DENVER, COLORADO, March 6--The American National Cattlemen's Association gave a strong endorsement to the U. S. Department of Agriculture's announced beef grading changes.

"The final changes are in line with those proposed last September and are in line with recommendations made earlier by ANCA," said ANCA President Gordon Van Vleck.

"The grading standards, which will become effective on April 14, should encourage the production of more desirable and more uniform quality beef for the American consumer. Also, it should be possible to lower the production costs of cattle feeders through shorter feeding periods," noted Van Vleck.

Basically, the U. S. Department of Agriculture's beef grading changes now will require no increase in carcass marbling with increases in cattle age up to 30 months.

Under the new program, U.S.D.A. will grade beef carcasses both for quality (USDA Choice, for example) and for yield (the percentage of retail cuts in a carcass).

Conformation (or shape) has been eliminated as a factor when carcasses are graded for quality.

U.S.D.A. has narrowed the range of quality for the Good grade. This should appeal to those consumers who prefer a reduction in the amount of...
internal and external fat.

"These rather technical changes mean one thing for American consumers -- leaner beef -- while assuring flavor and tenderness.

"These changes are necessary in the face of the feed grain situation. We can now send quality cattle to market at a younger age, which will fall within the U.S.D.A. Choice and Good grades," said Van Vleck.

"The new standards will help the industry maintain production of quality beef in the face of more generally limited supplies of feed grains in the years ahead. The public will benefit, and at the same time cattlemen will be rewarded for producing a superior animal," he concluded.

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For taped excerpts concerning the above release -- CONSUMER OUTLETS, please call: 800/525-3056 (TOLL-FREE, nationwide except Colorado) - 893-COWS (Colorado only).

-- FARM BROADCASTERS, please call: 800/525-3085 (TOLL-FREE, nationwide except Colorado).
DENVER, COLORADO, March 11, 1974 -- The American National Cattlemen's Association has proposed modifications to current U.S. Department of Agriculture beef grading standards. "These proposals are in the best interests of both consumers and cattlemen," according to ANCA President Gordon Van Vleck.

Essentially, the proposal would give the consumer a wider selection of beef, including a grade for young, tender, lean beef. The cattle producer could then market these carcasses at a favorable price.

"Our five-point program," continued Van Vleck, "was developed by ANCA's Beef Grading Committee after an exhaustive review of current data and analysis of future trends. Committee Chairman W.D. Farr of Colorado and Technical Advisor Dr. Zerle Carpenter of Texas A & M University held a half-a-dozen committee meetings throughout the country and consulted with various beef organizations and most every land grant college meat science department."

In outline form, the ANCA five-point beef grading proposal would urge that:

1) Beef carcasses be identified for quality, yield and conformation, or any combination;

2) USDA not change present emphasis placed on marbling and maturity in determining the carcass grade;

3) USDA expand its ability to accurately predict yield grades for retail cuts;

4) The carcass conformation grading criteria be transferred from the quality grade standards into a separate category, and that separate conformation grades be developed using the current criteria; and

-- more
5) A new quality grade be created, with an appropriately attractive name, to include the top two-thirds of the "Good" grade, keeping the same maturity requirements that exist for "Choice" and "Prime," and that the remainder of the "Good" and "Standard" grades be readjusted to accommodate the new grade.

Van Vleck said that the proposal had been sent to USDA and he hoped that by the first of the year the program would be implemented — thus benefiting the consumer and cattle producer and feeder.

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(Editor's Note — The chart below demonstrates where the new grade will fall in the present grading structure.)
TO: MEMBERS OF CCFA GRADING COMMITTEE
FROM: NEIL SKAU, JR.
SUBJECT: BEEF GRADING CHANGES

Because of some apparent misunderstanding of the various Grading Proposals I requested copies of those presented by Western States Meat Packers Assn. at Boise, Idaho on May 4 and also the AMI proposal.

To date I have received the enclosed from the Western States Meat Packers Assn. and thought it best to send copies of all three so that each of you would possess the same material.

As quickly as I receive additional information I shall send it to you.
# Directors and Past Presidents

**COLORADO CATTLE FEEDERS ASSOCIATION**

## DIRECTORS

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## PAST PRESIDENTS

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Martin R. Domke (1955-57)

Greeley
DEGREES OF MARBLING
ABUNDANT
MODERATELY ABUNDANT
SLIGHTLY ABUNDANT
MODERATE
MODEST
SMALL
SLIGHT
TRACES
PRACTICALLY DEVOID

MATURITY
A  B  C  D  E

ABUNDANT
MODERATELY ABUNDANT
SLIGHTLY ABUNDANT
MODERATE
MODEST
SMALL
SLIGHT
TRACES
PRACTICALLY DEVOID

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

*Maturity increases from left to right (A through E)
Represents midpoint of Prime and Commercial grades.

Figure 1
Preset U.S. DA Standards
RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

MATURENESS

DEGREES OF MARBLING

ABUNDANT

MODERATELY ABUNDANT

SLIGHTLY ABUNDANT

MODERATE

MODEST

SMALL

SLIGHT

TRACES

PRACTICALLY DEVOID

DEGREES OF MARBLING

ABUNDANT

MODERATELY ABUNDANT

SLIGHTLY ABUNDANT

MODERATE

MODEST

SMALL

SLIGHT

TRACES

PRACTICALLY DEVOID

Maturity increases from left to right (A through E) - Represents midpoint of Prime and Commercial grades.

Figure 2

PROPOSED STANDARDS

Western States Proposal
RELATIONSHIP BETWEEN MARBLING, MATURETY, AND QUALITY

Maturity increases from left to right (A through E)

**The A maturity portion of the Figure is the only portion applicable to bullock carcasses.**

*Represents midpoint of Prime and Commercial grades.*

American National Cattlemen
TO: CCFA GRADING COMMITTEE

FROM: NEIL SKAU, JR.

The following was taken from the March 18, 1974 issue of the Western States Meat Packers Association news Bulletin and is sent to you for your information.

At a recent joint Meat Clinic sponsored by the National Association of Food Chains and the American Meat Institute, Assistant Sec. of Agriculture Clayton Yeutter had this to say about beef grading:

"There has been a great deal of talk from almost all sides that it might be advantageous to make some changes in the standards for beef grading. But the trouble is that everyone seems to have a different idea of what the changes should be.

"The Department of Agriculture's view is that we should be very careful about any proposed changes. We are certainly not against changes per se. If and when persuasive evidence is available to show that a change would be in the public interest, we will certainly consider it carefully. But first, there should be general industry agreement as to what the change should be.

"The other side, as you well know, is the consumer. The present standards are well known and widely accepted. When a shopper goes to the meat counter and sees USDA Choice Beef, she knows what the product will be. She knows how it will cook, how it will taste, and whether or not it fits her criteria for what she wants. In other words, she has a reliable, well-known standard against which she can measure her own standards of desirability. If we are going to change the federal standard, any change should simplify meat buying, not complicate it. We had better make sure that whatever change is made is an improvement. It is one thing to change a merchandising slogan, but it's another to change a consumer-accepted standard....

"We know that many people say that marbling has very little to do with the desirability of a cut of meat; they could be right. But more positive research is needed before standards or grades are changed. If, in the end, beef grading is viewed as a tool to facilitate marketing, it should be altered only because of a marked change in consumers' tastes."
Periodically a call goes out by some cattlemen, packers, retailers and other interested parties for a revision of beef grading standards.

Whenever the subject is discussed it is guaranteed to generate some heated arguments, depending on the point of view of the individuals concerned. And those views range all the way from maintaining the status quo, to stiffer requirements to very relaxed requirements.

A point often overlooked in grade standard discussions is that they were established to provide guidelines for the industry and to eliminate confusion in marketing. What is choice in one area of the nation is also choice everywhere else. There are those who will argue that even this is not quite true and that there is substantial variation from region to region. We suspect there is more fanciful thinking than fact in this belief.

Also, when the standards were established it was not intended they be untouchable and should never be changed. They have, in fact, been revised a number of times as need dictated.

John Pierce, who heads the USDA's Grading Service, has commented publicly and privately many times that his organization always stands willing to change the standards to what the industry desires and deems best.

During the past several years there have been a few ripples and undercurrents toward making changes in the standards. This winter a number of organizations have gone on record favoring changes so it appears the time is at hand for serious reflection as to what they should be.

Certainly it is true that cattle are being marketed at a younger age than just a few years ago, therefore, it would seem this fact does need to be taken into account as it relates to maturity considerations.

We are not meat scientists, but it does seem reasonable that marbling requirements should not be as high for these younger, presumably more tender, animals as for those with more maturity.

Conformation and its role in grading probably is the most argumentative point. Frankly, we don't know whether or not it is necessary. But certainly there has been ample research done in meat laboratories and packing plants to provide an answer as to its value or lack thereof in grading.

We concur with those proponents for a grading change who say that no additional grade or grades are necessary. They would, we believe, only add another confusion factor for consumers. And, we might add, consumers are already thoroughly confused. About the only grade name they even vaguely recognize is choice. We seriously doubt if one out of 25 consumers on a city street could even name the present grades, let alone put them in proper order. A small, unscientific test we conducted convinces us this is true.

We do not have the facts in hand on which to base a judgment as to whether now is the time to revise grade standards. But since there is some indication among the industry that this move is desired we believe it is time for those with the expertise in this field to bring forth their findings and recommendations.

Until this is done, and with a large degree of unanimity in the industry, John Pierce and his workers can only continue to be guided by present standards.
March 25, 1974

TO: MEMBERS OF THE GRADING COMMITTEE

FROM: BILL WEBSTER

SUBJECT: COMMITTEE MEETINGS

I would like to have each Committee Chairman call a meeting of his committee as soon as is practical in order that the Committees get to know each other and to study just what might be your problems or projects during the coming year.

As in the past, we believe it is good to give about 10 days notice in order that committee members might make arrangements to attend.

Robert E. Fritzler
Carl Heepke
Jack Groves
David Fagerberg
Carl Felte
Ben Houston
Bernie Hodapp
Don Hamill
Roland Felt
J. N. Thompson
Directors and Past Presidents
COLORADO CATTLE FEEDERS ASSOCIATION

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Berthoud
Martin R. Domke (1955-57)
Greeley
March 25, 1974

For your information.

Neil
GREELEY, Colorado — Both consumers and producers would be better served through a realistic modification of the federal government's current beef quality grading system, according to Kenneth W. Monfort, president of Monfort of Colorado, Inc.

In a statement today, Monfort said such modifications should place a high premium on beef which contains less fat than the "prime" and "choice" grades which now attract the highest prices. Unless something is done to correct the situation, he said his company would consider elimination of the federal beef grading service in its own packing plant.

Monfort of Colorado feeds and processes nearly 500,000 cattle annually.

"Current grading standards," he said, "actually encourage the cattle feeder to waste our valuable corn supply by feeding it in excess in order to receive the best price for his animals from the packing plant."

Higher prices are paid for those cattle the meat packers believe will be graded prime and choice by the U. S. Department of Agriculture Meat Grading Service. In turn, these higher prices for fatter beef are continued to the consumer.

"With less emphasis on fat in beef," Monfort said, "cattle feeders could produce beef at lower costs by using less costly roughage and other feeds instead of such a high volume of expensive corn. This would benefit both the feeder and the consumer."

Monfort's statement continues:

"We in the United States are saddled with an outmoded grading system which dates back to the late '30s and early '40s. At that time, the grading system was valid because the consumers and the industry needed a method to show one and all which meat was tender and flavorful from young grain-fed cattle and which was tough and stringy from old cows, bulls and grass-fed steers."
"As the cattle feeding industry has grown, the grading methods of the '30s and '40s no longer are valid. Yet, as in most governmental programs, the grading specifications took on the appearance of being etched forever in stone.

"Change the specifications? The mere uttering of those words brings a tremendous cry of anguish from the bureaucrats who control and from the retailers, the packers, the feeders, the ranchers and the purebred cattle breeders.

"But we must change our grading standards to meet the times because of some of these very valid reasons:

"1) Consumption of too much fat is suspect from a health standpoint.

"2) There is a world shortage of grain, which is compounded by excessive feeding of corn to cattle to produce the "prime" and "choice" beef which sell at the highest prices.

"3) Superior breeds of beef are being developed which will produce better quality at lower costs with less fat. These breeds consistently fail to grade "prime" or "choice" due to their lean quality.

"4) Although consumers may well prefer beef that is less fat than the "choice" grade, they tend to believe it inferior because of the grading nomenclature.

"Our company, Monfort of Colorado, Inc., which feeds and processes beef, is researching the feasibility of discontinuing the U.S.D.A. grading of beef in our packing plant. We then would cease to use the government's grade descriptions, and would devise our own. We hope, however, that the beef industry and the U.S. Department of Agriculture will initiate modifications of specifications which would more realistically conform with consumer appetites, consumer budgets, new superior beef breeds and world grain supplies."
March 28, 1974

TO: ALL MEMBERS OF THE CCFA GRADING COMMITTEE

FROM: ROBERT FRITZLER, VICE-PRESIDENT

SUBJECT: COMMITTEE MEETING

I would like to hold a meeting of the Grading Committee of the COLORADO CATTLE FEEDERS ASSOCIATION on Tuesday, April 9, 1974 at 6:30 p.m. at the Atwood Interchange Texaco station on I-80. This will be a dinner meeting.

There have been many discussions about the current beef grading program and many suggestions have been made. We should be prepared to take a position that we can carry to the CCFA Board.

Please phone me at 522-1376 at Sterling or Neil Skau at the CCFA office in Denver 534-8229 to let us know that you are coming. This is desirable in order to let the cook know how many to prepare for.
Directors and Past Presidents
COLORADO CATTLE FEEDERS ASSOCIATION

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Greeley

Bob Fritzler chaired the meeting, explaining that many proposals for changing the beef grading system were making the rounds and that there was much discussion in other circles regarding beef grading. The ANCA's proposal was discussed. Cal Humphrey feels the proposed ANCA grade is unworkable and will provide too few cattle of that type. Following considerable discussion it was moved and seconded that the Grading Committee of the CCFA recommend to the Board that the CCFA seek no change in grading standards until further data is studied. The Motion passed.

It was further recommended that the Secretary contact Clyde Hiderlinder or some retired grader to discuss with him the possibility of carrying out a study program for CCFA in the packinghouses where grading problems may exist. If the man is available and the need is determined this will be submitted to the Board at a later date.
CHICAGO, ILLINOIS, April 17--The revised beef grading standards proposed by the U. S. Department of Agriculture are in the best interests of consumers and cattlemen alike, the President of the American National Cattlemen's Association said today.

Gordon Van Vleck called for quick implementation of the changes which were scheduled to go into effect April 14, but were delayed as a result of court action brought in Omaha, Nebraska, by local meat packers.

"The meat packers sought an injunction to prevent the yield grading provision of the standards from going into effect because of its alleged impact on their grading operations," Van Vleck explained at a press briefing for reporters in Chicago.

"It's interesting to note that the packers' objections are being equated by some with consumers' complaints. Actually, leading consumer groups have supported the yield grading portion of the proposed changes. The meat packers' action is not related to the effects of the changes on retail beef quality."

Van Vleck reaffirmed ANCA support of the U. S. Department of Agriculture's revised standards, and he sought to dispel the public confusion which has arisen as a result of the temporary injunction, which is now scheduled for further hearing by the court within 45 days.

"We favor the grading changes—based on more than two years of research—for two basic reasons," the ANCA President said. "First, the proposed changes will result in leaner, more desirable beef for consumers. This is important to us also because it will help maintain demand for our product. Second, the changes give cattlemen an opportunity to be rewarded if they produce animals with more meat and less waste fat."

Van Vleck likened the changes to modifications which must be made in any consumer pro-
duct in order to respond to changing demands in the marketplace and to new efficiencies in production systems.

"As shown by consumer research, the two major complaints about beef revolve around prices and too much waste fat," he explained. "The revised standards are positive steps toward dealing with both of these complaints. First, through reductions in feeding time and use of grain, we should be able to attain new cost efficiencies. Second, while eating qualities—including tenderness and flavor—are maintained at a high level, leaner beef cuts will be made available in the supermarket, helping consumers get more lean, edible meat and less fat, reducing costs per serving. The modifications also provide a more uniform, dependable eating quality within each of the top grades.

"The basic changes include a slight reduction in the minimum level of marbling (flecks of fat in the meat) required in some animals to qualify for the Choice and Prime grades. Also, the standards call for any quality-graded beef to also be graded for yield (or percentage of usable retail cuts). This is very important in that it will discourage excess fat and help give the consumer more lean meat for her beef dollar."

Van Vleck noted that, contrary to some claims, the changes will not permit tough, flavorless beef to qualify for the top grades. Research has shown no perceptible change in the eating quality of the beef in the new Choice grade. It will continue to be flavorful and tender, he emphasized, and virtually no cattle raised strictly on grass are likely to grade Choice.

Van Vleck also challenged the contention that all of the beef now grading Good will grade Choice under the new standards. Actually, he said, only a minute part of the present Good grade standards will be included in the new Choice grade standards. "In other words," he said, "it is totally misleading to say that the public will be paying higher prices for less desirable beef. In fact, the opposite is true."

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For taped excerpts concerning the above release, please call:
800/525-3056 (TOLL-FREE, nationwide, except Colorado)
893-COWS (COLORADO ONLY)
DENVER, COLORADO, April 18—The American National Cattlemen's Association today announced that it will seek permission to intervene in Federal court legal action in support of the U. S. Department of Agriculture's proposed changes in beef grading standards.

The ANCA Executive Committee voted unanimously to oppose continuation of an injunction which has delayed implementation of the grading changes previously scheduled to go into effect on April 14.

USDA has been prevented from putting the changes into effect as a result of a temporary injunction obtained in U. S. District Court in Omaha by the Independent Meat Packers Association, a group of local meat packers. The packer opposition was aimed primarily at the requirement that any quality grading be accompanied by yield grading. However, the entire package of grading changes—also including modification of quality grading standards—was held up by the injunction granted by the court.

The next step in the proceedings will be a court trial, to be held by Judge Robert Denney within 45 days.

Gordon Van Vleck, ANCA President, said that the Association continues to feel that the changes are in the best interest of the public as well as the cattle industry. ANCA will support the USDA position in the court proceedings, he said.

Van Vleck noted that it probably will be a minimum of 60 days before
the changes can be implemented, even with a favorable court decision following the coming trial.

He pointed out that the delay has disrupted cattle production and trading operations and that it is preventing feeding and other efficiencies which could be attained under the revised standards.

"For example," he said, "it is estimated that the grading changes could reduce average feeding time by a minimum of 10 days, reducing feeding costs alone by an average of $12.50 per head— or a total of $43.3 million for about 3.5 million fed cattle marketed over a period of 60 days.

"The delay hurts cattle producers as well as feeders, because of resulting lower prices paid for feeder cattle. Also, it causes continuing losses from the production of excess fat, and it slows the beginning of rewards for basic breeders and producers who would react to price signals based primarily on yield grading and produce cattle with better lean-to-fat ratios."

Van Vleck said that, if any improvement is to be obtained at all in grading standards within the foreseeable future, it is important that the industry support the quality and yield grading modifications as developed by USDA.

"Therefore," he said, "we have decided to intervene in the case in support of the revisions as developed by USDA. This is in line with the previous action by our Board of Directors urging adoption of the new standards.

"The changes will result in leaner, more desirable, more economically produced beef, helping to maintain demand for our product. They will help bring new feeding efficiencies, and reward both producers and feeders for producing high quality beef, with less trimmable fat."

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Farm Broadcasters: For taped excerpts concerning the above release, please call: 800/525-3085 (TOLL-FREE, nationwide, except Colorado)
April 29, 1974

MEMORANDUM TO:

CCA MARKETING COMMITTEE
CCA BEEF PROMOTION COMMITTEE
CCA PUBLIC RELATIONS COMMITTEE
CCA LOCAL ASSOCIATION OFFICERS
CCA BOARD OF CONTROL

Dear Officers:

Bill Wootten, Chairman of the CCA Marketing and Beef Promotion Committees; and Bill Serrell, Chairman of the CCA Public Relations Committee, requested that I notify you of a joint meeting of these three committees.

The meeting is scheduled for Tuesday, May 14th, 1974, 9:30 a.m. at the Holiday Inn North.

Due to recent heavy economic pressure on people involved in the livestock industry, a change is being considered in the present grading system. A panel of gentlemen highly involved in the livestock industry will participate at this meeting on May 14th.

It is hoped that these respective committees can and will help guide the CCA membership to a sound decision concerning this problem. The issue of changing our grading system is expected to remain as a priority argument amongst people of the industry for quite some time.

Be sure to have a representative of your local association at this important meeting on the 14th of May.

Sincerely yours,

Douglas Huddleston
Executive Secretary
ANCA BEEF GRADING RECOMMENDATIONS

Adopted by the Board of Directors

July 19, 1974

The ANCA recommends that the USDA beef grade standards be modified as follows:

1. All beef carcasses graded by USDA must be identified for quality and yield grade.

2. Quality grades be modified to the extent that the emphasis be placed on marbling and maturity be changed for "A" and "B" maturity carcasses as follows:
   a) Minimum levels of marbling for "A" maturity be established as minimum "slightly abundant" for Prime, minimum "small" for Choice, midpoint "traces" for Good and minimum "practically devoid" for Standard.
   b) Minimum levels of marbling for minimum "B" maturity be established as that specified for "A" maturity and proceed linearly through one degree of marbling to minimum "moderately abundant" for Prime, minimum "modest" for Choice and one and one-half degrees of marbling to minimum "small" for Good and midpoint "traces" for Standard at maximum "B" maturity.

3. The USDA continue to improve accuracy of the yield grades for predicting yields of retail cuts.

4. That conformation be transferred from the quality grade standards into a separate category on an optional basis and separate conformation grades should be developed using the current criteria, however, the USDA should initiate efforts to improve the accuracy and precision of conformation standards for evaluation of muscling.

5. That research agencies (Federal, state and private) initiate intensive studies with the goal of developing criteria or data to provide a basis for continuing to improve the beef grade standards.
A. N. C. A. RECOMMENDATION

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

DEGREES OF MARBLING
ABUNDANT
MODERATELY ABUNDANT
SLIGHTLY ABUNDANT
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MODEST
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TRACES
PRACTICALLY DEVOID

DEGREES OF MARBLING
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MODERATE
MODEST
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SLIGHT
TRACES
PRACTICALLY DEVOID

Maturity increases from left to right.

"A" - 9 to 30 months of age;
"B" - 30 to 48;
"C" - 48 to 60;
"D" and "E" - over 60.

PRESENT U. S. D. A. STANDARDS

DEGREES OF MARBLING
ABUNDANT
MODERATELY ABUNDANT
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PRIME
COMMERCIAL
UTILITY
CUTTER

STANDARD
GOOD
CHOICE
PRIME
COMMERCIAL
UTILITY
CUTTER

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* Maturity increases from left to right.
"A" - 9 to 30 months of age;
"B" - 30 to 48;
"C" - 48 to 60;
"D" and "E" - over 60.
DENVER, COLORADO, July 25--The American National Cattlemen's Association has proposed changes in beef grading standards which will encourage production of beef meeting today's demands for less fat and proportionately more salable meat. The proposals also are aimed at a reduction in the amount of expensive grain used in finishing cattle.

The new recommendations, approved by the ANCA Board at its mid-year meeting, have been forwarded to the U. S. Department of Agriculture. Based on ANCA and other recommendations, USDA is expected to publish its proposed new grading standards soon.

The ANCA recommendations were developed by the Association's Beef Grading Committee, headed by W. D. Farr, former president.

Because of problems of over-finished cattle, continued high grain costs and other industry developments, the committee revised the recommendations which had been approved by the Association at its last convention.

Most important, said ANCA President Gordon Van Vleck, is the new recommendation that all beef carcasses submitted for grading by USDA must be identified for yield grade (cutability) as well as quality grade.

ANCA, he added, is continuing to call for transfer of conformation from the USDA quality grade standards into a separate category which would be
available on an optional basis. This recommendation also was described as important in updating the grading standards, which have not been changed for 10 years.

"In the interest of greater industry unity on grade change proposals," Van Vleck added, "ANCA is not at this time pushing for a new quality grade (as previously proposed), but is recommending a modification of existing quality grades.

"This includes the 'straight-line' approach for 'A' maturity (up to 30 months of age) carcasses. Research shows no significant difference in eating satisfaction of beef within 'A' maturity at a specific level of marbling." (See the accompanying diagrams, showing present and ANCA-proposed quality standards.)

Van Vleck said that all of the ANCA proposals—and in particular the mandatory yield grading proposal—can help reduce the production of beef with excess fat, can lower the amount of grain used in finishing cattle and can result in relatively leaner but tender and flavorful beef for consumers.

Explaining the importance of yield grading, Farr said, "The value of a beef carcass depends chiefly on two factors—the quality of the meat and the amount of salable meat the carcass will yield. If yield grading is combined with quality grading, the producer and the feeder will more likely be rewarded for a superior and economical product.

"Properly used, yield grades can bring about more efficiency in production and marketing and more accurate incentives in the value-determining machinery."

Regarding the proposed separate conformation grades, Farr pointed out, "Conformation has nothing to do with eating quality and therefore should be removed from the quality standards. However, conformation is important to
certain segments of the cattle industry as well as to purveyors, hotels, restaurants and other beef buyers. In a separate category, the conformation grades can be more meaningful to those markets."

After USDA's proposed new grading standards are published in the Federal Register, the industry and the public will have 90 days in which to comment on the proposals. Then, after considering all of the comments, USDA will issue its final standards.
A. N. C. A. RECOMMENDATION

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

PRESENT U. S. D. A. STANDARDS

* Maturity increases from left to right.

A” = 9 to 30 months of age;
B” = 30 to 40;
C” = 40 to 60;
D” and “E” = over 60.
July 26, 1974

TO: ALL MEMBERS OF THE CCFA GRADING COMMITTEE

FROM: NEIL SKAU, JR.

SUBJECT: CURRENT GRADING PROBLEMS

An emergency meeting of the CCFA Grading Committee will be held at the Sterling Colorado Beef Co. plant in Sterling at 10:00 a.m. on Thursday, August 1, 1974.

The continued serious changes in the current grading practices by USDA will be the subject of the discussion.

I have also enclosed the most recent proposal by the ANCA and it is felt that we can support this because of its closeness to our way of thinking.

Sent to:

Robert Fritzler
Carl Heepke
Jack Groves
David Fagerberg
Carl Felte
Ben Houston
Bernie Hodapp
Don Hamil
Roland Feit
J. N. Thompson
Bill Webster, Pres.
Directors and Past Presidents

COLORADO CATTLE FEEDERS ASSOCIATION

DIRECTORS

Robert K. Atkirs
Pierce

Martin Allard
Loveland

Dean G. Anderson
Berthoud

Edwin A. Anderson
Longmont

Glen Anderson
Johnstown

Raymond Berg
Greeley

Henry A. Bledsoe
Wray

Henry H. Brunner
Windsor

Walter Dittmer
Brighton

Dick Dixon
Denver

William R. Farr
Greeley

*Duane Flack
Greeley

Robert E. Fritzler
Sterling

Charles S. Genova
Pueblo

Jack B. Groves
Eaton

Carl Heepke
Fort Morgan

Frank A. Kemp, Jr.
Denver

Leonard Litzenberger
Ft. Collins

*Duncan McKee, Jr.
Greeley

James Reeman
Eaton

Michael F. Spencer
Ault

James Svedman
Fort Collins

Marvin Swanson
Longmont

Roy E. Swanson
Fort Collins

Terry Turner
Lamar

*At Large

PAST PRESIDENTS

Malcolm S. Anderson (1972)
Greeley

Maynard A. Sonnenberg (1971)
Sterling

Julius A. Pluss (1970)
Denver

C. W. "Bill" Kirby (1968-69)
Windsor

James L. Henry (1966-67)
Longmont

Donald W. Hamil (1964-65)
Sterling

C. Marion Harmon (1962-63)
Greeley

George Reynolds (1960-61)
Longmont

LeRoy Dalton (1959)
Eaton

Louis F. Bein (1957-59)
Berthoud

Martin R. Domke (1955-57)
Greeley
OFFICE OF THE PRESIDENT

GORDON VAN VLECK,
Route 1, Box 16-B
Plymouth, California 95669
209/245-6761

The Honorable Earl L. Butz
Secretary
U. S. Department of Agriculture
Washington, D. C. 20250

Dear Mr. Secretary:

On February 21, 1974, I sent you a resolution about USDA Beef Grade Standards as approved by the American National Cattlemen's Association at its annual convention.

Since that time, a great deal has happened to our industry which will have long lasting effects. Because of increased grain costs, over-finished cattle going to market and other industry developments, our Board of Directors has reevaluated its position on beef grading and made modifications which we feel would enhance our earlier recommendations. These modifications were not made hastily and not without thorough study and judgement.

The ANCA Beef Grading Committee has looked upon yield grading with great favor for many years. It is the most important tool in the grading standards in its influence on preventing over-finished cattle. If yield grading were combined with quality grading, the feeder and producer would be more likely to be rewarded for their endeavors of providing a superior and economical product. Because of this, ANCA recommends that when a beef carcass is submitted for quality grading it also must be yield graded.

Our Beef Grading Committee is also asking for a change in quality standards. This recommendation is made in hopes of bringing the industry closer together in its desire to provide the consumer with a continuing supply of high quality, leaner and tender beef. Based upon research findings, there seems to be no difference in eating satisfaction of beef within "A" maturity at a specific level of marbling as presently set forth for each of the quality grades.

July 23, 1974
ANCA feels that the implementation of the following recommendations will not only meet consumer demands but will satisfy the industry's desire to reduce the use of excessive amounts of grain and produce a quality product more economically.

With this background, ANCA recommends that the USDA Beef Grade Standards be modified as follows:

1. All beef carcasses graded by the USDA must be identified for quality and yield grade.
2. Quality grades should be modified to the extent that the emphasis be placed on marbling and maturity be changed for "A" and "B" maturity carcasses as follows:
   a) Minimum levels of marbling for "A" maturity be established as minimum "slightly abundant" for Prime; minimum "small" for Choice; midpoint "traces" for Good; and "practically devoid" for Standard.
   b) Minimum levels of marbling for minimum "B" maturity be established as that specified for "A" maturity and processed linearly through one degree of marbling to minimum "moderately abundant" for Prime; minimum "modest" for Choice; one and one-half degrees of marbling to minimum "small" for Good; midpoint "traces" for Standard at maximum "B" maturity.
3. USDA should continue to improve accuracy of the yield grades for predicting yields of retail cuts.
4. Conformation should be transferred from the quality grade standards into a separate category on an optional basis. Separate conformation grades should be developed using the current criteria; however, USDA should initiate efforts to improve the accuracy and precision of conformation standards for evaluation of muscling.
5. Research agencies (Federal, state and private) initiate intensive studies with the goal of developing criteria or data to provide a basis for continuing to improve beef grade standards.

Your early consideration of these proposals will be greatly appreciated.

Sincerely,

Gordon Van Vleck
President

GVV:sh
cc: Richard Feltner
    John Pierce
ANCA BEEF GRADING RECOMMENDATIONS
Adopted by the Board of Directors
July 19, 1974

The ANCA recommends that the USDA beef grade standards be modified as follows:

1. All beef carcasses graded by USDA must be identified for quality and yield grade.

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3. The USDA continue to improve accuracy of the yield grades for predicting yields of retail cuts.

4. That conformation be transferred from the quality grade standards into a separate category on an optional basis and separate conformation grades should be developed using the current criteria, however, the USDA should initiate efforts to improve the accuracy and precision of conformation standards for evaluation of muscling.

5. That research agencies (Federal, state and private) initiate intensive studies with the goal of developing criteria or data to provide a basis for continuing to improve the beef grade standards.
A. N. C. A. RECOMMENDATION

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

MATURE

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DEGREES OF MARBLING

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PRESENT U. S. D. A. STANDARDS

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

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*Maturity increases from left to right (A through E)

**The A maturity portion of the Figure is the only portion applicable to bullock carcasses.

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*Represents midpoint of Prime and Commercial grades.**
DENVER, COLORADO, July 31—The American National Cattlemen's Association has proposed changes in government beef grading standards to encourage production of beef containing less excess fat. The proposals also are aimed at reducing the amount of increasingly expensive feed grain needed to finish cattle for market.

The new recommendations, approved by the ANCA Board of Directors at its mid-year meeting, have been forwarded to the U. S. Department of Agriculture.

Grade standards assist in reflecting consumer desires and differences in beef values. Quality, or palatability, grades include the familiar Prime, Choice and Good grades.

Gordon Van Vleck, ANCA President, noted that U. S. consumers strongly prefer fed beef—beef which is adequately marbled and tender—the kind of beef which results from feedlot finishing prior to marketing. The proposed grade standard changes, he said, will help the industry produce this kind of beef more efficiently.

Van Vleck pointed out that the present grade standards, which have not been changed for 10 years, need updating in order to reflect changes both in consumer demands and in cattle production costs and methods.

"There will be three basic benefits to consumers if the beef grading standards are changed along the lines we suggest," Van Vleck said.

"First, there will be a reduction in the amount of excess or trimmable fat and an increase in the proportion of edible meat in beef carcasses.

"Second, more of our Choice grade beef will contain ample marbling for desired palatability—more
bility or quality, but without excessive fat. (Marbling is the small flecks of fat within
the muscle system and is important in determining juiciness, flavor and, to some extent,
tenderness.)

"Third, it will be possible to produce fed beef more economically, using less grain
and shortening the average period in the feedlot."

The ANCA recommendations are based on 18 months of intensive study by the Association's
Beef Grading Committee, headed by W. D. Farr of Greeley, Colorado.

ANCA, the national spokesman for some 260,000 cattlemen, has recommended to USDA:
1. Conformation (carcass shape, or thickness in relation to length) should be trans-
ferred from the quality standards and put into a separate grade category which would be
available on an optional basis.

Conformation is important to parts of the cattle industry and to special markets, like
the hotel and restaurant trade, but it has nothing to do with eating quality of beef. With
conformation removed, the quality grades can better reflect eating quality—the beef charac-
teristic of most importance to consumers.

2. The quality grade system should be modified for cattle less than 30 months of age
so as not to require increases in marbling with increases in age.

Under the proposed change, what is now the minimum marbling requirement for the youngest
cattle to make a particular grade would be the minimum for all cattle up to 30 months of age.
Research has shown that tenderness is related primarily to the age or maturity of cattle.

This modification, Van Vleck said, will help discourage over-feeding of cattle, re-
sulting in more economical production, while maintaining desired beef quality.

3. The USDA quality and yield grade systems should be combined into a single grade
system. (Quality grades measure palatability, while yield grades measure the quantity of
retail cuts, or lean meat, in each carcass. Yield grades provide a means of reflecting
consumer preferences for beef with a high ratio of lean to fat.)

At present, yield grading is strictly voluntary. ANCA proposes that all beef carcasses
submitted for quality grading by USDA must also be identified for yield grade.

"The value of a beef carcass depends basically on two factors—the quality of the meat
--more
and the amount of salable meat the carcass will yield," Van Vleck explained. "If yield grading is combined with quality grading, the cattle producer and feeder will have more incentive to use practices resulting in a superior, more economical product. Over-feeding will be discouraged. There will be less waste fat and more efficiency in production and marketing, leading to better values for consumers and better returns for efficient producers."

It takes considerably more feed to put a pound of fat on an animal as compared with a pound of lean meat. The ANCA recommendations, including mandatory yield grading, can reduce feed grain use, and shorten feeding time, by reducing production of excess fat, Van Vleck pointed out.

After USDA's proposed new grading standards are published in the Federal Register, cattlemen and others will have 90 days in which to comment on the proposals. USDA will issue its final beef grade standards after considering all comments.
A. N. C. A. RECOMMENDATION

RELATIONSHIP BETWEEN MARBLING, MATURITY, AND QUALITY

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"D" and "E" - over 60.
COLORADO CATTLE FEEDERS ASSOCIATION
GRADING COMMITTEE RESOLUTION

COLORADO CATTLE FEEDERS ASSOCIATION propose that A.N.C.A. consider and adapt the broadening of the choice grade without the introduction of a new and untested grade.

Specifically, we propose the chart "Relationship Between Marbling, Maturing, and Quality - Grades of Carcass Beef S.R.A. 99" be broadened on choice to include carcasses with small amount of marbling to include all "A" age maturity range.
DENVER, COLORADO, September 11--The American National Cattlemen's Association pointed out today that it is in general agreement with the objectives and provisions of the U. S. Department of Agriculture's proposed changes in beef grade standards.

"The proposals announced to the press by USDA appear to be generally in line with recommendations made by ANCA," said Gordon Van Vleck, ANCA President.

"The proposed revisions should encourage production of somewhat leaner beef, with less trimmable fat. Also, it should be possible to lower production costs through shorter feeding periods and use of less grain in finishing cattle for market."

Official ANCA comments on USDA's proposals must await a study of the complete, detailed provisions of the revised standards, Van Vleck said.

Meanwhile, he noted, ANCA agrees with the proposed modification to require no increase in marbling with increases in cattle age up to 30 months. Also, he said, ANCA strongly endorses the proposal that all beef carcasses graded for quality must also be graded for yield (percentage of retail cuts or lean meat).

Van Vleck said that the proposed elimination of conformation from
factors involved in quality grading is in line with ANCA recommendations, although the USDA proposal apparently does not now fully meet the Association's suggestions in this area.

"USDA's plan to narrow the range of quality within the Good grade differs from ANCA's recent recommendations," Van Vleck said, "but the modification presumably would appeal to consumers preferring a reduction in amount of internal and external fat. Also, like certain other changes, it could be a factor in improving the efficiency of production of quality beef."

Van Vleck said that ANCA would study the USDA proposals, which are being published in detail in the FEDERAL REGISTER, and then would respond with more specific comments.

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For taped excerpts concerning the above release, call:
800/525-3056 (TOLL-FREE, nationwide, except Colorado)
303/893/COWS (Colorado only)
MEMORANDUM

TO:         ANCA Board of Directors and Affiliated Executive Officers.
FROM:       Gordon Van Vleck, President.
SUBJECT:    Beef Grading.

On September 11, 1974, the enclosed proposed changes for the USDA Beef Grading Standards were published in the FEDERAL REGISTER.

These proposed changes are essentially what were recommended to the USDA by the ANCA. I urge you to study these proposals very closely. Basically, there are four major changes:

1. Conformation would be eliminated as a factor in determining the quality grade.

   ANCA asked for this. However, the USDA feels conformation should be expressed in the yield grade instead of being in a separate category as ANCA recommended.

2. When officially graded, all beef carcasses (except bull carcasses) would be identified for both quality grade and yield.

   ANCA feels this is the strongest part of its official recommendations to USDA and is very pleased to see this included in the proposed change.

3. For beef carcasses throughout the A maturity group, the minimum marbling requirements in Prime, Choice, and Standard grades would be the same as now required for the youngest carcasses. For more mature carcasses in each of these grades, increases in marbling would be required for increases in maturity but the minimum level of marbling would be decreased one degree.

   This is stated just as ANCA recommended.

4. In the "new" Good grade, the same principles would apply to the requirements for marbling and maturity as described
for Prime, Choice and Standard. However, the minimum marbling requirements would be increased one half degree for the very youngest carcasses classified as beef.

This proposal would make the Good grade very homogenous and uniform. It would identify young, lean, tender beef with not quite enough marbling to make the Choice grade.

ANCA is presently developing its official response. This will be sent to you later.

The ANCA staff is also developing materials that will be helpful in informing your members as to the meaning of these proposals.

We will keep you informed as to our progress and be contacting you later as to your response to USDA.
October 7, 1974

Office of the Hearing Clerk
Room 113
Administration Building
U. S. Department of Agriculture
Washington, D. C. 20250

Dear Sir:

Following are comments of the American National Cattlemen's Association on the U. S. Department of Agriculture's proposal to amend the standards for grades of beef carcasses as published in the September 11, 1974, issue of the Federal Register.

The ANCA commends USDA for its thorough review of the present standards and for its consideration of recommendations presented by the livestock industry and others.

Beef grade standards are of paramount importance to the beef cattle industry. The standards assist in transmitting consumer desires and beef value differentials to the production and marketing system. Standards provide the common denominator for wide dissemination of market news which establishes the price mechanism for the beef cattle industry. In effect, the grading system sets many of the short and long term goals of all types of cattle operations. That is why it is so important to periodically revise the standards, bringing them up to date with changes in consumer desires and in production and marketing methods.

The ANCA endorses the objectives and principal provisions of the proposed new regulations. It is felt that the amendments are in the best interests of the public including consumers as well as the producers, processors and merchandisers of beef.

The only way for the beef cattle industry to grow and prosper is to meet as efficiently as possible the consumer's desires for beef quality. The grade standards as amended will help the industry to meet that basic objective.
The proposed changes offer several basic benefits: 1) there will be a reduction in the amount of excess or trimmable fat and an increase in the portion of edible meat in beef carcasses; 2) the public can be more sure of ample supplies of fed beef — with desired tenderness, juiciness and flavor — but without excessive fat; 3) the palatability and proportion of lean to fat in each grade should be more uniform and dependable; 4) it will be possible to produce fed beef more economically, using less grain and shortening the average period in the feedlot.

The Beef Grading Committee of the ANCA has conducted an exhaustive study of the entire subject of beef grading standards, including a review of available research and expert opinion. Previously submitted recommendations as well as these comments, are based upon the Association's study and analysis. Following are ANCA's comments on the principal changes proposed by the USDA:

"1. Conformation would be eliminated as a factor in determining the quality grade."

ANCA previously recommended that conformation grades be transferred from the quality standards into a separate category available on an optional basis. This recommendation was made for two major reasons: 1) research clearly shows that eating quality in beef is not influenced by the shape of the carcass; 2) use of conformation in the quality grade system causes needless variability in quality within grades. For example, a prime quality beef carcass with good conformation will grade U. S. D. A. Choice, which does not identify the actual eating quality of the meat. Although the USDA's proposals do not provide a separate grade category for conformation, it is recognized that expanded use of yield grading will reflect to some degree conformation as it affects yield of retail cuts. The present formula for determining yield grade includes the modern concepts of conformation with relation to muscling. Therefore, if all carcasses officially graded will be identified for both quality grade and yield grade, ANCA endorses the removal of conformation as a quality factor as proposed by USDA.

"2. When officially graded, all beef carcasses (except bull carcasses) would be identified for both quality grade and yield grade."

ANCA considers this change of great importance to consumers as well as the total beef industry. More than any other factor in the grading standards, the combining of quality and yield grading
can reduce the amount of excess fat on beef carcasses and can reduce the amount of grain used in finishing cattle for market.

The value of a beef carcass depends on two factors --- the eating quality of the meat (quality grade) and the amount of salable meat which the carcass will yield (yield grade). It is imperative that both of these factors be identified and reflected in the entire livestock and meat industry. This can best be done by combining yield grade and quality grading as a dual grading system.

The benefits of yield grading have been demonstrated through its use on a voluntary basis. To maximize these benefits, beef carcasses should be identified for both quality grade and yield grade.

If all cattle graded had both a quality grade and a yield grade, the true value of the carcass would be determined and the cattleman would realize his returns on the basis of the way his product measures up to the standards. The cattle producer and feeder would have more incentive to use breeding, feeding, management and marketing practices which result in a superior, more economical product.

The great weakness of the cattle industry at the present time is the use of averages in marketing cattle. The industry is not now maximally using the available tools to establish real incentives to produce a superior product.

If greater use had been made of yield grading during the past several years, with relative values reflected to producer and feeder, many of the overfat, wastey cattle of the past year would not have gone on the market. The production system would have anticipated the reduced value associated with overfed, overfat cattle.

Substantial value differences are associated with variations in yield of closely trimmed retail cuts. These value differences ($6 to $10 per hundred weight) must be reflected in the production and marketing system.

To better identify cattle for differences in yield of saleable meat, it is necessary for carcasses to be identified for both yield grading and quality grading.

Research shows that as yield grade improves by one full grade, the percent of trimmable fat is reduced by five percentage points.
The amount of fat trim on a yield grade one carcass averages only 7.6 pounds per 100 pounds of carcass, compared with 28 pounds for yield grade five carcasses.

Producing carcasses with excess trimmable fat represents a tremendous waste of grain and other resources and substantially increases cost of production. Research indicates for example that it requires five times more feed energy to produce a pound of fat than it does a pound of lean. At a time when feed costs are extremely high with little relief in sight, the production of excess fat has become prohibitively expensive.

Data compiled by the University of Florida indicates that in 1973 approximately 2.5 billion pounds of excess fat were trimmed from beef by the retailer. Since the salvage value of trimmed fat was only $450 million, the $1.15 billion difference or economic loss must be passed on to or absorbed by producers, processors and consumers.

The cattle industry must insist that price differentials be more universally applied. It is ANCA's conviction that greater incorporation of the yield grade system into the basic market pricing system will accelerate improvements in the industry.

"3. For beef carcasses throughout the A maturity groups, the minimum marbling requirements in Prime, Choice and Standard grades would be the same as now for the youngest carcasses classified as beef. However, for more mature carcasses in each of these grades, increases in marbling would be required for increases in maturity, but the minimum level of marbling would be decreased one degree."

Research indicates that differences in palatability among carcasses in the A maturity group, at a given level of marbling, are not significant. Marbling appears to be more closely related to juiciness and flavor than to tenderness in these carcasses.

Therefore, ANCA concurs with the conclusion that increases in marbling should not be required with increases in maturity in the A maturity group (up to 30 months of age). What is now the minimum marbling requirement for the youngest cattle to make a particular grade should be the minimum for all cattle in the A maturity group.
The feeder will not have to be so concerned about increasing age (up to 30 months) as he feeds for a desired grade. This will help prevent overfeeding and efficiency will be improved.

Also, the change will help reduce the variability of Choice grade beef. There will be greater uniformity of quality and greater acceptance by the consumer.

"4. In the "new" Good grade, the same principles would apply to the requirements for marbling and maturity as described for Prime, Choice and Standard. However, the minimum marbling requirements would be increased one-half degree for the very youngest carcasses classified as beef."

Although this proposal was not in the recent recommendations submitted by ANCA, it is very much in line with the thinking of the Association's Beef Grading Committee and with an earlier recommendation submitted to USDA.

In narrowing the marbling requirements for the new grade by eliminating the older cattle which previously qualified for the Good grade, the proposed regulation would make the "new" Good grade a more workable, more popular grade. With its narrower restriction on marbling requirements, it can be a very uniform grade, providing the retailer and consumer with a very consistent product.

"5. The maximum maturity permitted in the Good and Standard grades would be reduced and would be the same as now permitted in Prime and Choice."

This proposed change appears to be consistent with the objectives of the total proposed changes --- to provide more uniform and accurate grades, meeting consumer desires for quality and providing tools for more efficient beef production and merchandising.

The ANCA looks favorably on the total package of proposed changes. In fact, the mechanism provided by the new standards can perhaps do more than any other thing in assuring a progressive, viable cattle industry in the future --- particularly in view of the new era of today's higher feed and other costs --- and an adequate supply of quality beef at reasonable prices for consumers.

The new system would provide the longer term advantage of true identification of every carcass and sale of each carcass at its true value. The proposals would allow the purebred and cow/calf producers
to intelligently produce the kind of cattle needed in the future, and they would give every feeder an opportunity to produce and merchandise his animals to the best advantage. If the industry maximizes the available efficiencies, consumers will have better beef in greater quantity with less fat and at the most reasonable possible cost.

ANCA recognizes that it will take some time to fully implement the proposed changes --- including the combining of quality and yield grading --- but it is imperative that the industry get on with the changes as quickly as possible.

The potential is great. As long ago as 1968, USDA estimated that about half of the excess fat on beef carcasses could be eliminated through improved breeding, feeding and management practices without sacrificing eating quality. At that time, a saving of $35 for each fed animal was estimated. With today's feed costs, the savings would be considerably more. However, to achieve these improvements, beef grading changes would be one of the required tools.

ANCA agrees with USDA's conclusion that adoption of the new system would reduce the general fatness of beef in each of the principal grades, and it also would make palatability in each grade more uniform --- which is very important to continued consumer acceptability.

One result of reducing overall fatness would be a marked saving in feeding time and amount of grain required for finishing cattle for market. Most important in achieving these results would be the proposal of identifying carcasses for both quality grade and yield grade. In fact, the combination of the quality and yield grading probably could account for at least 60% of the total efficiency improvement, with the other 40% coming from modifications of quality grade and elimination of conformation from quality grading.

It is very conservatively estimated that the industry could take an average of 10 days off the feeding period --- at the end of the feeding period, when grain consumption is the greatest and cost the highest. At that time, everyone is feeding a high concentrate ration. Consumption of grain or its equivalent is approximately 20 pounds per head per day. Thus, the savings would be 200 pounds per animal.

In 1972, the industry fed approximately 25 million cattle in feedlots. On this basis, the grain savings would be 5 billion pounds or 2.5 million tons. In terms of corn or corn equivalent, the saving would be 89,285,714 bushels.
There also would be labor, capital and other cost savings associated with lesser feeding time and faster turnover in feedlots. In total, the efficiency improvement could easily be $20 per head or a total of $500 million in a year.

The proposed changes are supported by both research and industry experience, and it is clear that the benefits as outlined above can be achieved. The proposals are definitely workable in the opinion of ANCA, and it is urged that the USDA implement the proposals by publishing them as official regulations as soon as possible.

Sincerely yours,

Gordon Van Vleck
President

GVV:pss
October 10, 1974

Mr. W. H. Webster, President
Colorado Cattle Feeders Association
Webster Feedlots, Inc
Route 4 Box 164-A
Greeley, Colorado 80631

Dear Bill:

Enclosed is the official ANCA response to the USDA proposed beef grade changes. I hope this will be of help to you as you develop your associations' reply to USDA.

It is not necessary for me to explain to you how important the beef grading issue is to the industry. It seems that every trade paper, consumer report and industry organization has editorialized about beef grading over the past couple of years. Most of these comments called for some kind of change in the grading standards which would make them more meaningful.

Because beef grading is a technical subject, ANCA felt the need for the Beef Grading Committee to thoroughly study and review the present standards and recommended changes from other groups before making its recommendations to ANCA.

The Beef Grading Committee did make its' recommendations in January, 1974, at the Annual Convention. They were approved by the membership and subsequently submitted to USDA for their consideration. However, after these recommendations were submitted, it became apparent that they would not receive the strong support from many of our affiliates and other segments of the industry as we had hoped.

I felt it necessary for the ANCA Beef Grading Committee to evaluate its position before the annual midyear meeting of the Board of Directors. The Committee realized that if a constructive change was to be made in the grading standards, that it might have to make a compromise with those who opposed the new grade concept.

The Committee did modify its' recommendations to the Board of Directors. In doing so, it also took a stronger position on yield grading. This probably is the most important part of the USDA recommendations.
The USDA recommendations are generally compatible with what ANCA recommended. The Beef Grading Committee is very pleased with the USDA recommendations. The ANCA proposal was approved without dissent at the July 19 Board meeting. I believe every affiliate association was present at this meeting.

These proposals I feel, represent the best total package the industry could ask for. I'm sure there might be a question raised by one group or another about a certain part of these proposals. However, look at the total package. In order to get the proposals adopted it is vital that every organization respond favorably to them.

Also, I hope you will do everything possible to encourage individual responses from your membership and other individuals interested in grading.

As you write your response to USDA, I would appreciate it if you would send a copy to the ANCA office for our files.

Your letter to the USDA Hearing Clerk should be sent in duplicate before December 10, 1974.

Office of the Hearing Clerk
Room 113
Administration Building
U.S. Department of Agriculture
Washington, D.C. 20250

If you have any questions please don't hesitate to call me or the Denver office.

I look forward to your favorable response.

Sincerely,

Gordon Van Vleck
President

GVV:JJ
cc: Neil Skau
DENVER--------"The COLORADO CATTLE FEEDERS ASSOCIATION unanimously endorses the proposed revisions of beef grade standards as printed in the Federal Register of September 11, 1974," declared William H. Webster, President of the State feeder group.

"It has always been the objective of the COLORADO CATTLE FEEDERS ASSOCIATION to standardize its beef product to the needs and desires of the consumer. We believe that the proposed revisions will afford the consumer a better opportunity to provide her family with the same highly nutritious but leaner type of beef product, something she has indicated a preference for recently", continue the Greeley feedlot operator.

"We agree with President Gordon Van Vleck of the American National Cattlemen's Association that it should be possible to effect lower production costs through shorter feeding periods and the use of less grain in finishing cattle for market", concluded Webster.
TO: ANCA Board of Directors.
FROM: Gordon Van Vleck.
SUBJECT: Beef Grading.

There is less than three weeks remaining for the industry to respond to the proposed changes to the USDA beef grading standards as printed in the Federal Register, September 11, 1974.

We have checked this morning with the Office of the Hearing Clerk of USDA, to see how the responses have been coming. So far, there have been over 600 official responses. Of these, 97 are from producers and 443 from consumers!

The consumer letters have been opposed to many of the changes in the grading standards. The USDA must evaluate every letter individually. I'm sure many of the consumers are not well informed of what these proposed changes will mean to them. Rather, they have probably read some press articles that have not told the whole picture.

I am calling on each of you to sit down and write a letter to the USDA expressing your thoughts to the proposed changes. As I'm sure you are already aware, you voted unanimously to support the USDA proposal at the October 15, 1974, Board of Directors meeting.

Every individual letter counts! Urge others to write, including your wives.

It is embarrassing to think that less than 20% of the letters so far received, are from producers.

This whole issue of beef grading has been the topic of discussion and debate at almost every meeting I have attended over the past year. ANCA made a recommendation to the USDA and they accepted it. Now it's up to us as an association and as individuals, to support these proposals.

Write in duplicate to: Office of the Hearing Clerk
Room 113
Administrative Building
U. S. Department of Agriculture
Washington, D. C. 20250

ps
Office of the Hearing Clerk
Room 113
Administration Building
United States Department of Agriculture
Washington, D.C. 20250

Re: Proposed Changes in Standards for Beef Grades

Gentlemen:

Monfort of Colorado strongly supports the proposed changes in the standards for beef grades, with one exception.

Monfort of Colorado, an integrated company, is the only major beef producing company in the United States encompassing all phases of beef production and distribution. Monfort feeds approximately 500,000 steers annually in its two feed lots. These cattle are processed in the company's slaughtering, fabrication, portion cutting and packaging facilities in Greeley, Colorado, and the beef is distributed by our 16 company-owned branches and many independent distributors throughout the country.

I thought it important and necessary to mention the above facts regarding our company to establish what the tremendous effects will be to our company (and others similar to ours) if the proposed changes are not approved.

In our opinion, these grading changes, and a combination of other factors, need to come about in the very near future for the total industry to provide the kind of beef desired by consumers. As I am sure you are aware, billions of dollars have been lost since September, 1973, by feedlots throughout the country who attempted to feed cattle to grade Choice. Losses have ranged up to $200 per head, and currently the loss is approximately $50 to $100 per head.

With the current grain supply and price situation, rations need to be adjusted if we intend to produce beef to meet consumer demands in the market place, as we have done in the past.

Assuming the grading changes are approved, there is no doubt in our minds that the product produced will be acceptable in quality, and would meet the highest specifications of today's purchasers, and in addition, would offer leaner product at a possibly lower price.
Our company is presently merchandising our own graded cattle as a "Monfort Gold" grade, which includes all of the present Prime, Choice, and the top-half of the Good grade, but only using USDA yield grades 1 and 2 cattle. Although we have only been marketing Monfort Gold for the past 6 months, we are finding a very good acceptance from all aspects with no complaints as far as quality. Because of the leanness, Monfort Gold provides more desirable beef to the consumer than the average of the present Choice grade.

As we mentioned before, we have one objection to the proposed change. This objection is with regard to the proposed requirement that if beef is yield graded, it must also carry a quality grade.

The yield grade and the quality grade relate to 2 different aspects and value characteristics, which if incorporated in the total changes, would definitely be an interference in marketing and merchandising practices presently in existence and in operation.

Other than our stated opposition to mandatory yield grading, the total proposal as printed in the Federal Register is definitely a necessary change and would definitely benefit the consumers of beef and the beef industry as a whole.

Very truly yours,

MONFORT OF COLORADO, INC.

Roland L. Mapelli
Chairman of the Board

RLM:dr
December 30, 1974

TO: MEMBERS OF CCFA GRADING COMMITTEE

FROM: NEIL SKAU, JR.

SUBJECT: BEEF GRADING

I thought that you might be interested in the Yield Grading Reliability article as well as the story on the grade changes. Also, the AMI story on page 26 might be of interest.

1974 has been a busy year for the CCFA Grading Committee. Let's hope our wishes for the proposed changes are realized.

I hope that the new year will be a much better one for each and every one of you.
Most comments favor grade change or modified changes

IT'S NO SURPRISE that a wide divergence of opinion on the proposed beef grading changes have been expressed by meat and livestock industry groups and consumer organizations during the past month at public hearings and in formal statements submitted to the USDA by the December 10 deadline.

Western States Meat Packers Association, which took the lead in moving the USDA to propose changes, reported that of the 465 letters received by mid-November in Washington, one-third commented in favor of the changes, one-third were against the proposal, and one-third favored the proposal but with modifications.

What happens next is anybody's guess. If the additional comments the USDA receives follow the same trend as indicated by the 465 earlier comments, then it would seem the USDA would put the proposed changes into effect with some modifications—most likely by keeping yield grading voluntary and not making the new Good grade so narrow.

The other two extreme courses are that the USDA will do nothing and drop the proposal altogether, or come back with an entirely new proposal for further comment with another round of public hearings.

Generally, most meat packers stand as follows on the four major proposed changes:

1. Favor dropping conformation as a factor in grading.
2. Oppose mandatory yield grading in conjunction with quality grading.
3. Favor the "flat line" approach to marbling.
4. Suggest modification of the proposed narrow Good grade.

Meanwhile, most western states cattle producer and feeder groups

(Continued on page 26)

THE RELIABILITY of present yield grades as a measurement of value differences in carcass beef appears to be questioned seriously by results of a recent study at Oklahoma State University.

Findings of Dr. Wayne Purcell suggest that yield grades are useful in explaining only 31% of the variation of yield of lean cuts from whole carcasses and 40% of the variation in yield of lean cuts from the chuck, loin, round and rib—the four major primal.

These findings are significant because the U.S. Dept. of Agriculture has been claiming that yield grades are highly reliable for measuring value differences. Carcass value differences ranging up to $100 have been claimed by the USDA.

In Purcell's test, he analyzed 118 carcasses—83 Choice and 35 Good grade. Distribution by yield grade is shown below. Table 1.

<table>
<thead>
<tr>
<th>Yield Grade Range</th>
<th>No. Carcasses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 - 1.9</td>
<td>3</td>
</tr>
<tr>
<td>2.0 - 2.9</td>
<td>16</td>
</tr>
<tr>
<td>3.0 - 3.9</td>
<td>59</td>
</tr>
<tr>
<td>4.0 - 4.9</td>
<td>31</td>
</tr>
<tr>
<td>5.0 - 5.9</td>
<td>9</td>
</tr>
</tbody>
</table>

Table 2 summarizes some of the data in terms of percentage of carcass weights. It shows each primal, important sub-primal boneless cuts and fat as percentages of carcass weight by yield grade groupings.

Table 3 shows important summary information. As can be seen, the

Yield Grade Range      No. Carcasses
1.0 - 1.9              3
2.0 - 2.9              16
3.0 - 3.9              59
4.0 - 4.9              31
5.0 - 5.9              9
change in the trimmed lean cuts is about 1% per yield grade.

These results contrast sharply with the USDA’s 1968 data given in Table 4 which show a constant 4.6% change in trimmed cuts per yield grade.

To estimate value differences, the weighted average retail price for beef of $1.42 per pound as reported by the USDA in March of 1974 was used in Table 5. For a 600 lb. carcass, the value difference was $39.19 when using the USDA’s 4.6% difference in yield, but only $8.52 when using Purcell’s 1% difference in yield of lean cuts between yield grades.

Purcell gives several possible reasons for the big differences in his test results and the USDA’s. The USDA work was based on cattle in a wide range of quality, from Prime steers to Canner and Cutter cows. Purcell’s test cattle were Choice and Good grade steers.

Another reason, and the most important, is that the USDA trimmed fat to within 0.5 inches on the thicker cuts and 0.25 on the thinner cuts. In the breaking plant where Purcell’s cattle were cut, fat was trimmed to within 0.75 inches at any point and to an average fat cover of no more than 0.5 inches.

Although Dr. Purcell warns that his test results should not be viewed as a condemnation of yield grades, he does conclude there is a “cutability dilemma” where beef carcasses are concerned.

Table 2 Average Percentages of Carcass Weights for Primals, Selected Cuts and Fat by Yield Grades: 118 Carcasses

<table>
<thead>
<tr>
<th>Name</th>
<th>Yield Grade Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.0 - 1.9</td>
</tr>
<tr>
<td>Round Primal</td>
<td></td>
</tr>
<tr>
<td>Inside Round</td>
<td>22.7</td>
</tr>
<tr>
<td>Outside Round</td>
<td></td>
</tr>
<tr>
<td>Boneless Knuckle</td>
<td></td>
</tr>
<tr>
<td>Shank Meat</td>
<td></td>
</tr>
<tr>
<td>Fat</td>
<td>.81</td>
</tr>
<tr>
<td>Loin Primal</td>
<td></td>
</tr>
<tr>
<td>Top Butt</td>
<td>3.40</td>
</tr>
<tr>
<td>Bottom Butt</td>
<td>3.60</td>
</tr>
<tr>
<td>Tenderloin</td>
<td>2.04</td>
</tr>
<tr>
<td>180 Strip</td>
<td>3.78</td>
</tr>
<tr>
<td>Fat</td>
<td>.88</td>
</tr>
<tr>
<td>Chuck Primal</td>
<td></td>
</tr>
<tr>
<td>Shoulder Clod</td>
<td>.97</td>
</tr>
<tr>
<td>Chuck Roll</td>
<td>6.18</td>
</tr>
<tr>
<td>Chuck Tender</td>
<td>.85</td>
</tr>
<tr>
<td>Shank Meat</td>
<td>2.69</td>
</tr>
<tr>
<td>Fat</td>
<td>.93</td>
</tr>
<tr>
<td>Rib Primal</td>
<td></td>
</tr>
<tr>
<td>Ribeye</td>
<td>2.76</td>
</tr>
<tr>
<td>Blade Meat</td>
<td>.99</td>
</tr>
<tr>
<td>Fat</td>
<td>.72</td>
</tr>
<tr>
<td>Brisket “Primal”</td>
<td>4.5</td>
</tr>
<tr>
<td>Plate “Primal”</td>
<td>7.5</td>
</tr>
<tr>
<td>Flank “Primal”</td>
<td>5.8</td>
</tr>
<tr>
<td>Kidney, front and hind fat, hanging tender</td>
<td>2.83</td>
</tr>
</tbody>
</table>

Table 3 Changes in Percent of Trimmned Cuts, Fat, Bone by Yield Grade

<table>
<thead>
<tr>
<th>Variable</th>
<th>Percent of Cold Carcass Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yield Grade 2.0 - 2.9</td>
</tr>
<tr>
<td>Fat</td>
<td>8.47</td>
</tr>
<tr>
<td>Bone</td>
<td>14.72</td>
</tr>
<tr>
<td>Lean Cuts</td>
<td>76.36</td>
</tr>
</tbody>
</table>

Table 4 USDA’s Illustration of Changes by Yield Grades

<table>
<thead>
<tr>
<th>Measure</th>
<th>Percent of Carcass Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yield Grade 2.0 - 2.9</td>
</tr>
<tr>
<td>Fat</td>
<td>12.6</td>
</tr>
<tr>
<td>Bone and Shrink</td>
<td>10.0</td>
</tr>
<tr>
<td>Trimmed Cuts</td>
<td>77.4</td>
</tr>
</tbody>
</table>

Table 5 Value Differences per Yield Grade: USDA Standards Compared to Test Results

<table>
<thead>
<tr>
<th>Difference in Percentage of Trimmed Cuts per Yield Grade</th>
<th>Value Difference per Yield Grade for 600-lb. Carcass ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>USDA's 4.6%</td>
<td>27.6# @ $1.42 = $39.19</td>
</tr>
<tr>
<td>Test Result's 1.0%</td>
<td>6.0# @ $1.42 = $8.52</td>
</tr>
</tbody>
</table>

WESTERN MEAT INDUSTRY, December 1974
GRADING COMMENTS . . .
(continued from page 19)

go along with the packers, except they generally favor mandatory yield grading. Midwestern feeders and producers seem to favor yield grading with conformation, and oppose lowering of marbling requirements for all A maturity cattle.

Those opposing any changes in grading are mostly meat purveyors, restaurant operators, and consumer groups who feel lowering of fat requirements for Choice beef is a swindle.

PACKER COMMENTS

The packer opposition to mandatory yield grading is very strong. They point out that packers pay for grading and the additional time it would take to yield grade would cost the packers even more. Also, yield grading below Good grade is useless.

Since so much beef is shipped as closely trimmed boxed cuts, yield grading these cuts would be redundant or misleading. Mixing of cuts of different yield grades in the same box may also violate labeling laws, thus further complicating boxed beef production and increasing costs.

Furthermore, the reliability of yield grades as a measure of value differences in beef was questioned seriously by a new study by Dr. Wayne Purcell at Oklahoma State University (see article this issue.)

The USDA itself has admitted that its yield grade data may be outdated and in need of revision as suggested by the Purcell study.

The proposal also would not make it possible for the packer to ship ungraded rounds and chunks to wholesalers for grading later, thus probably forcing the packer to grade all of his slaughter and increasing his costs.

Regarding the proposed new narrow Good grade, dropping beef from the present lower end of the Good grade into Standard would make these carcasses virtually unsaleable to many retailers, claim packers (mostly in the South).

Packers also object to the proposed exclusion from grading of cattle with grub damage or bruises. Such minor damage occurs regularly, they say, but once trimmed there's no reason why these carcasses should not be graded.

PURVEYORS OBJECT

National Association of Meat Purveyors oppose any changes, arguing that further Choice grade dilution would harm the beef industry. Destroy USDA grading as a marketing tool, and revert the meat business to misleading and confusing proprietary or house grades.

The purveyors further argue that restaurants would have a very difficult problem finding enough beef that currently is in the top half of the Choice grade.

AMI suggests ways government could help reduce meat costs

The cost of meat could be reduced if the government would take a few specific actions to aid packers and producers. American Meat Institute president Richard Lyng told a recent USDA conference on food industry productivity. He said the government could:

—Stimulate the production of feed grains by announcing a moratorium on acreage and export controls through 1976.
—Keep a close watch on the inflation impact of USDA, OSHA, FDA and other federal regulations.
—Deregulate competitive transportation systems.
—Permit truck tractors to pull two 40-ft. trailers on interstate highways.
— Expedite the changes in USDA beef grades to permit leaner young animals to be graded “Choice”.
— Improve the accuracy of USDA price spread data to reflect meat as it is marketed today.

Lyng was speaking to a conference called by the USDA to discuss productivity, costs and prices in the food industry. More than 50 industry, government, labor and consumer representatives participated in the conference, which was held in Washington, D.C.

He said that the meat industry has made great progress in improving its productivity, but that it was unlikely that meat producers and processors could lower costs or reduce margins in an inflationary economy. “The highly competitive nature of the meat business has forced out most impediments to efficiency,” he said. “We are not likely to find any single major waste or inefficiency, any single excessive profit, or any lone needless operation which, when eliminated, will materially affect price at retail.”

Cattle industry leaders have also been meeting with government representatives to discuss the economic plight of the meat industry. In meetings in Washington and New York with Secretary of the Treasury William Simon and Nelson Rockefeller, chairman of the Commission on Critical Choices for Americans, cattlemen pointed out three areas in which the government could help the cattle industry out of its “severe depression”:

—Financing for the beef cattle industry is needed, and the federal government should encourage all lending institutions to continue credits for cattlemen who are good risks.
—Beef imports should be limited in 1975 under the Meat Import Act of 1964. Cattlemen pointed out that Japan and the European Economic Community have embargoed beef imports and insisted that the U.S. should not remain the only potential “dumping ground” for beef.
—Current tax policies which provide incentives to continue in business should be retained.

Cattle industry leaders participating in the conferences included the president of the American National Cattlemen’s Association, Gordon Van Vleck; Hilmar Moore, president of the Texas and Southwestern Cattle Raisers Association; Boyd Clements, chairman of the Arizona Cattle Feeders Assoc.; and a number of other influential cattlemen.
March 6, 1975

TO: ALL CCFA COMMITTEE CHAIRMEN

FROM: RICK McELMURRAY

You should be commended on the success of your committee report before the Mid-Winter Convention. It was well presented and received as we have received many favorable comments. Past experience indicated some doubt of the effect of the reports but they were timely views of the industry's current problems.

This will not necessarily become a convention standard, but committee work is a strong part of our association and these efforts should be periodically exposed and applauded by the general membership.

Thanks again!
July 18, 1975

TO: MARKETING COMMITTEE MEMBERS
FROM: RICK McELMURRAY, EXECUTIVE SECRETARY
RE: MARKET NEWS SERVICE

A few months ago, it was brought to my attention, problems existed in our market news telephone service. We have sponsored this service for several years and successfully raised financial and accommodating support for this service. As one can only expect, problems do arise from time to time with such a program. We have lost some support and the CCFA directly is bearing the bulk of the cost.

At our June Board of Director's meeting, this was discussed and referred to our Marketing Committee. Chairman Dean Anderson has called a Committee Meeting for July 24, 1975, Thursday afternoon at 2:30 p.m. at the Home State Bank in Loveland. The Bank is located at 6th and Lincoln.

This problem needs action as soon as possible so put forth an effort to attend. Also, think about new sponsors for the service.
TO: ALL MEMBERS OF THE CCFA GRADING & MARKETING COMMITTEE

FROM: CHAIRMAN, JAMES McKay

SUBJECT: COMMITTEE MEETING

It seems to me and to other officers and directors of the CCFA that we do have several problem areas in both Grading and Marketing of Beef. Because of this concern, I have called a meeting of the Grading & Marketing Committee. The meeting will be at 2:00 p.m. on Thursday, October 30, 1975, at the Board Room, Greeley Producers Stockyards, Greeley, Colorado.

I hope that all of you will be on hand so that we may get as much input as possible. Check with your neighbors, they might have some ideas regarding the grading and marketing of Beef.

NOTE: Please add the following to your list of the Grading & Marketing Committee.

Marvin Kniese
7V Ranch
Wray, Colorado 80758
Phone: 332-5514
October 23, 1975

Mr. Marvin Kniese
7V Ranch
Wray, Colorado 80758

Dear Marvin:

First, I want to apologize to you for not getting this letter off sooner but, it amazes me just how much must be done in getting my term as CCFA President under way. There are so many facets to the job and so many of them demand considerable time. However, I'm beginning to feel more at home now and we will soon be working through our first convention, this time we are meeting along with the Colorado Cattlemen's Association.

I want to thank you for offering to serve the CCFA and have given you an assignment as a member of the Grading and Marketing Committee, something I feel you are particularly fitted for because of your experience.

Along with this letter you will find a list of the members of the Grading and Marketing Committee and an announcement of the first meeting of that Committee.

Again, thanks to you for your interest in the COLORADO CATTLE FEEDERS ASSOCIATION.

Sincerely yours,

Lloyd Kindsfater
President

LK:jmt
MARKETING & GRADING COMMITTEE
October 30, 1975

Attending: Bill Kirby, Ed Meyer, Don Hamil, Marvin Kneise, Ben Houston, Kent Stegner, Bob Fritzler, Jim Fry, Al Stroh, Lloyd Kindsfater, Jim McKay presiding and Rick McElmurray, office staff.

Lloyd Kindsfater, President of the CCFA, opened the meeting and commented the Marketing and Grading Committees had been consolidated into one unifying our efforts. Lloyd has been receiving complaints from feeders and packers that grading is erratic and at times very harsh. He cited a trend had developed since Cattle on feed numbers had declined from late 1973 and over-finished cattle are no longer a problem. For years it was not uncommon cattle being fed longer than necessary. And upon a drastic change in feed cost choice graded cattle have declined. Lloyd pointed out instances of variation of choice grade standards in Colorado as compared to eastern and western standards. Lloyd offered a suggestion informing the grading service of our concern as an association by writing a letter to Dave Hallett, Chief of the Meat and Poultry Grading Service.

Bob Fritzler mentioned inconsistencies in grading and hard bone determination as vital areas. Sterling area feeders have registered complaints at their local plant but graders rejected complaints with little feeder satisfaction. Don Hamil reported changes in cattle that could partly account for grading problems. Younger, higher efficient cattle have been bred in the last ten years and now going to slaughter. An innovative change in cattle production should be followed with an update in grading standards. Jim McKay and Don Hamil cited changes from British breeds to crossbreeding and correspondent marbling to age factor shifts. Don Hamil spoke of the maturity before Marbling Theory where a ration was not as significant in finish as age and size of animal. Jim McKay recognized the Colorado Beef Test at Jim Millers feedlot and participation at the standards in monitoring age and maturity determination of these cattle because problems were prevalent in the past.

Jim McKay suggested the CCFA sponsor a grading seminar where varying types of cattle are viewed live and followed through to grading. Groups of 10 feeders or less view grading and knowledgeable person explain factors and answer questions.

It was agreed upon to take three actions to the grading problems.

1. Compose a letter to Dave Hallett, Chief, Grading Branch, Washington, D.C., of our concern of inconsistency and age determination.

2. Inform cattle feeders of grading through a grading seminar.

3. Request for periodical monitoring of Colorado meat graders performance and interpretation of grading standards by highly qualified and respected supervisor in the grading service.

Bob Fritzler reported on American Beef Packers and in particular the Ft. Morgan plant. No sale has been confirmed but a group of Colorado feeders representing a stockholder group have offered slightly over $4.5 million for the packing facility and reported Sterling Beef Packers have shown interest to manage the facility. Bob reported Herb Albers of the feeder committee stated a repayment plan to unsecured creditors of ABP had been accepted.
Marketing problems were discussed and Kent Stegner strongly recommended the CCFA uphold its Marketing Code of Ethics to its members. It was also strongly suggested accurate and more timely reporting sales to USDA Market News Department.

Rick McElmurray updated committee on the Market News phone system and reported phone changes will occur in Greeley and Sterling. He offered a proposal of expanding Market news to eastern Colorado areas through an enterprise phone system attached to the Sterling facility. The committee backed the proposal providing some financial support can be obtained in the areas service will be provided.
November 24, 1975

The following four committees will be asked to give a report at the Board of Directors Meeting during the Winter Convention at Colorado Springs.

Budget and Finance Committee
Grading and Marketing Committee
Membership Committee
Tax and Legislation Committee

In order that you might have more or less a complete report, we have set up a luncheon meeting for those committees in Directors I at 12:30 p.m. on December 4, 1975, at the Four Seasons Motor Inn. Directors II Room will be available following lunch for the meeting.

The Board of Directors Meeting will take place at 3:00 p.m. in the Cervantes Room. Give some thought to what your committee should discuss.

IMPORTANT!! In order that we may make a guarantee with the Four Seasons please return the enclose card.

We'll see you December 4 at the Four Seasons!!!

Sincerely,

Neil Skag Jr.
Executive Vice President

JMT
DENVER, COLORADO, November 29—Proposed changes in the U. S. Department of Agriculture's beef grading standards should result in less fat and more desirable beef, with an accompanying reduction of at least 200 pounds in the amount of grain fed per animal.

This was pointed out today by Gordon Van Vleck, President of the American National Cattlemen's Association, in noting that ANCA and many of its affiliated cattle associations have endorsed the USDA proposals.

As previously explained by USDA, the revisions would make it possible for slightly leaner beef to qualify for the top Prime and Choice grades; make the "eating quality" (tenderness, juiciness and flavor) of beef within each grade more nearly uniform; establish a more restrictive "Good" grade; and require that all beef graded for quality also be graded for "yield" (percentage of retail cuts).

"The proposed modifications," Van Vleck explained, "will encourage production of more desirable beef, with less excess trimmable fat. Fully adequate tenderness and marbling will still be provided.

"Also of importance is the prospect that average feeding time can be reduced, by 10 days or more, and a minimum of 200 pounds of feed grain can be saved per animal. This adds up to a reduction in grain requirement of at least 2.5 million tons per year."
"The feeding cost saving would probably amount to more than $20 per animal, or an average of at least 5¢ per pound in terms of retail cuts of beef."

Longer term, Van Vleck said, the changes will encourage production of more "meat type" cattle, with inherent ability to yield quality beef, with less trimmable fat.

"Recent consumer research sponsored by ANCA indicates that adequate marbling (small flecks of fat within the lean meat) remains important to most persons," Van Vleck said. "The proposed grading changes would continue to provide desired marbling and tenderness.

"Most of the people surveyed indicated, however, that they would prefer to see a reduction in the amount of surface fat. More than two thirds said they would favor grade standard changes which would reduce the general fatness of beef while retaining the flavor and tenderness found in grain-fed beef."

Van Vleck also cited survey results which would indicate interest in a proposed new "Good" grade. A majority of the survey respondents said that, if they could purchase tender, slightly marbled beef for somewhat less than tender, more abundantly marbled beef, they would purchase the slightly marbled product much or all of the time.

The ANCA President pointed out that USDA is accepting comments on the proposed grade changes until December 10.

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For taped excerpts concerning the above release, please call:
800/525-3056 (TOLL-FREE, nationwide, except Colorado)
803-COWS (COLORADO ONLY)