

DIRECTING OUR NARRATIVE: INDUSTRY UPDATE FROM JERRY BOHN

The world eagerly awaited New Year's Day 2021. There was hope for normalcy, but it was clear from the first week that uncharted changes would remain commonplace, especially for the beef industry: a new administration, supply-chain disruptions and market transparency legislation to name a few.

Jerry Bohn, secretary and a 16-year member of the U.S. Premium Beef board of directors and the immediate past president of the National Cattlemen's Beef Association (NCBA), was part of several teams navigating the beef sector through these changes. The commercial cattle feeder from Wichita, Kansas, discusses the major factors influencing beef production and their implications below.



Jerry Bohn
Wichita, Kansas

Beefing up value

U.S. Meat Export Federation data recently reported record beef export sales in 2021 at \$10.58 billion, with record volume at 1.44 million metric tons. Bohn describes beef exports as one of the shining stars for the industry, made possible by signing trade agreements with Mexico and Canada, the European Union, Japan and China.

"Those free trade agreements are very vital and important in our ability to be able to export to other countries," Bohn says.

Ongoing work with Japan to negotiate a trade trigger offers more potential to export higher volumes of U.S. beef to Japan. Still, China is the main driver for booming exports. Bohn notes the country's geography restricts

its food producing capacity to supply only 7% of the population, creating a huge market for all food products.

Domestically, the Coronavirus Food Assistance Program (CFAP) provided funding to almost every American beef producer, an effort lead by NCBA in 2020.

"We decided that because the pandemic had such a drastic, horrific effect on the cattle market, particularly, and the fact that we backed up so many cattle that we couldn't get processed, that people needed help," Bohn says. "NCBA was the only agricultural organization association that went to bat for the livestock industry to get money back to the country."

In fact, Bohn's most memorable moments presiding over NCBA were dealing with the pandemic and seeing cattle prices rebound in the latter part of 2021. "Our team in Washington and Denver were basically in the office everyday through the pandemic, working on behalf of the industry. I'm proud of the staff that we have put together and their dedication to the industry," he says.

Work in Washington

When the Biden administration took over in 2021, many in the agricultural community were skeptical about future ag policy decisions. However, Bohn says the new administration has reached out to NCBA on almost every issue for input, like revising legislation for Waters of the U.S.

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Most recently, lawmakers worked with NCBA to introduce the bipartisan Cattle Contract Library Bill, which would build a cattle contract library within USDA's Agricultural Marketing Service (USDA-AMS). The bill has cleared the House of Representatives and is being debated in the Senate.

"They [AMS] are very cognizant of confidentiality and the role that confidentiality plays in market reporting," Bohn says. "We believe they will construct this contract library in such a way that there will not be any trade secrets or anybody getting an unfair advantage. Our goal is to make available to producers the opportunity to more quickly see what might be available within the fed-cattle marketplace."

On the topic of price discovery, Bohn does not foresee any mandated pricing mechanisms being put in place soon. "I believe that people are realizing that the industry needs to solve this for itself, and I think NCBA played a very important role over the last couple of years in making cattle market price, discovery and transparency more visible."

He notes the industry has responded with higher negotiated trade in Texas, Oklahoma, New Mexico and Kansas in the last couple years.

Consumer-facing initiatives

Efforts to achieve internal transparency are matched with efforts to improve external transparency. Leading the charge is the Beef Checkoff program, which provides national marketing and research to increase global demand for beef. Established with the 1985 Farm Bill, the program receives \$1 per head of all cattle marketed or imported.

Bohn shares the latest research shows a \$11.21 return for every dollar invested. He attributes growing demand for beef domestically and internationally directly to Checkoff efforts. Other success stories include the Beef Quality Assurance and Masters of Beef Advocacy programs — the latter of which has trained more than 20,000 people to be spokespeople for the industry.

Beef Checkoff's investment in research has also

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identified improved safety measures for packing plants and value discovery for muscles within the chuck and round, like the flat iron and Delmonico steaks. Bohn says, "We've been able to harvest those muscles separately and are selling them at a higher price."

The Checkoff and NCBA managed Beef. It's *What's For Dinner.*® brand is ramping up presence on television and social media. At the 2022 Cattle Industry Convention and NCBA Trade Show, football analyst and retired Dallas Cowboys quarterback Tony Romo was announced as the new industry spokesman for the campaign.

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What's more, *Beef. It's What's For Dinner.* has been featured on the ESPN Tailgate series, Hallmark's Countdown to Christmas and the Food Network, and sponsored the *Beef. It's What's For Dinner.* 300 NASCAR Xfinity race in Daytona, Florida, for a second year.

Yet perhaps industry support for the Beef Checkoff was best gauged when a petition to call for a program referendum received only 30,000 signatures of the 88,000 required by the USDA. "I think that shows that the majority of the beef producers in the country are satisfied with the work that the Checkoff is doing," Bohn emphasizes. "Nobody else is going to promote our product for us. We've got to carry the water and promote our own products."

Similarly, Bohn says it's time for cattle raisers to update the narrative on sustainability. Most notably is shifting focus from methane to carbon dioxide (CO₂) when discussing beef's contribution to greenhouse gas emissions. Beef cattle account for just 2% of greenhouse gas emissions in the U.S., which includes methane and carbon.

However, warming effects from the two gases are very different. Methane stays in the environment approximately 12 years and then is removed by oxidation, while CO₂ stays in the atmosphere forever. Bohn points out beef producers "operate almost 900 million acres of land that sequesters carbon" by capturing the gas through photosynthesis. Cattle, in turn, convert that grass into high quality, human-edible protein — a process known as upcycling.

To compare warming impacts of different gases, the scientific community has widely adopted Global Warming Potential (GWP). Bohn is optimistic a new measure will soon take hold: Global Warming Potential Star

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(GWP*). He believes this metric will be favorable for the livestock industry because it accounts for methane's short life cycle, rather than just the rate of emission.

And, with a goal for the beef sector to be carbon-neutral by 2040 as established by a 17-member task force, GWP* can provide a clearer assessment of the industry's efforts to reduce its carbon footprint.

With a complex story to narrate, Bohn believes grassroots producers have a responsibility to communicate with elected officials — from city officials to Congressmen. All too often, these representatives hear solely from the opposition, with little feedback from cattlemen. To this end, he supports organizations like NCBA and the Kansas Livestock Association that can advocate on behalf of the industry, and for younger producers to get involved.

"I think for the beef industry to be a participant in the years ahead in food production, we've got to embrace new technology, new ideas and new ways," he says. "I'm looking at the next generation to help push our industry along so that we can compete and continue to provide high quality protein for people." ♦