



E-Newsletter

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Suggestions?

Help our marketing efforts meet YOUR needs. Any

Letter from the President

Fellow Texas Brangus Breeders,

I am writing this morning from a beautiful ranch just outside George West, it is still dark and the waning full moon is illuminating the fog which is settled in the valley (ok, it's a huge creek bed!) The first cup of coffee is down, I have spoken to God and all is well!

This is a great time to be in the cattle business! One article which is great news this week in the WLJ:

"An Extraordinary Market"

"After months of reduced feedlot placements, the decline in fed cattle production and beef supplies is finally coming home to roost. live cattle prices reached a new all-time high last week with the bulk of fed steers trading at \$141 to \$141, and some cleanup trade as high as \$145 live... no unusual factors other than we are simply just short of fed beef supplies! The markets have been stellar with Choice cutout moving up to \$228.79 up \$14 in one week. Select is strong at \$225.51. The recent rally put the Select cut price over \$200 for the first time in history. Packers are having difficulty finding enough cattle to operate efficiently."

Steve Meyer with the Daily Livestock report, "the fact we have less product shouldn't be a surprise to anyone."

As we have heard from many leaders in the Brangus organization over the past several years, we would get to this point. We are here!

I want to wish good luck to all who will be participating in the upcoming Fort Worth, San Antonio and Houston livestock shows!

suggestions to the Facebook page or E-Newsletter should be sent to mollie@txbrangus.org

Texas Brangus Breeders Association

P.O. Box 690552
San Antonio, TX
78269

210-558-0800

txbrangus.org

Until next time,

Joe Dillard, TBBA President

Multimillion Dollar Meat Lab

Education officials in Longview, Texas, unanimously approved a multimillion dollar bid to build a meat processing lab on property just north of Longview High School.

The \$2.23 million dollar facility will give students the opportunity to learn how to cut and age meat, as well as help prepare them for careers as foodservice managers and butchers. School officials also believe the meat processing lab will offer the chance for students who enter college to utilize their experiences with large processing companies.

The Longview ISD board of trustees decided to spend an extra \$182,000 above the lowest bid in order to give the project to local contractor RLM General Contractors.

-Release by Texas Farm Bureau

Consumers and Transparency

On the one hand, conceiving of a day when consumers turn their noses up at beef due to economics or ethics, or because beef production is banned outright, seems akin to contemplating a day when the sky is no longer blue.

On the other hand, the same was said not long ago about pocket-knives being prohibited from schools, public smoking bans, or being forced by the government to buy health insurance.

Agree or not, society decides what's acceptable - whether or not facts support the decision.

Lean finely textured beef (LFTB) comes to mind. For years, it was used to churn out ground beef for less cost than was otherwise possible. But take one TV show with a celebrity chef who is ignorant of the facts and, poof, the Internet lit up like a Christmas tree. The result was that consumers believed LFTB was an artificial ingredient and balked at the unsavory images.

By and large, the industry responded with sound science

and the long history of LFTB safety. But, no dice. Within a couple of weeks, stores quit carrying ground beef made with LFTB, and the primary LFTB supplier went bankrupt, putting hundreds of folks out of work. The subsequent lawsuit is now trudging its way through court.

Shared values vs. competence

"Historically when under pressure to change, the industry has responded by attacking the attackers and using science alone to justify current practices," say authors of the recent research paper "2013 Consumer Trust in the Food System."

"Too frequently, the industry confuses scientific verification with ethical justification. Not only are these approaches ineffective in building stakeholder trust and support, they increase suspicion and skepticism that the food industry is worthy of public trust," the paper concludes.

The research was conducted by The Center for Food Integrity (CFI), a not-for-profit organization established to build consumer trust and confidence in today's food system. CFI members represent every segment of the food system.

In a November webinar focusing on that research, Charlie Arnot, CEO of CFI, explained that consumer skepticism of institutions began in 1968. That was the year Robert F. Kennedy was assassinated, and protests roiled the country in opposition to U.S. involvement in Vietnam. Within a few years, came the Kent State shootings and the Watergate scandal.

Prior to 1968, Arnot says authority was granted by office. Since then, authority is granted by relationship. Before 1968, there was broad social consensus and a common voice achieved through mass communication. Now, he explains, there are masses of communicators, divergent voices and no single consensus.

Since 1968, Arnot says industry consolidation and concentration have also increased consumer perceptions that food production is institutional. It's big business vs. mom and pop.

"Whether farms or food companies, consumers are increasingly skeptical that large organizations are worthy of trust," Arnot says. "Consumers believe mass

production creates more opportunity for error, that industrialized food production is inherently impersonal and that big companies will put profits ahead of public interest."

In other words, there is an inverse relationship between size and the perception of shared values, which matter more than they ever have.

Based on their previous research, CFI researchers explain, "Confidence (shared values) is 3-5 times more important than demonstrating competency (skills and knowledge) in building trust."

That's especially true of the millennial generation, the progeny of baby boomers generally born between 1980 and 2000. This generation includes 76 million Americans, of whom 40% are African American, Latino, Asian or racially mixed. Most of them don't remember a time without the Internet.

According to CFI research, these folks view money, fame and image as important life goals. They rate community issues as less important to them than the previous two generations.

They are the least concerned of those surveyed by CFI about having enough food to feed people outside the U.S.

Building trust

Consumer trust helps maintain the social license to operate that society either grants to industries and companies - or denies them.

"Every organization, no matter how large or small, operates with some level of social license, or the privilege of operating with minimal formalized restrictions (legislation, litigation, regulation or market mandates) based on maintaining public trust by doing what's right. Organizations are granted a social license when they operate in a way that is consistent with the ethics, values and expectations of their stakeholders," CFI researchers say.

Those stakeholders include customers, employees, the local community, regulators, legislators and others who have an interest in how the organization impacts them, the researchers say. "Maintaining the public trust that

protects your social license to operate is not an act of altruism; it is enlightened self-interest.

"Once lost, either through a single event or a series of events that reduce or eliminate stakeholder trust, social license is replaced with social control. Social control is regulation, legislation, litigation or market mandates designed to compel the organization to perform to the expectations of its stakeholders ..."

The crux of CFI's research last year was development of its Trust-Building Transparency (TBT) model.

"We believe our breakthrough TBT model provides a clear path to effectively address growing public skepticism about today's food," Arnot says. "Consumers have been asking for more transparency, but it has not been well-defined. This research defines transparency and provides direction for how to use transparency to build trust. Effectively implementing this new model will help companies and organizations build trust with their stakeholders and consumers."

Seven elements of Trust-Building Transparency

According to the Center for Food Integrity (CFI), the seven elements of Trust-Building Transparency are:

- Motivation. Act in a manner that's ethical and consistent with stakeholder interests.
- Disclosure. Share publicly all information, both positive and negative.
- Stakeholder participation. Engage those interested in your activities or impact.
- Relevance. Share information stakeholders deem relevant.
- Clarity. Share information that's easily understood and easily obtained.
- Credibility. Share positive and negative information that supports informed stakeholder decision-making, and have a history of operating with integrity.
- Accuracy. Share information that is truthful, objective, reliable and complete.

Conversely, the opposite of these are elements that can lead to moral outrage among consumers, including:

- Lack of transparency
- Intentional wrongdoing

- Intentionally misleading
- Putting private interest ahead of public interest
- Insensitivity to public interest (tone deaf)
- Callous disregard for public interest (malicious indifference)
- Historical record of poor performance
- Failure or unwillingness to accept responsibility
- Impact on vulnerable populations or systems (people, animals and the environment)
- Negligence in following industry best practices

"Some argue that maintaining public trust is a worthy goal, but not relevant to success in business. This outdated notion fails to recognize the financial benefit of maintaining the trust of stakeholders who can determine the level of social license or social control an organization enjoys," CFI researchers say.

-Release by Wes Ishmael for BEEF Magazine

Drought Improvement in Texas

It's not as dry as it has been in Texas, according to the most recent update from the U.S. Drought Monitor and reports from Texas AgriLife Extension Service personnel. More and more of the state is moving into normal or near normal drought status, according to the Drought Monitor.

Most of these areas are in East Texas counties. About another 28 percent of the state was merely abnormally dry, which means though soil moisture was low; the areas were either not yet in drought or were recovering from drought.

It's a large improvement from last January, when about 71 percent of the state was in one stage of drought or another, from moderate to extreme. However, many parts of the state still did not show improvement.

-Release by Robert Burns for Southwest Farm Press

Russia Bans Australian Beef

Australia's agriculture department has reiterated Russia's requirements to meat exporters and moved to strengthen its certification requirements for products exported to Russia, the spokesman said.

Russia imported 12,435 tonnes of beef offal from

Australia in the first 11 months of 2013, according to industry data, worth A\$10.5 million.

Industry body Meat and Livestock Australia said the Russian market was worth about 10 percent of annual Australian beef offal exports.

Trenbolone is approved for use in Canada and the United States, according to the Canadian Cattlemen's Association, but Canada has shipped virtually no beef to Russia since Russia last year banned beef produced with the growth stimulant ractopamine. The ban also affected U.S. beef.

"Just throw it on the pile of issues, things that Russia is doing and not abiding by science, not abiding by (trade) rules," said John Masswohl, director of government and international relations for the Canadian Cattlemen's Association.

Because of the Russian ban on U.S. beef, the use of Trenbolone is a non-issue but could indirectly affect U.S. beef sales efforts to other countries, said Livestock Marketing Information director Jim Robb.

"Australia will likely need to redirect their exports in the short term to other countries where the U.S. currently competes," he said.

Australia is the world's third-largest beef exporter after the United States and Brazil. More than 30 Australian firms are currently allowed to supply beef and by-products to Russia.

Trenbolone has not been allowed for the purpose of enhancing growth in animals in Brazil since 2011, a spokeswoman at Brazil's agriculture ministry said.

Russia imported 1.1 million tonnes of red meat worth \$4.5 billion in January-November 2013, according to official customs data. (\$1 = 1.1355 Australian dollars)

-Release by Reuters

TBBA Business Card Ads

TBBA members have the opportunity to advertise their farm or ranch through the new business card advertisements to be launched on the TBBA website soon. If you would like to purchase a business card ad, e-

mail mollie@txbrangus.org for more information.
Business card ads will cost \$50.

Call for Cattle Photos

The TBBA is constantly looking for ways to improve our social media sights. If you have photos of your Brangus cattle around the farm or ranch that you would like us to share on the Facebook page, please e-mail those in .jpg format to mollie@txbrangus.org.

To view the current "Around the Farm and Ranch" album, [click here.](#)

Jan./Feb. Calendar of Events

January:

25th:

Junior Brangus Show- Fort Worth Stock Show, 8 a.m.

February:

4th:

NCBA Convention and Trade Show- Nashville, TN

7th:

San Antonio Open Show Check-In

9th:

San Antonio Open International Brangus, International Red Brangus shows

11th:

San Antonio Junior Red Brangus Check-In

12th:

San Antonio Junior Brangus Check-In

13th:

San Antonio Junior Red Brangus Show- Judge: Deb Core, IA

14th:

San Antonio Junior Red Brangus Show- Judge: Deb Core, IA

12th:

San Antonio All Breeds Sale

Are you a TBBA member with an upcoming sale or field day? E-mail mollie@txbrangus.org to have it listed on the website and E-Newsletter calendar

Sincerely,

Texas Brangus Breeders Association

marketing of Brangus cattle.