

Diverse Cattle Operations—One Common Goal

Panel members:

Tim Kaldenberg	Albia, IA producer
Bill Couser	Nevada, IA producer
Colin Woodall	NCBA
Facilitator	Sparky Wellman, producer

The common goal is: “To provide a safe, nutritious, consistent quality product for our families and consumers in an environmentally friendly way...without government intervention.”

Give a little background on yourself and your operation and how you got to the point you are in that operation.

Bill Couser: In 1977 I had a chance to rent 234 acres of which 40 acres was pasture; bought 24 black cows and the rest is history. The first year was a drought and lost all my crops, the 2nd year hailed out and the 3rd year taken by bugs; still trying to figure out if GOD was (p.....)mad at me. From there we continued to rent land and bought a small feedlot (200 head) that we have expanded to 3500 head. We are in Seed production for Monsanto and Pioneer in both corn and beans and also have commercial crops.

Tim Kaldenberg: I'm a cow-calf producer that feeds out all my calves in addition to purchasing additional feeders to feed out.

Colin, explain your position.

Colin Woodall: As the Vice President of Government Affairs for the National Cattlemen's Beef Association, I lead NCBA's efforts in Washington, DC. I serve as the Chief Lobbyist and supervise a staff of 15 which include a Chief Veterinarian, Chief Economist, Chief and Deputy Environmental Counsel, and two lobbyists. My job is to ensure that your voice is being heard by policy makers in Washington and to fight against government intrusion into our industry.

What do you feel is the greatest industry challenge on your operation?

Bill: Challenges -today in this world of urban sprawl, trying to fit in and be good neighbors is one of our bigger challenges. Some people would say that regulations are the biggest and could be, it is a trade off. I have always said that we were here first but still need to fit.

What are the greatest strengths of an operation your size? What do you feel is the biggest downfall?

Bill: My family and my team are the greatest strengths we have today with our success. Our biggest downfall as an industry is that we don't have enough producers out telling the story; AND IT IS ONE OF THE BEST STORIES TO BE TOLD!!!!!! When we tell it as producers it brings credibility to what we do for a living.

Tim: The Ability to deliver high quality cattle with source verification would be one of our greatest strengths. A downfall would be that it is difficult to market large quantities.

Colin, in the regulatory arena do you see a size advantage or disadvantage?

Colin: As we look at the regulatory agenda, we remain concerned about all of the proposed rules coming out of EPA, FDA, and many out of USDA. This includes things such as the regulation of dust. As we look at these proposals, it is obvious that size or type of operation does not make a difference...we are all at risk. With the dust proposal, it doesn't matter if you are a feedlot or cow/calf operator, you will be in violation if you exceed the levels they are proposing (levels which are not based on science.)

What is your biggest environmental challenge?

Bill: Mud and cold have to be the biggest challenge we have in IOWA as far as environmental. We now have different types of structures that we can put up to help control this.

Tim: Expansion while following governmental regulations is definitely a challenge. Sometimes feel like should expand more to cover cost associated with the environmental regulations.

Colin, what do you see coming down the pike in this area and how do you see it impacting each of these producers.

Colin: The biggest challenges include EPA regulations of dust, ammonia, GHG reporting, TMDL in the Chesapeake Bay, and numeric nutrient criteria in Florida. All of these will be detrimental to operations of all size. With the Chesapeake Bay and Florida, those regulations will set the precedent for regulations of the Mississippi River Basin. The biggest concern is that few of these are based on sound, peer-reviewed science. If they go through, it will take millions of dollars to comply, a change of agronomic practices, and mitigation equipment. All will have a negative impact on the bottom line.

What is your marketing program?

Bill: Our marketing program is very defined; we have some type of hedge under all cattle and also try to have most of the feed costs locked up in some form or another.

Tim: Most home raised calves are sold on a grid with good premiums. Others are marketed for best price when ready for market.

What do you believe are the greatest obstacles to you in marketing?

Bill: In this type of market it is very difficult to stay disciplined in a hedging program. If you have a weak stomach and don't like margin calls, stay away.

Tim: When premiums are tied to overseas market, foreign countries can put pressure on certain markets or plants. Sometimes freight costs get high for plants that are a long distance off.

Colin, what are the issues you see each of these operations facing and are they the same issues.

Colin: NCBA supports full enforcement of the Packers and Stockyard Act. We also support tools such as Mandatory Price Reporting to help make the market as transparent as possible. However, with things such as the proposed GIPSA rule, we do not support big government telling producers how to market their cattle, where to market their cattle, and what the "standard" price should be for cattle.