

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

**Animal Disease Traceability Meeting, Billings,
MT, May 24, 2017**

[START RECORDING MAY 24 AM SESSION.MP3]

MS. JAN GRIMES: [background noise]

[crosstalk] Good morning. We're going to get started in about five minutes, so, if you'd like to get a cup of coffee or water and then get resettled, a five minute warning. Thanks.

[background noise] [crosstalk] Good morning.

[background noise] [crosstalk] We're going to go ahead and get started. Have a nice size audience here, that's really wonderful to see.

Welcome to Billings. And this is the seventh of nine scheduled public listening sessions around the Animal Disease Traceability System. Our goal today is to learn from you, the producers, ranchers, market managers, animal health officials, just about how ADT is working in your real world for each of you. We are interested in learning about what has worked well and why, what is still a challenge, and how might we address some of those challenges? So, before we get too much into our program, I'd like to introduce myself. I'm Jan Grimes and I work with the Animal and Plant Health Inspection Service at their headquarters in Riverdale,

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

Maryland. I'd also like to point out my colleague, Ben Williams, who is also from Riverdale. We are not animal health experts in any shape or form, we are social scientists, we are policy analysts, and our job today is just to act as your host through, through the agenda. But, we do have lots of animal health experts here from USDA and the Montana Department of Livestock. We have Dr. Martin Zaluski [phonetic] who is the State Veterinarian, Tom Linfield [phonetic], the Assistant Director, and we have Aaron Scott who is the, one of the epidemiologist that works heavily with ADT coordinating all of our efforts out of Fort Collins, CO. These individuals recognize how, just how important this issue is to you and they're here today to listen and to learn and to help you figure out ways to improve the system. So, I encourage you to introduce yourself to those individuals over the course of the day and to share your thoughts and challenges, because they really do want to understand what, what's working and how we can make things better. But, most importantly I'd like to just give a general

thank you to all of you, all of our guests that have come. We know that spring is a busy time of year for you guys, and gals, and it, it's not always convenient to just get in the car or get in an airplane and come to a meeting. And so, we are really hoping that today you find all of this to be really useful. We have designed the day so that there are opportunities to listen to a variety of different views about ADT and it is our hope that all of us will come out with a better understanding about, you know, some of the nuances that you all are facing that maybe we haven't thought about or exactly what, how small things could make a big difference regarding your work every day with livestock. So, we are really, really happy that you're here and we hope that you take the opportunity to share. So, I just want to kind of briefly go over what's in the, you have packets in front of you, and go over our general agenda for the day. First, we're going to hear from USDA and State Agricultural officials, just kind of getting everybody realigned and calibrated about where ADT is going or what, what is, what's currently

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

the status, and then we're going to have a little bit of a conversation about the assessment that we've put together so far about how this has worked, and just so that everybody kind of starts off with the same basic understanding of where we have been and what have the results been thus far? The second part of the day we're going to have an in--, we've invited a wonderful group of panelists to come up and they are going to be sharing their personal experiences about ADT and we, you, will have an opportunity to ask them specific questions about what they've just shared. After that we're going to take a short break and we will move into what we call the open microphone session and this will be an opportunity for us to hear your thoughts, to provide input about all aspects of it and maybe, maybe even tangential issues associated with ADT that make a difference to you. After that open microphone session, about 11:30, we're going to try to break for lunch, and when we get there I'll, there are suggestions of places that are nearby. Lunch is on your own, and we're going to set

1 aside about an hour or an hour and 15 minutes,
2 roughly, for, for lunch. But in the afternoon,
3 hopefully everybody will come back, and this is
4 where we will break out into smaller groups and
5 really have an opportunity to work through some
6 of these areas around ADT that have been
7 impacting your every day life. So, we'll give
8 in further instructions later on about those
9 breakouts, but we'll do in the afternoon some
10 in--, some smaller group work and then we're
11 going to come back at the end of that and just
12 have the large group reshare what they've
13 learned and what you've discovered in some of
14 those smaller more intimate conversations you've
15 had. So, also in your packet, you have the
16 agenda for the day, you have a couple of
17 handouts around ADT basics, you know, the basic
18 requirements, the way the role is written now.
19 We also have, and it, the, a couple of handouts,
20 the assessments data, so that when folks get up
21 and start talking you can have that in front of
22 you to look at. And you'll also have, you'll
23 also have discussion topics that are stapled in
24 there in probably the back part of your folders,
25

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

and these will be the topic areas. The general topic areas, and we'll spend some time on this afternoon. So, if you don't have all those items, let us know. The folks out at the registration table have more packets and we can get you anything you'd like, or if you'd like to take multiple copies home, you're welcome to do that. Just a couple of housekeeping announcements, when you walk out this exit door, where the reg--, just past the registration tables, the restrooms are just to the right. We ask that everyone have their cell phones on vibrate, just because we are recording this meeting today because we want to make sure we capture all of the good discussion and if you hear a lot of ringing and songs playing, ringtones, it sometimes is a little bit distracting for the recording, so, we ask that you put those on either mute or, or vibrate. I think, again, we'll talk about where luncheon spots are when we get there and I, I guess the only other thing is if there is any kind of an emergency or fire or some kind of, you, obviously you see the exit doors and these two

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

right here are probably straight outside, so, just want to make you aware that there are, you know, where you would want to go immediately if something were to happen. I think that's everything I have. So, at this point, we, I'd just like to kick us off and have, and invite Dr. Martin Zaluski to come up and give a few opening remarks from the State of Montana.

DR. MARTIN ZALUSKI: Hey, thanks so much. Really appreciate the attendance today. I want to say, you know, welcome to Montana for some of you that have traveled far, I know a lot of old faces but I also see a lot of folks I haven't met before, so I really appreciate you guys making the trip. Hopefully it's a productive meeting and it's a good use of your time. We have been working on traceability for what seems like a decade, well, it has been a decade and we've made eno--, a fair bit of progress and we really want to have this gathering and this opportunity to hear what's going well, what's going to be improved, and as we go forward. This is a fantastic location for a traceability meeting 'cause we are, I think we have a unique

place in traceability, being a large Western state, we have a very robust brands program, brands enforcement program, and I've discovered during my tenure here that we use both systems and we leverage the information that's provided through the ownership inspections but also identification and we, basically we use every tool in the toolbox. And so, neither one can replace the other, but each one of those can help when we try to trace animals and see who owns an animal and what goes where. So, again, I really appreciate you being here. There are several folks from our department here, Emily Kaleczy is in this, is on this side of the room there, raise your hand, Emily. I thank you. Dr. Tahnee Szymanski is over there as well as Travis Elings one of our brands enforcement folks, so, Area Supervisor, actually. So, if you have any specific questions for the Department of Livestock, they are there to help out and answer your questions. And also, take advantage of the capable USDA staff that have organized this meeting and that has been critical to many steps of the program so far.

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

So, with that, that's all I really have to say, I'll see you a little bit later on the panel, and thank you, again, for all of the panelists that decided or that were able to commit their time to provide their expertise and kind of get the conversation started. So, hope the day is good. I have high hopes and expectations and looking forward to visiting with many of you here over the next few hours. [applause]

MS. GRIMES: And next, Dr. Aaron Scott from USDA is going to come up and share a little bit as well.

DR. AARON SCOTT: Hi guys, welcome all to this meeting. I'm really glad I got to see you here. I got to visit with a few folks this morning before the meeting and in some ways I wish we had, like, three hours to sit and talk and then to sit at tables and visit, but hopefully you get an opportunity to hear everyone. I don't have a speech, guys, these are my notes and I have, like, three things written down here that I want to tell you before we get started. The first one is that the purpose of our meeting is to talk about ADT,

about the traceability that we have in the United States, how well it's working for you, what's not working, what things could be fixed or not. We--, that's the goal of the meeting. The second thing, and I've heard this at other meetings where folks come in and think that there is some rule that's being written or a regulation that somebody back in an office somewhere is drafting, and that isn't the case. We're here to listen to what you have to say about the traceability, we're here to identify gaps and problems that you may see and hopefully solutions, finding problems isn't going to solve anything, finding solutions to those problems will. So, that's what we're here for. I had one fellow that I visited with, and this was in Denver, I think, and we were one and one talking and he said, Dr. Scott, he says, what's USDA's agenda, what's your goal? And I thought, well, what is our goal? And so I told him, I said, our goal is to protect our industry, to protect and promote our industry and he says, and a full traceability system is the best way to do that? And I said, well, yeah, that's probably the

case. I said, but what we want to do is balance that with the needs of the industry. And he thought about that for a minute and he said, yeah, that's beautiful, that's what we want. And so, I repeat that to you here, I am, by training, I am an epidemiologist, I am a disease specialist. I've worn a lot of hats through my career, the biggest part of it was on a cattle ranch in Colorado and another big chunk of it was in private veterinary practice. So, I've had different perspectives and today I oversee some of our programs in veterinary services. The most pertinent ones for here is animal traceability and our veterinary accreditation. So, I've worn a lot of different hats and I have different perspectives, and recognize it, I think it's kind of a no brainer with traceability that you don't have to do computer models and all sorts of things to recognize that if you want to find diseases that being able to find where the cattle came from and what animals they were exposed to is pretty good idea. And if you can't do that then probably you can't find the diseases. The third thing that I

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

wanted to tell you is why the traceability, why are we doing it, why is it important? Our APHIS [phonetic] administrator has listed it as one of his top ten priorities and in other countries his counterparts, the Ministers in other countries that oversee animal health have also listed it, and it's because of the disease control, it's because of the, being able to find where cattle have been, find out what they are exposed to and what diseases there are, and not just for Foot and Mouth Disease, the, hopefully we never see that, although I would, I guess, wouldn't be surprised if that shows up at some point in my career, but also other things, things that we see in this country all the time, like TB and Brucellosis and I think Sunny is going to have some data that she'll show you a little bit later on actually tracing some of the traces that we have done for TB. And when she shows you that data it impressed me, at least, as a disease person, because of the traces that she did, there were some of them that we never found, in spite of all of the money and all of the efforts and the weight of the work that

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

people did to try to find them. And what that means is those were TB cases that were confirmed positive, they were animals that were found at slaughter that were confirmed positive, positive TB cases, and never, never traced. And each one of those means that somewhere there's a TB herd that they came from that we weren't able to find. So, I'll let her talk about that and the disease. So, those are the three messages that I wanted to give to you, first of all that we're here to listen, we're, we'll present some information, Sunny and Neil as we begin the morning to give a little bit of background, but then the day is yours. We want to hear what you have to say, we want to take messages, we've got people taking notes, we've got some folks here from, not just the State but also from USDA that you can corner in the hallway and you can visit with and talk. What we hope to do is compile notes and the thoughts and the ideas from people that we are able to visit with this summer and talk to, we'll compile all of those notes, they'll be in a summary report that will be presented at an NIAA forum in September coming

Ubiquus Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

up. There is no, again, I'll repeat it again, nobody is writing a rule right now, if that needs to be done, if there are changes that need to be made, adjustments, new regulations or whatever needs to be done, that will come out of what we hear from you all and from other folks around the country and those discussions will begin, if they begin, in the fall after that September forum. So, those are the messages that I want to give to you. Hopefully we can visit, we can get down into some details and hear what you all think. I would prefer, I guess, to sit down and talk one on one, so, if anybody wants to visit individually, talk to me, talk to Sunny or Neil or any of our other friends from VS or from the States. We will have an open mic session after the panelists, so, everyone will have an opportunity to speak to the group as a whole. So, between the individual conversations and the group conversations, we, I hope at least we can hear what everyone has to say at this meeting. So, thank you all very much, I really recognize how difficult it is to travel and leave home and go

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 sit in a god awful chair all day long, you know,
2 in a meeting, but, you know, it's really
3 important and definitely appreciated. Yes, sir.

4 MALE VOICE 1: Could you please clarify, you
5 said that the report would be given to the NIAA?
6 What is that?

7 DR. SCOTT: The National Institute of Animal
8 Agriculture. It's like the US Animal Health
9 Association.

10 MALE VOICE 1: Is that government sponsored?

11 DR. SCOTT: No, no, no. It's, it's not.
12 The NIAA and USAHA are organizations composed of
13 State and Federal people, but other industry
14 representatives from all sectors of the
15 industry. It's a public forum, you're invited,
16 certainly, I think, I don't know the, well, I
17 think it's actually on their website already but
18 it's September 26th to the 27th. It's a forum,
19 there will, it's a meeting, there will be
20 presentations and talks and discussions and so
21 on there, and then the, there's a group putting
22 that summary report together. So, you'll be
23 able to see it. We're hearing lots and lots of
24 messages from people all across the country and
25

a number of them are kind of coming together with some key points. So, if you are available in, toward the end of September, it's in Denver, so love to see you there, it'd be great to have the turn out and, and have you come and visit.

MALE VOICE 1: Just for clarification, this government makes a report, the purpose of which is to deliver - - ?

DR. SCOTT: No. No, the purpose of it is-

MALE VOICE 1: [interposing] It's nongovernmental.

DR. SCOTT: --the purpose is to provide a public report of what we hear, so public is not, government is not a private entity, it is available for everyone.

MALE VOICE 1: Thank you.

DR. SCOTT: So... So, that's all I have, so, so I think let's roll up our sleeves and get started. So, thank you all again. [applause]

MS. GRIMES: So Neil, are you, Neil Hammerschmidt [phonetic] is going to kind of calibrate us about what are the basics of the current system.

DR. NEIL HAMMERSCHMIDT: Thanks, Jan, and

good morning to everybody, great to see you all here. There is some faces that I haven't seen for a few years, so, it's great to be out in this part of the country again, I appreciate you being here. I'm not going to spend much time, I wanted to do a quick review of what we did a few years ago when we established ADT, Animal Disease Traceability. And our focus today will be on cattle and bison, it certainly covers the other species as well but sheep and goats, for example, is covered in the Scrapie Regulation [phonetic] and we've got enough to cover today without going in to some of the other regulations. We're talking about traceability for livestock moving interstate and I'll discover some of the key principles that we established many years ago and then Sunny will give the assessment report on the progress we have made since that point in time. Reminder of the key principles we established. We wanted to continue to build upon the infrastructure that is established through disease programs prior to ADT. More emphasis has been placed on administration of the program at the State and

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

local level, not only the information systems, the data, but also the program in its entirety. We're always concerned about the cost, cost of the system has always been a high priority concern that we want to continue to talk about, keep it in mind as we go forward. I think today we want to keep in mind that we intentionally built the basic foundation part of traceability, I always say traceability is this big, and we wanted to focus on the foundation and identify some key concepts that we wanted to do extremely well before we try to take on the entire spectrum. So, we're going to be talking about the, the progress that's being made and discuss with you all if we're ready to expand upon that basic foundation or not, maybe there is things that we need to fix in that basic system before we move forward. Again, the regulation was published in January of 2013. We focus on interstate movements, we do indicate that if the movement of cattle is on a reservation, for example, tribal lands that crosses a State boundary, and the tribe has a traceability system, it's not categorized as an interstate

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 movement in this situation, and also, the
2 movement of animals, cattle, to a custom
3 slaughter facility by their owner, in those
4 cases is really not part of the traceability
5 system that we're looking at. We wanted to
6 focus primarily on commerce, movement of cattle
7 across the State lines. Two primary components
8 that we focused on, official identification of
9 those animals and movement documents, ICBI's is
10 what we make reference to in our State
11 Certificate of Veterinarian Inspection. It's
12 not really meant to be a movement document, per
13 se, but because there is a high correlation of
14 that information of where an animal moved from,
15 or a group of animals, where it moved from,
16 where they moved from and where they are moving
17 to, we rely a lot on ICBI data. We did that
18 intentionally because we didn't want to yet
19 develop another form or record keeping system,
20 we wanted to take advantage of a data that has
21 already been provided for many, many years. I
22 think there is opportunity to improve upon that
23 system of electronic forms and so forth that
24 maybe we can have discussion about today. In

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

regards to special identification, keep in mind that, of course, that we find that by species, what works for cattle and bison probably won't work for equine very well. States must accept all methods of official identification, and that's important. If a producer tags young calves in Pennsylvania with an official ear tag, for example, that official ear tag meets the official ID requirements across the entire country. So, we have established more standardization, I think, over the last few years. However, a receiving State may not require a specific method of identification. Not to pick on Michigan but I use them as an example. They have State regulations that require RFID, Radio Frequency Identification of all cattle moved within their State. But for you all to move an animal in to Michigan, an official tag will do it, an official ear tag. Once it gets to Michigan the State requirement for RFID, radio frequency electronic identification is put in place. So, I think we have standardized the process of identification a little bit, but maintained some flexibility.

Ubiquus Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

Again, we're focused on cattle and bison today. So, the official methods for identification, again, official ear tags but also registered brands, with an official brand inspection certificate, when agreed upon by the shipping and receiving State. Of course, we do that because not all States have brand authorized brand inspection. Also, tattoos and other ID methods are acceptable to breed associations are categorized as official in cases where the shipping and receiving State Animal Health Official accepts that method. Again, I think it demonstrates the flexibility that was initially put in this regulation to accommodate things that are more regionalized or more localized. Group identification primarily is applicable to poultry industry as well as the swine industry. So, official ear tags, real quick, tamper evident, so, it's obvious if tags are moved from one animal to the next. Again, from a standardization perspective, imprinting on the ear tag itself was standardized. By now most, or all young animals that are tagged today with an official ear tag would have on it the

official ear tag shield, that's to improve the identify of those ear tags that are official or not. Prior to '82 we had a lot of confusion about what tags are official. So, that US or that official shield helps clarify if it's an official ear tag or not. We've also minimized the number of official ID numbering systems. We still maintain what is called the National Uniform Ear Tagging System, primarily used on vaccination tags as well as the silver or white tags that have been used for many, many years, that numbering system continues to be used for visual tags. And then what's referred to the Animal Identification Number, AIN, also referred to as the 840 numbering system. Primarily it was established as an international standard, that 15 digit number, across the entire globe, for radio frequency identification based on an ISO [phonetic] standard that allows compatibility of the number but also there is uniqueness of that number, 840 is the country code for the USA, so that other 12 digits are unique to the animal itself within the United States, so that 840 number basically is unique

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

in the entire world. Again, there was other numbering formats or prefixes to that 15 digit number. Over time we've transitioned to only the 840 prefix to improve standardization of numbering systems as well as ear tags. So, real quick, when is official ID needed? All sexually intact cattle and bison 18 months of age and over, all female dairy cattle of any age, cattle and bison of any age used for rodeo, recreation events, shows and exhibitions and so forth. So, of course, as you would recall, the beef feeders under 18 months of age were exempt from the official ID requirement when the regulation was published. We talk a lot about, refer to exemptions, the first one is probably not used very often but it's directly, when animals move directly from a location in one State and they pass through another State, but the premises of destination is back in the State where the animal has originated, not really considered appropriate for interstate movement requirement. But again, an exemption is for cattle directly, moved directly to an approved tagging site and they are tagged on behalf of the consigner or

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

the person responsible for those animals moving interstate. It would be interesting to get your opinions on how that system works, if it's workable out here or maybe it's not even applicable. Cattle moving between two States can be identified by something other than an official ear tag. Again, if both States agree upon that method that method could be a different type of ear tag or a circum--, circumstances where a specific movement of cattle are traceable so they're allowing a different method. Then, of course, directly to a recognized slaughter establishment or two slaughters through no more than one approved livestock facility, probably one of the more highly used exemptions of official identification. So, real quickly, again about ICBI requirements. Primarily focused on adult breeding animals on an individual animal basis but covers other classes of animals as a group. Interstate movement requirements require an ICBI unless, again, the animals are moved directly to slaughter or to slaughter through one approved market on an ownership or statement directly to

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

an approved livestock facility with an ownership or statement to a vet clinic and back to the farmer ranch as a commuter herd with a commuter herd agreement. With documentation other than an ICBI, again, as agreed upon by the official State officials, again, providing that local flexibility that was requested in our original design of ADT. Within the regulation it was the first time that the specific pieces of information were identified on an ICVI, so, it gives us more clout, more opportunity to work with accredited veterinarians to make sure that the appropriate information is included on those certificates 'cause we rely on those extremely heavily for movement information. So, for adult breeding cattle for most, for the most part, individual ID is recorded on the ICBI's. in cases where the recording of those ID's is not necessary, again, it's cattle and bison moving to slaughter, steers and spayed heifers, and certainly in tact bison and cattle under 18 months of age, of which those would be exempt from identification themselves. Another important part of ADT regulation was the

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

collection of all ID at slaughter, and Sunny will go over this in greater detail. We want, not only want to collect the ID but we want to cross reference to the carcass through final inspection. Really not a new regulation 'cause I duplicate of what FSIS, Food Safety Inspection Services has had on their books for quite some time, but certainly from a traceability standpoint we want to not only collect the ID, we want to make sure that it's properly correlated to the correct carcass. There's more details on the requirements in your packet. Sunny now is going to go over kind of the assessment report, all of the information that we've gleaned on the progress of ADT to this point in time. Sunny?

MS. SUNNY GEISER-NOVOTNY: Thanks, Neil, and good morning everyone. I'll get this at the proper height here. As Neil mentioned, I'm going to go over an assessment that we published, gosh, now I think a couple months ago maybe. The full copy of the assessment is available on our website and I think in your packets you have an executive summary that kind

of outlines some of the highlights of that assessment. And so, when APHIS [phonetic] published the final rule back in 2013, we indicated that we would do an assessment after a period of time to determine how ADT was working, if it was effective in enhancing our tracing capabilities for part 86. And so, some of the parameters that I'll go over that we used for conducting this assessment include what we call trace performance measures and I'll go over those in some detail in the next couple slides. Actual traces related specifically to tuberculosis cases, as Aaron mentioned, and then also feedback we have received over time from not only industry folks but also State animal health officials. So, from the beginning ADT was set up as a performance based program, and what that means is the Federal, State Federal Working Group provided input into the rule, set up some measures that we could look at documenting progress and identifying gaps in States tracing capability systems. And the idea behind that is that if we found a gap in the system, implement actions to improve that, those

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

tracing capabilities, and so, these measures have become a really important focus of the ADT program. And as Neil mentioned, the two primary portions of the rule, official identification and ICBI movement documentation, that's what these performance measures focus on. So, when we conduct a traceability performance measure we look at two key factors. The first one is the elapsed time it takes to answer a specific question, I'll go over those in a second. The time starts when the State receives the official identification that we're looking to trace and it ends when they find the information to answer that question. And so, for the first one, in what State was an imported animal officially identified, so this specifically measures the animal identification numbering system that Neil mentioned, those 840 tags, and not specifically a States tracing capabilities, but basically if, we're Montana, we have an animal that was imported that we are looking to figure out where that animal came, was identified, type that 840 number into the system and it would tell us what State that animal was tagged in. Two, where in

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

your State was the animal officially identified, so, for Montana this would look at your record keeping systems to say, did a producer apply that tag, did a veterinarian apply that tag, and where in the State was it officially identified? Three, from what State was an animal shipped? This typically goes with number one, so, maybe that animal was tagged in a different State, not Montana, but did it ship to Montana from that State or did it go to another location and then ship to Montana. And four, from what location in your State was an exported animal shipped? So, this typically goes with number two, so, if that's somewhere in Montana and then that was shipped from that location and then from another location to another State. The second factor that we measure for each Trace Performance Measure is the percent of successfully completed trace performance measures, and so, how often do we find the information that we are looking for? And so, when you consider the two factors that we are trying to measure, the elapsed time and the percent of time that we actually find that information, we know that the key to successful

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

traceability is timely retrieval of accurate and complete information, and this is one of our favorite slides in the program. On the left hand side you can see a years worth of import and export CVI's from the State of Colorado, they shared this slide with us, and that's a person digging through a box to try to find a number on a CVI. And the second picture on the, on the right hand side, if I can think about it properly, that's somebody typing a number into a database to find the information related to that official identification. And so, the biggest progress we've made since the rule was published is the ability to get more records from that paper based system into a database where it takes you seconds to know if you have information on that animal that you are looking for, versus pawing through boxes for hours on end trying to find that one identification. When the rule was published we set up, and when these measures were defined we set up national baselines, so we needed to have something to compare it to to see if we were making progress. So, nominal baselines for each of those

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

four questions were developed right at the beginning in 2013. The first year comparison was the cooperative agreement, 2014 cooperative agreement period and the second baseline, or the second year comparison was the 2015 cooperative agreement period. We just finished 2016 so we'll have additional values that we can look at soon to see what progress we've made since, since last year. And I know this is a busy slide, so we won't go over it number by number, but I'll explain what, what you're seeing here. So, the first column represents those four questions, one through four, the second is the national baseline values for both percent successfully completed and the elapsed time, second column first year comparison, third column, or fourth column, second year comparison. And what's important to see here is that from the national baseline where we have anywhere from almost 60 percent to 66 percent successfully completed, so, that's how often we found the information we were looking for, through the first and second year comparison we increased really substantially to high eighties

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

and ninety percent in some cases for those values of being able to find the information we were looking for related to a specific trace. The other thing that's really important to note is the time, elapsed time. And so, if you look we have anywhere from four to 11 days for the time, elapsed time it takes you to find the information you are looking for, in the national baseline year, and that's decreased from one to, to one to two days over the first and second year comparisons. So, when you're talking about pieces of a trace and you make that kind of progress, just in being able to find that information that much more quickly, that's less exposed animals that you have over time when disease is spreading. This slide represents the tuberculosis traces from slaughter. And so, what we did here is we took a cross section of cases, of confirmed tuberculosis cases in animals identified at slaughter, so, FSIS performs a postmortem inspection, if they find a link that's suspicious for tuberculosis, they'll take a sample, they'll collect any ID present on the animal and they submit that to our national

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

lab for testing or confirmation if it's tuberculosis. So, the records we looked at, we took 2010 through fiscal, the end of fiscal year 2016 and looked at the type, the first column is what type of identification those animals might have had at slaughter and across the top is whether or not we were able to find, to trace those animals successfully. And so, in that time period we had 38 cases total, I got my slide here, my slide notes here, so, we had 38 cases total of tuberculosis and that timeframe, 18 of those cases were in adults and 20 were in feeders. If you look at the first column, 20 of those animals had official identification, 14 had no identification and 12 had official identification. And the important thing that we found in analyzing this data is all 12 of those animals with official identification were able to be successfully traced.

FEMALE VOICE 1: [interposing] - - species of tuberculosis can be traced?

MS. GEISER-NOVOTNY: I, say that again, I'm sorry.

FEMALE VOICE 1: I understand that each

species in tuberculosis can be traced?

MS. GEISER-NOVOTNY: So, we, our lab—

MALE VOICE 2: [interposing] Can you repeat the question?

MS. GEISER-NOVOTNY: --oh, sorry. The question was that the individual understand that each species of tuberculosis can be traced, and so, what we do, when we send it in to the lab, they type it, so, they know whether it's MBovis [phonetic] or MAVM [phonetic] or a TB that's not...

FEMALE VOICE 1: So, where do the majority of the TB cases, strains come from?

MS. GEISER-NOVOTNY: Well, we have a fair number that are prevalent in the US and Mexico are probably our two biggest US based strains and Mexican based strains. So, we have a, and it's way more complicated than I understand but there's actual mapping where they can see the ancestry of each type that we detect at slaughter.

MS. GRIMES: What percentage comes from Mexico, across the borders?

MS. GEISER-NOVOTNY: That I don't know, I

don't know off the top of my head.

MS. GRIMES: Okay. Could that not be improved to stop them coming in the borders to begin with?

MS. GEISER-NOVOTNY: Abso--, yeah, absolutely. Yeah. Yeah. One of the things, when you look at the top of the, of the slide two, what I forgot to mention in the beginning is we have successful trace, trace and dealing directly what that means is we were able to find those animals but only because of the information that they came in with from other animals in their lot, so, when they came in with a cohort from the same premises, there was movement documentation or ID on another one of those animals that helped us find the, the source of that animal. And so, and even with no identification we are able to, if there is good records, if the slaughter plant has good records we are able to find the premises of origin for those cases, for some of them. But what you can see here too is that for four of those we never found those animals and as Aaron mentioned, that's four herds infected with, likely infected

with TB that we were unable to find and we, consider that we spent \$26.5 million dollars on last year just on depopulating herds infected with TB, it doesn't include the time for tracing or any of the other measures, that's just compensating the owner for their infected herd. Animals that are depopulated, that's a lot of money and a significant time spent that we can't find some of those herds. So, under the current rule, two out of five animals that should have been covered or that, that would have been required to have ID, two out of five were dairy and they were required to have ID, two were non complaint. Three out of five of those were exempt, they were exempt, they followed the rule, but they didn't have official ID, so, it's hard to say whether they would be able to trace them or not.

MALE VOICE 2: A follow up on that question that - - had-

MS. GEISER-NOVOTNY: [interposing] Mm-hmm.

MALE VOICE 2: --can we wait until we get -
- to follow up on this question, this lady had.

MS. GEISER-NOVOTNY: Mm-hmm.

MALE VOICE 2: I've heard it twice now, you find an infected animal, TB.

MS. GEISER-NOVOTNY: Mm-hmm.

MALE VOICE 2: Do they always refer to infected herds that they come from. Is there possibilities humans are spreading this more so than animals?

MS. GEISER-NOVOTNY: I know from the genotyping and that, the strain typing that they do at our lab, they have seen that there are strains that, you know, there is humans that have the same strains that are, we all have. What's harder to say, you know, with HIPAA and the privacy act laws and working with CDC is, A, the CDC doesn't type them the way that we do, so, they don't always get all of the strain information exactly like we do. They'll say it's tuberculosis and they just treat it and move on, whereas we get very specific 'cause we want to try to figure out where it came from and, and see how it's moved. So, we don't have as much information back from them as we're able to provide, and then it's hard to say, did the animals give it to the people or did the people

give it to the animals? So, it's tricky to be able to track how it exactly moved.

MS. GRIMES: Okay.

MALE VOICE 3: Could you please describe what APHIS is doing to correct that problem? That seems like a fundamental deficiency in the entire process that ought to be addressed immediately.

MS. GEISER-NOVOTNY: And we have, we have ongoing discussions with the CDC and again, you know, I don't know if any of you have dealt with HIPAA laws but it, privacy is a really big concern with public health departments. And so, we have had success with some local health departments for working with them specifically California has been really good about sharing a lot of the data that they have gotten over time. But again, it's a, maybe a resource thing for them sometimes, with the number of people that they test, that they can't type each, each strain that they culture.

MS. GRIMES: And just so, we, we are going to have more questions from the audience after you get, for both Neil and Sunny when they are

finished with their presentations. So, jot down your questions on, on papers or index cards and we will definitely get to all of them.

MS. GEISER-NOVOTNY: So, how are we doing? So, if you think about ADT in the context, the original context with the rule of how it was set up. So, official ID and movement documentation for animals that move interstate, we're doing well. We've increased the ability to find the information that we are looking for and we've decreased the time it takes to be able to do that. However, none of us would argue that we still have significant gaps in the system, what we have isn't perfect and we believe we could do better. In our discussions with not only industry but also in looking at the way we conduct our trace backs through our disease program, and also talking to State animal health officials and some of the challenges that they encounter when they are conducting trace backs, we have identified some of the most significant challenges that we have with our current framework. The first of those, that official ID requirement is limited to interstate movement

only. And so, when you consider how many times an animal can move within a State and comingle, could go to a market, move back out in the country, go to another market, never move interstate where it's required to have official identification, there's still a lot of potential for disease spread and comingling of that animal with no, no identification. And then, so records might not exist, not only did it not get officially identified but it might have never had the necessity for a movement documentation. So, where do you start? You know, you go out and you talk to people and you, you try to get information but sometimes records just don't exist for that type of movements. And we always joke, how do you trace a black animal with no identification? It can get pretty challenging at times. This is probably a little more per--, this slide is probably a little more pertinent to some of our livestock markets. You know, we've built in the exemptions to the rule to make it flexible, we wanted to account for different movements and different things that happen with an industry to just ensure that it

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 didn't affect the speed of commerce, but then
2 we've made it really confusing. When you talk
3 to other countries that have really good
4 traceability systems, they say you got to keep
5 it simple and I think we far from made it
6 simple. The exemptions are confusing, and when
7 you consider not only are they confusing for
8 industry to decide what they need to do to do
9 the right thing, it also makes it hard for us to
10 be able to monitor an enforced compliance with
11 it because how do you know if an animal moved in
12 or stayed if it doesn't have any ID and it
13 doesn't have a movement document? It's hard to
14 know what you don't know. So, it makes it
15 challenging, so, then for this diagram, did the
16 animal move just intrastate, did it move
17 interstate, so it needed ID? If it's moving
18 from a market does it have to have ID or is it
19 going to, direct to slaughter where it can just
20 move on a back tag? It, does it need an ICVI,
21 does that, do you have to be listed on a CVI?
22 It just gets really cumbersome and difficult for
23 people to figure out what they need to do to do
24 the right thing. Reliance on low cost

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 technology. Visual only tags, no one will
2 debate that those noose tags and those
3 vaccination tags have helped us tremendously,
4 they have been a huge asset to our disease
5 programs, but when you talk about trying to read
6 those tags or have traceability at the speed of
7 commerce, it's almost impossible. I appreciate
8 this now that I have to wear reading glasses,
9 that the guy trying to read that noose tag is,
10 you might have to catch an animal at multiple
11 times just to be able to not only read them when
12 they're coming in, specifically at markets, but
13 that's a recorded on a CVI when that animal is
14 moving out. So, you have to catch them out
15 twice just to be able to read that tag. So, you
16 have concerns with injuries to the animals and
17 shrink, and as you do that, and it's, it just
18 doesn't happen at the speed of commerce. The
19 picture on the bottom is one of our favorites
20 too, that, I feel for that accredited
21 veterinarian, he did the right thing, I can't
22 tell if he was really mad or if that is just his
23 handwriting, but when I look at it and I think
24 about trying to find the one animal that I am
25

looking for, A, just trying to figure out where it is on that sheet, but then also, did he write the numbers down right in the right order? Because that makes a big deal too, if you're trying to find an animal and you can't find it, you just don't know if that was recorded incorrectly. So, you run into issues with legibility and transcription errors or you have to just write those numbers down. An additional challenges is the exclusion of the feeder cattle in the identification requirement, feeder cattle, and as you can see from the TB cases, they're not isolated from disease, they are still affected through their marketing and comingling as well. We've heard about trade implications, I know a bunch of people have asked me about China recently, where, and those requirements haven't come out yet so we have no idea what they're asking for in terms of accepting US beef. But there's trading partners who have indicated that if we don't have a full traceability system, that'll hinder our ability to trade with them. But we want to make it very clear that there is huge issues to address in

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

the current framework before we ever think about feeder cattle, including them in the equation, between the visual only technology and interstate things, movement and ID requirements being limited to interstate movement, feeder cattle are not our primary issue at this point in time. Another challenge, that Neil had mentioned, there's FFIS requirements for collection of all ID and correlation to the, okay, to the carcass through final inspection. We've reiterated that in the traceability regulation. We do find it's inconsistently applied at a few plants and there is a few reasons for that. Sometimes the inability to collect all ID at the speed of commerce, again, just as for markets and for other industry events, we don't want to slow the plants down either, and so, trying to collect that ID can be challenging if there's a lot of it. Procedural issues at plants, maybe the way the plant is set up and then also some turnover of plant personnel and FSIS inspectors where education might not be there on what needs to be done. So, that leads us to where we are today, so,

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 outreach and feedback. We started this process
2 with some internal conference calls with our
3 folks and then also with State animal health
4 officials last year, to try to get feedback and
5 see how they thought things were going, where we
6 need to go and what some of the sig--, more
7 significant issues are. We charge those
8 individuals a State, or State and Federal folks
9 with going back out to the local area and saying
10 the same thing to industry, what is working
11 well, what's not working well? What would you
12 like to see? Where do you think we need to go?
13 And then these regional stakeholder meetings,
14 this is our seventh one, we have two additional
15 that will be in Nebraska and Texas in July, 18th
16 and 20th of July. We also started a State
17 Federal Working Group a few weeks ago that's
18 basically listening to the conversations that
19 we're having here. Some of the members have
20 shown up at the local meetings and have looked
21 at the notes to try to provide that
22 summarization of the consistent themes or even
23 other themes that we are hearing to be able to
24 formulate that, formulate that paper that Aaron
25

1 talked about for us to publish in September of
2 this year. So, that's our goal, after we
3 complete these meetings to basically summarize
4 the common themes, that paper will be available
5 on our website, so it will definitely be a
6 public document and people will be able to make
7 additional comments on that. And then that
8 national ADT forum will be held on the 26th and
9 27th of September in Denver. So again, as I
10 mentioned, it says three, we have two, we've got
11 Omaha and Fort Worth on July 18th and 20th and
12 the Traceability Forum will be in Denver, as I
13 mentioned as well. So, our goals for today, I
14 think you've heard it a couple times now, but we
15 are here to listen, definitely want to hear
16 what's been challenging, what's been working
17 well for you, what's not working well? Where do
18 you think ADT needs to go? Is it fine where it
19 is? Basically any, any comments or thoughts you
20 have related to that? What gaps exist? Do you
21 think the exemptions are confusing or do they
22 need to be filled in? Are there any possible
23 revisions to the modern framework? So, just
24 want to make sure we get everybody's thoughts
25

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

and have time for that today. Also, for maybe some of your colleagues that weren't able to join us today, there's a multitude of ways for them to submit comments. We are extending the comment period, it was set to end at the end of this month, but it will actually be extended to July 31st. It should end at the end of this month but it will actually be extended to July 31st. And so, we actually have hand outs for this too so you don't have to write all of this information down, I know it's a lot. You can submit the comments online or you can write a letter and submit those to the address that we'll provide to you on the, the handout sheet out front. So, a multitude of ways to make comments. Comments can also be hand delivered at the remaining two meetings or to your local VS office as well. Oh, sorry. Thanks. Any questions? [crosstalk]

MS. GRIMES: Okay, so, yeah, now we're going to have some questions, but I have a question for you all. We've been getting different input from folks, room is too hot, room is too cold. So, I was asked to ask you guys, how is it

feeling in here? What can we do to make you more comfortable? Does thumbs up mean it's good or raise the temperature? [crosstalk]

MS. GEISER-NOVOTNY: Good?

MS. GRIMES: Okay, all right. Just let me know in the - - we'll, we'll do the best we can, so, all right, so, I think there were a couple questions? Let's start.

MALE VOICE 3: Thank you, to go back to your comment regarding China's request that we have a national animal identification system, do you have any official communiqué from China with respect to that request, in writing?

MS. GEISER-NOVOTNY: Me personally? No. I don't know-

MALE VOICE 3: [interposing] Does AVUS?

MS. GEISER-NOVOTNY: --I think international import and export services, I was part of the delegation from the surveillance side, so, from the field side. So, I don't get any of the communication from them. It, the ending discussion, which they then summarized and basically sent back was, their thoughts were it was indicated in there, but the technical aspect

of it has not been, all they've done is lift the ban. They have not formalized their technical requirements that they will request. And then there's banter, I mean, I, it, I thought it went well in the beginning of the delegation and then everyone who has been involved with this for years has said to me, don't get your hopes up because they change their, you know, tomorrow their mind will change, so, we're not going to know until it's set in store and signed on the dotted line.

MALE VOICE 3: Well, it's, it's disconcerting that the Federal Government would tell us that we should be looking at this because we have a potential export customer asking for it, and yet we have no confirmation or verification that that is true.

MS. GEISER-NOVOTNY: No, and it's just something that we, we've heard from them and that industry was present at the delegation so they were aware—

MALE VOICE 3: [interposing] Would this be the NAAI or the NIAA industry group?

MS. GEISER-NOVOTNY: No, they weren't

present there.

MALE VOICE 3: Thank you.

MS. GEISER-NOVOTNY: But so, we're aware that, of what their, some of their requirements were. So, I don't, I have no idea of when those negotiations will occur. I think I saw something recently that said June. Not holding my breath.

MALE VOICE 3: Thank you.

MS. GEISER-NOVOTNY: Okay, and I've got one to read, Jan? Okay.

MS. GRIMES: Yeah, you want to read that one and then we'll - -

MS. GEISER-NOVOTNY: Does the database communicate with global vet link, primary provider of the online CVI, or are you still relying on mailed in copies? I would say, Marty, you want to? Sure.

DR. ZALUSKI: I think if the, the question is whether the database that you pick, that you showed in the slide communicates with the Global Vet Link? Yes, it does. Global Vet Link is an online health certificate provider that is primarily used for swine movement as well as

equine movement but also for some cattle. That bridge between those two databases is manual right now and it's transitioning to being kind of seamless within the next few months or so. So, that's the, that's the approach there, so, that information is then digitally searchable and you don't have to go to two different databases to, to find information.

MS. GEISER-NOVOTNY: Thank you.

MALE VOICE 4: Yes, to follow up with his question, the reports that I'm reading in the media is that the markets will be opened up to China in mid July. And if that is the case then they must not be really worried about our having full traceability.

MS. GEISER-NOVOTNY: When they initially came over they mentioned where the, the whole premise was that an agricultural marketing service, voluntary expert verification program would be sufficient as long as it got back to the birth herd. When they went through the process of the discussions over the course of the time period they kept referencing, well, where is that in your regulations in terms of

not only birth herd but movement documentation after the animal leaves the birth herd? So, we kind of had an indication that they were asking for more. But if they're going to get it done by then I agree, I highly doubt that they are going to include that, if it actually happens. Like I said, I'm not holding my breath until I see it in writing.

MALE VOICE 4: Well, yeah, that was going to be my next question. Because we do have the voluntary programs that qualify livestock and meat to be exported to any country in the world if they need to be traceability. [crosstalk]

MS. GEISER-NOVOTNY: Yeah, absolutely, yeah, absolutely. And hopefully that will be acceptable to them 'cause it will be quick, quick solution.

MALE VOICE 4: Thank you.

MS. GEISER-NOVOTNY: Mm-hmm.

MS. GRIMES: Any other questions or, for-

MALE VOICE 5: [interposing] You know, my question with, which countries do you view as, you mentioned, effective or very capable traceability systems. Which countries do you

view have systems that are effective that would allow us to be in compliance with China's requests or other countries requests?

MS. GEISER-NOVOTNY: And Neil might be able to fill me in if I, or fill in if I don't do this correctly, but so, in the countries that I am aware of, Australia, Canada, to a degree, New Zealand, none of those systems, while they work very well for those countries, none of those systems are plug and play for the US, they have very different industries than we do here. So, they work very well for them.

MS. GRIMES: This room, this side has been quiet, any questions? Okay.

MALE VOICE 6: This China issue kind of interests me. Number one, my understanding is that China shut the imports from American beef because of the BSE issue. Did they shut them down for Canada then, their traceability program, did it meet China's qualifications?

MS. GEISER-NOVOTNY: The, Aaron, do you know more about that than I do, maybe? I know that they did initially but I don't know what they have done over time.

DR. SCOTT: Yeah, I'm sorry, I don't either. I know that they, I know they shut them down initially.

MS. GEISER-NOVOTNY: Yeah.

DR. SCOTT: I know that closed them down. I don't know whether Canada is currently exporting to China or negotiating. I just can't answer, I don't know.

MS. GEISER-NOVOTNY: One of the things that is amazing to me is that, you know, how long ago those cases, and when they come over they have every epi report for each case that we've had and they go, well, where did those ten animals go, or they, that's what their, you know, BSE in the scheme of things are, what they should be worried about is pretty negligible with our risk mitigations and things in place, but that's their biggest concern when they come to talk. Okay?

MS. GRIMES: Oh, oh, I think there's one more.

MS. GEISER-NOVOTNY: Okay.

MALE VOICE 6: Real quick, I was interested to know of, in your mind and everybody else's

mind in this room, if there is a difference between creating a program that is going to allow us to ship cattle to China or beef to China for example, versus creating an ADT program that actually does provide birth and death traceability and, in the personally I see a huge difference between the two. And I, to take this back to my membership and back to my State Legislature, I kind of need to know the difference of what we're talking about here.

MS. GEISER-NOVOTNY: I think it depends on what they come back with as their requirements to say how similar or different they will be. I mean, in, I, I think you can ask every State and Federal Official in here and, I mean, full traceability makes our lives so much easier. You know, if we can, and it, not only full traceability but if we can plug a number into a database and know everything we need to know in seconds, it just saves so much time and money. But if we go back to some of those cases where they might be, cases where they might not have had official ID, we might get back to a feed lot and then they say, I took those tags out, or,

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

you know, I didn't, they didn't take official ID out but they took a ranch tag out. So, we've got nothing except the animals that made up those lots. And in some cases that could be 20 ranchers, do you want us to quarantine you to test you? We don't want to do it. We don't want to put the resources and time into it and we don't want to do that to you. So, any time we can have better information of where that animal came from and what animals it contacted, it makes our lives easier. For China, I don't know what they're going to want. You know, for, they had specifically said in the beginning that they would just be happy with the animals that are exported being able to trace to the birth herd, and the export verification programs, they have full traceability. That movement document exists, they, I mean, it's full traceability. So, the people that wanted it can do it. So, it, and they really are kind of similar in that regard, but, you know, if they go with the voluntary program it's what they're looking for and it would be beneficial for us even as well, and most of those, or I think all of them might

be RIFD tags right now. Yeah.

FEMALE VOICE 2: I was just wondering how Brazil fares on a traceability system?

MS. GEISER-NOVOTNY: Aaron? Okay.

DR. SCOTT: That's a really good question and I asked the same thing, so I did a little bit of follow up to find out just what they were doing and with Brazil, where they have in the past had foot and mouth disease, they vaccinate and they mandate that whenever anybody vaccinates their calves that they have to report, they have to ID them and then report that back. And so, then if those calves go somewhere and they're not vaccinated, then, first of all, they are vulnerable to foot and mouth disease and second of all, they don't have the record. Brazil is a little different country than we are in that Brazil enforces their stuff with a pretty heavy hand and so, for those guys, if they don't, if they don't do their vaccinations and they don't do their tags and the reporting than the government comes down on them pretty hard. So, completely different system than what we have, but from what I was

able to read and gather from some of the export, import folks, their traceability is pretty, pretty good.

MS. GEISER-NOVOTNY: One of the things to add to that too, and yeah, we talk about FMD and we've heard people say, oh, FMD, we haven't had that in forever, and we haven't, and that's great. As Aaron mentioned, it's a requirement, to be able to participate in that vaccine bank you have to have full traceability for those animals. So, if we had an outbreak of FMD and we wanted to keep continuity of business, from that moment forward, those animals get tagged and we have to have full traceability. So, that's something to keep in mind because otherwise things stop and there's no movement.

MS. GRIMES: And when you're done just pass it back.

MALE VOICE 7: What governmental entity requires for the vaccine bank that there be full traceability? Are you talking the World Trade Organization or the United States Government?
[crosstalk]

MR. SCOTT: I can maybe partially answer

that at least. The vaccine bank is a joint, jointly funded between Mexico, Canada and the United States. And so, in their agreements that they made to fund that bank, then the countries that that was in their agreement between the three countries.

MALE VOICE 8: Well, first of all, I think that if we get FMD in this country the tag is not going to help us a damn bit. Because it spreads so fast, it's two days to 14 days, the incubation period, and they're spreading the disease in all that time, we're going to have it clear across this country before we even know we have it, we have cattle move that fast. And then, here is another newspaper article that talks about USDA's FMD evaluations and the risk assessments from countries that have FMD, and it said that they're extremely flawed. So, I think that our money would be better spent at disease prevention measures, at our borders, keep it out of here so that we don't have to contend with it. And allowing Brazil to bring fresh beef into this country is just asking for trouble. Thank you.

MS. GEISER-NOVOTNY: Thank you.

MS. GRIMES: Just to let you know - -

MS. GEISER-NOVOTNY: [laughter]

MS. GRIMES: Anyone else? Okay.

MS. GEISER-NOVOTNY: Panel?

MS. GRIMES: So, thank you Neil and Sunny, that you know who they are and they're going to be there all day. If you want to ask them specific questions at a break. So, for right now we're going to go ahead and let you take your seats and then invite our panelists to come forward. So, for those of you, as the panel comes forward if you want to take a quick stretch break, I don't, I don't really want you walking too far 'cause then it will be like herding cats trying to get you back. But refresh your coffee if you want. [background noise] [crosstalk] You can just, if you want to sit, yeah.

MR. RACE KING: That's fine? Okay, can you all hear me? First of all, I'm Race King from Lacense, Montana. A little background on who we are, we graze cattle on about 92,000 acres in southwest Montana, near the town of Dillon

[phonetic]. We're a cow, calf and a stocker operation and we ranch entirely inside Montana's designated surveillance area for brucellosis, for brucellosis, excuse me. You know, for the purpose of this meeting, we ranch and we're struggling to deal with an ever growing population of elk, that's not only stressing our forage resources on the ranch but also our tolerance to them. And, you know, and due mainly to the fact that, you know, a fairly large number of those are serial positive for brucellosis. So, and even as good as this country looks around here today as you travel over and how beautiful it is, last week during the parti--, the precipitation we received we still had to haze some elk out of our cows that we were calving. And so, so we're constantly dealing with that struggle, like, many of you. So, other things that we're doing to kind of combat that is that we have worked with Fish, Wildlife and Parks as part of our struggles with that species to have a dispersement hunt. And just last years success on that, we were able to kill about 380 antler elk before and after the

1 general rifle season. That was a drop in the
2 bucket to give you an idea of how many elk we're
3 dealing with. So, you know, we were asked, Dr.
4 Linfield asked us to kind of go down through
5 quickly a few things and what we thought was
6 working with ADT. You know, and I guess the A--
7 , you know, traceability for us is really about
8 testing animals, primarily for brucellosis and
9 interstate health permits. So, that's kind of
10 what our situation is as far as dealing with
11 that in our area. Having said that, we're
12 fortunate to have good access to veterinary, you
13 know, veterinarians in our area that are
14 qualified and get out there timely to us. So,
15 it really hasn't been too difficult to get that
16 part of it done. Obviously, you know, testing -
17 - and having some flexibility to do that, when
18 it works for our, in our management has been
19 helpful, and to have some flexibility from, on
20 the State and Federal level, that's been
21 important so we can get that done. Like she
22 said, one thing to keep in mind, this entire
23 systems happens for us when we're shipping
24 cattle out, and so, that is at commerce. Even

though we're not a sell barn, so having a system that works as we move livestock at point of sale is important for us. What's not working? Like I said, our experience has been pretty good. But, you know, I mean, if there's something negative you want to talk about it, it's time and effort and the waiting on tests and the timing of that, especially during marketing. It's still sometimes a struggle to get everything done, well, no, having said that, we've had, you know, good help, and like you've said, we've implemented the systems to make that work pretty well. So, what can be done to minimize the problems? And I guess, for us, you know, we think it's pretty important to maintain a laboratory in the area and funding to help producers, especially in the DSA, you know, combat these things. And I'm going to share a quick story, we were an adjacent herd to the herd that was tested positive last year and were asked, you know, the first part of December to go ahead and test our entire herd of animals. And so, we got, we got with it and we hustled to get work done, but I don't know if you guys

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

remember what the weather was like in early December in this part of the State but in Dillon it wasn't very nice. So, and so we were hustling. One day we did a good job, you know, with our remote corrals and don't have great facilities on 92,000 acres, we really only have one good facility and several portable facilities. So, we did a really good job and we got 802 animals through and tested one morning. Long day, sorry. And we boxed up that blood and we set it on UPS, you know, with the help of the vet, obviously, and the, we had 33 samples frozen and then they were able to test when it got to the laboratory. And so, you know, having a lab close proximity, we can, we have the ability now from Dillon to throw the blood in the back seat of a pickup and run over there and get it dropped off. So, I think that's important and, like, I wanted to bring that up. You know, what our experience with, you know, the technology ID and things. I guess, first of all, what we've done on our ranch because we use traceability is we use two brands to start with. And all of our home raised cattle, we have a

1 Lazy 8 on their rib. And any cattle, we do
2 purchase stocker cattle to use excess grass and
3 they all get a standing 8 on the right shoulder.
4 And so, that helps us distinguish, at least
5 between purchased and home raised. But we have,
6 really, embraced technology and the RFID system,
7 mainly due to the fact of the involuntary
8 programs that we market into. And we feel like,
9 we embraced it, obviously with the DSA, you
10 know, all of our cows have an electronic ID, and
11 we now use software systems to track it and to
12 be honest with you, we feel like it's actually
13 sped up our record keeping and efficacy of just
14 having good records for the ranch, with inventor
15 and health and other things that we're involved
16 in. So, we've actually kind of embraced it and
17 we feel, we feel right now, I think, that we
18 would always do that, from an inventory managed
19 perspective if nothing else. So, we've liked
20 it. Yeah, is the system perfect? No, but yeah,
21 these walk through systems are not great and
22 it's hard to get perfect reads on those. So,
23 but we rely on some other things and kind of pre
24 do some reading to make that work. So, like I

1 said, we'll hustle through this. So, what about
2 the future of traceability? And, I guess, my
3 note on that is I feel that we need to continue
4 to have a common sense traceability program in
5 order for us to protect our industry and the
6 consuming public. So, I think that's important.
7 And then, the final question that we were asked
8 is, what level of that program should we have?
9 And I think the challenge is really to have an
10 effective program that our partners in trade
11 like and appreciate and one that works at the
12 speed of commerce here at the ranch. So, with
13 that, I'll pass the mic on.

15 MR. JOEL GOGGINS: All right, thank you,
16 Ray. I'm Joel Goggins and our family owns and
17 operates three different auction markets here
18 within the State of Montana. We also owned and
19 operate Northern Livestock Video Auction. We
20 have the Vermillion Ranch where we breed a
21 couple thousand pure bred Angus cows. A little
22 background, 40, 50,000 calves a year. So, we
23 kind of wear several different hats amongst,
24 within the industry. And it, as far as the ADT,
25 the disease traceability. I think we've got a

pretty good handle on it. I'll, I also ought to mention, I'm on the Board of Directors of the Livestock Marketing Association out of Kansas City. And so we, as far as from a market owners standpoint, which is a huge part of this, for those of us, as far as the producers standpoint and the State of Montana and the western United States where we got a lot of these larger herds, if they make us do it, I guess, it's not the, it's not that we can't do it. And I think from a market owners standpoint it isn't that we don't want to, and I'm talking from the feed cattle standpoint as far as if they do make us ID all of these feeder cattle, on 18 months or longer, from a logistic standpoint, I think it's a nightmare, I think it will be almost impossible, from a market owner's standpoint. I think from the standpoint of the lack of consistency amongst different State vets, it's tough from an ID standpoint. I mean, we happen to be awful lucky in the State of Montana to have a State Vet that has quite a little common sense. You get into some of these other deals, it, it gets to be quite a difficult situation.

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 And as far as, as far as, and again, I'm going
2 to go back to the feeder cattle, because that's
3 the part that scares us the most, especially
4 from the market standpoint. If we have to ID
5 these cattle that are 18 months and younger and
6 going forward, I mean, we own a lot of sheep as
7 well, and right now we're in a situation where
8 we have to do all of the sheep. And if you come
9 behind our, it, Brian is our vet for the cattle
10 but we have another vet for the sheep and he
11 sits there and he writes and he writes and he
12 writes and he writes. It's a long situation.
13 If, very few vets, and I'm not going to say it,
14 I mean, Brian will point out some things, but
15 he's very attended to technology and gets, the
16 speed of commerce is quite easy for him. If you
17 talk to a lot of auction market owners around
18 the United States, I'd say 90 percent of the
19 vets involved in these deals, writing these down
20 and ID'ing these cattle and ID'ing these stuff
21 are not near as savvy to the technology yet. We
22 got a huge shortage of these large animal vets.
23 And I know with our video company we handle a
24 lot of cattle out in the country, we handle a

lot of cattle in the stockyards, we handle a lot of cattle on private treaty sales, and anymore, the bulk of the ca--, the delivery dates are based on when you can get a vet to come and write the health and then come in and preg the cattle when they're in. And as far as speed of commerce, if we get into a situation with these feeder cattle where we've got to ID them, on a mandatory type situation, we ship a lot of cattle where we'll ship from 1,000 to 2,000, 2,200 head of cattle in one day, you're going to turn a one day delivery into a three, four day delivery by the you get all of these cattle ID'd, by the time, I thought it was real interesting, and I really think it's great that you're saving quite a lot of time on, and the, with the methods we're using now. But for the time we're going to save you folks looking up all of these things, we're going to cost ourselves thousands and thousands of man hours, we're going to hire thousands and thousands of people across this United States when it's all done, if we do it from a feeder cattle standpoint. So I, I know over the years, as far

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

as from the auction markets side, a lot of these different programs have come forward. I know, back when they were, we hit the brucellosis thing the first time and they came then says, well, let's just test all of the cattle, all of the female, in tact females coming through the auctions, let's just test all of them going through there, we didn't have to test them if they left the country and loaded. And it's really not fair to the auction market loaders, and it's deferring cattle from even coming there over that, and that's something I think we, as auction market owners, really want to guard against. I'm all for doing what we're asked to do but if we're going to, if we're going to be asked to do it, let's all do it. I mean, let's be fair. And I think that's something we're very, very empathetic about. As far as what can we do to go on? I think we've got a great handle, to be honest with you, on the cows and the bulls and whatever the 18 month old and older cattle, I think we've got a great, it's a good program, and I think if they want to increase that, and we've talked about it a lot

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

and I know it kind of falls on deaf ears but, really, I think if they want to make it mandatory, just about all of us, especially in this part of the world, excuse me, - - vaccinate our cattle. Excuse me. [background noise]

Most all of, yeah, most all of us bigs vaccinate our cattle and I know you get in certain areas of the United States where they probably don't. But, if they want to get in to a mandatory situation and do ID all of these cattle, really, the bulk of the disease problems that we run into on a u--, on this county on a nationwide, worldwide situation is on the breeding cattle end of it, the cows, the bulls, they are very easy to get done. I mean, if we're going to make it mandatory why don't we banks vaccinate these cattle and if you don't banks vaccinate them, at least when you got that cow in the chute, if you're from down south or if you're from way back east and you're not in a situation where you do banks vaccinate, at least put an ID in them if they're going not be 18 months or older on your place and go on with it. But, I think if you, if the USDA required these vets to

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

put an RFID tag, a banks tag in all of these cattle and get rid of them metal clips, and I'm sure these producers, I mean, we breed six, seven thousand heifer calves a year, we run a lot of cows. We put the EID tags already on all of them, an identification deal for banks, leave it in for some bookkeeping purposes as well. But, I just think, if you do that for the next six, seven years the cow herd is ID'd, and I think it's a real commonsense way to look at this thing and, I mean, I really believe that the, the traceability to these older cattle is pretty good. I really do, and I mean, I think the vets have done a wonderful job. I think the interstate movement of the cattle is done awful well. The, but if we add some more regulation and I just, I think on these younger cattle, if we make it voluntary and say China demands these cattle to be ID'd, get them in a voluntary program, and those producers that want to go through the effort, want to go through the expense, want to go through everything, maybe they will get a premium for their cattle, then wonderful. They can do it, but last I know we

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 still live in the United States of America. I
2 mean, we, let capitalism work, let free
3 enterprise work, and that's how it does work, by
4 making us mandatorily ID all of these feeder
5 cattle, basically we commoditize all of them.
6 And I just, I have a real strong feeling that
7 way. So, thank you very much.

9 MR. BRIAN ROE: [phonetic] Brian Roe, with
10 Lee Bovine Veterinary Service. I work at the
11 Billings Livestock Commission and the auction
12 yards do a lot of work out in the country also
13 for different producers. I practiced in
14 Arkansas, Louisiana and Montana. We probably ID
15 seventy to ninety thousand head a year right now
16 at the 18 months and older. There are a few
17 exceptions, Wisconsin requires anything in tact,
18 that means if it's two days old and it's
19 shipping by its mom, it's got to have an ID. I
20 think that's a little ridiculous. You get a set
21 of pairs come in there that we got to work in
22 the yards and then we got to run those calves
23 separate, run them through and ID them. You
24 know, really hard on the cattle. North Dakota
25 requires any female, no matter what age, she's

got to have an ID. So, that's two states that are not in the norm. That's one thing I would like to see is uniformity nationwide, I think that's where the State to State, it makes it really hard, I mean, we've got spreadsheets made out of every State, who needs trick, what age they need trick, what age they got to have ID's, do they have, what statements have to be on them. There's just a whole pile of stuff that I think uniformity needs to come in nationwide instead of just being each State makes its specific rules. I'd also like to see it go to a, we pre ID a lot of cattle prior to sale in the country as well as in the yards, if I ultrasound cattle, I ID them. That way if a guy calls me and says, I want to sell these, we don't have to run them back through the chute to get their ID's. If he can give me what groups they are, their tag numbers, something of that nature, I can pull it all from my spreadsheet. In doing that, at the same token, I'd like to see them use series. We get a guy that sells 300 head and he sells a hundred to three different guys, there is no sense and we cannot

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

say, a hundred of this 300 went here, a hundred of this 300 went there and a hundred went to this guy. You can still trace that back to that herd. And you don't have to run them back through the chute and risk injury and tell these replacement, oh well, what are the pairs, \$2,200, \$2,300? Run them through afterwards to ID them to see exactly which one break a leg? Somebody is out \$2,200 and it's usually the yards. And so, that's, you know, that's a bad deal, and if it's in the country, it's the guy selling it. He's sitting there. So, that's some things that I'd like to see happen. If you're talking about the feeders, there's absolutely, I mean, no, at, what we do at 18 months plus, you can get 3,000 head come into the yards overnight. And if we had to ID all of those feeders, we'd be there the rest of the week. We're already there some nights 'til 4:00, 5:00 in the morning after the day of the sale, just getting the ones out. A herd premise number that a guy puts in at his place and you don't put down each one, that would be the absolute, if you had to do it, that would be

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

the, where I'd like to see it go, you just say 200 head out of this premise number or a thousand head out of this premise number, but at least you didn't have to handle them at a separate time, you handle them when you are branding them, you handle them when you are - - something of that nature, it's when you put your premise ID tag in and just do a booking system and you don't trace it any farther than that, it just goes back. But that would be, well, the worst I'd like to see it go. The accuracy of the ID's and your 18 month and older, this is probably my biggest deal here. I get fussed at at the yards by buyers because in September and October we started ID'ing these yearlings, heifers that were found open, well, we figured they were born in February to March, September, August, September, October, they're starting to be 18 months. Well, I ain't doing it in the country. So, until we get it to where we're consistent in the country as we are in the yards, we're not very accurate, 'cause we got a lot of cattle moving that's saying that they're 16 months old, that they're really 18, 19 months

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

old. So, that's something that I'd like to see, you know, get out there is to make it more uniform in that way. Several states have it that we got to do replacements no matter what age. Back to uniformity, it just makes it easier on everybody, they know what they got to do, that I get five, ten phone calls a week during the busy season, what do we got to have for this State, what do we have to have for this State? So, that's just some of the things... The RFID system, I think is absolutely critical. When you are working cattle and they're bawling, chute is going, you holler TTD, TBC, and nobody can tell. And there's a lot of, you're not, you're not going to trace those cattle that are wrong. They're written down wrong. You scan them, we put in 25,000 a year for the last three or four years, the majority of them for Joel and his family had four or five RFID tags that when we scanned did not scan out of probably 100,000. So, they're pretty good and they stay in well. So, that's just some of my thoughts, thank you very much.

MS. GRIMES: - - if you could just leave

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

that one on your table and you can - -

MR. BRIAN THOMAS: Good, good morning. My name is Brian Thomas. I'm a member of the Shoshone Paiute Tribes of the Duck Valley Indian Reservation in Idaho in Nevada. I'm actually an Idaho resident on the reservation and a member of the Shoshone Paiute Tribes and I also work with the Indian Nations Conservation Alliance and we do outreach to the native producers throughout the United States. I went to a lot of these meetings with USDA APHIS several years ago and helped the USDA to do outreach to the tribes with this traceability plan. What they had, and then I had them comment on their plan. Introduced the traceability to the tribes, I went to a lot of meetings, I've served on the APHIS board, the committee to, USDA appointed by the Secretary of Ag, and just pretty much, I wear a lot of different hats under the Department of Ag, you know, rural development, FSA, a lot of presentations on that. And I'm a rancher from the reservation there. And it was a long drive here, it was a beautiful drive, you know, beautiful country, nice and green

throughout the State of Montana as well as Idaho and we had a lot of show, you know, you see, you probably had the same thing here, a lot of water. And it's really nice. I tried to pass the buck to have somebody else from Montana come up here and speak but I couldn't find anyone that's willing to do it here, so, I'm here, so, I mean, I'm not going to be representing any tribe that's on the record. I'm not representing any Tribe, just the, what I'm doing as a producer and what I'm seeing with this traceability deal. So, I just want that to be out there because a lot of Tribes, a lot of times when we speak it's thought that we're representing Tribes as a Native American, but no, I'm not. But I've been a, I've been a Black Angus rancher oh, for about, maybe roughly 50 years. I started when I was five years old on a ranch, on a ranch we had, and my grand--, my grandparents are Black Angus producers also. So, I've been, I've been at it for a long time and on a reservation it's a totally different kind of life. And what we see is that a lot of the tribes out there knows that these policies

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

are to be enforced, it's, they are just so slow at getting the, these policies in place because they are, they have so many things on the table, the Tribal Leaders. Like, they're talking about the HIPAA and the, you know, we're going to enter the electronic health records at the facility today, so, that's pretty much the same as traceability, with the electronic health records, similar to this traceability plan.

Where all these providers, the doctors on the reservations are, they're older gentleman that ends up on the reservation but they have to do their record keeping on the computer, which a lot of them said that that's not really easy to do. That's kind of the same for me as a producer, because I could open the laptop up and get on there, but when we have those, when we, we have a RFID reader at home, as well as a wand, and I do button tags on my livestock, they, our year old heifers because we want to keep records on those heifers as producing heifers, replacement heifers for the future, to keep our cattle going. We do raise commercial and pure bred Black Angus, that's a small, a

small, I have a small ranch, not very big, so the records are fairly easy to keep, you know, you're talking to gentlemen here with 800 head. Attaching the hand, the handheld reader to a laptop when it's all dusty and dirty and raining out there at times, you know, my, I had one of my boys try to do that and, you know, they didn't like it because it's just so bad, it was just, the weather was bad, and we had a vet come in to do the banks, the banks vaccination on them and at the same time we, from Idaho, we RFID tagged those heifers that are going to be sexually intact because at 12 months old I expect them to have a calf, maybe the 18, the month of 18 months to 24, so, within two year, two years they got to have a calf by their side, and this past year we were really lucky, so, we kept records of all of those heifers that we had on the reservation, so, with those tags we had, it's an easy way to keep records for your livestock. You know, that, from the birth and which ones are open. So, the open ones we send off to the sale barn, we don't, try not to keep them, because, what's the use in keeping them if

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

they're not going to be producing, because what we do is we synchronize our livestock, we give them a shot of utilize [phonetic] and we bring them in, bring them in to, bring them in and let the bull with them, then we try to calve within a two month period. So, we've been pretty lucky but the RFID tag worked really well. And there's a lot of the tribes where I'm from is that several years ago there was a producer that had their livestock at a feed lot. And one of the tribal members called me and said, they brought about 60 head of heifers in here, and knowing that I've been with these disease traceability meetings and going to all of that, they asked me, what could you do as far as they, transporting the livestock across the State line? The number one question is, is, did our Tribe pass a resolution to enforce the Animal Disease Traceability Policy Emergency Management Plan on this Animal Disease Traceability - - and the answer was, no. So, in that case you really can't do anything. Then I says, well, we can do something different, we could ask if they have a ICVI paper traveling across the State line.

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

Because it came from a feed lot from the Idaho, across the State line on the reservation, but still it's crossing the State line. And there was not much we could do, but we have issues like that on the reservations, especially on the reservation. You know, it's, a lot of these are questions that were put on me with more better to be answered by tribal leaders. But if it was from a rancher or a producer, you know, I think that, for me, as a producer, the RFID is working perfectly excellent, you know, tagging my livestock. And the reason why I say that is because, probably back in the early '90's, I bought one of the good bull, and it was a traveler 71, it had one of those bulls, and now my livestock pretty much has a number 71, the blank ear tags throughout the whole herd. So, it's really hard to keep records of a number 71 cow that's, that has, you know, several calves throughout the year going back that number 71 number, it's really hard to keep that number 71 born I '13, has a calf in '15. So, so this RFID tag offsets it all, because it's a certain number that the wand reads, and we put that

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

number down in our book and keep records of whether it had a calf or not. So, it's a, it's really, that's how it's really working out for me. But, you know, when, I was in California at the R--, the meeting in California in Sacramento. What I said was, and I always tell this to my family, I says, you know, don't ever say I'll wait 'til tomorrow, we'll do it tomorrow. What I told them is you, if something really happens, you know, you got to tell your family that you love them, and what I said, what I, what's going, what I'm getting at is, what if we don't start tagging our livestock and then there was a disease outbreak within these, the States, what is going to happen? It's that tomorrow is going to be too late if we, if I don't try to do something in records keeping because I've said it at a, this at a funeral service one time. You got to tell your family that you love them so you, so I says, I'll trade all of my tomorrows for one more yesterday meaning that, I should have tagged my cattle yesterday just in case there was any trace back of disease that I'll, we know where to trace

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 that livestock back to. We do brand our
2 livestock, which is really, the only kind o
3 identification we have, but the flaw in branding
4 is that some tribal producers do not report
5 their, have their brand registered with the
6 State. And I would like to see more of that,
7 the brands be registered with the State,
8 especially the reservation livestock. And what
9 our, our tribes do, the reservation does cover
10 the Idaho and Nevada State line, half of it is
11 Nevada and half of it is in Idaho. So, we have
12 that, the ability to, our cattle moves within
13 the boundaries of the reservation across the
14 State line, what they talked about earlier. So,
15 that's there, and what we have today is just
16 what they were talking about today by the elk,
17 we probably have about maybe 1,500 elk, 1,500
18 head of elk that crosses on the reservation,
19 onto the reservation from the State, from the
20 State managed wildlife herd onto the
21 reservation. So, it really makes me think about
22 what would be, what kind of disease our
23 livestock could have, especially when they have
24 the salt licks and the watering ponds out there,
25

on the reservation, 'cause a lot of, the reservation goes dry, so, they have to use solar panels to pump water from underground to some of those areas. So, then we also have big horn sheep on the northwest end of the reservation, so, again, they go back to the salt lick blocks, the watering holes, you know? What kind of disease could be out there that could be, that could be breaking out with livestock and the wildlife. And, but with our tribes, I've talked with the Natural Resources and the Lands Department and what I told them was, I was work-, we were working on an emergency management plan for the reservation so that we could have a better plan in case there was a, in case we need to quarantine the area, especially with the wildlife intruding, a lot of them. So, that's part of what I'm working with the tribes. But with the, what the, what the livestock being, let me put it this way, we have a reservation, but we have reservation, we have lands off the reservation, I'm just sitting there wondering if those producers, that's leasing the ground from the Tribes, they have a permit to go across the

State line to utilize the Tribal grounds from the, moving from the State of Idaho to Nevada. There are a lot of the tribal lands that are, that the tribes own is in Nevada. So, I just wonder if they have a permit to cross the State line to move their livestock to Nevada. And also, they, we have, you know, Simplot Livestock is a big company and there is a a lot of Simplot trucks that are moving across State lines and they arrange their livestock on the tribal borders so, leasing grounds from the Forest Service and the BLM, so, there's a lot of questions out there that, you know, that you guys need to look into because some of the livestock end up on the reservation that's non tribal cattle. And, you know, there's so much, you know, that's out there that's could be impacting, not only the Tribes but also the producers that's off the reservation and, you know, the Tribes need to really pass some policies to better manage their livestock on the reservations, and they, like, for our tribe I'm speaking, we need to do that. Because there's two different tribes here, the Shoshone's and

the Paiute, so there's, that's why I say tribes. But, with that, you know, we know, I very well understand that the tribes are responsible as well as the States to the traceability of livestock, the policy, because the tribes have their own jurisdiction and the, and our tribes is a self governance tribe. So, when a self governance tribes, we're governing our own programs, we are not, deal with the BIA, Bureau of Indian Affairs, we're a compact tribe so, what I see is that we should be really responsible as a tribe to have this emergency management plan in place to protect the producers as well as the consumers and the stakeholders, not only on the reservation but around the reservation. And, you know, that's pretty much what I have as a producer, I'm pretty much sure that you wanted to hear what I had to say about this, but for me, as a producer, it's traceability policy is working excellent, it's really helping me out as far as, as far as identifying the livestock that I own, and it's an easier management tool for me. Thank you.

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

MR. AARON PAULSON: My name is Aaron Paulson, I'm here to represent the Montana Bison Association and also Turner Enterprises. I live south of Twin Bridges and I, in the Ruby Valley about an hour south, and so I can talk more specifically as to what we do on the ranch, but also for bison producers throughout the State. So, my like Ray said, where we live, we're in a high serial positive prevalence area for brucellosis in elk. They've tested them and they range anywhere between 12 percent and 30 percent positive, so, brucellosis is something that's near and dear and that we deal with quite often. We raise commercial bison that are commercially processed and end up in the food chain. Just to give you an idea of the size and scale that we deal with on the ranch. We have about 1,300 bison on there and tag about 500 calves a year. Throughout the company, Turner Enterprises, we run around 55,000 bison. And when we talk about disease traceability, one of the things that we believe strongly in is this RFID tagging. We tag every single bison between six and nine months, every one of them gets an

RFID tag. And on top of that they also get either a bangs clip when they are bangs vaccinated or they get a metal tag for bulls, and they, they also receive another form of ID, which is a visual ID, and this has saved us many times over, not only in the brucellosis sector, but any other questions, when we have interstate movement, or intrastate movement, we deal with Department of Livestock and State agencies multiple times a year. And in a matter of minutes we're able to look at that animal's history and where it was, where it originated, any vaccines it's been given, any movement it's had, and be able to determine that from the time of tagging it at six to nine months until slaughter. And so, I guess, to preface anything that I talk about today, we are strong believes in the RFID system and it's proven to be very effective in our business. So, the commercial bison producers throughout the State, we're domestic bison, classified as domestic bison just like the cattle throughout the State, fall under the rules of the Department of Livestock. However, the only area that it, that tagging is

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

required or identification is required is within the designated surveillance area, where we're dealing with brucellosis. So, throughout the State many, many producers aren't required to tag but they do, and this has been beneficial because of the surveillance program as they, these animals end up in slaughter. So, most producers will use a metal bangs tag when they vaccinate or a metal clip and then a visual ID. So, it's very common although it's not required. One of the other things that's really worked well for us, and this has to do with traceability is herd plans. And I think that these are remaining in tact, although they might be identified, but herd plans have also helped us to make sure that we are testing annually or in areas that we are not in the DS, or not near it, but at least there's a herd surveillance program going on. Let's see, what components of ADT are causing conflicts? I shouldn't, I wouldn't say conflict, but occasionally we'll have a case where we'll have a brucellosis suspect, oftentimes that's, I believe it's Yesinia [phonetic] where you'll see an animal

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 that hits slaughter or you'll do some
2 surveillance testing and it's a type of a
3 bacteria or disease that comes through pocket
4 gophers and so, what's worked well is that APHIS
5 and the Department of Livestock work hand in
6 hand with the producers before they quarantine a
7 herd or shut down a herd to identify through
8 epidemiology what exactly that animal may have
9 had. Something else that is really problematic
10 in bison is if you do test positive, and you
11 confirm that that animal tested positive for
12 brucellosis is that unlike cattle producers,
13 it's really unreasonable to run your herd
14 through three times, three to four times and
15 have that herd test clean to have a quarantine
16 within a year period. The stress on the animals
17 is unrealistic, you kills calves, you kill cows,
18 it's just not something that we can reasonably
19 do, especially on large herds. And so, it's, in
20 our history on the Snow Crest Ranch where I
21 live, we tested positive for brucellosis in 2011
22 and it took us until 2014 to be released from
23 quarantine. And that was annual testing,
24 typically it was either an APHIS vet or a

Department of Livestock vet to draw blood for us. And again, much like Ray said, I believe it was Ray, the lab being in Bozeman was very important in the fact that we could get blood samples to them and get results within a 24 hour period. But it's, but as far as the bison sector, it's pretty realistic that in the case of traceability and in the case that you do have a disease outbreak that you're going to be under quarantine for probably a more significant period of time than a cattle producer.

Something that also that's worked well is the confidentiality for the ranchers in the cases where there has been this disease contact, and it helps to make sure that we organize and work with the State and APHIS to have a management plan or a testing plan before the information is released to the general public, to not damage our business. What could be done differently to minimize problematic aspects? I think it's worth noting that oftentimes you'll see a press release in the newspaper, and again, I'm talking largely brucellosis but you'll see a press release in the newspaper that says that a ranch

in Madison County or Beaver Head County or Park County tested positive. And I think on a producer level, it would be helpful to have a press release come, once the epidemiology report is received that confirms the contact, that the strain came from elk. And I think that ties directly back to the general public who doesn't understand some of these diseases, so, what is brucellosis or TB or some other disease, so that the general public that we would meet on the street understands better that, and it's confirmed that this is an elk disease that is being transmitted to cattle or to bison. I think that would be helpful in the palatability to protect not only the bison business but the cattle industry, and for all of us that live in this DSA, it's not a matter of if you're going to test positive but when, unfortunately, because of the prevalence of brucellosis. Let's see, explain the experiences or viewpoints you have with RFID technology. I kind of mentioned this at the beginning but the first bison that we had within the company that tested positive for brucellosis was on The Flying D Ranch in

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

2011, I believe it was, maybe 2010, and within a matter of minutes that animal could be identified because of the RFID technology and within five minutes you could determine everywhere that that animal had been in its life, when it had been through the chute, and you could eliminate that animal and take it in for, for further testing. So, again, we can't speak highly enough of the RFID technology. But on top of that, it's important, at least in bison, that one form of ID is not sufficient, it, I would say when we run 1,600 animals through the chute in the fall, we're probably missing three or four RFID's that have gotten rubbed off on sagebrush or hooked by a foot or different things like that. And so, in the case of the type of species we are running, if we can always have a second or a third form of ID, especially in bulls, bigger bulls will typically lose, lose at least one or two forms of ID throughout the year, then you can cross reference those animals. So, whether it's for traceability or export, multiple forms of identification are extremely important. Share

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

one's perspective on the future objectives and production of traceability? Again, required identification helps, especially in the DSA. Outside of the DSA, identification is certainly important, although I think that there will be back, much like there is probably in different sectors of Ag, on the type and the cost that's absorbed by the con--, by the producer for different types of tagging or technology. But I think that there's ways around that and I think part of it is education, maybe there is a better return on investment, maybe it's food safety, whatever the case is that they are, there's probably more palatable ways that we can present it to producers throughout the State. We also wholeheartedly believe in the slaughter surveillance program. And that's happening, there's two major, well, three major bison slaughter facilities, one in Idaho, one in South Dakota and one in Colorado, and all of those have the slaughter surveillance program, and it's working very well to be able to trace back any suspicious animals or understand what could be going on and catch a problem before it

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 becomes large. And something that has worked
2 pretty good the last three or four years, we've
3 been able to get away from the banks tattoos in
4 their ears, and it's, essentially it's been a
5 needless time spent, messy, and it's hard to
6 trace and understand what that tattoo is, and
7 so, with the help of APHIS and Marty and the
8 staff we've been able to understand and rely on
9 identification other than banks tattoos, and so,
10 that's been a help in our business. And then
11 the last thing was, how can these objectives be
12 achieved in advanced traceability? And so, as
13 for the bison business, I think the current
14 system, I believe that there's the cost share on
15 the 840 series, techniques, and I think that
16 would really help to spread the availability for
17 disease traceability and so the, and then in our
18 particular area, much like what Ray says, many
19 veterinarians carry scanners or wands, so, even
20 if that ranch, ranch or rancher doesn't have the
21 computer system or the tracking methods, the
22 veterinarians often, in our area, carry a wand
23 with them. They can scan those animals or in
24 that case Department of Livestock or APHIS carry

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

a wand and they can scan those animals as they go through and they can generate a report that comes to you at the end of the day or the next day. And so, you don't necessarily have to spend thousands of dollars on the computer system and on the tracking system, as long as you have the identification and maybe that's something that, if this traceability was dispersed more throughout the State or region, maybe veterinarians are the place to start with this scanning method. I'm sure that some of you don't use RFID's or haven't been exposed to them too much, and in our experience cost, cost certainly is, there is a cost associated with it, but the benefit far outweighs the cost. We're, right now we're paying \$2.30 per head to put an RFID in, and then with our computer program that we run, aside from the cost of the computer itself it costs two dollars per head to register the cattle log program, and we can track everything that that animal has ever had done, every weight, every movement, and then we can generate reports, every time that we send an animal to the slaughter, we scan those animals

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 in on their way to the truck, we generate a
2 report before the truck leaves, and it says that
3 there's 56 bison bulls, here's their RFID's,
4 here's their dangle tag numbers, here's their
5 banks clips or their metal clips, and that
6 accompanies that truck driver when it goes from,
7 say, Montana to Colorado and it follows them all
8 the way through slaughter. And it's helped
9 tremendously in making sure that every animal is
10 accounted for, not only for on ranch inventory
11 but for slaughter surveillance. So, anyways, to
12 wrap it up, our experience is very positive with
13 RFID and I think that throughout the State for
14 other Montana bison producers that, given a
15 component of education and perhaps a little bit
16 of cost share from the APHIS or Department of
17 Livestock, I think that it would be palatable to
18 expand on the traceability for bison, domestic
19 bison. Thank you. [background noise]

21 MR. BRETT DEBRUYCKER: So, I'm Brett
22 Debruycker, Debruycker Charolais Family Operated
23 - - we have about 2,300 red Charolais mother
24 cows. We raise, we market around 950 purebred
25 Charolais bulls a year, give or take and then,

1 you know, just depending on the year, certain
2 females throughout the year. We've been in the
3 cattle feeding industry since the late 1960's
4 and we've done that, you know, through the
5 positives and negatives through the history of
6 that industry. We, also we're farmers as well,
7 we raise hard red winter wheat, malt barley,
8 chickpeas, lentils, alfalfa hay, wild hay, wild
9 metal hay. So, I feel like at least here in
10 Montana I've got a fairly well rounded view of
11 Ag production. I don't own an auction barn like
12 Joe's family but, you know, we've spent plenty
13 of time in auction barns purchasing cattle and
14 doing that kind of thing so I have, you know, I
15 have an idea of what goes on. With the current
16 traceability system, you know, I deal with that
17 basically on a daily basis, our purebred herd
18 first, when we're moving bulls, you know, it's
19 really not that big a deal when we're moving our
20 bulls through our sale because beforehand we've
21 got them all, we just use the USDA clip, and
22 we've got them all in a database where we can
23 tie that to where they're going for the
24 veterinarian. But when we get down to, you

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 know, when somebody calls and says, hey, I'm
2 from Missouri and I'd like five head of cows,
3 you know, with heifer calves inside, and, you
4 know, that becomes a little bit of an effort,
5 and not just a little bit of an effort, it
6 becomes quite an effort, and the reason why is
7 because you've got to coordinate trucks, you've
8 got to coordinate the vet, you've got to
9 coordinate the guy on the other end making sure
10 that it works for him to get it delivered in
11 time. So, you, and you got to go get the
12 animals in, run them through the chute. So,
13 we'd be, we've begun tracking the banks
14 vaccination tags that we've been, which has
15 helped some, but what I'm trying to say is, you
16 know, it's one thing to do it on a large group,
17 but when you start to get into smaller groups
18 and you're trying to get it in with a truck
19 making that work, you know, it becomes an effort
20 because, you know, I'd like to think that I'm
21 kind of a perfectionist, I try to keep things
22 pretty tight in our operations as best I can,
23 but, you know, I, and I could blame it all on
24 the hired help but I won't do that because it's

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

not all them, I mean, I make mistakes. And so, you run those cows, just for the example here I'm making, you run those cows, that group through the chute, you write down or you could scan, if we had the RFID tags, you know, write down those tags, and the reason why we went with the writing it down is because, I'll explain that in a minute, but you write those down, you get that information, you get it to the vet, low and behold, maybe you got one number wrong, well, then you got to run them all back through again and do it again, okay? So, it just becomes quite an effort, not insurmountable but it is definitely added cost and added effort to our operation. So, besides the purebred operation we, like I said, we feed a lot of cattle, we've fed, you know, I'm not saying the largest, but we've fed a lot of cattle for the NHTC program in this country, sending cat--, fed cattle over to Europe. So, I get a pretty good handle on, you know, getting those calves from producers with the RFID tag, scanning those tags, you know, monitoring them on our ranch and in our background lot, and then sending them on

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 to the feed lots where we finish them. And the
2 thing I'll throw out there is, you know, we, it
3 never failed, this is back, I'll just give the
4 example, this is back, you know, a few years
5 back when NHTC was given a seven, eight, nine,
6 ten dollar a head, ten dollar a head premium,
7 so, you know, these ranchers were being paid
8 well to do this, and I'm not saying they weren't
9 making every effort, I'm just saying this is the
10 facts. You know, we would get a group of three
11 or 400 steers that we'd bought, get them in, run
12 them through the chute, scan them, you know,
13 besides the fact that every now and then the guy
14 doesn't quite push the button right and miss the
15 scan, that's one thing, but you'd run into a
16 group of 15, 20, 30, 40 calves, you know, five
17 to ten percent of them that weren't tagged, not
18 always, but sometimes, and you'd go what, what
19 the hell happened here? You know, they just
20 weren't tagged. Well, they came from that
21 rancher. You know, I don't think he did that on
22 purpose but what do you do, is he was out impla-
23 -, in--, putting those tags in those calves when
24 he was vaccinating at some point in the summer,

1 and then when they rounded up they missed a
2 group and they were over the hill somewhere and
3 didn't get the tags in, and, you know, whether
4 he knew we missed them and, you know, he just
5 all of a sudden had 20 or 30 or 40 tags left
6 over, or, you know, I'd like to think that
7 wasn't the case, he probably just didn't realize
8 he missed them, loaded the truck, I'm the one
9 that has to deal with it. So, you know, it's a
10 quality control issue, right? I think, you
11 know, you guys know exactly what I'm talking
12 about. But that, that is a very serious issue
13 there, if we're thinking that we're going to
14 take this to the next step and have ranchers tag
15 every calf. I'd just like to throw in, you
16 know, my involvement with the USDA State
17 employees and veterinarians isn't very great.
18 But with the State Veterinarian, his Assistant
19 Veterinarian and employees, you know, has been
20 extensive and I'll tell you, at least here in
21 Montana, we've got a great staff and I just want
22 to commend them and I think, you know, USDA has
23 great employees and veterinarians as well, and
24 why I say that is because it, you know, I

1 realize you guys have problems with your job as
2 well, but, near as I can tell when you have a TB
3 trace back or a brucellosis trace back or a
4 trichomoniasis trace back, you guys get your job
5 done and you do it extremely well in my opinion.
6 You might not be able to say in the news or you
7 are with 100 percent certainty, this is what
8 exactly happened but, you know, at the end of it
9 you guys got a pretty good feel of where cattle
10 went, what the route of the evil was and that
11 outbreak, even though you may not be able to
12 announce it publically. So, I just want to say,
13 you guys do a great job. I'll transition into
14 feed lots and feeders, and I, the way I view the
15 industry, I think we have three basic sections
16 of cattle feeders, we've got the small farmers
17 feeders and, you know, I'll just put numbers on
18 it, it's a variable number, pretty subjective,
19 but, you know, one, two thousand head feeders,
20 you know, I call them just farmer feeders,
21 they're more of a family operation, okay? Then
22 you run into the medium sized feeders and
23 they're five thousand, in my opinion, do, you
24 know, on up to, around, I'll say, 30,000 head,

40,000 head handled a year, okay? Those are kind of the medium sized operations. And then you have what I consider the very large operations and they have there the 50,000, 60,000, 100,000, 200,000 operations, you know, like, you see at Five Rivers and that kind of thing. And so, you know, and I've explained this to Marty many times, and what I'm about to tell you, he'll tell you that I'm just being a chicken little, but, you know, I try not to, if we weren't such good friends he'd probably take offense to it. But, you know, it's my opinion that it's the medium sized operations, the medium sized feeders that are really the backbone of the in--, of the feeding industry, okay? And I don't mean to take anything away from the large or the small, but it's that medium size that they're out there bidding on calves every single day, to get their lots filled, and to get their pastures filled. And, you know, they're the ones in my opinion, along with the auction barns, that create the market transparency and true price discovery which, you know, and I would hate to see, you know, any

1 further addition on them, and what I'm getting
2 to no that is, you know, if you, well, before I
3 go there I'll just say, you know, this traces
4 into, this tracks into this comments I've heard
5 about, well, we're just going to track from
6 State employees and - - employees, well, we're
7 just going to track them back to, you know, at
8 first movement. We're not going to worry about
9 going past first movement. Well, what that says
10 is we're not going to make the ranchers do it
11 'cause we know, we know how they feel, we've
12 heard them at these listening sessions, we know
13 how the ranchers feel about this, ID'ing every
14 single calf as they leave the ranch, so, instead
15 of that, you know, we also get, you know how
16 auction barns have to deal with it, I mean, Joe
17 and his veterinarian there just describe it, we
18 can't run those calves through the chute
19 beforehand, they've just come off the mother,
20 you can't run them on, through the chute before
21 the point of sale, you're just going to add, add
22 stress, strength, you know, the ranchers are
23 going to, look, you know, lose their cool over
24 it. And then afterwards, you know it, remember,

these are, you know, the bulk of this is bawling calves and they've been bought in one, two, three, you know, maybe 300, but 200, but what, you know, there's a lot of cattle bought at onesies and twosies, like I call them, and they've been grouped together and they're just, you know, they're under a lot of stress. You can't run them through after that, at the auction barn and stay there 'til 4:00, 5:00, 6:00 in the morning trying to do that. So, what you're going to do is you're going to, in order to track at first movement, what you're really going to do is you're going to say, hey, that feeder is going to have to handle it when he gets them and when he comes to get them, okay, that's understandable, but remember that, you know, the smaller feeders feeding 1,000, 2,000 head, you know, he's probably family operated, family member operation that can, you know, track the things that you guys need done, and the 100,000 head feeder, you know, he's got enough cattle being fed that, you know, he can amortize those additional costs of people and programs and wands and software and, you know,

Ubiquus Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 what I call quality control, okay? 'Cause
2 there's quality control, it's not perfect, as
3 you well know. You know, he's got enough of
4 that that he can probably get that amortized out
5 over the, over his animals he's feeding. But
6 when you start dealing, start putting that on
7 the, rather than 100,000 head feeder you put
8 that on a 20,000 head feeder, it's going to be
9 the same amount of quality control oversight
10 required for a 20,000 head operation versus
11 100,000 head. So, what that tells you is that
12 it's a five times more expensive. And anyway,
13 that's just my opinion on that, so, you need to
14 be pretty careful on where you're going with
15 that and just thinking, well, you know, the
16 feeders, they're going to keep their mouth shut
17 and just, we'll just get them to do it next, and
18 I think that a lot needs to be thought about
19 there, because it, as I said, I think, for the
20 health of the industry, I think that medium size
21 feeder who is going to bear the brunt of the
22 cost, he is the one doing the bulk of the price
23 discovery for these ranchers. So, what I would
24 say, is instead of, you know, going further down
25

1 this road, I think you guys have a program
2 that's working, you know, I would put, I would
3 recommend putting more resources and having a
4 much deeper discussion towards increasing,
5 improving quality of tests and improving quality
6 of vaccines. I think that as an industry we
7 need to have more of a discussion on testing
8 vaccines rather than tags and more, and added
9 regulation. I realize that discovering these
10 new tests and vaccines costs money and it's tax
11 dollars and, you know, we're in an era of time
12 where it's just all about less government and
13 lower taxes, I get that. But as an industry I
14 think, for the health of it's long term
15 viability in keeping those mid sized feeders
16 strong too, and small and large as well, we need
17 to have a discussion about vaccines and tests
18 and who needs to pay for that research and how
19 we can get it administered into, administered
20 into the cattle herd. So, I guess just to
21 summarize, you know, I think that producers,
22 auction barns, feeders, packers, you know, we're
23 conducting traceability every day, through brand
24 records, health permits, bill of sales, hard

1 tags, load lots, I mean, we are doing a lot of
2 what needs to be done, and under your guy's
3 current program, you know, I feel like we're
4 getting the job done. So, you know, that, the
5 other thing I would say is that USDA employees,
6 veterinarians, like I said, you guys do a great
7 job and, you know, you can track down animal
8 movements, it seems to me like you guys track
9 down animal movements better than the FBI
10 figures out Russian involvement in our
11 elections. [laughter] So, you know, kudos,
12 right? But, I'd just ask the question of, you
13 know, as to being able to shorten up the time
14 horizon that you, State and USDA employees are
15 trying to shorten up your sleuths, your
16 searches, is being able to shorten up that time
17 horizon of getting your job done, is that really
18 worth the added cost, now you added regulation
19 that's going to be placed onto the industry?
20 And so, I'd ask you to really consider that, so,
21 thank you very much for giving me this
22 opportunity to speak today.

24 DR. SCOTT: Thanks for all of those
25 comments, lots of diversity and wisdom to

1 consider. Just for full disclosure, Brett is on
2 the Board of Livestock so I, I do, he is my boss
3 as well, but he wanted to make sure that, you
4 know, that it's clear that he speaks for his
5 ranch, his operations rather than as a board
6 member, which certainly have a diverse view of
7 traceability like any other group of people. On
8 my end, I guess I'll just say a couple of
9 things, you know, I think, there is consensus, I
10 hope, that traceability helps, not only animal
11 health officials focus limited resources but
12 also helps the ranchers in not being
13 unnecessarily hassled and being able to, you
14 know, and being able to find diseases quickly.
15 The challenges is that someone has to pay for
16 it. And that's where a lot of the discussions
17 have been and who bears the brunt of
18 traceability? And who bears, who, because we
19 all reap advantages, but yet, is the payment or
20 the cost of traceability unevenly distributed?
21 So, we get that and we have to continually work
22 on making sure that not any part--, one
23 particular group is a--, is bearing the brunt of
24 that, or if they are that, in fact, that there

1 is a market return for those efforts. But
2 identification does help, and, you know, just a
3 couple variables and examples that I can cite
4 for folks is the trichomoniasis investigation
5 that we had about a year ago. We had a large
6 rebreed operation that purchases of open cattle
7 in Montana and elsewhere have a trichomoniasis
8 outbreak, or we had a couple bulls that were
9 had, that were positive. And the way that
10 helped us is that, or the challenges where, this
11 individual purchased cattle, purchased females
12 from hundreds of producers over the last several
13 years. And it is impossible for us to know
14 where, in fact, the positive trich cows came
15 from or the trich bulls came from. So, one of
16 the challenges we had is we went to the brand
17 system and we said, well, who did this
18 individual buy bulls from? And who did they buy
19 cattle, females from? And we did identify that
20 the two bulls that came, that were positive came
21 from out of State and had a negative
22 trichomoniasis test about two years previously,
23 which means that instead of having to write
24 letters and warn, let's say, 1,500 buy--,
25

1 sellers or 2,000 sellers, we wound up sending a
2 letter out to about 850 producers that
3 contributed cattle to this rebreed operation.
4 But we knew that the, we didn't have to worry
5 about the producers that sold cattle into this
6 operation prior to these bulls coming in because
7 the positive bulls had a negative trich test on
8 the way in, and so that was our trigger, our cut
9 off time. So, what I'm saying is, is by being
10 able to have an identification, combined
11 identification information, bulls had a negative
12 trich test on the way in. So, that was our
13 trigger, our cut off time, so, what I'm saying
14 is by being able to have an identification,
15 combined identification information with test
16 information, with brands information, we were
17 able to at least limit the concern or these
18 letters out to several hundred producers instead
19 of over a thousand or more. So, again,
20 traceability for disease information helps us be
21 more efficient and also helps narrow the scope
22 for producers. Another example is the most
23 recent tuberculosis investigation who's, that
24 we've been testing cattle from, I'm going to

1 focus my gaze on the South Dakota State
2 Veterinarian who we can, who we can send
3 appreciation to for sharing some of those
4 traces, and just to recognize that Dr. Oedekoven
5 is here from South Dakota, so, tag him with any
6 questions, and Dr. Jim Logan in the back over
7 there, he's the Wyoming State Veterinarian. But
8 as far as the TB and traceability and combined
9 brands and combining ID, we had a group of
10 animals that were purchased from South Dakota
11 and they had a link to the TB infected herd.
12 But the interesting thing was that the index,
13 the positive herd in South Dakota sold 16
14 animals to a second herd in South Dakota, so no
15 health certificates are needed, no
16 identification needs to be tracked, right,
17 during that purchase, and that's that middle
18 herd, sold ten animals into the State of
19 Montana. So, now we have an individual that has
20 ten animals from a herd that purchased animals
21 from a positive, from the positive herd. And
22 how did we find whether this Montana producer
23 has cattle from the Ida--, from the South Dakota
24 positive herd? We looked for brands. And, in
25

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

fact, we found four of those animals, four out of the ten animals had the brands of the index herd, and we were able to test those and focus some additional diagnostics on those animals. So again, ID's don't replace brands, and brands don't replace ID's, but we can use both of those to either prove ownership or to assist with identification, with disease tracing. So, I think we've made tremendous progress and I, particularly in traceability but I think I, the place where we've made the most progress, I think, is electronic identification. As a number of folks have said, electronic ID's are, I think, key to being able to process a large number of animals reliability, and then be able to store those records for the long term. As far as I'm concerned, we cannot have a successful traceability system without electronic ID's. Or to put it another way, I don't believe that we can succeed with metal tags alone. Just because the error rate is too high, the commitment to time, to read those tags is too high, and I, and ultimately those tags do not get collected at critical points of commerce

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

as easily as they would if they had electronic ID's. The, one of the shortcomings, I think, where we are right now with traceability, is I've heard some folks talk about is too much variability, and the variability comes in two different ways, like, Dr. Roe mentioned, it comes in different States requirements for identification and for testing, and that's been a pet peeve of mine for a number of years and I am fully committed to try to standardize some of that information. But the other place where we're, that I think we're failing or we need to do better is we need to standardize identification requirements. This rule was passed, the traceability rule was passed in response to feedback to groups like this that said, well, what about my sector, it really doesn't fit the mold, and so please give us some additional leeway. For the USDA to accom--, to give the USDA credit accommodated those kinds of requests but I believe that ultimately the traceability program suffers, and one of the examples is, cattle can go into a slaughter plant and without ID and they can get back

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 tagged that, at that slaughter plant. Which
2 means that unless your paperwork is meticulous
3 before these animals get to the slaughter plant,
4 there's no way that you can track those animals
5 to the source of origin, which means that if you
6 have a producer, potentially, with a TB positive
7 cow or two or three that's the, where that
8 disease is going to fester, and then you have to
9 create additional problems for that producer,
10 and potentially his neighbors as well as the
11 animal health officials as we try to mitigate
12 that spread, and potentially pay for indemnity
13 if that spread is so high that that herd has to
14 be depopulated. So, I believe we have a long
15 way to go or we still, certainly have, need to
16 make strides in making that rule more consistent
17 of strides in making that rule a little more
18 consistent. The last thing I'll probably say is
19 that, you know, we have heard the, the emphasis
20 on markets, and where, in fact, can you put or
21 do you need to put the enforcement? And it is
22 a, and it is indeed the case that enforcement
23 and regulations to some degree have been
24 specifically focused on points of, collection
25

points, and so, I get it, I understand that that market, or that the marketing association as well as, you know, obviously individual livestock markets and collection points feel like they're being picked on. And indeed, when we looked at the brand inspection records for the State of Montana, just over 25 percent of the cattle are marketed through markets and about 70, a little less than 75 percent are marketed in the field, so that does highlight the somewhat, the slanted approach as far as enforcement. Having said that, you know, when I had this discussion with Dr. Winslow from Wyoming a couple days ago, he noted that, in fact, that the animals that are most likely to have been exposed to several premises, to have gone through several hands, typically older cattle that are more likely to be exposed to diseases, are typically marketed through the livestock markets, while the feeder heifers and steers are more often marketed through video sales and from the ranch. So, you know, I understand that there is a disproportionate emphases there, to some degree, that's, with

merit, but to some degree we have to work on trying to address making sure we are, perhaps, more even handed with our efforts in regards to the, in regards to the market. So, you know, just a few quick comments for folks, I'm sure I've left out a few things, but again, I wanted to say, welcome to Montana, we look forward to your questions, and thanks, specifically, a specific thanks to folks on the panel that have traveled to offer their expertise. [applause]

MS. GRIMES: Okay, so yes, I want to thank the panelists. Are there any questions that you have for these panelists before we excuse them and take a break? I mean, something in particular that they might have said? Do you want to grab that side?

MALE VOICE 9: I was going to ask the bison producer, when do you electronically tag your bison?

MR. PAULSON: We electronically tag them when we work them. We can't catch them in the field when they're first born, so it's usually within six and nine months that we catch them in the chute and they're tagged at that time.

MALE VOICE 9: So, in other words, you're saying, agreeing with Joe that the feeder cattle and the feeder bison, if you want to put it that way, are, it's kind of impractical to insist on any kind of a tagging system from the beginning?

MR. PAULSON: From the time of birth, yes, but we do tag them, we tag everyone whether or not they're going to be breeding or feeding, or fed stock, we're going to tag them when they're, they pass through the chute.

MALE VOICE 9: And so you do that when you're, the first time you handle them at weaning or whatever?

MR. PAULSON: Yeah, that's correct.

MALE VOICE 9: Mm-hmm, do, I'm going to clarify a little bit on that. My family are, handles cattle, sheep, buffalo and horses, and they all have to have their unique handling problems. But I totally agree with Mr. Goggins when he says the feeder cattle, as a commercial operation, it's just not too practical. And there again, you know, we got to look at our, our prices that we've had the last few years. My banker said to project the calves at \$700 a

1 head, that's about \$35 a head under what we can
2 raise them for. And so, any added cost is going
3 to be a real detriment to the commercial
4 producer. The other thing about that, the
5 technology issue, and I'm going to address it by
6 telling a little story here, I leased a new
7 tractor here two years ago. You know, I wasn't
8 calling that tractor John Deere when it, when I,
9 it stranded me a mile from home because the
10 computer said not to run it because the fuel was
11 too cold and was not coming through properly.
12 So, I mean, I'm not opposed to technology but
13 let's make it work first, and not later. The
14 buffalo situation, we don't tag anything except
15 the breeding animals, and that is enough of a
16 challenge for us doing that, simply because we
17 do not want to handle them any more than we have
18 to. So, there is issues here that we need to
19 address and especially on the feeder cattle.

21 MR. GOGGINS: Can I address that a little?

22 MS. GRIMES: Yes.

23 MR. GOGGINS: Yeah, just to reiterate on the
24 feeder cattle, and I think we've proven as an
25 industry, oh, what was it, three, four, five

1 years ago? I know on our first June video sale
2 had very few of these cattle to, feeder cattle
3 especially that were, were source and H verified
4 and all of a sudden about halfway through the
5 sale these, these steer calves, these feeder
6 type cattle started coming in three to four, to
7 five, to six dollars a hundred more, that had
8 the ID tags in them that were source and H
9 verified. And then all of a sudden, bingo, the
10 producers started coming up to these reps and
11 they started saying, hey, we can put them tags
12 in, we can do this. We proved as an industry,
13 we proved as a bunch of producers, that if we
14 get paid for it, we'll put them in, I mean, it
15 should be totally a market driven program and it
16 will be. If China wants to, wants this thing
17 done, and the feeders and all up the line will
18 pay us to do it, believe what I tell you folks,
19 these ranchers, these producers, these feeders,
20 they'll go through the effort and expense to do
21 it. But they got to be paid for it. And it's
22 not that we're against it, it's just from a
23 mandatory standpoint, I think, I think number
24 one, you commoditize these cattle, number two,

Ubiquus Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 especially cattle that are 18 months old or
2 younger, I mean, and steer calves, feeder
3 heifers, very few leave their finish lot after
4 that, I mean, the days of feeding, of having
5 these two year old steers coming in the grass,
6 they're over. We're not going to have that
7 problem anymore. I mean, it just, the market
8 has dictated that, but the older cattle, we have
9 a pretty good handle on it. The breeding type
10 cattle, the cattle that move, go on into the
11 chain that are 18 months and older, we, as far
12 as the USDA, as far as the markets, as far as
13 the veterinarians, as far as the traceability, I
14 think we have a pretty good handle on
15 it, and you hear a lot of, to go to these
16 meetings, you read a lot of this press and you
17 see a lot of these folks that say hey, Canada's
18 system is this and Brazil's system is this.
19 Well, we live in the United States, we don't
20 have to act like the rest of the world. The
21 rest of the world wants to be like us. Go to
22 Russia, to go Brazil, go to a lot of these other
23 spaces, hey, the United States does this, you go
24 to those meeting. Well, we don't have to be

1 sheep and follow them. It looks like me we're
2 pretty good leaders in the United--, in the
3 world picture already. I'm not saying we got to
4 get complacent and arrogant and this and that,
5 but I think we got a pretty good system and I
6 think the market will drive it, this
7 traceability and this ID deal, if we get paid
8 for it.

10 MALE VOICE 1: Joel, define your - -
11 commoditization in - - the premiums to
12 evaporate?

13 MR. GOGGINS: Yeah, I do.

14 MS. GRIMES: Can you repeat what he just
15 asked you, please?

16 MR. GOGGINS: He asked what I mean by
17 commoditizing the feeder cattle, if we tag all
18 the feeder cattle mandatorily. Basically they
19 are all worth about the same. I mean, these
20 people, these people that go through the effort
21 of paying the extra little bit to get it done,
22 they're doing it, basically what I call the
23 American way, if you want to get paid for it,
24 and you go through the extra effort, you go
25 through this and that, all of the things that it

1 takes to get a premium, most cattle deserve to
2 bring a premium, but if you make all of these
3 cattle the same, set of - - any steers in Texas
4 is going to bring basically the same as angus
5 flat, fancy angus cattle or Charolais cross - -
6 in this part of the world, I don't think that's
7 right.
8

9 MS. GRIMES: Okay, I think we have, like,
10 one over there and then we'll get-

11 MALE VOICE 10: [interposing] I've
12 appreciated your comments, as you've spoke to us
13 on your panel. One of the questions I've had
14 is, in your opinion, do you know the costs of
15 traceability is more in the tags and the
16 hardware or is it more in the QC and the
17 implementation of the process?

18 MR. GOGGINS: I think it's a mixture of
19 both. You're, you can get the silver bright tag
20 or your metal banks tag from the USDA for no
21 cost at all. So, you turn around and turn that
22 into \$2.50 a head and it, for the low frequency
23 RFID tag and then from there, you pretty much
24 add at least one more person, if not two to
25 process that information and to keep that in.

Whereas, you know, if we go out with metal tags, we just go out, we grab that box, it's got a hundred in there, we're good with any of them, it's the, oh, 1,0001 through 1,090. If you do the RFID's you got to scan them in, you got to correlate them to whose place they were. You got to correlate them maybe to, if they were, I can tell you how we do the, the Vermillion Ranch is when those cattle come in, they are lot tagged, so, in our program it has the lot tag, it has where they were purchased from, and it has that it was at Vermillion South Prior or it was at Vermilion Prior Creek or it was from Vermillion Diamond Ring. So, we've got those three entities, where they went as well as where they came from, and that sequence of numbers, then it goes back to the original owner. So, we can trace that pretty good, but it takes effort and it takes time.

DR. ROE: Yes, I think it's important to remember that this program is not a marketing program, it's an animal health trace back. And another thing is is that I think ID'ing the feeder cattle is a solution in search of a

problem. We can get back to the disease in our breeding herd, like Mr. Zuck--, or Doc--, State Veterinarian from Montana, excuse me. [laughter]

DR. ZALUSKI: Marty.

DR. ROE: Marty, like you mentioned that the breeding age, herd is where the most disease is and the highest risk. Granted, yes, you can have disease in feeder cattle, but I don't see it as much, that much of a problem. I mean, the way we do it in South Dakota, we were able to, you know, keep our State TB free, we didn't lose that status in programs and that we had worked very well and they used them all together, and I appreciate that and I appreciate Dr. Odekoven's work on that as well. Thank you.

MALE VOICE 11: Is this on? I would just say to go on with Dr. Roe there, the real cost, in my mind, is in the people, and the quality control, as I call it, making sure that, you know, it's one thing to buy the tag and it's one thing to buy the reader, you know, big deal. It's the people that administer it and make sure things are done properly and your records are being kept in a proper manner.

MALE VOICE 12: Is this on? A question for Dr. Zaluski. Kind of related, sheep. Why are we required to put those little tags in feeder lambs, and when will that program stop?

DR. ZALUSKI: Okay, so this question that relates primarily to the scrap--, the scrapie eradication program. And so, those are Federal regulations that require identification, and we're, we're hopefully close, encouragingly close to eradicate scrapie from the US. And the assumption I'm making is that those, is that the rigor of those identification requirements will be moderated once we have eradicated that disease, but I don't want to sc--, speak for the USDA and if you want more scrapie questions I'd defer this to Dr. Szymanski who is our Assistant State Veterinarian [laughter].

MS. GRIMES: Throw her under the bus, will you? Okay, that's nice.

DR. ZALUSKI: Of course. [laughter] I'm just admitting, you know, a light, a, not a true depth on getting some of those nuances regarding the scrapie program.

MS. KRISIN PARMIN: Kristin Parmin

[phonetic] with Livestock Marketing Association. I would echo, really, all of the comments already made on cost. Really just adding to that consideration from the market perspective on the cost of injury to those animals as they're being run through the chute and being tagged, updating facilities to be able to accommodate all of that tagging, the battle that we already face with difficulties in staffing, which has been echoed across the panel. Shrink, added stress, the animal welfare component of unnecessarily burdening and adding stress to these calves as they've being identified, those factors all need to be taken into consideration as a cost. One of the things that we would ask the USDA APHIS to consider would be a full cost benefit analysis of truly of changes or any extension of an ID rule into the feeder cattle phase, a full cost benefit analysis needs to be taken place to truly vet out what the cost would be at every point in the chain so that none of us are unfairly carrying the burden for this program.

MALE VOICE 12: I actually want to just kind

of dovetail on what she said and my question is kind of directed to Dr. Roe and Mr. Coggins is, having those cattle tagged off of the ranch, doesn't, does that address a lot of the concerns that you guys about have, about the time and effort, understanding full well that the best example I can come up with right now is the steer calf who really has no need for identification, maybe that cost component isn't fully realized on a steer calf, but everything else, and looking mostly at the heifers right now, that animal's identified and that, I'm also wondering if you think that speaks to what she just said, that there's now no longer the need for radical change through the sale barn or even through my chute at home, if I'm peddling calves off the ranch. And also, to dovetail on what Mr. Debrucker said is that, I guess the one thing I'm going to disagree with him on is, according to his numbers I firmly fall into the small operator and I haven't got the time and wherewithal and I really don't want the liability of me having the tag somebody else's calves, 'cause in my life I fall into the

1 plumbers golden rule all of the time, and if I'm
2 hanging that tag, I feel like I'm low man on the
3 totem pole, and the traceability stops with me.
4 And I have a little bit hard time sharing a
5 hundred percent of the liability of that disease
6 trace back coming to me as a stocker operator.
7 My preference is that I'd just like to see the
8 calves tagged of of the ranch. I mean, I heard
9 the comment last night and this morning that,
10 you know, we all run our calves through at some
11 point, whether it's branding or during the fall
12 works or whatever, and I'm wanting to hear what
13 you folks think about just having those calves,
14 having them putting in those tags, those calves
15 ears when they come off the ranch?

17 MR. GOGGINS: Well, I think just to touch
18 upon that, I think, again, it's market driven.
19 I mean, especially on the steer calf end, I
20 mean, if you get paid for it I don't think a
21 producer has any problem putting it in and, or
22 the feeder has any problem putting it in at his
23 end, and getting back to what Kristin said, as
24 far as sitting on the Board of LMA and you, I
25 mean, you kind of get blinded when you sit out

here and you deal with the cow herd sizes that we deal with out here versus, you talk to market owners that live in Mississippi, Arkansas, the East Coast and States where they might only sell ten, eleven thousand head of cattle for the whole course of a year and don't have the facility, don't have a lot of help, it's a ma and pop type operation and if we get into a situation where they are, they're demanded to tag a lot of these calves and they'll sell them one, two, three at a time, and unload them, they'll go right straight to the sorting alley or to the alley and sell them one at a time and, if you talk to a lot of auction market owners and the LMA, it would represent near eighty percent of the auction markets in the United States, so, they got a pretty good handle of what's going on and it, there will be some of these smaller operations, some of these ma and pa type auction markets that we need, I mean the, it's the backbone of this industry, for price discovery, for getting rid of these salvage type cattle and so forth, they're going to close their doors, they're not going to go

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 through with it. And I think it would be great
2 travesty to those people and to the producers in
3 those areas. We're going to weather the storm
4 in this part of the world, either way, it's not
5 that we don't want to do it, I just think from a
6 nationwide deal it's logistically impossible.
7 And I think if you keep it on a voluntary type
8 deal, on the cattle that are 18 months and, of
9 age or younger. And again, getting back to, if
10 the USDA were to require these veterinarians,
11 require these producers when they banks
12 vaccinate these females, which in the Western
13 part of the United States, the mid portion of
14 the United States, I know on the coast and this
15 and that, a lot of the producers are not, don't
16 banks vaccinate, but you'd get a high
17 percentage, in the next six years, you'd get a
18 high, high percentage of the cattle there, of
19 the total herd in the United States identified,
20 and make them use an RFID tag. And s--, if a
21 producer is in Florida, if a producer is in
22 North Carolina or a producer in Tennessee that
23 they, you know, have to banks vaccinate, if
24 they're going to keep them past 18 months of
25

age, well, then they're going to have to put an EID in them if they're going to move them. And I just, I, we don't live in a perfect world, I think we all have to realize that.

MS. GRIMES: Marty, I think...

DR. ROE: I guess I'd like to go back and answer, would it make it easier on us? If they require individual ID? No. Probably it would be, to some degree, even harder because you got to read every one of those tags compared to, like I say, if you put them in, you can just put in a sequence and you can just go. Would it be best if it was there if you had to do it? Yes, at the ranch and premise, a premise number instead of just a silver tag, and then just only say, you know, it would trace back to that premise from wherever it went. But, like Joe said, I think the feeder cattle we don't need to worry about right now. We still got to concentrate on the 18 months and older cattle and get it to where it's, closer to a hundred percent than to where it is right now.

MS. GRIMES: Some, then Marty.

DR. ZALUSKI: Yeah, I was just going to say

1 that, I mean, I like the concept of being able,
2 or needing to identify calves before they leave
3 the ranch and, in fact, I would guess that every
4 one of the panelists here does that with their
5 own cattle. There's a couple issues there, one
6 of them is the, is that that's not really
7 consistent with the 18 month rule that's
8 currently the law of the land, so, we're talking
9 about ID'ing cattle that aren't actually
10 required to be ID'd, and the other issue is,
11 again, the shifting of the cost, who bears that
12 burden for identification. So, I'm not sure
13 that's, even though there's some value there to
14 be considered, I'm not sure that's the solution.
15 I probably have to address the brucellosis
16 vaccination, you know, issue. And while
17 brucellosis is a near and not really dear to our
18 heart here, the, you know, the trend of the
19 nation is to reduce vaccination rather than
20 enhance it, and, you know, this State, Wyoming,
21 Idaho and hopefully not any other States in the
22 near future are really the ones that are focused
23 on brucellosis and enhanced brucellosis
24 vaccinations. That's really not the solution
25

1 that we can't hang our hat on. Ultimately it
2 will have to be identification for
3 identification's sake rather than identification
4 for the sake of brucellosis vaccination. It's
5 just the way it is and that's one of the
6 challenges we've had with developing a better
7 vaccine with moving the disease of brucellosis
8 off of the terrorist list. It's because we are
9 the only ones that are yelling and needing
10 those, those solutions. And so, that's
11 something that we've got to live with and it's
12 only going to get worse.

14 MS. GRIMES: Ray, and then, and then we'll
15 take a break, I promise.

16 MR. KING: So, quickly, I wanted, I'm glad
17 he brought up the vaccination part. Brett's
18 comment on better vaccines, I still think, you
19 know, there's a lot of technology, you know, and
20 vaccinations that can be a big tool for us in
21 the DSA. But, the identification, going back to
22 it, what doctors talked about there, we get REID
23 tags in in sequence, they come in that way, we
24 can special order them that way, so, tagging at
25 the ranch is pretty simple. Once again, I think

an EID system on the cow herd is, you know, important for us, especially being in the DSA. Because, like Aaron said a few moments ago, it isn't a matter if, it's when we're going to have a positive animal with the prevalence of elk we have around us. So, we use those things to track our movement around the ranch and, you know, with 92,000 acres, one pasture has different neighbors than the next one, and so, when one of us tests positive, having those movement record is going to save us a whole lot of work running, you know, maybe a group or two of cattle through the chute rather than our entire herd, plus, you know, outside stock cattle that we bring in. And I also agree with Joe's comments on the market driving this on the feeder cattle. I really do believe that, because we buy calves every year, several thousand of them to help utilize our pasture program and we buy a hundred percent of calves that are tagged leaving the ranch of origin. We just don't want, you know, the problems that go along with not being involved. Once again, the programs we're enrolled in are actually much

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

more stringent than what this national I--, you know, animal ID system are requiring and so, you know, we're taking another step, and we've enjoyed the information that we've been able to generate with that and accuracy is much better wandling cattle at the chute than the risk of transposing written numbers down. We feel like most of our record keeping errors are done when our hands are involved. So, that was my comment.

MS. GRIMES: Okay, so, thank you, panelists. This has been a great back and forth, lots of good questions for you all. You're, you all are going to be here for the rest of the day, right? So, if people have opportunity or want to talk to them, side bar, that's great. So, I want to thank you and then we're going to take a ten minute break but I know it will really be 15, but we're going to say ten and then come back and then we'll do open mic. So, thank you.

[applause] [background noise] [crosstalk] Okay, if you're standing in the doorway, come on back, we'd love to have you. If you have a friend in the hallway, wave them back in. [background

noise] [crosstalk] Yeah. We're going to start.

[background noise] Okay, so, this is the portion of the meeting where we, of course we have already heard from several of you and you asked the panelists really great questions, but we know that folks may have come with some prepared remarks or thoughts that they had about a particular issue that they'd like to share.

And because we are recording we want to give you an opportunity to make those comments. So, we will, Ben and I will probably do what we've been doing, I'll work one half of the room with the microphone, he'll do the other. But I ask that when you get up, when you stand, or to make your remarks you would say, for the recording, hi, I am so and so from blah, blah, blah and my que--, here is my question, just it helps us later as we're trying to put things together for the remarks. And if for some reason you have remarks that you want to leave with us, you are welcome to do that, we'll take them up here, and that way they'll also, they'll not only be recorded but they'll be in writing so that we can put them into our collection of input that

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 we're getting. And I also believe I put out on,
2 there's a short stack of the website where the
3 additional doc, comments you can write into,
4 when Sunny had her slide up of how you might be
5 able to provide input, there's a stack of those
6 on the table where you registered. So, as
7 you're leaving today if you may want to provide
8 more input or have a friend provide input, grab
9 one of those, and as a reminder to where, to how
10 it, to include that. So, I think we're just
11 going to open it at this point with, raise your
12 hand and we'll get a microphone to you and if
13 you could just identify and then make your
14 comment. [background noise]

16 MR. DICK RALHS: Okay, getting some free
17 advice here from Dr. Logan. I'm Dick Ralhs, I'm
18 from Lewistown, I'm a veterinarian. And one of
19 the questions that I have that concerns me a
20 little bit is that we have a lot of producer
21 driven electronic EID systems that relied on the
22 980 tag. And even now, when I go out to a ranch
23 and I'll record those 980 tags with my reader
24 and then Dr. Linfield tells me USDA does not
25 recognize those anymore. I would like you to

1 ANIMAL DISEASE TRACEABILITY MEETING 143
2 rethink that decision because I think the EID
3 has much more value than the metal readable tag.
4 So, thank you. [background noise]

5 MR. FRED WACKER: Yes, I'm Fred Wacker from
6 Mile City, Montana, and I am a rancher, cattle
7 feeder and first Vice President of Montana
8 Stocker Association. I've used EID tags, I'm a
9 natural guy and I have used them over the years
10 for several years. In the natural business as
11 well as the NHTC business, which is your cattle
12 that go to Europe. I, the only thing, I enjoyed
13 the panel and I agree with an awful lot of what
14 the panel had to say. The only thing that I
15 wanted to point out is that if you are
16 interested in a value added market such as your
17 buyer wants cattle to go into, into Europe, you
18 have to put, it's USDA rule that those tags have
19 to be put in at the ranch before those cattle
20 leave their ho--, their birth ranch. So, don't
21 think that, that maybe this meeting or something
22 is going to change that, because that's a hard
23 and very, very fast rule. The natural business,
24 depending on which program you're in, if you're
25 in the gap program, if you're in some of the

1 other natural things, some require tags, some
2 don't. We have tagged all of our calves for
3 years, both our home raised and our purchased.
4 All of our mother cows are now tagged, it's like
5 Joe says, it's a market driven thing. And it's
6 ab--, he's absolutely correct on the marketing
7 side of this, it will lend itself to the disease
8 side the more cows that we get tagged, and you
9 can read them. We have readers, the last, well,
10 we read them in the chute, we never had any luck
11 with that deal they talk about, running them
12 down the alley and read them all at once. That
13 seemed like we always came up a little short on
14 head count. So, we quit doing that and we have
15 readers that just do it when we're going through
16 the chute, and it's just an instant thing, about
17 the same amount of time it takes to squeeze a
18 vaccine gun. So, it's a, it's, I think it's a
19 good program, I'm with Dick, Dr. Dick Rask
20 [phonetic], I think it has greater importance to
21 the cattle business over the long haul than the
22 steel tags do. So, I just wanted to point that
23 out that if you, if you're interested in NHTC
24 and some of these other natural things, you need

to read the rules, because most of them require that you put some EID tags in before those cattle leave your birth ranch. Thank you.

[background noise]

MR. BRYAN MUSSARD: Hi, I'm Bryan Mussard, I'm from Dylan, Montana, President of the Montana Stock Grower's, and this is the second meeting I've been to on this issue. We were at the NCBA meeting in Washington, DC in March and so, I guess, these, this listening session tour started, we were told by the h--, one of the head vets of APHIS, and I cannot remember their name, I apologize, yes, I believe he was in the room. The concern the USDA is having is they're starting to run into resistance to paying for these herds when they have to condemn them, and they think they're going to have a hard time getting money out of that, and so, the emphasis behind this whole thing, or the agenda as you want to call it, these guys really don't have an agenda but there is an agenda behind it, they've been sent out on this road to try to get the producers of the United States to identify all of their animals. And I spoke at that meeting

1 and I guess I'll reiterate how I feel about
2 that, is every time we've jumped in, it seems
3 like the last 30 years, the producers are
4 always, always willing to take a step forward
5 and be helpful. And I heard up here in this
6 panel today, I heard fear, I heard concern and I
7 also heard a willingness to comply with this new
8 mandatory thing. And I think we really need to
9 hold tight, we have a mandatory ID system right
10 now in the United States, it took a lot of
11 effort, it's less than five years ago to come up
12 with this 18 months and older. We're already
13 all compliant with that program right now. And
14 I'm very reluctant to, I guess I would encourage
15 everybody in this room, though, we got to band
16 together and say no to a mandatory ID system
17 under 18 months, to these marketing cattle, I
18 don't think we need to be so willing to go along
19 with that. We have been helpful. A couple
20 things I want to point out why I'm against it is
21 the Federal Governed, APHIS, our State
22 government really failed us on brucellosis. We
23 had that disease 99 percent gone, and whenever
24 you sign up to a mandatory deal, you're in the

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

game of political emotion and political emotional came in with brucellosis when we had that thing almost dead. And in 2004 that changed the whole ball park and it went from just in the bison, to zero prevalence in the bison, we almost had it eradicated, now it's into the elk and it's an uncontrollable animal that we, now we're living with it, Ray's gave a pretty good, we live down in Dillon too, it's part of living with that disease. We could have had it defeated, and today we don't. We're importing cattle from Brazil and I did ask him that back there, they have one state in the entire country of Brazil that is FMD free, yet we're still importing beef from them and I get offended or I get pretty upset when APHIS is coming to us, the USDA is coming to us and saying you, we got to have a mandatory ID system when we don't have a single state with FMD. And so, I shared with them, you know, ranchers always want to go forward, they're always willing to participate, but what is the Federal Government going to do to ensure that they're, you're going to do your job to help us eradicate

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 this disease, and furthermore, I have no
2 interest in paying for this program when it's
3 the public, APHIS represents the public, the
4 public will not tolerate any of these diseases.
5 So, if the public is not going to tolerate any
6 of these diseases, the public shall pay to
7 prevent these diseases. We're on the front
8 line, we have to mitigate the disease, we went
9 into the first trade barriers. It's not the
10 public. So, if they want safe meat, then they
11 need to pay for these programs and we need to be
12 the majority part of how we write these
13 programs. The second thing I haven't heard in
14 here is, what is the talk about the wildlife?
15 You know, if the public, the public won't let us
16 touch the wildlife and we can't control the
17 disease in the wildlife. And so, the public
18 needs to talk about condemning some of those
19 herds or what they're going to do to deal with
20 disease in a wild animal that we do not have
21 control of, so, those are just a few thoughts,
22 comments that I have. Thank you.

24 MS. GRIMES: Thank you. I heard some
25 snickering over here, so I think there's, okay,

1
2 yeah.

3 MS. GEISER-NOVOTNY: Let me, can I just make
4 a quick comment about that, the indemnity that I
5 think you were talking about? So, at that
6 meeting, 'cause I was, I think on the phone for
7 that meeting, and as I mentioned we spent \$26.5
8 million for TB indemnity last year and it, this,
9 it's, in a way, unrelated, totally unrelated to
10 why we're having these listening sessions. But
11 what Congress wants to know is why did we spend
12 \$26.5 million on a disease we've had a program
13 for for over a hundred years. And so, we're
14 just getting to a point where it's hard to ask
15 for money that's something that, you know, that'
16 something we've been battling for that long and
17 that's why Jack brought that up at that meeting,
18 but it's separate from these listening sessions.

19 [background noise]

20 MR. BILL KLUCK: Yeah, I'm Bill Kluck from
21 South Dakota. In 1977 I was working for my
22 brothers and we were calving cows and we, I
23 noticed that there was a lot of elk slinks in
24 the pasture and I was kind of watching for that.
25 And I talked to my brothers about it because it

kind of concerned me and they said they talked to the veterinarian and we picked up one of them fresh slinks and got as much fluid and so forth as we could and it was determined it was a fibrous strain that wasn't in the cattle, supposedly. And they assured us it wouldn't cross over. The following year we had over 500 slinks from that fibrous strain. As far as I know, my brothers are still waiting for the indemnity payment from those cross over from the wildlife. And I guess I'm attacking the USDA, so Neil has my permission to shoot at will, but it, also in South Dakota we had the issue here four years ago where the Grasslands Association started a prescribed burn to burn 80 acres, it ended up burning 13,000 acres, most of it private land, including structures, cattle and fences. They are still waiting for some kind of a payment for that. So, you know, if we're going to have government involvement we also have to have government responsibility.

MS. GRIMES: Thank you. [background noise]

MR. GILLES STOCKTON: Yeah, my name is Gilles Stockton. Our ranch is up in Central

1 Montana. And I was on the Secretary's Advisory
2 Committee for Animal Health for a few years,
3 particularly during the period when they were
4 putting the animal disease traceability issue.
5 I'm with the other producers in this room and
6 not really happy about thinking about having to
7 ID, officially ID all feeder calves. And, of
8 course, here in Montana we live under probably
9 the strictest movement and ID rules in the
10 nation already and we never really talked about
11 it, it was alluded to, but in other States,
12 particularly in the East, they have a lot of
13 cattle but there isn't really much con--,
14 identification or control on their movements.
15 Rather than having to ID feeder calves, starting
16 to, you know, soon and going on into perpetuity
17 and all the expense that that would be on the
18 burden of the producers. I think we need to
19 talk more about preparedness for when there is a
20 disease outbreak. And one of the things I
21 learned through the meetings in APHIS, is that
22 the agency is getting squeezed pretty hard on
23 their money. And if you think about something
24 like an outbreak of Foot and Mouth Disease,

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

first all there's a number of laboratories that have to be prepared and trained in order to detect that disease in the first place, you know? Are they being funded properly? I do not believe so. Then there needs to be a vaccine bank ready with actual live vaccine in the strains that we would need to respond to that outbreak. Does that exist? To some degree but not enough. There's not enough money. All right? In the event of an outbreak of Foot and Mouth Disease or, god forbid, a little bit of brucellosis somewhere else in the nation or more TB, identification is a very important aspect to contain that disease. And I, I've never received an answer on this but I think, you know, if there's a disease focus it could be possible then to require identification in that focal area for that period of time, if we were prepared to do so. And that's, to me is, like, a much better way to respond to a disease outbreak than to have every producer in the nation having to do something just in case it might happen sometime in the future.

[background noise]

MS. MARIAN HANSEN: I am Marian Hansen and I am from Ashland, Montana and I've been raising cattle all of my life. I'm an old lady. Anyway, we do, we brand every critter on the ranch and that is the most permanent identification you can have. I don't care, we are out on a forest allotments, in fact, there forest allotments. We've had a big fire in 2012 and those trees are falling down and those cattle, we're losing the tags that we put in first, number tags, and I can't, I can't see where all of this technology is going to help everything we sell has been permanently raised at our place all the way through to the cows back tagged at the sale barn, and I just, it's just going to be a big hassle to get, get per--, and then I, I'm scared of what's going to happen down the road when you get this bunch tagged, then all the cows will be tagged and then the next thing you know you're going to have to show that calf belonged to that cow, and the way we operate is not going to work. Thank you.

[background noise]

MR. FRANK EATHORNE: Hi, my name is Frank

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

1 Eathorne, I'm serving as the President for the
2 Independent Cattlemen of Wyoming. And I just
3 wanted to address a lot of the comments we're
4 hearing today. What we're hearing in our
5 organization is here today is a lot of common
6 sense from the panel, I appreciate the thoughts
7 there and the sense. And what I want to share
8 with you is what our organization, which is
9 comprised of over a hundred family producing
10 members, paid members, and we are a membership
11 driven organization, so, when we pass a
12 resolution it comes from the grass roots up.
13 And we have addressed this issue, we've debated
14 it for years, and ICOW have decided that any
15 kind of a national animal ID system whatsoever
16 needs, does need to be market driven and I
17 appreciate what Mr. Goggins has said about that.
18 That keeps it in a free market system. It needs
19 to stay voluntary, we say no to inventory. The
20 real problem is outside of our nation's borders,
21 so why punish domestic producers? And speaking
22 of domestic producers, it, you know, and I'll
23 speak specifically to Wyoming, we have a very
24 successful hot brand ID program, it's permanent
25

as Ms. Hansen has referred to. The brands don't fall off, the tags tend to do that. As evidence, we just learned in a recent legislative intermit committee meeting that our good work within our Livestock Board and our State Vet and his help traced back a number of disease from inside and outside our borders. We didn't necessarily have ADT tools to do that trace back. The tools we have, we fell, in place are sufficient. So, we do not favor any expansion of ADT and in many ways we see this program as being a solution seeking a problem. And I also want to agree with Mr. Goggins on one more statement as I finish up, and that is, we don't live in a perfect world and neither will your kids or your grandkids, so please don't expect it to change by a program, thank you.

[background noise]

MR. JACK OWEN: Hi, I'm Jack Owen, I run a ranch down southeast Montana, my family and my sons, their families and my wife and I all live on the ranch. We don't have any outside income, our income was one hundred percent cattle that we raised at home. We don't buy, we don't bring

1 in anything except some bulls occasionally, I
2 haven't had any purchased cattle on the ranch
3 for years. But it seems to me that the, if we
4 have to put electronic tags in all our calves,
5 we're asking, we're being asked to shoulder the
6 burden for somebody else's problem. I learned
7 over years of experience that to catch one of
8 these little calves and tag him, you're doing
9 whatever, you increase the likelihood that calf
10 is going to have trouble down the line, whether
11 it's because I've been in the barn with my dirty
12 gloves or my dirty boots and I transmit
13 something to him when I catch him, or whether
14 it's just the stress that I put on him when I do
15 catch him, but I know, from experience, that
16 he's more likely to have trouble down the line,
17 a month or two months than a calf that I never
18 touched. And so, I'm obviously opposed to
19 applying this to feeder cattle. And one more
20 thing I'd like to say, it seems to me, that this
21 whole thing might be, you know, the reason for,
22 might be to help accommodate global traders. If
23 we, if we slam two doors and nail them shut, one
24 on the import side and one on the export side,

1 if you take the numbers and work them, the
2 American population, take the American cow herd,
3 do the math, we don't raise enough beef in our
4 country to feed our own population. Now, if I
5 slam both of those doors and nail them shut, I
6 would have a situation where I had too many
7 dollars chasing too little product. In ECON 101
8 I learned a long time ago what happens when that
9 situation arises. I think if that did arise
10 we'd have prices, we could maybe be in a
11 position where we were setting our own price
12 instrument of holding our hand out asking
13 somebody to please pay us for what we've done.
14 So, what we're, we got this global trade thing
15 going on, and we know full well the further we
16 go into that the more risk we expose ourselves
17 to as far as disease. So, we're talking about
18 trying to do something to trace down diseases
19 when maybe if we just talked about preventing
20 them in the first place we'd have a more
21 effective deal, we might have better markets as
22 well. I think we're doing all of this, all of
23 this hassle, all of this to accommodate people
24 that want to trade, trade cattle across
25

international boundaries. I don't really think it's going to help us in the long run. It may cause us a lot more troubles. Thank you.

[background noise]

MR. BILL BULLARD: Thank you, I'm Bill Bullard, I represent ARCAF [phonetic] USA, and with APHIS's insistence we have systematically reduced our health and safety standards for no other reason than to facilitate the importation of higher risk beef and cattle. We have, APHIS has recommended that we reduce our FMD restrictions for countries like Namibia, Argentina, Brazil. We have reduced our restrictions for countries like Ireland and other areas of the European Union where the BSE issue has not yet been eradicated. In the last ten years APHIS had reported that 75 percent of the TB cases found in the United States were traced back to Mexico, yes APHIS has not taken steps to prevent the reintroduction of that disease on an annual basis. So, these, I make these statements because this indicates to us that APHIS's priority is misguided. That you should be focusing on preventing the

introduction and dissemination within of foreign animal diseases as a result of our fault, our failed trade policies that are, in fact, putting our US cattle industry, which is the largest beef producer in the world, at a high risk of introducing foreign animal diseases that are both unnecessary and avoidable. I'm also concerned about the process here because mention has been made of this National Institute for Animal Agriculture contrary to what Dr. Scott said, this must be a private entity. In fact, it is a membership based entity and if you were at all flex or a source verified or others promoting a government mandated national animal identification system you could spend \$10,000 and be a platinum member to this. Why is it, if APHIS is to be accountable to the people then if we don't like what you are doing, we can theoretically vote and have somebody else at your helm, or we can contact our member of Congress and complain about what you're doing. But if your strategy is to diffuse who is the decision maker here, and you're now enlisting the support of a private entity to support and

1 promote a mandatory national animal
2 identification system. We can't call our member
3 of Congress, we can't vote, we, and now we have
4 to expend additional funds to send people to
5 this private entity that is now under your
6 umbrella for promoting a program that is
7 essentially going to cause the value of animals
8 to decrease with respect to those animals that
9 people are receiving premiums for. Because
10 there is two values to an animal, it's the
11 animal itself, it's the commodity, but the other
12 value is the information that can be carried
13 with that animal. And what the Federal
14 Government will do if they mandate a national
15 animal identification system is you will strip
16 from the producers the premiums associated with
17 that second letter of value to that animal. You
18 will essentially be gifting the meat packers,
19 for free, information that they're not required
20 to pay to the producer in order to meet some of
21 these very affluent export markets. We fully
22 support voluntary animal identification. We
23 support all of the producers on the panel that
24 are using it today. What we will vehemently
25

objet to and what our members will staunchly oppose is the government trying to mandate this upon the industry and in order to strip from our industry the opportunity to make market profits for adding value to our, to their livestock.

Thank you. [background noise]

MR. MAC WHITE: Yeah, my name is Mac White, I am from up at Two Dot. I have a ranch up there and been in some NHTC programs before and they've been pretty good, been agent source verified for years. Fed cattle for 30 years, but I travel quite a bit and every time I go down the road I go to a Whole Foods Store and have you ever heard of a Sprouts Store? There wasn't a Sprouts Store 20 years ago in the United States. You go in there and you look at the beef counter in both Whole Foods, which Fred Whacker knows quite a bit about, and the Sprouts deal, that's all, it ain't commodity beef, I'll tell you that. It's got, it's a cow with a story because the Millenials don't have any time for the old commodity raised beef system anymore. And in, it looks to me like over time, in ten years it will probably be 30 percent of

1 all cattle that will carry an ID from birth to
2 slaughter because that's what's required at
3 those places. I'm not advocate it, I'm not one
4 way or the other but it's a fact of life that
5 the market is probably going to control it. If
6 you think, well, just look Iowa beef, that was a
7 hot deal in the '60's, it's a history lesson
8 today. Times are changing in the cattle world.
9 Thank you. [background noise]

11 MR. ROE: I'd just like to say one more
12 thing. 2010 I took over—

13 MS. GRIMES: [interposing] Could you
14 identify for the—

15 MR. ROE: It's Brian Roe, I was on the panel
16 earlier. [crosstalk] 2010 when I took over
17 Billings Livestock Commission, our average ID
18 after a sale was about 300 head. After the
19 change in ADT rules and then some of the changes
20 in the State as far as replacement heifers and
21 the BID, our average ID now after a sale is
22 1,300 head. We went up over a thousand head a
23 sale average due to these rules. So, in that, I
24 don't see if we can hem a whole lot more, but
25 what I figured out is if they want to do

1 something, if they want to push it through, so
2 our hope and what I'd like to see is to work to
3 where it, to make it work to where it works for
4 everyone. And that's what we've got to do is
5 it, is maybe not always fight quite so hard
6 about not doing something because they're going
7 to push it through if they want to. It's going
8 to happen, so push it to where it works, and
9 where that you can live with it as well as them
10 and try to work that out. That's the only thing
11 that I'd like to say is in seeing those changes,
12 that thousand head a sale jump, I mean, we got
13 to do Holstein steers have to be ID'd now to go
14 out of State anywhere, I mean, there's just, so,
15 there's a lot of things, so just think about
16 that when you're getting ready to fight or push
17 back is have an answer along with that that you
18 can live with. [background noise]

19 MS. GRIMES: I think he's got you right
20 behind you.

21 MS. ELLEN PFISER: I'm Ellen Pfiser and I'm
22 kind of listening to this. If we are forced
23 into complete animal ID, wouldn't that lend
24 itself to country of origin labeling as just a
25

part of it? At least we might know where our beef was coming from in the meat markets.

[background noise]

MS. GRIMES: Any thoughts over here?

[laughter] Okay.

MR. KENNY FOX: Kenny Fox from South Dakota. To answer your question, I don't think it would. I think that's the packers way of making us pay for country of origin labeling. We had country of origin labeling in place, all we had to do was sign an affidavit that said that the cattle came from our ranch. Real cheap to do for us, and it worked, it was labeled in the stores.

MS. PFISER: It was the information with illegal employees and people who turn over so fast, they won't keep track of it, so they'll lose it there.

DR. SCOTT: Can I get you to repeat that into the mic? Thanks.

MS. PFISER: The packers lose the information at the point of processing. Because of the kind of people they are hiring and they won't keep track of the information when it leaves their premises.

MR. FOX: So, how are they going to keep track of animal ID then?

MS. PFISER: Good question, good question.
[background noise] [crosstalk]

MS. GRIMES: That's what we're here for.

MR. BULLARD: Bill Bullard again with ARCAF and I can't pass this opportunity up because we are so strongly in support of mandatory country of origin labeling. And the meat packers today know precisely the origin of every piece of meat and every animal that enters their processing facility. And that's because the Tariff Act of 1930 requires all beef entering the United States to be labeled as to its origin. The meat packer, however, giving the latitude to remove those labels if there is any processing at all in the meat. With respect to live animals, all imported animals, primarily coming from Canada and Mexico are required to be permanently marked and as a result of the disease requirements. So, the meat packer knows which animals have a foreign marking and which do not. Animals that do not have a mark, a foreign marking can then be presumed to be domestic, because they could

come from no other source. So, the packers have all of the information right now to label all beef, accurate information to where it was born, raised and slaughtered. But they choose not to do so, and many in our industry are actually supporting their efforts to deceive the public by not sharing that information that they presently have. Thank you. [background noise]

MS. GRIMES: Okay, any last, all right, yeah, I think we're, we have one more thing to do before we go to lunch, and I guarantee you'll get your full hour, hour and fifteen for lunch. We are going to work in smaller groups in the afternoon. We have two breakout rooms, one is directly catawampus a little bit, actually, from this door, and we're going to have one group in there. There's also a small breakout room just past men and women's restrooms and that's also labeled, we're going to have a small group in there. And we're going to have two other groups in here, one on one side, one on the other. And so what I'd like to do, and this is a highly complex process, is count one through four as we go through. And then at, remember your number

after lunch and then you can go back to that group after lunch. You will begin on a specific topic, but you will not, by any means, be limited to talking just about that topic. So, I want to assure people that there, we have a group that's going to be starting their conversations on official ID, one that's going to start their conversations around movement documents, one around overall traceability goals, which we, I think we've talked about a couple times broadly here but it would be nice to dive into that a little deeper, and then one that's on the policies that, for official ID for beef feeder cattle. So, when, when you count off, one, two, three, four, you will start with the appropriate topic, but you will not be limited to that. So, I just want to make sure that people don't think, well, I can only talk about this, I really have a question around this other topic. So, and each group will be facilitated and will be, there will be a note taker, and all you will have to do at the end of that is nominate one person from your group as a spokesperson to come up later in the afternoon

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

when we come all back together and share some of the highlights of that topic. So, what I'm going to do is start in the corner over here and we're going to snake counting one, two, three, four. Some of you are not, are actually working the group, so you're not, you know, to count off, but you know who you are, if you're not working, if you don't have a work assignment you should be counting one, two, three, four. So, I'm going to start back in here. [crosstalk] No, you're a two, let's say our, because these folks are working the front, so, you're a two Gilles.

MR. STOCKTON: I'm two.

MS. GRIMES: Okay. [crosstalk] Okay, then we're going to come back this way, this row. [crosstalk] No. [laughter] [crosstalk] Don't, don't mess me up, okay. [crosstalk] Okay? Okay? One, two, four, oh, oh wait a minute, now we got all, or wait a minute. [crosstalk] Four, let's do you four. [crosstalk] Four, okay. Okay.

DR. SCOTT: Remember to write down your numbers. [crosstalk]

MS. GRIMES: Remember to not forget.

DR. SCOTT: This is the hardest part of the day. Write down your numbers.

MS. GRIMES: So, so, groups two and four, the even group numbers, are going to be in this room. They're going to split on either side, on either side. Groups one and three are labeled, I think one is there and three is by the, just past the re--, so, when you come back from lunch, go to that respective group and you will be talking in smaller groups about that and we will take a r--, let's, so, let's, let's plan on people ready to work at 1:00, I mean, 1:15 at the very latest, all right, so, we'll try 1:15, ready to hit the ground running with your small groups and then we'll go roughly 90 minutes and then come back and then wrap up the day with, okay? So, there are restaurants nearby, several within walking distance. I have he--, there is a restaurant called Old--, Old Chicago that has a little bit of everything, tops--

[END RECORDING MAY 24 AM SESSION 1.MP3]

[START RECORDING MAY 24 PM SESSION2.MP3]

MS. GRIMES: [background noise] All right,
if we can get folks starting to meander in here,
that would be lovely. [background noise]

MALE VOICE 12: One more time, I don't think
they heard that.

MS. GRIMES: My husband doesn't have a hard
time hearing me. [laughter] [crosstalk] So,
yeah, so if we can get people coming back in.
[background noise] [crosstalk] Yeah, I'm better
standing too, sitting too long, too long.

[background noise] [crosstalk] So, you guys
have your spokesperson? Okay. [crosstalk]
Okay, so, we're going to go ahead and start
sharing what the small groups discussed and what
solutions or nuances they might have discovered
about whatever issue they might have been
looking at. And so, then we, we aim to have you
out of here by 3:30. It's always our goal and
here's the thing, I usually ask for volunteers,
which group wants to go first, but nobody ever
raises their hands. So, I'm going to say, for
the overachieving group number four, who
finished a good 15 minutes ahead of everyone
else [laughter]. They were sitting in that

area. I'm going to ask you guys to start out by sharing what your topic was and what you learned and what you want us to take away. And you can come here or use the mic.

MALE VOICE 13: Testing, one, two. Thank you. Our group was to decide whether we want to do mandatory ID on the breed-

MALE VOICE 14: [interposing] Feeder.

MALE VOICE 13: --feeder cattle, thank you. And we decided that we weren't ready for that yet, and we thought it should be market driven and keep it voluntary so we can learn as we go through the process. And there are a considerable number of producers that like to do this program and keep it voluntary and they get paid to do it. And our fear is is if we make it mandatory then that premium could go away. Another thing was is, what is the disease out there that requires us to do identification of the feeder cattle that we can't already control or, through the breeding age herd. And I think that that's a very good point, I mean, Dr. Oedekoven did a fine job in South Dakota with our TB outbreak there and we've had this one

other time, several years ago, and with the programs that we have we were able to get it under control. So, there's a good case history there that helps us in that regard. Another thing that we agreed on that we think there should be a cost benefit analysis done before we do anything with feeder cattle. It's can cost us a lot in shrink and injury to livestock in the markets, and myself as a producer that sells at auction markets, it's a huge concern to me to have to ID these feeder cattle and what it could cost to do that. There is a lacks of, lack of standardization, although in that regard there's also, we thought that we should use all forms of ID that are out there. We did that in South Dakota and that was very helpful too. It's, this is another thing, it's really hard to enforce with the feeder cattle, a lot of them are sold in video auctions and in the country, private resale's, and there's no one there, really, to keep track of that like we would do in an auction barn. That creates a disadvantage for our auctions, that was a concern that we had as a group. Another point was how to capitalize

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

on voluntary programs. We didn't really figure an answer out to that one, it's, there's some that like to do it and some don't, so, if it's, if you're getting paid a premium to do it and you're comfortable with it, then why not? And again, we were concerned about the cost of the technology. Marty brought up the point that they've done a small pilot project in Wyom--, Wyoming is that?

DR. ZALUSKI: I've been corrected. Apparently they proposed the pilot project but it didn't, it didn't - - , but we might consider that.

MALE VOICE 13: Oh, okay, well, what it was to do is it deals with the back tag and it was, like, RFID technology, if I remember correctly, and they could correspond that with a metal tag number, especially 'cause they, breeding age cattle they would move them through a chute and you have to preg check them and all of that sort of thing that you could, you could do that. And then whoever buys those, if you bought a few head out of several hundred, well, then they could just read that and they wouldn't have to

run them down a chute again. The idea sounds interesting to me and I think it would speed up the commerce and save a lot of time. There's another point here, a question was how does ID relate to tissue residue surveillance, and that's a little bit above my pay scale. I think a veterinarian would understand that better than I do and sorts of disease that are out there. Other than that, if I've missed anything, why, this group over here, please feel free to add to it. [crosstalk]

MALE VOICE 15: - - 'cause we already, - - sales, we already correlate back tags to - - on our bigger sales, stock house sales and the pair sales, we already correlate all of our back tags to the silver tag or RFID tag as well as how old they are, the owner they came from, whether they got a banks vaccination or they don't. All of that goes into a spreadsheet so that way hopefully at the end of the night when we get through selling we don't have to run very many cattle back through the chute. We've been able to change that, oh, for a few years I was there, we would run everything back through which we, I

1 think the most we did in one night was 2,300
2 back through the chute. I think this last year
3 the most we ran through the chute was 400. We
4 were able to cut that down, so...

5
6 MALE VOICE 12: And, and you did that with
7 the current technology that you have?

8 MALE VOICE 14: Yes, we utilize a system of
9 fast EID and fast auction. The fast EID is what
10 we put in prior to the sale and that, we, you
11 can pretty much unitize it to build any type of
12 spreadsheet you want, you can put whatever info.
13 If you want it for banks vaccination you can set
14 it up for that. If you want it for - - testing
15 you can do it for that. If you want it for pre
16 ID in a sale you can do it for that. And so,
17 that's the way we set it up is for pre ID
18 correlates everything back to the owner and the
19 back tag and when we get a resale and say, this
20 guy brought in 50 three year olds but one of
21 them was a black white face, one of them was a
22 red white face, and this guy bought 48 solid
23 blacks, I go out, pull off them two right there,
24 the red white face and the black white face and
25 I can build his health straight from that

spreadsheet. And we try to do that as much as possible, decreased labor, decreased time and risk of injury to the cattle.

MALE VOICE 12: So, what do you do if they're all black cattle and you got four different owners of, that bought cattle out of that 50 head?

MALE VOICE 14: Right now we got to run them through and see which ones, or read their back tag. If it's a small enough group we go to the, the pen and read the back tags and, and then we still don't have to run them through the chute. If it's a huge group like we had one dealer bought, I think there was six hundred heifers in that one deal, and then we had a guy buy 300 of them, another guy buy several, we ran those through. That's where I would really like to see that be able to go to a sequence. We should be able to say, hey, a hundred of these went here, three hundred went there, two hundred went here.

MALE VOICE 12: Mm-hmm.

MALE VOICE 14: And not have to take those cattle back through the chute again. That's

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

what I'd like to see.

MALE VOICE 12: Okay, thank you.

MS. GRIMES: Thank you, good job.

MALE VOICE 15: Any, do we, any questions from group four from anyone else in the audience? Well, good job, group four.

MS. GRIMES: So, then we'll just take, go back to group one and finish up two and three, and then we'll, so, group one. Do you want a mic or do you want to use?

MALE VOICE 16: Yeah, I can talk loud but I don't know if it's loud enough. Yeah, we had a lot of discussion within our group. The standardization uniformity, there was a lot of discussion about that, and I, as well as the group felt that, you know, standardization between the States would be a nice thing. That has to come from the USDA. It's the same token, it can't allow, or it does not allow flexibility within the State. With, you know, in our brand inspecting States like Montana, Wyoming, South Dakota and so forth, we have a situation where we can trace stuff pretty well. However, there, some of the States that don't have that, and

1 especially when you get further east and there's
2 group after group of three, four head, twenty
3 head, thirty head, this kind of thing. There's
4 a lot of problems there that need to be
5 addressed. Maybe they, the animal I--, or the
6 electronic tag would fit their situation. The,
7 I think we need to do a, in our discussion, I
8 think we need to, a system that allows the
9 flexibility within the State, and yet, you know,
10 requires traceability. And I seen Dusty
11 floating around here, our State Veterinarian is
12 here and he's done a wonderful job of his
13 traceability. So... Well, there he is hiding
14 behind that hat. There he is. But, and one of
15 the other issues, and I see it was brought up in
16 group four too, noncompliance with current
17 regulation. Exemption for cattle direct to
18 slaughter. There again, we need to be careful
19 of noncompliant situations. At the same token,
20 there has to be some exemptions for these cattle
21 that are fed and taken to slaughter and let them
22 have a little room without having, having too
23 much room to create a problem. One thing that
24 we were adamant about in the group is the feeder
25

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

cattle do, we just don't need it. Yeah, it might be helpful but where we really need to have some direct means of trace back is in the 18 months and older cattle, the breeding cattle. And there again, there is certain cases where exemption needs to be considered, especially those going to slaughter and maybe is part of that would be, to have, which I think some States have, and I don't know, Dusty, you correct me if I'm wrong, but we do not have terminal yards in South Dakota designated?

DUSTY: We've got a couple of them out in the - - standard practice, - -

MALE VOICE 16: Well, it, it's something that should be examined, and that was, there as discussion on that. We had a fellow in the back of the room there that was, as far as I'm concerned he was a good educator for me. By the way, I think our facilitator did a good job of facilitating. She may not have changed my mind but [laughter] but anyway, there's a lot of issues here. I hope that we're extremely careful, the USDA is extremely careful in moving forward with this, that we don't create more

problems than we solve, and I guess that's kind of, kind of what we felt in our, in our group. And correct me if I'm wrong, in the group that was, if I said something wrong here. So...

MS. GRIMES: Are there any additions?

MALE VOICE 17: I was just going to add the-

DR. SCOTT: [interposing] Are you in, part of the group?

MALE VOICE 17: Yeah.

DR. SCOTT: Oh.

MALE VOICE 17: [laughter] One, one of [crosstalk] the only addition I had on a correction was, we did have a short discussion about well, at least for me anyway, I'm adamant that the USDA be extremely careful in your messaging that any disease traceability program is not, is not, is not a replacement for brand and ownership, that they are completely separate issues.

MALE VOICE 16: I'm glad you added that because I missed it. Anything else?

MALE VOICE 18: A little bit of clarification on the exemption for slaughter?
[crosstalk]

MS. GRIMES: Ask again.

MALE VOICE 18: Okay, my question was, just ask for a little more explanation on the exemption going to slaughter.

MS. GEISER-NOVOTNY: So, our topic was official ID, when is it needed? And so, if you think about the current framework being greater than 18 months of age, moving interstate, the requirements for official ID, we thought when is that appropriate or when we, could we consider that it would be more beneficial to first tag them and we brought up ID'ing them for disease traceability purposes and change of ownership at greater than 18 months of age, except that we would want to maintain that exemption for direct to slaughter.

MALE VOICE 17: Thank you.

MS. GRIMES: Thank you - -

MALE VOICE 16: Any questions for group one from the greater audience now? No? Doctor?
[laughter]

DR. SCOTT: Did you have any interest in?

MALE VOICE 18: - - come out from underneath the table.

DR. SCOTT: I just wondered if you had any interest in having a quarantine feed lot?

MALE VOICE 17: We didn't discuss that, but yes, it's an interesting topic.

DR. SCOTT: Thank you. [crosstalk]
[applause] If we...

MS. GRIMES: Group two? [crosstalk]

MALE VOICE 19: Yeah, good afternoon. You kind of look at our chart and you kind of figure that we didn't do anything. [laughter] But, we actually had a good discussion, not exactly on the topic, unfortunately, which was [laughter] movement documents, you know, how, what should be on movement document? Because what we got, broke off on a lot was the practical issues around surveillance and control of tuberculosis. And the, it was expressed that much of the reason for an animal traceability system in the United States is because of tuberculosis, and the threat that it can pretty much pop up anywhere in the nation, right? And the last place it popped up was in South Dakota. So, we, we did talk about some, the same issue that those guys talked about there a little bit,

about the whole of, with the back tags, where, for instance, a bunch of cull cows go to an auction sale, they get a back tag but not all of them end up going directly to slaughter. Some of them would go to a feed lot in, you know, within the State. Well, then the back tag gets lost and then eventually they go to slaughter, either out of State or within the State, but if they are within the State they don't even have to have the back tag to them, right? So, the information is, of where they originated is completely lost, particularly if they don't have a brand on them. Then two, we talked about, excuse me here, where the holes in the system of surveillance really is? And a lot of it is at the slaughter plant, where there would be slaughtering cows and they're not necessarily correlating the right back tag or ID information or brand to the actual lab sample. We didn't have a solution to that problem but, you know, do flag it that, you know, the slaughter plants own, you know, a part of the, part of the issue. And also, part of the problem, I mean, in surveillance and control of tuberculosis, is

Ubiquis Reporting

22 Cortlandt Street – Suite 802, New York, NY 10007
Phone: 212-346-6666 * Fax: 888-412-3655

1 that the testing that's available for that is
2 really not a hundred percent efficient. So,
3 it's slow and you don't, you know, you get false
4 positives and false negatives and all of those
5 good things. Certainly we talked about,
6 wondered why, at least in the States of Montana,
7 Wyoming and Idaho where I'm pretty sure to be
8 vaccinating heifers with bank tags, why USDA
9 isn't supplying RFID banks tags? Yeah, you
10 know, at least for those three States within a
11 few years, pretty soon all of the cows would
12 have, you know, electronic identification if
13 that was, you know, made available to us,
14 certainly for, by the State and the vets.
15 Number four, I'm not sure, somebody is, you're
16 going to have to...

18 MALE VOICE 20: It was just a matter of the,
19 the attending - - meeting, - - a portion of the
20 industry. [crosstalk] in numbers they reflect a
21 small portion of the industry. What about the
22 other 99 percent of the ranchers and other
23 members of producers groups and the other
24 industries that have to help us find an answer
25 to ADT? So, one way to reach more of an

1 understanding about ADT is we're just making the
2 point that there needs to be education
3 throughout those groups. We didn't have a
4 solution necessarily how that education is
5 performed, but, but that's what we spoke about.
6

7 MALE VOICE 19: Yeah, well good. Well,
8 thank you. Is there any question for our group?
9 Good. Oh, no, not good.

10 MALE VOICE 21: It isn't good if it comes
11 from me? No, there was quite a bit of discussion
12 in our group also to the, as to the cost of this
13 system and what it could do to our cattle
14 industry, especially when low markets are
15 around. Did you guys address that at all? And,
16 you know, he was talking about the rest of the
17 industry. Where is the cost of any kind of an
18 ADT program going to fall down to?

19 MALE VOICE 19: Yeah. We did, we did talk
20 about that and, you know, I don't think anybody
21 in our group was really enthusiastic about
22 tagging feeder calves. We also talked about,
23 this is, the issue of things that are, become
24 out of our control, the imports of cattle and
25 beef. And then, you know, it puts greater risk

on our industry, and yet there doesn't seem to be any funding to help mitigate that. As you say, I, I know from my previous work is that APHIS is struggling financially and I, and I know our State Veterinary Offices are struggling financially, right? So, we're increasing the risk to the industry but decreasing the funding to the people who are out, out there who prevent disease outbreaks and they're asking us to increase our costs to do a, you know, a program for feeder calves and stuff that, you know, might not really be addressing the issues that we're facing.

MALE VOICE 21: Good. [crosstalk]

[applause]

MS. GRIMES: So, the last group is number three, - - the official - - of the - -

[crosstalk]

MALE VOICE 22: I think we had a couple problems [laughter] I don't know if you knew this but... [crosstalk] we only got, it was just like taking my SAT for the first time, we got about half way through the test, but I kind of blame that on the fact that I think we had more

1 Federal employees in the room than we had
2 ranchers. [laughter] So, I think that's kind of
3 where I'm taking it, but... And then I personally
4 have another problem because I'm looking at the
5 notes and we have went, just with beautiful
6 handwriting write these notes and I've been
7 looking at my poor handwriting so long I can
8 barely read them. But, our first one was a
9 tough one for us and it was, what level, right?
10 What level of traceability should ADT achieve in
11 the long term for disease control and response,
12 and we worked this over for a long time and we
13 came up with, it depends on how much risk we're
14 willing to accept. And a lot of discussion all
15 the way through on domestic versus foreign, the
16 cost of different programs. We talked a little
17 bit about scare tactics with the FMD and if that
18 really was applicable to the disease we're
19 likely to control with a traceability program?
20 And we talked about focusing on existing,
21 existing ID methods and trying to piggy back off
22 of them. So, that was a tough one for us. We
23 did spend a lot of our time on it and had a
24 great discussion. So, we'll move on to, so,

1 what can we do in the short term and what level
2 of traceability should we target in that short
3 term and some notes that we've put, that we've
4 put down here is, USDA cough up a little bit of
5 money for, you know, an example would be, like,
6 RFID infrastructure at some sell barns, some
7 things like that. But, but the main thing was,
8 we tried to look at our existing standards and
9 try to make those rules, you know, balance with
10 what we're doing here, make sure that it really
11 works. One of the comments was, when we were
12 comparing the notes was it's okay to relax and
13 take a step back and maybe we take a couple
14 steps forward when we, when we understand things
15 a little better. The other thing we tackled on
16 that was, you know, the vet--, on the
17 veterinarian side of maybe using that subset on
18 ID's, we think that might be a good way to help
19 do something practical that doesn't cost a lot
20 of money. And the, another note that was kind
21 of wrote down was of book in's. It wasn't
22 really, we're not really talking about a full
23 book in type program but remember that our
24 brands are still a pretty good band aid to help

us with ID that we do have currently. So, those of you in the group, was there anything there that I missed on? You can see that we just got, just about used up the easel. So, so are you on the third one?

MALE VOICE 23: Oh, obstacles.

MALE VOICE 22: Obstacles, he's moving faster than I am, once again. I think the big obstacle, I think that was wrote back up at the top of this was kind of maybe the outreach and lack of awareness by a lot of groups, subsets of our industry that maybe might be smaller. They were one of the groups that was identified in Washington was even almost a black market, you know, kind of that people that maybe don't understand the rules and trade, you know, amongst themselves a little bit on a real small level. You know, so, but there's, there's some confusion out there. You know, we talked about how good flexibility is, and we all appreciate having the flexibility and standards to really make progress, but sometimes that can add confusion, is that correct? I was thinking, we once again reemphasized what some of the other

groups have talked about, don't eliminate the brands, and we also talked about the lack of consistency between the States, and even the, how old some of this technology, even an RFID is, it's been out a long time. So, is there anything else, group, on question three you want to share that I'm missing?

MALE VOICE 24: Just to be clear, the black market [crosstalk]

MS. GRIMES: This is important we need it on, on the mic. That's all right.

MALE VOICE 24: We have a high Hispanic population in part of our State and they trade in cattle, all classes, and it ties into the outreach of one, not wanting any type of official on to their place, for obvious reasons, and we're not knowing that there's even regulations to include health brands or anything other, so, that was the black market.

MALE VOICE 22: Thank you. Next, we kind of got onto what role does it play in international marketing opportunities, we kind of lumped a few of these together and, I guess, we think voluntary programs are still going to be able to

fulfill those needs, at least, you know, in the near future. So, our group was sure willing to stay on that course. And then the final thing, we kind of came up along that and kind of went with Brother Ross comments earlier was maybe allow a little bit of, allow a little bit of traceability on those 9000 series tags, those 900 series tags and maybe give us a little more flexibility to help utilize them as well because there is a lot of cattle that are tagged with those 900 series tags that really don't want to have a premise ID yet, and some other things, but they can still, you know, work for traceability. So... that's as far as we got and we got told to get in this room, so, we were a little long winded.

MALE VOICE 25: Questions for our very capable group?

MALE VOICE 26: Thank you, just to clear up that last few that you brought up about the 900 series tags, and I guess I'll ask a question as well as state my understanding is that cattle already tagged with those 900 series tags can move interstate on those tags without having to

1 have, be retagged with another official tag,
2 right? I, that's my understanding, I guess
3 that's, if there's more clarification. My
4 understanding was that after the date, which
5 was, I don't recall now, Neil? So, then they
6 couldn't place those tags after that, right?
7 But the tags that are already placed before
8 that, can continue to be recognized? Okay.

9 [crosstalk]

11 MALE VOICE 22: Yeah, there was, there was
12 some discussion from our friends in Wyoming a
13 little bit about, you know, if we really want
14 better identification, if that's truly what this
15 is about, do we care if someone buys a box of
16 tags at the feed store and could get them
17 somehow administered into, you know, into an ID
18 system. Do we, you know, should we make it
19 easier? I spoke to the, you know, obviously we
20 have some experience on the ranch using them a
21 lot and I like, you know, we do put 840's in but
22 when I retag animals I kind of like it to be a
23 900 series that I bought over the counter that
24 wasn't assigned to our calf crop. And yeah,
25 when that cow comes through it's kind of, yeah,

I know she's been retagged, and, you know, our software system we use uses, I can't really operate an EID in that system anyway, I have to create a new animal, if you will. But anyway, just some ideas we had there, to kind of go along with that, you know, we just thought, once again, there's a lot of cattle using those and out there, it would be nice to be able to continue to use them for traceability.

MALE VOICE 26: I see a follow up from Dr. Oedekoven.

DR. JUSTIN OEDEKOVEN: This is another comment and you mentioned it, it might back up a few groups here, I know, Dr. Roe, I have to thank you for all the work that you do at the market because it really supports South Dakota's animal health and the traceability that you do there and it was a lot of work and it helps us untangle things when they need untangled, I guess, for lack of a better term. So, I wanted to follow up on your comment about the group ID, you're to, this, ranges and that's come up in some of our auction markets in South Dakota as well, you know, we're working these cows and

1 they come in and it, and wouldn't it be
2 sufficient to just say, we've recorded those
3 tags and we know from which ranch they've come
4 from if they should show up some place down the
5 road. And, you know, after some discussion and
6 thinking about that question a bit I think that
7 would be appropriate. I think we should, you
8 know, at least continue talking about that for
9 the cows that are going into feeding channels
10 and going to slaughter, that makes a lot of
11 sense, 'cause you're going to be able to, if you
12 get something at slaughter she's got an official
13 ID and you can link her back to that market and
14 obviously you've already read that tag and
15 you've linked it with the seller, so that makes
16 sense. For cows that are going back to the
17 country, you know, for further breeding or other
18 pur--, I guess that would be the only purpose, I
19 have a hard time thinking that's going to be the
20 level that we need it at, at least, at least in
21 my framework of thinking about our traces that
22 we've been doing only for TB, it would continue
23 to put a lot of people in a large circle when we
24 really want to get down to a smaller level but
25

Ubiquis Reporting

22 Cortlandt Street - Suite 802, New York, NY 10007

Phone: 212-346-6666 * Fax: 888-412-3655

I, it is more work for you, and obviously, you don't always know which ones are going to go back to the country versus out for feed, for slaughter.

MALE VOICE 26: Right, you don't now what's going on afterwards, yeah.

MALE VOICE 22: And I get that a little bit, they say, well, we couldn't really trace them, but I don't understand why not? If they split three ways and then one of those guys sells and you end up with a, he's going to know who he bought it from, he's going to know I bought this cow, you know, I bought this group of cows from this guy. Well, that was one of the three that we sold to, you know, that, that we shipped too. So, then it goes from there then back to the original. And you didn't have to effect the other two because he never bought anything from those two guys. And, and so I still, I still think that you can do adequate traceability, you just got to do, maybe get rid of the ones that are not the possibility first, and then go.

MALE VOICE 27: You're exactly right on the trace it back, you have to go - - and say, you

1 know, now we know which - - other people and
2 then - - ways 'cause you don't know - - what was
3 that - - that they were putting me through, and
4 then how all the different directions to find
5 out where they went to.
6

7 MALE VOICE 22: You might, better talk about
8 tracing forward there.

9 MALE VOICE 27: But it-

10 DR. SCOTT: [interposing] Yeah, so it's the
11 trace forward that becomes an issue.

12 MALE VOICE 22: Okay, he takes them and
13 sells forward, you still should be able to trace
14 where his went from, from there. I, I doubt
15 seriously you're going to have the two guys, if
16 you, if I wrote a health on them going out, I
17 doubt those two, two of those three or four guys
18 are going to show back up at the same sale and
19 sell to the same in--, one individual out of
20 that group of cows that you couldn't tell the
21 difference where they came from. I, I just
22 logistically don't think that would happen.

23 DR. SCOTT: Yeah, well, and you, you've got
24 a lot of experience in that, so I, I'd like to
25 follow up with you more on that because I-

MALE VOICE 22: [interposing] Sounds good, because I'd really like to get at that, I think it's, I think we got to be stewards of the cattle.

DR. SCOTT: Mm-hmm.

MALE VOICE 22: And, you know, every time we run one through the chute, and there are times when we have to and that's just the way it is and everybody accepts that. But I think if we can look for instances where we don't have to, I think we need to try to do that. Like I say, ultimately what I hear from the yards is, well, who is going to pay it, you know? And, and two years ago when they were \$3,000, you know, that was an ouch. And I can just tell you, every stock house sale, we get one or two that break it back, that's just the way it is. You run 10,000 head through a chute you're going to injure something. And so, then if you got to turn around and say, usually 50 to 60 percent of those cattle, after a sale, go out of State. Well, now you're talking about out of ten thousand between those two sales in a ten day period, you go to run five thousand of those

back through the chute again. That's fifteen thousand head through the chute, you know? It just increases your chance of injury and cost.

DR. SCOTT: Yeah, and you know we've talked about quite a bit in our program too, and for the amount of work that that is and the amount of cost that that is for the occasional time that you use that information is, it's a lot of cost, but I, and I think that's where, you know, just I was saying in our group, it's pretty tough for that to come from Federal or State government to say, yeah, you should just, you should do that because it will make it easier for us. It would make it easier for us, but there is a cost involved and it's, what are you charging for me to tag them? I think - -

MALE VOICE 22: [interposing] Two bucks.

DR. SCOTT: Two bucks, yeah.

MALE VOICE 22: And that's not a whole lot when you consider, you know, we provide all of the labor.

DR. SCOTT: Mm-hmm.

MALE VOICE 22: So, I got a guy, you know on the head reading the tags, I got a person

writing or putting it in the computer. I got two on the alley and one in the back.

DR. SCOTT: Yeah.

MALE VOICE 22: So, five guys it takes and then another one are myself bringing cattle or penning. And, I mean, that's, you know, roughly just say \$20 an hour average by the time you put all the stuff in, \$120 an hour in their cost alone.

DR. SCOTT: Right.

MALE VOICE 22: Labor cost, and then not, not what I should be getting on top of that for being there.

DR. SCOTT: Right, and then there's a, and as good a job as you guys do, we know that we've got an error rate there that is, has been compounded at my office when we're entering those in, if there's an error rate there, and pretty soon the information that we have is costly and inaccurate and I sometimes wonder if, you know, if we did have a system set up where you had an RFID reader that was worth having, worthwhile, and the cattle came to the market already tagged, would you still charge \$2.00 to

read them or now, based on efficiency and accuracy would you charge a quarter or less to run them through their reader since you're not having to - -

MALE VOICE 22: I couldn't charge a quarter.
[laughter]

DR. SCOTT: I'm, I'm just throwing a number out there.

MALE VOICE 22: I couldn't, I couldn't go, I mean, two bucks we really don't make a whole lot of money. We make our money prior to the sale and the pregs and the pairs and that type of deal. Yeah, we don't go broke ID'ing cattle but we don't get rich at it either. And so, you know, I think two bucks would be the bare minimum that we could do it for. The thing it would do is it would increase the accuracy.

MS. GRIMES: Okay, so, [laughter] any other questions for Ray, he's been - - okay, thank you group three, thank you. [applause] Okay, so, it's been a long day. I can see everybody is, isn't it amazing just sitting in a chair and listening all day how exhausting it is? It's, like, you know, what have I done? I've been

really listening. So, I think we're going to get ready to close and I think, where is Aaron? I think you're on for, kind of some closing remarks and then we'll let you guys hit the roads.

DR. SCOTT: Not very many closing remarks 'cause I see lots of drooping heads and mine included. This has been a lot of really good discussion and I want to thank each of you, you all for making the trip here and for sitting all day long and providing input. It's been a lot of really good discussion and really good thoughts and ideas, and I know we have several people that have been gathering notes and writing things down and this has been recorded, so hopefully everything that you all have said is recorded or noted somewhere, and the same with other folks that we've talked to in the rest of the country. As I had said this morning, all of the information from these series of meetings will be summarized and put together in a, something more digestible than however many thousands of pages of notes people have, and that should be available for folks to

1 look at this fall. Again, no rule is, rules or
2 regulations are being written on, we're
3 listening to what we are, what we're hearing
4 from folks and whatever other kind of
5 recommendation from later on. There's some
6 messages that have come to me pretty clearly
7 from folks, things that plain won't work, like
8 incorporating ID in feeder cattle now and
9 that's, that's not just the message we've heard
10 here today from you all, but have heard that
11 across the country from a number of others. So,
12 anyway, thank you all and travel safely and
13 Marty, did you have anything you wanted to say
14 in closing?

16 DR. ZALUSKI: I had some extensive remarks
17 prepared but you stole my line with this thank
18 you, travel safe, goodbye. [laughter] Thanks
19 everybody.

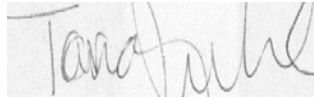
20 DR. SCOTT: I think that's it, thanks.
21 [applause] [background noise]

22 [END RECORDING MAY 24 PM SESSION22.MP3]

C E R T I F I C A T E

I, Tara Juhl, certify that the foregoing transcript of May 24 AM Session 1.mp3 and May 24 PM SESSION22.mp3 was prepared using standard electronic transcription equipment and is a true and accurate record to the best of my ability. I further certify that I am not connected by blood, marriage or employment with any of the parties herein nor interested directly or indirectly in the matter transcribed.

Signature



Date June 19, 2017