The Center for Beef Excellence is an equal opportunity employer.



BOW CREEK FARM: CREATING THEIR BRAND

written by Stephanie Gardner, CBE Student Leader

First generation farmers Rob and Amy Hess are the owners of Bow Creek Farm and Cattle Co. in Hershey, Pennsylvania. On their farm, they use AI, embryo transfer and EPD selection to breed top-end Red Angus. The Hesses

are self-sufficient, so all of the feed they use for their cattle comes from their own farm. Like most businessmen, Rob and Amy needed an edge that would set them apart and sky rocket their production. So they then created their own brand and in 2011. They contacted the chef at the famous Hershey Hotel, who was extremely interested in serving locally-produced beef.

Rob said he got the idea of direct marketing beef so he and his wife wrote a letter to the chef and now Bow Creek beef is featured on Hershey Hotel's Harvest Restaurant menu. Uniquely, the hotel buys whole carcasses, not just select cuts.

The Hesses also sell to private parties in 1/8 shares. Currently, these packages include about 50 lb. of meat for \$439. Calves are fed grass hay until they reach market weight at about 18 months.

They do not feed silage. "We've been getting good results with grading and flavor with just the grass hay," Rob says.

(NEW continued from page 1)

gaining access to key markets and promoting the unique attributes of U.S. beef to foreign consumers.

- Protect and enhance the business and political climate for beef, which 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, including assuring beef's inclusion in dietary recommendations, exploration of new production technologies, crisis management planning, developing the next generation of beef industry stakeholders and other initiatives.*
- Grow consumer trust in beef and beef production, including a critical focus on antibiotic stewardship, the implementation of a certification/verification program and continued investment in beef safety initiatives. The task force said the entire beef community must be engaged and collaborate with a broad group of industry partners to protect beef's image.*
- Promote and strengthen beef's value proposition, a strategy designed to revolutionize beef marketing and merchandising; invest in research that allows the industry to communicate beef's nutritional benefits; capitalize on media technologies to communicate beef's value proposition; and respond to consumer-based market signals with product improvements and increased production efficiencies.*

"The overall vision of our Task Force has been straightforward," said John Butler, CEO of Beef Marketing Group, a task force co-chair. "Recognizing the growing demand among the world's middle class for high-quality 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."

As Pennsylvania moves forward with endless potential, we are confident you will value the introduction of our new, comprehensive programs designed to enhance your operation. Through these program benefits, which are designed to help you pursue new opportunities in carcass improvements, marketing strategies and business management, our vested interest in your success is obvious. Utilize the carcass trait evaluation service we are providing in partnership with USDA AMS or market your operation through the statewide service directory. Learn more about these and other programs on our website beefexcellence.com or contact us at 570-687-3150.

For the final 30 days before slaughter, however, cattle receive 20 lb. to 25 lb. steamed, rolled corn to ensure they grade Prime or Choice. "We market them as natural-fed, with no antibiotics or implants," Rob says.

The Hesses participate in the Red Angus Feeder Calf Certification USDA Program (FCCP). They are currently building their herd to maintain the demand. The Hesses believe other small herds could follow their lead.

"This is an opportunity to make more money and create something of value," Rob says.

Both Amy and Rob have strived to achieve their goal and keep maximizing their profits to strive for new goals and they have certainly come a long way from where they started. First generation farmers to brand name products served in the famous Hershey Hotel!

Rob says "The CBE has been an instrumental resource to assist in developing tools that make independent farms like ours competitive in direct marketing beef."

The Hesses are a great example of what determination and hard work can accomplish.

Creep Feeding

The following information is from Oklahoma State University

Cows with calves were split into different groups and a control group on summer forages. Each group was fed a different “creep” feed, with the following results (shown to the right) as compared to the control group with no creep.

Many have seen the numbers presented here before, the relationship doesn’t change – only the price of feedstuffs from year to year. If calves are bringing \$2/lb and more and cost of additional gain on SSC creep programs is less than 70¢, producers make money creep feeding. But what if the market goes down some? Then you really should be creep feeding because your BEP (break-even price) will be lower on creep fed calves thus still making more money.

When should a producer creep feed calves for the best economic return? Due to declining quality as grass matures, and increasing nutrition demand by the calf, the last 60 days pre-weaning creates the most return. At this same time, cow milk production declines rapidly causing the calf to depend on forage and creep to gain and grow. What about calves getting too fat? High energy and low CP (whole or ground grains) can cause calves to get fat. Also calves with small frame and light muscle are not the best candidates for creep. A creep higher in CP, balanced with energy, minerals, vitamins and trace minerals (such as 14%JS or 16% PS) will grow frame and muscle, not fat.

Management is a key part of financial success when creep feeding. One can hand feed daily, or every other day, to control creep and adjust

Creep Feed Type	Extra Gain Over control	Feed Conversion for incremental gain	Cost of extra gain (current ingredient \$)	\$2.00/lb Value of Gain
Milo (same as corn)	11 lbs	20 pounds: 1	\$1.25/ lb	\$22.00
Barley	20 lbs	15 pounds: 1	\$1.24/lb	\$40.00
Oats	30 lbs	11 pounds: 1	\$1.37/ lb	\$60.00
Milo, oats, c.s meal	28 lbs	11 pounds: 1	\$1.41/ lb	\$22.00
Formulated high prot. creep feed	110 lbs	3.5 pounds: 1	60¢/ lb	\$220.00

to grass. OR, most commonly use a self/creep feeder in the pasture.

A. Calves are curious by nature – if you place cattle into a new pasture with a feeder, calves will check it out. If it contains no feed, few will come back when you put feed into the feeder resulting in a slow start. Have creep feed waiting on the calves. If you pull a creep feeder into the pasture for calves, have some creep feed to start with.

B. Feeder door opening height – very important. Doors- slide up and down to an opening of ½ - 1” for pelleted creep feeds. NO more. Calves will have to pull feed out with their tongue, and they will. This limits the amount of time a calf will stand and eat at a time, thus encouraging them to return to the pasture and graze. Keeping the gap small also prevents the feed from building up in the trough area and get-

ting wet from rain and slobbers, turning to moldy mush and waste. Do put some creep into the trough area to start to aid introducing calves to the feed.

C. Location of feeders – located next to water and brood cow loafing areas encourages intake. Not a bad place to start creep feeding. Moving away to another area of the pasture will aid in less creep feed intake.

D. As pastures deteriorate in quality and quantity and calves get larger, intake will increase. This allows calves to continue gaining pay-weight.

Calves started on a creep feeding program for at least 30 days can easily be fence-line weaned. Continue feeding for another 30-45 days coupled with a correct health program and

(CREEP continued on page 4)

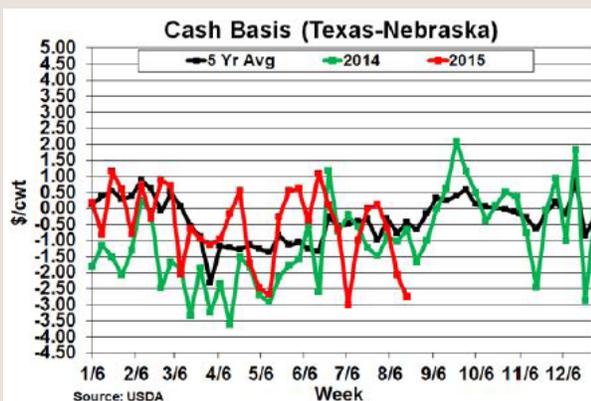
North to South Seasonal Fed Price Change Coming

Tod Kalous

News that Tyson Foods was closing their Denison, IA beef plant has brought on discussion about how this will affect the fed cattle market regionally. Seasonally the market is approaching the time of the year when fed cattle prices in the North lose their premium over the South, and in fact tend to move towards a discount relative to the South going into the fall. This is typically due to the changing trends of regional fed cattle supplies, as supplies in the South tend to decline relative to supplies in the North.

And this year this trend is not expected to be any different, especially with the Denison plant closing. There is enough packing capacity in the North to offset the decline from the Denison plant, but it may take some time for this transition to occur. In the meantime, it does appear fed prices in the South should move to higher levels relative to the North going into the fall as fed cattle supplies make the seasonal transition and tighten in the South more so than in the North.

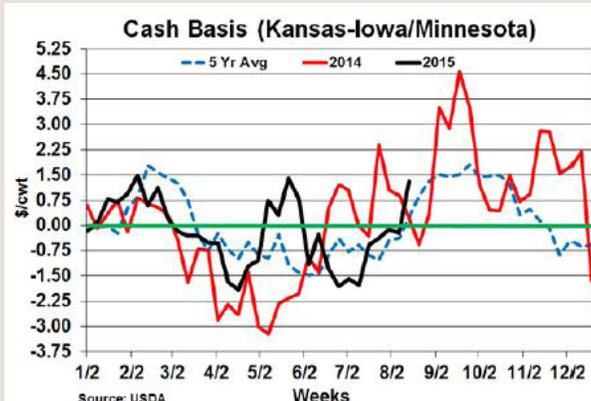
Through the May to July time period, the fed



cattle price spread between the South and North averaged near -\$0.60/cwt, which was in line with the seasonal pattern when fed supplies are larger in the South relative to the North. Looking forward through the fall, the South is expected to gain on the North, and based on the last five years, the South will trade the majority of the weeks in September and October at \$0.50 to \$1.00/cwt above the North. Furthermore, based on the past five years, about a third of those weeks the spread has

been larger than \$1.00/cwt.

Bottom Line: The Denison plant closing is not expected to have a significant impact on the market long term. However, the timing of the plant closure lines up with the seasonal timeframe when the South gains on the North in terms of the fed price spread. It remains to be seen though if the current situation will lead to a wider than normal price spread increase, South versus North or not?





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YOUR INVOLVEMENT IS NOW MORE IMPORTANT THAN EVER!

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Please contact us at 717-705-1689 • www.beefexcellence.com • anogancbe@gmail.com if you are interested.

INDUSTRY EVENTS

September 14-17

PA Simmental Association to host American Simmental Association's fall board meeting and educational symposium; Wyndham Hotel, Gettysburg, PA

Honored Guest Frank Lucas, U.S. Congressman and member of House Ag Committee; Speakers:

- Russell Redding, PA Secretary of Agriculture
- Wade Shafer, EVP, American Simmental Association
- Lauren Hyde, Lead Geneticist, International Genetic Solutions
- Jackie Atkins, Director of Science and Education, ASA
- Gordon Jones, Red Hill Farms and former Professor of Animal Science, Western Kentucky University
- Scott Greiner, Professor of Animal and Poultry Science, Virginia Tech
- Michael Baker, Senior Extension Associate, Cornell University
- Ben Williamson, Animal Science Instructor and Advisor, PSU
- Alex White, Adjunct Professor Department of Dairy Science, Virginia Tech and operator for A. White Enterprises
- Daren Williams, Senior Executive Director of Communications, NCBA
- Jim Cowell, VP, PA Center for Beef Excellence

September 21

Feedyard Tour at Galen Martin's, Mount Joy, PA

With Cattlemen from Australia

October 2-4

Keystone International Livestock Expo

PA Farm Show Complex, 2300 North Cameron Street, Harrisburg, PA
Featuring 3 days of cattle events and educational sessions. Learn about the latest and greatest from participating vendors!

(CREEP continued from page 3)

you have cattle that can qualify for a preconditioned calf sale. You also have cattle in the more desirable weight range a buyer desires, and adds dollars to the total selling value for the producer.

If one desires lower intake, has lots of forage, but needs protein to make it work – use 16% PowerStroke Bvt. If grass is a bit short in supply, or need to push calves more, use 14% Jump Start Bvt and open the feeder door another ½ inch. *(Submitted by Southern States, Cattletrails Creep Feeding)*

Bridges to Opportunities: Rise and Shine



What gets you up in the morning? This is a question that is easily answered by many cattle producers. A better question may be, what keeps you up at night? After all, we work in a segmented industry where within each individual operation there are many different challenges and opportunities. The answers vary, but the overall theme is the same. We continue to produce beef because we are passionate about all of the good we do for people. To be concise, we feed our communities.

If you operate a small facility that serves a limited number of people in a county or a larger facility that impacts a broader reach of people, you share in the impact your operation makes in the larger picture. Stewardship, producing more with less and giving back to your community is what will allow the future of your operation to continue to feed an ever-growing population. We recognize the advancements that have been made in the beef industry. Strategic insight and technology has improved your ability to access industry information wherever you are on the topics that matter most for your success. Use the resources available to produce a superior product, maximize yields and lower your costs of production. There are many ways to move your business forward!

JOIN PA PRODUCERS and promote your operation in a state-wide directory or use the carcass data evaluation program to receive a data report on carcass trait markers. These are just two new programs available through the PA Center for Beef Excellence website beefexcellence.com.

We all play a vital role in this wonderful industry – Contact the PA Center for Beef Excellence and learn more about other resources available to you. The success of those we serve is the beef industries success.

Best Regards,

Ann
Ann Nogan

Executive Vice President, PA Center for Beef Excellence, Inc.