

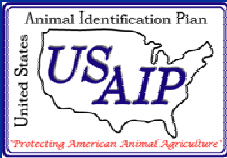
Livestock Market Issue WG Report

Scott Stuart, Chair

President and CEO

National Pedigree Livestock Producers Association

Colorado Springs, CO



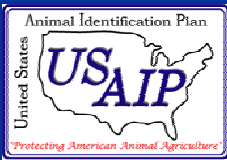
US Market / Processor WG Report

- **Role**

“...to advance the USAIP through the development of more precise transition, implementation, and continuity plans consistent with the established standards and goals of the USAIP in concert with the Species Working Groups.”

- **Scope**

“...focuses on key elements of the USAIP that may affect the marketing and processing sectors. Updates, both additions and/or revisions (if necessary) to implementation plans, are to support the industry’s ability to achieve the 48-hour traceback objective.”



US Market / Processor WG Report

Scott Stuart

National Livestock Producers Assn. (WG Leader)

Travis Choat

Packerland Packing

Leo Hanson

Wiechman Pig Co., Inc.

Charley Christensen

Producers Livestock Auction Co.

Randy Huffman

American Meat Institute

Albert Epperly

Deer Run Livestock

Ken Jordan

Jordan Cattle Auction

Tod Fleming

Equity Cooperative Livestock Sales

Dick Jurgens

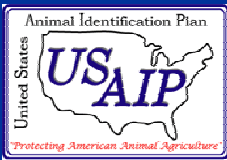
United Producers, Inc.

Kent Haden

MFA, Inc.

Rick Keith

Producers Livestock Marketing Assn.



US Market / Processor WG Report

Del King

King Livestock Co., Inc.

Gary Machan

Tyson Fresh Meats, Inc.

Marcine Moldenhauer

Excel

Steve Owens

Joplin Regional Stockyards

Ron Prorok

Tyson Foods

Jim Reynolds

National Livestock Commission

Nancy Robinson

Livestock Marketing Association

Jim Schaben

Dunlap Livestock Auction

Sandy Snider

Mountain States Lamb Cooperative

Dan Sutherland

Johnsonville Foods

Primary Areas of Concern

- Costs associated with ID should not impose an undue burden on any segment of the industry
- Competitive disadvantages cannot be created in marketing channels due to ID
- Events which require that an animal's identification to be "read" must be clearly defined and required equitably among the industry segments and participants

Primary Areas of Concern

- Animal welfare should be of utmost importance in the application and reading of identification devices.
- Safety of personnel at marketing facilities and packing facilities should be ensured as related to applying, reading, and harvesting identification devices

Primary Areas of Concern

- Compliance respective to the recording of animal movements by those outside fixed facility marketing and processing channels should be expected
- Determination of the responsible party for application of identification devices should be clearly defined



Primary Areas of Concern

- Radio Frequency Identification (RFID) should be fully evaluated and its practical application to cattle movements through auction markets be determined
- Technologies should continue to be evaluated in order to ensure the most cost-effective and appropriate systems are used

Observations

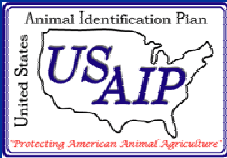
- A national animal identification system, to be optimally effective and manageable for animal owners, managers, marketers, and processors, must operate as simply as possible
- Therefore, reported movements should be kept to a minimum necessary to ensure adequate records to facilitate traceback and traceout functions

Observations

- Very clear, unambiguous definitions of reportable events and responsible parties are critical for industry stakeholders to understand their responsibilities and what changes it may mean in their operations
- Attention at this time should be focused on reporting events most necessary to achieve the goals of the USAIP

Specific Recommendations

- 1. Animals moving through markets should be read only one time to indicate an animal has been at a given premises on a given date.**
 - This should only be required if there is adequate technology available that will not slow the marketing process and reading at the market does not cause excessive negative economic impact on individual markets



Specific Recommendations

- 2. Radio Frequency Identification (RFID), adequately tested and proven workable, should be the recommended identification technology used in the beef and dairy cattle industries**

Specific Recommendations

- 3. A long-term economic impact study should be required as a part of any ID pilot project being funded**
 - The study should seek to determine the impacts on all levels of producers and stakeholders associated with the ID system being tested

Specific Recommendations

- 4. Application of identification devices to animals should be the responsibility of the owner/operator of the animal's premises of origin**
 - Such tagging could occur at authorized tagging stations or auctions if available, but responsibility would still reside with the original premises owner/operator

Specific Recommendations

5. The term “receiving premises” be used in establishing the responsible party for reporting movement to the National Animal Identification Database

- *Definition: Receiving Premises – The premises to which animals are moved and at which a responsible party (not necessarily the buyer) is responsible for reporting to the National Animal Identification Database that identified animals have arrived at that premises*

Specific Recommendations

- 6. Any movement of an animal to a distinctly different premises and to a premises where commingling may occur must be reported to the National Animal Identification Database, regardless if a change of ownership has occurred.**

Specific Recommendations

7. It is recommended that all cattle be individually identified

- The potential for cattle to be commingled is significantly higher than in other species and it is strongly felt that by having all cattle individually identified, this potential inequity could be averted