

FOR IMMEDIATE RELEASE

September 16, 2019

CONTACT: Kayla or Mayzie at Western Ag Reporter will direct your media questions
Western Ag Reporter (406) 259-4589

Western Ag Reporter Launches #FairCattleMarkets Campaign

(BILLINGS, MONTANA) – On behalf of cow-calf producers and independent cattle feeders nationwide, Western Ag Reporter is launching a Twitter campaign asking President Donald Trump for assistance in rebalancing the cattle markets. The ever-widening gap between packer profit margins and producer's price for cattle has raised concern across the countryside.

"We are dispersing cowherds and seeing farmers wanting to throw in the towel in our part of the country," COO Blue Grass Livestock Marketing Jim Akers said. "Without a significant change in the markets, it looks like we are in for a brutal fall. The frustration out in the country breaks your heart."

According to a September 9, 2019 report by David Kruse, CommStock Investments Inc., "As a result of the Tyson plant fire, beef packers are making upwards of \$500 per head while feedlots are losing over \$200." Cow-calf producer, feeder and stockyard owner, said this widening gap has been an issue for the past 20 years.

"We as cow-calf producers and independent cattle feeders own these cattle anywhere from 120-210 to 365 days a year. We take all of the risk, we fight all the elements, we battle the banker to try to stay financed," Goggins said. "And for what?"

Goggins cited CattleFax data which shows, assuming no hedging or carcass premiums, independent feedlots lost approximately \$15 per head over the last 20 years. Similarly, cow-calf producers may make, on average, a marginal \$8 per head over the cost of production over the past 20 years. Then, the packers who only own those cattle for around a week out of the year are profiting \$250-plus per head.

"There is something really wrong with that picture," Goggins said.

He noted packers certainly deserve to clear a profit in the business but not when it is achieved at the unfair cost of cow-calf producers and independent feeders across the nation. According to Kruse's report, post-fire Tyson profits \$12,500,000 per day – with JBS and Cargill raking in the same amount. Couple this with the final of the Big Four packers, National Beef, who earns \$7 million per day when profit margins are at \$500 per head, and the packers, who control 85 percent of the supply chain, are taking in \$44,500,000 per day. According to Goggins figures, on a 24-day kill schedule, at present, the Big Four take home over \$1 billion each month.

"What the packers have done since the Tyson plant fire in my mind is criminal," Goggins said. "You can call it unjust enrichment, pillaging, unfair business practices, whatever... I call it criminal."

Frustrated with market picture and looking for a change in attitude, Goggins spearheaded a campaign in hopes to reach President Trump with these concerns. He said he has made many attempts to work through Congressmen and the Secretary of Agriculture but believes going straight to the top will be the most effective route. In researching the makeup of Washington D.C. several sources told him if he wants to be heard by President Trump, Twitter is key.

The Western Ag Reporter is helping Goggins launch the #FairCattleMarkets campaign on September 23. Below are four examples of "Tweets" producers could share in an effort to make the cow-calf and feeders' voices heard.

- @realDonaldTrump rural America helped get you elected. We need help, we need some fairness and competition in our markets. Producers and feeders own and care for cattle 365 days a year and are going broke. A packer owns the cattle about a week and gets rich??? #FairCattleMarkets
- @realDonaldTrump Over the past 20 years, the Big 4 packers profit \$250+ per head while producers/feeders lose \$17 per head to MAYBE make \$12 per head over cost of production. Does that sound like #FairCattleMarkets to you? WE NEED YOUR HELP!
- @realDonaldTrump Producers and feeders need your help! #FairCattleMarkets
- @realDonaldTrump We need an attitude adjustment for the cattle market. What the packers are doing to us as cattle producers and independent feeders is more than unfair, it is criminal. #FairCattleMarkets

It is critical that when participating in the campaign to include the hashtag, #FairCattleMarkets and tag President Trump using his official Twitter handle, @realDonaldTrump.

Further instructions for creating a Twitter account and partaking in the campaign can be found at <https://westernagreporter.com/fair-cattle-markets.php>. This webpage also includes bullet points, graphics and more market information that can be shared on Twitter, Facebook or Instagram. Take action today for your cattle markets!