

**DeSoto County
Beef Newsletter**
2150 NE Roan Street,
Arcadia, FL 34266
July 2009 / Volume 31 Number 7



CALENDAR OF EVENTS

**Ona Youth Field Day Success
350 Youth and Adults Attended**

September

12 Grazing Management 101, Highlands County Agri-Civic Center, Sebring, FL

25 FCA Bred Replacement Heifer Sale, Arcadia Stockyards, 1:00 PM, Arcadia, FL

October

2 Mo Brangus/Hines Cattle Co./ Express Ranches, Brangus & Angus Sale, Arcadia Stockyards, 1:00 PM, Arcadia, FL

6 UF/IFAS Ona Weed Field Day, Ona Range Cattle Research Center, Ona, FL

MORE ETHANOL MEANS INCREASED FEED COSTS

If EPA grants a petition to allow a 50% increase in the allowable limits of ethanol in gasoline, it will mean higher commodity costs for livestock, poultry and food producers, say two new studies released by Advanced Economic Solutions (AES) and FarmEcon LLC. "Barring a change in government support for ethanol, if the EPA allows blends of more than 10% ethanol, our study projects that by 2015 up to 110 million acres of corn will be planted, constituting the highest number of acres planted since WWII and nearly a 20% increase over the baseline," says Bill Lapp, AES president. Current plantings are 85 million acres. Lapp's study also examined the potential for a serious shortfall of availability in the corn market, particularly if the blend wall is raised. "U.S. corn yields have been 7% or more below trend roughly one out of every four years. A 7% yield loss would equate to over 1 billion bu., more than the projected carryout during 2010-2015 in the E-10, E-12 or E-15 scenarios," explains Lapp, who says "raising the blend rate will exacerbate an already precarious situation in the corn markets." Farm Econ LLC's study focused on the effects that increasing the allowable ethanol blend levels in motor fuel will have on the price of corn fed to livestock and poultry. "As a result of the combined effect of the higher blend limits and the RFS increase, the 2010 cost of corn to the U.S. economy is forecast to increase by another \$1/bu., or another \$12.4 billion in total. "U.S. biofuels policies and regulations contain inherent contradictions and have also resulted in significant economic damage to diverse sectors from inside and outside of the energy industry. Increasing the maximum blend of ethanol in gasoline, combined with higher 2010 Renewable Fuels Standard requirements, will increase cost pressures on both ethanol and food producers," says Tom Elam, president of FarmEcon LLC. **Source—Cow-Calf Weekly, June 17, 2009.**

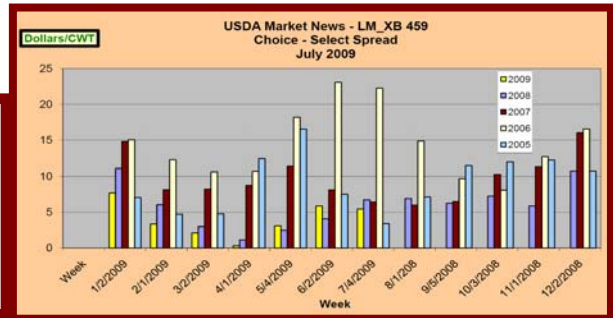
MEAT AND POULTRY INDUSTRIES REPRESENT 6 PERCENT OF NATION'S GDP

The American Meat Institute released a new economic impact study in June that shows the nation's meat and poultry industry contributes roughly \$832 billion, nearly 6% of total gross domestic product, to the U.S. economy, along with nearly 6.2 million jobs and \$200 billion in wages and benefits. President and CEO of AMI J. Patrick Boyle says companies and individuals in America who produce, process, distribute, and sell meat and poultry products continue to be a vital part of the U.S. economy. According to the study, conducted by John Dunham and Associates in New York City, the industry also generates sizable tax revenues: more than \$81 billion in revenues to federal, state and local governments and more than \$2 billion in state sales taxes. **Source—Beef Daily, July 9, 2009.**

MARKET INFORMATION—July 6, 2009

	6/27/09	Last Week	Last Year
5 AREA WEEKLY WEIGHTED CATTLE PRICE			
Live Steer	82.81	81.54	101.18
Live Heifer	83.03	81.71	101.39
Dressed Steer	131.00	129.43	159.72
Dressed Heifer	130.86	129.02	159.92

http://www.ams.usda.gov/mnreports/lm_ct150.txt



	6/27/09	Last Week	Last Year
BEEF PRODUCTION	(Estimate)	(Estimate)	(Actual)
Slaughter	628,000	673,000	592,000
Live Weights	1270	1268	1272
Dressed Weights	770	769	780
Beef Production (M. of Pounds)	482.2	516.2	460.1

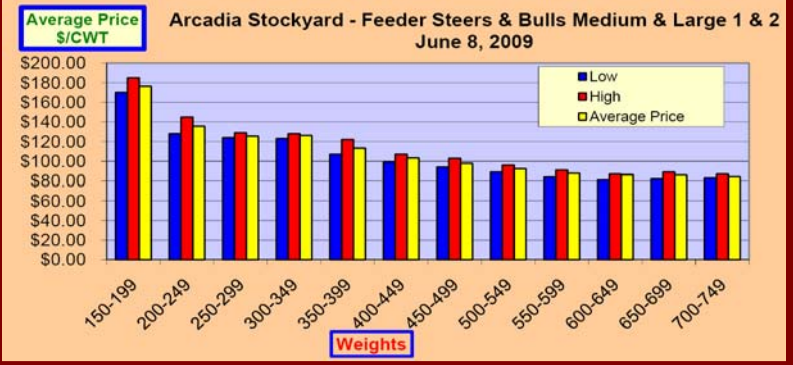
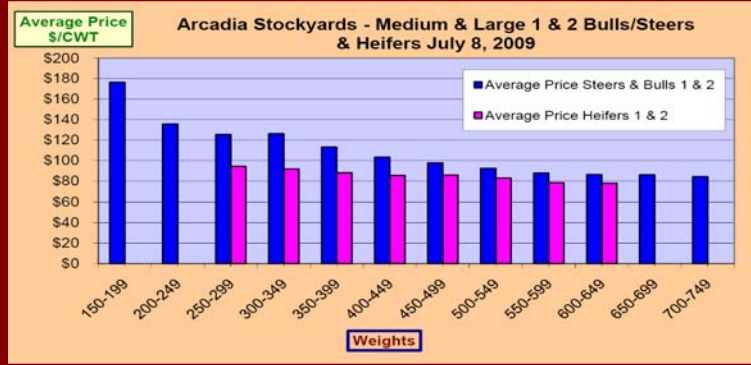
http://www.ams.usda.gov/mnreports/SJ_LS712.txt

Choice/Select Spread
7/2/09
\$5.45/cwt

http://marketnews.usda.gov/gear/browseby/txt/LM_XB403.TXT

	6/20/09	Last Week	Last Year
National Grading Percent			
Prime	2.34%	2.41%	2.50%
Choice	58.38%	59.08%	56.43%
Select	33.26%	32.88%	34.14%

http://www.ams.usda.gov/mnreports/NW_LS196.txt



The summary below reflects the week ending June 26, 2009 for Medium and Large 1 & 2- 500- to 550-lb., 600- to 650-lb., and 700- to 750-lb. heifers and steers. **Source: USDA National Feeder and Stocker Summary-SJ_LS850.**

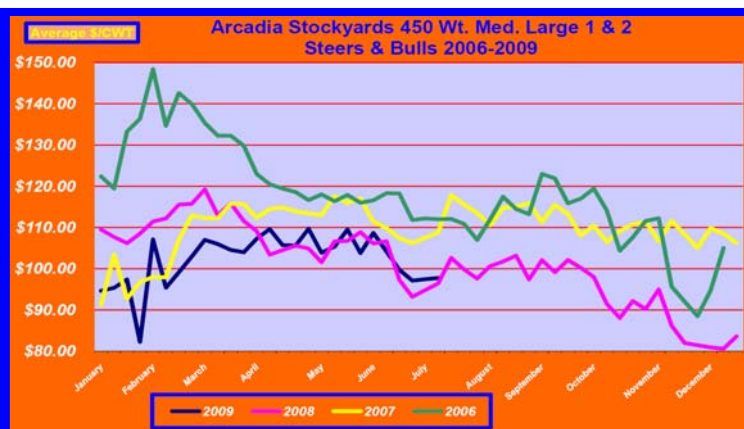
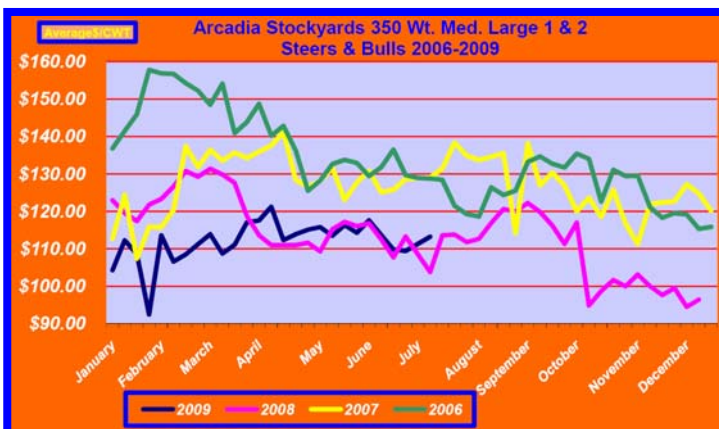
State	Volume	Steers			Heifers		
		500-550 lbs.	600-650 lbs.	700-750 lbs.	500-550 lbs.	600-650 lbs.	700-750 lbs.
TX	24,300	No Report	\$97.61	\$92.90	No Report	\$90.96	\$94.48
AL	8,400	No Report	\$94.55	\$88.14	\$93.02	\$86.87	\$82.43
TN	4,400	\$101.44	\$95.80	\$93.65	\$91.30	\$87.94	\$83.73
FL	5,900	\$89-102	\$79-94	No Report	\$79-100	\$80-90	\$74-78
GA	5,800	\$89-104	\$83-99	\$78-90	\$81-96	\$76-90	\$74-84
KY	17,400	\$101.99	\$101.08	\$90.10	\$92.63	\$86.31	\$87.05
OK	21,700	\$104.36	\$104.38	\$100.95	\$94.76	\$95.42	\$93.10
MO	25,200	\$106.34	\$102.04	\$99.62	\$93.86	\$95.30	\$87.76

Texas & Alabama reported only Med. Large 1

No report indicates that no sales were reported for that weight.

CORN:

Kansas City US No 2 rail White Corn was 44 to 46 cents lower from 3.56-3.68 per bushel. Kansas City US No 2 truck Yellow Corn was 41 to 43 cents lower from 3.27-3.30 per bushel. Omaha US No 2 truck Yellow Corn was 39 cents lower from 3.19-3.23 per bushel. Chicago US No 2 Yellow Corn was 36 ¾ to 38 ¾ cents lower from 3.20 ¾ -3.56 ¾ per bushel. Toledo US No 2 rail Yellow corn was 37 ¾ to 38 ¾ cents lower from 3.45 ¾ -3.51 ¾ per bushel. Minneapolis US No 2 Yellow Corn rail was 36 ¾ cents lower at 3.25 ¾ per bushel. **Source: USDA Weekly National Grain Market Review, Thursday, July 2, 2009** http://www.ams.usda.gov/mnreports/SJ_GR851.txt



FAWN—DESOTO COUNTY ANNUAL RAINFALL—2009 [HTTP://DESOTO.IFAS.UFL.EDU/](http://desoto.ifas.ufl.edu/)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	Total
2009	0.32"	0.37"	1.83"	0.62"	6.24"	3.96"	"	"	"	"	"	"	13.34"
2008	1.87"	1.51"	2.52"	3.33"	2.55"	7.09"	6.79"	8.42"	2.69"	2.12"	0.27"	1.14"	40.30"
2007	1.93"	2.09"	0.81"	2.80"	2.28"	5.04"	5.42"	5.57"	4.56"	1.46"	0.05"	0.78"	32.79"
2006	0.32"	3.26"	0.97"	0.14"	2.07"	2.71"	5.84"	9.30"	4.15"	1.36"	0.81"	2.13"	33.06"
2005						9.71"	8.73"	5.86"	4.03"	8.78"	3.78"	0.11"	NA

FAWN—DESOTO COUNTY HIGH & LOW TEMPERATURES (2 METERS) AT THE EXTENSION OFFICE

HIGH	82.8°	85.5°	87.9°	89.7°	96.0°	95.9°	°	°	°	°	°	°	NA
LOW	26.0°	26.2°	34.8°	42.1°	55.4°	62.5°	°	°	°	°	°	°	NA

Rainfall for 2009 is 5.53 inches behind 2008—8.75" behind 108 Year Average

TWO MILLION EXTRA ACRES OF CORN

Anyone despairing that old-fashioned fundamentals ride drag in the upended commodity markets had to smile last Tuesday. USDA announced corn producers had planted 2 million more acres than previously estimated; nearby futures plummeted limit-down. If producers have in fact planted 87 million acres, as last week's report suggests, that would represent the most acres planted to corn since 1946 (the record year was 2007). Besides the additional acres, crop condition is running ahead of last year, with the expectation that yields may move higher than previous estimates.

Source: Beef Stocker Trends, July 7, 2009.

SOUTH KOREA REINVIGORATES NAIS DISCUSSION

Just when it looked like traceability was dead, the marketplace steps forward to reinvigorate it. South Korea has instituted a trace-back system on domestically raised beef, and indicated it would require trace-back on imported product by 2010. If this comes to pass, then all of the debate regarding the National Animal Identification System may be mute. As expected, trace-back is moving toward being a requirement for international trade. Korea has fallen to fourth in terms of size of beef market, but it was up 128% in 2008 compared to 2007, and accomplished that after having been open only less than half of the year. Many experts predict Korea could be a billion-dollar market for U.S. beef if we can regain market share and the confidence of the Korean consumer. Those kinds of incentives are the sort that quickly can drive change. Source—Cow-Calf Weekly, July 10, 2009.

GRAZING MANAGEMENT 101

Pasture Management 101 is sponsored by The South Florida Beef-Forage Program of the University of Florida, Cooperative Extension Service. The date will be September 12, 2009 at the Highlands County Agri-Civic Center in Sebring. This course represents basic Pasture Management principles and concepts. It is part of a continuing multi-County education effort to help South-Central Florida small and inexperienced producers become familiar with raising livestock on small acreages under pasture conditions for sustainability of pastures and grazing programs. The cost of registration is \$20.00 (non-refundable) if received by August 21, 2009. After that date the late registration is \$30.00 per person. All checks should be made payable to the South Florida Beef-Forage Program. Topics will include:

- Small Farm Perspective
- What do you really want on your operation?
- Animal Needs and Stocking Rates
- Pasture Management
- Soils & Fertility, Location and Fertilization
- Weed Control for More Productive Pastures
- Animal Parasite Control

Beef Management Calendar

July/August

Control weeds in summer pastures.	Check dustbags, oilers, etc.
Consider preconditioning calves before sale including vaccination for shipping fever and IBR at least 3 weeks before sale.	Check pastures and hay fields for grubs, mole crickets, and armyworms.
Check mineral feeder.	Revaccinate calves at weaning for blackleg.
Wean calves and cull Cow Herd.	Pregnancy check cows.

USDA ANNOUNCES NEW LIVESTOCK INDEMNITY PROGRAM

July 13 is the start date for eligible ranchers and livestock to begin applying for benefits under the provisions of the Livestock Indemnity Program (LIP) in the 2008 Farm Bill. LIP provides assistance to producers for livestock deaths that result from disaster. Administered by USDA's Farm Service Agency (FSA), LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold. Eligible losses must have occurred on or after Jan. 1, 2008, and before Oct. 1, 2011. The following table provides the final dates to file a notice of loss and/or application for payment for either 2008 or 2009 livestock losses:

Date of Livestock Death	Final Date to File a Notice of Loss	Final Date to Submit an Application for Payment
Calendar Year 2008	Sept. 13, 2009	Sept. 13, 2009
Jan. 1, 2009 to July 12, 2009	Sept. 13, 2009	Jan. 30, 2010
July 13, 2009 to Dec. 31, 2009	30 days after death is apparent	Jan. 30, 2010

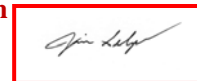
Specific provisions for the other supplemental agricultural disaster assistance programs authorized by the 2008 Act - the Livestock Forage Disaster Program (LFP), the Supplemental Revenue Assistance Program (SURE), the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP) and the Tree Assistance Program (TAP) - will be implemented through separate rulemakings and announced at a later date. For more on available supplemental disaster assistance programs, visit your local FSA office or www.fsa.usda.gov. -- **Source—Cow-Calf Weekly, July 10, 2009.**

LOTS OF FOOD FROM CHINA, BUT IS IT SAFE?

U.S. food imports from China have more than tripled in value since 2001, according to a new report from the USDA's Economic Research Service. Addressing safety risks associated with these imports is difficult, the report notes, because of the vast array of products from China, the country's weak enforcement of food-safety standards, its heavy use of agricultural chemicals and its considerable environmental pollution. FDA refusals of food shipments from China suggest recurring problems with "filth," unsafe additives, labeling (typically introduced in food processing and handling), and veterinary drug residues in fish and shellfish (introduced at the farm). Chinese authorities try to control food-export safety by certifying exporters and the farms that supply them. However, monitoring such a wide range of products for the different hazards that can arise at varying points in the supply chain is a difficult challenge for Chinese and U.S. officials. **Source—Drovers, July 9, 2009, Volume 9, Issue 27.**

30 YEARS IN DESOTO COUNTY

July 6, 2009 marked the completion of 30 years in DeSoto County as your County Agent. As many of you already know I have decided to retire this year. I still have not set the final date in either August or September, but I want you to know that I intend to continue producing this newsletter until a replacement is selected and on the job. **Jim**



James F. Selph
DeSoto County Extension Director, IV, Livestock, Forages & Wildlife

"No occupation is so delightful to me as the culture of the earth, and no culture comparable to that of the garden". Thomas Jefferson

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