

Meat Industry **INSIGHTS** Newsletter

Weekly **FLASH**

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Hard Core Industry News Without the Fat

Amazon Beef is On the Horizon

August 12, 2017 (cattlenetwork.com) - Jeff Bezos is a beef stakeholder. The founder of Amazon with a net worth of \$87 billion—give or take a billion—has a vested interest in how your cattle are raised.

This summer Amazon announced it intends to acquire Whole Foods Market for \$13.7 billion, news that sent a shudder through the grocery business. Already operating on razor-thin margins, grocery retailers are now facing even more competition in a sector that generates about \$1 trillion in annual sales. Amazon's acquisition of Whole Foods is seen as a direct challenge to Wal-Mart's supremacy, and the 20-year-old Internet sensation is now the fourth most valuable public company in the world and the eighth-largest employer in the U.S.

For consumers, analysts believe the entry of Amazon into the food business will mean more food choices, faster home deliveries of groceries and lower prices. Yet, Amazon was making its presence felt in the beef industry even before the Whole Foods announcement. Amazon Technologies has filed at least 110 trademarks related to food, with the focus primarily on pre-made meals. Ten of those trademarks are related to the phrase "single cow burger."

Amazon already sells Wagyu beef burgers made from grass-fed cattle raised in California. The company promotes the product as made from a single cow, unlike most burgers which are made from the trimmings of multiple animals.

"How many cows does it take to make one burger? Thanks to Amazon, just one," the company touts in its promotions. "Our high-quality patties are made from one source and are available exclusively on AmazonFresh."

And now, thanks to Amazon, a seed has been planted among consumers that burgers made from multiple sources are somehow tainted. There is no evidence that burgers from a single source are safer, tastier or greener for the planet, but you can bet Amazon will not attempt to correct consumers who draw that conclusion.

Amazon's foray into the food business is another giant step by a savvy company led by a savvy businessman. The company will soon be selling enough beef and other proteins that it will hold incredible leverage on our industry, the kind of leverage that will force changes to many production systems. Ready or not, Amazon beef is on the horizon.

High quality and product safety will be guaranteed from those who will supply beef to Amazon in the future. So will humane animal treatment standards, and probably mandatory animal identification to trace products back to the farm of origin. ■

Big Poultry Now Supplies a Surprising Amount of Whole Foods' Chicken

August 15, 2017 (grubstreet.com) - To calm nerves after the Amazon acquisition, Whole Foods CEO John Mackey reassured shoppers and investors that he wasn't

August 21, 2017 ♦ Stevens Publishing Company ♦ Stephen Flanagan, Editor



going to let Amazon mess with the “highest quality, delicious natural and organic products that you’ve come to love and trust” by replacing them with some subpar brand. A noble vow, but it turns out that promise may be easier to keep than anyone realized: A growing amount of the grocery chain’s meat has ties to Big Food that consumers might not appreciate. In the most egregious cases, it’s produced by Perdue or Tyson, then slapped with the 365 Everyday Value label and sold in Whole Foods stores, despite being available for less at run-of-the-mill supermarkets.

It stems from a simple problem: Rivals have figured out how to copy Whole Foods’ high standards for meat, so the organic grocery chain’s execs have had to find ways to sell theirs for cheaper. The meat aisles at Kroger, Costco, and even Walmart all carry products of comparable quality these days — the only nontrivial difference is sometimes just price itself. A new Bloomberg report did a cost comparison and found that 365 Everyday Value’s antibiotic-free chicken thighs were \$2.49 a pound at Whole Foods, while the Perdue Harvestland version of the same exact thighs slaughtered at the same Perdue plant was just \$1.99 a pound at a nearby Key Food. Whole Foods also now sells beef from Open Prairie Natural Angus, a Tyson Foods brand, and Meyer Natural Angus, one processed by Cargill. Both brands are easily found at retailers like Target and Jet.com.

Whole Foods argues that what sets it apart is its transparency about sourcing. It only sells meat that is certified as Step 1 or higher by the Global Animal Partnership. While that’s great, critics may no longer find it straightforward enough to merely say meat came from a GAP-certified brand: Meyer — which, to be clear, is totally different from Oscar Mayer — sells beef that Whole Foods stocks behind the meat counter with no brand labeling. It’s GAP-certified. But it’s also produced at a Cargill facility in Colorado that doubles as the place that processes the conglomerate’s own GAP-uncertified cattle. Regardless which beef is being processed, the lines run “at the same speed” with the “same equipment, same employees.” Supposedly, the two kinds of beef stay segregated at all times, and the whole operation is monitored by USDA officials.

This isn’t exactly a surprise, considering the grocery industry’s current cutthroat environment. This news, though, comes amid complaints by small farmers that the company is watering down its “Responsibly Grown” rating system, so it’s easier for big, conventional farmers to get organic certification, as well as claims by animal-rights groups that it’s selling meat that is far less humanely raised than the labels purport. Not exactly a great PR moment. ■

CME Live Cattle 9-Month Low; Cash Prices Plunge

August 18, 2017 (cattlenetwork.com) - Chicago Mercantile Exchange live cattle futures sank to a nine-month low on Thursday, weighed down by seasonally tepid wholesale beef demand and sharply lower prices for slaughter-ready, or cash, cattle, traders said.

Thursday’s market losses triggered pre-established sell orders. And fund liquidation developed after August and October futures fell below their respective 200-day moving averages of 108.217 and 107.371 cents.

August ended 2.350 cents per pound at 107.125 cents, and October closed 2.100 cents lower at 106.225 cents.

So far this week packers paid \$110 per cwt for a small number of cash cattle in the U.S. Plains, down \$5 to \$6 from a week earlier.

Packers resisted bidding up for cattle whose numbers, and weights, are increasing seasonally at a time when beef demand remains weak.

“This is traditionally a slow time for beef demand, although there should be some retail buying before Labor Day. The other thing are these big supplies,” said Brock Associates Inc analyst Doug Houghton.

From Monday to Thursday packers processed an estimated 467,000 head of cattle, 14,000 more than the same period a year ago.

Near-term bearish fundamentals deterred would-be market bargain hunters, still drawn to futures that remain bullishly undervalued, or discounted, to cash prices.

The market outlook was uncertain after Thursday’s abrupt U.S. stock market retreat on escalating worries about the Trump administration’s ability to push through its economic agenda, and as the United States drew a hard line for renegotiating the North American Free Trade Agreement.

“What’s not helping us is the stock market is in the tank and the beef markets tend to have an eye on that,” said Houghton. Sell stops and live cattle futures tumble sent CME feeder cattle down to its lowest point in three months.

August feeders closed 1.775 cents per pound lower at 140.475 cents.

Hogs Hit Multi-month Lows:

Cash hog prices, pressured by plentiful seasonal supplies, pushed CME lean hogs to a 3-1/2 month low, said traders.

They said hog futures drew more pressure from selling in the neighboring live cattle markets.

October ended 1.850 cents per pound lower at 66.925 cents, and December finished 1.675 cents lower at 61.800 cents. ■

Livestock Futures End Week With Losses

August 18, 2017 (Fox Business) - Cattle futures fell for the third consecutive day as lower red meat prices pressured the market.

Most-active live cattle futures for October delivery fell 0.3% to \$1.059 a pound on Friday at the Chicago Mercantile Exchange.

Wholesale beef prices have traded below \$2 a pound for the first time in months as of late last week. A pound of beef fell 1.88 cents to \$1.9563 a pound on Thursday, and slid further as of midday Friday.

The falling cost of beef has had a ripple effect on the broader market, cutting into packer margins, which in turn has lowered cash-market prices and weighed down futures.

Packer margins for the week were at \$63 a head, according to the HedgersEdge index. That was the lowest since mid-May.

Meatpackers, in turn, lowered their bids for cattle in the week's cash trade with feedlots. They bought a little over 70,000 cattle on Thursday for an average of \$1.10 a pound live and \$1.75 a pound dressed. That was mostly 5 cents a pound below last week on a live basis, cutting into feedlot's profitability.

Hog futures, meanwhile, also fell. CME October lean hog futures dropped 1.2% to 66.125 cents a pound, trading at a three-month low.

Analysts say hog futures are under pressure after losing technical support. The correction started with a sharp drop in pork belly prices earlier this week.

A pound of pork belly meat fell to \$1.8141 on Thursday. That prompted selling at the opening on Friday, though meat prices had turned higher as of midday.

An agreement between American and Argentine officials to re-open the South American country to U.S. exports after over two decades, announced by the White House on Thursday, had limited impact on prices. ■

National Turkey Market at a Glance

August 15, 2017 (USDA) - Domestic Market Highlights: The market on frozen 8-16 lb. hens and 16-24 lb. toms is steady to weak. Offering prices steady to weak. Demand light to moderate. Processor offerings of frozen 8-16 lb. hens and 16-24 lb. toms are mixed. Frozen grade A basted equivalent processor offering prices on a national basis from 2017 production for 8-16 lb. hens are 89.00-103.00 cents FOB and 16-24 lb. toms 89.00-103.00 cents FOB for current deliveries. No current trading reported. The market on bulk parts was steady, with tom wings firm. Demand light to good. Offerings light to moderate.

The market on fresh tom breast meat is steady to barely steady; balance of white meat and trims steady. Demand and offerings light to moderate. Market on thigh meat is steady to weak. Demand light to moderate. Offerings moderate. The mechanically separated turkey (MST I) market is steady to barely steady. Demand and offerings light to moderate. Trading slow.

Export Market Highlights: Trading slow. The market on wings firm, thigh meat is steady to weak, balance of items steady. Demand light to moderate. Offerings mixed, mostly moderate. ■

Crop Report Could Slow Declines In Cattle Futures

August 17, 2017 (iowafarmertoday.com) - Sharp declines in live cattle futures last week took feeder cattle prices along with it, but there could be some market upside on the horizon.

Andrew Griffith, Extension ag economist with the University of Tennessee, says there is still some mystery as to why prices plummeted "faster than a lead weight in a water trough."

However, he says futures rebounded Aug. 11, after the USDA's crop report, which indicated another bumper corn crop nationwide this year.

"This information does not bode well for grain farmers at this time, but it does present opportunities for the livestock industries," Griffith writes in his weekly market outlook Aug. 11. "Cattle feeders rely heavily on grains, oilseeds and by-products of these crops.

"The recent price decline may be offering an opportunity to price feed at a relatively low price which should result in a fairly low cost of gain. With a lower cost of gain on the table, there remains an opportunity to

add weight to calves.”

He says a diminished cost of gain could cause feedlots to more aggressively seek calves, although he says most have been seeking calves throughout this year.

“Feedlot placements for the first six months of the year are up 10.2 percent compared to a year earlier,” Griffith says. “Seasonally speaking, placements will begin to escalate, with October placements potentially being 40 to 45 percent higher than June placements.

Fed cattle prices were down last week.

“Seasonal summer softness edged its way back into the finished cattle market as packers were able to drive prices a little lower this week,” Griffith says.

“The live cattle market will remain under pressure through the summer. However, it is difficult to predict the bottom as live cattle futures remain at a huge discount compared to the cash market.”

Beef cutout values were down only slightly last week, with the Choice/Select spread narrowing to \$3.42 per hundredweight. Choice cutouts dropped below \$200 Aug. 11, Griffith says.

He says there are concerns the price could fall even further as the market moves through the summer and into autumn. ■

South Korea Lifts US Poultry Ban

August 17, 2017 (High Plains Journal) - The U.S. Department of Agriculture announced today that the government of South Korea has lifted its ban on imports of U.S. poultry and poultry products, including fresh eggs. Korea had imposed the ban in response to a recent detection of highly pathogenic avian influenza.

On Aug. 11, the United States notified the World Organization for Animal Health (OIE) that it is now free of HPAI. This notification removed any justification for U.S. trading partners to restrict imports of U.S. poultry due to HPAI concerns. Currently, Korea imposes a ban on all U.S. poultry in response to any HPAI detection, but USDA continues to work with Korean officials towards limiting any future import restrictions to the affected area, consistent with OIE guidelines.

“The United States has the strongest avian influenza surveillance program in the world and we were at once able to quickly identify, confine, and control this most recent disease outbreak. Our hope is that Korean officials will recognize that our system works and will move towards a regional approach in the event of any future findings of bird flu,” said U.S. Agriculture Secretary Sonny Perdue. “South Korea is one of our best trading partners, and we want to continue being their most dependable supplier of high-quality food and farm products. Korea’s lifting of its most recent ban is an important move for our poultry and egg industries, but it is still just the first step.”

In 2014, the last full year without any HPAI-related trade restrictions in place, South Korea purchased \$122 million in U.S. poultry products, including eggs, making it the United States’ tenth-largest market. South Korea’s imports from all sources exceeded \$350 million in 2016, but only \$39 million came from the United States.

Korea has also announced a temporary measure that will allow U.S. eggs and egg products to enter the country duty free in the face of a shortage of domestic supplies. Earlier this year, USDA worked with Korea’s agriculture ministry to reopen the market for U.S. eggs and egg products, but imports were again restricted after the HPAI detection in Tennessee. Year-to-date exports through June have totaled \$12 million, up nearly \$10 million compared with the same period last year. ■

Poultry Trade Groups Back Imports From China

August 17, 2017 (Bloomberg) - Poultry trade groups filed a joint submission Aug. 15 in support of the USDA’s proposed rule to allow China to export cooked chicken to the U.S. Opposition groups are also being vocal about the potential limitations of the proposal.

The National Chicken Council, National Turkey Federation, and the USA Poultry & Egg Export Council agree that the Food Safety and Inspection Services has done enough careful assessment of China’s slaughter facilities and inspection system to create a vigilant regulatory process for the import of their product.

“Unfortunately, FSIS has at times received criticisms that its proposals to permit China to export to the U.S. market do not adequately protect the safety of U.S. consumers. Those criticisms are not, in our view, based on any scientific evidence or risk assessment,” the groups said in comments.

The trade groups released extensive comments broken into three categories to further expand their reasons for support.

“The U.S. poultry industry has carefully followed this process from the beginning and is convinced that FSIS has conducted careful and systematic reviews and audits in compliance with U.S. law, and in a manner

consistent with international norms," the poultry trade groups said in the release.

Groups in Disagreement

Opposition groups are singing a different tune. Food & Water Watch has been an active voice opposing the proposed rule calling it an "ill-conceived and contrived proposition."

FSIS conducted two audits in 2015 for the processing and slaughter inspection system in the People's Republic of China. They visited three certified processing facilities and a poultry processing facility operated by the U.S. based company Cargill and found no major issues. However, Food & Water Watch says the audit was inaccurate.

"As past audits have shown, the PRC has had difficulty in ensuring that its provincial inspection offices are all rowing in the same direction. By limiting FSIS to evaluating two provincial offices, the PRC has manipulated the review to demonstrate that at least those two can be consistent," said Wenonah Hauter, executive director of Food & Water Watch.

Food & Water Watch strongly urged FSIS to withdraw the proposed rule, even mentioning that Rep. Rosa DeLauro (D-Conn.) has expressed strong safety concerns.

"If Congress believes that these products are unsafe to serve our children, then they should be kept out of our grocery stores and restaurants," said Hauter.

The provisions supported by poultry trade groups are currently included in the agriculture appropriations bill. Some of the major ones include ensuring that poultry products exported to the U.S. maintain the same level of public health protection to which the U.S. plants adhere to and conduct re-inspections of poultry products at U.S. ports-of-entry for proper certification and labeling.

The poultry trade groups are eager to start this new trade and compete effectively with China on a global scale. "We believe any country that is able to meet the stringent safety standards set by FSIS should be able to compete in a marketplace free of protectionism and artificial trade barriers," trade groups said.

The deadline for public comments closed Aug. 15. Nina Anand, an official at the U.S. Department of Agriculture, told Bloomberg BNA in an email, with the comment period now closed, the FSIS will assess the feedback and based on all the evidence before the agency, they will make a final determination. ■

Spotlight On Economics: Challenges And Opportunities In The World Beef Market

August 18, 2017(Farm Forum) - International beef trade issues continue to be dynamic and are impacting cattle prices short and long term. The U.S. is a major producer of beef, pork, chicken and turkey in the world and also a major exporter of those commodities. The U.S. also is a major importer of beef.

International trade is increasing in importance to the U.S. beef sector. As new trade issues surface, cattle and beef prices, as well as the competing meats' prices, can be volatile.

An increasing number of issues, some controversial, seem to be surrounding the global beef market. Some provide challenges for beef exporting and importing countries but also may provide opportunities for countries such as the U.S.

The U.S. is the largest exporter of high-quality beef in the world and the leading exporter of beef on a value basis. The U.S. Department of Agriculture (USDA) has projected that the top four beef volume exporting countries in 2017 in order of importance will be India, Brazil, Australia and the U.S.

Also predicted is that the China/Hong Kong beef market will overtake the U.S. as the world's leading beef importer. Important issues with each of these other countries that could impact the U.S. cattle market.

India's ranking as the world's leading beef volume exporter is somewhat controversial in itself. "Beef" that is exported is mainly meat from water buffaloes, because cows are considered sacred to many people of Hindu faith. Nevertheless, meat from water buffaloes, also referred to as carabeef, is in direct competition with lower-quality, grass-fed beef from other countries such as Brazil and Australia.

Some packing plants in India are operated by Muslims, who have had issues with the Hindu-dominated federal government. In May, the Indian government imposed a ban on the sale of cattle and buffaloes at livestock markets for animals to be slaughtered.

In July, India's Supreme Court suspended the ban. Because buffalo meat exports are a lucrative market for India, many expected the ban to be lifted. But the potential prospects for a ban, at least temporarily, caused uncertainty and volatility in the world beef market.

Brazil, the second-leading beef volume exporter, has had its share of turmoil recently as well. A meat inspection bribery scandal involved several meat companies and temporarily reduced beef exports in early 2017.

JBS, with headquarters in Brazil and the world's largest meat company, has been rocked by a political bribery scandal and may be divesting some assets.

One asset for sale is Five Rivers Cattle Feeding, a wholly owned subsidiary of JBS and the largest cattle feeding entity in the world, with headquarters in Greeley, Colo. Five Rivers owns feedlots in Colorado, Kansas, Oklahoma, Texas, Arizona and Idaho. JBS already announced the pending sale of its 75,000-head feedlot in Alberta, Canada.

In late 2016, bilateral fresh and frozen beef trading between the U.S. and Brazil was approved by both countries. Relatively small amounts of lower-quality beef were imported into the U.S. from Brazil, and some high-quality beef has been shipped from the U.S. to Brazil.

JBS was a major player in these transactions. On June 22, the USDA announced that fresh and frozen beef imports from Brazil were suspended due to food safety concerns. China, a leading beef customer for Brazil, also announced that it was scrutinizing beef from Brazil more closely.

Australia, the third largest beef volume exporter, experienced a severe drought in a major cattle-producing region in 2014 and 2015. Forced herd reduction resulted in increased beef production and exports. A return to more normal rainfall allowed herd rebuilding to begin in 2016 and the lower beef production reduced exports. Interestingly, during the first four months in 2017, the U.S. surpassed Australia to temporarily become the third largest volume beef exporter.

Australia was the largest supplier of beef to the U.S. but has fallen to third place in 2017 behind Canada and New Zealand. Beef imports from Australia were off 39 percent in 2016 from the inflated levels of 2015, and that slower pace is continuing in 2017. The lower production and high beef prices also are causing a lower volume of exports to other countries.

The export market is becoming more and more important for cattle prices in the U.S. After a difficult beef export year in 2015, due to several factors, beef exports were up more than 12.5 percent in 2016 and are forecast by the USDA to be up another 9 percent in 2017. Exports were up about 15 percent the first half of 2017. That was one reason for the cattle price rally into May 2017.

U.S. exports were especially strong to the four major customers: Japan, Mexico, Canada and South Korea. Noteworthy is that the U.S. is in trade negotiations with Japan because the U.S. withdrew from the Trans-Pacific Partnership.

In early July, the European Union and Japan signed an Economic Partner Agreement, which gives favorable access for European beef to Japan. The U.S. also is discussing provisions of the North American Free Trade Agreement with Canada and Mexico. Maintaining the robust beef trade with those top beef customers, is important for the U.S.

The major hurdle to resuming U.S. beef exports to China was the political negotiating process. Now that an agreement is in place and beef is allowed to be exported, the size of the Chinese market will need to be determined by the marketplace.

The requirements that beef must be traceable to the birth farm using a unique identifier and not contain growth promotants, feed additives and other chemical compounds may restrict the amount of beef that is initially available for export to China. Longer term price premiums may provide the incentive for beef producers to raise cattle that meet those requirements.

Several of the issues discussed above have at least temporarily impacted cattle prices and particularly the futures market. At times, a "buy the rumor, sell the fact" mentality has caused price volatility that may have been frustrating for cattle producers. With the instant access to worldwide information that is so readily available, expect price volatility to continue as the dynamics of the global beef market continue to evolve. ■

This New Hopdoddy Burger Looks Like Beef, But It Isn't. So What Is It?

August 17, 2017 (Star Telegram) - The meatless beef burger has come to Cowtown.

Hopdoddy's first Fort Worth location will open Monday, serving a full menu of regular burgers but also a limited choice of the meat-lookalike Impossible Burger.

The Impossible Burger looks, feels and tastes like a gourmet burger. Yet it's made from potatoes and wheat.

A special soybean-root enzyme gives it the texture and drippy quality of a good burger, but without beef.

Depending which side of the food fence you're on, this is either a miraculous invention that will save the planet from cows' ongoing emissions of methane gas, or a bane to society that will ruin cattle ranching and put beef out of business.

The New York Times reported this month that some environmental groups are wary of the new plant-based burger as a genetic modification. The maker's California-based company defends the burgers as from natural sources, although the soy enzyme is genetically engineered with a yeast strain.

It's not really a diet burger. Figure it at 13 grams of fat, 220 calories and 430 milligrams of sodium, plus your cheese and toppings.

Here's the bottom line: The Impossible Burger looks and tastes like beef, but not like fresh-ground prime. The

added coconut oil gives the burger the flavor of an old school-lunch “Western” burger, but larger and with better toppings.

It looks like a burger. And it tastes — well, you’re going to pile on toppings anyway.

Hopdoddy serves it with white cheddar, tomato, lettuce, onion and special sauce. But you can try any Hopdoddy combo, although I wouldn’t recommend overdoing it. ■

\$180 Wagyu Beef Sandwich Coming To San Francisco As Part Of \$595 Dinner

August 14, 2017 (Fox News) - News that San Francisco was going to get a Wagyumafia outpost, slinging nearly \$200 sandwiches in the city’s new luxury apartment and commercial complex had stirred a lot of interest from meat enthusiasts.

Partly because of the allure over Wagyu beef – one of the most expensive meats in the world – but also because this is going to be the first certified Wagyu butcher shop in the United States.

The highly anticipated butcher shop, which plans to sell Kobe and Wagyu beef, as well as their famous wallet-busting sandwiches, has been slated to open early next year in San Francisco’s Design District.

However, San Franciscans will be able to try elite meat even sooner than that. Kash Feng, in collaboration with Wagyumafia, has announced that the insanely pricey beef cut will debut August 30, as part of a one night only preview at Feng’s flagship restaurant, Omakese, in the same commercial space where Wagyumafia will be opening later.

The Japanese beef, which is sought after for its especially tender texture and exotic marbling, will be featured on a menu created by Chef Jackson Yu, and will cost patrons \$595 for the five-course meal.

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Beef Industry History: The Kosher Beef Riots. When NYC Women Led A Boycott Over Costly Meats

August 14, 2017 (NY Daily News) - One warm May day in 1902, the frugal housewives of the lower East Side discovered that the price of kosher beef had suddenly soared from 12 to 18 cents a pound. Just crazy this made them.

“The Revolution of the Women” is what the New York papers dubbed what followed, and it went on for weeks — an uprising that spread from tenement to tenement, from street to street, from lower Manhattan to Brooklyn, Harlem and the Bronx and then on to Newark and Boston. Before it was over, tens of thousands of otherwise perfectly nice Jewish ladies had rampaged through the city, smashing windows, wrecking stores, overturning pushcarts, belting cops and smacking anyone who got in their way with shoes, dishes, broomsticks, bricks and big slabs of raw liver.

The butchers blamed the price hike on the Beef Trust, a powerful conglomerate of wholesalers. But the women didn’t buy that story.

They formed picket lines outside each of the 600 butcher shops in their ghetto and pushcart neighborhoods, first trying to persuade other Jews not to eat beef until the prices dropped. Then they resorted to force.

At 8 a.m. on May 15, a woman ignored the boycotters outside Jacob Kalinski’s butcher shop on Cherry St., went inside and bought a chunk of chuck. When she came out, 30 angry picketers pounced upon her, ripped her package from her hands and flung it through Kalinski’s window.

Then they stormed the shop, grabbed up every piece of meat in the place and dumped the lot in the gutter outside. Kalinski barricaded himself and his family in their apartment behind the store and huddled there in terror until the ladies’ fury was spent. Meanwhile, the offending shopper was chased to the end of the block and pummeled some more. She finally escaped, sans her wig and several pieces of clothing.

The same scene was played out across the lower East Side all through the day woe to any shopper who bought a cut of meat. Even buying a chicken wasn’t safe. A Mrs. Abraham Schwartz of Norfolk St. was chased home by a howling mob that plucked her bird away from her at her doorstep and tossed it from hand to hand.

One unfortunate man attempting to make it safely home with a wrapped hen broke his collarbone when he was shoved down cellar steps on Eldridge St.

More than 500 policemen were called to block streets as the rioting spread. "From windows came all manner of missiles raining on helmets and heads," reported the New York Herald, "and then the police used their clubs left and right." Wrote the Sun: "A woman in a Cherry Hill mob held a nursing baby in one arm; with her free hand she threw a plate that knocked a cop's helmet off."

That night, boycott organizer Sarah Edelson held a rally at New Irving Hall on Essex St. As many as 20,000 people showed up. The police came out in force and the crowds blew up, swarming through Broome, Orchard and Ludlow Sts., wrecking every kosher butcher shop in their path, piling up mountains of meat in the streets and setting them afire. The women's families joined in behind them, and, wrote The New York Times, all night long "the streets were black with noisy, excited people: the women urging the men, the children throwing things at the police."

Hundreds of women were arrested and dragged kicking and screaming to jail, sometimes with children in their arms. Children themselves such as the two little girls who tackled a bluecoat, bowled him over into the gutter and tore off his sleeve were swept away in patrol wagons, too. Hordes of other children chased after the police wagons, shrieking for their mothers. A large crowd of men husbands, brothers, other kin ringed the Essex Market Police Court and cried for the women's release; stick-swinging cops chased them away.

The Great Kosher Beef Riots had only just begun.

Within a week, the boycott leaders were turning on one another; Sarah Edelson had a falling-out with a Mrs. Caroline Schatzburg, who formed a group, the Ladies' Anti-Beef Trust Association, over Mrs. Edelson's objections, and the street rowdiness went on by itself as the two women fought each other for dominance. Presently, the menfolk of the lower East Side found it necessary to step in and, as the newspaper Yiddishes Tageblatt put it, "bring order to the great struggle for meat." The men organized their own group, the Allied Conference for Cheap Kosher Meat, and, in time-honored fashion, instructed the women to sit down and be quiet.

For the disorders were not building excellent public relations for the city's immigrant communities. The New York World called the women "a pack of wolves"; The Times denounced them as "a dangerous class. . . . They do not understand the duties or the rights of Americans. They have no inbred or acquired respect for law and order as the basis of the life of the society into which they have come." Explained a Mrs. Rebecca Ablowitz to the magistrate before whom she had been hauled: "If all we did was to weep at home, nobody would notice it, so we have to do something to help ourselves." Explained the magistrate back: "You aren't allowed to riot in the streets."

By mid-June, the relatively calmer leadership of the allied conference managed to have beef prices rolled back, and the women returned to their kitchens, not to be heard from again. ■

Tyson Foods Expanding Tennessee Poultry Operation

August 17, 2017 (Feedstuffs) - Tyson Foods will invest \$84 million as part of its commitment to the continued success of its Union City, Tenn., poultry plant, company officials said this week. More than 300 jobs will be created by the project, which is expected to be completed by mid-2019.

"Customer and consumer demand for protein, especially chicken, is increasing, so we're investing in projects that build on our strengths, expand our capabilities and increase our capacity," said Doug Ramsey, group president of poultry for Tyson. "Expansions like this position us to grow and support our customers."

The project, set to begin this fall, will increase capacity to the plant's existing harvest area, add processing lines, as well as upgrades to supporting operations at the hatchery, feed mill and in transportation. About 25,000 sq. ft. will be added to the plant facility.

Tennessee Gov. Bill Haslam said, "Tyson has been an integral part of Obion County for 20 years, and I'm pleased to see the company move forward with this 300-job expansion in Union City. With more than 1,000 employees in west Tennessee, Tyson's impact on the community extends to the local farmers supported by its operations. I'd like to thank Tyson for its continued commitment to west Tennessee and bringing us closer to making Tennessee the number-one location in the Southeast for high-quality jobs."

In order to meet the new capacity of the facility, Tyson estimates that nearly 200 more broiler chicken houses will need to be built in northwestern Tennessee within the next two years. Independent farmers who may want to grow for Tyson are encouraged to visit the Grow With Tyson website to learn more about the process and make initial contact with the company.

"We're pleased to be able to invest in such a great community," Ramsey said. "We'd like to thank the Tennessee Valley Authority, the Tennessee Department of Economic & Community Development and the Northwest Tennessee Economic Development Council for their assistance and support for this project."

The Union City plant and related operations were built by Tyson and opened in 1997. The plant makes partially fried chicken products for foodservice. The facility employs more than 1,000 people and paid nearly \$32 million in wages during the company's 2016 fiscal year. Annual payouts to farmers who raise chickens for the plant came to more than \$15 million.

Tyson also operates facilities in Goodlettsville, Newbern and Shelbyville, Tenn., employing about 5,000 people in the state, with an annual payroll of more than \$181 million. Tyson paid Tennessee poultry growers more than \$61 million in fiscal 2016 and estimates its total statewide impact to be \$313 million. ■

President Trump Announces US Deal to Export Pork to Argentina

August 18, 2017 (The White House) - President Donald J. Trump today announced that the United States and Argentina have agreed to terms that will allow United States pork to enter the Argentine market for the first time since 1992. The agreement follows the August 15 meeting between Vice President Mike Pence and President Mauricio Macri of Argentina during the Vice President's visit to Buenos Aires. President Trump first raised the issue with President Macri during their bilateral meeting at the White House on April 27.

Secretary of Agriculture Sonny Perdue, Secretary of Commerce Wilbur Ross, and U.S. Trade Representative Robert Lighthizer were also fully engaged in completing the agreement.

"Today's announcement is a big win for American pork producers and proves that President Trump is getting real results for America's farmers and ranchers," said Vice President Pence. "After 25 years of discussions, America's pork producers will soon be able to export their fine product to Argentina. This is one more example of the commitment of President Trump and his entire Administration to breaking down international trade barriers and making free and fair trade a win-win for American workers, farmers, and our trading partners."

The United States is the world's top pork exporter, and this agreement opens up a potential \$10-million-per-year market for America's pork producers. Argentina has blocked imports of United States pork since 1992, citing animal health concerns. Under the terms of today's agreement, all fresh, chilled, and frozen pork and pork products from United States animals will be eligible for export to Argentina.

Argentine food safety officials will visit the United States to conduct on-site verification of the United States meat inspection system, after which United States pork exports will resume pending resolution of any outstanding technical issues.

The United States remains focused on expanding trade of other agricultural products between the United States and Argentina, notably beef, poultry, and fruits. ■

Keep Pork Trade Flowing In Updated Nafta, Says Pork Council

August 16, 2017 (National Pork Producers Council) - The National Pork Producers Council repeated its request that a "modernized" North American Free Trade Agreement (NAFTA) maintain the zero-tariff rate on pork traded in North America.

President Trump has made updating the 23-year-old trade deal between the United States, Canada and Mexico a priority since before taking office and even considered withdrawing from the agreement. The initial NAFTA renegotiation talks start heretomorrow.

NPPC has been one of the leading agricultural voices in support of the agreement, issuing a white paper and twice testifying before congressional committees on the benefits of the pact.

"Canada and Mexico are top markets for our pork, so, obviously, we don't want any disruptions in our exports to those countries; we need to keep pork trade flowing," said NPPC President Ken Maschhoff, a pork producer from Carlyle, Ill. "We want to reiterate to the Trump administration that NAFTA has been a boon to the U.S. pork industry and to all of American agriculture."

Since NAFTA went into effect Jan. 1, 1994, U.S. trade north and south of the borders has more than tripled, growing more rapidly than U.S. trade with the rest of the world. Canada is the No. 2 market for U.S. agricultural products; Mexico is No. 3. In 2016, America's farmers exported more than \$38 billion of products to the two nations, or 28 percent of all U.S. agricultural exports. Those exports generated more than \$48 billion in additional economic activity and supported nearly 287,000 U.S. agricultural jobs.

For the U.S. pork industry, Canada is the No. 4 market, and Mexico is No. 2. Last year, the industry shipped almost \$799 million of pork to Canada and nearly \$1.4 billion to Mexico. Those exports help support more than 16,000 U.S. jobs. "U.S. pork trade with Canada and Mexico has been very robust, and we need to maintain and even improve that trade," Maschhoff said. "We will continue to work with the administration to make sure that happens in a modernized NAFTA." ■

Pork Plant Faces Fines After Being Cited For Improper Maintenance And Dripping Fat

August 16, 2017 (Courier-Journal) - A Louisville, KY meatpacking plant has agreed to pay the Louisville Metro Air Pollution Control District \$60,000 in penalties after the company reported records-keeping omissions and a surprise inspection found faulty equipment handling, public records show.

The district's board is scheduled to decide whether to accept the agreement Wednesday morning, following a 10 a.m. public hearing.

The JBS Swift plant in the Butchertown neighborhood on March 8 submitted a report to district officials that showed about 60 required internal inspections were missed, according to the agreement. Thirty of the required inspections for these pieces of equipment were reported to have had multiple deficiencies.

District officials also found faulty equipment during a Nov. 30, 2016 inspection, including some contributing to strong odors, including a drain pipe improperly discharging fat, according to the agreement. ■

Hormel Foods Acquiring Fontanini

August 18, 2017 (The Value Investor) - Hormel Foods has bought Chicago-based Fontanini Italian Meats and Sausages. The company is known for its Italian meats, sausages and other products, such as pizza toppings and meatballs. So far there goes the diversification thesis, as this deal only increases the focus on meat-related products.

This purchase does add to the foodservice business, which is focused on the lodging, restaurant, healthcare and college sectors. Little information was released in the press release, other than that Hormel paid \$425 million for the company. While not much detail was provided other than the purchase price, it's fair to see that the deal is truly a bolt-on deal, as the purchase is equivalent to nearly 2.5% of the market valuation of Hormel Foods. ■

Pork Triumphs Over Chicken and Mexican Tops the List in HelloFresh Survey

August 17, 2017 (PRNewswire) - HelloFresh, one of the world's leading meal kit delivery companies, has released the results of a new survey on the latest food trends among families in the United States. HelloFresh consulted the experts – parents and kids – in addition to analyzing over a year's worth of customer recipe feedback, finding that pork is the #1 protein, kids love customization, and Mexican cuisine is the most popular among families. As a data-centric company, HelloFresh looks to constantly evolve and improve its products, which is why they are using this data to launch a revamped Family Plan, available starting August 19.

The nationwide survey conducted in May 2017 polled a total of 1,168 respondents, including current HelloFresh customers and non-customers about their preferences on types of cuisine, techniques and ingredients. This, combined with analysis of over a year's worth of Family recipe feedback including more than 17,000 unique data points, resulted in a revamped product, and a "cheat sheet" for parents to make quick and easy weeknight dinners for the whole family.

Key Survey Findings & Cheat Sheet:

Pork is the #1 meat: Contrary to popular belief, pork consistently performs well with families when compared to both chicken and beef. 65% of pork dishes received the highest scores versus 53% of chicken dishes and 51% of beef dishes.

TIP: Kids love sweet flavors, and pork pairs well with sweet sauces and glazes including fruit, jam, or honey.

Families want Mexican cuisine: 77% of families surveyed were most excited for Mexican cuisine, compared to 73% for steak and potatoes and 72% for stir fry.

TIP: Think beyond the typical beef, shredded lettuce, and cheese taco. Traditional dishes can be easily spruced up by including different meats and complimenting them with fruit salsas such as pineapple, mango, peach or kiwi.

Customization is key: Burgers and meatballs may both be made of ground beef, but 100% of burger recipes were rated favorites, compared to only 25% of meatball recipes. Families favor burgers for their quick prep,

short cook time, and customization. Kids can be picky, so dishes like burgers that offer the possibility to replace or remove an ingredient without losing flavor rank higher than casseroles and chilis that can't be personalized.

Kids love texture: Fifty percent of recipes containing panko bread crumbs are family favorites -- more than any other ingredient. In fact, nine out of HelloFresh's 20 top-scoring recipes contain the word "crispy."

TIP: To achieve this coveted texture without resorting to a deep-fryer, mix panko bread crumbs with cheese. Mozzarella and Parmesan are family-favorite cheeses (with 53% and 50% making it to top recipe lists respectively). Roasting veggies will achieve that same kid-approved crisp. ■

Low Unemployment Rate Could Create Additional Ag Labor Challenges

August 17, 2017 (Brownfield Ag News) - A livestock market analyst says unemployment is at a 16-year low and that could cause labor issues as the new pork processing plants come online.

University of Missouri's Scott Brown says unemployment rates continue to decline and finding skilled labor capable of running the new large pork processing facilities is becoming more of a challenge. "It's more than just building a structure and then the hogs run through it by themselves," he says. "You've got to have labor along the way on that chain to make sure we process those hogs into pork."

Brown uses Iowa as an example -- a state with an unemployment rate just over 3 percent. He tells Brownfield that can hinder the facilities ability to reach full processing capacity quickly.

"If I'm in a pork processing facility and I have to find new labor -- I'm going to have to compete pretty hard against some of the other opportunities the labor supply in Iowa may have," he says.

Brown says migrant labor is often a good alternative when there isn't enough domestic supply of workers available. "Yet if we're going to put constraints on who can flow into some of these communities -- in terms of immigration or the ability of migrant laborers to move in -- we make it that much tougher to fill those positions," he says. ■

Agriculture Forum: Using Whole Animal Integral To Food System

August 19, 2017 (Record Eagle) - Consumer desire to understand the source of their food is a growing trend in the American food system. Omnivores have begun examining their protein for humane husbandry.

Sourcing meat locally and mindfully is a way you can reduce environmental impact and waste created by large animal consumption. Utilizing the whole animal is an essential piece of this resilient food system.

If you want bacon, eat sausage too. Likewise, if you enjoy brisket, consider buying frozen ground beef from the same farm. In a sustainable system, frozen meat is necessary to prevent excessive waste produced by raising animals for high-demand cuts. Farmers need you to create a market for all parts of the animal.

Using these parts is integral in re-localizing our food system.

The typical restaurant serves breast meat from chickens exclusively, leaving enormous supplies of drumsticks in the freezer of local food hub Cherry Capital Foods. This demonstrates how our eating patterns affect the whole system. Interlochen Center for the Arts has found a solution to this particular problem. This summer they served 1,483 pounds of drumsticks at camp.

"The kids like it a lot. We serve 7,000 meals a day and if one of them can be local, and GMO-free, pastured meat, then more power to everyone involved," says Matthew Durren, Interlochen executive chef.

Operations like The May Farm in Beulah, raise and process animals directly for restaurants or personal consumption. This model solves inefficiencies of large scale meat production and returns us to a more efficient era of food production between hunting and gathering and industrial processing. Their motto is "You own them. We do the chores."

Families, too, can learn to be creative with the preparation of unique cuts. But businesses using this model need you, the consumer, to consider what you're ordering to create a market for plentiful items like osso buco or ham. These bony leg-cuts (historically peasant foods) need attention from mindful eaters to regain popular support.

Restaurants like Raduno in Traverse City are endorsing this system by using unfamiliar organs to make decadent entrees that pay homage to diverse, historical peasant cuisine -- including Bahn Mi with chicken liver mousse or pâté grand-mère. Andrea Deibler, part-owner and butcher at Raduno, uses pork liver and jowl from animals raised on GMO-free barley to create the pâté.

"Sometimes," Deibler explains, "belly fat that doesn't have the right ratio of fat for our sausage, I put into the pâté."

Don't scoff next time you see locally raised ground beef in the freezer.

Instead, consider, that for every pound beef tenderloin you buy, there are 34.77 pounds of ground beef in a freezer somewhere waiting to be eaten.

The next time you order locally raised pulled pork, consider matching that order with ham.

Food system change takes work from everyone in the value chain, most importantly the consumer. Everybody eats! But remember that the food system cannot be sustainable if the whole animal is not consumed. ■

Commentary: 5 Questions About Chicken From China

August 15, 2017 (Chicago Tribune) - Under a trade deal concluded in May, China has begun exporting chicken to the United States. Critics have pointed to China's record of food safety issues and argued that the deal prioritizes commerce over public health. Here Maurice Pitesky, a poultry extension specialist at the University of California at Davis School of Veterinary Medicine with a focus on poultry health and food safety epidemiology, answers five questions about importing Chinese chicken.

1. Why is the United States importing chicken from China? Do we have a shortage?

Hardly. The United States is the largest poultry producer in the world, and the second-largest poultry exporter after Brazil. However, as part of a recent bilateral trade deal, China has agreed to accept imports of beef and liquefied natural gas from the United States. In exchange, the United States is allowing China to export cooked poultry meat to the United States.

2. Why can China send us only cooked chicken?

This is most likely in response to concerns over avian influenza transmission from raw poultry to the United States. Viable avian influenza viruses could potentially infect U.S. poultry or birds and spread these novel viruses in North America. Some of these viruses can infect humans.

South and Southeast Asia have dense human populations, with numerous poultry producers, vendors and markets where people are exposed to live birds — all conditions that contribute to the spread of avian flu. Since 2013 China has confirmed 1,557 human cases of AH7N9 flu and 370 deaths.

3. Given China's history of food safety problems, should U.S. consumers be worried about eating chicken processed there?

China is already the third leading supplier of food and agricultural imports to the United States. U.S. consumers are eating imported Chinese fish, shellfish, juices, canned fruits and vegetables.

If poultry is cooked properly, there is no food safety risk from viruses or bacteria. However, if the poultry is not cooked properly, or if there is some type of cross-contamination — for example, if raw chicken or feathers come into contact with cooked product or packaging material — then zoonotic bacteria like salmonella and campylobacter can cross the species barrier and sicken humans.

Most cases of salmonellosis and campylobacteriosis are thought to be associated with eating raw or undercooked poultry meat, or with cross-contamination of other foods by these items. There are no publicly available data on rates of salmonellosis and campylobacteriosis in China. In the United States, infections from these two bacteria sickened nearly 14,000 people in 2014. Of this group, 3,221 were hospitalized and 41 died.

Poultry meat can also contain contaminants, such as heavy metals, and antibiotic residues if birds are treated with antibiotics in an inappropriate fashion. Specifically, when poultry farmers use antibiotics inappropriately (quantity, type and timing), residue can persist in muscle, organs and eggs and toxic and harmful residues build up in the birds. These risks are probably greater for poultry raised and processed in China than for poultry raised and processed in the United States.

Here in the United States there are strict rules requiring growers to stop giving birds antibiotics for periods of days or weeks before they are processed, and we have a National Residue Program that is designed to test for these compounds in eggs and meat.

China has similar rules, but they are not robustly enforced, and many poultry farmers are not well-informed about them. The Chinese government recently announced a plan to increase surveillance, oversight and monitoring of poultry, livestock and aquatic products to decrease the presence of antibiotic residues by 2020.

Heavy metals in Chinese poultry products may also be an issue. This is a worldwide concern, but it's especially serious in China because they still burn huge quantities of coal, which releases lead, mercury, cadmium and arsenic. High levels of lead and cadmium have been reported in agricultural areas near Chinese coal mines. These heavy metals can contaminate soil and end up in animal feed and animal meat and eggs.

We really don't understand how widespread these problems are in China, and the Chinese government isn't very transparent about food safety. That's starting to change, but there's nothing like the publicly available data that we have in the United States at the processing plant and retail level.

4. What will U.S. inspectors do to determine whether Chinese chicken is safe?

The U.S. Department of Agriculture's Food Safety and Inspection Service is responsible for determining whether other countries have meat and poultry safeguards that are equivalent to ours. Chinese poultry processing plants cannot ship cooked poultry to the United States unless they meet that test.

When a foreign program is approved by the USDA, the Food Safety and Inspection Service relies on that country's government to certify that its plants are eligible and conduct regular inspections of the exporting plants. The Service conducts on-site audits of the plants at least annually to verify that they are still meeting the required standards. It will be interesting to see whether the U.S. National Residue Program is involved in those inspections.

5. Where will chicken processed in China show up in U.S. markets?

This is the million-dollar question. Cooked poultry is considered to be a processed food item, so it is excluded from country-of-origin labeling requirements, which would apply to raw chicken. This means that U.S. consumers will not know they are consuming chicken grown and processed in China. Restaurants also are excluded from country-of-origin labeling, so the cooked poultry could be sold to restaurants without consumers knowing. The first Chinese exporter did not specify the name brand that its cooked chicken is being sold under.

The key issue is cost competitiveness. If China can sell cooked poultry at a competitive price point, there will most likely be a U.S. market for it. At this point, though, the Chinese poultry industry is not as integrated (that is, organized so that one company owns breeder birds, hatcheries, grow-out farms and processing plants) or technologically advanced as the U.S. poultry industry. In the short run, this makes it difficult for China to compete with the U.S. poultry industry at any appreciable level, even though Chinese labor costs are lower. ■

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