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ASI WEEKLY

NEWS FOR SHEEP INDUSTRY LEADERS

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Targeted Grazing Handbook Available

It has arrived! The Targeted Grazing: A natural approach to vegetation management and landscape enhancement handbook has arrived in the offices of the American Sheep Industry Association (ASI).

Employing livestock to manipulate vegetation is as old as grazing itself. Promoting grazing to manage vegetation as a paid service - typically called prescribed or targeted grazing - is a more recent phenomenon. As targeted grazing has gained a foothold in the land management arena, both research and experience have evolved to provide land managers and grazing-service providers with more definitive tools for managing vegetation. This handbook represents a compilation of the latest research on harnessing livestock to graze targeted vegetation in ways that improve the function and appearance of a wide variety of landscapes.

Karen Launchbaugh, Ph.D., a range scientist at the University of Idaho, spearheaded the project, with the assistance of John Walker, Ph.D., a range scientist at Texas A&M University, for the American Sheep Industry Association (ASI) with additional financial support from the National Sheep Industry Improvement Center.

The handbook is organized both as an introduction to targeted grazing for the novice and as a useful reference for those already familiar with the topic. The chapters can be studied collectively or individually, depending on a reader's needs, and they are written toward an audience that includes livestock producers, land managers, landowners, grazing enthusiasts or simple interested observers.

Chapters in the handbook include animal husbandry, plant response to grazing, monitoring plant landscapes, multi-species grazing and applications of prescribed grazing on grasses, weeds, forests, orchards and in agronomic situations. Other contents include prescriptions for specific plants, business plans, labor requirements and guidelines for developing and carrying out contracts.

ASI secretary-treasurer, Margaret Soulen Hinson (Idaho), relays, "Publishing the handbook caps a two-year focused effort at ASI to launch this exciting initiative for sheep producers."

"We are proud of the staff, university participants and the dozen plus authors that worked diligently to bring this professional handbook together for sheep producers and land-management specialists," said Brant Miller (Maine), another sheep industry leader involved with the handbook and member of the ASI executive board.

The handbook is available for the low cost of \$25 and includes the material in both printed form and on a CD. Copies can be ordered by calling ASI at 303-771-3500, ext. 32 or by email at info@sheepusa.org. The order form is also located on the home page of the ASI Web site at www.sheepusa.org.

All prepaid orders will be shipped from ASI immediately.

Continued Opposition to Patagonia South Regionalization Proposal

As of this morning, 44 comments -- 41 against and 3 in favor -- were submitted in response to the proposed rule to amend the regulations to allow imports of meat and meat products from the region referred to as Patagonia South. Representatives from both the U.S. sheep industry and the U.S. cattle industry pointed out issues of concern in the proposed rule involving disease prevention.

In the Jan. 5, 2007, edition of the Federal Register, the U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS) published a proposed rule stating its desire to amend the regulations to add the portion of the Patagonia region of Argentina referred to as Patagonia South to the list of regions considered free of rinderpest and foot-and-mouth disease.

Some of the concerns shared by both the American Sheep Industry Association (ASI) and the National Cattlemen's Beef Association focused on the risk assessment used to prepare this rule and the methods by which Argentina proposed to mitigate risk.

In the comments submitted by ASI, the sheep industry stated the agency would have to rebuild the economic impact analysis due to serious concerns.

This week, Sen. Max Baucus (D-Mont.) also weighed in with his thoughts in a letter to Secretary of Agriculture Mike Johanns that this proposed rule contained an economic analysis of the domestic sheep industry that is both disconcerting and ill-informed. He recommended that APHIS review its economic analysis and make corrections.

The three organizations that support the initiative to allow the importation of meat and meat products from the Patagonia South region include Meat Imports Council of American, Inc., the National Health and Agrifood Quality Service of Argentina and the Argentina Beef Promotion Institute.

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Peacoat Contract Awarded

Since the first of the year, the U.S. government has issued two major purchase orders against its peacoat contract.

Sterlingwear of Boston has been awarded both contracts, one for 13,188 men's coats and the other for 3,192 women's coats. The 16,380 peacoats will require approximately 67,000 lbs. of clean 21-micron to 22-micron American wool.

Chargeurs Back in Profit

Chargeurs, France, has reported a higher than forecast income for 2006, recovering from a net loss in 2005, and has cut its net debt almost in half. Sales remained stable.

In its consolidated results for 2006, the company reported revenue in U.S. dollars of more than \$1 billion, slightly up on the prior year. Operations responded to restructuring efforts and operating profit was up to nearly \$33 million compared to a loss of more than \$48 million in 2005. Net income recovered to \$17 million from a net loss of \$86.5 million a year ago. The company cut its net debt from \$115 million at the end of 2005 to \$61.5 million at the end of 2006.

Revenues in the Chargeurs Wool segment contracted by 3 percent to approximately \$294 million. The business returned to profit, however, with an operating income of \$2.6 million in 2006 vs. a loss of more than \$35 million a year ago, the result of lower production costs following re-organization and improved margins. The company commented that it had doubled capacity in China and that it was "well placed to reap the benefits of this fast-growing market."

The outlook for 2007 is for the group to achieve a further strong growth in earnings, said Chargeurs. The company expects to achieve revenue of more than \$1 billion, operating income of \$47 million and net income of \$25 million in 2007.

Reprinted in part from Inteletex

Woolmark Company Honored with Product of the Year Award

The Woolmark Co.'s latest high performance worsted men's trouser has been honored with the coveted 2006 Product of the Year Award by the U.S. publication, Retailing, said Brenda McGahan, Woolmark's executive director.

Easy-care performance of woollen apparel products is a winner, explained McGahan.

"We've been working in collaboration with global design and manufacture business, TAL Apparel, to develop for the first time a trouser made completely from wool which cannot only be repeatedly machine washed and tumble dried, but also exhibits a degree of crease stability and smooth drying so it can be described as 'non iron'."

A testament to the performance and aesthetics of this product is the Product of the Year Award in the face of stiff opposition from the washable wool blend suit by Polgat and the wrinkle resist, stain resist cotton shirt from Van Heusen.

"Textile innovation is crucial in the modern apparel market-place and easy care performance has, in the past, been dominated by cotton and synthetics," said McGahan.

"And although easy-care wool knitwear has been well established for a number of years, the production of easy-care wool wovens, particularly trousers, has always presented manufacturers with the ultimate challenge because of the broad range of performance criteria required, including stability to tumble drying, smooth drying properties and a durable crease."

"There is a significant trend in the United States toward smart/casual products through certain retailers traditionally associated with sports/casual, such as Levi and Tommy Hilfiger," adds McGahan. "Brands which either seek to raise their smart/casual business or move into the classic, refined more luxurious market offer terrific potential for wool."

Reprinted in part from BharatTextile.com

Canadian Rule Comment Period Not Extended

The National Milk Producers Federation and R-CALF USA have asked the U.S. Department of Agriculture (USDA) to extend the comment period on a proposed rule that would re-open the U.S. border to all Canadian cattle born after March 1, 1999. According to USDA, that is the date when Canada's ruminant-to-ruminant feed ban should have taken effect, so cattle born thereafter should not be at risk for bovine spongiform encephalopathy (BSE).

USDA Undersecretary for Marketing and Regulatory Programs Bruce Knight stated the public comment period on USDA's proposed rule will close on March 12 as originally planned.

"I replied back to them that we didn't see a need for that," Knight said, citing a 'robust' number of comments on the proposed rule already received.

Weekly National Market Prices for Wool

The U.S. Department of Agriculture's prices for wool the week beginning March 7 can be accessed at www.fsa.usda.gov/FSA/webapp?area=home&subject=ecpa&topic=fta-wm.

Posted prices for ungraded wool (per lb./greasy basis) for the week are: Region 1, \$0.19; Region 2, \$0.17; and Region 3, \$0.15.

The LDP rate for ungraded wool, therefore, is \$0.23 per lb. greasy this week.

These rates are used to determine the loan repayment rates for marketing assistance loans and to calculate loan deficiency payment.

Market Summary, Week Ending March 2, 2007

The updated Market Summary can be accessed at www.sheepusa.org each Monday.

Feeder Prices, San Angelo, 60-90 lbs. 95-99 \$/cwt., 90-115 lbs. 93-99 \$/cwt., new crop 40-60 lbs. 120-120.50 \$/cwt.

Slaughter Prices - Negotiated, Live, woolled and shorn 130-150 lbs. for 88.60-103 \$/cwt., dressed, no sales reported.

Slaughter Prices - Formula, 12,997 head⁽¹⁾ at 171.81-194.06 \$/cwt. for 72.2 ave. lbs., 10,764

head at 167.34-191.41 \$/cwt. for 80.7 ave. lbs.

Equity Electronic Auction, shorn and woolled 130 lbs. \$91/cwt.

Cutout Value/Net Carcass Value⁽²⁾ \$209.34/cwt.

Carcass Price, Choice and Prime, YG 1-4, weighted averages, 1,951 head at 55-65 lbs. for \$206.35/cwt., 3,251 head at 65-75 lbs. for \$191.20/cwt., 2,959 head at 75-85 lbs. for \$188.15/cwt., 1,729 head at 85 lbs. and up for \$174.43/cwt.

Boxed Lamb, weighted average prices (\$/cwt.), Trimmed 4" Loins 404.66, Hotel rack⁽³⁾ 562.49, Leg (trotter off) 246.58, Ground lamb 279.01.

Wool, Price (\$/lb.) Clean, Delivered, 18 micron (Grade 80s) 3.10, 19 micron (Grade 80s) 3.00-3.02, 20 micron (Grade 70s) 2.90, 21 micron (Grade 64-70s) 2.80-2.86, 22 micron (Grade 64s) 2.38, 23 micron (Grade 62s) 2.32, 24 micron (Grade 60-62s) 2.19, 25 micron (Grade 58s) 1.38, 26 micron (Grade 56-58s) 1.28-1.50, 27 micron (Grade 56s) 1.15.

⁽¹⁾Prices reported for the two weight categories of the largest volume traded. ⁽²⁾The cutout value is the same as a net carcass value. It is a composite value that sums the value of the respective lamb cuts multiplied by their weights. It is also the gross carcass value less processing and packaging costs. ⁽³⁾Average of light, medium and heavy 8-Rib Rack.

(Source: USDA/Agricultural Marketing Service)
