



Animal Health (Dr. Steve Nicholson) **Mad Cow Surveillance**

Media reports that a cow staggered and fell at a slaughter house April 27, 2004, in Texas

but was not tested for bovine spongiform encephalopathy (BSE) prompted a joint statement from USDA officials Dr. Ron Dehaven and Dr. Barbara Masters .

The cow in question was condemned and prohibited from entering the human food chain on antemortem inspection by a veterinarian with USDA's Food Safety Inspection Service. The officials further stated that the standard procedure calls for animals condemned due to possible central nervous system (CNS) disorder to be kept until APHIS officials can collect samples for testing. In this case that was not done, and the animal was rendered.

The USDA begins an enhanced BSE surveillance program June 1. The program will target as many animals as possible from populations considered to be at highest risk for BSE, including animals with signs of CNS disorder and nonambulatory animals. In addition, 20,000 apparently healthy older animals will be included in this sampling.

Make Biosecurity a Top Priority

Producers and other animal industry personnel must remember that their observations of sick animals or suspicious activity might be the first evidence of an exotic disease outbreak or acts of bioterrorism.

West Nile and Eastern (EEE) and Western Encephalomyelitis (WEE)

Protect horses by vaccinating them against mosquito-transmitted virus brain infection. Reports indicate West Nile virus is active in birds. Check around barns and other buildings for standing water in tires, containers, etc.

Anthrax

Louisiana has a long history of soil-borne anthrax (charbon) outbreaks. The last major incident was in 1971 in parishes to the south, east and west of Baton Rouge. One thing learned from outbreaks is that delays in obtaining a diagnosis can be costly. Given the current market value of cattle, it would be wise to get veterinary assistance immediately to determine why animals are sick and dying. Vaccination can stimulate protection in 8 to 10 days. The anthrax vaccine is live, and antibiotics will inactivate it.

Poultry (Dr. Theresia Lavergne) **Bird Flu**

The recent U.S. bird flu scare is ending. On April 2, agriculture officials announced that they plan to lift restrictions on poultry farms in Delaware and

Maryland after a month without any new reports. In that area, more than 400,000 birds have been killed since February due to the bird flu. These cases are from the most common form of bird flu that is not harmful to humans.

Additionally, on April 1, Texas animal health officials announced that the outbreak of the highly pathogenic avian influenza (HPAI) near Gonzales, TX, had been eradicated. The HPAI was found in one non-commercial flock of about 6,600 broilers. The flock was depopulated on February 21, and the premises were cleaned and disinfected immediately.

OSHA guidelines to protect against avian flu

OSHA has published guidelines for farm workers and handlers designed to help prevent the spread of bird flu to humans. The guidelines include:

- Frequent hand washing and/or disinfection
- Use of protective clothing (aprons, gloves, boots, goggles, respirators)
- Current vaccinations
- Antiviral drug therapy (if continued and direct contact)
- Self-monitor health after exposure

Guidelines for lab workers, medical workers, food handlers, airline flight crews, and travelers also are published.

(Poultry Times, April 26, 2004)

Beef (Dr. Jason Rowntree) **USDA Agriculture Secretary Ann Veneman announces framework for National Animal Identification System (NAIS)**

Washington, April 27, 2004. A National Animal Identification System (NAIS) designed to identify an agricultural location exposed to a foreign animal disease will be initiated, and \$18.8 million will be provided as initial funding during 2004. The Administration's proposed budget does include another \$33 million for 2005.

The NAIS system is designed for national utilization in three phases. **Phase I** entails evaluation of currently funded animal identification systems and subsequent determination of which system should be utilized in NAIS. Moreover, discussion with stakeholders will occur. Staffing considerations and regulatory/legislative proposals needed for system implementation will take place. **Phase II** includes implementation of the selected animal identification system on a "regional" basis on one or more selected livestock species. Discussion with stakeholders and legislators will also continue. Lastly, in **Phase III**, the NAIS system will be implemented on a national level. Development of a national premise database will occur in this phase. (USDA News Release, No. 0170.04)

USA and Japan agree on process

The U.S. and Japan have established a process to re-open the Japanese market to U.S. beef. A group of U.S. and Japanese personnel has been formed and will address these concerns: **1.** Definition of BSE and testing methods **2.** Definition of Specified Risk Materials (SRM's) in livestock feed and the method of removal **3.** Appropriate surveillance **4.** Appropriate feed ban implementation **5.** Risk categorization/status of countries **6.** Cattle month-age identification. The concept of 100% testing will be discussed throughout the process but is not considered necessary for resuming trade. (Cattle-Fax, April 30, 2004)

More beef trade news

The USDA has reached an agreement to halt expanded beef product imports from Canada. This agreement must be approved by a judge and states that the USDA will not allow expanded Canada beef exports except for prior provisions allowed in August, 2003. Canada has approval to import boneless beef from cattle 30 mo or younger.

USDA admits cow at risk for BSE slips through testing system

The USDA admitted a breakdown in its bovine spongiform encephalopathy (BSE) inspection system at a Texas processing company and is investigating a violation of agency policy by not BSE testing a cow condemned for potential neurological disease.

A joint statement from USDA's Animal and Plant Health Inspection Service (APHIS) and Food Safety and Inspection Service (FSIS) included the comments, "Standard procedures call for animals condemned due to possible CNS disorder to be kept until APHIS officials can collect samples for testing." "However, this did not occur in this case and the animal was sent to rendering".

At time of print, there were no viable reasons why brain tissue was not sampled for BSE testing. USDA representative, Ed Loyd stated " Obviously, this animal fit into that sub-set of high risk animals..... We are trying to determine what happened and why."

A USDA statement summated that the animal arrived at Lone Star Beef plant on April 27 in San Angelo, Texas, and was condemned after a federal veterinarian "observed the cow stagger and fall". (Meatingplace.com, 5/4/04)

Oregon researchers investigate influence of daily vs alternate day supplementation of urea and biuret to ruminants consuming low-quality forage

Eighty pregnant Angus X Hereford cows were allotted to the following treatments: 1) no supplementation; 2) & 3) daily and every other day protein supplementation containing 3.7% urea and in total 28 % crude protein ; and 4) & 5) daily and every other day protein supplementation containing 3.7%

biuret and in total 28% crude protein. Cows were offered hard fescue straw (4% protein) ad libitum throughout the trial. Cows were offered supplementation to provide 0.04% of body weight (averaged over a 2 day period) of crude protein until calving. In other words, a 1200 lb cow should receive enough supplement to consume .48 lbs of crude protein per day. All 1200 lb cows in the every other day treatment group received .48 lbs of crude protein in one feeding while 1200 lb cows in everyday treatment groups received enough supplement to consume .24 lbs of crude protein daily.

Cows receiving supplements had less weight loss and higher body condition scores measured 24 hours after calving relative to the control group receiving no protein supplementation. No differences were reported in regards to daily vs every other day supplementation in cow weight loss and body condition score assessed post calving. Thus, feeding gestating beef cows protein supplements containing a portion of urea or biuret every other day may be a more economical means of supplementation.

Dairy (Dr. Charlie Hutchison) Milk Prices

The April Class III price soared to \$19.66 which is \$5.17 higher than in March and a staggering \$10.25 more than a year ago. It also topped the previous all-time record high of \$17.34. The May Class I price was \$19.65. Many of the milk market analysts have been projecting Class I prices to go even higher in the coming months and peak as high as \$25.00 per hundredweight. However, over the past three weeks the cheese and butter markets have softened losing a few cents per week for the last week of April and the first week of May. The close of the cheese market at the Chicago Mercantile on Friday, May 14th saw forty lb. blocks of cheddar lost 15¢/lb. for the week, closing at an even \$2. Barrels did even worse, losing 20 ½ ¢/lb. and closing at \$1.83. Butter also softened, losing 15¢/lb. and closing at \$2.02. These losses resulted in the futures market for Class III and IV contracts to take some heavy blows with June through September losing over a dollar. June contracts settled at \$15.85, down \$1.45 for the week. July through October contracts are now trading in the mid-\$14s. Class IV contracts also dropped, but May through October contracts are still above \$14.

Other Dairy News

Last week, the full 3rd District Federal Appeals Court denied an appeal of its three-judge panel ruling that the dairy checkoff program violates the First Amendment. Now, the U.S. Justice Department has until August 4th to file an appeal with the U.S. Supreme Court. According to David Pelzer, the National Dairy Board fully expects that the appeal

by the Justice Department will be filed. The next stop would be the Supreme Court. If the Supreme Court takes up the issue, it could well be next year before the case is decided. In the meantime, the 15¢/cwt assessment will continue. However, the three judge panel has granted an injunction on the deduction of the checkoff from the original plaintiffs, Joseph and Brenda Cochran, from Westfield, Pennsylvania. More suits asking for relief are expected to follow.

USDA announced the milk-to-feed ratio at 3.11 for April. That is based on an all-milk price of \$18/cwt, alfalfa at \$92.70/ton, corn at \$2.87/bu and soybeans at \$9.54/bu. Normally, a +3.0 milk-feed ratio would signal an expansion in milk supply. However, with replacement heifer prices at record highs and the Canadian border still closed, a rise in milk supply due to expansion may not happen.

As of the first week of May, the Cooperatives Working Together program had 69% of U.S. milk production signed up to contribute 5 ¢/cwt. That will generate about \$58 million. However, because of higher milk prices and tight replacement inventories, CWT officials say it likely will cost a lot more than \$28 million to remove the same amount of production (700 million lb.) as it did this past year.

USDA reported that commercial disappearance of dairy products for 2003 was up 2.2% over 2002. The big gainers were butter, +1.4% and non-American type cheese, +2.2%. The sale of fluid milk dropped 0.5%. For the second quarter of the fiscal year (December – February) commercial disappearance was up even more, at 2.5%. The only category to lose ground in the second quarter was fluid milk, which dropped 1%.

Horses (Dr. Clint Depew)

2004 Louisiana Horse Industry Update

The horse industry is one of the largest agricultural industries in Louisiana, and is an important economic stimulus for the economy. There are approximately 200,000 horses owned by 60,000 people in Louisiana. Approximately 2,500 people earn more than \$50,000 per year by raising horses. An additional 5,000 people make a living training, boarding and teaching lessons with horses. So 7,500 (or 10%) horse owners are making a living in the horse business. The additional 52,500 people own 2-3 horses each and use them for recreational purposes. Each horse owner spends approximately \$3,000 on each horse each year. This money is spent on feed, health care, etc, and the total expenditure for the state is \$600 million. Combined, the racing, show and leisure industries have an estimated economic impact of \$1.6 billion per year for Louisiana.

The trends in the horse industry include a robust racing industry, and expanding competition and recreational industries. With the introduction of slot

machines on the race tracks, the funds going into purses have increased 10 fold. This input of funds into the racing industry has stimulated breeding and training opportunities, and the race industry is expanding rapidly. This should continue for the next 5-10 years. The horse show and competition segment of the industry is expanding at a slow but steady rate, and the recreational industry is continuing to grow.

The price for top quality horses increases 5-10 % per year, with exceptional horses breaking records each year. The typical market for horses in Louisiana is:

	Race	Show	Recreational
Exceptional Horses	\$100,000+	\$30-50,000	\$5-10,000
Average Horses	\$10-15,000	\$10-15,000	\$3,000
Below Average Horses	<\$5,000	\$3-5,000	\$1,500

Therefore, to be successful in the horse business, it is important to produce quality horses. A good horse breeder that breeds 20 mares a year can expect 17 foals per year. Of those foals, 2-3 will be exceptional, 10 will be average, and 3-4 will be below average. With a production cost of \$6,000 per yearling, the producer should make money on 75% of his foals (if he is producing quality foals).

There are financial opportunities in the horse industry for producers that start with quality horses and manage their operations well.