



OPPORTUNITY AHEAD

Participating in value-added programs can open doors to new beef markets and potential price premiums. IMI Global is helping tap those opportunities.

by Kindra Gordon

7.2 billion — that is the number of people who live outside the U.S. They represent 96% of the world's population, and they are all potential customers for American-produced beef.

But to successfully reach both domestic and global consumers, beef producers must be willing to recognize not everyone wants the same thing. Think of the aisles

at your local grocery store where dozens and dozens of food options exist. Similarly, beef must adapt to meet the varying desires of consumers and countries. Specifically, many global consumers and their respective countries are seeking non-hormone, grass-fed or organic production, or they want assurances on criteria like age and source or animal welfare standards of the beef (and other foods) they are

consuming and, thus, verification and certification programs exist to meet those requirements. While this documentation requires extra record-keeping and management effort, it can open doors to expanded markets and price premiums.

To assist with that process, IMI Global specializes in offering verification and certification programs for the livestock industry to enable producers, feeders, growers, packers and processors to meet the ever-changing needs of both domestic and international consumers.

The Castle Rock, Colo., based company's verification and certification programs allow producers to differentiate themselves from others — moving a product away from a commodity status and giving it an identity-preserved status, explains Doug Stanton, vice president of sales and customer development for IMI Global.

Presently, IMI has contracts to verify about 8% of the U.S. beef going to slaughter for source, age and other parameters, with that number accounting for about 2 million head of cattle and growing. Of the company, Stanton underscores, "We don't market beef. We are a third-party verifier in the equation. We maintain traceability and verification up to the time cattle are shipped to the packer and provide documentation to them. The packer has to verify traceability from there."

That said, IMI has a list of nearly 20 value-added programs with which it



Doug Stanton, IMI Global, says it is not necessarily difficult to qualify for verification programs. Often times, it simply requires the extra recordkeeping and verification steps.



IMI Global's history

IMI Global has been in the verification business for two decades. The company started verifying the source and age of cattle after BSE became an issue in 2003. After that incident, countries like Japan only accepted meat from cattle that were verified less than 20-months-old at harvest. This requirement led to the growth of source and age verification programs nearly 15 years ago. **HW**

can help cattle producers align. These include electronic ID tag sales to meet identification and traceability requirements to Source & Age Verification (SAV), Non-Hormone Treated Cattle (NHTC), Verified Natural Beef, Verified Grass-Fed, Non-GMO Project Verification, Flax-Fed, BeefCARE® (new in 2020) as well as custom private brand programs (see “Current value-added programs available” sidebar for more details).

And for producers utilizing Hereford genetics, Stanton says, “The SAV, NHTC and BeefCARE programs are verification programs in the marketplace today that don’t require specific breeds in order to be eligible for these programs. We see great growth opportunities for NHTC in both the EU market with the USA-only quota starting in 2020, and we anticipate growth in the China market as positive trade talks continue with them. BeefCARE – which will be introduced this year – won’t be breed specific or require the cattle to be NHTC or Natural, so this will also provide additional verification opportunities to add value to calves and yearlings.”

Verification trends

On the international level, Stanton says the people at IMI are seeing continued development of private standards worldwide. He notes standards for traceability, animal welfare, sustainability, social responsibility, and non-GMO are all growing in importance among international consumers – and are seeing traction in the domestic beef market as well. Specific genetic programs and local or state source programs for beef brands are also continuing to appease consumers. He notes that with verification for these standards, there is added value created and returned to producers.

As an example of premiums available for source and age, he cites a 2017 video sale where cattle with source and age verification brought an extra \$2.11/cwt. for heifers and \$2.65/cwt. for steers.

Other trends include the decreasing use of antibiotics (Verified Natural Beef) – such as verifying treatment of animals with antibiotics only when they are sick as opposed to mass treatment – and an increased desire for traceability. Stanton says, “Traceability is critical if we want to compete in global markets.”

Regarding sustainability, Stanton points to the Global Roundtable for Sustainable Beef, which has set voluntary global standards to help define the term sustainability. From there, individual countries like the U.S. are adopting similar voluntary standards. Stanton expressed that it is important for the beef industry to stay at the table with these efforts to hear what is being said and to prepare for such standards related to natural resources, people and community, animal health and well-being, food, efficiency and innovation.

What to expect

For producers interested in marketing calves through verification programs, Stanton says it is not necessarily difficult to qualify – it simply requires the extra recordkeeping and verification steps.

He explains many producers find they already meet program requirements or can easily make a few management adjustments to meet different program needs. And, upgrading or adding additional program claims is often quite easy.

As well, he suggests producers bundle verification programs to allow eligibility for multiple marketing options and the ability to maximize premium market price potential.

Stanton notes the biggest expense of an on-site audit is usually the individual traveling there and spending time doing the evaluation. Thus, he says IMI tries to take care of as many marketing opportunities as possible



The American Hereford Association has partnered with IMI Global to verify and add value to Hereford-influenced feeder cattle with superior genetics, health and management through the Hereford Advantage program. Producers meeting the program’s requirements can easily bundle the Hereford Advantage with other IMI verification programs.

for that operation and that producer in one trip. For example, IMI Global certifiers can often audit an operation for Source & Age, Non-Hormone Treated Cattle, Verified Natural Beef, BeefCARE and Beef Quality Assurance Verified all at one time.

For an on-site audit, producers can expect the auditor will need to review calving and other records, the documentation of procedures and inventories, information on any commercial feed products utilized in the operation, facilities and groups of cattle. Auditors will be inspecting the operation per the requirements of the program through which producers are aiming to market.

IMI Global offers verification and added-value programs and services to beef, dairy, pork, poultry and cropping operations. The Castle Rock company is part of the international company Where Food Comes From Inc. For more information, visit ImiGlobal.com. **HW**

Current value-added programs available

In addition to electronic ID tag sales, IMI Global can assist producers with meeting requirements to market through the following programs:

Cattle Feeder Preferred

This health and management program is designed to improve the overall health and performance of calves at both the ranch and feedlot levels. The program has vaccination requirements for both the cow herd and the calves to create an optimum immune system. Buyers of these calves are assured of the health and management protocols, which, in turn, create added value for producers.



Beef Passport Programs: These programs verify Source & Age, Non-Hormone Treated Cattle (NHTC) and Verified Natural Beef for eligibility for numerous marketing outlets.

Export Verification Programs: Specific protocols for the European Union, Saudi Arabia, Japan and China are verified to meet eligibility for these markets.

BeefCARE®

Protocols for marketing through this program will be introduced in 2020 and will include verification standards for animal husbandry, people and community, and environmental stewardship.



Additional verification programs available through IMI include Verified Grass-Fed Beef, American Grass-Fed Alliance, Non-GMO Project Verification, USDA (United States Department of Agriculture) Organic (USDA NOP), Beef Quality Assurance, Progressive Beef and several other private label brands. **HW**

