

CATTLE & CALVES RANKED BY COUNTY:

1. Malheur
163,486
2. Morrow
149,340
3. Harney
96,972
4. Lake
85,584
5. Baker
75,376
6. Klamath
71,020
7. Douglas
58,852
8. Umatilla
56,415
9. Crook
47,399
10. Tillamook
44,364



Cattle & Cattlemen in every Oregon County!

The Oregon Cattlemen's Association has been the voice of the cattle industry since 1913. Today there are more than 1.2 million cattle and calves disbursed throughout Oregon in every county.

OCA is governed by a Board of Directors comprised of the officer team and seven District Vice Presidents. These volunteer leaders are responsible for setting the policy of the OCA which impacts all producers. Every cattle producer and stocker/feeder is welcome! Together we continue to serve as the voice of Oregon's Cattle Industry.

OREGON CATTLEMEN'S ASSOCIATION | 1320 CAPITOL ST NE SUITE 150, SALEM, OR 97302
EXECUTIVE DIRECTOR TAMMY DENNEE: (541) 980-6887 | WWW.ORCATTLE.COM

DISTRICT MAP

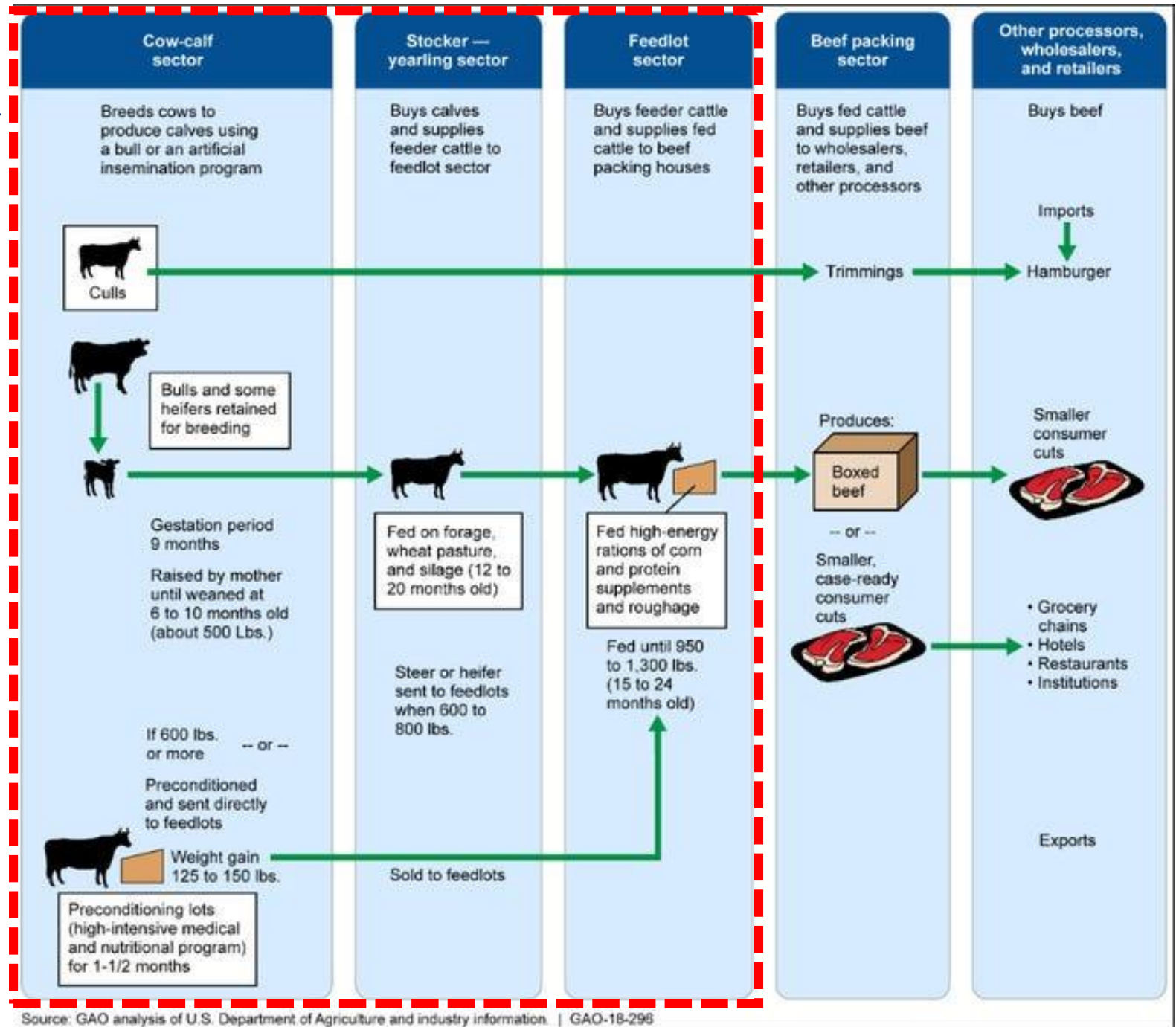
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| 11. Wallowa
36,249 | 24. Deschutes
13,895 |
| 12. Grant
35,213 | 25. Polk
13,108 |
| 13. Marion
29,433 | 26. Gilliam
10,665 |
| 14. Lane
26,392 | 27. Curry
8,263 |
| 15. Coos
25,605 | 28. Benton
8,165 |
| 16. Union
24,573 | 29. Washington
5,422 |
| 17. Linn
24,282 | 30. Josephine
5,373 |
| 18. Yamhill
21,920 | 31. Columbia
4,775 |
| 19. Wasco
21,600 | 32. Clatsop
4,016 |
| 20. Jackson
20,787 | 33. Sherman
3,369 |
| 21. Jefferson
16,884 | 34. Lincoln
2,993 |
| 22. Wheeler
15,228 | 35. Multnomah
1,284 |
| 23. Clackamas
14,756 | 36. Hood River
898 |

Total Cattle & Calves Inventory: 1,243,956 | Total Market Value of Cattle & Calves sold: \$977,404,000

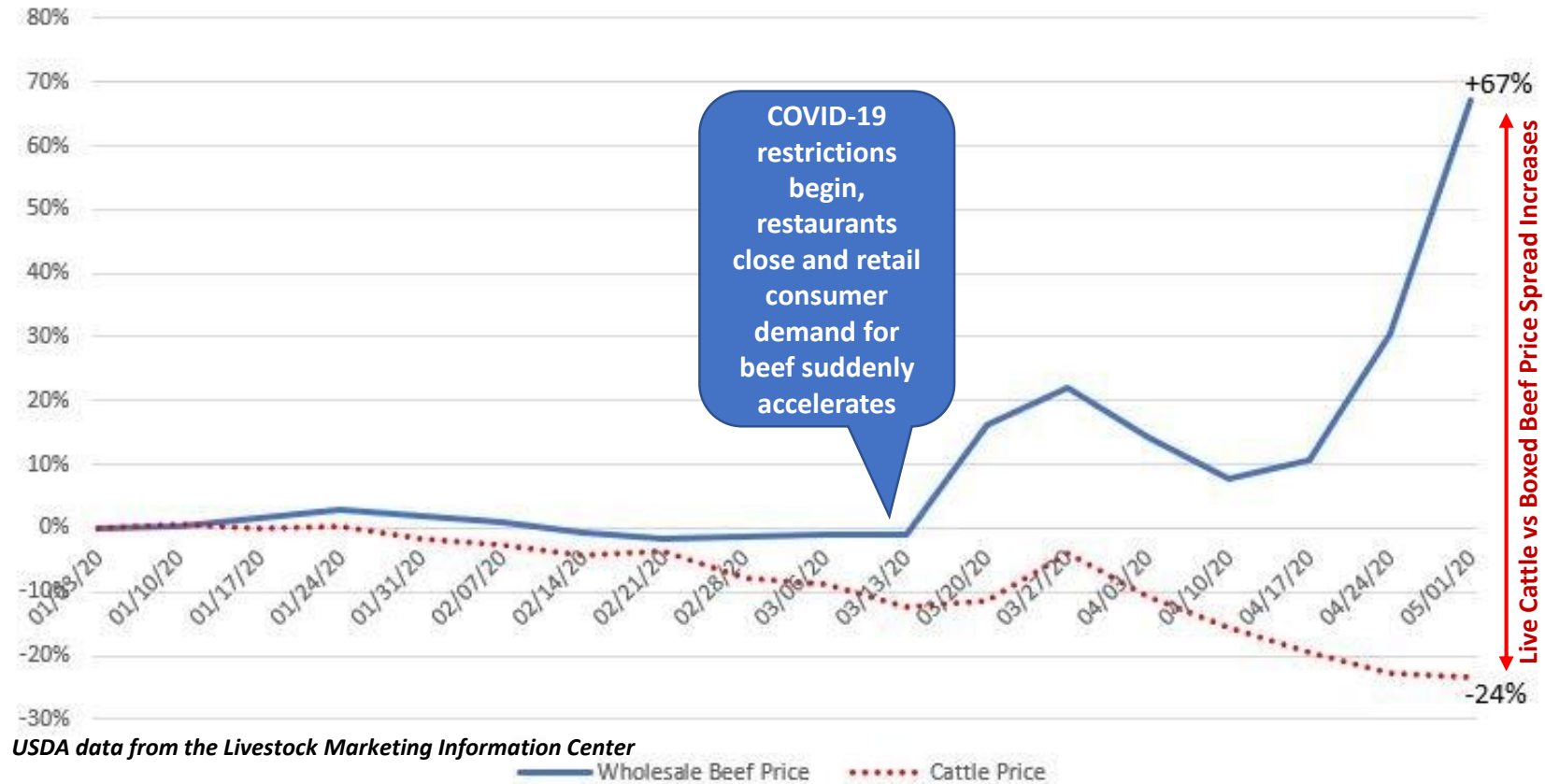
*Data according to the 2017 USDA Census | OCA Membership stats valid as of 10/21/2020

Beef Supply Chain

- Oregon is composed of Cow-Calf, Stocker, and Feedlot sectors (“live cattle”)
- Only 4 multi-national Beef Packer companies supply 83% of U.S. beef (“boxed beef”)
 - Tyson Foods, JBS S.A., Cargill and National Beef/Marfrig
 - **These companies are currently under USDA and DOJ antitrust investigation**
- Restaurants represent almost half of total U.S. beef market demand



Change in Farm and Wholesale Beef Prices Since 1st of January (2020)



COVID-19 “Panic Buying” accelerated consumer demand for beef at the groceries, shifts traditional supply chain dynamics (from restaurant and hospitality markets to consumer retail markets of distribution), and packer plant processing capacity reductions are caused by plant shutdowns, worker illness, and labor shortages.

When a packing plant goes down, the packers don't need as many cattle. That is, a plant closure results in too many cattle floating around relative to the ability to process them. There is an excess supply of cattle given to the processing capacity. Thus, plant closures cause a reduction in demand for fed cattle. As a result, cattle prices fall.

At the same time, a plant closure means fewer cattle getting turned into burgers and steaks. A plant closure results in less meat being on the market. There is a reduction in meat supply. Groceries and consumers are left competing for a smaller amount of meat, which results in meat prices getting bid up.

Key Points:

- U.S. domestic and international export beef market demand are strong and growing
- U.S. **does not** have a shortage of live beef cattle supply, it has a shortage of beef processing plant capacity
 - In 2020 meat packing plants were early hotspots for COVID-19 outbreaks
 - In 2021 meat packing plants remain at reduced processing capacity due to labor shortages
 - Since early 2020 meat prices have gone up significantly at the wholesale (boxed beef) packer level, but remain low or falling (volatile) at the live cattle producer level
 - **Stable and adequate beef processing plant capacity is fundamental for stable and adequate live cattle market prices**
- When the price of beef goes up in the market “Live Cattle” beef producers are not making the profits, but “Beef Packers” are making record profits
 - Only 4 multi-national beef packer companies supply 83% of U.S. beef (wholesale “boxed beef”)
 - JBS S.A. (Brazil), National Beef/Marfrig (Brazil), Tyson Foods (Arkansas), Cargill (Minnesota)
 - These 4 companies are currently under USDA and DOJ antitrust investigation
- Oregon Cattlemen’s Association supports the “*Cattle Market Transparency Act of 2021*” sponsored by U.S. Senators Deb Fischer (R-NE) and Ron Wyden (D-OR) consisting of four major components:
 - **Price Discovery.** Requires USDA to maintain that a certain minimum amount of cattle must be sold on a negotiated cash basis as determined appropriate for each of the USDA cattle market regions.
 - **Market Transparency.** Requires USDA to maintain a library of formula contracts made between packers and producers with the packers required to provide this information to USDA.
 - **Market Reporting.** Requires large meatpackers to comply with Livestock Mandatory Reporting (LMR) and report market information to USDA’s Agricultural Marketing Service (AMS) for public release to enable cattle producers to make informed marketing decisions.
 - **Reporting Timeliness.** Requires large meatpackers to report the number of cattle to be delivered each day for slaughter for the next 14 calendar days.
- Oregon Cattlemen’s Association supports the 2021 Oregon Legislative proposals to expand Oregon meat inspection services and Oregon meat processing facilities and capacities
 - HB 2785A ODA Grant Fund for Meat Inspection (referred to Ways & Means)
 - HB 2786A ODA Study Barriers to Meat Production (referred to Ways & Means)



2021 Legislative Priorities

Wildlife Management

Oregon's ranchers are the original conservationists! We aim to ensure Oregon's wildlife is appropriately managed to achieve healthy habitats and ecosystems while protecting the rights and needs of our producers.



Elk population and damage control.



Working with biologists on endangered species protection for Sage Grouse in Eastern Oregon.



Appropriate wolf pack management and tracking. More resources for ranchers impacted by wolf packs.

Water Quality & Quantity

Water is a critical and precious resource for sustaining animal life and our families. Oregon has a century-old water appropriation process and a modernized approach to ag water quality.



OCA's Water Resources Chair is also a water law attorney and a few focuses this year for ranchers have been Kamath Water Rights, Groundwater Regulation under the Clean Water Act, and proposals from Oregon's Water Resources Department regarding water use reporting.

Public & Private Lands

Protecting Oregon lands and the environment is critically important to cattle ranchers and for the health of the cattle operations in this state. Many private lands owned by OCA members provide habitat for Oregon's fish and wildlife. OCA partners with local, state and federal government to keep working lands working!

Carbon sequestration is the long-term storage of carbon from the atmosphere in soil and plants. Beef cattle play an important role in increasing carbon sequestration through the production of human food from unfertilized pastures and grasslands, and the integration of cattle grazing into "no-till" cropping systems.

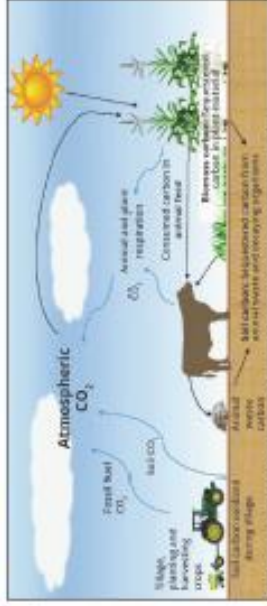


Figure 1. Carbon Cycle Diagrams from Beef Operations and the Role of Atmospheric Carbon. Source: USDA

Market Access & Operating Costs

The beef industry faces constant challenges in a competitive, global commodity market. OCA strives to deliver the best opportunities for producers to provide quality beef products to market. In doing so, we help producers avoid additional undue regulatory or compliance costs, which may disadvantage Oregon producers in comparison to those in other states and around the world.



Budget & State Finance

Beef is one of the top agricultural commodities in Oregon! Cattle producers rely on partnerships with state agencies and are vulnerable to continued tax increases. OCA advocates for funding that both directly and indirectly supports the broad range of necessities for Oregon's rural communities to thrive.

OCA's MISSION

OCA advocates on behalf of ranchers and their families to ensure continued success of their operations and contributions to Oregon communities. OCA members are committed to sustaining the economic and cultural tradition of caring for Oregon's working lands while producing one of the state's top agricultural commodities. OCA works to educate legislators on the challenges facing citizens in the rural and frontier areas of Oregon.

Cheryl Martin, OCA Legislative Committee Chair | Tammy Dennee, Executive Director (541) 980-6887

Learn more about the work we do at www.oregancattlemen.com & Follow us on Facebook!