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EID Tags: Disease Control or Rancher Control?

Cattlemen suspect that the mandate for electronic tags (EID) on cattle moving interstate is not really about veterinary surveillance even though the rule comes out of APHIS, the veterinary division of USDA. The USDA announcement talks about the need to rapidly traceback the movement of cows with disease, yet the vets are strangely quiet in defending it. Even the private veterinarians.

The cow/calf sector of the industry are most affected and the most vocally questioning. The National Cattlemen's Beef Association (NCBA) is the main advocate. Clearly, that organization is eager - perhaps they expect to control the data.

Leave it to Greg Henderson, editor of *Drovers* to let the cat out of the bag. In a March 2024 editorial - <u>Kicking the EID Can Down the Road</u>- he is bent out of shape because the "real cowboys" in the NCBA rebelled against the "corporate cowboys" and voted to oppose **mandatory** EID. Mr. Henderson writes "...You want to opt-out of traceability? Fine, the big players mentioned above can opt out of buying your cattle."

What is implicit in Greg Henderson threat, is that the EID mandate is about controlling the cowcalf sector of the industry. It is about loss of competitive markets, and loss of independence for ranchers. It is all about vertical integration.

In his editorial he tells us that "... your customers are demanding greater traceability." In fact, the next article in that edition of the magazine - <u>Data Capture Adds Value -</u> is about the wonders of blockchain technology (the energy intensive electronic record keeping system behind crypto-currency) to capture all of the data on the cow's life. According to *Drovers*, consumers want to know where that baby calf was dropped and what happened to it afterwards.

Certainly, some beef eaters want to know and God bless them. Consumers should pay more attention to where their food comes from. But isn't it strange that what Mr. Henderson and the NCBA "corporate cowboys" claim about what consumers want to know, does not extend to the country where the calf was born?

We ranchers and cowboys are slowly coming to understand that there is value in the data about our cattle. What USDA proposes, and some in the NCBA, along with Greg Henderson seem to want, is for the "real cowboys" to give that information away to the packer cartel for free. Heck! They not only want us to give it away, they expect us to pay for the privilege.

The move to control data is happening in all of agriculture. New combines now monitor the corn and wheat yields in real time. We are told that "precision ag" is our future and salvation. This information is very valuable to outfits like Cargill and ADM because through "precision ag," the merchants of grain can know before everyone else what is the supply. Very valuable indeed.

It will be the same in the cattle industry. How many calves born on what dates? What is their sex and genetics? What vaccines, growth hormones and antibiotics were they given? How much did they weigh at weaning? How much did they sell for on which date? What is their feed efficiency in the feedlot? When will they be ready for slaughter? What will they weigh? How will they grade? If all of that is entered into the database and if the packers are allowed control of that information, they will also control you.

In this argument about electronic ear tags and a block-chain database we should not lose sight that the veterinarians at APHIS have a vital role in protecting our cows from introduced foreign diseases. We need them and all indications are that they are serious about doing their jobs. Chances are that APHIS is chronically underfunded, which is the reality affecting most government agencies. If they can tell us their real needs it will then be up to us in the industry to make sure they get them.

But competent veterinary controls are one thing, marketing is another. Vertical integration will be inevitable unless we stand up for our right to sell our cattle through free and competitive markets and in the process maintain control of the information about our cows. In just the last ten years we have lost some fifty thousand independent feeders with only twenty-five thousand left. The independents can't break even and the big feedlots aligned to the packer cartel get bigger. Vertical integration is nearly complete in the feeding sector.

Last year Tyson Beef announced the launch of Brazen Beef, a baby calf to retail vertically integrated branded product. This looks to be Tyson's bid to eventually convert independent ranchers into chicken farmers. The EID mandate by USDA can be, perhaps unintentionally, part of a plan pushing us towards vertical integration. Even voluntary EID traceability may be problematic. It all depends upon what information is captured in the electronic tags and who controls the blockchain database.

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