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OHIO CATTLEMEN'S ASSOCIATION

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May 7, 2004

FSIS Docket Clerk U.S. Department of Agriculture Food Safety and Inspection Service 300 12th Street, SW. Room 102, Cotton Annex Washington, DC 20250

Re: Docket No. 03-025IF: "Prohibition of the Use of Specified Risk Materials for Human Food and Requirements for the Disposition of Non-Ambulatory Disabled Cattle"

Dear Docket Clerk:

On behalf of the Ohio Cattlemen's Association (OCA), an affiliate of the National Cattlemen's Beef Association (NCBA) our association wants to express our appreciation for the opportunity to comment on the Food Safety and Inspection Service (FSIS) Docket No. 03-025IF: "Prohibition of the Use of Specified Risk Materials for Human Food and Requirements for the Disposition of Non-Ambulatory Disabled Cattle." The Ohio Cattlemen's Association supports the comments outlined by NCBA.

Ohio is proud of the efforts made by NCBA to lead the U.S. beef industry since 1986 on preventative and proactive "firewalls" regarding Bovine Spongiform Encephalopathy (BSE). These firewalls protect animal health and public health. The finding of BSE in an imported cow from Canada in December 2003 has proven why it is so important that these firewalls be in place. OCA adds our commendation to the U.S. Department of Agriculture (USDA) for taking further actions to ensure additional protection for the public. We understand the urgency of these measures and support them being implemented as interim final rules. However, we urge FSIS to strongly consider all comments received and even to weigh the results of the enhanced surveillance program announced on March 15, 2004 to ensure these are the appropriate measures for the true risk presented here in the U.S.

Specified Risk Materials

OCA supports the listing of the following as specified risk materials (SRM) from cattle 30 months of age and older: brain, skull, eyes, trigeminal ganglia, spinal cord and vertebral column (excluding the vertebrae of the tail, the transverse processes of the thoracic and lumbar vertebrae, and the wings of the sacrum), and dorsal root ganglia. OCA also supports the distal ileum and tonsils from all cattle as SRMs.





OCA strongly encourages FSIS to evaluate the science, international standards from the World Organization for Animal Health (OIE), and the risk of BSE in the U.S. on an on-going basis and make any necessary changes to this policy based upon that evaluation.

FSIS needs to continue to work with the government of Canada and Mexico to harmonize our regulations regarding BSE. This effort will streamline and facilitate trade of beef and beef products in North America and also set an example for the world of the scientific process that can be implemented to safely trade beef and beef products.

Distal Ileum

OCA agrees that the distal ileum is a SRM and should be removed from all cattle. However, OCA disagrees with the proposal to require the removal of "small intestine" from all cattle in order to ensure removal of the distal ileum. We question the science FSIS is using to make the decision to remove the entire "small intestine" rather than only the distal ileum which is known by scientific evidence to be a material of risk. Research supporting this statement was submitted in similar comments made by NCBA.

Protocols were in place to remove the distal ileum prior to December 23, 2003. Therefore, OCA recommends that FSIS delete from the regulation the statement "to ensure effective removal of the distal ileum, the establishment shall remove the entire small intestine."

Verification of Age

FSIS has proposed two methods for determining the age of cattle in order to ensure proper removal of the SRMs: documentation or the use of dentition. FSIS is using the standard of determining whether at least one of the 2nd set of permanent incisors has erupted, saying that the permanent incisors erupt from 24 through 30 months of age. This standard is based upon research conducted in the 1950's. NCBA, on behalf of the Cattlemen's Beef Board has conducted research to determine if that is the appropriate standard for today's cattle. The results of this research were submitted in similar comments made by NCBA.

Based upon this research and a lack of a standard method of documenting age, OCA feels that FSIS dentition guideline is the next best alternative to determine age.

NCBA is working with the industry to develop a standard document that can be used by producers to verify the age of cattle that will be accepted by slaughter establishments and FSIS. OCA urges FSIS to keep the verification of age by either method, documentation or dentition, until a better system is developed and implemented.

Non-Ambulatory

FSIS has a policy in place to prohibit non-ambulatory disabled cattle from entering the human food supply. This ban applies to all non-ambulatory disabled cattle, whether sold to a federally inspected establishment, state inspected establishment, or a custom-exempt slaughter operation. OCA supports such a ban of non-ambulatory disabled cattle from the <u>commercial</u> food supply only.

Therefore, OCA requests that FSIS institute a mechanism that allows cattle with injuries that occurred in loading or transportation to be processed for personal consumption. These animals are not adulterated and could be certified by an accredited veterinarian that the animal is not sick. FSIS should remove the designation that these animals are adulterated and allow locker plants and custom slaughterers to harvest these animals and remove the SRMs, even for the animals under 30 months of age. FSIS should also evaluate a program, in conjunction with the Animal and Plant Health Inspection Service, that would allow non-ambulatory cattle 30 months of age and older that are injured to be a part of the BSE surveillance

program. If the animal tests negative, then the SRMs should be removed and the animal able to be processed for personal consumption.

Mechanically Separated Beef

OCA supports the FSIS proposal to ban the production of mechanically separated beef.

Economic Impact Assessment

Verification of age

OCA feels that the following analysis needs to be incorporated in the final economic assessment.

NCBA research indicates that roughly 0.4 percent of U.S. fed cattle slaughter has historically received discounts because of a "C" maturity grade (making the carcass ineligible for a prime, choice or select grade).

28.8 million head * 0.4 percent = 115,200 head

Industry estimates indicate that the dentition method of age determination has increased the percentage of animals aged more than 30 months to 1-2 percent of fed cattle slaughter.

28.8 million head * 1-2 percent = 288,000 to 576,000 head

The price discount on these greater than 30 month of age carcasses from "A" maturity to "no roll" is estimated as at least \$13/cwt (carcass weight) discount from select grade carcasses (\$100/head) and \$21/cwt from a choice carcass (\$160/head).

Therefore, the cost impact of this rule ranges from 288,000 to 576,000 head (less 115,200 head) multiplied by a \$100 to \$160 per head cost suggests an annual industry impact of \$17.3 to \$92.2 million. Using the same levels of discounts but adding a 55 percent choice and 45 percent select component to the calculation would tighten this range to \$38.3 to \$76.6 million.

Non-ambulatory

OCA feels there are additional items that need to be addressed regarding the economic impact of prohibiting non-ambulatory cattle from the human food supply. There are an estimated 195,000 head of cattle in this classification annually with an estimated 50,000 head of these animals being condemned and therefore not ever entering the marketplace for a net 145,000 head. An estimated value of these animals could be derived by taking the 2001-2003 average canner cow price of \$36.35/cwt multiplied by an estimated average cow weight of 1020 pounds for an average value of \$371 per head. Assuming the condemned animals have no value, the cost of this industry change (145,000 head at \$371 per head) would be \$53.8 million.

This does not take into account the considerable economic loss associated with an otherwise perfectly healthy fed steer that might have broken a bone (for example) and became non-ambulatory during transit. This rule would cause such an animal, currently worth (1150 lbs at \$87/cwt) \$1000.50, to be virtually worthless for no logical reason that pertains to human health. It is unknown how many of these types of animals are currently impacted by this rule.

General Comments on Economic Impact Assessment

It should be pointed out that nearly all of these costs will be reflected in lower live animal prices therefore the majority of these losses in revenue will come directly out of U.S. beef producers' pockets.

These costs do not include the millions of dollars this industry and the U.S. economy have forfeited over the past three months in terms of lost equity at the cow-calf, feedlot and processing sector. Also left out are the eventual losses associated with the estimated \$200 million in beef exports that was caught in transit and could not be offloaded after December 23, 2003. Even more significant are the numerous other

new regulatory and operational costs of doing business from the pasture to the plate as a result of the regulatory changes imposed by this single BSE positive cow.

Sanitation of Equipment

OCA supports the policy put in place by FSIS that requires sanitation of equipment between carcasses or parts of carcasses when an establishment is slaughtering and processing animals both under 30 months of age and animals 30 months of age and older. Current cleaning and sanitizing procedures in place by establishments will virtually eliminate any cross contamination issue. Requiring separate or dedicated equipment is not necessary if proper cleaning and sanitizing procedures are in place and documented.

Conclusion

OCA commends USDA for taking further actions to protect public health. OCA supports the development of regulations that prohibit SRMs from being included in the human food supply. We believe that protocols can be developed and implemented that would allow a portion of the small intestine to be processed safely for human consumption and urges FSIS adoption of such a protocol. OCA also supports the decision to prohibit non-ambulatory cattle from the commercial food supply, however, we encourage FSIS to implement a system whereby animals injured while during loading or transportation, be allowed to be processed for personal consumption. Thank you for the opportunity to submit these comments.

Sincerely,

Jim Campbell President

Jani Campbell

Ohio Cattlemen's Association