

**U.S. DEPARTMENT OF AGRICULTURE –
ANIMAL AND PLANT HEALTH
INSPECTION SERVICE**

**Animal Disease Traceability Meeting
Fort Worth, TX – July 20, 2017**

[START RECORDING]

MR. STEVE KIDD: Good morning. We're getting ready to get started. If everybody can find seats, once everybody's seated we'll kick the meeting off. Welcome and good morning. We're glad to see everyone here in Fort Worth. This is the ninth public listening session on animal disease traceability. Our goal today is to hear from you—the producers, the ranchers, farmers, market managers, and animal health officials—about how ADT is working at the field level for each of you. We're interested in learning about what has worked for you, what challenges you've had regarding animal disease traceability, and how we may be able to address some of those challenges. First I'd like to introduce myself. I'm Steve Kidd [phonetic]. I work with the Animal and Plant Health Inspection Service Headquarters in Riverdale. I'm also joined by my colleague Kathy Slaga from the APHIS office in Minneapolis. Kathy and I are not animal health officials or animal health specialists; we want to make that clear right off the bat. We're here to host the meeting,

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1 help everybody through each of the segments that
2 we will be having. We do have many animal
3 health specialists here from APHIS and from the
4 State of Texas. I'd like to start by
5 introducing some of those folks. First we have
6 Dr. Aaron Scott. We also have Neil
7 Hammerschmidt and Sunny Geiser-Novotny. We also
8 have Mike Pruitt—Mike from the State of Texas,
9 APHIS Texas. And Andy Schwartz from the Texas
10 Animal Health Commission. There are others here
11 from USDA and the State of Texas as well, and
12 you'll be hearing from them during the day.
13 They really recognize how important this issue
14 is to you. They want to hear from you and learn
15 from your experiences to identify those areas
16 that are of concern to you. Real quick, for
17 those who I haven't mentioned names, the State
18 of Texas and USDA—can you raise your hands?
19 During the day you can always touch base with
20 these people and discuss issues with them. I
21 encourage you to introduce yourselves to them so
22 they get to know you. Before we get started
23 with the agenda, I want to walk through what's
24 going to happen today so you can understand

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1 where we're going with this and so you'll know
2 what to expect as we work through the agenda. I
3 want to thank everybody who has come. We
4 understand that you're taking your time away
5 from your business to come here so that we can
6 listen, and we really want to hear from you. So
7 let's go over what the agenda's going to be. In
8 segment one, we're going to have two parts, and
9 that's to hear from APHIS and state officials.
10 First, so that we get everybody on the same
11 page, we're going to have some introductory
12 remarks about the basics of animal disease
13 traceability in cattle. Once we go through the
14 basics, we're going to hear what we have heard
15 about animal disease traceability so far. We've
16 been listening—our state partners, our state
17 vets have been listening to your concerns, and
18 we've been putting it all together since this
19 was kicked off in 2013. And we've got some
20 lessons learned about the progress of animal
21 disease traceability, and we want to share those
22 with you. In the second segment, the second of
23 five segments, we've got a panel of experts.
24 These folks will be sharing their personal

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1 experiences with animal disease traceability and
2 how it impacts their everyday work. You'll have
3 a chance to ask questions of the panel. We'd
4 like you to ask questions. We want you to pick
5 their brains about their experiences. I want to
6 make sure you understand at this point we want
7 to keep this to the questions for the panelists.
8 Following that, we will have an open mic
9 session. That'll be our third segment. And
10 this is where we want to hear from you, and
11 you'll have an opportunity to let us know what
12 your thoughts are. We want to hear about any
13 and all aspects of animal disease traceability
14 that you've experience and are dealing with, and
15 that's going to give us a sense of some of the
16 topics that we will want to discuss in our
17 fourth segment. And in the fourth segment,
18 we're going to break out into small groups, and
19 we're going to focus on specific topics. And
20 this is your chance to let us really know in a
21 deep dive what your experiences are; not only
22 what your challenges are, but what you think can
23 take place to overcome those challenges. So
24 after we get through those working group
25

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1 sessions, we'll regather here. In each group
2 you'll select somebody a spokesperson, and they
3 will report out to the larger group the topics
4 and the issues and potential solutions that the
5 working group came up with. And after that,
6 we'll have some closing remarks, and we'll be
7 done for the day. Again, we want to hear from
8 you, so please don't be shy. You each have a
9 packet; the packet has the day's agenda, basics
10 about animal disease traceability and also
11 animal disease traceability assessment handout.
12 So that's some information for you. You'll also
13 have some note cards on the table. You can take
14 notes; it may help you frame up questions that
15 you may have. A couple of other housekeeping
16 issues—first, if anybody is interested in
17 connecting to the Marriott Wi-Fi, the internet
18 code is U-S-D-A—small letters—U-S-D-A 13.
19 You'll be prompted—it'll come up and say
20 purchase. You'll have to click on that. Don't
21 worry, you're not getting charged for it. So
22 there is Wi-Fi. In the case of an emergency,
23 best exits are to the rear of the room and right
24 and left to get out of the building. There are

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1
2 bathrooms; if you go out the doors to your left
3 before you get to the exit, they're on your
4 right. The spread outside unfortunately is not
5 for us. That's for the rail company that's
6 holding their meeting here today, but we do have
7 coffee and water in the back for you. I believe
8 that is it, and at this point I'd like to
9 welcome Andy Schwartz to come up for some
10 introductory remarks.

11 MR. ANDY SCHWARTZ: Thank you Steve. Good
12 morning everyone. I'm Andy Schwartz, the state
13 veterinarian and Executive Director of the
14 Animal Health Commission. I'm pleased that a
15 number of you were able to come out today. If
16 this is-welcome to Texas to you guys. It's nice
17 to be inside in Texas right now. I think a
18 predicted high today in parts of the state are
19 102 or above, so it's good to have an air-
20 conditioned job today. So I wanted to start off
21 by thanking USDA for having this, the ninth ADT
22 meeting across the nation. Originally we
23 weren't on the schedule, and there were several
24 voices raised out of concern that we're the
25 biggest cattle state in the nation, and we

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1
2 didn't have a meeting here. And so we
3 appreciate folks listening to that. And our own
4 federal staff here in Texas went to bat for us
5 and NCBA as well, so we're happy that you guys
6 are coming and hosting this meeting here and
7 giving us a chance to give feedback directly, so
8 we really appreciate that. I wanted to
9 recognize some folks with the Animal Health
10 Commission, not everyone here, but just our
11 Chairman of the Commission Coleman Locke is
12 here. So I see--yes sir, there you are. And
13 Commissioner - - our econ commissioner's here,
14 so--and he's one of our panelists this morning.
15 So I appreciate you gentlemen giving so
16 generously of your time here, and we've got a
17 number of other Animal Health Commission folks.
18 You'll get to meet them as we have the breakout
19 group meetings, but I'll just point out Dr.
20 Lansford in the back is our Assistant State
21 Veterinarian, so if I fall out, he steps in, so.
22 Next--and most of all I wanted to thank the
23 industry partners for coming today, for leaving
24 your livestock markets, your veterinary
25 practices, or your ranch, whatever it is you're

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1 doing, to come here today and give of your time
2 to this effort. Because I think that it's
3 really critical that we come together and move
4 forward and try to develop a system and a
5 traceability system that can benefit everyone.
6 And it spreads the cost and the burden all
7 across the industries that benefit from them.
8 So I think that's—that we've got a good agenda
9 today. I think the meeting's laid out well. I
10 think everyone who wants to have a voice will
11 have a chance to speak today, either in this,
12 ask questions of the panelists or in the
13 breakout groups if you'd prefer that method, and
14 so your comments are going to be captured as
15 Steve mentioned. It'll—this part of the meeting
16 will be recorded, and since it's a public
17 meeting, and then we'll capture the gist of
18 what's said in the breakout groups and bring
19 that back to the table here to share with
20 everyone in a brief report. And then you may
21 have said it, but I think moving forward, this
22 input will be compiled and assessed by state and
23 federal committee that's already functioning
24 now. I don't mean to steal your thunder, but

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1 then I'll stop so I won't do that. Okay. And
2 bring it back to an I.D. summit—a traceability
3 summit that's being scheduled—it has been
4 scheduled in September. So this is a worthwhile
5 effort. Put everything—voice your opinions, but
6 I would ask you to try to be a team player also;
7 look at the bigger picture, what's good for the
8 industry as well. And I should now forget to,
9 in advance thank our panelists for coming.
10 We'll get to meet them as they come up later in
11 that part of the meeting. But again, welcome to
12 Texas, and welcome to this meeting. We're
13 looking forward to a productive day today.
14 Thank you.

15 [Applause]

16 MR. KIDD: Dr. Scott, would you like to say
17 a few words?

18 DR. AARON SCOTT: Is—oh, okay. Well I had
19 to get a mic, guys, because you all sat in the
20 back of the room, and it's a long ways back
21 there to see faces, and I wanted to emphasize
22 one point, is that we're here to listen to you
23 all. We want to talk, we want to discuss, we
24 want to hear ideas from folks. This is my
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1 speech by the way, so it's not very long. We do
2 want to hear about this issue. We are not
3 writing a rule. There's nobody in the back
4 room. There's not draft document in anybody's
5 hip pocket. And at a lot of these meeting, I've
6 heard folks who were really concerned and not
7 very trusting, and thinking that the USDA is
8 trying to pull something over on you, and that
9 just isn't the case. We are here because we
10 want to hear your thoughts and solutions to a
11 problem, and that problem is being able to trace
12 animals, particularly diseased animals. The
13 last--well, it's not the last time I was in
14 Texas, but the last time that I was involved in
15 an outbreak in Texas was back in the, about a
16 decade ago with BSE and with high path AI, and
17 had some painful times. It wasn't quite this
18 hot, but coming from Colorado, it was pretty
19 warm down here in the early part of the summer.
20 With the BSE cow, that particular cow was in
21 Texas. We had lost our market; we'd lost all of
22 our export market. We were trying to find out
23 the cow--actually, trying to find out exactly
24 which cow it was, and in that case I was the

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1 epidemiologist on that. I guess I should
2 introduce myself; I'm an epidemiologist by
3 training. I'm a manager in USDA Veterinary
4 Services, and I oversee the traceability
5 programs and the accredited veterinarian
6 programs. At that time, I was an
7 epidemiologist. We were down here—there were
8 five cows in a lot that had gone through the
9 slaughter plant. There were carcasses in the -
10 - buckets; the gut buckets. There were pieces
11 and parts, and as it turned out, as we were
12 trying to do that investigation, there were
13 pieces and parts of lots of different cows in
14 the same bucket. They hadn't gotten them sorted
15 out very well. Of the five cows, two of them
16 had identification. There was like a yellow 26
17 and there was—I forget what the other one was.
18 The other three didn't have I.D. We did the
19 trace on them; we were trying to find out where
20 they came from. The slaughter had taken place a
21 few days ago, and because of the sampling for
22 BSE, those carcasses were still there, but they
23 were—like I said, there were a lot of pieces and
24 parts. At that time, DNA analysis wasn't as far

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1 as it was now, but we still did DNA on some of
2 those, and that's how we discovered that there
3 were various different parts in the bucket. As
4 we went back pounding on doors, talking to
5 truckers, visiting with guys that were out
6 moving cattle, I remember the one guy was named—
7 I don't know what his name was, but he went by
8 the moniker of Red. And Red remembered a couple
9 of the cows that came on the shipment. That's a
10 hell of a way to trace cows, folks. So we went
11 ahead, and we looked, and we had a bunch of
12 debates and arguments over the one cow, and she
13 had—there was no hide left on the skull, but she
14 had black hair around her nose. There was
15 enough left around her nose, we could see black
16 hair. So anyway, to make the story short, we
17 did find the cow, or we're pretty sure we found
18 the cow. She was a local—she was a Texas cow.
19 There was also a Florida cow and a Georgia cow
20 and a Louisiana cow in that group of five, and
21 we were pretty sure at that time that it wasn't.
22 The cow had come from a ranch in Texas, and the
23 particular fellow that raised her didn't use
24 meat and bone meal in his rations. She was on

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1 grass; she wasn't fed anything to make her
2 suspicious for BSE. And so we were able to do
3 that. Part of the issue at that time though,
4 was the OIE—the World Trade Organization, or a
5 little bit later than that, changed their rules,
6 and they said that if you couldn't trace a cow
7 to her birth herd, then you couldn't qualify it
8 for the top level of BSE freedom. So on that,
9 hopefully BSE is something that we're not going
10 to face. In the past, we did have one a couple
11 days ago, but it was not the classical BSE. It
12 was—and in fact in the United States, we have
13 never had an American cow—a U.S. cow—that's had
14 the classical BSE. They've all been this weird
15 old age-related one. But the point of that
16 story is that, in that case we were kind of up
17 against the wall. We—any of you folks that have
18 tried to trace diseased animals and been faced
19 with talking to Red the truck driver and the guy
20 that's out in the back lot trying to move cattle
21 around, and saying, "Hey man, did you—you
22 remember that black cow that came through the
23 chute yesterday?" And guess what he says?
24 "Well, I only saw 10,000 cows yesterday. I

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1 don't think I remember that black one." So
2 we're here today to talk about the problem of
3 animal disease, about tracing animals, about
4 controlling disease. I talked to Dr. Schwartz a
5 little bit earlier, and when I say we have a
6 problem that we want to solve, I don't mean we—
7 USDA—I mean those of us in the cattle industry.
8 I mean those of us who are in markets, who are
9 in feedlots, who are cow/calf producers—those of
10 us who work for the federal government or state
11 government. We want to have solutions. We want
12 to figure out how to make things work. We want
13 to figure out how to make them pay and make them
14 practical. That's a tall challenge, and that's
15 what I'm putting on you all today. So think
16 about that, and please take it very, very
17 seriously. At the meetings, we've had lots of
18 opinions. We've had some common themes that
19 have come forward for sure, and we've had some
20 people that are in different parts of the room
21 that are diametrically opposed with what needed
22 to happen and what needed to be done. So think
23 about solutions. Be open-minded please, and
24 think of how things might work. We're wide

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1 open. The meeting today is recorded, so
2 comments and ideas and thoughts are recorded.
3 We have folks that are taking notes. I'll be
4 sitting back here taking some notes too just for
5 my own personal use. Where we go next—animal
6 traceability is a very, very high priority for
7 APHIS, for APHIS administrator, and also for his
8 counterparts in other countries, the countries
9 that we trade with and the example that I just
10 gave with disease—that was BSE, and BSE's kind
11 of a thing that's not quite so on the front
12 burner today. We barely even have even saw a
13 blip in the markets after the announcement of
14 the cow last Friday that had BSE, because we
15 understand it a lot better. The next disease we
16 may not understand as well, and heaven forbid if
17 it's a foot and mouth disease outbreak, that's a
18 tough one. On that, before we started this
19 series of meetings that we've had, I went back
20 through our emergency database, that is a
21 database that we collect information when we
22 investigate animal disease emergencies. And I
23 also went to our Center for Epidemiology, and
24 they have built what's pretty much the world

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1 gold standard on computer models. We don't have
2 FMD in the country. And so I went to them, and
3 I said, "Guys, on your computer model, can you
4 give me a realistic foot and mouth disease
5 outbreak? Can you give me one that's not a real
6 hot one, not one of these things that's
7 terrifying and scary; not one of these—not a
8 dud. But middle of the road, one set of data.
9 The thing with a computer model is that you can
10 have locations in it; you can know when a herd's
11 infected and when it's not, because the computer
12 does all that stuff behind the scenes. And so
13 then I went through, and I built a little
14 algorithm to go in that, and I said, "Okay, we
15 run this model; we see what an outbreak looks
16 like." This particular one was in Texas, by the
17 way. In it, over about three weeks' time, it
18 popped up, and you could see it on the screen
19 popping around, and then it was over here, and
20 then it was here. And then by the end of that
21 simulation it was up in the panhandle, and those
22 guys of you that feed cattle up in the
23 panhandle, I can even hear your teeth gritting
24 right now just even thinking about it. But at

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1 that time, I shut it off, because it was blowing
2 up. It was going pretty heavy. So I went
3 through, and I built an algorithm that said to
4 the computer, when you see a herd that's
5 infected, let it spread disease for 48 hours,
6 and then shut it off. The idea being that if
7 you had an infected herd, you find it, and then
8 you find everything that it's exposed to within
9 48 hours, can you stop the outbreak? On that
10 particular outbreak, it didn't stop it, but it
11 showed up in five locations. So it popped up,
12 spread a little bit locally, and then it bounced
13 over here and bounced over here and bounced over
14 there. Five locations—what that means is that
15 between you all, between our federal
16 veterinarians and our state veterinarians, we
17 could stop that. We could shut it down. The
18 first one, watching it—I don't think we would
19 have stopped it. I think it would've wiped out
20 Texas and then moved on to the rest of the
21 country. So that's one instance, one set of
22 data, one outbreak, on study. But the reason I
23 did that was to convince myself that having a
24 better traceability system would help us manage
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diseases. As far as these—and I guess I should mention too—we've heard lots about diseases, but FMD isn't the only thing—we—you'll see some data and some information on tracing TB cattle and ones that are traced in TB herds that are still out there that weren't able to find their origins. Trich is an ever-growing issue. A lot of states in the West here are implementing things to control it, but it's still an issue. Bangs has not gone away. That's still something that pops up periodically. So we have a number of diseases; the ones that we kind of are pretty used to, we have some of these exotic ones, and then of course we have the ones that we've never seen before. They're the new, emerging diseases. The last couple of years with a couple of the outbreaks that I've been pretty closely intimately involved with have been PEVD in the swine industry and high path AI in the poultry industry. They were—those folks are in their industries, they even get pretty overconfident and cocky about their biosecurity on their farms, and they got blown away. They weren't as prepared as they thought they were.

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1 So there's a problem. There's an issue there to
2 deal with. I don't have the answers. I don't
3 know the solutions. I think ADT traceability--I
4 know being able to trace animals. That's kind
5 of a no-brainer. But if you have an outbreak
6 and you have an infection, if you can find out
7 where the infected animals came from and where
8 they went to.

10 As an epidemiologist, I promise that helps a
11 lot, to be able to control it. How to go about
12 doing that, I don't have the answers for that.
13 I hope someone here does. And I suspect that
14 all of us have some thoughts and some ideas.
15 And that's what we want to gather. Our next
16 step, we have taken this tour across the
17 country, and a number of, actually nine
18 different venues like this, and meeting rooms,
19 where we have talked to some of you all, and to
20 your colleagues in other states.

21 And there are a number of things that come
22 out, that have been fairly common themes, and
23 other things that aren't. The next steps on
24 this, after today, we have, as Dr. Schwartz
25 mentioned, we have a state federal working group

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1 that are taking all of these notes and all of
2 these transcripts, and all of these things that
3 we have been hearing, and trying to boil them
4 down in to something that's digestible.
5

6 We are putting--we aren't putting on, the
7 National Institute of Animal Agriculture and
8 USHA are hosting a forum in September, that's
9 September 26th and 27th in Denver. And at that
10 forum, this working group will present that
11 compilation of all of the things we have heard
12 from the east coast to the west coast, to here.
13 We'll have some more discussion on that.

14 Hopefully out of that, we will begin to have
15 some ideas of what things that need to be
16 addressed or not addressed. After that, I'm not
17 sure what we will do, as USDA. I think the way
18 that we'll move forward is to take those ideas,
19 sketch them out into more--a more--a clearer
20 picture of what we might do, or might not do.

21 We, as I said before, are not writing any
22 regulations. But if that needs to be done, then
23 that would come in the future. And there would
24 be lots of discussion and time to talk about any
25 of those things. But I think the first thing is

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1
2 to compile all of this knowledge that people
3 have across the country, in to something that's
4 a little bit clearer, put into a little bit more
5 focus, so that we can all look at it again, and
6 plan that way forward. So that's how I see our
7 next steps, coming out of this.

8 If you have any questions about anything
9 I've said, I'm here all day. So, for sure,
10 let's talk about those. So, I'm going to finish
11 up now. And Dr. Sunny Geiser-Novotny and Mr.
12 Neil Hammerschmidt are going to give us a short
13 background on the traceability program, what's
14 going on with it, how well it's working. Some
15 things are working really, really well. Some
16 things are not working as well.

17 And then we'll move directly in, the rest of
18 the day, in to our panel members presenting.
19 We'll have an open mic after that. And then
20 we'll get together in some smaller groups, where
21 we can talk face to face. So, thank you all
22 very, very much for being here. We'll visit
23 more through the day. And let's carry on.

24 Neil?

25 MR. NEIL HAMMERSCHMIDT: Thanks, Aaron. So,

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1 this morning I would like to spend just a little
2 time to go over some of the key aspects of where
3 we're at with ADT, as far as it's framework.

4 While the animal disease traceability part, or
5 section of the CFR, Code of Federal Regulation,
6 covers various species, today's focus is
7 primarily on cattle.

8 That was really the primary area that we
9 focused on early on, because to some extent, and
10 it does vary; some of the other species are
11 covered by disease programs. Sheep and goats,
12 the Scrapie Eradication Program, for example,
13 where we focused more on cattle, specifically on
14 Part 86 of the Traceability Regulation. After
15 I'm done, I think the key part of our
16 presentation will be Sunny's comments on the
17 assessment report, but I'll go through a quick
18 review of some principles of ADT.

19 Certainly not a new topic, we know that. So
20 we didn't build it from scratch. We wanted to
21 take advantage of the infrastructure that had
22 been put in place over many, many years of
23 disease program eradications, but look at it as
24 traceability from a non-specific disease aspect.
25

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1 So, as we develop the framework traceability,
2 regardless of the disease issue, we would have
3 the ability to respond appropriately. More
4 focus on the program being administered by the
5 states and tribal nations.
6

7 Certainly, cost is always an issue we want
8 to deal with. We actually had the key principle
9 indicating that we certainly wanted to take
10 advantage of low cost technology, to the extent
11 possible, but certainly leave the door open for
12 other advancing technology, as well. Probably
13 the key point here is the last one, basic
14 bookend system. I think we all understand what
15 we are talking about, when we talk about the
16 bookend.

17 In our case, where the animal was first
18 tagged at, where the animal is terminated. We
19 sometimes refer to our principles as "bookend
20 plus," because we want to take advantage of some
21 movements, those interstate movements,
22 specifically. But one of the things I think we
23 need to look at today in our discussions is how
24 appropriate, how fulfilling, how complete is
25 that bookend approach? Does it meet our

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1
2 traceability needs?

3 I think when we started the approach, we
4 looked at what we had learned prior to ADT. And
5 I think we all admit maybe we started too big,
6 and wanted to cover too much ground, too
7 quickly. When we looked at ADT, we looked at it
8 more as a foundation system. Let's do some key
9 aspects of traceability extremely well, and try
10 to advance the components, the aspects of that
11 traceability more-so over time, if support is
12 there to do so.

13 Again, the rule was published in early 2013.
14 Interstate movement is the key term in our
15 traceability regulation, but I think it's
16 important to acknowledge that animals that move
17 across within a tribal nation, that has their
18 own traceability system, that do cross a state
19 border is not covered, not considered an
20 interstate movement.

21 And the movements of animals, livestock to a
22 custom slaughter facility, in accordance with
23 state and federal regulations for the
24 preparation of meat for the owner of those
25 animals, is not covered livestock in regards to

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1 those movements that might be interstate. Those
2 animals are not covered.

3
4 Two key aspects that we wanted to focus on
5 specifically, of course, was animal
6 identification. Again, a key principle, animal
7 identification, certainly highly acknowledge
8 that it supports timely traceability, but we've
9 got to do it properly. And through our reports,
10 this morning, I think we have documentation that
11 we are doing it properly.

12 And when I say that, it's--I always refer to
13 the concept we could put a tag in every critter,
14 and not have any traceability, if we don't have
15 the records to go with it. So, it's a balance
16 of getting animals identified uniquely, but the
17 record keeping system is probably as critical as
18 putting a tag in the ear, for example. We also
19 wanted to take advantage and do a better job on
20 movement documentation.

21 We wanted to take advantage to minimize the
22 cost and minimize the burden on existing
23 systems, specifically the interstate
24 certification of veterinary inspection is our
25 principle movement document. In itself, it's

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1 not a sure fact, that the animals move, but it's
2 highly correlated from where an animal shipped
3 from and where it shipped to. So, we take
4 advantage of that document for movement
5 information. We're just trying to do a better
6 job with a form that has existed for how many
7 years?
8

9 Randy, how many years have we had ICVIs?
10 Long before his time. He's not a young chicken
11 anymore.

12 [Laughter]

13 MR. HAMMERSCHMIDT: So, my point is, basic,
14 fundamental systems, we're trying to do a good
15 job with some things that have been put in
16 place. So, in regards to official
17 identification, of course, the method is defined
18 by species. What works in cattle might not work
19 so well in some of the other species.

20 Key to the ADT, if we tag an animal today in
21 Texas with an official ear tag, that animal is
22 good to go any place in the country for its
23 entire life. So, we have uniformity. We have a
24 national standard for what's an official ear
25 tag, for example, or an official ID method.

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1
2 However, a receiving state like Michigan, who is
3 based on a RFID system, within their state, they
4 can't impose that requirement specifically on
5 anybody other than movements within the state of
6 Michigan.

7 So, if you move cattle from Texas to
8 Michigan, it doesn't have to be RFID, but when
9 it gets to Michigan, they impose their
10 regulation accordingly, and movements within the
11 state of Michigan, by state regulation requires
12 radio frequency identification.

13 So, real quick, what is official for cattle
14 and bison? Of course, an official ear tag, and
15 we'll go over a little bit about some components
16 of official ear tag. When the shipping state
17 and the receiving state animal health officials
18 agree, registered brands with an official brand
19 inspection certificate is considered official.

20 Obviously, it's not in all states, because
21 not all states have brand inspection. Tattoos
22 and other ID methods acceptable to breed
23 registry associations; we have left that up to
24 the local folks, that if they want to accept
25 those methods of identification, they are

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1 considered official. But again, it's both
2 shipping and receiving state must agree.
3

4 In regards to group lot identification, it
5 was acknowledged in the rule, but it's certainly
6 primarily used in other species, specifically
7 swine and poultry. We talk about official ear
8 tags; certainly they are tamper evident. We
9 don't want tags to be easily moved from one
10 animal to another. Key to the recognition of
11 official ear tags, we can debate if it's
12 confusing or not, but I think we have made some
13 advancements.

14 Prior to ADT, we got as many calls on is
15 this an official tag or not, because it wasn't
16 very clear, or quite confusing, because we had
17 so different many--or so many different ones.
18 Today, based on our transition of that tag, was
19 applied within the last couple of years to an
20 animal. And if it doesn't have the US, or the
21 official ear tag shield, it's not official.

22 We've got two numbering systems; one, the
23 traditional numbering system called the National
24 Uniform Ear Tagging System, State Code three
25 alpha characters and four digits, primarily used

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1 on the small, metal tip tags. Orange tags for
2 brucellosis vaccination, and the traditional,
3 historic, if you will, silver bright tag. The
4 AIN number, Animal Identification Number, it's a
5 15 digit number, leading with 840, which is the
6 country code for USA; it follows the standard,
7 the international standard, ISO standard for
8 electronic identification of animals.
9

10 So it's pretty well utilized across the
11 entire globe. We use it as an official ID
12 number in the states. It's available in
13 electronic tags, but it's not--it does not
14 require electronic ID. Right or wrong, but I
15 think primarily we look at 840's as an
16 electronic tag. Based on records that we have,
17 95% of the 840 tags are electronic.

18 And in our records, we've got about 50% of
19 the tags that USDA distributes is through the
20 warehouse that we have for the bright tags, and
21 the records we accumulate on the distribution of
22 840 tags, it's about 50/50 at this point in
23 time. So, certainly the 840 number has picked
24 up over the last few years.

25 So, as you look at the bullets as presented

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1 here, in regards to what animals are covered,
2 all dairy is covered. On the beef side, we've
3 got animals over 18 months of age that are
4 covered. Additionally, cattle used for rodeo,
5 recreation event shows and exhibitions are
6 covered. So, basically the beef feeder cattle
7 under 18 months of age are not covered.
8

9 We've got a lot of exemptions, and we're not
10 going to go through them all specifically, but I
11 think some that we do want to talk about in our
12 discussions today, we hear feedback that
13 animals--well, let me talk about the exemption.
14 Direct--move directly to an approved tagging
15 site, and are officially identified in
16 accordance with established protocol.

17 So, we have recognition that animals can
18 move interstate to a tagging site, because those
19 animals are tagged there on behalf of the person
20 responsible for those animals, that may not have
21 the opportunity to tag their own animals. We
22 hear, but we want to hear from you guys also,
23 that tagging sites are working fairly, fairly
24 well. It's providing service to producers
25 unable to tag their own animals. But we would

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1
2 like to hear your opinions on the future
3 practicality or need for tagging sites.

4 The last bullet are movements interstate
5 directly to a recognized slaughter
6 establishment, or directly to approved livestock
7 facility, and then to the recognized
8 establishment. We probably need to discuss that
9 a little bit. Early on, our discussion was we
10 don't want to work a cow that's on its last leg,
11 through a shoot, to get it identified when it's
12 probably going to be killed within 24 hours.
13 And so we exempted animals moving direct to
14 slaughter in a slaughter channel.

15 I think some of the concern is that maybe
16 there's a lot of animals initially presented for
17 slaughter, but they don't stay in slaughter
18 channels, or they don't go directly to
19 slaughter. So, we've got animals moved back to
20 other premises than slaughter, itself. So,
21 some--what we have identified as potential gaps,
22 issues of concern that we have to discuss among
23 them.

24 On the ICVI side, the Interstate Certificate
25 of Veterinary Inspection, some of the same

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1 exemptions apply, but primarily animals that
2 move the interstate to an approved livestock
3 facility can move there on a loaner/shipper
4 statement. A lot of times those animals are
5 observed by an animal health official at those
6 locations. But we certainly have one of the
7 breakout groups that we want to talk more about
8 movement documents, specifically, how are they
9 working.
10

11 We've tried, again, to take advantage of a
12 form of health paper, that has traditionally
13 been utilized. Probably the most important
14 thing we did, we defined the ICVI in the
15 regulation, to ensure that the information we
16 needed for traceability is properly filled out
17 on that form. And I think we have made good
18 progress in that regards, having accredited
19 veterinarians more properly fill out more ICVIs
20 more completely, more consistently.

21 Basically the recording of the numbers is
22 required on the breeding animals. Dairy steers,
23 for example, we wanted that Holstein calf
24 identified early on, but we realize once they're
25 in those feeder channels, probably it's

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1 impractical to record news tags off of metal
2 tags, as they move from location to location.
3 Some of the states require the recording of the
4 official ID number on health certificates, but
5 the federal rule does not.
6

7 Another part of the regulation that's very
8 keen, it's kind of the back end of all of the
9 traceability efforts, is to make sure that we
10 have the ID collected and properly correlated at
11 inspection. It's really not a new rule. FSIS
12 has had this rule in their regulation, but APHIS
13 added it to Part 86 for traceability, to re-
14 emphasize the need to achieve that at the
15 slaughter plants, and Sunny will make more
16 comments in that regards.

17 So, that's a quick summary of some of the
18 key components aspects of traceability. You've
19 got the Power Point slides in your handout, as
20 well as the document acknowledged here. But if
21 you've got more questions later, we can cover
22 all of those.

23 But at this time, I would like to invite
24 Sunny up to make comments on how we've put some
25 of these principles together, and what we have

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1 found as success? Maybe not. Some things that
2 aren't quite as successful as we would like them
3 to be, but Sunny has done a lot of work on
4 pulling together the assessment report.

5
6 MS. SUNNY GEISER-NOVOTNY: Good morning,
7 everyone, and thanks for having us here today.
8 As Neil mentioned, I'm going to go over an
9 assessment report that we put together over the
10 past few months. It was actually published, I
11 think back in April. And it is available on our
12 website for anybody who is interested in reading
13 it.

14 Basically, when the rule was published in
15 2013, APHIS indicated that we would conduct an
16 assessment to see how effective Part 86, or
17 animal disease traceability is at helping
18 enhance our traceability capabilities. And so
19 over the next couple of slides, I'll go over
20 some of the parameters we used in conducting
21 that assessment, including what we call "trace
22 performance measures," and I'll explain what
23 those are.

24 We also looked at actual traces,
25 specifically tuberculosis cases from slaughter.

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1
2 And then, finally, just feedback that we have
3 gathered over the years, not only from industry
4 stakeholders, but also from state animal health
5 officials and our federal field force, as well.

6 So, from the beginning, ADT was set up as a
7 performance-based program. And basically what
8 that means is the state federal working group
9 that had input into the rule set up parameters
10 using the primary focus of official
11 identification and movement documentation, where
12 those measures could be utilized to document any
13 gaps that existed in states tracing
14 capabilities, or--and/or progress that they
15 might have in their tracing programs. And then
16 delineate any actions that might need to be
17 taken, to help improve their programs over time.

18 So, with these traceability performance
19 measures, or TPMs, we measure two key factors.
20 The first is the elapsed time it takes to answer
21 four specific questions defined by the TPM. The
22 first, in what state was an imported animal
23 officially identified? This specifically
24 measures those animal identification numbers, or
25 numbers that Neil had talked about.

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1 So, it's the distribution of those tags, so
2
3 get an A or a 15 digit tag. You determine, you
4 know, you're in Texas and you determine it was
5 tagged in Kansas. That answers that question.

6 Two, where in the state was the animal--
7 where in your state was the animal officially
8 identified? This tests Texas's distribution
9 records for official identification, so
10 determining where, in Texas, the animal was
11 identified. Three, from what state was an
12 animal shipped? Again, this refers to an
13 imported animal, so you have an animal you need
14 to trace in Texas, you find out that it shipped
15 from Kansas or another location in to Texas.

16 And then four, for exported animals, from
17 what location in your state, Texas, was exported
18 animal shipped from? The second parameter is
19 the percent of successfully completed trace
20 performance measures. Basically, how often are
21 you able to find the information that you're
22 looking for, to answer those questions.

23 So, when you consider those two parameters
24 and what we're trying to achieve with
25 traceability, the key to successful traceability

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1 is the timely and accurate, or timely retrieval
2 of complete and accurate information. And
3 that's probably one of the most significant
4 advances we have made since the implementation
5 of the rule, is when we can move from what you
6 see on the left is one year of import and export
7 CVIs from the state of Colorado. And that's an
8 individual trying to trace an animal off of
9 those documents, versus typing that number into
10 a database and finding that information in
11 seconds. That's progress. The amount of
12 resources that go into sorting through paper
13 records is tremendous.
14

15 So, when we started the trace performance
16 measures, we set up some national baseline
17 values for those four questions that you saw on
18 that first slide, back in 2013, when the rule
19 was published. Since then, with each
20 cooperative agreement period and successive
21 years, we have had a comparison year, so 2014
22 was the first comparison to the national
23 baseline, 2015, second. We just finished up our
24 2016 cooperative agreement period back in April,
25 and we're still evaluating those numbers, and

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1 hopefully we'll be able to provide our third
2 year comparison here, shortly.

3
4 So, I know this slide is busy, and we won't
5 go through every number individually. What you
6 see in the first column is the questions that I
7 showed you before, so one through four. The
8 second column represents the national baseline
9 values for both elapsed time and percent
10 successfully found. And then the first and
11 second year comparisons.

12 And what's important to note here is that we
13 range from 58 to 76% successfully completed in
14 the national baseline, to the high eighties, or
15 in some case, nineties in the first and second
16 year comparison. So, a significant progress in
17 the time we're actually able to find the
18 information we are looking for. And then, if
19 you look at the elapsed time, we average four to
20 11 days in the national baseline of parameters
21 for those four questions.

22 And then that dropped down to one to two
23 days for the first and second comparison year,
24 so significant progress in the time it takes, or
25 the decrease in the time it takes to find the

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1 information, and also in the ability to find the
2 information, in general.

3
4 This slide represents TB traces from
5 slaughter. What we did is we took a look at the
6 slaughter cases that were detected at slaughter.
7 So, as Neil mentioned, FSIS does inspection at
8 slaughter. If they find a lesion suggestive of
9 tuberculosis, they collect a sample. They
10 collect any identification, any man-made
11 identification associated with that animal, and
12 that's submitted with the lesion to the
13 laboratory that's conducting the testing.

14 So, in the first column we have what type of
15 identification, if any, the animal arrived at.
16 The second column is total cases by
17 identification type, whether or not we were
18 actually able to successfully trace that animal
19 back to the herd of origin. Traced in directly
20 means that we were basically able to find where
21 that animal came from, because of another animal
22 it was associated with.

23 So, it might have come in on a lot from the
24 same facility. One of its cohorts had
25 identification, or had movement documentation

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1 where we were able to trace it back. And then,
2 obviously, animals we were unable to trace.
3

4 So, from 2010 to 2016, we had 38 total cases
5 of tuberculosis confirmed at slaughter. 12 came
6 in with unofficial identification, 14 with no
7 identification, and 12 with official
8 identification. And what's important to note
9 here, even with unofficial identification or no
10 identification, we are able to trace those
11 animals some of the time. For no
12 identification, we've got to have pretty good
13 records to find them. So, it's very important
14 to have that documentation that goes on with
15 them, if you're going to trace them.

16 But what's really key here is all of the
17 animals with official identification were traced
18 successfully. And that's important, when you
19 consider for unofficial identification and no
20 identification; we had six animals we couldn't
21 find. So, that could possibly, you know,
22 correlate to six unidentified herds that are
23 infected with TB out there.

24 So, when we took a look at those parameters,
25 the trace performance measures and actual

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1
2 traces, and in talking to individuals not only
3 in industry, but also with our state
4 counterparts, we determine that ADT is
5 successful in the context which it was set up.
6 So, for official identification and movement
7 documentation for animals moving interstate, we
8 are doing that okay, doing it pretty well. We
9 have really increased the amount of records, not
10 only that we have in databases, we have
11 decreased the time it takes to find that
12 information.

13 That's going well. But anybody who has had
14 to trace animals here recently, you know, with
15 the exceptions and the flexibility that we have
16 built into the rule, there are substantial gaps
17 that exist, that still hinder our traceability
18 efforts. And so we'll go through those in the
19 next few slides.

20 The first challenge that we identified
21 within the current framework is that official
22 identification requirement is limited to
23 interstate movement. And so, when you consider
24 that an animal can move multiple times within
25 state before ever crossing state lines and

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1 needing that official ID, or maybe it never
2
3 moves interstate, there's a lot of animals that
4 aren't covered under the current framework.

5 If they don't have interstate movement,
6 records may not exist, there is no movement
7 documentation, they weren't required to be ID'd,
8 we've got nothing on that animal. And we all
9 joke about how do you trace a black cow with no
10 identification, it can be pretty tough
11 sometimes.

12 We mentioned quite a bit the flexibility
13 that was built into the rule, and Neil went over
14 some of the exemptions that exist. We had a
15 heck of a time in the beginning trying to
16 explain them to each other, to the state animal
17 health officials, and to understand exactly when
18 an exemption comes into play. So, imagine
19 trying to explain that to industry and expect
20 you guys to decipher what we're saying is okay
21 and isn't okay.

22 And when you can--at a livestock market, for
23 example, trying to decide if the animal moved
24 interstate, if it just moved intra-state, is it
25 going direct to slaughter? Did it--can it move

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1 on a back tag? Does it need an official ID?
2 Does it need an ICVI? Does it not need an ICVI?
3 Does it need to be listed on the ICVI?
4

5 It can get pretty confusing. It also makes
6 it really hard for us to try to determine if
7 people are in compliance, and enforce that. So,
8 if a record doesn't exist, how do we know
9 whether or not you're in compliance?

10 I appreciate this now, as I'm getting older,
11 and I need reading glasses, the reliance on low
12 cost visual only technology. Those news tags
13 have worked great for years. They were
14 extremely useful in our disease eradication
15 efforts, but trying to read those at the speed
16 of commerce, where you might have to catch an
17 animal at multiple times, and transcribe those
18 numbers down on to an ICVI can be challenging.

19 We also have issues with transcription of
20 that ID on to movement documentation. So, if
21 you're in a hurry and you're trying to write
22 down those numbers fast, or somebody is reading
23 them off to you, there's a chance for both of
24 you to get it wrong. And so, trying to trace
25 that animal becomes more challenging.

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1 ANIMAL DISEASE TRACEABILITY 7-20-17 45
2 If you look at the bottom, right hand
3 portion of that slide, that accredited vet did
4 everything right. He transcribed all those
5 official ID's on to that, that movement
6 document. But god help him, I mean, that must
7 have taken him forever. And I can never tell if
8 he was mad, or if that's just his handwriting,
9 but he did what he needed to do.

10 An additional challenge, and I know that
11 when we set up these listening sessions in the
12 beginning and wanted to have this conversation,
13 everybody assumed that the discussion was going
14 to be focused on beef feeder cattle. That's
15 what we had indicated in the publication of the
16 final rule for phase two.

17 And while we do feel that exclusion of beef
18 cattle--feeder cattle from the official
19 identification requirement is a gap in the
20 current system, there is certainly more
21 significant issues in the current framework,
22 challenges that need to be addressed before we
23 consider--ever consider moving to looking in
24 that beef feeder cattle.

25 But we do have to acknowledge that they're

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1 not isolated from disease, with--through
2 movement and marketing, they present disease
3 challenges and risks, as well. We know China
4 went ahead and accepted an export verification
5 program for beef to China. But we continually
6 get audits from our trading partners, in
7 relation to our domestic traceability program.
8 And so, while ADT is specifically focused on
9 disease traceability, the two are linked. We
10 can't separate them. We are constantly
11 defending domestic traceability to make sure
12 that trade remains a benefit to our industry.

14 Our fourth challenge that we identified;
15 again, as Neil mentioned, the FSIS requirement
16 for collection of ID and correlation to the
17 carcass through final disposition; we reiterated
18 that language that exists in FSIS regulations in
19 the traceability rule. We do find it's
20 inconsistently applied at times, at the plants,
21 and that's due to a variety of reasons.

22 We all joke about some of these animals
23 coming in with jewelry. I forget what one guy
24 said at the last meeting. He calls that a
25 something teenager, a new age teenager, or

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1 something, all of the jewelry that they've got
2 in their ears. But having a plant try to
3 collect all of that ID and maintain it, or
4 correlate it to the carcass can be challenging.
5 At the speed of commerce, you know, we're not
6 trying to slow down the lines. We want to make
7 sure they can do what they need to do, and not
8 inhibit their business.
9

10 We also have some procedural issues at
11 plants. There's a lot of turnover of personnel,
12 not only at the plants, but also with FSI, SN
13 veterinary services personnel, where maybe that
14 message isn't getting through that AD ID means
15 to be collected, but also correlated and why
16 that's important to our disease traceability.

17 So, that leads us to where we are today. As
18 we indicated, it was a good time to start
19 thinking about outreach and feedback from
20 everyone on how traceability is working, how
21 well it's done over the past couple of years.
22 We started this last fall with some conference
23 calls internally, and also with our state animal
24 health officials, to kind of go through what
25 they felt some of the biggest gaps and

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1 challenges were in the system, or how it was
2 working overall.

3
4 We also charged both our personnel and the
5 state animal health officials with taking those
6 questions back out at the local level. You
7 know, knowing we can't reach everybody, let's
8 have those discussions to get some feedback from
9 you all on those same things. The regional
10 stakeholder meeting started back in April. As
11 everyone mentioned, this is our ninth and final.

12 We've gotten tremendous feedback at these
13 meetings. That's been very valuable. At the
14 same time that those meetings started, we
15 convened a state federal working group, to take
16 the input from those meetings and try to see
17 what consensus or big ticket items come out of
18 each of those meetings. So, they've been having
19 calls regularly. And again, will provide input
20 as has been mentioned to a national ADT form
21 that will occur in September.

22 So again this is our final public meeting.
23 NIAA and USAHA will be hosting that National
24 Traceability Forum in Denver September 26th and
25 27th. If you go onto the website you can find

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1 all the details for that meeting.

2
3 So our goals for today, I know a couple of
4 people have mentioned it but I just want to
5 reiterate the fact that please be vocal. Please
6 let us know how you think things are going.
7 There are cards on the table. So if you're shy
8 you can write down your questions or input and
9 we'll definitely read those out and take those
10 into consideration throughout the day.

11 In addition, I know it's hard for people to
12 get away. We can't reach everybody, even at
13 these nine meetings. So it's very important as
14 you go home today there are the--there is the
15 ability to--yep. There is the ability to
16 provide written comments not only online but
17 also that can be mailed in. We've got papers
18 with this, these links. Thank you. The website
19 link that can make comments on and also the
20 address where comments can be mailed. So very
21 important to take those back to your friends or
22 colleagues, to make sure that they provide
23 input. We extended the comment period through
24 the end of this month. So there is the ability
25 for you guys to go back out to your folks and

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1 have them have the ability to make comments
2 before that ends. They're at the back of the
3 table near the coffee and water. So if anybody
4 wants a copy of those to be able to take back,
5 please do.
6

7 So I think that's it for me. If anybody has
8 any questions for either Neil or I we're happy
9 to take those now.

10 [Pause]

11 MS. GEISER-NOVOTNY: Yes?

12 FEMALE VOICE: - - .

13 MS. GEISER-NOVOTNY: Neil, do you want to
14 address that?

15 MR. HAMMERSCHMIDT: They are calculated on
16 averages on an individual state basis. Because
17 of the number of records would be more limited,
18 we are looking at median, but nationally they're
19 on averages. And we do see some outliers that
20 have to be acknowledged. But, again, the
21 elapsed time--and we underscored elapsed to--we
22 wanted to keep the process somewhat simple.
23 It's not the amount of time actually that might
24 have been spent. They've got the number here
25 and they--so we're not--if they had multiple

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1 people or they did two hours of work here and
2 picked it up yesterday it's when they got it,
3 when they found it. Very good. Thank you.
4 Please.

6 MR. ELDON WHITE: What's the progress being
7 made on the...Eldon White with Texas
8 Southwestern Cattle Raisers Association. What
9 progress has been made on the creation or the
10 implementation of an electronic CVI--ICVI system
11 between states that all states could use?

12 MR. HAMMERSCHMIDT: We certainly prioritize
13 that as a--as a key area that we want to make
14 improvement on. And Sunny can comment and even
15 maybe Randy more so. We know we've got multiple
16 vendors providing that privately as a solution.
17 One of the key things we focused on was
18 standardization of the data so that it's
19 compatible from moving data from one system to
20 another. We probably need to do more work on
21 standardizing that even more so but I feel that
22 there is a selection of solutions that are out
23 there. We've made really good strides in
24 getting more people at the table but I still
25 think we need to keep it a priority and we've

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1 still got a long ways to go. And some of it's
2 generational. Some of it's solution capability
3 and compatibility. Randy or Sunny might have
4 additional comments.
5

6 MS. GEISER-NOVOTNY: Well, just I'll let
7 Randy say something, but just a quick comment.
8 As Neil mentioned generational, you know, every
9 new vet coming out of school there is no pen and
10 paper anymore. It's all iPads and laptops that
11 they're using. So their primed to use these
12 electronic documents. I think it is challenging
13 though, you know, when you can--when you are
14 using an electronic document and you're typing
15 in NUES numbers or things like that. So the
16 value of them is probably not tremendously
17 received with visual only technology at this
18 point, but we do see more and more every day.

19 MR. HAMMERSCHMIDT: There is, you know, some
20 states that have--especially if they look at
21 their export animals because the certificate
22 comes there first, they have it, but there are
23 some states that are over the 50% mark getting
24 their volumes to electronic media. So that's
25 really significant.

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MR. WHITE: About - - .

MR. HAMMERSCHMIDT: More effort. So if we get that electronically we certainly want to dump it both ways, electronically, so it's automatically there. I think we've made some good progress but we still need to prioritize that so that it's automatic, automated.

MR. RANDY BUNKER: Hi, I'm Randy Bunker [phonetic]. As far as transmission between states, we do have one federal system, BSPS, that is available free of charge for accredited veterinarians to use, to create ICVIs. And when they do use that system state official in both the receiving and--destination and origin states do have access to that data.

MR. WHITE: What's the percentage of ICVIs versus - - ?

MR. BUNKER: You know, really I don't have any data on that because we don't see what's done in outside systems. So we can definitely see how many are created in our own individual systems. And again we don't have then access to how many paper records were created. But it's probably really--honestly, it's probably a drop

1 in the bucket.

2
3 We have a long ways to go but as Neil
4 mentioned there is an XML schema that has been
5 created through USAHA, and that probably needs a
6 little bit of tweaking but I think once we can
7 tweak that it would probably be much more user
8 friendly and systems could share that much, much
9 easier.

10 MS. GEISER-NOVOTNY: Thank you.

11 MR. HAMMERSCHMIDT: So that will bring us up
12 to our next segment, the panel discussion.
13 Mike--Dr. Pruitt, if you'd like to come up and
14 introduce the panel? You have pens and paper.
15 As the panelists are going through the
16 discussion, please feel free to write down
17 questions that you would like to ask. We ask
18 that you hold them until after the panelists are
19 done. And the--as we bring the mike to you, if
20 you could remember to state your name and who
21 you are with, just so that we can make sure that
22 we're recording all the questions and ideas. So
23 Dr. Pruitt?

24 DR. MICHAEL PRUITT: Hi, good morning
25 everyone. When this meeting was announced I

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1 quickly got ahold of Dr. Schwartz and we started
2 putting together the possible participants. And
3 him being with TAHC for as long as he has, being
4 a Texan, a native Texan, he knew exactly who to
5 call. So we started making phone calls. We
6 reached out to as many in the industries we
7 could to select a panel that would represent the
8 industry here.

10 And what I'm going to do is I'm just going
11 to just briefly introduce you guys to each one
12 of these panel members. And I will be giving
13 them about ten minutes each to maybe go into a
14 little bit more of a biography of themselves but
15 also to express opinions, experiences, and
16 perceptions of their relationship with ADT and
17 their particular niche in the industry.

18 First of all we've got Dr. Andy Schwartz,
19 who is again State Veterinarian TAHC. Next to
20 him we've got Dr. Arn Anderson, practitioner,
21 veterinary practitioner in the State of Texas
22 over Bowie at Cross Timbers Veterinary Hospital.
23 Next to him we've got Kinny Mingus, who is
24 manager and owner of Milam County Livestock
25 Market down in Cameron. Next to him we've got

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1 Mr. Ross Wilson who is going to be representing
2 TCFA from Amarillo, Texas. And on the far left,
3 of my left, we've got doctor--not, sorry, didn't
4 mean to--didn't mean to insult him there by
5 calling him a doctor. We've got Joe Leathers
6 who will be representing Texas Southwest Cattle
7 Ranchers Association. So again each one of them
8 will get about ten minutes and we're going to
9 open up with Dr. Schwartz.
10

11 DR. ANDY SCHWARTZ: Okay. Good morning
12 again. I thought I would take this opportunity
13 to share a little bit with you about the
14 progress that we've made in Texas in what we're
15 doing now regarding traceability. And then try
16 to address some of the--some of the concerns
17 that we have.

18 I know this is a very busy slide here but
19 just briefly what we--our current intrastate
20 rule--this is within Texas--regarding
21 identification of cattle was passed in February
22 of 2014. And this was not long after we stopped
23 the mandatory brucellosis testing in the state.
24 This rule says that breeding cattle 18 months of
25 age and over have to be tagged within seven days

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1 of changing ownership. So that allows them to
2 change ownership without official ID but be
3 tagged later.
4

5 There is an exception there, moving directly
6 to slaughter. We based that--we followed the
7 federal ADT rule on that, in that regard.
8 Unless that cow, that adult female is going to
9 be fed for slaughter, if it's going to be kept
10 in the feed yard for some time and then we do
11 require official identification there.

12 Approved tagging sites, I think Neil
13 mentioned those earlier today. After the
14 federal ADT rule went into place in 2013, we
15 passed rules within the state to establish
16 tagging sites. And that's a premises that where
17 official tagging can happen basically of other
18 owners' animals. And we have--at present we
19 have 94 approved tagging sites. 80 of those are
20 livestock markets and 14 of those are feed yards
21 that receive cattle from out of state primarily
22 and want to feed them for slaughter.

23 So I just--I should say if you've got
24 questions stop me. I know we've got pretty
25 limited time, so I'll be going fast and throwing

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1 a lot of information at you.

2
3 So looking at tag distribution, so we wanted
4 to--we looked for ways to encourage
5 identification of animals. So we wanted to
6 distribute those free NUES tags. Free to us but
7 USDA provided those metal ear tags, those bright
8 metal ear tags that have been talked about and
9 cursed and praised in the same conversation I
10 think. They are cheap but that's about the best
11 thing we can say. But we have 274 tag
12 distribution partners and that's the Agro Life
13 offices in the county and participating
14 accredited veterinarians.

15 And that what I'm showing you there is a tag
16 distributor search. So that's a--that's a side-
17 -that's a part of our website. If you want to
18 try to find one of these distributors you can go
19 to our website and find that. These are just--
20 the numbers of the tags that we've distributed
21 are allocated in the--in the last several years.
22 This top line is a NUES tag. That's the--that's
23 the metal tags that we've given out and this is-
24 -this is per year. This is not cumulative. So
25 in the last fiscal year we gave out 411,000 of

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1 those metal tags.

2
3 If you look at the RFID tags here, you can
4 see that number is growing. We're glad to see
5 that. Those are tags, primarily tags that we
6 use for our disease testing. We always use the
7 RFIDs now unless the owner requests a metal tag
8 for some reason. But we use the RFIDs and we're
9 using these in our disease testing, especially
10 in the fever tick program now. We've got
11 thousands of animals under quarantine that are
12 on regular inspection. Those RFIDs work really
13 well because we've got--we got a--got a
14 reference file of that herd within the handheld
15 computer and we can scan those cattle as they
16 come down the chute. And we know that they
17 belong in a herd and we don't have to take time
18 to read those tags each time. So we're really,
19 really trying to push the use of electronic IDs
20 internally and externally.

21 Another busy slide here but just the
22 premises ID, the LID or the location ID is a
23 state issued ID system. The PIN is a Premise
24 Identification Number. That's a federal system
25 but the state LID is tied to the federal system

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1 as well. And so just quickly looking over here
2 at the end we've got about equal numbers now per
3 year that are--that are--I mean equal numbers
4 cumulatively that are signed up in each of those
5 systems. And you've got to have one or the
6 other if you're going to get official tags.
7 Basically you have to have a PIN or a LID before
8 the tag company can issue those 840 tags. And
9 so to get those things you call our office and
10 we can get you signed up.

11
12 Interstate Certificate of Veterinary
13 Inspection, Neil talked about this and Dr.
14 Geiser-Novotny talked about them as well. And
15 so this is the number of interstate movement
16 activities in the last cooperative year,
17 basically a fiscal year. So out of state
18 shipments coming to Texas, there were almost
19 30,000 documents, at one point 4 million
20 animals; shipments from Texas going out 41,000
21 documents, about 5 million animals going out.
22 I'm sorry. I reversed those two. This is into,
23 moving into the state. This is moving out.

24 And, Eldon, you asked the question about how
25 many of those are electronic. In Texas, right

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1 now about a third of them are electronic for
2 those CVIs. And that percentage is growing
3 every year. It's getting better and better and
4 we're strongly encouraging that, so. And if
5 anyone wants a copy of the slide presentation
6 I'm happy to share it later. I'm not sure if
7 we're going to do that with all the meeting
8 material but I'm happy to share it if anyone
9 wants it.

11 So just within house, in-house, in June of
12 2015 our program record staff began entering IDs
13 from paper CVIs. Those were on CVIs coming into
14 the state. And so we're manually entering those
15 into the federal database, into the SCS
16 database. And so we've doing that since June of
17 2015. So we have traceability. It's very labor
18 intensive. You saw how many certificates that
19 were--you know, 40,000, you know, per year going
20 out and 30,000 coming in. So lots of CVIs, lots
21 of data to enter. And our staff, BJ, Theresa,
22 Kali is back there. They are some of our staff
23 that are doing that entry and we really
24 appreciate that hard work.

25 Looking at in November of 2016 we were able

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1
2 to acquire an electronic system in the sense
3 that we're able to scan and store those
4 documents and have them indexed. So we've got
5 them available for reference later. And we
6 still have to do some manual entry or
7 verification of numbers, ID numbers on there,
8 but we're doing away with filing cabinets as we
9 get our documents scanned and stored
10 electronically there.

11 We developed our own electronic Certificate
12 of Veterinary Inspection in Texas and this
13 hasn't gotten wide use yet but it's available.
14 We just, we didn't want to be backed in a corner
15 by one electronic CVI provider. So we developed
16 our own and we sold that. We charged the \$7
17 that any CVI paper or electronic is the same in
18 Texas, \$7 each plus the cost of administration.

19 The other providers are, you know, Global
20 Vet Link, Vet Century, and also we've got some
21 other providers. Or the mCVI now from IIAD. So
22 there is some other options out there but we've
23 got our own as well.

24 Just we are--we are social. And I didn't--
25 I'm not going to run this video but it's just

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1 that we use Twitter and Facebook and all that to
2 try to get the message out to the--that we've
3 got electronic CVIs available, not just ours but
4 others.

5
6 I did want to take a minute to point this
7 out. This is the interstatelivestock.com. And
8 we've this link on our website but it's--it
9 basically this was a movement that started a
10 couple years ago at USAHA, and the resolution
11 asked USDA to provide seed money to provide this
12 service to the--I think Global Vet Link got the--
13 -got the contract from that. But they--anyway,
14 this is each individual state updates their
15 interstate requirements and you could click on
16 that and go over and select the state of origin,
17 the state of destination, and the species you're
18 shipping, and find out that state's entry
19 requirements. So we still recommend that you go
20 to--go to--call that state if you've got any
21 questions but this is one way to look
22 electronically for that information.

23 We hear a lot of concerns from you guys,
24 from veterinarians and livestock owners that
25 it's difficult to figure out the different state

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1 requirements. So this was an attempt nationwide
2 to make these requirements for readily
3 available.
4

5 Sunny has already talked about performance
6 measures, so I won't go into that. These are
7 our Texas measures. I just want to point it
8 down here. We were 92 percent successful the
9 last year. So yay to us. And this is in the
10 face of--you know, when brucellosis testing
11 became optional we were really concerned about
12 our traceability, ability to trace animals,
13 because those three and a half million animals a
14 year that were being tested and markets and
15 slaughter plants were no longer getting official
16 ID. So this is digging back or coming back out
17 of a hole as far as our traceability concerns
18 were. We're happy to report that success.

19 Quickly, an assessment of our current
20 system, what's working well. We're pleased that
21 there are more electronic CVIs being used in our
22 state and nationwide. I mean that's--as I
23 showed you, about a third of the ones that we
24 deal with now are electronic, truly electronic,
25 not a scanned image. You know, not a PDF file

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1 of a--of a paper or electronic document. It's
2 truly live electronic. There are more
3 electronic IDs being used, RFIDs, the low
4 frequency primarily, but a few high frequency.
5 The good--another good thing is technology is
6 readily available and becoming less expensive.
7 I heard someone priced a large order of ultra-
8 high frequency tags, half a million tags,
9 recently, and the company was willing to provide
10 them for just under \$2 a tag. So that's really
11 interesting that that technology has already
12 gotten relatively less expensive.

14 And I am--I would say that increasingly
15 industries coming to realize that there is a--
16 there are benefits of an effective ID system,
17 not just for traceability but also within
18 systems to track productivity, carcass trace,
19 that sort of thing. So I think that's the good
20 news.

21 What are our challenges today? These are
22 age old challenges, many of them. Official IDs
23 being removed, another ID putting--put on top of
24 it officially, or the tag being misread,
25 especially those NUES tags, those manually read

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1 tags. Those--that's still--those are still
2 issues.
3

4 Another issue is that the paper just will
5 not go away until we make it. I mean there are
6 going--people will want to use paper CVIs and
7 transfer documents unless--until they can't.

8 Another point, the true cost of using those
9 cheap NUES tags is they're really high because
10 they're cheap to manufacture and easy to put in,
11 but then they're difficult to read. It takes a
12 lot of time later. So there is really a higher
13 cost with that. And I heard a rumor that USDA
14 is going to quit making those. I don't know,
15 Neil, but can you--could you substantiate that?
16 I mean we gave out only half a million of them
17 last year.

18 So another concern is that there is a lack
19 of support for an ID system sometimes, a
20 traceability system, until there is a crisis,
21 until there is a need, a disease outbreak. And
22 said, "Man, why did you guys not have that? Or
23 why didn't we have it? Our market is going to
24 pot." So there is another concern that we've
25 got, a relatively small one, but there is no

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1 official electronic ID approved for retagging
2 imported cattle. So those Mexico origin cattle
3 coming into the US and they've lost all their
4 tag, we need to put another one in there. Now
5 we can't use the 900 series tag. You shouldn't
6 use an 840 series tag, a US one. So we don't
7 have an electronic means of identifying them.
8 We'd like to get that solved.

10 As the question came up earlier, sharing of
11 electronic data is still problematic between
12 states and between systems. It's getting better
13 but it still needs improvement.

14 And the--and the last point is that official
15 ID is not required on all cattle now. And it's
16 not applied to all cattle. So when we need to
17 trace an animal we can't always do it. Dr.
18 Scott talked to us earlier about that BSE case
19 in Texas in 2005. That's when we--and the
20 difficulty in tracing those animals then, think
21 about it now when we don't have the mandatory
22 testing, the brucellosis testing. So there is a
23 lot lower percentage of those cattle that have
24 official ID in them now. So I think it would be
25 much more difficult to trace animals now and

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1 actually take us longer.

2
3 What is our goal moving forward? I would--I
4 think let's shoot for 100% traceability.
5 Realistically I think we can achieve 90%
6 traceability in a--in a 72 hour timeframe. I
7 mean that's just kind of some general, just a
8 general goal I would think we could lay out.
9 How do we get there? I think we've got to be
10 innovative. We've got to be flexible. We've
11 got to embrace new technology, a different
12 mindset, changing a little bit and accepting
13 that change, and basically working together, you
14 know, and developing a system that everybody can
15 benefit from and doesn't overburden any
16 particular component of the industry.

17 And I think we in Texas can lead by example.
18 We can share success stories. We're working on
19 a project right now on some cattle being
20 imported from Mexico, and working with USDA in
21 Mexico on that project where the cattle--
22 electronic ID would be applied in Mexico. That
23 ID would be used at the border during the
24 inspection process. Then we would follow those
25 animals as they go through the broker to the

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1 feeding process, and onto the slaughter floor.
2 So we'd be able to read those tags all the way
3 through. So we're working with the--with Ross,
4 with Texas Cattle Feeders, as well, closely on
5 that project. So we hope to be able to go
6 forward with that soon and have a--have a
7 shining example of how traceability can work
8 with electronic ID.
9

10 So that concludes my comments. I think I
11 might have taken a little more than my ten
12 minutes, Mike. I'm sorry but anyway thank you.

13 DR. PRUITT: Thanks Andy. Do we want to
14 turn that projector off really quick? Or cover
15 it up or something? Thank you. All right. The
16 next panel member I'm going to invite up is Joe
17 Leathers, representing TSCRA. Joe?

18 MR. JOE LEATHERS: Good morning. I'm going
19 to take this out. Is it okay to take this out?
20 I'm not a good sitter and I don't stand in one
21 spot very good.

22 I want you all to realize something. You
23 all look like a bunch of Baptists. You all
24 sitting at the back of the room and most of you
25 look like you've been baptized in vinegar. You

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1 know, it's a unique opportunity when the cattle
2 industry is invited to the table to help work
3 out the problems to protect our industry.
4

5 I want you all to--I want to preface what
6 I'm about to say with, you know, I want you to
7 understand that for those of you all that don't
8 know me I am the General Manager of the Four 6's
9 Ranch at Guthrie, Texas. We're a pretty large
10 cow/calf operation, been in business since 1870.
11 We have a large horse operation. We freeze
12 embryos and semen and ship semen and embryos all
13 over the world. And we have sold horses and
14 cattle all over the world.

15 We're a commercial operation but that's not
16 the only hat I wear. I'm Board of Director of
17 the Texas Southwest Cattle Ranchers Association.
18 I'm a Board of Director for the NCBA. And I'm
19 also an Animal Health Commissioner. So I have
20 debated this topic with myself wearing all the
21 different hats that I wear. So what I'm about
22 to bring to you is a combination, and what I
23 want to talk to you about is a combination of my
24 thought process.

25 Now, in 2011, as you all know we went into a

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1 very severe drought. So I was able to lease a
2 lot of land and we still have a lot of that
3 land. And we leased land in Montana, Nevada,
4 Wyoming, Nebraska, at that time South Dakota.
5 Did I say Nevada? I like to--I would like to
6 forget Nevada but I haven't and that brings me
7 to another point.
8

9 When we were out of grass and we started
10 trying to ship our cows, it was in the middle of
11 the summer. No grass, no water, emergency
12 situation. We'd gather a pasture, large
13 pasture. By the time we got our cattle in the
14 pen it's too hot to work them, so we'd turn them
15 loose. The next day we'd gather our cows and we
16 would sort what we wanted to send and what we
17 didn't want to send. By that time, it was too
18 hot. We couldn't do anymore. Turn back loose.
19 That's twice.

20 Third day we'd go to those cows and we'd
21 start trying to get the health papers and the
22 requirements met to get those cattle across the
23 state line. At that time, the only
24 identification that we had was the bright tag.
25 Now, how many of you--and there is going to be a

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1 bunch of you understand and relate to what I'm
2 saying--try to look at a tattoo in an ear on a
3 black cow and read a long number? And we got a
4 cowboy standing there and that cow is flopping
5 her head up and down the wind is blowing and the
6 dirt is bowling and he's trying to read that tag
7 number. What he reads in his brain and what he
8 hollers coming out of his mouth to the guy
9 that's writing it down over here, to what he
10 hears and what he write down, there is a lot of
11 human error.
12

13 And we were preg checking these cows and our
14 vet would say "Red" and then we'd sit there and
15 wait. And we'd wait. And we'd wait. And
16 they'd write the number down. And after a while
17 it got too hot and we had to turn the cows out
18 because it's too hot to load them on the truck.
19 Day three.

20 Day four, we were out there before daylight,
21 way before daylight. We'd get the cows
22 gathered, get them loaded on the truck, and get
23 them going so we could get air moving to that
24 truck before they rode 15 to 24 hours on a
25 truck. If we had started using RFID tags at

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1 that point we could have cut our process down to
2 two days and been more efficient, more exact,
3 and that's when I started putting RFID tags in
4 all the cows.
5

6 We moved thousands of cows to five different
7 states. Today we operate in five different
8 states and I ship calves from every one of those
9 states back to Texas. Right now today I could
10 have Dr. Schwartz or anybody from the USDA, if
11 they picked up one of those RFID tag numbers and
12 they called that number come back to Guthrie
13 Texas, to the Four 6's, my secretary in my
14 office, if she's at work--and don't call at
15 night, we ain't going to answer. But during
16 working hours you call within about a maximum
17 two minutes, most generally 30 seconds, she can
18 tell you where that cow is at, what state she's
19 in, whether she's black, black baldy, red, if
20 she's a purchased cow, a range raised cow, what
21 her age is, and any other amount of data that we
22 decide to put down on that for record. You all
23 just saw a slide of the time it takes to trace
24 some back nationally. If you call my office,
25 you can trace that cow back to where she came

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1 from; speed of commerce.

2
3 Now, problems with it, so let me preface and
4 just say a little bit more. So if you're going
5 to talk to me about a bright tag the only
6 positive thing I'm going to say about a bright
7 tag is it's cheap. It's a little bit like a
8 windmill. The only thing good about a windmill
9 is the wind. There is nothing real efficient
10 about it and there is definitely nothing
11 inexpensive about it in the long run because of
12 the maintenance. And it's the same thing with
13 the metal tag.

14 So that's what I'm looking at, as a
15 producer. Problems with it is every state you
16 go to the Animal Health Commission in that state
17 has a little different protocol in what they
18 will accept for health papers. USDA approved
19 tag in some states, the state vets themselves
20 don't know that they're USDA approved. That's a
21 fact. And when you get to a state line and you
22 show your health papers that your cattle are
23 onto when you cross the border going into that
24 state, a lot of the people that's in there want
25 to see your health papers and they call the

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1 state office. And depending on who they get a
2 hold of will be the story they get of what is
3 accepted in that state. So for any kind of
4 traceability system to work efficiently
5 everybody is going to have to get on the same
6 page from the federal government to the state,
7 to those of us that's on the ground.

8
9 Now, I've learned the cattle industry
10 literally from the ground up. Raised in it,
11 I've spent probably 90 to 100 days a year, plus
12 or minus, in a bedroll in a tepee doing just
13 what you all do every day at home. The need for
14 animal traceability and disease traceability, I
15 see an extreme need for it. And I think if you
16 were to be honest most of you out here would see
17 some benefit in it, but let's look at it.

18 Who wants it? Well, we're sitting in here
19 today and so a lot of us are thinking, well, the
20 federal government is wanting this and they're
21 trying to push it on us. You all agree with
22 that? Everybody do this because that's being
23 honest. Reality is if you will listen to what
24 the consumers, the people that want to buy our
25 product, they want it as well. American

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1
2 housewife wants to know more and more every day
3 where their food comes from. So we can talk
4 about disease traceability. We can talk about
5 market traceability, which that's not what we're
6 here to do today but the two you can't divide
7 out.

8 And I want to share something with you from
9 being an Animal Health Commissioner and sitting
10 in on all these meetings that we have at the
11 NCBA and the Texas Cattle Raisers. And I just
12 came, Ross was there at this meeting that we had
13 in Idaho with International Brand Inspectors.
14 That's what this whole topic was about for three
15 days. Do you all listen to the news? We live
16 in a time where there is countries and
17 individuals that's out to destroy us. Now, we
18 can kick the can down the road, and I'm talking
19 from personal--I'm talking personally now.
20 We've talked about animal traceability since
21 what? 1998? And we've talked and we've had
22 these meetings and we've talked. And it gets up
23 to 2013 and I sit in on meetings and they have
24 to have highway patrolmen stand back in the
25 corners to make sure there wasn't anybody get

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1 out of hand.

2
3 The reality of life is change is inevitable.
4 It's coming. There is a need for it. How we---
5 but the deal with change, change is coming and
6 it's inevitable but adaptation is voluntary.
7 But how we adapt to the change dictates what the
8 success is going to be.

9 Now, let's talk about perception.

10 Perception was brought up a while ago. What we
11 do and the outcome that we have from these
12 meetings all across the nation and here in Texas
13 creates a perception to the American public of
14 how we're going to deal with the problem. Who--
15 what are they going to get from that perception?
16 And I'm talking about the people that go to the
17 supermarket and buy our product. They want to
18 know that not only is their food safe--we know
19 our food is safe. We do a good job. That
20 doesn't make any difference. What kind of--how
21 much bad publicity do we get as an industry no
22 matter how far advanced we are other than other
23 countries? That's called perception. So we've
24 not only got to come up with a plan but the
25 perception of what the public gets from our plan

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1 is very, very important.

2
3 Now, there is issues that have to be dealt
4 with and there are real concerns. How much does
5 it cost? Hey, I'm one of the tightest men.
6 I've been introduced as the tightest man
7 somebody has ever known. I'm tight. It's hard
8 to make a living in the cattle industry, so I
9 watch every penny and where it goes.

10 Privacy is another concern. That's a real
11 issue because that brings up the next case,
12 liability. That's a real issue. Can somebody
13 come back and want to sue Four 6's or Joe
14 Leathers because they got sick eating a piece of
15 meat? Those issues have to be dealt with but
16 until we solve these problems we're never going
17 to move forward. And next year and the year
18 after we're going to still be having meetings
19 and we're going to still be talking.

20 How many of you all are sitting there today
21 thinking, "I've got other things to do?" Raise
22 your hand. All right. I've got another
23 question. How many of you are stakeholders and
24 producers? Raise your hand. How many of you
25 are state or government employees? Raise your

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1 hands.

2
3 All right. The problem that we've got to
4 solve, all the producers and stakeholders are
5 pretty much sitting together. You've got your
6 state and government officials sitting together.
7 Why? Part of this comes from state and federal,
8 from the top down. There is a perception of
9 mistrust. Am I right? And there is a little
10 bit of fear of the unknown.

11 Now, how do we fix these problems? I've got
12 a real novel concept. It's called Keep It
13 Simple Stupid. The problem is, is we have
14 highly educated men that have the very best
15 intentions to protect our industry. That is
16 their job, is to protect our industry. We don't
17 work well with each other. I think it's time to
18 quit talking and let's put together a plan and
19 see if it works. And what that involves, I
20 don't think it's that out of line. I think what
21 we need to do is develop a protocol and then we
22 need to develop a prototype. And then we need
23 to implement the prototype and see how well it
24 works. No risk to the stakeholders. No risk to
25 anybody except the ones that agree to

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1 participate in it.

2
3 And you get people from--let's talk about
4 the industry for a little bit. Let's get--you
5 cannot leave anybody behind. That's the big
6 problem with this, is we end up leaving people
7 behind. You've got larger operators and then
8 you've got smaller operators. You've got sell
9 born people. You've got order buyers. You've
10 got stocker operators, large and small, of every
11 one of these I'm talking about. You've got feed
12 lots, large and small. You've got packers and
13 then you've got the consumer. Develop a
14 prototype, get together people from different
15 sizes and different sectors of the industry.
16 See if it works. And we're either going to find
17 that if we can work out the problems, and I'm
18 not putting a time limit on it.

19 Let's run the prototype. If it's something
20 that you all are willing to work at, run the
21 prototype and see what works and what doesn't--
22 what doesn't. And fix the problems in it or
23 we're going to find that what you all are asking
24 us to do is not feasible, not profitable, and
25 will--and may not work. But we're going to find

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1 out one way or the other. As long as we sit and
2 talk about it, we're going to still be talking
3 about it ten years from now and I'm afraid in
4 that length of time we're going to end up with a
5 major problem.
6

7 Now, I'll try to wrap this up because I know
8 my ten minutes is probably about up. Now, Dr.
9 Schwartz, I'm going to want to put you on the--I
10 don't want to, you know, put you up here without
11 you being prepared but I asked Andy last night
12 when we were visiting. I said, "If you'd have
13 had an animal traceability with an EID tag in
14 place what would the savings have been to the
15 State of Texas and to the individual operators
16 with the fever tick outbreak and expansion of
17 the fever tick quarantine zone?" And your
18 answer was?

19 DR. SCHWARTZ: - - .

20 MR. LEATHERS: It would have saved thousands
21 of animal traces and I believe you went on to
22 say I don't think we would be far off combined
23 state and private individuals cost it would have
24 been in the hundreds of thousands of dollars
25 savings. And there would have been a good many

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1 of those would have never been put in a
2 quarantine zone. And, Dr. Pruitt, I think I
3 asked you what about the TB test. And your
4 answer was?
5

6 DR. PRUITT: - - .

7 MR. LEATHERS: Okay. We all talk about what
8 it's going to cost. Better ask yourself the
9 other side of the equation. What's it going to
10 save? Okay? I'm not for expanding a program
11 and I don't think the Cattle Raisers are either.
12 I don't think that we, I'm for expanding a
13 program that you haven't proved that works what
14 you've already got going. Fix the problems in
15 what we've got before we expand it and going
16 down the road.

17 If you'll do--in my opinion, this is the
18 gospel of Joe Leathers and I'll stand by it. I
19 truly believe if you developed a protocol and
20 you developed a prototype, and you prove that it
21 works and you work out the bugs before anybody
22 else has a--has a dog in the hunt on it. And
23 you bring it back to the--not only the industry
24 stakeholders and the producers themselves,
25 whether they're a member of an organization or

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1 not. And you prove that it works, I think that
2 we will have--we'll stop having meetings and
3 we'll start having some success. Thank you.

4 DR. PRUITT: Thank you, Joe. I'd like to
5 invite Ross Wilson up with TCFA.

6 MR. ROSS WILSON: Thank you. It's a
7 pleasure to be with you today. I could just say
8 ditto to a lot of what Joe said and be very
9 brief, but I won't take but just a few minutes.
10 So I may be the odd duck in the room but let me
11 ask you a question. How many of you in the room
12 would support a mandatory animal ID traceability
13 system? Like ten of our foreign competing
14 countries do. I see one brave gentleman at the
15 back of the room. Thank you, Tom.

16 Our organization, we're a little bit
17 different. Our organization has had policy on
18 the books since the mid '90's supporting a
19 mandatory system because they believed that the
20 benefits far outweigh the cost. Now, we
21 understand very practically and we were reminded
22 last week at the NCBA summer business conference
23 that practically speaking, politically speaking,
24 whatever term you want to use, that's not going
25

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1
2 to happen. The votes are not in the country to
3 adopt and support a mandatory animal ID system,
4 but let's not let perfect--and I'm not sure
5 that's a good analogy there, perfect and
6 mandatory. But let's not be--let perfect be the
7 enemy of good. This country needs a much more
8 aggressive and robust animal ID and traceability
9 system.

10 We dodged another bullet yet this week with
11 BSE. We will have an animal disease situation
12 happen. Hopefully it won't be a foreign animal
13 disease situation. Hopefully it won't be FMD
14 but we will have a crisis in this industry
15 someday where we will wish that we had an
16 aggressive animal ID and traceability system.
17 Mark my word. We had it in 2003. It will
18 happen again.

19 We are--we are losing--we are--let me say it
20 this way. We are not going to have the access
21 to some foreign markets that we would like to
22 have by not having the system that we need. I
23 think we lucked out. Maybe it was luck. Maybe
24 it was great negotiating techniques on the part
25 of the producer leaders and the government,

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1
2 USDA, USTR, in the negotiations with China just
3 recently that they accepted a book in system.

4 That's good and bad. It's good because we have
5 access to that market sooner than later.

6 Obviously we've got production capability,
7 technology issues to work through, etcetera,
8 etcetera. It's bad because we just lost that
9 leverage or that incentive, more importantly,
10 that would have hopefully incentivized the
11 implementation of a much more aggressive system.

12 Liability, Joe mentioned liability, producer
13 liability. That's a huge issue. We don't need
14 to put the cow/calf producer at risk but I would
15 say--I would say to you if that was going to
16 have actually been a significant problem it
17 would have happened already. We've had pathogen
18 issues through the years. We have--we all
19 remember the Jack-in-the-Box E.coli issue in
20 Washington State back in the '90's.

21 To date--so from the packing plant we can
22 trace back I'll say 100%. There is probably a
23 little slippage. We can trace back 100% of the
24 cattle to the feed yard. From the feed yard, if
25 those were ranch raised cattle, not auction

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1 market cattle, that gets a little different, we
2 can trace back virtually 100% of those cattle to
3 the ranch. There has not been any cow/calf
4 producer or stocker operator that I'm aware of
5 that has suffered any kind of liability issue,
6 whether it's been a foodborne pathogen, a
7 residue issue with an animal health product, or
8 anything related.

10 Our members produce and market, in the
11 states of Texas, Oklahoma, and New Mexico, six
12 million head of cattle every year; 28% of all
13 the nations fed beef supply. They've got a
14 pretty significant investment and stakeholder
15 position, for lack of a better term, in the
16 cattle and beef production business. They're
17 more than willing, they're tired of coming to
18 these kind of meetings, to be quite honest with
19 you. They're more than willing to sit down in a
20 meeting as Joe described. And in fact we had
21 some hallway conversations in Denver last week
22 about the need to move forward maybe with the
23 Texas model and advance this ID and traceability
24 system at a faster pace.

25 So a public/private partnership, back to the

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1
2 confidentiality and protection, I find it
3 interesting and Joe mentioned the meeting in
4 Boise, Idaho, yesterday of all the brand
5 inspectors from around the country. Folks in
6 all the western states that have mandatory brand
7 laws, that's a mandatory system on movement, not
8 only trace back on cattle in a lot of respects,
9 but the ability to even ship those cattle from
10 that premise.

11 Today, ADT is a mandatory system; adult
12 interstate movement of cattle plus all dairy
13 livestock, which is related obviously to some TB
14 issues and others. The state of Michigan a few
15 years ago realized that they had to go to a
16 mandatory animal ID system to deal with TB.

17 So there is a long list of issues that need-
18 -we need to focus on. Don't worry about the
19 reasons we can't do it. Let's worry about and
20 focus on the reasons that we can do it. We need
21 to be practical. It's going to take a
22 public/private partnership. We honestly believe
23 that the database probably needs to be in the
24 hands of the private sector. Everybody seems to
25 be pretty comfortable with the database being in

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1 the hands of the state agencies today. I don't
2 think USDA actually cares if they manage the
3 database or not. They just need access to ping
4 it, to find an animal that they're doing a
5 disease trace back on.
6

7 So we're more than willing to come to the
8 table and be a big part of that discussion. It
9 needs to be at the speed of commerce. As Joe
10 noted, we've got members that are buying tens of
11 thousands of RFID tags a year. Most of them,
12 several of them are in the cow/calf stocker and
13 feeding business. The vast majority of them are
14 in the stocker business and in the feeding
15 business. And they're owning--our average size
16 feed yard is 35,000 a head one time capacity,
17 market 78 to 80,000 head of cattle a year. Now,
18 we've got a number of small operators and we've
19 got some much larger than that, but they're
20 tagging tens of thousands a head of feeder
21 cattle.

22 RFID tags in most instances that low
23 frequency, they're getting down to a dollar.
24 Dr. Schwartz mentioned that in volumes even high
25 frequency tags are getting below \$2 and I think

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1 those costs will continue to drop.

2
3 So other than black helicopter concern, and
4 I'm sorry if I insulted you if you think the
5 government is going to use this in some way to
6 harm your business because they're not. They're
7 actually going to use it in a way to benefit
8 your business. So it's time to again focus on
9 the positives and don't worry about these
10 negatives. Address them, deal with them.
11 Structure the system in a way that they're
12 minimized and let's move forward. Thank you
13 very much.

14 [Applause]

15 DR. PRUITT: Thank you, Ross. Before I
16 introduce the next panel member I need to kind
17 of bring up something. It's by my own misstep
18 here.

19 You'll notice that the dairy industry is
20 conspicuously missing. It's not because they
21 weren't invited. Darren Turly [phonetic], one
22 of the representatives for the Texas Dairy
23 Association, was going to come but he made the
24 decision, a very important decision, to follow
25 his daughter through the state softball

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1
2 championship tournament instead of attending
3 here. And coming from somebody who missed his
4 daughter's state championship ring playing time
5 because I was working in Nebraska--and I will
6 never be given an opportunity to forget that--I
7 think Darren made a good decision.

8 So with that, the next--the next member of
9 the panel I'm going to introduce is Mr. Kenny
10 Mingus with Milam County Livestock Auction.
11 Kenny?

12 MR. KENNY MINGUS: First of all, I would
13 like to thank the USDA for inviting me to serve
14 on this panel. And we definitely have some
15 issues here in my opinion. We've got people on
16 each end of the spectrum but one thing that I do
17 want to say is I thank the USDA for your efforts
18 to keep our beef safe. I think that's a common
19 goal that everybody would have, is that we need
20 to keep our beef safe and we need to keep moving
21 forward. Okay? We need to be the leader in our
22 industry.

23 But as we move forward and you say, or the
24 USDA says we need a mandatory ADT system, where
25 does that fall? Me as a--as a livestock market

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1 owner, as a person that runs stocker cattle, as
2 a person that runs--that feeds cattle, as a
3 person that turns out cattle, where does this
4 fall? Who is going to pay for it?

5
6 As a market, we act as an agent to sell
7 their cattle to the highest bidder and collect
8 the money and make sure that their check is
9 good. Okay? It's our job to take care of our
10 customer. If we try to implement a mandatory
11 ADT system, who is going to tag the cattle is my
12 first question to you. Okay?

13 Joe, don't take this wrong, you're in--
14 you're the Four 6's. It's a great operation,
15 great company, very proud of what you all have
16 done. I'm in an area where probably most of my
17 clientele is over 60 years of age. Most of my
18 clientele has less than 50 cows. Okay folks?
19 You see where I'm coming from?

20 And we make it mandatory that we tag these
21 cattle. And I have to go out and tell Mr. John
22 that's 75-years-old and got a two-wheel trailer,
23 "Mr. John, we got to start tagging your cattle
24 because animal disease traceability." "Well,
25 son, I'm going to tell you I haven't had any

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1
2 problems in the last 60 years." That's going to
3 be their response. Take it to the bank.

4 I was asked to be on this panel and after I
5 got on it my phone went to ringing and I've
6 called the man that asked me to be on it. I
7 said, "What in the world have you got me into?"
8 I said, "You talk about a hot seat." I said,
9 "I'm in it."

10 You know, so, yes, we have market
11 representatives here and I think everybody in
12 agreeance that owns a market is we are out for
13 our customers. We want them to benefit from it.
14 Okay? If they--if we go to mandatory, the
15 bottom line is the market should not have to tag
16 the cattle.

17 So who is going to tag the cattle? That man
18 that's 70-years-old that's got ten cows, you
19 think he's going to tag his calves? Probably
20 not. And it's not the market's responsibility
21 to have to tag them. You get into a whole
22 different scenario when you say "mandatory," in
23 my opinion.

24 So where does it fall back to? Does the
25 USDA put a program up and say "We're going to

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1 around to all these places every year and tag
2 the--tag these calves?" I'm just asking. I'm
3 not--people told me to be honest and I'm going
4 to be honest.
5

6 You know, we had 2,000 head last Friday.
7 You talk about speed of commerce. How do we tag
8 all these cattle? We have to build a new
9 facility, have to have another crew to tag and
10 record this information. And it is--is it the
11 market's responsibility to record all this
12 information? A question to ask you. Is it our
13 responsibility? We try to tag all these cattle.
14 We've got cripples. We've got bucklers. We've
15 got people that say we're being inhumane because
16 we're using too many hot shots. We're trying to
17 work at a speed of commerce, do the best job we
18 can.

19 I've got John Brown's calves that got 300
20 numbers on them. I've got the best guy I've got
21 back there and they're tagging cattle on the
22 1,000, 1,100 numbers. Mr. Brown comes and says,
23 "You haven't sold my calves yet." You know,
24 golly, my man made a mistake. His calves were
25 supposed to sell before the 1,100 numbers. You

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1 know, you're going to have those issues.

2
3 And the bottom line is we are in it for the
4 producer, or I am, from a market. If we kill
5 our producers off, then we don't have anything
6 to market. If we kill the cow, we're done,
7 guys. We're done. So who is going to pay for
8 this? Once again, is it going to fall back to
9 the producer? The producer is always the one
10 that takes it, in my opinion. Not always, I
11 agree.

12 The best comment I ever had in my life, 500
13 pound steers are bringing \$3. Good lord,
14 whoever thought that would happen? Guy came up
15 to me and he said hey. He said, "You go up on
16 your commission?" I said, "No, sir." He said,
17 "Well, it sure costs a lot to sell a calf here."
18 I said, "I didn't go up on my commission." But
19 I said, "Have you noticed the market went up?"
20 He said, "Well, I guess I didn't figure to look
21 at it that way." You know? Same guy in 2011
22 came. He said hey. He said, "You gave my cow
23 away last week." I said, "Really?" I said,
24 "Yours and about 444 more of them."

25 Back when cows were bringing 17 to a

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1 quarter, nowhere to kill them. There are
2 several men back here that can attest to that.
3 We as market owners would store them up to the
4 day of the next market, so they could pick them
5 up and get them moved. And that guy said, "You
6 gave my cow away." I said, "Well, I didn't mean
7 to." But I said, "You know what, sir?" I said,
8 "The more your cow brings the more I make." He
9 kind of looked at me funny and he said, "No,
10 you're right, son." He said, "I'll see you next
11 week."
12

13 So bottom line in my opinion is we as market
14 owners, we're here for the betterment of our
15 producers and we understand that keeping our
16 animals safe is part of that scenario. But when
17 you make it mandatory where does it fall?
18 That's my question. I don't have the answer.
19 Does it fall back? Put it in you all's hands?
20 And I guess another question to ask is do we
21 really have a large issue for the amount of
22 cattle that we move and kill and transfer in a
23 year's time or ten years' time?

24 You know, Mad Cow was a big deal the first
25 time it happened. How many more cases have we

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1 had since then? I got a call Tuesday morning.
2 I didn't even know about it. "Hey, did you hear
3 about Mad Cow?" I said, "Nope, I haven't
4 heard." Phone went to beep, beep, beep, beep,
5 beep, beeping. What's this Mad Cow? I said, "I
6 don't know. Let me check the futures board." I
7 said, "Well, the futures board is flat." I
8 said, "It must not going to be too much, you
9 know."
10

11 So my question is, you know, we're
12 transferring the--we're moving the cows through
13 the cattle 18 months of age, you know, moving
14 them now via back tag. That seems to be
15 working. The metal clips, you know. I
16 personally still believe the stocker cows, the
17 palpated cows and the pairs. Does that make me
18 any better than my competition down the road? I
19 don't know. Just something I thought I wanted
20 to do. So, you know, the guy that buys them
21 said, "Well, she's clean." And then you get one
22 that's suspect and you say--then you get the
23 other end of the spectrum. Well, you don't have
24 to believe them anymore.

25 So I mean but anyway, I'll be here. I hope

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1 I open some of your eyes to some different
2 aspects of it from the market side and just
3 wanted to let you know that as a market I don't
4 feel that it's our responsibility to take on the
5 mandatory tagging side of it.
6

7 [Applause]

8 DR. PRUITT: Thanks, Kenny. Now we'll move
9 to the last panel member. This is Dr. Arn
10 Anderson of Cross Timbers Veterinary Hospital.

11 DR. ARN ANDERSON: So I walked through the
12 clinic this morning and I'm probably the guilty
13 person that brought the horn flies into this
14 room.

15 [Laughter]

16 DR. ANDERSON: I've seen a lot of you
17 swatting at it and it's part of disease control.
18 I'm sorry.

19 After these, all these gentlemen spoke,
20 really all I can say is ditto. I was asked to
21 come here today and speak on behalf or give the
22 opinion or the impression of--you want me to use
23 the microphone?

24 DR. PRUITT: Yes, sir.

25 DR. ANDERSON: I feel like I'm a rock star

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1 or something. Is that better? Okay.

2
3 I was asked to give the opinion on rural
4 veterinarians. You know, what's our--what's our
5 approach to ADT and what do we see? So I took
6 the opportunity and I visited with the eight
7 veterinarians that are associated with our
8 practice. We have a rural practice. It's in
9 Montague County, a young county. We run five
10 practices and eight vets.

11 I can tell you upfront that most rural
12 veterinarians would rather stay far away from
13 regulatory work. The last thing we want to fill
14 out is a health paper. We sign our name to the
15 bottom of it and everything on the health paper,
16 on this certificate, has to be accurate, has to
17 be legible. You showed that one slide, that was
18 probably me. But it has to be there and I spent
19 45 minutes on the phone with another state this
20 week discussing which number on the cows they
21 would accept. Do they want the RFID number? Do
22 they want the orange tag? Do they want me to
23 put a silver tag in them? I had one
24 veterinarian that I spoke to said, "What do you
25 do when--we, we run a sell barn. We work a sell

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1 barn and what do you do when you have four tags
2 come through? Four silver tags, which one do
3 you want to choose? Write down all four of
4 them? Looks like we're tracking four cows when
5 we're only tracking one."
6

7 These are some of the problems that we'll
8 put forward. I heard some of you all mentioned
9 trying to read those tags. That's incredibly
10 complicated when you've got a hydraulic shoot
11 and a lot of yelling and screaming and cows, and
12 maybe a person that can't read really well to
13 begin with. It was mentioned that we make
14 mistakes when we call out the number, when we
15 record the number, when we transcribe the
16 number, when you have manure on your health
17 paper and you have to read through that to get
18 to it.

19 So those are some of the problems we, the
20 veterinarians presented to me. And some of the
21 solutions were--it's already been mentioned--
22 keep it really simple. We have the technology
23 to go electronic with this. We have the
24 technology to read these tags from a distance.
25 We can Bluetooth it into a computer. That state

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1 that I called wanted a spreadsheet with all the
2 numbers listed all the way down it on 800 head
3 of cattle, heavy bred, in the middle of summer.
4 It becomes a humane issue too. How many times
5 are we going to run them through the chute?
6

7 So the veterinarians that I spoke to said
8 all we got to do is keep it simple. We have the
9 technology. I'm one of those generational
10 problems. Who brought that up? One of you all
11 government people. Okay. Yeah, I still like
12 the paper from but all the young veterinarians
13 that I've hired, they all use the electronic
14 health certificate period. That's what they
15 use. I'm still waiting for the day when I can
16 just waive my cellphone over a group of cattle
17 and then email that to whatever state they're
18 going to.

19 The next thing the veterinarians came up
20 with is uniformity across state lines. I think
21 some of that has already been discussed, trying
22 to keep it uniform, again keeping it simple,
23 keep it electronic.

24 It's been brought up who tags the cattle.
25 That's a really good question. Every one of

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1 these veterinarians to a man or a woman said
2 this should start at a cow calf level. It
3 should start as young as we can get it. We see
4 the importance in tracking cattle, tracking,
5 being able to follow animals from conception to
6 consumption, and the earlier we start it the
7 better off we are. We have a lot of herds in
8 Montague County that are 20 head, that are 50
9 head. We need to find a solution for this
10 problem. How do we get them tagged? Who is
11 going to pay for it? Eventually the producers
12 are going to pay for it in my opinion. They're
13 going to--they're going to pay for it. The cost
14 is going to be spread out and passed on.

16 I disagree with some. I agree that it
17 should be mandatory and I feel that the younger
18 we start this, as did the other veterinarians,
19 the better off it is. There is nothing that
20 scares a new graduate veterinarian worse than
21 having to fill out a health paper. We don't
22 want your courtesy call that you spoke to me
23 about last--we don't want the courtesy call.
24 We're polite enough. We don't need anymore.
25 And we don't--we don't like getting a letter

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1 from other states that say, "Hey, you didn't--
2 you didn't take the temperature on this animal,
3 or you misspelled Angus." That was not done by
4 - - . That's some of those Oklahoma people
5 but...

6 [Laughter]

7 DR. ANDERSON: We also--you know, and I've
8 had some of the experiences that these other
9 gentlemen have where you call the state and the
10 other person on the line does not know the
11 difference between Angus and Holstein. And that
12 we don't have an agricultural background. And
13 every time you call a state you get ahold of
14 somebody different and then we fill out the
15 health papers incorrectly.
16

17 So uniformity is important. Simplicity is
18 important. The program as a whole is important.
19 And that was the general consensus of the eight
20 rural veterinarians that I sat down and
21 interviewed. Of course I am their boss and I
22 said, "Here are the correct answers. Say these
23 and I'll present it."

24 But I'll be here hopefully, unless there is
25 something that pops up in Montague County, for

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1 the rest of the day. If you all have questions
2 concerning veterinarians and why it costs so
3 much to fill out a health paper, let me know.
4 Oh, do I just drop the mic?

5 DR. PRUITT: No.

6 [Laughter]

7 [Applause]

8 DR. PRUITT: Thanks. Thanks, Arn. I think
9 we're now ready to--are we going to take a break
10 for just a few minutes or do we need to proceed
11 with questions? Okay. I didn't know if we
12 might--all right.

13 MR. HAMMERSCHMIDT: We'll take a break after
14 the Q&A. So we'd like the questions for the
15 panel--if you have general questions or comments
16 after we take a break we'll have an open mic
17 session. And we ask that you hold those until
18 then.

19 So questions for the panel, raise your hand.
20 We'll come around with a mic. Again, if you
21 could state your name and who you represent it
22 would help us with our transcripts. So we open
23 it up to you.

24 DR. PRUITT: Questions?

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1
2 MALE VOICE: So, okay, I'll kick it off with
3 a question. Mr. Leathers, you mentioned that
4 you're using UHF RFID. How has that affected
5 your price points for selling cattle?

6 MR. LEATHERS: Let me--I don't want to get
7 into my private business necessarily but I'll
8 guarantee you that my tags have been paid for by
9 the time I sell my calves, over paid for. So as
10 far as getting your money back, I'm able to use
11 it and with our cows. And I mainly started it
12 so I could keep up with age of cows, because
13 we've got several thousand.

14 And you brought up a good point here that I
15 want to touch on just a little bit. The
16 majority of our cattle industry is made up of
17 small operators. And if you missed in what I
18 said, we can't leave those folks behind.
19 They've got to have a seat at the table to
20 develop and to implement this program because
21 they've got to come along with us.

22 But I started the RFID tags with our cows
23 for two or three reasons. Number one, I needed
24 to know because for years and years we didn't
25 have any outside bought cows, but because of the

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1 drought and moving cattle out of the state, then
2 when we restocked we had to buy a lot of cows to
3 help restock. So for tax purposes,
4 depreciation, I need to know how many bought
5 cows versus how many ranch raised cows. That's
6 number one. Tally book won't do it on our size
7 of an operation very accurately. And if Uncle
8 Sam comes back, if I lay that list of tag
9 numbers down there and it--how many--and then
10 you just say, "Well you prove how many I've got
11 and don't have," well, they're not going to
12 argue with you because I've got technology and
13 a--and a printout that pretty much ends the
14 conversation.

15
16 But I wanted to know at a drop of a hat how
17 many ages cows I have, what their ages were, how
18 many was at each ranch in each state. So that
19 I'd know, obviously--I mean this is not ranching
20 101 but I want to know how many replacement
21 heifers I had to have. And when building my
22 budget I can do that in a few seconds. I can
23 have that read out.

24 I want to know how many solid back cows
25 versus how many baldy cows versus how many red

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1 cows, so I know what kind of bulls to buy, to
2 fit that number of cows. What frame quality
3 those cows are, yada-yada. I mean there is no
4 end to what I could put in this data if I--what
5 I wanted to put in there.
6

7 Okay. 2013, we started having these
8 meetings. I personally for the Four 6's ran
9 the--read the handwriting on the wall. It's
10 coming. It's going to happen. We can push
11 back. I've spent years sitting out there where
12 you're at firing these questions up here at the
13 panelists. So I understood that this is coming.
14 For the Four 6's to be ready to go when it
15 happens, whether it's voluntary or not--and I
16 think it ought to be voluntary as far as it will
17 go. And I think once you--if you've got a
18 program that's actually working and people see
19 it working there will be lot more people buy
20 into it.

21 But if it doesn't then I know how the
22 federal government operates and eventually there
23 is going to be some outbreak and it's going to
24 get mandatory. So I read the handwriting on the
25 wall and I wanted to be ahead of the curve, to

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2 have the bugs worked out. You know what the
3 bugs are? And this is real simple. No matter
4 what you implement it's only going to be as good
5 as that cowboy doing the job.

6 And you've got to get your people trained
7 and that takes some time because the biggest
8 worry they've got, what horses are they going to
9 ride that day and whether they're going to be in
10 Nevada, whether they're going to pack an 80 foot
11 rope that they dally on a bighorn, and whether
12 they've shined the hubcaps on the side of their
13 spur leathers. Or whether they're going to pack
14 a 30 foot rope with a horn knot on it. And
15 you've got to get them on board.

16 So that's where I started, was in 2013
17 trying to implement this. And it's taken me
18 until now and right now today, with just the
19 cows alone, I think we're in the 90 something
20 percentile accuracy on being able to tell you
21 what I've got and what cows are where. That's
22 why I started it.

23 Now, I want to bring up another point that I
24 didn't bring up a while ago. I was born and
25 raised on a small cotton farm and my daddy owned

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1 50 cows. And we made our living off those cows.
2 I understand and I cannot emphasize this enough
3 whatever we come up with has got to work from
4 the small to the large. I believe it can be
5 done if you can get the right people in the
6 room. But it's going to happen, so we can
7 either be part of the solution or we can be part
8 of the problem. Does that answer your question?
9

10 MALE VOICE: Yes, sir. Thank you.

11 MR. LEATHERS: And one more thing real quick
12 and I'll shut up. We have extremely good
13 facilities at the ranch. You see all the drive
14 down the highway. So everybody gets the
15 perception that the Four 6's can make anything
16 work because of the crew we've got and because
17 of the facilities we've got. True and we can do
18 a lot of things that other people can't.

19 But when I go to some of these lease places,
20 we've got three wire fences. Half of them
21 aren't up in the public lands. BLM and forest
22 service don't have infrastructure. We've got
23 pens that the owners haven't been able to afford
24 to fix. So the pens and the working chutes are
25 collapsing. And you've got to have as many

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1 cowboys around the outside as you do to put them
2 through the chute. We run from a cow to 200
3 acres a head to a cow that runs on an irrigated
4 meadow in Montana that you can run a cow to one
5 to two acres.
6

7 So I understand the problems but every
8 problem has a solution and that is our job as
9 industry leaders. It's to fix the problem.
10 Thank you.

11 DR. PRUITT: Thank you very much. This is
12 your opportunity. I have a question over here.
13 Name and who you represent?

14 MS. DEBBIE GILL: My name is Debbie Gill.
15 We are a cow/calf producers, Agro Life
16 Extension, Texas Cattle Women, American National
17 Cattle Women affiliations. My question is
18 listening to Kenny's comments at the bell barn
19 level and the two, the veterinarians, is I see
20 an opportunity here for someone to organize a
21 group of good cattle handlers that could travel
22 to the small producers' locations, tag their
23 cattle for them at a cost. Do you think that
24 that's a viable option?

25 MR. MINGUS: I think that is a very good

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1 question, first of all. And I don't know if
2 you're going to form a committee or a crew of
3 cowboys or something like that. I don't know if
4 that's going to be possible until, like what Joe
5 said, that maybe the--maybe the market is better
6 for the cattle that are identified. Okay? He
7 said that he's paid for his tags, you know, well
8 over that, which I presume he has.

10 You know, but we tried. And folks don't get
11 me wrong. I'm not totally negative on this.
12 Okay? But several years ago we tried this with
13 country of origin. We tried it with source and
14 age. Okay? And I'm sorry they were both a
15 phase. Okay? I bought cattle in the country.
16 Man said, "Hey, can--will he source and age
17 them?" I said, "Yeah, he'll source and age
18 them." Boom, we did it. He got more for his
19 cattle. I got back next year to the same man.
20 I said, "Hey, can we source and age them and get
21 more for his cattle?" "Nah, we don't need to do
22 that no more."

23 So that's somewhat different but it is
24 somewhat on the same line too. If it--if it's
25 voluntary and as producers they see that, hey,

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1 these calves that are ID'd are bringing a
2 nickel, ten, twenty cents more, as a--as a
3 market owner, I don't know that. I can't answer
4 that question. Is it going to benefit the
5 animals that much because they are ADT
6 identified? You know, I can't answer that
7 question.
8

9 I think voluntarily if it is a big push in
10 the market you will see more people get on
11 board. You know, but as far as forming a group
12 of people that could go and tag them, I'm sure
13 you could. But until our industry proves that
14 it's going to pay you to have that group of
15 people come out on your property then they're
16 not going to do it, in my opinion. Because I'm
17 going to be honest with you. I got to places.
18 They say "What time are you going to be there?"
19 I said, "I'll be there at 4:00." They'll be
20 there to open the gate. You pick up there
21 cattle when you leave the locked gate behind
22 you. I mean that's just the way some people are
23 about their property.

24 So I don't know if I answered your question
25 but I think it all goes back to how much money

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1 is this tag going to put in our producers'
2 pocket and how--and how do we determine that.
3 Did you have any comments?
4

5 DR. ANDERSON: So if we're going to take
6 disease control really seriously and you've got
7 a couple of choices. You can get ahead of the
8 curve or you can react when you're behind the
9 curve. And so when there is a disaster the
10 market will--the market will balance itself.
11 You will find somebody to tag your cattle if you
12 can't market them if they don't have a tag in
13 their ear. And I agree, I mean it would be
14 tough to get tags in some of these cattle but
15 you have to start somewhere. And if we need to
16 write these cattle down on health papers and
17 we've got the technology to do electronic
18 tagging and store data, production data, health
19 data, location data, it makes common sense.

20 You've got an opportunity. You are the
21 industry. The whole industry is sitting in this
22 room. So you are the industry. You want to
23 sell beef? Eventually we're going to have to
24 bite the bullet and there is men with a lot more
25 experience sitting to my left but from the

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1 veterinarian point of view we want them ID'd.

2 MR. LEATHERS: Let me--let me add something.

3 DR. ANDERSON: Absolutely.

4 MR. LEATHERS: Just a second. Let me add
5 something just a second. And we'll take whoever
6 you want to address your question to. As we
7 were talking--and I just lost everything I was
8 going to say. I'm drawing a blank but it was a
9 good point.

10 [Laughter]

11 MR. LEATHERS: Anyway, I don't know if it
12 was a solution or not but anyway I'll think
13 about it and I'll tell you in a minute whatever
14 it was. Go ahead, sir.

15 MR. TOM JONES: Now I'm not sure about my
16 question. Tom Jones with Arkansas Farm Bureau.
17 I guess I'll direct my question to you as an
18 operator of an auction. What would be your cost
19 to set up a system to tag cattle? And I guess I
20 ask that in the sense that I see we always have
21 a discussion of what are we doing and what
22 premium it's going to be for our cattle. We are
23 not far from a tipping point where it's not the
24 premium we're going to get for our cattle if

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1 they're tagged. It's the discount we're going
2 to take if they're not tagged. So how will you
3 set up and handle that situation at the markets?
4

5 MR. MINGUS: Well, the hot seat just keeps
6 getting hotter. So but I will answer your
7 question but back to your--to just to help
8 summarize some of your stuff we're going back to
9 tagging, voluntary tagging of these animals. We
10 want to know how much more our producer is going
11 to make. We've got all these order buying
12 companies that say, okay, "We're going to give
13 ten cents a hundred more for all these tagged
14 cattle." Well, at my market I have 75 tagged
15 that day. They all fight over them. They all
16 get 10 or 12. What do they do with them then?
17 See what I'm saying? How do you make load lots
18 of uniformed cattle to ship to a customer
19 whether Russ De Cordova's got the deal or Jim
20 Schwertner with Capital? I mean you've got to
21 have enough to reap the benefits from it. See
22 what I'm saying?

23 So a cost for tagging those cattle, sir, I
24 can't answer it. You would have to put--you
25 would have to--first of all, I don't want to

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1 have to do it at the market. I'm going to let
2 you know right up front. As a market, it should
3 not fall on our shoulders to have to tag them.
4

5 Did I lose everybody? I mean but for a cost
6 it would have to be--in my opinion, it would
7 have to be somewhat of a per head cost. You
8 know, and you're going to have some people that
9 say, "Well, I'm going to supply my tag." You
10 know and then you're--I think you're going to
11 have to whatever per head cost that you would
12 incorporate with it would be a turnkey type
13 situation. We're going to pay for the tag.
14 We're going to tag. If that's the role that you
15 decided to take. Okay?

16 But you've got to realize what you're going
17 to have to set up. You've got to buy a brand
18 new hydraulic chute. Okay? You're going to
19 have to set up--if this passes to where it's
20 mandatory and they force our hand at the sell
21 barns to do it, do you realize the cost that
22 the--that the auction markets would have to
23 incur just to get a--you would have to have a
24 processing situation just like Russ De
25 Cordova's, Jim Schwertner's, Robby Thigpen's, or

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1 anybody's like that. And you're talking about
2 10's and 20's and 30's of thousands of dollars
3 to set that up, not only the help to do it.
4 It's hard enough to find help at an auction
5 market anyway. Not everybody in the world is
6 wanting to come, you know, stand around a
7 bellowing cow from 7:00 in the morning until
8 midnight.

9
10 You know? And so you would--I don't know
11 how to answer that but it wouldn't--it would not
12 be cheap in the big scheme of things in my
13 opinion unless we saw a big jump in the market
14 because they were identified. And how can we
15 attest? How do we know that? You know, did I--
16 did I answer your question? Thank you.

17 MR. LEATHERS: I just want to say I agree
18 with you, what you were saying. The only way I
19 see making this deal work is somehow it pays to
20 do it. And then you're going to get the larger
21 operators are going to do it for sure. And then
22 when you get the most of them doing it and the
23 smaller ones say that they're not getting the
24 amount of money for their calves they're going
25 to want to do it. And then you're going to get

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1 down to where it's a few that's not doing it.

2 And if you do want to eventually have a

3 mandatory deal it won't be near as hard then.

4
5 When you've got--if you've got a system set
6 up that will work, you've got to have that. And
7 then people do it and then some--they get more
8 money for their calves, that will make it all
9 work. But until people get--it pays off for
10 them it's going to be hard. You're just going
11 to have a big backlash if you say "All right,
12 everybody's got to do it." Then you're going to
13 have mad people. You know, you're just going to
14 have a terrible time.

15 But I don't know if you got down to where
16 the smaller operators didn't do it after most
17 people started doing it, if the livestock
18 auction had a service that, "Look, you know, you
19 want them done, we'll do it." But most people
20 would already do it before they bring them, you
21 know, and you just pay for it. They'd have to
22 pay you for it. It would be worth your time but
23 you wouldn't have to do them--do all of them.
24 Most people would do it because they're on that
25 program, you know. But somebody has to have

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1 service for the smaller operators that could do
2 it. But the only way I see to do it is just
3 like you said, they have--it has to pay off for
4 them somewhere down the line.
5

6 MR. MINGUS: Thank you, sir.

7 MS. JARA SETTLES: Kenny, Jara Settles from
8 LMA. I have a question. We have been talking
9 about the payoff or conversely cattle being
10 penalized for not having official ID. Do you
11 have concerns that that's going to drive cattle
12 away from the livestock markets and drive it to
13 more country trade, which will be less traceable
14 if that comes to fruition?

15 MR. MINGUS: Well, I think that you have to
16 incorporate that risk of that, you know, that it
17 would drive--you know, if they--if they say
18 okay, it's mandatory and all the cattle that
19 come to the market have to be ID'd, but then
20 there might be someone that's slipping around
21 the back door around you that you never--that
22 you never get a chance to market. You know, and
23 those things will happen, you know. I mean what
24 is--I guess my question, what is proper ID? Can
25 we brand them? Can we use a personal

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1 identification number? I mean what--where do we
2 go with true proper identification?
3

4 But, yes, I think if you put the market in
5 charge of being the hub to where they have to go
6 and tag their animals under a mandatory
7 situation, you're putting the market at risk for
8 less--for less cattle to be brought there, in my
9 opinion, because you're the bad guy. You're the
10 guy that's got to tag them, you know, and this
11 and that. That's just me. I'm sorry.

12 MR. GREG GOUDEAU: All right, Kenny. I'm
13 going to try to help you out. I'm Greg Goudeau
14 with Navasota Livestock Auction. There are
15 several market operators here. I'll try to get
16 you to understand where we are and some of the
17 problems that we--what we're--what we're facing.
18 First of all, if we could do it, if we could do
19 it and it was market driven and it was paid for,
20 we'd be all behind it. But I think that is a
21 key word, market driven. Voluntary, it needs to
22 be voluntary, absolutely needs to be voluntary.

23 Dr. Schwartz, the very first thing you said.
24 What did you say up there? It's 102 degrees,
25 nice day to have an inside job. We don't get to

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1 choose those jobs. We have to work the day of
2 the week that we're selling on. Saturday I had
3 300 head come in on Friday, 300 head. My
4 database has 32,000 customers. To answer your
5 question, how can we go out and serve these
6 people, 32,000. Average consignment, three to
7 five head a weekend, three to five head. Not 35
8 head, three to five.
9

10 I got 1,150 head of cattle in on Saturday
11 morning. For us to go back there at 102
12 degrees, those cattle have already--how many
13 days--how many days did it take you to work
14 those cows? Four. We have one day, speed of
15 commerce, move all those cattle through,
16 ethically handle them, Brahman Cross Cattle,
17 Gulf Coast, Hotshots, Heat don't get along, mad
18 employees, employees don't show up, try to force
19 all this through, it's a burden. It's going to
20 be a huge burden to the industry. I wish there
21 was a solution. I wish I could say, "Hey, I got
22 an answer." I don't have the answer but we have
23 to be very, very, very careful.

24 And it--and it got this way towards the end
25 and you might--a lot of people will probably

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1
2 disagree with me but it got this way to the end
3 of brucellosis. The actual testing of
4 brucellosis was worse than the outbreak of the
5 disease.

6 In 2011 we were running a thousand cows
7 through a chute. She's down, just leave her
8 alone. I got to put her down. Let me get the
9 blow head [phonetic] so I'll get my money." I
10 mean it was ridiculous but the actual testing of
11 how many cows we killed, the humane handling of
12 those cattle, trying to go through that, so I--
13 we do not need a repeat of the actual tagging of
14 the animals is worse than a disease outbreak.

15 So as we're developing this system, however
16 it may work out, we need to keep that in mind,
17 that whatever system we come up with it's very
18 difficult to get it to these 32,000 customers
19 that we have, get those people to get them to
20 tag. So I say it's got to be voluntary and it
21 needs to be market driven.

22 MR. LEATHERS: Can I--I am not directing
23 this at you. I'm directing--I'm going to put
24 this out here for thought process. The cow, the
25 crippled cows and the cows that are going down

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1 obviously you can't run them back through a
2 chute. You're going to kill them. Those cows
3 are going where when they get sold?
4

5 MR. GOUDEAU: They're not going anywhere
6 because you have to pay for them - - .

7 MR. LEATHERS: Well, okay, but I'm saying
8 they're going to end up going to the killers.

9 MR. GOUDEAU: They're not going to - - .

10 MR. LEATHERS: Yeah, I understand. I
11 understand but the majority of the cows that--

12 MR. GOUDEAU: [Interposing] We at the
13 auction markets have to take that cost.

14 MR. LEATHERS: Okay. I under--I understand
15 and I'm not arguing with you. I'm just--I'm
16 just trying to point out something here that I
17 think we're-- a couple of things that we're kind
18 of missing. Most of the cows, the older cows,
19 when they get sold they're going to packing
20 house. Okay? That's all. That's the only
21 point I'm trying to make there.

22 Now, I think we're getting zeroed in and
23 this is where all of these talks and the
24 progression of this program always stalls out.
25 It's because we don't think logically. And

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2 you're thinking logically business wise. I
3 understand that and you've got valid points.
4 Every one of you all's points are valid. But
5 let's stop. Let's put the producer aside that
6 raises that calf that brings it to the sell
7 that's got age and doesn't brand or want to tag
8 his cows. Let's put aside that you all--and I
9 understand you've got a valid point.

10 At the sell barn you don't want to become
11 the chief source of tagging them because you
12 could lose customers. Point well taken. But in
13 whatever program that we develop, that comes--
14 whatever comes from whoever, we're going to have
15 to be flexible enough in the beginning because
16 I--and I'm going to throw a percentage out
17 there. I would say that out of 100% of the
18 cattle you all sell, that go back out into the
19 country, whether it be calves, stockers, cows,
20 whatever, when they leave that sell barn I'm
21 going to say a very, very high percentage of
22 them leave that sell barn and go home and go
23 through a chute. And they're going to get
24 rebranded. They're going to re-vacced
25 [phonetic]. They're going to get re-poured

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1 [phonetic] on. And at that same time that tag
2 could be implemented right there. At least--and
3 state vets and USDA speak up here--that's a
4 starting point.
5

6 It puts the sell barn at not any risk. It
7 puts the small operator that don't want to tag
8 his calves when they're on his location. But
9 that gives us a starting point and as market
10 driven incentive takes effect the producer at
11 home is going to go tagging those calves. And I
12 promise you the sell barn operators, when they
13 see that it's an incentive that they can offer
14 their customers that's going to make the
15 customers money and bring in more cattle into
16 your sell barn, you're going to spend the
17 necessary overhead to build an infrastructure.
18 Am I right?

19 So let's get past the problems that we seem-
20 -can't seem to get past and let's get a starting
21 point. Hey, we can start it right there.

22 MR. GOUDEAU: You're looking--you're right,
23 market driven. That's where--that's where
24 you're going to come down to. But I'm where--
25 I'm just--I'm just telling you from owning a

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1 sell barn I do not think that on a Saturday that
2 we need to be tagging 1,150 head with 102
3 degrees. It's not--it's not going to be good
4 for--it's not good for the industry. It's not--
5 it's not good for the beef cattle industry.
6

7 Now, a tag, I'm not going to disagree is--
8 that is good for the industry. But that
9 scenario is not good for the industry. You
10 might--that's a good point that you just made.
11 Start it at the stocker phase. They've got that
12 back tag number.

13 I have a--I have a producer that buys cattle
14 and sells cattle on video. Every single one of
15 his animals, as soon as it gets unloaded, has
16 RFD tag put in his ear when they run him through
17 the chute. When he gives them a shot, it's
18 known about. And also that back tag is entered
19 into that. So if he has a problem he can call
20 me and say, "Hey, this back tag, I had trouble
21 with it." He knows the cost. He can track it
22 all the way. I sell his calves. Do we get any
23 extra money for them? No. He does it for his
24 own personal records, just like you do at the
25 Four 6's. Is he getting anything extra for it?

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1
2 No, he's not.

3 I guess a question there is, Mr. Wilson, as
4 far as the packer industry, where could we get--
5 where could we get more money? Where are we
6 missing the boat? Where could this be market
7 driven? Are the packers keeping it all? Is
8 there more money out there? Are we missing
9 something? Or address what we're missing or as
10 far as dollars wise.

11 MR. WILSON: I think it cuts both ways
12 today. I think it's going to be a--there will
13 be an opportunity to get some--get some benefit.
14 You mentioned age and source verification.
15 Obviously that went away when Japan moved from
16 20 to 30 months, but it functioned very well for
17 several years. There will be some other
18 opportunities come along. There are also, as
19 the gentleman in the back of the room noted,
20 there will be some cost of business or some loss
21 of opportunities, markets, money, whatever you
22 want to call it, if we don't do something like
23 this down the road.

24 And I don't say that--please don't
25 misunderstand me. I'm not trying to say the

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1 sky--take the sky is falling approach. But I
2 think the industry, all sectors of the industry
3 will benefit. It will take some time to work
4 out. There are obviously challenges, very
5 significant challenges. One of the most
6 significant being the auction market issue. Joe
7 has put one solution to that problem on the
8 table. There are others. We can get beyond
9 that. We need to focus on the positives,
10 resolve the negatives. Focus on the positives
11 and move forward.

12
13 There is a--there is a concern or a
14 challenge at retaining these tags at the auction
15 market. I mean, excuse me, at the--at the
16 packing plant. That can be overcome. National
17 Beef Quality audit just came out, 2017 came out
18 last week. 96% of those carcasses that were
19 surveyed in that audit had some form of
20 identification. I think 50 some odd percent
21 were lot tags. 40, high 40's--and there were
22 some--many head that had more than one type of
23 tag. Nearly 50% were individual tags. Only 17
24 in that survey were electronic, if I remember.
25 We need a higher percentage but the industry is

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1 moving that direction. We just need to continue
2 working to make progress and all work together.

3 Even though we have policy, as I noted a
4 moment ago, that would love to see a mandatory
5 program, we're not holding our breath that
6 that's going to happen politically or
7 practically speaking. We should get beyond
8 that. We should get beyond our policy position
9 and find a practical solution to this challenge.
10 I hope I answered your question.

11 MS. SETTLES: Dr. Schwartz, Jara Settles
12 from LMA over here, if you can see me. You
13 spoke earlier about the current law in Texas
14 that requires within seven days of ownership
15 change identification to occur. I believe that
16 kind of mirrors Mr. Leathers suggestion that
17 perhaps the--perhaps the tagging could happen
18 after the point of comingling or sell. Can you
19 speak to how well the State of Texas is
20 enforcing that and how much compliance can be
21 measured once those cattle get home? Are we
22 sending out the rangers to make sure that
23 happens? Or how do we--how do we do that?

24 DR. SCHWARTZ: Well, thank you. I

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1 appreciate that question. So when--let me go
2 back to when that rule was developed. And at
3 that time, 2014, there was--there was concern
4 from the Texas livestock market operators that
5 requiring that ID at the change ownership that
6 day put a lot of burden on the livestock
7 markets. And so that for that reason it was the
8 rule was changed to allow that tagging to be
9 done within seven days of that, if the animal
10 doesn't go to--go direct--go to slaughter,
11 basically.

12
13 So that was an attempt and I could see a
14 system--a system like that going forward. We
15 already have mandatory tagging of cattle now.
16 It's just it's done, you know, to be done within
17 seven days of that change of ownership. You
18 know, how--you know, how often is that done? We
19 don't--we don't know. I mean whenever--before
20 the fever ticks exploded on us and we had these
21 TB herds to deal with, we were doing some more
22 follow-up with those cattle that were purchased
23 to make sure they got tagged. But, to be honest
24 with you, we don't do a lot of compliance right
25 now. So it's primarily voluntary compliance

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1 right now.

2
3 What we'd be concerned about is if it--you
4 know, the need to trace those animals in the
5 future. TB, it is--it is rare. Kenny, you made
6 the point. How many cattle have we sold without
7 an--without an issue? But and there are
8 millions of them, right? But when it does
9 happen it can be really bad.

10 And that case of BSE in 2005 was, you know,
11 was a big deal. It's less of a deal now if it's
12 the atypical type. But if it's the real type it
13 will be--it will shut off markets again. So,
14 you know, other diseases, tuberculosis, I mean
15 we import a million head of cattle a year from
16 Mexico. We've had six cases of TB so far this
17 year in fed cattle from Mexico.

18 And we've got to be able to trace those
19 cattle back to the source or somebody else gets
20 blamed for it. You know, basically we've got to
21 go and test your herd for TB or brucellosis or
22 whatever it is, just to rule you out. And so
23 it's a burden to not have that ID as well. So I
24 hope I answered your question, ma'am.

25 MALE VOICE: This is a comment towards the

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1
2 vet. I'm appreciate your comment that you admit
3 that you don't want to sign a health paper
4 because I sell for Superior Livestock and trying
5 to get health papers anymore, it's getting
6 harder and harder. This--I guess so this is to
7 USDA. There has got to be some kind of way we
8 can simplify some rules about--I don't know if
9 it's the states or but I mean everything is
10 different. It's very, very, very difficult and
11 they--you call a vet and it's like, "Well, it's
12 going to cost a lot." You know, I know but I've
13 got to have it. But it's difficult to get
14 health papers and it's an issue and it's a
15 problem.

16 MR. JOSEPH BARBOUR: Joe Barbour from LMA.
17 Just kind of wanting to make a comment or direct
18 a question for Kenny. At your--at your market
19 last Friday, Kenny, what was the price
20 difference between a five weight bull and a five
21 weight steer?

22 MR. MINGUS: Well, not a--not as much as you
23 would think, probably, you know, a nickel to
24 eight cents at the most, you know, on the five
25 weight last week.

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1 MR. BARBOUR: And--

2
3 MR. MINGUS: [Interposing] You know, and
4 depending on the quality also. I mean you have
5 some five weight bulls that bring as much as
6 five weight steers just depending on how good
7 they are. You know, but probably, probably a
8 nickel, you know, to seven cents would be about,
9 about cover it for sure.

10 MR. BARBOUR: Okay. Well, I guess what I'm
11 getting at is I mean as we look at these
12 livestock markets and I think I've heard a lot
13 of comments here today that there is going to be
14 some kind of an incentive, a market driven
15 incentive based on large producers tagging these
16 cattle that will somehow bleed down to a small
17 producer.

18 And as staff at LMA we spend a lot of time
19 traveling the country. And I mean cattle in
20 Nebraska that are peas in a pod, that are all
21 castrated, weened, and have a round of shots
22 bring a heck of a lot more than they will down
23 in south Texas. Of course we're talking about
24 different kind of cattle but I'm talking about
25 market incentives that are market driven. So I

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1 think we need to be really careful when we kind
2 of assume that some of these small time
3 producers will all of a sudden get excited about
4 tagging because it might bring them five dollars
5 more of a hundred. We can't even get them to
6 tag--or, excuse me, to cut their bulls.
7

8 And so, you know, when we--when we have this
9 conversation I think we need to keep that in
10 mind, how that realistically will--whether it's
11 market driven or not, some guys aren't going to
12 do it and they're going to put that burden on
13 the back of the auction market when they sell
14 them. And, you know, frankly I think you'll
15 hear from these guys today or I've heard some
16 comments so far. They don't want to do it,
17 whether they charge for it or not. So it's not
18 worth it to them, the amount of manpower it
19 would take.

20 I mean we also write insurance as an
21 association and I don't want to start looking at
22 some work claims coming out of tagging, you
23 know, 1,300 head at Greg Goudeau's sell on
24 Saturday. So, you know, let's kind of--I just
25 wanted to kind of make that point and see what

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1 Kenny's thoughts were on that.

2
3 MR. MINGUS: Well, as we--as we talk and we
4 move forward, and Joe had a very good comment a
5 while ago and I commend you for coming up with
6 that idea. You know, we all want what's best
7 for our industry. Okay? But just as you said,
8 Joe, I mean when we can't--we can prove to our
9 customers that it pays you to cut your bull
10 calves, I can show them on black and white.
11 Okay? It pays you to castrate your bulls. It
12 pays you really to give them a round of shots.
13 Okay?

14 In our area because if any of you turn out
15 cattle as yearlings and you run a set of cattle
16 that you know has had a set of shots in them,
17 whether they were weaned or whether they came
18 off the cow, their immune system is going to be
19 better than the one that hadn't had anything.
20 And they're usually easier to straighten out.

21 You know, so if we can't get them to
22 castrate them and give them a round of shots or
23 anything to help do that, how are we going to
24 get them to--how are we going to get them to tag
25 their calves?

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1 ANIMAL DISEASE TRACEABILITY 7-20-17 135
2 Now, you made a comment about Nebraska and
3 how their cattle, you know, look like peas in a
4 pod and this and that. And I commend the
5 northern states for their diligence in raising a
6 high quality animal. You know, you come to some
7 of our markets and you've been to mine. I'm
8 sure you've been to Greg's and Russ's and the
9 Forester's at Athens and probably Carsten's
10 [phonetic] over there.

11 But I mean in our area if we have a handful
12 of producers that have the same type of cattle,
13 you know, all one breed, that's all you're going
14 to have. I mean we run crossbred cattle. We
15 might have three yellow ones. We might have two
16 red ones. We might have some black ones. You
17 know? And then you might have a person that
18 says "I want all black cows." That will be from
19 an Angus to a half-blood Brangus, but they're
20 black and they want a black bull. You know, so
21 I don't know if I answered your question but
22 it's hard to--you prove to them that a steer
23 brings more than a bull. You know, you take 650
24 pound bull or steer that brings five to seven,
25 eight, ten dollar to a hundred more. You know,

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1 and I've talked to them and said the cowboy is
2 your cheapest labor. And in a roundabout way a
3 cowboy is your cheapest labor to come out there
4 and help you work your cattle. They're the
5 cheapest labor that you can get, but when you
6 still can't get them to cut them, then what do
7 you do? Then you pull back and say, "You know
8 what? They're theirs." They can do what they
9 want to with them, in my opinion.

11 MR. HAMMERSCHMIDT: Okay. Let's take about
12 a ten minute break. And when we reconvene we'll
13 have an open mic session where you can either
14 ask more questions or if you have positions that
15 you'd like to state you'll have an opportunity.
16 So let's take ten minutes. And let's thank the
17 panel. Thank you very much.

18 [Applause]

19 [END USDA_072017_Morning]

20 [START USDA_072017_AFTER_MORNING_BREAK]

21 MALE VOICE 1: Can we ask the folks in the
22 back of the room to find their seats again? So,
23 as we get into this next segment of our
24 listening session we want to give everybody an
25 opportunity to either ask additional questions

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1 or state positions or concerns. We'd like to
2 hear from you because especially with the
3 concerns that'll help build on identifying areas
4 that we can improve the traceability system so
5 we really ask that you take some time and let us
6 know what you're thinking. So with that, one
7 more reminder, if you have a comment or question
8 we ask that you state your name and who you
9 represent. So who would like to kick it off?
10 Back, in the back here. Name, and who you
11 represent?
12

13 MR. MARK SHAPE: Mark Shape, and I just
14 represent myself. I guess I'm representing the
15 60- to 70-year olds with less than 50 head of
16 cows. I was listening to the panel and they were
17 all really interesting, taking notes, I'm a
18 little bit scatter brained on my notes. I've
19 been spending most of the last month screaming
20 at my tractor, yelling at my bailor and kicking
21 my rake, but anyway, one of the comments was
22 about the change. We need to be ready for
23 change. I've been changing since I've been in
24 this business and I don't want to give away my
25 business model, but I'm not, I haven't heard my

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1 segment of the industry mentioned in all. I
2 raise cattle like most of the 60, 70 year olds
3 with less than 50 head. I only raise grass-fed
4 beef. I have the ID for all my cows. In fact,
5 while we were talking I said I think I have it
6 in my pocket. I'm supposed to decide who goes to
7 the processor on Tuesday, so I do know the ID of
8 my cows are ID'd, plastic tagged. Shoot, darn
9 notes.
10

11 Anyway, I'm selling directly to the
12 producer. I'm going to get cut out of the deal
13 that we were just talking about because I like
14 to have the flexibility if a cow doesn't meet my
15 requirements to take it to the auction barn.
16 It'll meet the auction barn requirements but it
17 won't meet mine, my standards for my customers.
18 They know me I'm growing directly, selling
19 directly to them. Four Sixes ought to be doing
20 that. I don't want to give away my market plan
21 but you'll get a whole lot more money doing it
22 that way. I'm all about money, I'm tighter than
23 tighter. I just got rid of my 1983 Brown bailer.
24 I kicked it for the last time, so there's your
25 perception. You know the customers have a

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1 perception, and I have to raise beef for that
2 perception. So, you know, I have a whole
3 different market and I know I'm going to get cut
4 out of that market. I was raising geese, I was
5 here eight years ago, the last time we went
6 through all this mess and I said, poultry, I
7 don't do poultry, I do fowl. So then we had
8 identification on fowl. I don't own them
9 anymore. I'm ornery enough that when you make
10 this mandatory I won't have cows anymore either.
11 I don't care who eats or who doesn't. I can grow
12 cows for me, but I won't, you do make it
13 mandatory I won't do it. Now I'm all for market
14 driven, the Four Sixes, it works for them and it
15 makes sense, perfect sense for them and it
16 should be industry driven. The little guy, if he
17 wants to be in that industry, he's going to have
18 to do it, I guess if he wants to get paid, but
19 don't make it mandatory for the people that
20 aren't in that part of the market.

21
22 I guess another thing I made a note on was--
23 once you get older you have to buy Walmart
24 glasses. Okay perception, some statistics in
25 trust. Some people think, well they're keeping

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1 these records and we don't trust them. I'm in
2 that ballpark, I don't trust them. But it's not,
3 it's not from a perspective of not trusting
4 you're going to spy on me, and come take my
5 cows. The USDA census, I bet it comes out this
6 year, seem to have it in my mind and I may make
7 some people mad, but you're keeping track of how
8 many cows are out there. And my perception is,
9 now the guy that's buying them knows how many
10 cows are out there, so they're not going to pay
11 me if they don't know how many cows are out
12 there. So they're going to pay top dollar
13 because they don't know how many cows I have,
14 but I just gave them my whole hand. I got 40
15 cows, well we'll give you 1000 bucks for the
16 whole lot. That's another reason why I'm against
17 this mandatory I.D. and the statistics that come
18 in the census, five-year census. Basically they
19 use that statistics, they're looking at the
20 numbers. If I was a buyer I'd be looking at
21 those numbers and saying there's so many heads
22 in Texas, this is what I'm going to pay for
23 them. If they didn't know I'd say I'm going to
24 have to pay you a little bit more because I
25

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1 don't know what the market is. Anyway, just some
2 thoughts, probably missed most of what I had in
3 my notes.
4

5 MALE VOICE 1: Thank you very much. It's
6 good to hear from a small producer. Other
7 comments? This is this is your opportunity.

8 MR. ANDY SCHWARTZ: Andy Schwartz here for
9 the recording. No, you probably heard enough
10 from me already today, but I just want to say
11 there's a, there's a value to traceability and
12 all that. I don't know if we touched on it a
13 little bit this morning, but we talked about
14 carrots and sticks and why you'd would want to
15 put I.D. in there. But I'm a veterinarian from a
16 disease standpoint and my agency's job is to
17 protect the state, the health and marketability
18 of the livestock. So our ability to trace and
19 find disease quickly and get rid of it is
20 important and to assure our trading partners of
21 the same. So I'm told I'm not an economist or
22 I'm not in the international market, but I'm
23 told that the ability to market our livestock
24 internationally adds a value of 250 to 300
25 dollars to a finish fed animal. It's worth about

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1 that much more money because we have access to
2 that international market. And so in my mind
3 that that's a benefit of us being able to do a
4 good job with disease traceability and find it
5 quickly and ensure our partners that it's not
6 there. So I just wanted to mention that, it
7 doesn't make you want to rush out and tag your
8 animal, but I'm just saying that's our
9 motivation for wanting a system that really
10 works. Thank you.

12 MS. JUDITH McGARRY: So there we go. My name
13 is Judith McGarry. I raise grass fed beef and
14 grass fed lamb in Milam County, around the
15 corner from the sale barn. I also run a group
16 called the Farm and Ranch Freedom Alliance that
17 represent small-scale producers, particularly
18 those who are involved in local and regional
19 direct marketing and I made lots of notes as
20 people were talking so this will be a little bit
21 scattered. But there were a lot of points
22 brought up, some of which are new. We have—the
23 conversation is not identical to what it was 10
24 years ago when I got involved in NAIS
25 discussions, but there's a lot of similarities.

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1 One of the things that I'm still hearing that
2 worries me from USDA from state agencies is a
3 lack of really concrete analysis of what's
4 working, what's not working, by the way not only
5 in ADT, I think you guys have done a nice job
6 and that was useful information, but what does
7 it mean to have different types of programs. So
8 for instance, - - was noted, the sheep and goat
9 industry already has bookend. How well is that
10 working? That's been in place a very long time.
11 At the same time the pork industry has something
12 very close to what is complete electronic pins,
13 every movement recorded because of the
14 functioning of the way the pork industry is
15 vertically integrated. Yet despite having that
16 complete traceability program, 2012/2013 was an
17 absolute disaster with PED for the pork
18 industry. And as part of the U.S.D.A. Annual
19 Health advisory committee, that committee in
20 2014 one of our recommendations was to analyze
21 the role of traceability in the PED outbreak and
22 to try to understand what went right, what went
23 wrong, and we've never seen that. So as a
24 producer and as someone who represents producers
25

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1 what I'm looking at is we have first of all
2 bookend system for sheep and goat that has
3 worked wonderfully well, and we're not seeing
4 problems. We have a complete electronic
5 traceability system pretty much for pork, which
6 doesn't seem to have addressed the biggest
7 disease outbreak they faced. So before you start
8 saying that the cattle industry needs to move
9 away from a bookend approach towards greater
10 electronic systems in greater numbers of animals
11 tagged, explain to me this contradiction.
12

13 Similarly, when we're talking about computer
14 models, instead of running a computer model that
15 has basically no traceability and let's see what
16 happens with foot and mouth disease with a no
17 traceability system versus a belief that we'll
18 have 48-hour traceability. Let's put more
19 realistic parameters, both in terms of what's
20 currently out there, what traceability we have
21 now, and what could happen, because even if you
22 got a full electronic traceability system, what
23 we've seen with foot and mouth disease outbreaks
24 in other countries is part of the problem is the
25 initial diagnosis. You aren't starting with a

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1 single farm or even two or three farms because
2 by the time you've gotten your diagnosis it's
3 already spread. Let's start with that as the
4 computer simulation and then put traceability on
5 top of it. So these are the sorts of data that
6 we'd like to see as producers from USDA and from
7 Texas Animal Health Commission. I realize the
8 bulk falls on USDA, but we want to see our state
9 agency doing this. There's also an issue of
10 where can we make improvement, and I think there
11 was the beginnings of hearing this in some of
12 these presentations, but I think it needs to be
13 fleshed out more clearly, which is, and actually
14 I think Neil, you were the one that said, you
15 know, just having a tag in an ear doesn't mean
16 traceability and I was glad to hear that
17 statement. But even tags plus documentation
18 doesn't mean traceability and/or it's not the
19 only way for traceability, so I heard things
20 about issues about making sure CVI rigs were
21 more understandable and uniform, state personnel
22 being better trained, that came up at least six
23 times. When we talk about electronic CVIs, I
24 will say what I've heard both from vets
25

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1
2 literally my personal vet, and then other vets
3 in other rural areas, some of them are
4 comfortable moving to electronic, a lot of them
5 are not, and we've again had this discussion on
6 the advisory committee but it hasn't really been
7 fleshed out is, instead of saying, "oh you guys
8 need to catch up with the times," what support
9 needs to be given to ensure that the vets can
10 manage the new system? Because electronic CVIs
11 have advantages, but we have a large vet
12 shortage in this country. If we start driving
13 even a few rural vets out of business that's a
14 disaster because we already have a shortage in
15 many rural areas.

16 One of the last things I wanted to bring up
17 is the question about industries and consumers
18 and who's at the table, and I'll say I was
19 particularly noted that while there was a
20 mention that the dairy industry had been invited
21 and don't be shocked that they weren't up there
22 and here's why. Daren's awesome and he did make
23 the right decision. The organics and small-scale
24 industry was not asked to be on that panel and
25 this continually happens. We hear things that

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1 they want that the small-scale producers need to
2 be involved. We need to bring them along, but
3 it's always later in the program. It's not seen
4 as a segment of the industry that has something
5 to offer. And if you want to talk about
6 perception with consumers, our industry has the
7 consumers with us. That is what we do. We are
8 selling to consumers. There is, if you're
9 reading the newspaper and the industry news,
10 frankly the mainstream industry is trying to
11 figure out how to replicate what we are doing in
12 terms of consumer trust, consumer interest,
13 consumer desire. So when we're talking about
14 what our segment of the industry needs, it needs
15 to be respected as well because we are bringing
16 something to the table. It is not simply small-
17 scale producers that somehow we need to come up
18 and bring them along to what's good for the
19 larger scale industry and further and again the
20 export market does nothing. When we are talking
21 about direct marketing to the consumers the
22 export market does not improve our
23 marketability. That's fine. I'm happy for the
24 export market to be good for other people, but

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1 does not provide any benefit to our producers.
2 So if we were looking at what works for our
3 producers and what benefits our producers will
4 see, there has to be an understanding of how our
5 market works. So thank you very much.
6

7 MR. TRACY THOMAS: I'm Tracy Thomas. I'm
8 with US Premium Beef. I've lost, Mr.
9 Hammerschmidt, there he is. Okay. Question
10 directed to you, and feel free to weave in any
11 other USDA colleagues and help. You said this is
12 meeting number nine of nine and first of all,
13 thank you for putting this listening session
14 together today. By now you've probably, if this
15 is meeting number nine as you're getting your
16 arms around your notes and prep for your meeting
17 in Denver in September you've probably heard a
18 lot of reasons how and why we do need to have a
19 mandatory ID-type system. Then you've also heard
20 a lot of the reasons as to what the challenges
21 are. A comment that I heard from Mr. Leathers a
22 short while ago and certainly we can all
23 understand and appreciate the mechanical
24 difficulty for the producers that might have
25 less than ten head consigned, I think the

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1 gentleman that said he represented a lot of the
2 60 and 70 year old and above producers just a
3 short time ago. So the comment or the suggestion
4 about the first point of installing a tag, you
5 know as those cattle would go on to a stock
6 operator, to a feed yard operator, as you
7 understand the regulations today could that
8 possibly be the first point that we could
9 install an ID tag?
10

11 MALE VOICE 1: Certainly the concept of a
12 tagging site gets us a little bit there, but I
13 would indicate that we probably would need
14 regulatory change to make it more clear that
15 that could be considered an option. Number one,
16 I like the approach this group is taking on the
17 discussion. We've identified problems and we're
18 also talking about solutions, so thanks for the
19 leadership from you guys today for taking that
20 approach. The solution that was recommended I
21 think, and others here from the USDA and Texas
22 can comment, that solution I think needs
23 consideration if we get the information needed.
24 If that tagging is done at that location and it
25 gives us the same information that if the tag

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1 had been applied at the birth premises, why
2 can't it work? It's practical. We need to
3 consider adjusting the regulation accordingly in
4 my opinion. Having said that there are some
5 states that are practicing it already because
6 the states are given the prerogative today, or
7 as agreed upon by the shipping and receiving
8 state. So there are some cattle in some cases
9 that legal market and are tagged upon working
10 the animals through the chute at the feed lot.
11 But because the states have that agreement. So I
12 think we've tried that a little bit and I
13 haven't heard back, but the states are very keen
14 on maybe that process is giving them maybe even
15 better information than what the regulation
16 prescribes for. So those are the type of
17 solutions that I think we can really make
18 headway with. I think the, I know that listening
19 sessions are public meetings across the entire
20 country, and we felt so going in there that
21 those 20 million-plus feeder cattle if they're
22 brought into the equation at some point in time
23 would create a bottleneck at the markets and
24 that's not doable and we consistently hear that
25

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1 and we understand and appreciate that. So again,
2 what are the other solutions that might be
3 workable, practical from your perspective? Go
4 ahead.

6 MR. THOMAS: So just as a follow-up, so as
7 you're preparing for your Denver meeting, could
8 we ask that you put this in your notes, as
9 something that would be discussed for further
10 consideration?

11 MALE VOICE 1: Oh definitely, very much so
12 I've got it on my pad already.

13 MR. THOMAS: Thank you.

14 MALE VOICE 1: Any others got comments?

15 MALE VOICE 2: Joe, the longer I studied on
16 your, of a way to fix this, and I've just had a
17 chance to really brainstorm over it for about 30
18 minutes. And even if you didn't get all of them
19 tagged, at the time of processing these animals
20 that come through a market would be an extremely
21 good place to start. Okay. Doesn't matter if I
22 would be on board, if ya'll said "hey we need to
23 do it for every stocker calf that I brought", I
24 would ID them after the fact that they're
25 bought. In our area, and I don't know it doesn't

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1 apply in other areas that don't tag their
2 cattle, but we have a prefix for our sale barn,
3 okay? We can go through there and on that day as
4 a person that buys these cattle, if he buys them
5 from four different markets, you know, you can
6 go to that prefix and say, okay this calf was
7 brought at Cameron, this calf was brought at
8 Athens, this calf was brought at Navasota and
9 this calf was brought at Abilene. We can keep
10 data and record of that. You've got him in the
11 chute anyway, okay? From that point, if you keep
12 the back tag number you can reference back to
13 your sale barn, and say, this ID'd calf was
14 originally back tag number 325 and it's got an
15 issue and we process this calf and it was bought
16 at your sale on Friday, July 19, you go back and
17 you pull up, pull up that work copy. We have to
18 keep records for about 10 years. We have it on
19 file, our computers have it on file. We can look
20 back and say, you know what, that calf came from
21 John Brown, there's your source. Most areas, I'm
22 not going to say this because I don't know, but
23 you might could help me. Cattle that come into
24 your market, are a lot of your cattle branded?
25

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1
2 No, okay. That would be another way that we
3 could do it too. A set of no tag calves, if we
4 could get our producers to brand them, then you
5 go back, you can trace it back there. So I think
6 this is a very viable situation that at the time
7 of process and after they've been sold I think
8 it's something that really needs to be, to be
9 looked into.

10 MR. ED MORRIS: Hello I'm Ed Morris. We have
11 a small operation in Northwest Harris County. We
12 identify our animals for our own use. We can
13 identify birth weight, slaughter weight, we
14 check their genetics as to what animals
15 progressing down have given us the best birth
16 weight and slaughter weight, but that tagging
17 that we use is for our own benefit and it helps
18 us. You talk about perception. Our market is
19 primarily one on one with our buyers. Our buyers
20 can see our operations, they can see our animals
21 and they have a perception is, they're getting a
22 healthy, healthy animal. Talking about
23 traceability is necessary for export. That would
24 be great, if we need it for export, then we run
25 traceability as proposed. But if you don't want

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1 to export then don't require them to have the
2 traceability to that extensive. Also, the
3 diseases that livestock pick up is dependent a
4 lot upon the exposure rate, how many animals
5 they're exposed to and the time they were
6 exposed. So if you have an operator who doesn't
7 expose their animals to other animals over a
8 short period, over a long period of time, or
9 number of animals, then they should be given
10 some leeway as to the requirements of their
11 tagging and accountability. That's about it.

12 Thank you

13
14 MS. SUSIE MARSHALL: I'm Susie Marshall. I'm
15 the Executive Director of Grow North Texas here
16 in Dallas and I'm also past president of the
17 Texas Organic Farmers and Gardeners Association.
18 And I just want to reiterate what's been said
19 about the need for small producers to be
20 considered in this and which market stream those
21 cattle are being sold in. And the fact that a
22 one size fits all program is not going to work.
23 It's going to drive, well, mandatory is going to
24 immediately drive some of some of our TOFGA
25 members out of cattle production just because

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1 they don't want to deal with the regulation, and
2 then others it may drive out just for cost
3 reasons. Creating a system that provides the
4 traceability that is needed for certain markets
5 makes a lot of sense. And if that's what's
6 needed, that's what's needed. But let's keep in
7 mind that not everything is going to fit for
8 every type of producer and make something that's
9 economically viable for those producers at a
10 smaller scale, makes sense for their market
11 streams, and keeps the disease traceability
12 needed. Thank you.

14 MALE VOICE 1: Do we have any more comments
15 or questions?

16 MS. MCGARRY: So I got some upset emails in
17 the last week and I don't know if anyone from
18 USDA can help me figure this out and take an
19 answer back, but there was the announcement that
20 Maryland is requiring not only official tagging
21 for any shows or exhibitions, which of course
22 would be part of the program, but RFID tagging.
23 And I have to say, I mean, I bring this up
24 partly because of the thing about the concern
25 about people not trusting the government's

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1 intentions and where you're going is, things
2 like that is, you know, it's happening and
3 they're pushing it back door. And the reason is,
4 the question I've been given specifically is,
5 why shows and exhibitions? Because yes there is
6 certainly exposure; we need very good
7 traceability from a show and exhibition. At the
8 same time you're only taking one, two, three
9 animals, you're not loading thousands of animals
10 in, so there really is no problem with writing
11 down individual I.D. numbers so why RFID for a
12 show or exhibition?
13

14 MALE VOICE 1: I'll double check on Maryland
15 specifically, but in most cases, and Maryland
16 wouldn't be the first case where a show is
17 required RFID tags for exhibition. World Dairy
18 Expo, they, the largest dairy show in the world
19 has been there for the last three-plus years,
20 but all of those requirements are from show
21 management?

22 MS. MCGARRY: This is the email I got from
23 Maryland.

24 MALE VOICE: That's what I wanted to check.
25 It is from the Department of Ag, but in most

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1 cases that I'm specifically aware of, it's been
2 the show management that makes their
3 requirements for exhibition but if we, again,
4 the state has the prerogative from an ADT
5 perspective that if they want to make specific
6 regulations more stringent they have the
7 prerogative of doing that for within their state
8 requirements. So it's not in opposition to ADT
9 because we provided that to the states'
10 authority to do that.
11

12 MS. MCGARRY: I recognize that, but the
13 reason why I brought it up to USDA, as a USDA
14 question, is twofold. One is if you want to
15 understand why producers are thinking that this
16 is a back door, it's things like this do not
17 help that situation. And the other is you know,
18 you all work very closely with the state health
19 departments. I mean it's not somehow the state
20 animal health authorities are completely off on
21 their own and USDA is in a completely different
22 room. You all are working together on animal
23 traceability so...

24 MALE VOICE 1: We'll try to add
25 clarification to that specifically.

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MS. MCGARRY: Thank you!

MALE VOICE 3: Okay. Last chance going once, going twice. Okay. Let's go ahead and take a break for lunch. Let's make it about an hour, maybe be here at 12:50, 1 o'clock? Okay. There is a restaurant here on site. There are a couple of fast food restaurants, if you take the the road you came in on and make a right, I think there are two fast food restaurants right up, within about a mile, mile and a half. Oh yes, and before we go, we're going to count off for our small groups. So where's our first non-government person? So you would be one, two...one, four? Okay. And in the back? Who's in the back, uh, number one, nobody will come over, come over here. Anybody? One, and one, two.

Okay. So when you come back, threes and fours will meet here. One, there is a, Daisy, what's that? The Rio Grande room, and Guadalupe, number two, Guadalupe, which is right across from here. So when you come back find your room and we'll get into the small group sessions where we'll talk about, each group will have a specific area to talk about. So, have a good

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1
2 lunch.

3 [END USDA_072017_After_Morning_Break]

4 [START USDA_072017_AFTER_LUNCH.MP3]

5 INTERVIEWER: Okay, if everybody wants to
6 settle in. What we're going to do is, the
7 spokesperson for each one of the groups will
8 come up. They'll have 10 minutes to talk about
9 the salient points that were discussed in the
10 group, and we'll just go through these. It
11 should take about 40 minutes. So, do we have
12 the group one spokesman? There he is.

13 GROUP ONE SPOKESPERSON: Thank you very
14 much. Okay, so our Group One topic was official
15 identification, and when is it actually
16 needed. We were asked, tasked, with 3 bullet
17 points to address: what significant challenges
18 are there, currently, when should the
19 ID actually occur, and is it a location, or what
20 permits should it actually represent?

21 And so our challenges that we already have,
22 some of this is an echo of this morning, is the
23 registration, tattoos, brands are no longer
24 acceptable for ID across state lines? There is
25 a challenge in defining each state, whenever

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1 veterinarians move cattle from each state. It
2 depends on who you talk to at that state
3 office. Some accept tattoos, some accept
4 brands. There needs to be a consistency and
5 harmonization between the states. So, that was
6 a significant challenge.
7

8 So, one of our solutions is the acceptance
9 of one ID as an official form of movement. That
10 was discussed for, for not only for cattle
11 in commerce, but that same ID to be used in
12 registered cattle with pure bred breeding
13 programs, and also natural organic or value
14 added programs. So you one form of ID; it was
15 talked heavily about using electronic form
16 of ID: some sort of RFID, or button tag.

17 But, there was also some discussion about
18 other practical methods for options for
19 producers, but with the goal of there being one
20 universal ID that would fit all programs across
21 the board. Another challenge is naturally cost.
22 We not only have a hard fixed cost of the tag
23 itself, but the cost of putting the tag in, the
24 data storage, the warrants, and everything
25 associated with that. Now what does that

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1 cost? Who pays that cost?

2 We talked a lot about that. Does it go to
3 the cow calf producer, does it go to the
4 live stock market, does it go to the end
5 user? We never really came to a full consensus
6 on how that was going to be shared, or the like.
7 But, we discussed about making sure that this is
8 a value added bonus to this.

9 If these cattle are identified, that adds
10 value to those cattle as we approach and go into
11 the marketing chain. When should the ID
12 occur? So, already, for movement of dairy
13 cattle, it's at first movement. From the farm
14 of origin that it should be applied. Then, it
15 was discussed and we came to a consensus that
16 beef cattle 18 months and older, whenever they
17 enter commerce.

18 So, cattle that are being sold and marketed
19 through livestock chains, going back to
20 pastures for breeding animals, would need to be
21 identified at that time.

22 Other times, whenever we would need
23 that ID, would be program, or disease testing,
24 and in Investigations requiring ID. So trace,

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1
2 for program diseases. So, with tuberculosis,
3 brucellosis, trich... If that was part of the
4 disease investigation, you would apply an
5 official ID at that time if that animal did not
6 already have that. [And] At any time we have
7 interstate movement of livestock, either for
8 breeding, grazing, exhibition as well. They
9 needed a unique, uniform, universal ID.

10 Then what does that actual point represent,
11 a location or premises? When does it
12 apply? So, the first point of Commerce should
13 be the location reflected by the ID. There was
14 some discussion, is that from the farm of
15 origin? That is, where is it applied. Is that
16 a producer level? Meaning that one producer may
17 have several premises, pastures, operation units
18 and one set of tags covers that. Or, does each
19 one of those, within a different state, have its
20 own unique tag, or premise ID number? We kind
21 of were able to just leave it at that. We did
22 it with a lot of discussion on that part. That
23 was what we finished up in Group One on our
24 bullet points.

25 INTERVIEWER: Would Group One note takers,

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1
2 when you get a chance, can give the notes over
3 to Daisy? If you haven't already. Group two?

4 GROUP 2 SPOKESPERSON: We had a really, I
5 think, lively and hopefully productive,
6 conversation in our group. We discussed
7 movement documents and there was, I think--The
8 bulk of the conversation started with the
9 question, "how do we get good information
10 surrounding movement information, with
11 practically and economically, and in whatever
12 form?" So, we have a lot of conversations about
13 whether or not those movement documents need to
14 be, as we consider now, ICVIs. Whether or not
15 the current ICVIs are the end answer for
16 movement documents.

17 Some folks in the room are from a veterinary
18 background, so a lot of value in having
19 veterinarian ICVIs on animals, ideally. There
20 was some recognition that, maybe that doesn't
21 always happen with ICVIs. But ideally,
22 veterinarians would take a look at those animals
23 before they ship outside of state boundaries.

24 The other side of the coin was that in large
25 parts of the country there are not large animal

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1
2 vets that are readily available. Especially,
3 you know, maybe at a market it's a little bit
4 easier to be a central location for a
5 veterinarian. But, a producer that only has a
6 handful of livestock, it's a little bit harder
7 for them to get a veterinarian out to write an
8 ICVI on a weekend or an evening.

9 So, there is some discussion about maybe,
10 maybe some alternate movement documents. Ideas
11 were thrown out about having some kind of sale
12 recap or the official ID was married with the
13 back tag number to move with no veterinary
14 inspection.

15 Just a true movement document, taking the
16 veterinarians out of the equation because
17 there's the cost of the veterinarians and
18 there's also the concern of, as we've heard,
19 veterinarians not wanting to put their names on
20 the ICVIs because of the liability that comes
21 back with it. So, there's a lot of discussion
22 about the role veterinarians, perhaps layman,
23 play in that role or in that function, and the
24 need for accountability. And, how to maintain
25 accountability that's inherent in the

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1
2 veterinarian's licensure and practice, while
3 still creating practicality and efficiency.

4 So that was kind of the crux of the
5 conversation, with respect to efficiency and
6 practicality, for how to get that information.

7 What it came down to, is that electronic
8 ICVIs, I think there was general appreciation
9 for that technology. And that obviously,
10 electronics ICVIs are probably dependent upon
11 electronic tags to be truly utilized to their
12 fullest extent. Then comes same questions: How
13 did they get in the ears, and who's going to pay
14 to put them in there?

15 I think the biggest issue was getting the
16 correct information, practically and
17 economically, varies from state to state. So,
18 what information is correct is not consistent,
19 and there was a feeling in the room that more
20 consistency would be needed and appreciated from
21 state to state. I will say just a little plug:
22 there's a website called
23 *innerstatelivestock.com*.

24 Please use it, it's very helpful. To the
25 extent, you're not. But even that, trying to

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1 keep that information updated and having access
2 to the internet, wherever you are, might be
3 challenging. If you have questions, and are
4 trying to move livestock on a weekend or an
5 evening, you can't get a hold of someone from
6 the state. That can be a little bit
7 challenging.

8
9 So the next one was, when are ICVIs needed?
10 Then, kind of the corollary, when are ICVIs not
11 needed? As they stand right now, we need them,
12 or the regs require them when you're crossing
13 state lines. There is some discussion about
14 whether or not that's good.

15 Obviously, they're good to have when
16 crossing state lines to make sure that the next
17 state takes them. You know, we don't want to be
18 met at the border and be told, "hey, you can't
19 bring those cattle into Nebraska because you
20 don't have an ICVI, or the appropriate ICVI, on
21 them. But, there's also a lot of discussion
22 about diseases don't see state boundaries. If
23 you're moving intrastate and technically don't
24 need an ICVI and thus don't have any kind of
25 movement document, that's not true traceability.

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1 So, there's a lot of discussion on when ICVIs
2 are necessary.
3

4 Finally, we talked about how can electronic
5 ICVIs be beneficial to producers, veterinarians,
6 and animal health officials; and obviously, ease
7 of use, consistency, accuracy. All of those
8 would be benefits of electronic ICVIs. The
9 issue again, would be if you're currently using
10 physical ID tags rather than electronic, then
11 you have transcription issues.

12 You have to have somebody manually entering
13 those, so that's challenging. Views are ID tags
14 again, challenges of cost, and who's doing it.
15 In terms of some suggestions: we actually had
16 some suggestions, to increase use of electronic
17 ICVIs from the veterinary community. Would be
18 to make a financial incentive to use them. I
19 guess there's currently a fee for using an
20 electronic ICVI and it's cheaper to use a paper
21 one?

22 I've been told veterinarians are cheap, just
23 like the rest of us. So, if electronic ICVIs
24 were cheaper, and that paper ones got phased out
25 because they became more expensive, there was a

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1 feeling in the room the veterinarians would be
2 more likely to want to use that technology.

3
4 The next idea was to use, more for the
5 electronic ICVIs, have a more intuitive form.
6 If you fill out a phone contract online and you
7 put in the wrong name or the wrong address it
8 kicks it back to you before it even submits it.
9 That's I guess, not how they work. So, it
10 submits to the state that they're going to and
11 then it gets kicked back. Maybe after the
12 livestock have already left, or at a later date.

13 So, there was the idea, and it seems like a
14 pretty simple programming one that, the software
15 itself prevents submission until all the
16 information is put in appropriately. Again,
17 just in terms of the benefits across the board:
18 faster, less environmental impact, less use of
19 paper, and having to store those papers, or
20 having redundant copies in terms of disasters
21 that storage facilities. So, that was that was
22 Group Two on movement documents.

23 INTERVIEWER: Thank you. Group Two note
24 takers again, get your notes over to Daisy.
25 Group 3?

1
2 GROUP THREE SPOKESPERSON: We've got the
3 neatest page up here. We talked fast and I
4 decided our group would agree we couldn't agree
5 on anything. One of the things we talked about
6 was traceability, and kind of wondered if long-
7 term would be like, maybe 100 % should be a
8 goal. Then we argued if it was really practical
9 to shoot that high. Short term, after listening
10 to everybody, I thought maybe 70 %, talking two
11 to three years. Then it kind of shifted to: why
12 would it get that far, and what would happen
13 next?

14 We think there might be some financial
15 benefit, data acquisition, little things run
16 smoother in between states, that maybe it would
17 advance from the 70 %. That's short term, the
18 obstacles to deal with was nobody could really
19 decide for sure what type of ID we wanted to
20 use. We're kind of leaning toward the
21 electronic stuff, like the previous speaker
22 about less paper.

23 But, whether or not that really happens, and
24 then some of the smaller producers. We've got
25 our records, we know what's in our closed herd.

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1 We think this will work, but if we're shipping
2 internationally, how can we assure China, South
3 Korea, Japan, the European Union that this is
4 how the U.S. does it, and you can buy this
5 stuff?
6

7 One of the things was it would be a thing
8 with the tagging that we volunteered and was
9 market driven, because we still think the
10 financial benefit early on would be there for
11 the producers that were doing it. We realized,
12 as time went on, it wouldn't be so much a
13 financial benefit but you wouldn't be discounted
14 because, because you were doing it. Somebody
15 else wasn't, and they might end up paying more
16 because they didn't have the identification.

17 We were hoping to get to electronic database
18 for it. The plus was for herd management, plus
19 disease traceability, and to recognize the
20 different segments of the cattle industry. As
21 far as farm cattle, concerning dairy, and beef,
22 and the bison. A lot of talk was about feeder
23 cattle, too. That if we brought him some place
24 and he really wanted to trace them. If we could
25 get these feeder calves, somehow tagged or

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1 implanted so that we knew who they were. Then
2 these guys would also be doing replacement
3 heifers, [inaudible], bulls, that would carry on
4 into the adult herd. We add it back to the
5 calf, that would go into the adult herd. Pretty
6 soon the smaller, or this larger farmer to have
7 everything that was ID'd.

9 INTERVIEWER: Thank you. As with the other
10 groups', notes over to Daisy. Group Four?

11 Group Four Spokesperson: Thank you. So, if
12 I misspeak anything that the group decided,
13 please jump in. Sunny can correct me, or any
14 other participants. So, the first question was:
15 should feeder cattle be added to the system?
16 The easy answer was yes. Then it gets really
17 complicated after that: what, when, where, how,
18 etcetera. That it would be adding feeder
19 cattle, it would be ideal to trace them back to
20 the premises of birth.

21 But, that won't fit every circumstance.
22 That it's going to be a challenge to enforce, or
23 preferably it'll be incentive driven and market
24 driven. That we should maintain approved
25 tagging sites and the ability to tag at the

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1 change of ownership to the gentleman's proposal;
2 which is a really good idea. Even maybe, after
3 the sale at a different premises.
4

5 Bottom line is to build in maximum
6 flexibility, so that the auction market that only
7 has a set number of hours, three to six hours to
8 move through several 100 to a few 1000 heads
9 should not be burdened with this. That's the
10 takeaway, and I think there's strong agreement
11 to that.

12 I've already talked about it being a market
13 driven system, addressing gaps in the current.
14 Before this starts however, before feeder cattle
15 get added, is that we first need to address the
16 gaps in the current system. That we should go
17 ahead and begin planning, so that interested
18 stakeholders should come together. We should be
19 planning how feeder cattle would be added, so
20 that we don't wait until the full implementation
21 of ADT adult cattle moving intrastate before the
22 planning begins.

23 There should be exemptions for certain
24 classes of cattle. If your marketing your
25 cattle directly to the end consumer, those

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1 cattle could be exempt. There are other
2 examples that I'm sure will be in the report.

3 That dealer tagging is an issue as far as
4 maintaining traceability in the system, and just
5 how that would function and operate. The
6 question about cattle moving off lease tweet
7 pasture or at least grass. At least pastures of
8 any kind that have absolutely zero facilities,
9 how is that all going to be handled?

10 Not that there would be an exemption there.
11 But again, that maybe what happens downstream at
12 another more capable facility. As far as, again
13 back to the enforcement, but I want to emphasize
14 that the desire for this to be market an
15 incentive driven instead of a top down forced
16 upon us by regulations.

17 That, in fairness, that it should be
18 implemented across the board. In fairness to
19 the market auctions, the private treaty sales
20 have to be included. So, we just gotta figure
21 out a way in the world of feeder cattle
22 transactions, that private treaty is also a part
23 of this and are not exempted. That if we're
24 going to go to the trouble to tag these cattle,
25

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1 our goal ought to be an RFID tag.

2 We know that not in all instances, or that
3 won't be appropriate in all instances. But, in
4 the vast majority of them, we should be focused
5 on RFID tags for a lot of reasons. What are
6 what are the issues of concern that we had as a
7 group, if we excluded feeder cattle from RFID.
8 The issues that were identified were market
9 access, first from an international trade
10 perspective.

11 But, as the questions about where my food
12 comes from continue to arise among U.S.
13 consumers, there will be more and more of those
14 kind of pressures. Really, it's going to be
15 driven from the retailers. We spent a lot of
16 time in sustainability discussions, the US
17 roundtable, our organization, as well as others.
18 So, we're seeing first hand these demands by
19 Walmart and McDonald's, and I don't think those
20 are going to go away any time soon. They'll
21 probably get a bit more challenging.

22 Then also, as far as reasons we should
23 include feeder cattle obviously, if we get into
24 a foreign animal disease outbreak FMD, the
25

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1 spread of that is going to be much more likely
2 from feeder cattle than adult cattle.
3

4 As far as a timeline, what is a realistic
5 timeline? So, you'd just pick a date out of the
6 air, or do we try to incorporate that with
7 practically how could we, when would we, and how
8 will we be ready for adding feeder cattle?

9 So first, it's going to be for performance
10 based, as far as the current ADT system, when we
11 get the glitches worked out of that. Then,
12 continue working on these discussions about, as
13 we move forward in fixing those. I've already
14 touched on this but be prepared to add feeder
15 cattle, as we get the ADT system up and running.

16 Not up and running, but but working at a
17 higher level than it is today. That the
18 infrastructure, including tags and readers, and
19 all supporting infrastructure, is available
20 before feeder cattle get added. So, that's
21 going to take - -obviously with a lot of this,
22 is going to take a lot of communication from all
23 the stakeholders and among all the stakeholders
24 moving forward with this issue of when do we add
25 feeder cattle?

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1 ANIMAL DISEASE TRACEABILITY 7-20-17 176
2 At the level of feeder cattle, the question
3 was what is our goal on the percentage, or the
4 universe of US feed cattle population to have in
5 the ADT system? We really don't have enough
6 information today to answer that question. So,
7 we ask that the USDA epidemiologist work with
8 the industry to try to establish those goals,
9 really in a scaled up fashion. If you want to
10 start with a certain confidence level, if you
11 start with a certain percentage of the feeder
12 cattle population, we don't just need to start
13 with a goal of 100 % of the feeder cattle
14 movement and transactions in the US.

15 It needs to have some science based, and
16 then USDA to provide data on traceability on
17 traceable with bookend versus current system.
18 So again, are we going to design this in a way,
19 which I think it was the group's consensus, that
20 this should be a bookend system? There may be
21 some point in time, down the road, that a
22 tracing of all movements would be appropriate.

23 That's another, correct me if I misstate
24 this, but my takeaway on that discussion was
25 that's another group discussion at some point in

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1 time before you ever get to tracing the
2 movements of all the feed cattle versus the
3 bookend system. So, Sonny or others? My friend,
4 my new friend from Arkansas, who has added a lot
5 to this discussion, or anybody else, did I leave
6 anything out?
7

8 [Inaudible]

9 GROUP FOUR SPOKESPERSON: Thank you.

10 INTERVIEWER: So, are there any questions of
11 any of the groups, would anybody like to ask us?

12 FEMALE VOICE: One of the things that was on
13 the second page of Group Three was a discussion
14 of what is traceability? This really held us up
15 a lot, and no consensus was reached. But, there
16 was a question raised of it about these specific
17 IDs with these documents, and that's what
18 traceability is, or can it be a mix of things?

19 So, for instance, the example that was put
20 at the very top, was one idea was tagging cattle
21 it when they hit the feed lots with RFID. RFID
22 would include the information that goes back to
23 the back tag from the sale barn, and relying on
24 the sale barn records to go back further. When
25 we talk about a goal of traceability, is it ID

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1 plus document, or is it the function of
2 traceability?
3

4 INTERVIEWER: Anybody else? No? Dr. Scott,
5 would you like to make some closing remarks?

6 DR. SCOTT: Yes sir, I would. So, thank you
7 all, and I see everybody kind of heavy eyelidded
8 and drooping down, but for me, this has been
9 maybe, the most exciting of the meetings that
10 we've had.

11 I really commend you guys, we've heard lots
12 of different viewpoints. We had lots of
13 different thoughts and ideas. But, the thing
14 that I think I'll remember most about this
15 meeting is that you guys here in Texas step
16 forward with issues, but you also step forward
17 with some solutions. Not necessarily the
18 solutions are all going to work. That was the
19 purpose of coming here was to do some
20 brainstorming, let's figure out what we can do.

21 So, working for USDA, it's frequently we go
22 and we have people line up out in the hallway to
23 tell us what's wrong, and what the problems are.
24 But, when we come forward and say, "guys, we
25 have, we have all of these problems. What can

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1 we do? How can we as an industry, and state
2 partnership how can we solve them?"

3
4 So, I think I have seen that more here in
5 Texas than in any of the other meetings that we
6 go. I think you guys outta give yourselves a
7 pat on the back or a little round of applause,
8 or something, because you've done a pretty
9 impressive job at this meeting. I know I've got
10 a lot of notes that I took, and our other note
11 takers, too. We have a lot of stuff to digest,
12 and think forward on.

13 A few things that I've heard that was our
14 purpose for being here, was to listen and not to
15 write. As I said earlier today, not to write a
16 regulation. If that regulation comes about,
17 then that's what'll happen, but we need to hear
18 those solutions and explore everything that
19 there is to solve the problems first.

20 I've heard things, certainly a lot about the
21 cost. Interesting thing that I've heard is, for
22 some people, the cost of identification is
23 actually a benefit. I think, Mr. Lether
24 [Phonetic] has described that pretty adequately
25 this morning for the four-sixes. Other people

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1
2 with concerns about the cost of doing it, and
3 actually being cost, and questions about who
4 pays for it.

5 We talked a lot about beef cattle in this
6 meeting. That wasn't a major topic, but it's
7 really encouraging to hear folks talking about
8 issues with disease traceability and it seems
9 like it would be pretty obvious to think that
10 the beef feeders get sick, too.

11 That seems like an obvious thing, but we
12 have talked about that. We have begun thinking
13 of ways that we can use traceability to control
14 diseases in there. So, that was a good thing.
15 Got a lot of folks talking about voluntary and
16 market driven. I think Greg made a really good
17 point. Just a little bit ago. He said, "well,
18 it's got to be voluntary and market driven."
19 They were talking about mandatory and he said,
20 "well, not mandatory by the government, but the
21 markets would make it mandatory." So, that's
22 kind of an interesting concept to think about,
23 too.

24 We talked a lot about electronic management
25 of traceability databases, and tags alike. That

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1
2 it doesn't fit every person's circumstances and
3 situations, that makes a lot of sense to me.

4 I think I'll ask some of our other folks for
5 some key points. Sonny, what did you hear
6 today? What are a couple things that you heard?

7 MS. SONNY: I think a lot of the same things
8 that you did, market access, or market driven
9 was definitely one of them. I think some
10 consistent themes, also from previous meetings
11 as well, is thinking of not only smaller
12 producers, but just producers that don't work
13 their cattle. Otherwise, you know, requiring
14 them to put a tag in doesn't mean it's going to
15 be done, and how do we incentivize that? Or
16 make it more of a benefit to them, or address
17 the challenges in that regard so that it's not
18 dealt with at the market?

19 The markets can't be responsible for
20 tagging everything. Again, enforcement, you
21 know, making sure that's across the board.
22 Definitely interest in including feeder cattle,
23 at some point in time in the future. But, a lot
24 of issues to address ahead of time.

25 NEIL: You know, I appreciate the

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1
2 opportunity to comment. I think the key points
3 have been covered from my notes but again I'll
4 duplicate your comment about thanking you all.
5 Not only for identifying the challenges and
6 opportunities, but bringing forward solutions.
7 I think that's been a great help from you all
8 today. Very much appreciated. So thank you.

9 INTERVIEWER: Thanks, Neil. I had one other
10 thing in here that I had marked, and that was
11 when to tag animals. We heard a number of times
12 about tagging cattle in the markets. That's
13 pretty logistically infeasible in most places,
14 that isn't going to work. So, some of the
15 discussions as far as when to tag, tagging after
16 a change of ownership, or that sort of thing,
17 those were good discussions.

18 I want to tell you guys, you were probably
19 the best audience that we have had in thinking
20 of solutions to problems rather than thinking of
21 problems. But, you guys didn't come out on top
22 on the numbering off for the groups, you were
23 tied with the Nebraskans.

24 The Nebraska guys, they were pretty slick.
25 They went down the line. They could get to four

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1 every single time. It was 1-2-3-4, 1-2-3-4. I
2 couldn't believe it, and to be honest, in
3 Nebraska, I wasn't expecting that. I was I was
4 expecting them to be just a little bit, a little
5 bit slower. So, go home. Next time I want the
6 Texans to beat the Nebraskans. That's got a
7 gotta happen. Dr. Schwartz, do you want to... any
8 comments or things that you heard today?
9

10 DR. ANDY SCHWARTZ: Thank you Dr. Scott, and
11 all of you. I know you been thanked already,
12 but it really means a lot that you go out of
13 your way and come here and voice an opinion.
14 We're strong people, we can handle those
15 opinions. We'll hammer something out and go for
16 it. I like that market driven system, but
17 that's voluntary and it's only made mandatory by
18 the marketing itself, so I like that concept.

19 I hope we can build on that. I liked
20 hearing so much support for electronic ID and
21 electronic documents. I think that's definitely
22 moving in the right direction. I heard a lot of
23 interest in traceability. I think Greg said it,
24 "womb to tune" was his term. Tracing farm of
25 origin to slaughter is desirable and in most of

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1
2 our eyes. But, we've got to be realistic and
3 know that we also have to accommodate different
4 operations, direct to consumer operations, small
5 farmers. All that, that just can't support a
6 system. We still need traceability, and it
7 doesn't mean the same thing.

8 It doesn't mean you've got to have this
9 official tag and that animal to be traceable
10 necessarily, so there are ways to accommodate
11 that. I think as we get as we move forward, we
12 have to set attainable goals. Keep it simple
13 and set good, strong examples for that for the
14 state and the rest of the nation to follow. So,
15 I'm encouraged that the group talking about
16 feeder animals was willing to at least consider
17 that not adding it now. But, to fix some issues
18 with the current traceability system, but not
19 weighed on those discussions until it's
20 completed.

21 Let's those discussions now, and add that as
22 facilities are developed, and the technology is
23 there, and the support is behind it. So, and I
24 appreciate the comments Dr. Scott about this
25 group. I saw that, too. Coming up with the

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1 solutions to the ideas for projects, and ways to
2 move this forward.

3 I really like, that's sitting in my seat.
4 It's good to hear that we have a direction to
5 go. So again, thank you. I think I enjoyed
6 working with Mike Pruitt [Phonetic] as always,
7 to get the panel chosen and get this set up. So
8 Mike, thank you. I don't think I told you that
9 yet, but I thank the rest of the USDA for having
10 this session, and travel safe going home.

11 INTERVIEWER: Thank you, Andy. Dr. Pruitt,
12 we're kind of going around to some of our
13 officials here and seeing what- -This listening
14 session, so it's kind of a nice thing to have
15 some feedback on what we heard. Can you give us
16 a couple things that you've heard today?

17 DR. MIKE PRUITT: The one thing I think
18 really kind of came out of this, was getting to
19 sit down with a lot of producers, and not just
20 cuss. Okay? Alright. But, to sit down and
21 identify problems really; and be free and feel
22 good enough that you could share your opinions,
23 and be ready and willing to offer solutions.
24 It's not one of those things you know?

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1 I had a pathology instructor that was pretty
2 well known at my college. I set up a deal and
3 actually studied, and got ready. I had my heard
4 some insider trading information, and I get
5 ready for him. So, when it came time he asked a
6 question and I just blurted it out.
7

8 He looked at me, he said, "you know what,
9 son? Everybody's got, you know, one person that
10 might agree with them, but only one." Okay,
11 here we're getting a lot of people who don't
12 always agree with each other, but we're ready
13 and willing to work to resolve some issues.

14 We had to get in here with you guys. We had
15 to listen. We had the talk. Now, Joe
16 challenged us big time last night. I think he
17 did it again today. You know, you gotta quit
18 talking. Okay? We got to come up with ways to
19 make this work.

20 The way we do that, is we identify the
21 problem. We would be willing to move towards a
22 resolution, and then we be firm enough to make
23 sure the thing is taken to task. We'll go to
24 work. So, I was very, very pleased with my
25 session with Kenny and Joe a lot of the folks in

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1 there. We sat down and, you know, certainly,
2 the hair on your neck is up a little bit as you
3 go into some of these, that's fine. You need to
4 feel comfortable enough to speak your mind, have
5 your opinion. As we moved along, you could see
6 the entire group move from that, to more or
7 less, a feeling of consensus and cooperation.

8 We could see this, we have to work
9 together. So, from what I got out of this;
10 guys, we don't always agree on everything. We
11 don't have all the answers, but there's an
12 opportunity, if we listen to each other that we
13 can come up with resolutions for this.

14 I bought in on mammals, these traceability
15 years ago. I was an academy consultant member
16 for a long time. That started back in '97, this
17 is 2017. Like Joe, dang, 20 years. We had to
18 come up with it. We gotta get there, be willing
19 to work, and just quit talking. So, this was
20 very productive for me.

21 I'm excited about Kenny and a lot of other
22 folks. Thanks to all the panel members. You
23 guys are fantastic. For the participants,
24 again, you weren't afraid to speak your peace.

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1 That's what this is about. It made the meeting
2 worthwhile for all us, thank you.
3

4 INTERVIEWER: Thank you, Mike. Okay, we're
5 just about ready to go home and one other thing.
6 When we go forward on this, we have these
7 listening sessions and we get some pretty good
8 turnout of folks and we hear lots of things.
9 But, if you think about the nine or ten states,
10 there are meetings that we've gone to and we
11 heard messages. Some of them are the same
12 messages from organizations. Some of them are
13 from individuals, but it's really kind of a drop
14 in the bucket of the whole country.

15 We, if it were realistically possible,
16 would love to hear from every cattle producer in
17 the United States. That isn't going to happen.
18 So, as we talk about policies, or actions, or
19 things that we do, we tend to try to make the
20 most people happy that we could make. One of my
21 personal fears is that we hear from people who
22 make the most noise. Sometimes that's the
23 majority of people, sometimes is not the
24 majority of people.

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1
2 It doesn't represent all of the thoughts of
3 everyone has. So, I would ask you, I would
4 plead with you when you go home you can send us
5 written comments. Sonny, the website address
6 for *regulations.gov*. It's in your folder, send
7 those comments. I kind of grit my teeth when I
8 tell you to do this, because we do read every
9 comment that everybody sends.

10 Send those comments. They're important, and
11 they're your voice, they're the voice of your
12 neighbors. Lots of neighbors aren't able to
13 make it here, aren't able to present their
14 thoughts. You may go home and have a- -I should
15 have said this moment, please send those
16 comments. Those are really, really important, so
17 thank you again.

18 I hope that I see Texas leading a lot of the
19 things that this nation does with traceability.
20 I think I can see that from you all, so very
21 much appreciated. Travel safely. Thanks to all
22 of our folks here that participate in the
23 meeting, and thanks to you all for being here.
24 So thank you, travel safe.

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ANIMAL DISEASE TRACEABILITY 7-20-17

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