



Arkansas Cattlemen's Association

www.arbeef.org • 310 Executive Court • Little Rock, Arkansas 72205 • (501) 224-2114

March 31, 2020

The Honorable **xxxx**

Title

Address

Address

Dear **Title**:

We write today on behalf of the Arkansas Cattlemen's Association (ACA) to express our appreciation for joining the Congressional Delegation for a conference call with ACA leadership on Monday March 23, 2020. We recognize your time is extremely valuable – especially under the current circumstances. The ACA greatly appreciates your willingness to listen to our thoughts and concerns. Some of the ACA's top concerns are briefly outlined below.

Foremost, it is vital to keep the beef supply chain open and moving at the speed of commerce. It is imperative, for both cattle producers and consumers, that beef products continue to arrive in retail locations in a safe and timely manner. Since shelter-in-place orders have become more extensive, the National Cattlemen's Beef Association's beef marketing team has identified notable shifts in Google search trends regarding beef. For example, "comfort foods" like meatloaf and slow cooker recipes have seen increased searches in the past two weeks while "Ground Beef Recipes" have been searched twice as much as normal. Beef is an important staple for many American families; we appreciate the work you have done to keep the supply chain open.

Since the beginning of the COVID-19 outbreak, live cattle markets have dropped significantly. On Monday March 16, 2020, the cattle markets, more specifically the commodities and futures boards, showed a significant flaw in functionality. As boxed beef prices soared over \$16 dollars per hundred weight, from \$208.14 to \$224.36, the commodity market for feeder calves plunged limit down from \$114.48 per hundred weight to \$109.98. This is a serious issue. As cattle futures plummeted, cattle producers across our state and the nation saw their equity evaporate within minutes. This loss of equity will undoubtedly have serious repercussions for producers and will reverberate through the industry for a significant time. We respectfully request that you work with all appropriate agencies to determine what can be done in the future to stifle such volatile shifts.

The ACA would like to thank you for your support of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. As you know, this package included \$9.5 billion in disaster funding for livestock producers, specialty crop operations and local foods systems. A recent damage assessment by Kansas State University's Department of Agricultural Economics found that COVID-19 has damaged the cow-calf sector of the cattle industry to the tune of \$3.53 billion; while the stocker sector of the industry has been damaged by \$3.79 billion. Given Arkansas' cattle industry is based on cow-calf production, with a substantial stocker sector, we respectfully request you work with the USDA to formulate an appropriate implementation strategy to fairly and equitably distribute livestock's portion of disaster payments to these operations.

Once again, thank you for your time. The ACA and its members greatly appreciate your leadership during these difficult times, and we appreciate your attention to these matters. If the ACA can be of service to you or your office, we ask that you please let us know.

Respectfully,

Bernie Freeman
President
Arkansas Cattlemen's Association

Cody Burkham
Executive Vice President
Arkansas Cattlemen's Association