



## **Rabobank Beef Australia 2006 Young Ambassador Report 1.**

### **International Livestock Congress USA**

By Emily Tanner

On the 6<sup>th</sup> of January, I set off on a great adventure; I was going to America! In my role as the Rabobank Beef Australia Young Ambassador, I was to attend the International Livestock Congress, held in conjunction with the National Western Livestock Show in Denver, Colorado. The trip was going to be a number of firsts for me; first time in America, first time seeing snow and an opportunity to learn more about the international livestock market – first hand! At the same time, I was lucky enough to be included in the International Stockmen's Educational Foundation program; which brings together international students interested in the beef industry to participate in the ILC. As well as myself there were two other Aussies; Matt Crowther from Central Queensland and Julie Casser, hailing from Sydney. Together with students from South and Central America, Japan, Slovakia, New Zealand, Canada and the US there were many great ideas and varied experiences to draw from.

The whole experience ran for 4 days and was jam packed with field visits, meetings, forums, dinners and of course the congress itself. We met some of the biggest hitters in the US beef industry, including staff from the National Cattlemen's Beef Association, members of the USDA and some of the biggest beef producers in the US. There were also a number of international guests, including Australian agricultural identities David Palmer, Managing Director of MLA, Don Mckay, CEO of AACo as well as producers from Australia's largest organic beef company, OBE Beef. For me, meeting our home-grown professionals was a real highlight; their insights into where Australia stands in the international market were invaluable in gaining some perspective on the US-dominated international proceedings.

The congress itself focussed on the main issues facing the beef industry in the United States; the need for a workable animal identification system and the continued growth of heavyweight carcasses. Both topics were heavily discussed and debated by a panel of feeders and packers and answered by a rebuttal panel, consisting of producers and marketers, including MLA's David Palmer.

According to statistics quoted during the congress, recent market research in the US has shown clear consumer desire for smaller cuts of beef, while producers, feeders and packers claim smaller carcasses are more expensive to produce and process than their larger counterparts. This creates a catch 22 situation for the industry – a larger carcass size is more lucrative to produce; but the average housewife wants only a small steak. The conclusions drawn by some members of the panel suggested research needs to start looking five or six years down the road to determine

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sumer trends in advance, similar to product research conducted by automakers. In this way, the industry can prepare itself for challenges in the future, a clever attitude for any industry to adopt, especially to tame the ever volatile export beef market.

But by far the most hotly contested argument was on the issue of the introduction of an animal ID system in the United States, similar to our NLIS. USDA Undersecretary for Marketing and Regulatory Programs Bruce Knight believes that ID will be a market driven system and is hopeful that by 2009, it will be more fully embraced by producers. However, introduction of such an ID system is strongly opposed by many American producers, worried about confidentiality of their information. These concerns are seemingly irrelevant in Australia, especially with the relatively smooth transition from tail-tagging to NLIS over the last 18 months. Interestingly, even if the controversial ID system were to be introduced into the US, it would not be mandatory for all producers to comply. When questioned why, the best answer I received was from a mid-western cow-calf producer; "It's not the American way". If this is the case, it seems that even if the system is introduced, it may be a long time before the US can successfully track their entire herd.

After the completion of the ILC, we were treated to a number of field visits, including a tour of Swift & Co's Greeley packing plant (abattoir). The Colorado-based facility has the ability to receive 650 head a day and can process one animal 'from beast to box in 17 minutes' as one employee proudly stated. It was certainly an eye-opening experience, as was attending the National Western Livestock show. It is one of the largest of its kind in the world, picture Rockhampton Beef week, add snow and multiply it by 20! The spectacle that was the PBR rodeo was also part of the livestock show, and we had 'ringside' seats each night for the entertainment. One thing to be said of the Americans – when it comes to rodeo, they really know how to put on a show! At the end of the week it was decided by our local hosts, the students from the US, that in order to truly experience the American *cowboy* way we needed to go to a 'Real American Honky-Tonk Bar'. It was great fun and the best way to finish off our week in Colorado, we were even lucky enough to meet the real Tuff Hedeman of movie *8 Seconds* fame.

So, my whirlwind American experience was just that, an information overload and the experience of a lifetime. I certainly recommend attending the International Livestock Congress to anyone – even if it is simply to prove that Australia really is at the forefront of the international livestock game, and leaving the competition for dead!



Emily and Tuff Hedeman of movie *8 Seconds* fame