

R-CALF United Stockgrowers of America

"Fighting for the U.S. Cattle Producer"

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EPA Declares Hay a Pollutant in Effort to Antagonize Small and Mid-Sized U.S. Cattle Feeders

Billings, Mont. – During his presentation on the status of the nation's new country-of-origin labeling (COOL) law, and on behalf of the R-CALF USA COOL Committee, R-CALF USA member and Kansas cattle feeder Mike Callicrate was asked a non-COOL question that set convention goers on their heels during the 12th Annual R-CALF USA Convention held August 26-27 in Rapid City, S.D.

"Has the Environmental Protection Agency declared hay a pollutant?" an audience member asked. Callicrate responded affirmatively and explained that the Environmental Protection Agency (EPA) recently initiated a formal enforcement action against his Kansas feedlot for, among other things, failure to store his hay in a pollution containment zone. "Now that EPA has declared hay a pollutant, every farmer and rancher that stores hay, or that leaves a broken hay bale in the field is potentially violating EPA rules and subject to an EPA enforcement action," Callicrate said. "How far are we going to let this agency go before we stand up and do something about it?"

Callicrate is permitted to handle 12,000 cattle at a time in his feedlot, which is considered a small to mid-sized feedlot in an industry now dominated by mega-feedlots such as those owned by the world's largest beef packer – JBS-Brazil – with a one-time capacity of over 900,000 cattle; or the other mega-feedlot that also feeds hundreds of thousands of cattle at a time and is owned by the nation's second-largest beef packer - Cargill; or the other handful of mega feedlots with capacities of hundreds of thousands of cattle such as those owned by Cactus Feeders, Inc. and Friona Industries.

In comments submitted to the U.S. Department of Justice, R-CALF USA estimated the above named mega-feedlots feed 18 percent of the nation's fed cattle each year while one-fourth of the nation's cattle are fed in feedlots with a one time capacity of 50,000 head or more. The largest of feedlots are getting larger and Callicrate's feedlot is among the group of small to mid-sized feedlots that are being pressured to exit the industry so beef packers and corporate feedlot owners can increase their respective capacities. Data from the U.S. Department of Agriculture (USDA) show that 45 feedlots with one-time capacities of between 1,000 or more cattle but less than 16,000 cattle have exited the industry from 2008 to 2010.

R-CALF USA contends beef packers are deliberately forcing small to mid-sized feedlots out of business through unfair and abusive cattle-buying practices that effectively restrict market access for all but the largest of feedlots. "The proposed GIPSA rule (USDA Grain Inspection, Packers and Stockyards Administration rule) will put a stop to such unfair and abusive practices, but only if USDA issues a final rule," said Callicrate.

Callicrate's feedlot is the perfect example. In late 1998, the nation's largest beef packers blackballed Callicrate because he called attention to the unfair buying practices of the corporate meatpackers. Callicrate was forced to cease his feedlot operations until 2000 when he opened Ranch Foods Direct, a meat processing and distribution company in Colorado Springs, Colorado, and began marketing his own beef more directly to consumers.

"I believe the EPA's enforcement action is a premeditated effort by EPA to partner with the beef packers to finish the job the beef packer's couldn't do alone," said Callicrate adding, "along with my feedlot, the EPA has filed enforcement actions against five other smaller feedlots, including one with only 400 cattle.

Callicrate said the EPA does not appear to be going after the corporate feedlots. "EPA is turning a blind eye toward the mega-feedlots that are a real risk for pollution and, instead, is antagonizing small to mid-sized family operations in an effort to help their packer-partners capture the entire live cattle supply chain away from family farm and ranch operations."

We thought the Obama Administration was going to bring about a change to the ongoing corporate control and corporate dominance that has been decimating the U.S. cattle industry. I guess we're seeing that change right now. Rather than reduce corporate control and dominance the EPA is overtly partnering with the corporate beef packers to accelerate the exodus of sustainable, independent family operations. This really smells," Callicrate concluded.

Note: For satellite photographs of Callicrate's feedlot compared to larger, industrialized feedlots, go to <http://nobull.mikecallicrate.com/>

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R-CALF USA (Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America) is a national, nonprofit organization dedicated to ensuring the continued profitability and viability of the U.S. cattle industry. R-CALF USA represents thousands of U.S. cattle producers on trade and marketing issues. Members are located across 46 states and are primarily cow/calf operators, cattle backgrounders, and/or feedlot owners. For more information, visit www.r-calfusa.com or, call 406-252-2516.