

# Herd the News

May 2016

The mission of the California Wool Growers Association is to be the voice of the California Sheep Industry at the local, regional, state, and national level. The Association will provide service to its members through effective communication that ensures the long-term prosperity of the industry and promotes economically viable and environmentally sound production practices.

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### Ram Sale a Hit With Sheep Producers – Cecilia Parsons, Capital Press

PORTERVILLE, Calif. — Range ready rams that will go on to sire a good portion of California's commercial lamb crop were offered for sale at the 96th annual California Ram Sale held in Porterville.

The sale, by the California Wool Growers Association is held to provide the commercial sheep industry with rams that will improve their lamb and wool production.

Twenty-five consigners brought a total of 423 Suffolk, Hampshire, crossbred and white face rams to the sale from Utah, Idaho, Oregon and California.

Prices and ram numbers were down slightly from 2015 as 285 head of Suffolks averaged \$684, 100 crossbred rams averaged \$658, six Hampshire rams averaged \$475 and 32 whiteface rams averaged \$600.

Last year 506 rams were sold with 309 Suffolks averaging \$729, 146 crossbred rams averaging \$667, 10 Hampshires averaging \$623. There were nine fewer whiteface rams sold this year, but they averaged \$600 – up from \$584 in 2015.

This year all rams consigned to the sale were weighed and ultrasounded to provide prospective buyers and sellers with information about the ram's genetic potential. All rams went through health and quality sifts.

Ram weight, body fat and loin eye area were included in the sale catalog. The information was used to assign each ram an index value to help buyers make selections that will improve their flocks.

The Range Ram Index estimates the potential carcass merit of the lambs sired by the ram. The index uses heritable carcass measurements including loin eye area, loin depth, fat thickness and weight. The index quantifies those genetic characteristics into a potential genetic merit. It is a tool, said ram sale chairman Wes Patton that producers can use to select rams.

The index formulation and ultrasounding were funded partly by grants from the American Sheep Industry's Let's Grow Committee.

Modesto-based ultrasound technician John Openshaw said in past years buyers have been skeptical that the carcass values provided by live animal ultrasound would actually make them money. Technological advances in ultrasounding and the increased value in the higher price muscle cuts are changing that attitude, he said.

Establishing a base line and using animals that have the genetic potential to improve those valuable genetic characteristics is important in the sheep industry and will allow lamb producers to be more competitive, Openshaw added. *Continued on page 3*.

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#### Presidents Message – Frankie Iturriria



As the weather begins to warm, all of us start to think of summer. Many of the spring California lambs have been sent to market while some producers are lambing as we speak. For those of us who lamb in the fall, it is time to once again think about next year and turn out the rams with our ewes.

For some producers, last month at the California Ram Sale in Porterville, we were able to purchase our replacement rams. Once again it featured over 500

top quality, range ready rams. Buyers were well informed this year with the use of the ultrasound information put together by the committee on which rams would best fit their operations. As all of you know by now this sale is the largest source of income for our organization. Thank you to Wes Patton and the Olagaray family for all their hard work in ensuring a great sale. Thanks also to the ram sale committee, veterinarian team, sifting committee, consignors, and all the buyers in attendance. Finally special thanks goes to Erica who spent the week ensuring that everything went smoothly.

CWGA will be partnering with California Cattlemen's Association on June 22, 2016 in Sacramento for the upcoming California Legislative Day at the Capitol. This is your chance to meet with your legislatures in Sacramento and voice your concerns to them. Unfortunately many of these folks come from urban areas that do not realize that sheep even exist in their districts. I encourage all of you who are interested to please contact Erica at the office so she can put together a list of attendees. The more people we can rally to attend, the more offices we will be able to visit.

An exciting opportunity has presented itself to CWGA. Animal Health International (AHI) has partnered with CWGA and will offer products to members of our organization. Products such as vaccines, dewormers, minerals, and general supplies that are offered by AHI will be sold through CWGA. Many of these new products will be either directly delivered or drop shipped to a centralized location. I encourage all of you to review the list included in this newsletter of what all will be offered. When it comes time for your next order of the items delivered, please order through our office and support our association. More information on this will be included in this issue of the newsletter.

I would like you all too please mark your calendars for our upcoming annual meeting in Minden, Nevada on August 26-27. We will once again have a golf tournament Friday morning with an informational session to follow on Friday afternoon. The general membership meeting will be on Saturday. More

information will follow in the coming weeks with a full schedule of events. I hope you all plan on attending this chance to interact with your fellow sheep folks and enjoy a few days in the beautiful Carson Vallev!

Thank you CWGA members for your support by paying your 2016-2017 membership dues early this year!

Good luck to all of you!

#### CWGA Legislative Day at the State Capitol – June 22<sup>nd</sup>

Now is the time to increase your political activity!

Political advocacy is an ongoing and active part of CWGA's mission and role to deliver lasting value to all segments of the California sheep industry. The Legislative Day on June 22<sup>nd</sup> offer members the opportunity to meet with their elected State Assemblymen and Senators (and staff) to discuss the issues facing our industry.

Every meeting you engage in with your elected official, strengthens your relationship with those offices. Building relationships with elected officials represents an important part of influencing the political process. A personal visit is the most effective way of communicating with elected officials. Personal stories about our industry are the most effective and provide decision makers with valuable insight into our industry.

Issues and legislation can change quickly, which further highlights the importance of maintaining an ongoing relationship with your elected official. Why not start that relationship by joining fellow CWGA members on the June 22<sup>nd</sup>.

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#### **Schedule of Events**

8:00 – 9:00 am	Welcome Gathering at the CWGA Office			
9:00 - 9:30 am	Walk to Capitol Building, Join California Cattlemen's Assn. (CCA) members			
9:30 - 10:00 am	Legislative Briefing at the Capitol Building			
10:00 – 12:00 pm	Representative-Member Office visits (2 to 3 offices)			
12:00 – 1:00 pm	Meet to Review Days Events			
1:00 pm	Potential State Agency Visits – CA Department of Fish & Wildlife and CALFire			

CCA and CWGA are working on scheduling visits with state agencies in the afternoon. More details will be available in early June.

You can identify your representative in the California State Senate, California State Assembly and Congress by clicking on the following links:

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California State Senate - <a href="http://senate.ca.gov/senators">http://senate.ca.gov/senators</a>
California State Assembly - <a href="http://assembly.ca.gov/assemblymembers">http://assembly.ca.gov/assemblymembers</a>
Congress - <a href="http://house.gov/">http://house.gov/</a>
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If you would like to participate in this event, please contact the CWGA office by June 1<sup>st</sup> at (916) 444-8122 or <a href="mailto:erica@woolgrowers.org">erica@woolgrowers.org</a>. If you are unable to attend, please feel free to forward any issues for members to discuss during their visits.

#### Mendocino and Lake County Sheep and Goat Producers Meeting #2 – May 18th

Plan now to attend a meeting on Wednesday, May 18th at 7pm at the UCCE Farm Advisors' office in Ukiah. The goal of this meeting is to reinvigorate the Mendocino/Lake Wool Growers Association and include dairy and meat goat producers into the local association.

With many new sheep and goat producers in the mix, opportunities for contract/targeted grazing, local wool, meat and dairy production and sales have increased. The new local woolen mill has financing lined up and is on track for opening this summer. 4-H and FFA small ruminant project members and leaders are encouraged to attend this meeting. Hope to see you there!

RSVP by Phone - 707-463-4495 or Email - <a href="mailto:cemendocino@ucanr.edu">cemendocino@ucanr.edu</a>. Meeting location: UCCE - Mendocino, 890 N. Bush Street, Ukiah, CA

#### Ram Sale a Hit With Sheep Producers, cont'd

Based on U.S. Sheep Experiment Station research, genetic selection for larger loin muscle area should be expected to improve carcass merit and carcass value of market lambs.

Ram sale consigners who were recognized prior to the sale for ram quality included Brent Shepherd of Spanish Fork, Utah, who had the overall best consignment with 22 head of Suffolk and crossbred rams.

Top Suffolk pen consigner was Larry and Linda Pauly of Delta, Utah.

Top California Suffolk consigner was Jim Neumiller of Healdsburg.

Jim and Ned Neumiller also consigned the heaviest ram in the sale at 400 pounds.

Nash Hansen's 310-pound white face ram had the largest loin eye area of any ram in the sale at 6.56.

The ram with the largest loin eye per 100 pounds of body weight was sold by Joel Shepherd of Spanish Fork, Utah.

Highest indexing ram was sold by Nash Hansen. The best overall index pen of rams was consigned by David Hansen of Fairview, Utah. The five crossbred range rams in that pen weighed an average of 342 pounds, had a loin eye area of 5.61 and index of 4.58.

For the California Ram Sale to be a success it requires a limitless amount of support from a variety of industry stakeholders. THANK YOU to all the buyers, consignors, committee members, sponsors, volunteers, and everyone that attended this year's Ram Sale.

#### Thank You to this year's Ram Sale Buyers:

Amador Zabalbeascoa

Bob Beechinor, E&B Sheep Co.

Emigh Livestock

Florence Cubiburu. FC Livestock

Frank Arburura Frank Iturriria

Freddie Iturriria, A&F Sheep Co.

Paco & Miguel Iturriria, I&M Sheep Co.

Pete Swanson

Pete Yriarte, Yriate Sheep

Joe Esnoz

Joe Mattos, IOU Sheep Co.

John Cubiburu, Cubiburu Livestock

John Peavey, Flat Top Sheep Co.

Jon Borda

Manual Basterrechea

Martin Jaureguy

McPherrin-Damboriena Sheep Co.

Melchor Gragirena, El Tejon Sheep Co.

Pedro Indacochea, Indacochea Sheep Co.

Phillip Esnoz

Ramon Echeveste

Robert Carreiro

Robert Irwin, Kaos Sheep Outfit

Stephen Elgorriaga, Elgorriaga Livestock

Tom Rich, Rich Livestock Co.

#### Thank You to this year's Ram Sale Sponsors:

American Lamb Board Animal Health Int'l.

Anodyne, Inc.

California Sheep Commission

Chucks Custom Slaughter

Kern County Bo-Beeps

Kern County Wool Growers

LiveWire Products, Inc.

NLPA Sheep & Goat Fund The Nugget Company Roswell Wool

Silverdale Farms Superior Lamb

Sydell Inc.

Utah Wool Marketing

Seghesio Wine

#### **CWGA Range Ram Index: Ram Sale Review**

In an effort to improve lamb carcass consistency and quality and increase production efficiency, California Wool Growers Association developed the Range Ram Index (Ram Index) for producers to apply when selecting range rams. The Ram Index estimates the potential carcass merit of the progeny sired by range rams with superior carcass characteristics.

It is proven in other livestock sectors that those carcass characteristics desired by consumers translate into a higher carcass value and thus return for the producer, a fact that is evident in a value based pricing system. This suggests there is a financial incentive for producers to incorporate such genetic information into their breeding programs, particularly to terminal sire breeders and those producers that market lambs on a carcass/value based pricing system. Thus, buyers are expected to place a higher value on rams with a positive Ram Index value as those rams are projected to sire progeny with improved lamb product characteristics.

The Ram Index is calculated using the following variables: loin eye area and fat thickness gathered from ultrasound measurements and body weight. These variables are then standardized to account for any outlier rams with less than desirable fat thickness, loin eye areas, and/body weight given industry practices. The Ram Index is presented as a numerical value relative to the average meaning those rams with more desirable carcass characteristics are assigned a positive Ram Index value, and those with less desirable a negative Ram Index value.

Each lot of rams sold in the 2016 Ram Sale was assigned a Ram Index value calculated as an average based on

the individual Ram Index values for those rams in each pen. At this year's California Ram Sale there were a total of 197 pens with a positive Ram Index value. The average sale price for those 197 pens was \$690.00 or \$50.00 higher than the average sale price for those pens with a negative Ram Index value. Blackface pens with a positive Ram Index value, averaged \$32.00 higher than those pens with negative value, while Whiteface pens averaged more than \$150.00 higher.

#### California Ram Sale RAM INDEX AVERAGES

	POSITI	VE INDEX	<b>NEGATIVE INDEX</b>		
	Head	Average	Head	Average	
BLACKFACE	181	\$691.00	210	\$ 659.00	
WHITEFACE	16	\$677.00	16	\$ 523.00	
ALL RAMS	197	\$690.00	226	\$ 649.00	

Preliminary buyer surveys suggest that buyers are interested in having genetic information such as loin eye area when selecting range rams, while others are hesitant. Many buyers indicated they are currently utilizing such information in their operations and place a higher value on those rams with more desirable genetic characteristics. These buyers stated they did pay more for rams with more desirable loin eye areas and higher Ram Index values. While other buyers indicated they are reluctant to utilize genetic information until data consistently reflect actual performance in progeny and the benefits or market value exceeds the additional costs of purchasing rams with more desirable genetic traits.

Similar results and comments have been submitted in preliminary consignor surveys. As stated by one consignor "my highest selling pen was also my highest Ram Index value pen". Some consignors noted similar trends between prices received and the Ram Index value, while other consignors did not see any difference in the prices received for those pens with positive and negative Ram Index values.

Further analysis and survey results regarding the Ram Index will be provided in future *Herd the News* issues.



The development of the Range Ram Index and materials was paid for in part by the American Sheep Industry Association.

### Plan to Attend CWGA's Annual Meeting on August 26th & 27th

CWGA Annual Meeting & Convention will be held on August 26 & 27, 2016, at the newly renovated Carson Valley Inn located in Minden, Nevada.

To reserve your room call 1-800-321-6983 ext. 1 and mention California Wool Growers Association, Group Code 504599.

Room rates are as follows: Thursday & Sunday - \$85.00 plus tax, Friday & Saturday - \$105.00 plus tax.

Hotel information is available at <a href="http://www.carsonvalleyinn.com/">http://www.carsonvalleyinn.com/</a>.

Top 25 (or so) Things to Do in Minden, NV - <a href="http://www.carsonvalleyinn.com/leisure/top.php">http://www.carsonvalleyinn.com/leisure/top.php</a>

What to Do in Minden, NV - <a href="http://www.visitcarsonvalley.org/what-to-do/what-to-do-overview.html?sid=104:What-To-Do">http://www.visitcarsonvalley.org/what-to-do/what-to-do-overview.html?sid=104:What-To-Do</a>

Your CWGA Executive Officer team is busy working on this year's meeting agenda and activities. Registration information and details will be sent in late June/early July.

#### Tentative Schedule of Events

FRIDAY, AUGUST 26, 2016

7:00 am – 12:00 pm CWGA Golf Tournament – Genoa Lakes Country Golf Club & Resort

10:00 am - 12:00 pm Ram Sale Committee Meeting

1:00 pm - 5:30 pm Resources and Tools to Help Improve Your Sheep Operation

Topics to include: Sheep Health & Nutrition, Antibiotic Regulations, Utilizing Genetic Information, Financial Planning for the Next Generation, Livestock Guardian Dogs,

and Nonlethal Tools for Managing with Predators

7:30 pm Group Dinner at JT's Bar & Dining Room (Optional)

SATURDAY, AUGUST 27, 2016

8:00 am - 12:00 pm Membership Meeting

Presentations to include: Lamb Market Outlook, Ranching & Water Quality Issues, California

Legislative Updates, and reports from National & State Industry Affiliates

12:00 pm — 1:00 pm Membership Luncheon, Honoring Past Presidents

1:00 pm - 5:00 pm Membership Meeting

Discussion will include updates on CWGA's Strategic Plan, proposed policy and resolutions, election of directors and officers, and looking ahead as an association to deliver lasting value

to all segments of our sheep industry.

6:00 pm - 7:00 pm Cocktail Reception

7:00 pm - 9:30 pm Shepherds Ball & Auction

## CWGA Members Ryan Mahoney & Katie Olagaray Selected as Tri-Lamb Young Leader Representatives

The Tri-Lamb Young Leaders Program was developed this year to create a forum of young producers and leaders from the United States, Australia and New Zealand to share ideas, network and to broaden the understanding of sheep production practices in all three countries. Each country will have representatives participating in the forum for two years with meetings and tours in AU and NZ in 2016 and meetings and tours in the US in 2017. New representatives will be selected in 2018.

The American Lamb Board received over fifty applications for the program this year from an impressive group of young leaders from across the country. It was a very difficult process to narrow the pool of talent down to two candidates and in fact, the selection committee ended up choosing four individuals.

"We were so impressed and excited by the passion and range of talent from the applicants. Their stories have inspired new thinking about marketing lamb and ways to support and encourage young leaders to get more engaged in our industry organization", said Wes Patton, ALB Chairman. "The young leaders that applied make us hopeful for our industry's future."

The four candidates that have been selected to participate in the first Tri-Lamb Young Leaders Forum representing the United States are:

**Katie Olagaray** (CA) and her family are third generation Basque sheep producers from Northern California. She is currently pursuing her Master's degree and soon PhD in ruminant nutrition with a dairy focus at Kansas State University. She hopes to return back to California to work alongside her dad on his operation or begin her own herd.

**Ryan Mahoney** (CA) is a fifth generation rancher from the Montezuma Hills of California. Ryan works with the Emigh Lamb Operation and runs their feedlot operation in Dixon, CA. Ryan's progressive ideas about feeding lambs will help the Industry become more efficient.

Brad Osguthorpe (UT) is a third generation sheep rancher from Park City, Utah. Brad alongside his wife, two brothers and father run a 10,000 ewe sheep operation. Brad has a tremendous passion for the sheep industry and eagerness to continue being actively involved in the American Sheep Industry as a whole.

Karissa Maneotis (CO) and her family run a large sheep operation, High Country Lamb, outside of Steamboat, CO. They sell all of their lamb to local Whole Foods Markets. Karissa also works at Colorado State University in Fort Collins, CO and helped oversee the 2015 National Lamb Quality Audit.

#### **Check Up on Transportation Regulations**

There are extensive California and federal rules and regulations governing the use of vehicles.

An overview of rules and regulations for the legal operation of pickups and trailers commonly used in California's livestock industry is provided in the following factsheet:

http://www.calcattlemen.org/pdf/Transportation%20Regulations%20Factsheet.pdf

The California livestock industry is supportive of AB 1960 that seeks to exempt trucks used in agriculture from the Basic Inspection of Terminals (BIT) program administered by the California Highway Patrol. Pickups and trailers exceeding 40 feet in combined length must participate, as well as pickups with a flatbed or gross weight vehicle weight rating of greater than 11,500 lbs. The BIT program requires fleet inspections at least once every six years and a fee of \$130 to be paid annually. The BIT program serves as the mechanism for various enforcement actions against a carrier.

## **Superior Farms to Host Lamb 300 Short-Course for Individuals Involved With the Sheep Industry**

Superior Farms in collaboration with Washington State University, with a grant funding from the American Sheep Industry's Let's Grow Program, are excited to announce the fifth *LAMB 300* short-course, and the first in California, to be offered June 9-11, 2016 at the Dixon Veterans Hall and Superior Farm Processing facility in Dixon.

*LAMB 300* is a three-day, hands-on workshop designed for progressive individuals involved with all aspects of the sheep industry. The course will focus on teaching producers, feeders, and marketers (regardless of the size or type of operation) how to produce and market quality lambs and lamb products. Participants will learn how environmental, nutritional, genetic, and managerial factors contribute to meat quality. Participants will also learn how meat quality factors influence the price producers receive for lamb and lamb products marketed through various outlets. This program will increase one's understanding of lamb quality and marketing, enabling participants to make informed decisions to improve profitability, competitiveness, and wholesomeness of their products. Packer, retailers, and chef participation is also encouraged, as each segment gains appreciation for opportunity to improve profitability for all involved in the production of lamb and enhance the quality eating experience for the consumer. The course will feature nationally recognized speakers in the area of sheep production, feeding, processing, and marketing.

California LAMB 300 will be hosted by Superior Farms with opportunity to share knowledge and production insight with Superior Administrative, Innovative, Procurement and Marketing teams. Participants will also have the opportunity to tour Superior Farm's new lamb processing plant that was opened in the summer of 2015. The new plant was designed by Superior's Operation team to improve both harvest efficiency and resource sustainability; decreasing the time to humanely harvest a lamb by almost half and reducing plant energy consumption by 45%. Superior will also demonstrate the new electronic grading equipment installed at the plant. Real time carcass pictures and data including hot and cold carcass weights, projected weights of the primals, yield grade, and quality grade is collected on each carcass. Superior has a creative Product Innovation and Development team that makes sure every part of the animal is used. The Product Innovation and Development team will assisting in presentation and class activities during the LAMB 300 program, along with Superior's Procurement and Marketing teams.

The registration fee for *LAMB 300* is \$120 per participant, which covers meals, materials, and parking arrangements. Hotel accommodations will be the responsibility of the participants. The course is limited to 40 participants and will be available on a first-pay, first-serve basis. Early registration deadline is May 20, 2016, after that time registration will increase to \$170 per participant.

For additional information on *WSU LAMB 300*, contact: Jan Busboom, WSU Meat Specialist, (509)335-2880 or <a href="mailto:busboom@wsu.edu">busboom@wsu.edu</a>; Lesa Eidman, Superior Farms Director of Producer Resources and Sustainability, (503)297-3523 or <a href="mailto:lesa.eidman@superiorfarms.com">lesa.eidman@superiorfarms.com</a>; or Sarah M. Smith, WSU Regional Extension Specialist, (509)754-2011, Ext 4363 or <a href="mailto:smithsm@wsu.edu">smithsm@wsu.edu</a>.

More information and registration forms are available on the WSU at <a href="http://ext100.wsu.edu/grant-adams/wpcontent/uploads/sites/18/2014/01/2016Lamb300RegistrationBrochure.pdf">http://ext100.wsu.edu/grant-adams/wpcontent/uploads/sites/18/2014/01/2016Lamb300RegistrationBrochure.pdf</a>. Individuals who which to pay for the course with a credit card can do so by going to <a href="http://www.brownpapertickets.com/event/2540687">http://www.brownpapertickets.com/event/2540687</a> and following the directions for on-line purchase.

#### Lamb Market Update - Livestock Marketing Information Center

The three market (CO, TX, SD) feeder lamb price averaged \$202.51 per cwt. through March 2016, 3% lower than the same time frame in 2015. The slaughter lamb price, on a national direct hot carcass basis, averaged \$278.30 per cwt. which is 10% below 2015's. The slaughter lamb price has also dealt with reporting issues. Due to confidentiality issues, the beginning of 2016 has seen very limited prices reported for slaughter lambs.

Through March, Federally Inspected (FI) lamb and yearling slaughter tracked 1.5% above 2015's and dressed weights averaged 72.5 pounds, 0.4 pounds above year ago. Mature ewe FI slaughter was 20% below 2015, for the same time frame. FI lamb and mutton production through March was even with year ago levels, as the decrease in mature ewe slaughter cancelled out gains in production on the lamb and yearling side. To note, Easter was early this year and this moved up the seasonal production increase. In the past, the lamb industry has dealt with over finished lambs. Current data available for dressed weights does not indicate this situation is developing again, yet. Additionally, USDA-AMS publishes monthly data for the number of lambs on feed in Colorado and the March total was 18% below 2015's count. These data indicate the industry has not started to back up fat lambs, which is a very positive aspect for the whole market.

Looking forward through 2016, the Livestock Marketing Information Center (LMIC) expects a slight year-over-year increase in lamb slaughter and production, largely based on year-over-year increased sheep and lamb inventories. Commercial slaughter is forecast to be up 2% to 3%, dressed weights are expected to be even with to slightly below year ago levels, and commercial lamb production is expected to increase 1% to 2% in 2016 compared to 2015.

The LMIC forecasts slaughter lamb prices to decrease 8% to 10% on an annual average basis for 2016 compared to 2015. This puts the lamb national direct hot carcass price between \$269 and \$274 per cwt. for a 2016 annual average.

Feeder lamb prices are also forecast to decline year-over-year, although slightly less, down 7% to 9% for 2016 compared to 2015. The three market average (CO, TX, SD) feeder lamb average annual price for 2016 is forecast between \$174 and \$181 per cwt. Seasonally, feeder lamb prices are highest during spring months and again towards the end of the year. This is expected to be consistent for 2016.

#### **Wool Market Outlook** – ASI Wool Journal

The outlook for wool prices remains moderately positive, with some risks and uncertainties.

The modest improvement in the prices for competing fibers is helpful for the outlook, reducing to a small extent the high price relativity for wool against these fibers.

Raw wool demand by China has been hamstrung by weak exports of wool products in the past 6 months or more, but the latest month data was much improved, Hopefully, this improvement continues and mills in China see better orders from retailers from the US, Europe and Japan for the 2016 Fall/Winter season. This will become clearer over the next two months.

It is hard to envisage a sharp improvement in order levels, however, given the slow rate of growth for private consumption expected in these countries.

Therefore, even though apparel wool prices are likely to continue improving in US\$ terms, this recovery will remain volatile. It will also be subject to the continued vagaries of currency movements, notably the exchange rate between the US\$ and the A\$.

For more details on the wool market (supply, demand, prices) are available at <a href="https://dicqrq366w3ike.cloudfront.net/http/DOCUMENT/SheepUSA/wool%20journal\_May%202016.pdf">https://dicqrq366w3ike.cloudfront.net/http/DOCUMENT/SheepUSA/wool%20journal\_May%202016.pdf</a>

#### Sheep Ranchers See Better Pastures, Weaker Market

By Ching Lee, Ag Alert (originally published on March 23, 2016)

Recent rains have improved grass production, allowing growing lambs to thrive, but California sheep ranchers say market conditions have been soured by large supplies of lamb imports during what should be a peak buying season for lamb with the Easter holiday.

"Pasture conditions are some of the best we've seen in quite a while. And that's pretty consistent up and down the state," Solano County rancher Ryan Mahoney said.

He noted that U.S. demand for lamb has actually increased this year, and Easter usually brings a bump in sales. But the strong dollar has led to greater supplies of cheaper imports from Australia and New Zealand, putting downward pressure on the market and making it hard for domestic producers to compete.

"While the rains have given us our range back, the economic conditions have taken the price down," said Al Medvitz, who also raises sheep in Solano County.

Medvitz and his wife Jeanne McCormack acknowledged that higher consumer demand for lamb may be related to having more imports on the market, lowering the price of lamb and therefore attracting consumers back to buying the product.



Placer County sheep rancher Dan Macon checks on his flock grazing in pastures bolstered by recent storms.

Mahoney said high beef prices of the past year also may have helped to drive demand, noting that "when beef had the big run that it did, lamb wasn't quite as expensive as it looked four years ago."

But they agreed that perhaps the biggest driver for demand has been the nation's growing immigrant population and the millennial generation that is eating more lamb, while the farm-to-fork movement has boosted demand for domestic lamb.

To compete with imports, Mahoney said the marketing of U.S. lamb has shifted more to focusing on product quality. But he lamented that "as long as the dollar stays stronger and imports keep flooding in, it's going to be tough for the domestic market to regain traction and get back up to where it should be."

While California producers traditionally lamb in the fall and market their lambs in the spring to coincide with the demand uptick of Easter, some have moved away from that schedule to take advantage of other market opportunities during different times of the year.

Placer County sheep rancher Dan Macon is lambing right now and he said he tries to time it when fields have the most grass growing.

"We've got plenty of feed and plenty of feed ahead of us, which means the ewes are producing a lot of milk and the lambs are really thriving in these forage conditions," Macon added.

The challenge of lambing in the spring, he noted, is having to do it during rainstorms. In preparation for El Niño, Macon said he did his winter grazing away from pastures that had natural shelter such as trees and brush, saving those areas for lambing in order to cope with the rainy weather.

By weaning in June, he's able to market his lambs around the month of Ramadan, when there's usually a spike in the price. *Continued on page 11*.

"Because our operation is a little bit counter to most of the larger-range operations, we have a size lamb that fits that Ramadan market when most people don't," he said. *Continued on page 10*.

In some years, when Easter falls on the same week as Greek Orthodox Easter and also in the same month as Ramadan, Mahoney said "it's like the Holy Grail" for the lamb business.

Joe Mattos, whose home base is in Tulare County but who also runs sheep in Fresno, San Joaquin, Solano and Sacramento counties, said Easter used to be "the main push" when he started his business 37 years ago, but not so much anymore. He now lambs year-round wherever there is green feed. He said while he didn't start year-round lambing intentionally, it has worked well for him because he doesn't "want to have all my eggs in one basket" by focusing on just the Easter market.

Lower market prices, Mattos said, tend to lead some producers to hold back their lambs, putting more weight on them to get a higher value or hoping that prices would rise by the time they sell their animals. But overweight lambs are a quality concern, he noted, and hurt the entire U.S. lamb business as a whole.

Shrinkage of the U.S. lamb sector and consolidation of packinghouses, which must look to imports to meet demand and keep plants running, continue to put U.S. producers at a disadvantage. After cycles of depressed lamb prices, many sheep operations have been driven out of business, Medvitz and McCormack said. Those remaining, they added, have increasingly looked to nontraditional market avenues to sell their lambs. Mahoney noted that nearly a third of the lambs produced in the U.S. are now marketed through nontraditional channels, including directly to consumers.

Medvitz and McCormack sell 80 percent of their lambs to Niman Ranch, while the rest goes to upscale restaurants and specialty butcher shops, many of which buy the whole carcass. Those markets usually prefer a lighter animal than what's sold to commercial packers such as Superior Farms in Dixon, they noted.

Similarly, Macon has marketed some of his lambs at farmers markets, noting that his customers "tend to eat a lot more lamb than the average American consumer, which works well for us."

"The whole thing is changing," Mahoney said. "Even your large lamb producers are shifting and marketing the product to appeal to the new rising demographic."

While the drought has pummeled some of the state's cattle operations, forcing many of them to cull more heavily when pastures went dry, sheep ranchers say their sector has fared better, pointing to sheep's unique ability to graze all different landscapes and eat crop residue. They said for the most part they have been able to maintain their flocks and in some cases have expanded.

"The drought had an economic impact, but it wasn't severe enough that we had to sell out," Medvitz said, while McCormack noted that they did have to buy hay.

One challenge that producers haven't been able to overcome is predation, said Martin Pozzi, who raises lambs

in Marin County. Aside from soft market prices, Pozzi described predators—mainly coyotes in his region—as "our biggest issue."

"The only thing we can do is (use) guard dogs, which have helped a bunch," he said. "This year it hasn't been too bad because our guard dogs are doing a good job. But the predators have made it really hard to have sheep on the North Coast."

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PLEASE SEND A COPY TO CWGA TO SHARE WITH YOUR FELLOW SHEEP PRODUCERS.

#### Antibiotic Resistance and Residues: Know the Difference

As a producer, you are familiar with the new antibiotic regulations coming in 2017 from the U.S. Food and Drug Administration (FDA) and the California Department of Food and Agricultural (CDFA) that will take effect January 1, 2018. However, what's likely less clear is the discussion about antibiotic resistance, which is at the center of most conversations about this important topic.

#### **Definitions Provide Context**

"Antibiotic residue" and "antibiotic resistance" are often confused and the two are not interchangeable, and it's important to understand the difference.

- Antibiotic resistance occurs when bacteria develop the capacity to inactivate or exclude antibiotics, or develop a mechanism to block the inhibitory or killing effects of antibiotics. The bacteria survive, continue to multiply and spread, causing more harm.
- Antibiotic residue refers to molecules that remain in meat from animals that have been treated with
  antibiotics. During the drug approval process, the FDA establishes tolerance levels or maximum residue
  limits (MRLs) in edible tissues to ensure consumer safety. A violative residue occurs when a food
  animal is marketed with drug residues exceeding the designated MRL, which is illegal. USDA's Food
  Safety Inspection Service tests for violative drug residues at harvest to ensure that meat is safe to enter
  the food supply.

In regards to antibiotic resistance "It's multifaceted, is not easy to understand, and solutions are complex," said Lonnie King, DVM, dean of the Ohio State University College of Veterinary Medicine. The former director of the Centers for Disease Control's new National Center for Zoonotic, Vector-Borne and Enteric Diseases spoke at the recent Pork Industry Forum in Indianapolis.

As a global concern for both animal and human health, antibiotic resistance and the use of antibiotics require broad collaboration. This is at the core of the One Health Initiative's worldwide mission. One Health involves medical doctors and patients, veterinarians and farmers, along with government, researchers and industry stakeholders working together to find ways to combat antibiotic resistance and attain optimal health for people, domestic animals, wildlife, plants and the environment.

#### **Antibiotic Resistance: A Complex Issue**

Antibiotic resistance is a completely different topic from residues and certainly is more complex, Koeman said. Animal health and public health experts agree that antibiotic resistance has occurred for millennia, independent of human involvement and modern-day antibiotics.

"However, antibiotic use, whether in human health, animal health or agriculture, can apply selection pressures for antibiotic-resistant bacteria to develop," according to Dr. Jennifer Koeman, director of producer and public health for the Pork Checkoff. "Antibiotic-resistant bacteria may not respond to treatment in humans or animals if and when they cause illness."

Koeman added, "That's why responsible antibiotic use involves everyone, from doctors to veterinarians to food producers to consumers in general. People need to maintain their health, follow doctors' prescriptions and practice food-safety practices when handling and preparing all types of food."

#### **Systems Are in Place to Monitor**

Over the past decade, the FDA and USDA, along with the veterinary community, animal health companies, food producers and other stakeholders, have put several layers of human-health protection in place to reduce resistance risks associated with antibiotic use in animals. *Continued on page 13*.

According to the Animal Health Institute, comprehensive measures to reduce the threat of antibiotic resistance include: a stringent FDA drug approval process, FDA post-approval risk assessment, government food-safety monitoring programs, responsible-use programs for veterinarians and farmers and pathogen-reduction programs.

The federal government also closely tracks antibiotic resistance in specific bacteria through the National Antimicrobial Resistance Monitoring System (NARMS), a cooperative program among the FDA, the Centers for Disease Control and Prevention and USDA. The agencies do everything from collecting samples from harvest and processing facilities, to monitoring antibiotic resistance trends in farm animals, to monitoring and collecting samples in humans.

#### **Producers Contribute to Decades of Progress**

The sheep producer's role in antibiotic resistance centers on responsible use, which is not a new concept. For more than 30 years, sheep producers, veterinarians and animal health experts have worked to ensure that antibiotics are used responsibly on the farm. Self-improvement and management programs such as sheep safety and quality assurance (SSQA) have helped to lead the way.

Another major step on the horizon for producers is to comply with the following new antibiotic regulations:

- FDA's new antibiotic regulations that will eliminate the use of certain antibiotics for growth purposes. As of January 1, 2017, FDA Guidances 209 and 213 will make it illegal for medically important (to human health) antibiotics to be used to promote growth in food animals. FDA Guidance 209 also requires veterinarian oversight when administering medically important antibiotics to food animals to treat, control or prevent a specific animal health issue.
- CDFA's new antibiotic regulations will required a veterinarian script for all medically important antibiotics. Beginning January 1, 2018, SB 27 requires injectable and other medically important antibiotics not delivered through feed or water to be purchased with a prescription issued by a veterinarian.
  - Independent of SB 27, all medically important antibiotics delivered through feed must be administered using a veterinary feed directive per federal regulations largely supported by the industry and pharmaceutical companies.
  - Many antibiotics already require a veterinarian prescription, but for those that currently do not (i.e. LA200©) will beginning January 1, 2018 can still be purchased at retail facilities with a veterinarian prescription.
  - SB 27 requires CDFA to ensure that livestock producers in rural areas continue to have timely access to antibiotics.

"This is not about zero use of antibiotics; it's about judicious use" King said. King says when producers have a working understanding of antibiotic resistance, it helps put their own on-farm antibiotic strategy into a bigger context of both animal and human health.

"This is not about regulations; it's about a mindset and working with your veterinarian to make sound decisions," King said. "Most importantly, don't wait start preparing today."

Source: Marlys Miller and Mike King, Pork Checkoff Report Newsletter, April 2016

#### Dr. Grandin Narrates New Sheep Industry Videos

While the American consumer has recently and vociferously worried about the slaughtering practices of cattle and pigs, and TVchristened celebrity food "experts" have whipped consumers into frenzies over the safety of beef and bacon, the remaining member of the red meat family has been ignored. No longer! The sheep industry addressed consumers with a different sort of celebrity expert.

The North American Meat Institute (NAMI) has released the most recent installment of its Glass Walls Project videos. The new video, which features Dr. Temple Grandin as narrator and in-video tour guide, walks viewers through a lamb processing plant.

The video shows each step in the slaughter process, including the unloading of the trucks, the handling of lamb in the pens, the stunning process, food safety practices and the steps involved in breaking a carcass down into cuts of lamb.

The video can be found online on the NAMI YouTube channel, which uses the username "MeatNewsNetwork."

Peter Orwick, Executive Director of the American Sheep Industry Association (ASI), complimented the video and says it's accurate to his experience.

"Every plant I've been in in 20 years is just that way. It's quiet. There's no bleating or jumping around."

ASI has also done a fourpart video series with Grandin addressing humane handling of sheep on the ranch, during transport, and at feedlots.

"We really geared it towards the producer, the sale barn manager, the trucker, the feedlot owner, and their employees. But they are also good consumer pieces as well because they actually show sheep being worked every day in the country."

The four-part series was put up at the beginning of April and can be found both on the ASI website—SheepUSA.org—under the "News & Media" tab, or on the ASI YouTube channel of SheepUSA1.

ASI's handling videos are informed by the Sheep Safety Quality Assurance (SSQA) standards. The SSQA establish the industry best practices for sheep handling and care, much like the Beef Quality Assurance (BQA) does for cattle producers.

Orwick noted that people interested in beginning the SSQA certification program can take the first course online, though a second in-person course is also necessary.

"Temple Grandin has said that if folks go on the internet and all they see are those heavily edited PETA exposés," Orwick pointed out in speaking about the importance of videos like ASI's handling videos and the Glass Walls Project. "You have to show them the way we do it in our business and the way it's done correctly."

ASI comments extracted from *Dr. Grandin narrates new sheep industry videos*, *Western Livestock Journal*, *April 29, 2016* <a href="https://wlj.net/article-12853-dr-grandin-narrates-new-sheep-industry-videos.html">https://wlj.net/article-12853-dr-grandin-narrates-new-sheep-industry-videos.html</a>

#### Don't Forget to Check Out the Lamb Industry Resource Center

The lamb industry resource center was developed to provide the industry with a clearinghouse of information about lamb, from production resources and marketing tools to events and funding opportunities. The site is meant to help the industry navigate where to find information and promote programs and resources provided by the national lamb industry organizations. Visit <a href="www.uslambindustry.com">www.uslambindustry.com</a>.

#### May 24 Let's Grow Webinar Takes You On a Journey

Register now to participate in the upcoming Let's Grow Program webinar titled *A journey: The Opportunities* and *Challenges of Melding Genomics Into U.S. sheep Breeding Programs*. Ron Lewis, Ph.D., will be the presenter with Jay Parsons, Ph.D., hosting. Both work with the University of Nebraska at Lincoln.

The webinar will take place on May 24 at 7 p.m. central daylight time. To register, go to https://attendee.gotowebinar.com/register/6532733317647363585.

The efficiency of lamb and wool production has increased substantially worldwide by applying traditional quantitative genetic principles in sheep breeding programs. Accelerating those gains depends on melding state-of-the-art technologies in animal genomics with quantitative genetics approaches to more accurately identify high merit animals. The aim of this webinar will be to demystify these technologies.

This will entail a journey - a genomics road trip - beginning with the key terminology and principles of modern biology. Next on the journey will be reflection, considering ways genomics may enhance, yet certainly not replace, the fundamentals of successful sheep breeding programs. The inevitable bumps along the road will then be identified, which include the resource and financial challenges that using genomic tools entail.

#### **Obituaries**

#### Mark Eidman

Mark Eidman, former CEO of the Tehama District Fair, passed away at his Red Bluff home on Wednesday, April 27<sup>th</sup>, 2016.

A second-generation livestock and wool judge, Mark was known for his professionalism in the show ring and his dedication to the youth and adults who showed under him. His humor and quick wit will be missed by a large circle of friends in the livestock barns of the western fairs.

Eidman is survived by his mother Barbara Eidman of Strong City, KS, wife Mary Jayne, of Red Bluff, son Patrick Eidman of Grass Valley, CA, daughter Lesa Eidman of Sacramento, CA, and daughter and son-in-law Sara and Henry Hollenbeck of Molt, MT; brother Brad Eidman and his wife Kimberlee of Willows, CA, brother Kirk Eidman of Milton, WI. and his nephews and nieces whom he adored. He was preceded in death by his father Glen Eidman of Saffordville, KS and his sister Marsha Eidman of Lakewood, CO.

At his family's request, memorial contributions may be made in his name to the Chico State Alumni Association, CSUC College of Agriculture, 400 West 1st Street, Chico, CA 95929-0440.

#### **CWGA Scholarship Fund Memorials Received**

The following memorials were received by the CWGA Scholarship Fund –

In Memory of Bill Bonde In Memory of John Glenn On Behalf of Erica Sanko

CWGA awards an annual scholarship to college students pursuing an academic career in agriculture, related to the California sheep industry. Member contributions to the CWGA Scholarship Fund help to support our future sheep industry leaders.

#### **Protect Your Flocks Health With Vaccines From CWGA**

### **CWGA Now Offering Dewormers, Nutritional Products, Health Supplies and More Sheep Vaccines**

Please refer to the insert in this month's *Herd the News* for product and pricing details. For questions, please contact the CWGA office (916) 444-8122.

#### **Blue Tongue Type 10 Now Available**

CWGA has been granted access to distribute Bluetongue – Type 10 vaccine from Colorado Serum to CWGA members at a discounted price. Pricing: \$16.00 per 50 dose vial plus shipping.

Progress continues on developing a new killed all strain Bluetongue vaccine. The vaccine is not expected to be available until late summer or fall.

#### Other Vaccine Updates

• Footrot vaccine – Samples have been taken and are being assessed. CWGA will keep members updated on its development. Availability is expected this fall/end of the year.

#### **National Scrapie Eradication Program**

You Are the Key to Declaring the U.S. Free of Scrapie

Scrapie is a transmissible spongiform encephalopathy (TSE) affecting sheep and goats. The presence of classical scrapie in the U.S. sheep and goat population affects industry economically through production losses, lost exports, and increased production and disposal costs. Remember: Educate, Report and Submit

- Educate yourself on the clinical signs of scrapie.
  - o Visit the <u>Scrapie Disease Information Page</u>
- Report. Contact your <u>State Veterinarian</u> (CDFA 916-900-5000) or the <u>USDA Veterinary Services</u> <u>Office</u> (916-854-3950) for your state if your sheep or goat, older than 12 months, exhibits clinical signs of scrapie. Testing clinical suspects is the most cost effective way to find scrapie infected animals.
- Submit samples or whole heads from sheep and goats over 18 months of age that die or are euthanized on your premises. Additional information is available on how you or your veterinarian can submit samples or whole heads for scrapie testing.

#### Eat Lamb...Wear Wool License Plate Frames Still Available

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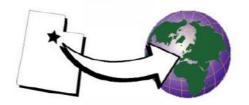
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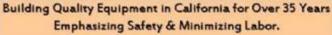
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Looking forward to speaking with you, Bill & Susan Shaul







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#### Mark Your Calendars

May 21 – 22, 2016 3rd Annual Valley Ford Wool Mill Wool Festival, Point Arena, CA

June 4 – 5, 2016 Humboldt County Wool Growers Annual Picnic Rohner Park, Ferndale, CA

June 9 – 11, 2016 Lamb 300 Short-Course Dixon, CA

June 8, 2016 CWGA Board of Directors Strategic Planning Workshop & Update Modesto, CA June 22, 2016
CWGA Legislative Action Day
Sacramento, CA

August 26 – 27, 2016 CWGA Annual Meeting Carson Valley Inn, Minden, NV

For more industry events go to the CWGA website & click *Industry Events*<a href="http://cawoolgrowers.org">http://cawoolgrowers.org</a>

Please submit all liability insurance requests 10 days prior to the event to ensure adequate processing time.

