

Consolidated Notes from Beef Sector Workshop

August 30, 2016

Identify Kansas' advantages.

- Solid foundation throughout the entire beef production community (cow-calf production, stocker operations, robust feeding sector, processing)
- Semi-arid climate is suitable for cattle production year-round
- World renowned leaders throughout each step in the production chain
- Abundant feed grain supply
- Plentiful grassland, especially now
- Land availability
- World class genetics
- Cow/acreage ratio

What does growth look like to you? What should our industry goals be?

- Maximize value-added opportunities by use of best management practices, marketing opportunities and more
- Enhance targeted consumer and influencer engagement efforts related to beef production practices, beef nutrition and beef safety in order to grow consumer trust
- Increased consumer confidence (transparency and traceability)
- Proactive vs. reactive communication to consumers — target to varied audiences
- Next generation engagement, interest and support for the industry
- Find better methods of price discovery in consumer-driven model
- Invest in animal friendly technologies to be effective/efficient/defensive
- Higher return on assets — growth
- Ensure adequate biosecurity
- Legislative awareness of the industry/ freedom to operate from unnecessary regulation
- International opportunities — grow opportunities & keep those markets open
- Continued flow of educated workforce
- Diversification of industry
- Program to connect young producers with industry leaders

Identify barriers to growth

- Independent nature of the cattle industry can result in distrust among different segments of production chain
- The lack of traceability system inhibits growth potential and could potentially create animal health threats
- Challenge to find land for expansion — high land prices, increase of urban and suburban absentee landlords (competition for land from gov't, farming)

- Lack of quality pasture available because of cash rented land (over-grazed, weeds, cedars)
- Perception that regulation “fixes” problems/challenges
- Workforce (skilled and unskilled) recruitment and retention
- Stop telling our kids there is NOTHING to do in our rural communities (parents and producers)
- Dispend of dollar income in different industries vs. cost of entry and return
- Traditional mindset — tendency to do things the way we’ve always done it
- Federal funding for market access
- No cash market anymore
- Programs to connect young entry producers with resources (land and cattle) — transition clearing house and the price of entry into a cattle operation without a generational opportunity
- Adaptation to changing extreme weather and climate
- Declining water supply in western half of state
- Increase in consumer knowledge about our product
- Opportunity (benefits) for increased grazing
- Laws limiting business ownership
- Flint Hills burning restriction — water and pollution of
- Technology options for cow/calf producers — record keeping (info management)
- Current market — high inputs lower return
- Tendency for beef producers to proceed individually (organic, grass fed, conventional) on issues, rather than working with a unified voice for marketing
- Price discovery in transition — struggling to shift from how used to determine value of fed cattle to value based more on carcass composition/value to consumers
- International markets for beef genetics — other countries negotiating free trade agreements — we’re losing \$\$\$ to other countries

Identify untapped opportunities and ideas for growth.

- Explore opportunities for research related to feed intake and feed efficiency, including research on sorghum
- Be a leader in development of an industry-driven and accepted animal traceability system
- Increase opportunities for niche and/or alternative marketing options for high-quality cattle
- Innovation in retail product to become more economically & consumer friendly (flat iron was a long time ago)
- 40% of veterans (1,500,000) and transitioning military (800,000) want to farm — train them and place them!
- Explore the role of cattle water use and efficiency → part of sustainability in Kansas
- Farm/ranch level sustainability practices — genetics, range, nutrition, reproduction, physiology

- Utilize existing weather monitoring networks to improve management decisions — water resources — air quality
- Consumer interest to know more, we've got a great story to tell gate-to-plate.
- Engage economic development teams in each county to promote business development and marketing
- Use local companies for byproducts, i.e. pet foods
- Local food hub coops to support smaller farm operations
- Expand Wi-Fi access — high speed — especially in RURAL Kansas
- Identify value to the cost gap between beef and pork/chicken — why beef is more expensive
- Increase demand for Kansas beef products (live animals, semen, embryos, and beef) internationally

What do we do next? What's our action plan?

- **Traceability**
 - Explore opportunities for an industry & market driven traceability system to create premiums to incentivize participation
 - Bring together all segments of the industry to have discussions regarding the development of a traceability system (in farming “red and green” talk — why can't we?)
 - Challenges to overcome regarding traceability:
 - Precedent of a mandatory/government run system doesn't work
 - Commodity product — how does it work for ground beef?
 - Producer education
 - Smaller business
 - More value
 - Training
 - Not having animals traceable in future
 - Needs to be market driven — still a lot of work to be done on cow/calf operations
 - Set standards
 - Grow animal production — what part of the process start
 - Cost — Starts on the farm, but several people involved before slaughter, so when does traceability come in? Producer/rancher should not bear entire burden of cost when several are involved.
 - But cost for the \$2 tag/technology can't be the limiting factor
 - Develop a set of standards that can lead to traceability (e.g., herd mgmt., marketing opportunities); spread out cost of traceability
 - Potential participation incentive if traceability is related to access to a foreign market — some won't have market access because their animals are not traceable
 - Use previous industry-driven improvements as an example
 - BQA foundation was to move injection sites — while moving injection sites has provided return on investment in the long-term, it wasn't immediate.

- **Potential change in language in how we engage with consumers and influencers**
 - Putting a face to Ag
 - Educating consumers — think about “engaging” w/consumers, instead of “educating” them; put a face to agriculture
 - Education of health industry — eating beef advantageous for pregnant women
 - Change language from “educate” consumers to “engage” consumers — assumes less about consumer
 - Communication — respect independent nature of producers and traditional values while working together across industry segments
 - Respect independent values
 - Working together — uniformity of beef — diverse industry, come together
 - Educational programs (starting younger)

- **Opportunity with engagement**
 - Traditional mindset
 - Market driven program
 - BQA — value of carcass
 - Tech. is endless

- **Workforce**
 - **Workforce problems—be more intentional about making industry a “welcoming” industry**
 - Veteran workforce — engage Veteran Workforce Coalition in farming/ranching opportunities
 - Further develop opportunities to work with community colleges and technical schools
 - Encourage more diversity in beef industry workforce (from cow-calf through retailer stages)
 - Work with other sectors to find and hire qualified candidates
 - Push for immigration reform

- **Education**
 - Start agricultural education younger (middle school & high school) in the classroom
 - Education of kids/young adults about beef production, nutrition, etc.
 - Incorporate job/industry need information into education at this level (you could do XXXX in the beef industry...)
 - Incorporate ag elements into “STEM” (Science, Technology, Engineering, Math) programs/workshops
 - Establish a contest for facilitators/producers of educational conferences to encourage more ag and STEM learning opportunities (Look at Cal-Poly)

- Focus educational outreach in the medical field so doctors are aware of the health benefits of beef and are confident/comfortable encouraging patients to incorporate beef in a healthy diet
- Youth education: STEM summer camps for MS/HS students — get more ag-related education into that program? Have a contest to see who has the best STEM workshop that includes agriculture? Cal-Poly has good program.
- Improve opportunities for local marketing of beef products
- Growth of entire ag industry needs expanding markets and expanded access to markets (have expanding supplies)
- Continue improving product quality in order to meet consumer demand for uniform products
- Engage with industry about opportunities to continually improve — can't continue to grow industry with a "traditional mindset"
 - Shouldn't be encouraging producers to make money on poor cows but rather finding new ways to educate about production opportunities