COVID-19

Coronavirus brings unrest in cattle industry

By CAROL RYAN DUMAS
Capital Press

Cattle producers and lawmakers have been calling on the administration to expand its investigation of the wide disparity between rising beef prices and falling cattle prices amid the coronavirus pandemic.

Some producers also urge a restructuring of the meatpacking industry, breaking up the largest companies and requiring them to purchase more cattle through cash trade.

“An investigation into packers for whatever reason probably isn’t a bad idea,” said Derrell Peel, an extension livestock marketing specialist at Oklahoma State University.

Given four meatpackers account for more than 80% of the nation’s cattle slaughter and processing, it’s always good to have oversight, he said. That’s reason for worry about market power above and beyond supply and demand, he said.

“We are careful of that in this country,” he said.

Carol Ryan Dumas/Capital Press File

Cattle graze west of Eden, Idaho. A livestock expert says breaking up the four biggest beef processors would ultimately result in lower cattle prices.

However, they’ve been investigated by government and researched by economists for years, and no one’s found any undue influence on cattle prices, he said.

A large gap has emerged between wholesale beef prices and fed cattle prices since the coronavirus outbreak, but it’s the way the market works, he said.

“There’s nothing in these prices that surprise me as an economist,” he said.

Fed cattle prices are derived from the value above them on the supply chain. Coronavirus has caused a lot of extra costs in processing and shipping, which have driven fed cattle prices down and wholesale beef prices up, he said.

Processors are closed or running at reduced capacity, yet all their expenses remain. They are still paying employees — even if they’re not working — and paying bonuses to those who are. They’re also spending extra money making workers safer. Because of these added expenses, the cost per unit of beef product is much higher, he said.

Just looking at the margin between cattle prices and wholesale beef prices, people think processors are making “ungodly” profits — but those margins are basically meaningless right now, he said.

“They’re not making as much money as everybody else thinks they are,” he said.

The choice boxed beef price on Friday was $377.45 per hundredweight, the highest it’s ever been, but normally 80% of beef sold is priced four to six weeks earlier. Beef production last week was only 60% of normal, and most was already priced, he said.

There wasn’t much extra beef available that wasn’t forward priced and everybody was scrambling to get it, which bid up prices, he said.

“Negotiated boxed beef prices represented only a small amount of trade. The boxed beef revenue is not nearly as high as the boxed beef price would tell you,” he said.

He also cautions producers about wanting to break up the four big packers — Cargill, JBS, National Beef and Tyson. They got that way because of economics, and cost efficiencies allow them to pay more for cattle, he said.

Research has shown that their little bit of market power can push cattle prices down a little. But because of the cost efficiencies they have, they wind up paying more for cattle. Cattle prices would be lower if the big packers were dismantled, he said.

When it comes to cash sales, price discovery in negotiated trade is important. A lot of cattle are priced through alternative marketing agreements based on negotiated trade, which accounts for about 20% of cattle.

There is a concern that negotiated trade could get too thin, but there are better ways to increase it rather than mandating 30% to 50% be cash traded — as is being proposed by some, he said.

It’s time-consuming and costly to negotiate every pen of cattle or a large percentage of pens. An arbitrary mandate would increase costs and risk and, in turn, cost producers in cattle prices, he said.

One of the easiest ways to increase negotiated trade would be to use a market maker, an entity compensated by the industry as a whole for the hassle of conducting those trades, he said.

Judge stays on sideline, for now, on farmworker rules

By DON JENKINS
Capital Press

A Skagit County judge said he will review in two weeks what the Washington Department of Labor and Industries has done to protect farmworkers from the coronavirus.

Superior Court Judge Dave Needy declined on May 1 to order L&I to write separate emergency rules for field work. He said L&I’s response to the pandemic has been responsible so far, but that he wanted an update on May 14.

“This is an opportunity to work together and make sure we’re doing the best we can,” he said. “I’m going to add some court-oversight pressure.”

The United Farmworkers and Familias Unidas por la Justicia, a Skagit County-based farmworker union, petitioned L&I to adopt emergency workplace rules.

L&I and farm groups said the petition was unnecessary because the agency and farmers already are acting to protect workers under Gov. Jay Inslee’s social-distancing order and a law that requires employers to remove workplace hazards.

“I think the judge recognized the parties are working very, very hard together to come up with solutions that helped everyone,” said attorney Sarah Wixson, who represented farm groups that intervened in the suit.

“For us, it’s a victory,” she said.

L&I is expected to soon adopt emergency rules for migrant farmworker housing. Those rules, which may reduce the number of workers in each housing unit, were not a subject of Friday’s hearing.

L&I also has told farms to keep workers 6 feet apart whenever possible in fields. Other requirements are directed at ensuring workers are practicing good hygiene, disinfecting surfaces and are not crowded together in vehicles. “It is the law and it is enforceable,” Assistant Attorney General Anastasia Sandstrom said.

L&I also gave suggestions on complying with the rules in a “fact sheet.”

The unions’ attorney, Columbia Legal Services lawyer Andrea Schmitt, said the fact sheet was confusing. “Workers need specific standards in order to complain,” she said. The unions were not proposing particular rules, she said.

Schmitt also argued that L&I had failed to write rules to protect workers from dangerous airborne particles.

Wixson called the fact sheet “rock-solid requirements.”

She said Inslee has clearly and consistently mandated social distancing and farms have carried out that order, including by installing barriers in vans and having crews work, travel and live together to minimize contact with others.

“We’re doing the best we can under the circumstances we have,” Wixson said. “The state and farms have not failed to act.”

Trump’s meatpacking order gets mixed response

By CAROL RYAN DUMAS
Capital Press

Agricultural groups and unions representing workers were quick to respond to President Trump’s executive order that all meatpacking facilities continue operations during the COVID-19 crisis.

The pandemic has created an unprecedented crisis for American farmers, Zippy Duvall, president of the American Farm Bureau Federation, said.

“Farmers and ranchers face the heartbreaking decision to euthanize animals because of plant closures. It’s important for our elected leaders at all levels to understand the critical nature of this crisis,” he said.

Farm Bureau is hopeful the president’s order will protect the health and safety of workers while keeping farmers and ranchers in the business of providing food for families across America, he said.

National Farmers Union President Rob Larew said NFU is immensely worried about the financial implications of plant closures and slowdowns for rural communities and the nutritional and economic implications for consumers.

But efforts to maintain the food system infrastructure should not be at the expense of meat plant workers, he said.

“Their health and lives are not an acceptable tradeoff for our meat supply, nor are these things mutually exclusive — we must find solutions that protect both,” he said.

JBS

JBS USA’s beef processing facility in Greeley, Colo. President Donald Trump has ordered all processors to reopen and follow new guidelines for worker safety.

Meat plant workers need personal protective equipment and other safeguards, access to testing and treatment and paid sick leave, he said.

Julie Anna Potts, president and CEO of the North American Meat Institute, said the president’s order will help avert hardships for agricultural producers and keep safe, affordable food on the tables of American families.

“The safety of the heroic men and women working in the meat and poultry industry is the first priority. And as it is assured, facilities should be allowed to reopen,” she said.

The industry has and will continue to implement guidance from the Centers for Disease Control and Occupational Safety and Health Administration, she said.

Keeping the flow of cattle through the supply chain was among the first priorities for National Cattlemen’s Beef Association at the start of the COVID-19 outbreak.

Many, if not all, beef processing plants in the U.S. have experienced plant closure or reductions in processing speed, Colin Woodall, NCBA’s CEO, said.

“American consumers rely on a safe, steady supply of food, and President Trump understands the importance of keeping cattle moving to ensure agriculture continues to operate at a time when the nation needs it most,” he said.

Processing plant employees play a critical role in the nation’s security, and “cattle producers offer their sincere gratitude for the work they are doing to keep food shortages from compounding the complex issues we’re facing,” he said.

National Pork Producers Council is thankful for the support of federal, state and local government leaders, Howard “A.V.” Roth, NPPC president, said.

“As we all work together to protect workers and the nation’s food supply, we need uniform and consistent solutions and all available resources to address this unprecedented crisis,” he said.

Hog values have plummeted to virtually zero, hog farmers are facing liquidation, millions of hogs can’t enter the supply chain and pigs will be euthanized, he said.

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020.The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2017 KIA SORENTO LL
VIN= 5XYPGDA57HG290044
Amount due on lien $1,535.00
Reputed owner(s)
DEBRA A & ROBERT JR HARTLEY
FIRST TECH FCU
S187230-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2017 FRHT SPRINTER TRK
VIN= WDYPF4CCXHP384712
Amount due on lien $1,575.00
Reputed owner(s)
RIGHT NOW HOME SERVICES INC
MERCEDES BENZ FIN SERV USA LLC
S187229-1

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2017 HONDA ACCORD 4D
VIN= 1HGCR2F3XHA245850
Amount due on lien $1,735.00
Reputed owner(s)
MICHAEL J DAILY
CAPITAL ONE AUTO FINANCE
S187228-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2006 HUMMER H3 4W
VIN= 5GTDN136868173101
Amount due on lien $1,735.00
Reputed owner(s)
MARKISHA WEBSTER SMITH RELIABLE CREDIT ASSOC INC
S187227-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/11/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2016 HYUNDAI GENESIS 4DR
VIN= KMHGN4JE2GU129986
Amount due on lien $1,555.00
Reputed owner(s)
RICHARD WAYNE PATTERSON
S187216-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020.The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2013 CHEV TAHOE 4D
VIN= 1GNSCBE07DR283624
Amount due on lien $1,675.00
Reputed owner(s)
VALIENTE HAZEL-J
S187222-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2009 LNDR RRV 4W
VIN= SALSF25419A214137
Amount due on lien $1,675.00
Reputed owner(s)
LILLIAN STANKO KAY
S187223-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020.The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2015 TOYOTA HGH UT
VIN= 5TDBKRFHIFS156221
Amount due on lien $1,555.00
Reputed owner(s)
GIDEON DAVID BISHOP ONPOINT COMMUNITY C.U
S187224-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2020 KIA FORTE 4DR
VIN= 3KPF24AD0LE158623
Amount due on lien $1,675.00
Reputed owner(s)
MARTHA GARCIA
CONSUMER PORTFOLIO SERVICES INC
S187225-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/18/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2017 SUBARU IMPREZA 4D
VIN= 4S3GKAB65H3612365
Amount due on lien $1,795.00
Reputed owner(s)
CYNTHIA HOPE SPENCE RIVERMARK COMMUNITY C.U
S187226-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020.The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2015 TOYOTA PRIUS 4DR
VIN = JTDZN3EUXFJ027232
Amount due on lien $1,735.00
Reputed owner(s)
DOROTHY MARIE MASON
S187209-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2013 SUBARU OUTBACK SW
VIN= 4S4BRBGC4D3232093
Amount due on lien $1,675.00
Reputed owner(s)
ROGER BUTTRAM & SYDNEE JOHNSON
HERITAGE GROVE FCU
S187210-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2018 FORD FUSION 4DR
VIN= 3FA6P0D98JR168524
Amount due on lien $1,675.00
Reputed owner(s)
DANIEL WADE HALLOCK WELLS FARGO AUTO
S187211-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/11/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2001 BMW M CN
VIN = WBSCL93461LJ80665
Amount due on lien $1,555.00
Reputed owner(s)
GAETON A & CYNTHIA PASSANNANTE
ALLIANT CREDIT UNION
S187212-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/11/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
1976 MG MG GT CP
VIN= GAN6UG170419G
Amount due on lien $1,655.00
Reputed owner(s)
VICTOR NOELKE
S187213-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/11/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2007 DODGE 2500 PK
VIN= 3D7KS26DL 70745277
Amount due on lien $1,555.00
Reputed owner(s)
NATURAL STONE DESIGNS
HERITAGE BANK
S187215-1

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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2013 HONDA ACCORD 4D
VIN= 1HGCR2F3XDA019771
Amount due on lien $1,555.00
Reputed owner(s)
SAJJAD ANWAR ALSABBAGH
S187201-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020.The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2012 CHEV CAM CP
VIN= 2G1FF1E36C9135486
Amount due on lien $1,675.00
Reputed owner(s)
JOSHUA BALLINGER AMERICA FIRST FEDERAL CR UN
S187202-1

LEGAL
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Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/11/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2012 MERZ GLK350 4D
VIN= WDCGG5GB7CF925692
Amount due on lien $1,555.00
Reputed owner(s)
ADALBERTO DOMINGUEZ SEGURA
WELLS FARGO AUTO
S187203-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2018 RAM 1500 PU
VIN= 1C6RR7FG7JS181959
Amount due on lien $1,655.00
Reputed owner(s)
CHRYSLER CAPITAL
S187207-1

LEGAL
PURSUANT TO ORS CHAPTER 87
Notice is hereby given that the following vehicle will be sold, for cash to the highest bidder, on 05/04/2020. The sale will be held at 10:00am by
COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2016 LEXUS RX450 LL
VIN= 2T2BGMCA2GC004076
Amount due on lien $1,675.00
Reputed owner(s)
VIKTOR PILGUN TOYOTA MOTOR CREDIT CORP
S187205-1

LEGAL
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COPART OF WASHINGTON INC
2885 NATIONAL WAY WOODBURN, OR
2015 MERZ E 400 4DR
VIN= WDDKJ6FB3FF307014
Amount due on lien $1,675.00
Reputed owner(s)
RILEY DEE FISK OREGON COMMUNITY CREDIT UNION
S187208-1