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July 12, 2017

President Donald Trump  
1600 Pennsylvania Ave., NW  
1<sup>st</sup> Floor, West Wing  
Washington, DC 20500

RE: Recent China Trade Agreement

Dear President Trump,

The Organization for Competitive Markets (OCM) is an organization which represents independent family farmers and ranchers. The foundation of OCM is to reclaim competitive markets in agriculture for farmers, ranchers and rural communities. Our mission, and our duty, is to define and advocate the proper role of government in the agriculture economy as a regulator and enforcer of marketplace safeguards necessary for markets that are fair, honest, accessible and competitive for all citizens. OCM firmly believes the U.S. government should never place foreign interest over the interest of its own citizens, farmers and businesses, yet that is exactly what has happened with regard to the new trade deal with China.

The requirements for China beef exports clearly put U.S. farmers, ranchers and U.S. cattle production at a grave disadvantage to foreign imported beef from both Canada and Mexico.

First, the trade deal does not limit beef exports to China to only U.S. raised beef, rather it allows the exported beef to originate from the U.S., Canada or Mexico. Therefore, claims by those cheering this new deal, including the National Cattlemen’s Beef Association (NCBA)<sup>1</sup>, are just flat wrong. The words describing the exported beef under this U.S. trade agreement as “U.S. beef” are misleading to both the U.S. cattle producers who are seeking market opportunity and to Chinese consumers.

It should be noted that by its own admissions, NCBA represents less than 4 percent of U.S. cattle producers.<sup>2</sup>

Second, U.S. cattle producers are being held to a higher standard of traceability than are their counterparts in Mexico and Canada and the standards required of the multi-national beef processors and packers processing in the U.S. The U.S. cattle producer must provide a premise identification but

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<sup>1</sup> <http://www.beefusa.org/newsreleases1.aspx?NewsID=6297>,  
<http://www.beefusa.org/newsreleases1.aspx?NewsID=6338>

<sup>2</sup> [http://competitivemarkets.com/wp-content/uploads/2017/04/factsheet\\_cattleindustryhowweare-Number-of-cattle-producers-1.pdf](http://competitivemarkets.com/wp-content/uploads/2017/04/factsheet_cattleindustryhowweare-Number-of-cattle-producers-1.pdf)

imported cattle or beef are not under the same burdensome requirement. This higher standard drives up U.S. cattle producers' costs, putting them at a market disadvantage.

As part of the China beef trade agreement, USDA clearly states all beef exports to China must comply with the USDA Export Verification (EV) Program. It states in part:

“Beef exports to the People’s Republic of China must meet specified requirements under the USDA Export Verification (EV) Program. These requirements apply to U.S. companies—slaughterers, fabricators, and/or processors—that supply beef and beef products as listed on the USDA Food Safety and Inspection Service (FSIS) website.”<sup>3</sup>

The specific requirements are more fully set out in USDA Export Verification (EV) Program: Specified Product Requirements for Bovine – People’s Republic of China dated June 9, 2017.<sup>4</sup> It states in part:

#### “4. Specified Product Requirements

4.1 Bovine meat and meat products must be derived from cattle that were born, raised, and slaughtered in the U.S., cattle that were imported from Canada or Mexico and subsequently raised and slaughtered in the U.S., or cattle that were imported from Canada or Mexico for direct slaughter in the U.S. Agricultural Quality Assessment Division QAD 1030AA Procedure Marketing 1400 Independence Avenue SW, Stop 0258 June 9, 2017 Service Washington, DC 20250 Page 2 of 3 Date Issued: 06/09/17 Approved by\_\_ SER \_\_\_\_ SER Date Revised:

4.2 For cattle born, raised and slaughtered in the U.S., they must be traceable to the birth farm using a unique identifier as outlined below.

4.2.1 Animals must be identified prior to leaving the place of birth with a program compliant ear tag. A program compliant ear tag (PCT) is a 1-time use, tamper-evident tag, which contains a non-repeatable, unique number. It may be an EID, RFID, or a visual tag. The company must provide evidence that the tag meets these requirements.

4.2.2 PCT numbers must be accessible by the USDA in order to determine compliance of source verification/origin status.

4.2.3 All animals must be individually identified.

4.3 Animals imported into the U.S. (not for direct slaughter) must be traceable to the first place of residence in the U.S. with the PCT outlined above.”

We believe actions taken by members of your administration were based on misinformation provided by the multi-national meat industry and their U.S. interests. It clearly is not in their best interest to only export U.S. beef to China and while we respect that is their position based on their self-serving interest, it should never be the U.S. government’s position to further foreign owned and operated multi-national corporations’ interest over that of U.S. farmers, ranchers and businesses. Therefore, we are requesting you re-negotiate this trade agreement to ensure only U.S. beef originating from U.S. farms and ranches

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<sup>3</sup> <https://www.ams.usda.gov/services/imports-exports/beef-ev-china>

<sup>4</sup> <https://www.ams.usda.gov/sites/default/files/media/QAD1030AAEVProgramforthePeoplesRepublicofChina.pdf>

be exported allowed to be exported to China. Further, we request that all of the exported beef products to China bear a label identifying the country where the animal was born, raised and processed.

Sincerely,

A handwritten signature in black ink that reads "Mike Weaver". The signature is written in a cursive, flowing style.

Mike Weaver  
President, Organization for Competitive Markets