

Feedstuffs

THE WEEKLY NEWSPAPER FOR AGRIBUSINESS

For Feedstuffs FoodLink, See page 9

July 19, 2010

VOL 82 - NO 29

\$4.00

www.Feedstuffs.com



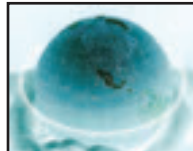
Salmonella

FDA enacts egg safety rule to combat salmonella
Page 3



Food chain

ERS studies local versus mainstream food supply chains
Page 6



Trade

Congress' inaction on trade deals creating "nightmare"
Page 9



History

Feedstuffs summarizes decade of feed industry events
Pages 16-17

Pros of modern beef production

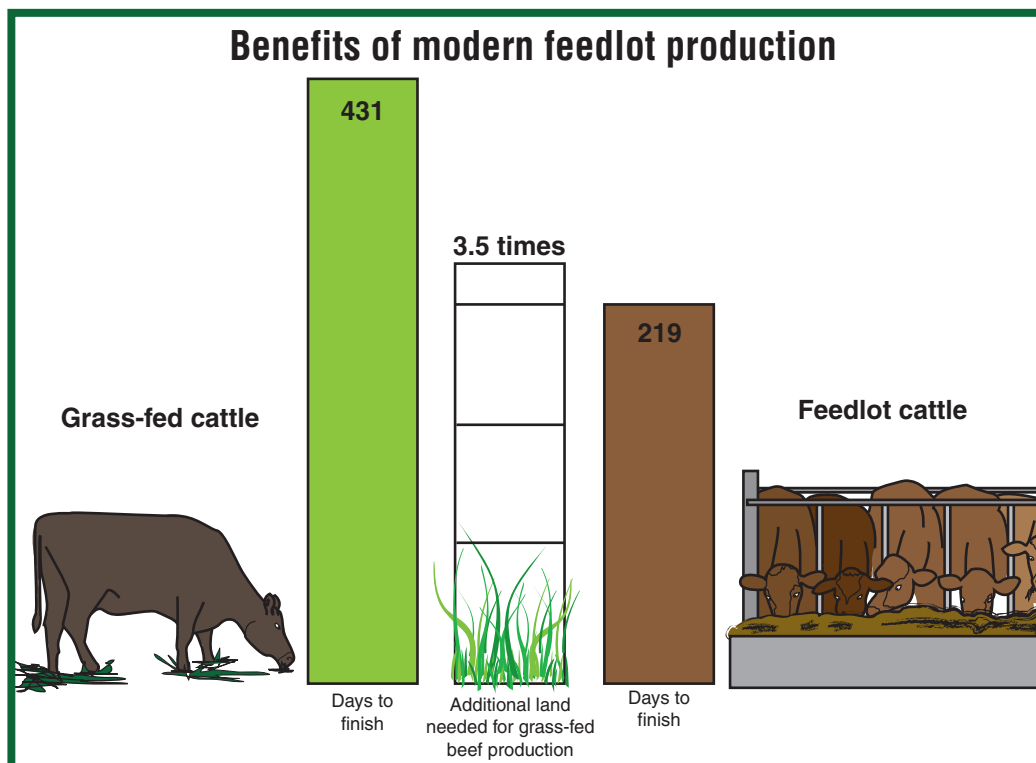
By SARAH MUIRHEAD

OVER the past 30 years, advances in productivity have reduced the overall environmental impact of U.S. beef production, according to a new study Washington State University researcher Dr. Jude Capper presented during JAM 2010 in Denver, Colo.

Comparing the U.S. beef industry in 1977 and 2007, assistant professor of animal science Capper revealed that improvements in nutrition, management, growth rate and slaughter weights significantly reduced the environmental impact of modern beef production and improved its sustainability.

In fact, Capper said she found that it takes 431 days to finish a beef animal on grass but only 219 days in a feedlot. From an environmental standpoint, she said, "Feedlot production is better than grass fed."

■ Continued page 5



Scientists take sides on antibiotics

By SALLY SCHUFF

AN in-depth House subcommittee hearing last week shed new light on the controversy surrounding antibiotic resistance and concerns about a potential link to the use of subtherapeutic antibiotics in food animal production.

It pitted scientists on both sides of the issue in a debate that unveiled the lengthy history and conflicting views of the science behind the hot topic.

While the livestock industry has been dubious about the science linking antibiotic resistance to livestock production, several expert witnesses from the medical and public health fields concluded that a scientific link is "unequivocal" based on studies in both the U.S. and Europe. The written testimony from those witnesses cited numerous peer-reviewed studies in lengthy bibliographies.

The hearing, held by the House energy and commerce subcommittee on health, was the third in a series as the committee "examines the growing and serious problem of antibiotic resistance," committee chair Henry Waxman (D., Cal.) said in opening remarks.

The first two hearings explored the whole issue of antibiotic resistance, including its very complex mechanisms and the resistance arising from the use of human antibiotics. Waxman noted that last week's hearing on animal agriculture covered a "complicated and controversial" issue.

■ Continued page 17

Phase-out of ethanol tax credits proposed

By JACQUI FATKA

THE Senate is expected to begin work on its energy bill as soon as July 19, and just days before the debate, Growth Energy proposed a radical idea to many in the ethanol industry: phase out the tax credits.

Growth Energy chief executive officer Tom Buis said the Fueling Freedom plan would shift government programs to reduce competitive barriers the ethanol industry faces. Production is no longer a barrier, with the domestic ethanol industry producing more than the federally mandated levels.

Key Points

- Plan would redirect funds to expand infrastructure.
- Several groups warn against call for change.
- Plans to be included in energy bill debate.

"We are confident that in a fair and open market, ethanol can and will compete successfully against oil," Buis said. "Creating that competitive market will save money for both taxpayers and motorists since it takes the control out of the hands of 'Big

Oil' and puts it into the hands of the consumer."

The primary element of the plan is to redirect funds currently going to the oil industry as an incentive for blending ethanol into gasoline (the Volumetric Ethanol Excise Tax Credit) to support building out ethanol's distribution infrastructure — such as tax credits for retailers to install 200,000 blender pumps and federal backing of ethanol pipelines.

A second component of the plan requires that all automobiles sold in the U.S. be flexible-fuel vehicles, which could number as many as 120 million. This requires no additional cost to

taxpayers and a minimal cost (about \$120 per vehicle) to vehicle manufacturers.

Growth Energy members cited the steps Brazil has taken to build its infrastructure as a model from which the U.S. could learn and redirect investments to build a system that would allow U.S. consumers to choose what they put in the gas tank.

The group said it hopes for a multiyear extension of the ethanol tax credit, with some of those funds redirected, as proposed, to give the market certainty.

■ Continued page 4

Fastfind

| | | | | | | | |
|------------|---|---------------------|-------|---------------|----|---------------------|-------|
| • Opinion | 8 | • Bottom Line: Beef | 12-13 | • Classifieds | 18 | • Ingredient Market | 21 |
| • FoodLink | 9 | • Beef Insider | 14 | • Mill Market | 20 | • MarketWatch | 22-23 |

PERIODICAL

MAILED DATE: July 17, 2010

EXPECT MORE

INCREASED FEED OPTIMIZATION
IMPROVED END-POINT MANAGEMENT
BETTER BOTTOMLINE

The label contains complete use information including cautions and warnings. Always read, understand and follow the label and use directions.
Finishing Improvement Technologies™ is a trademark of Elanco Animal Health. Elanco® and the diagonal color bar are trademarks of Eli Lilly and Company. © 2010 Elanco Animal Health. OPTA 16492-3A

Elanco