



SPECIAL REPORT: ANIMAL ID AND TRACEABILITY

CONTENTS



The (New) Case for Animal ID

Traceability might soon be a necessary part of doing business.



4 Steps to Advance Animal Disease Traceability

USDA will phase out free metal tags for official ID and initiate a cost-sharing program for radio-frequency tags.



Beefing Up Traceability

A new feasibility study released on the adoption of a beef cattle identification and traceability system shows benefits to U.S. cattle raisers.

Problems and Solutions with Traceability

Traceability is coming to the forefront of the discussion again.



Mo(oo)ve Forward on Traceability

About 55,000 Kansas-based calves will be tagged for the pilot, which will conclude in 2020.

Cover photo: Wyatt Bechtel

The (New) Case for Animal ID

Traceability might soon be a necessary part of doing business for the U.S. livestock industry.

By Greg Henderson 🖂

From the threat of animal disease outbreak, growing importance of export markets and the innovative ways beef is marketed to consumers around the globe, the U.S. livestock industry is realizing that animal ID might soon become a necessary part of doing business.

Riding a crest of popularity in 2015, Chipotle Mexican Grill was a trendy lunch and dinner spot for many millennials. Touting its "Food With Integrity," Chipotle's profits had reached \$445 million the year before on sales of \$4.1 billion.

The first three quarters of 2015 brought more of the same, with revenue up more than 15% and profits up 25%. Then the crash came. In the fall of 2015 more than 500 people fell ill in several states after eating *Salmonella-* and *E. coli-*contaminated Chipotle burritos. The Centers for Disease Control and Prevention (CDC) found a critical lapse in the restaurant chain's trace back system: once ingredients arrived in stores, all tracking stopped. Tomatoes and lettuce, for instance, came from many identifiable sources but were mixed together during food prep.



Click the plus button above to read past coverage: "Chipotle's Hangover" from Feb. 4, 2016.

Photo: Wyatt Bechtel



** The lack of an animal ID system is hindering our market access and commerce. Virtually every other beef exporting country has an ID system in place.
**
—Derrell Peel, Oklahoma State
University ag economist In February 2016, the CDC concluded its investigation without tracking down exactly which food or ingredient was responsible, citing the problem of ingredients mixed at stores. For Chipotle, the outbreaks were expensive. The chain's full-year 2016 revenue fell 13.3% to \$3.9 billion, and profits dipped 95%, in part because of a PR campaign that gave away 6 million free burritos in an effort to win back consumer trust.

Critics said Chipotle's failure to promptly resolve and explain the outbreaks, and to offer transparency to customers, deepened the foodborne crisis, and served as a warning to other food companies. In response, Chipotle implemented a new track-and-trace system that uses package bar codes to identify which supplier sent which item to which restaurant. Chipotle now says every ingredient is tracked "from seed to stomach." V

Click the plus button above to see what experts recommend and predict for the future of animal ID.

Photo: Oklahoma State University

4 Steps to Advance Animal Disease Traceability



Photo: Wyatt Bechtel

By USDA

Advance the electronic sharing of data among federal and state animal health officials, veterinarians and industry, including sharing basic animal disease traceability data with the federal animal health events repository (AHER).

2 Use electronic ID tags for animals requiring individual identification in order to make the transmission of data more efficient.

Enhance the ability to track animals from birth to slaughter through a system that allows tracking data points to be connected.

Elevate the discussion with states and industry to work toward a system where animal health certificates are electronically transmitted from private veterinarians to state animal health officials.

These goals reflect the core themes resulting from a State and Federal Animal Disease Traceability Working Group that developed 14 key points for advancing traceability. They are also in keeping with feedback APHIS received at stakeholder meetings held across the country to hear from industry and producers directly.

Beefing Up Traceability

By Wyatt Bechtel 🖂

A new feasibility study released on the adoption of a beef cattle identification and traceability system shows benefits to U.S. cattle raisers. The Comprehensive Feasibility Study: U.S. Beef Cattle Identification and Traceability Systems was conducted by World Perspectives Inc. as part of the Beef Industry Long Range Plan for 2016-2020.



Results from the study were gathered by surveying more than 600 beef industry members. Further interviews were held with 90-plus beef industry stakeholders, across all sectors to get a more in-depth pulse for potential adoption.

Survey Results

62% İİİİİİİİİİİİ

of producers **support the idea that information generated by an animal identification and traceability system should be made available to government entities** in the event of a disease outbreak.

57% ttttttt

of producers support animal identification at the ranch of origin.

49% iiiiiiiiii

of producers **support the idea that information should be stored in an easily retrievable format.**

46% **†††††††††**†

of producers support recording/recoverability of birth premise data at point of slaughter.

Findings from the study indicate it would be nationally significant and economically efficient if anywhere from 45-90% of cattle were included in a traceability system. World Perspectives recommends an adoption rate goal of 68% for both the fed cattle supply and cow herd. This rate would both work for disease and export traceability.

Source: World Perspectives Inc.



Photo: Wyatt Bechtel

Problems and Solutions with Traceability

"There are opportunities that we can all get out of a more robust traceability system," says Jennifer Houston, National Cattlemen's Beef Association (NCBA) president-elect. "As we are more in a global economy, we realize what can happen with animal disease—how quickly things can move. And other species besides cattle have had some really major problems. I think it becomes more important." As a livestock market owner in eastern Tennessee, she sees the day-to-day responsibilities of tagging cattle over 18 months that cross state lines, as well as dairy steers.

"It's been something we've been involved heavily in for several years, but especially in the last two years," she says. "I think the conversation comes up, is that enough? And what are the next steps?"

Click the button above to listen to Jennifer Houston, National Cattlemen's Beef Association (NCBA) president elect, talk about why traceability is coming to the forefront of the discussion again.

Mo(oo)ving Forward on Cattle Disease Traceability Project

About 55,000 Kansas-based calves will be tagged for the pilot, which will conclude in 2020.

By CattleTrace

Announced publicly in June, the Kansas-based CattleTrace pilot project is on track to begin testing a purpose-built infrastructure for cattle disease traceability by fall 2018. Cattle disease traceability is a top priority in the beef cattle industry, and the CattleTrace pilot project will help guide discussion and development of an enhanced traceability system in Kansas and on a national scale.

In late August, CattleTrace Inc. was formally established as a private, not-forprofit corporation to securely maintain and manage the data collected as part of the disease traceability pilot project. In addition, a board of directors was named to lead CattleTrace Inc. The board of directors includes Chairman Brandon Depenbusch, Innovative Livestock Services, Vice-Chairman Tom Jones, Hy-Plains Feedyard LLC, Mike Samples, Farmers and Ranchers Livestock, Ken Stielow, Bar S Ranch, and Mark Gardiner, Gardiner Angus Ranch. The board appointed an industry advisory committee comprised of representatives from the Kansas Livestock Association, Kansas State University, Kansas Department of Agriculture and private industry to implement operations of the project.

"Producer privacy and data security are critical components of a disease traceability system," Dependence said. "Establishing a private entity to own ►



Photo: CattleTrace

the CattleTrace database will provide necessary security to ensure the cattle movement data in the CattleTrace system is safe."

Since the June 30 announcement, the CattleTrace advisory committee has been focused on recruitment of participants within each segment of the beef supply chain. Tyson Foods Inc., Cargill and National Beef Packing Company LLC, and U.S. Premium Beef LLC will all participate in the pilot representing the beef processing sector. Feedyard participants include Green Plains Cattle Co., Hy-Plains Feedyard LLC, Finney County Feedyard LLC, Midwest Feeders Inc., NA Timmerman Inc., Cow Camp Beef, Innovative Livestock Services Inc., Fairleigh Feed Yard, High Choice Feeders, Heritage Beef LLC, Pratt Feeders LLC, and Poky Feeders Inc. Livestock market participants currently include Farmers and Ranchers Livestock in Salina, Winter Livestock in Dodge City, Winter Livestock in Pratt, Mankato Livestock Inc., LaCrosse Livestock Market Inc., and Manhattan Commission Company.

Dependence says the advisory committee is now turning its focus to installation of technology systems at the packer, feedyard and livestock market levels and also on recruitment of cow-calf producers.

"We have received tremendous support and commitment from industry participants, and we thank the industry leaders who have already stepped up to participate in CattleTrace. Now, we are excited to start recruiting cow-calf producers to the project," Depenbusch said. "If you are a rancher who does business with one of the livestock markets or feedyards that are partners in the CattleTrace pilot project, we encourage you to consider participating. One of CattleTrace's primary objectives is to test the infrastructure from end-to-end. Cow-calf producers will help achieve that objective and will also play an important role in the development of a cattle disease traceability system that works in and for the industry."

During the two-year pilot project, CattleTrace will collect the minimal data necessary for disease traceability, including the date and time, an individual animal identification number, and a GPS location, each time an animal's tag is read with pilot project readers in the production chain. Approximately 55,000 Kansas-based calves will be tagged for the pilot, which will conclude in 2020. For more information about the CattleTrace pilot project, visit <u>www.CattleTrace.org</u>. Click the plus button above to read more about the CattleTrace project.