

# 2007 Cattle Industry Annual Convention & Trade Show

Coverage by Angus Productions Inc. — [www.4cattlemen.com](http://www.4cattlemen.com)

## Checkoff Scrutinized

Issues Forum addresses beef checkoff, considers task force recommendations.

by Troy Smith

NASHVILLE, TENN. (Jan. 31, 2007) — A Thursday morning Issues Forum reviewed the origin and mission of the industry-wide Beef Checkoff Task Force. According to Kansas cattleman and task force spokesman Tracy Brunner, representatives of 12 national organizations were involved in exploring enhancements to the Beef Research and Promotion Act and Order. Enacted 20 years ago, the Act and Order established the current \$1-per-head beef checkoff and the rules under which it operates.

"It was a big and bold move to open discussion of potential changes, after the checkoff overcame a challenge of unconstitutionality, and conventional thought suggested the industry should then leave well enough alone," Brunner stated.

At its first meeting the task force agreed that further study of three areas was warranted. Those areas included increased funding by raising the checkoff assessment and perception that the checkoff was controlled by one national industry organization, namely the National Cattlemen's Beef Association (NCBA). Also included was the question of accountability to producers and the feasibility of a periodic referendum.

Following two more sessions, the task force made the following enhancement recommendations:

- ▶ Checkoff collections would be adjusted to \$2 per head, maintaining the 50:50 split between state beef councils and the Cattlemen's Beef Board (CBB). A rate change would have to be approved through a producer referendum.
- ▶ The referendum process would be revised, allowing producers to petition every five years for a referendum on continuing the checkoff. Ten percent of producers signing the petition would trigger scheduling of a referendum within one year.
- ▶ Since there is widespread misunderstanding regarding the structure of the Federation of State Beef Councils, changing its name to the Beef Checkoff Federation should be considered.
- ▶ To make the checkoff more inclusive, any reference to the charter date of established national nonprofit, industry-governed organizations would be eliminated from definitions in the Beef Promotion and Research Order.

According to Brunner, grassroots producer input is the next step. Producers are urged to consider the recommendations in their respective organizations' policy development processes. If given sufficient support, appropriate congressional committees and the U.S. Department of Agriculture (USDA) will be asked to address enhancements through amendments to the Act and Order. Then, a producer referendum would be held to affirm the amendments.

Sponsored by Pfizer Animal Health, each of the Issues Forums was repeated three times Feb. 1 during the 2007 Cattle Industry Annual Convention and NCBA Trade Show, allowing cattlemen to attend a session for three of the five topics presented. Audios and summaries of all five sessions will be available in the [www.4cattlemen.com](http://www.4cattlemen.com) newsroom.

AJ



**Editor's Note:** This article was written under contract or by staff of Angus Productions Inc. (API), which claims copyright to this material. It may not be published or distributed without the express permission of Angus Productions Inc. (API). To request reprint permission and guidelines, contact Shauna Rose Hermel, editor, at (816) 383-5270 or [shermel@angusjournal.com](mailto:shermel@angusjournal.com).