

# MICHIGAN BEEF INDUSTRY COMMISSION

## Board Meeting

Thursday, March 17, 2022

CentralStar Cooperative

### **Commissioners in Attendance:**

Monte Bordner  
Bret Schapman  
Jon Haindl  
Jennifer Lewis  
David Neitzel (virtually)  
Leon Knirk  
Travis Schunk

### **Others Present:**

Dr. Cathy Ernst, MSU  
Sasha Eliason, MDARD  
George Quackenbush, MBIC  
Jacquie Harrison, MBIC  
Katie Serbinski, MBIC

### **Not in Attendance:**

Dave Clark  
Jill Sears

### **Welcome and Call to Order**

Chairperson Monte Bordner called the meeting to order at 9:13 am. A quorum is set in that six commissioners are present in person.

### **General Business**

#### **Approval of Agenda**

Jon Haindl would like to add a discussion about possible investment in video equipment.

Jon Haindl **MOVED** to approve the agenda as amended. Jennifer Lewis **SUPPORTED**. **MOTION CARRIED**.

#### **Approval of Minutes – Jon Haindl, Secretary**

Jon Haindl **MOVED** to approve the minutes of the December 16, 2021, board meeting. Travis Schunk **SUPPORTED**. **MOTION CARRIED**.

#### **Financial Report – Jill Sears, Treasurer**

With the Treasurer not in attendance, George Quackenbush presented the financial reports. George presented the Financial Summary and explained what the year-to-date net assessments and expenses represent. Assessments are 108% of the year-to-date budget and expenses are 86% of year-to-date budget. MBIC has not yet needed to access the board-approved withdrawals of cash on hand for promotions or operating expenses. The Balance Sheet for the Checkoff program reflects that the investments are earning less in interest than expected due to low interest rates. The Non-Checkoff Balance Sheet reflects Certificates of Deposit that will renew on a quarterly basis, rotationally, until all CD's are on a 12-month maturity. The Checkoff assessments are trending up compared to FY21.

George notified the board that Beef Safety Summit & YCC budgeted expenses won't be utilized this year due to cancellations. Any line items in the budget can be reallocated at any time in the year by September 30, 2022.

Jennifer Lewis **MOVED**, and Leon Knirk **SUPPORTED** to accept the financial reports as presented. **MOTION CARRIED**.

#### **Industry Update from Michigan State University – Dr. Cathy Ernst**

Dr. Cathy Ernst, Chair of the MSU Animal Science Department, reported that the solar project on campus is ready to break ground on May 1 and is expected to finish installation by summer of 2022. There is still concern about the beef program which is planning to divest of Angus and Simmental herds over the next two years. The goal is to build back the Angus herd. Fencing is planned to enhance the program and forage planting is planned while building the Angus herd. It was recommended that sheep be allowed to graze on the solar array property. The leadership is willing and believes it could be a pilot study of land use and solar.

The current dairy facility is 60+ years old and not effective any longer. There is an infrastructure bill in the Michigan legislature to provide funding to build new dairy facilities. MSU is planning for a 700-cow herd, robotic milking and a visitor center located on MSU property in Lansing/East Lansing. MSU is also planning to replace the old dairy with greenhouses.

The committee tasked with the Dean search is going forward with the process. Dr. Ernst is working with the faculty to fill two teaching positions and is rebuilding position management.

Dr. Dan Buskirk has been recognized as the Camden Teaching Award winner which makes MSU proud.

## **Information**

### **2022 Cattle Industry Convention**

The 2022 Cattle Industry Convention was held in Houston, Texas, February 7-9. Leon Knirk and Monte Bordner represented Michigan and George Quackenbush was there as well. Leon reported that he was on the Food Safety Committee, and he attended an orientation to learn what the committee will look at and what they plan to do. Monte was on the Consumer Trust Committee. He reported that American Farm Bureau (AFB) is using funds for education, particularly about the environmental impact of raising cattle. AFB and NCBA are coordinating to provide educational opportunities. George was on the Domestic Consumer Market Committee as a non-voting member of the committee. The Consumer Research meeting is where they discussed sustainability from the consumer's perspective, such as animal care. There was discussion about weaving together sustainability with Beef Quality Assurance. There is a new NCBA staff person working on grouping states based on consumer perceptions. Michigan is in the "general" group where consumers like beef but need more information about beef cuts and beef cooking. NCBA will tailor campaigns based on these group demographics.

### **Cattlemen's Beef Board Orientation**

The CBB orientation for new beef council board members is April 6-8, 2022. Monte Bordner is registered to attend.

### **Qualified State Beef Council Director Orientation**

This orientation will be held April 6, 2022. Leon Knirk is interested to go, and Jennifer Lewis can't attend due to a family conflict. Dave Neitzel may be able to attend. NCBA covers all costs.

### **Nutrition & Consumer Info Report – Katie Serbinski**

Katie reported that:

- 2022 began with national campaign-Eating in the Early Years with NCBA creating publication materials and promotional videos geared toward parents of children 6 months to 2 years. MBIC sent an email to over 1,600-member health professionals with Michigan Chapter of American Academy of Pediatrics (MIAAP) with an ad from Beef It's What's For Dinner and video content. There will be an in-person conference in September in Ann Arbor.
- Katie developed MIAAP Eating in the Early Years content. MIAAP staff are sharing this information and resources with daycare centers.
- Katie is creating a master list of pediatricians, cardiologists, and daycare centers in order to send mailed postcards or emailed newsletters with QR codes that access the MBIC website and national beef websites. MBIC has an advertisement on the MIAAP website homepage where the 1,600 members and 900 other visitors can see it.
- NCBA has partnered with Gordon Food Service on a campaign with recipes, menus, and nutrition information. Katie worked with NCBA on this partnership.
- MBIC partnered with MI Bean Commission to place promotional information with Spartan Nash in September 2021 for a Back-to-School promotion.
- February was Heart Health Month and MBIC partnered with Nebraska Beef Council on a Take Heart campaign. This campaign was again through Spartan Nash, with stores in 8 states, and the campaign will extend, not only in February, but throughout the year. The partnership includes promotional items

in-store and online with Spartan Nash. Posters are placed in 102 stores in Michigan. This campaign included a link to online ordering of heart healthy foods including beef.

- MBIC is partnering with Michigan Ag Council to provide beef messaging at farmers' markets. This includes e-newsletters to over 7,000 subscribers and has reached over 11,000 on social media.
- March is National Nutrition Month and Katie sends out an e-newsletter to 492 subscribers. There are plans to reach nutrition students with help from university advisors, etc. During this month, dietetic interns and registered dietitians are speaking in classes. Katie met with some dietitians connected to Michigan Dairy Council and they are interested in sharing the messaging.

#### **PFAS Situation Update – Brad Deacon, MDARD**

Brad Deacon, MDARD Director of Office of Legal Affairs/Emergency Management, described his duties as director and what PFAS is. PFAS is a substance that includes several chemicals and is used for many purposes. These chemicals are measured in parts-per-billion or parts-per-trillion and are linked to many diseases. Brad described how PFAS is used and ends up in a water table and in plants. He described the areas affected such as airports, cities, and towns. Water systems for towns & cities come from rivers infected with PFAS. Industrial businesses discharge PFAS into groundwater. The PFAS content in humans is trending downward because of years of regulation and elimination of chemical use in various products.

MDARD is in discussion with USDA, FDA, and EPA, with townships, county commissions, and local communities regarding the prevalence of PFAS in certain areas of the state.

Cattle can excrete PFAS faster than humans. Research is being done to learn more about this issue.

A local cattle farm has been tested and have shown some contamination. MDARD has worked with this farm with regard to paying for beef processing and disposal. MDARD created a monetary fund to help pay for crops and animals that need disposal. The more urgent problem of the PFAS issue is how to clean up the contaminated areas.

#### **Executive Report – George Quackenbush**

George reported on the March 2022 monthly webinar provided by NCBA:

- NCBA is doing research on consumer preference, component drivers, and demand drivers.
- The BIWFD 300 NASCAR race was telecast on Fox Sports in Daytona, Florida. The reach and impressions numbered over 6.3 million.
- Tony Romo is the new spokesperson for the Summer Grilling Campaign (a demand driver). NCBA is using pictures, ads, The Playbook, etc.
- NCBA is providing information about new beef products to retail and foodservice companies with the intent to compete with chicken (nuggets, bites, etc.)
- NCBA and BIWFD is engaged in a partnership with Gordon Food Service using ads in e-commerce systems. These ads ran for two months.
- NCBA is partnering with Kroger for the Easter market using an e-commerce campaign promoting beef roasts.

In Michigan:

- MBIC placed an ad again in 2022 in the Michigan Agriculture, an MDARD publication, talking about sustainability. Fifty to 60 thousand copies are distributed to different offices and locations in Michigan. MBIC also collaborated with an MDARD journalist on a supply chain article.
  - Discussions are in process with MIS and a meeting is scheduled for April with an MIS representative regarding the 2022 MIS event. MBIC is looking at options to serve beef on Fan Plaza. Beef samples were provided last year at a great cost and with many challenges. A partnership with Cottage Inn Pizza for a Cheeseburger Pizza is being explored. Also being explored is adding a burger to the MIS concessions (Pit Row Burger or Buck Off Burger).
  - MBIC financially supports the MSU Beef Team with the costs of providing BQA training in Michigan.
- Jon Haindl **MOVED** that the FY 22 MBIC budget be amended to reallocate \$1,500 from YCC (Acct 7463) to BQA (Acct 7460). Leon Knirk **SUPPORTED. MOTION CARRIED.**

- MBIC sponsored the Great Lakes Regional Dairy Conference earlier this year.
- The Drive publication is mailed by Cattlemen's Beef Board to about 3,000 Michigan residents/farmers. The most recent issue featured an MBIC Producer Communications insert.
- MBIC puts an ad into each quarterly issue of the Michigan Cattleman magazine including a Beef Checkoff compliance ad.
- George and Katie attended an event put on by McDonalds celebrating March Food and Agriculture Month. Over 11 million pounds of beef are sourced from Michigan through McDonalds.
- George discussed the challenges that the MBIC staff experiences working on all the events and tasks for MCA.

## **Decisions**

### **Selection of Federation Director**

Travis Schunk volunteered to serve as a Federation Director for this year.

Bret Schapman **MOVED** that Travis Schunk be appointed Federation Director for the remainder of 2022.

Jennifer Lewis **SUPPORTED. MOTION CARRIED.**

### **NCBA FY 2021 Audit**

Jon Haindl **MOVED** to accept the FY2021 NCBA Audit as presented. Jennifer Lewis **SUPPORTED.**

**MOTION CARRIED.**

## **Allied Industry Reports**

### **MI Department of Agriculture and Rural Development**

Sasha Eliason, MDARD representative, discussed the new SOP requirements that describe the activities specific to Restaurant compliance with the requirements within the Michigan Modified Food Code and Michigan Food Law. These procedures are followed and used to train staff members responsible for those activities. Grant opportunities available until March 24<sup>th</sup> at 3pm. MDARD recently awarded 21 grants, mostly from businesses in the UP/Marquette area, at a total of \$9.6 million dollars. The new cycle starts October 22 for these grants. Each are \$100,000 requiring \$30,000 cash match.

### **MI Cattlemen's Association**

George Quackenbush reported that the Bull Sale will be Saturday March 19<sup>th</sup> at Plank Farms, in Crystal. This will be the last sale at this location. Seventy-five bulls are on the block for this sale. The Beef Expo will be held at the MSU Pavilion April 1-3. The Annual Conference will be held in conjunction with the Beef Expo on April 1<sup>st</sup>. There will be breakout sessions for producer education and Colin Woodall, NCBA CEO, will attend Expo and Annual Meeting. The reception will be held on Friday evening, Saturday is the Cattle Sale, and the Block and Bridle junior show will be on Sunday, and they have expanded participation and many added events for the year.

Senate Bill 885, put forth by Sen Roger Victory, is a \$1.4 billion proposal for agriculture. The Cattle Producer Relief Fund is intended to financially assist TB positive farms to reimburse for feed, bedding, and other expenses. The cap for each farm is \$20,000.

The MCA Summer Round-Up will be held the last weekend of June in McBain at Hughston's Cow Camp where there will be the BBQ and dessert competitions again, a banquet, Corn Hole Tournament, Producer Education demos and much more. MCA is hoping to incorporate BQA Transportation training as well.

Jon Haindl suggested purchasing a video equip for meetings. This topic is tabled for another meeting.

## **Commissioner Reports and Public Comments**

Jennifer Lewis said they have experienced a slowdown at the beef store, but customers are glad to find them. They will have an anniversary Dairy Store party on April 30<sup>th</sup>. The farm has seen lots of rain and they are anxious to plant. The dairy is doing well but having labor issues.

Leon Knirk said his farm is wet and weather is hard on cattle. The NCBA Convention in February was new for him and overwhelming and is looking forward to orientation in Denver.

Jon Haindl reported that the UP had one of the coldest winters with lots of snow on the ground. Dairy prices are pretty good, but costs are going up. Michigan is the #1 potato chip state but seeing lower consumer consumption. Potatoes are not being sold for chips.

Bret Schapman said he is full on cattle. Their farm is still struggling with EQIP and NRCS issues. Water conservation project costs have increased. Ear tagging issues are ongoing for the feedlot. Crops taken on 700 acres this year.

Travis Schunk reported that the packing house is full and have between 1900-1950 killed per day while the national average is 645-650K a week. Sale barn stock is short and live cattle have out traded the bid.

Monte Bordner reported they are starting to calve and have traded cows for iron. Potato and seed corn farms are ready to go even with high prices.

Dave Neitzel stated that market costs are coming down but still above 2021 prices. At Michigan retail sites, middle meat is in acceptable market ranges while end cuts are at 45% margin. Retail is meeting sales/margin numbers due to inflation, not tonnage. Beef is in a good position to knock chicken off the market.

Jon Haindl **MOVED** to go into Executive Session at 2:26 pm. Leon Knirk **SUPPORT. MOTION CARRIED.**

Regular session resumed at 3:45 pm.

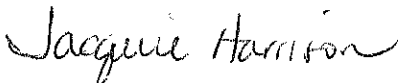
#### **FY22 Meeting Dates**

Next meeting will be on August 2, 2022, in lieu of the July 21, 2022.

The final meeting of the fiscal year will be held September 22, 2022.

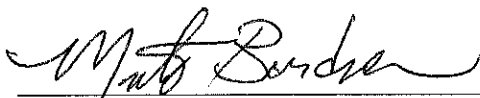
The meeting was adjourned by the Chairperson at 4:00 pm.

Respectfully submitted,

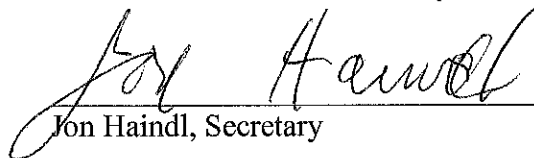


Jacquie Harrison

MBIC Administrative Office Manager



Monte Bordner, Chair



Jon Haindl, Secretary

