



Monthly Report

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Written by Natalie Arneri

Edited by Sharon Jensen

Canada requests new WTO consultations against mCOOL

Canada's Minister for International Trade, Stockwell Day, announced that Canada will request new consultations at the World Trade Organization (WTO) over Mandatory Country-of-Origin Labelling (mCOOL) in early May.

The CCA fully supports Minister Day taking a strong position against mCOOL, clearly articulating Canada's position and standing up for our cattle producers. We are disappointed that we couldn't reach an agreement with the U.S. - and now there seems to be no other option left for Canada. The CCA and the Government of Canada worked hard via diplomatic means and advocacy but it appears achieving resolution over mCOOL isn't very high on the U.S.' priority list.

The CCA's main beef with mCOOL is the U.S. lack of acknowledgement that the act of transforming a live animal into meat is a substantial operation - one which should result in the meat acquiring the origin of the country where the transformation occurs. Costly repercussions result from this denial. Many U.S. cattle buyers avoid purchasing Canadian animals to minimize the expense in managing Canadian cattle separately from U.S.-born animals. Those Americans that do continue to buy Canadian cattle, offset the extra handling costs by paying less for Canadian cattle, than U.S.-born animals.

Stay tuned as details develop. In the meantime, visit www.cattle.ca for more information on the implications of mCOOL to Canada-U.S. trade of Canadian cattle and beef.

WTO trade action launched against South Korea

During the week of CCA's AGM, Minister Ritz continued his efforts abroad to re-open markets for Canadian beef. That week, he issued Korea with an ultimatum to resume imports of Canadian beef, by the end of March, or Canada would initiate formal WTO proceedings.

Canadian beef meets all the requirements for full market access, according to the World Organization for Animal Health (OIE). Yet Korea has continuously stalled restoration of Canada's access. Particularly galling with Korea's ongoing border closure, is the fact that they accept beef from the United States, which shares the same OIE status as Canada.

Unfortunately the deadline set by Minister Ritz came and went, so in early April, the Government of Canada announced that it is taking the first formal step of a World Trade Organization (WTO) challenge against South Korea, based on its unjustified refusal to resume trade of Canadian beef.

The CCA commends federal Minister of International Trade and the Asia-Pacific Gateway, Stockwell Day, and Minister of Agriculture and Agri-food, Gerry Ritz, for requesting this WTO consultation with South Korea. We would have preferred to reach a negotiated agreement with South Korea, and made extensive efforts to achieve one. But it became clear that no progress was being made, particularly since Korea continues to rationalize their position with excuses that have no scientific basis.

Canadian Cattlemen's Association

310, 6715 8th Street N.E. - Calgary, Alberta - T2E 7H7

Tel: 403.275.8558 Fax: 403.274.5686

www.cattle.ca

Everyday is Earth Day for Canadian cattle

When it comes to the environment, according to cattle producers - Canadian cattle receive a bum rap. Contrary to reports, Canadian livestock make only a minor contribution to Canada's greenhouse gas (GHG) emission and energy use. Actually, cattle play an essential role in sustainable agriculture.

Canadian cattle utilize natural resources very efficiently and cattle producers continuously look for ways to increase that efficiency. Good management of Canada's approximately 21 million hectares of pastureland is one of those ways. Pasture can exist where a food crop can't - on land that is too steep or cold or inaccessible to farm machinery. Pasture grasses play a significant role in feeding Canadian beef consumers.

More environmentally friendly than most other forms of producing food, properly managed cattle pasture lands control erosion and enrich the soil. Planted grasses are often used to rehabilitate soils where crops have grown. It is precisely because of these benefits, and more, that cattle play such a pivotal role in our food supply.

For nearly 20 years, producers have been working hard to reduce the environmental footprint of Canadian agriculture by implementing best management practices to improve efficiency and reduce environmental impact. These practices include improving the diets of farm animals, selectively breeding for animals which use their diets more efficiently and improving animal health - all factors that contribute to the reduction of GHG emissions.

Visit www.cattle.ca for environmental information - including a fact sheet that looks at the numerous ways in which cattle are necessary for a sustainable environment.

High profile for BIC at various U.S. beef-related events

The Beef Information Centre (BIC) was profiled at a number of trade events recently in the United States.

At the North American Meat Processors Annual Management Conference in Chicago, in late

March, an audience of over 250 meat processors provided BIC an opportunity to pitch the advantages of utilizing Canadian beef in their operations.

As a title sponsor of the conference, BIC was able to feature Canadian beef products, including a AAA rib medallion at the opening luncheon as well as a barbecued AAA tri-tip at a more casual 'beer and pretzels' networking event.

BIC also hosted two seminars: 'Heavy Beef Alternatives' was aimed at steak portioners that are looking for options to effectively merchandise heavier beef carcasses; and a 'Financial Tools' seminar outlined a financial program developed by BIC, demonstrating how it can be used to evaluate and communicate value between buyer and seller, and how Canadian beef supply can add value to the purchase opportunity through Canada's superior grading and food safety systems.

At the Harvest Meats Annual Sales Summit in Palm Springs, California, in late March, BIC took advantage of the opportunity to interact with 56 independent retail meat distributors.

Harvest Meats is one of the largest distributors of meat to the independent retail segment in the United States. The 'Summit' provided BIC the opportunity to learn more about independent retailers from California, Arizona and the Pacific Northwest, and to provide information about the Canadian Beef Advantage to these same retailers.

"Also, Harvest Meats services many of the large Hispanic retailers which represents a strong opportunity for Canadian beef, both from a value and volume perspective," notes John Baker, BIC's executive director of trade marketing. "We found strong interest from participants to learn more about Canadian beef, and we were able to build a stronger understanding around how to communicate the Canadian Beef Advantage to customers."

Harvest Meats has begun to engage Canadian packers with a higher degree of interest and is looking to work with BIC in the future around direct business development projects, adds Baker.

Finally, at the American Culinary Federation (ACF) Western Regional Conference in Seattle, Washington in early April, dozens of chefs from across the western United States gathered to take

in seminars and look for new educational information to take back to their local ACF Chapters.

As a sponsor of the event, BIC had an excellent opportunity to interact with the chefs, providing information and understanding of the strong role Canadian beef plays in the U.S. foodservice marketplace. For many chefs it was their first exposure to Canadian beef and they enjoyed both the product and the information provided around Canada's systems-based approach to quality and safety.

BIC hosted the 'Chefs Development' luncheon featuring a AAA rib medallion and spinach stuffed rib cap that garnered many favourable comments. BIC also hosted a beef cutting demonstration that featured some unique beef cuts, such as the strip loin medallion and lesser known cuts that present a strong value, such as tri-tip and chuck tail flap.

"All the information was wrapped around the message that Canada has product well suited to meet the demanding quality specifications that chefs require," notes Baker.

Since this meeting, BIC has arranged several beef demonstrations to be held at ACF's various chapter meetings.

"At all of these events, BIC remained very active in engaging participants and following up opportunities driven through discussions surrounding Canadian beef and the Canadian Beef Advantage," says Baker.