

American Grass Fed Certification Now Assures the Highest Quality for Beef and Dairy Products

Analysis by [Dr. Joseph Mercola](#)

February 02, 2024

STORY AT-A-GLANCE

- › While the beef checkoff program began with the best of intentions, to help ranchers by pooling their money to pay for the promotion of beef, misappropriation of funds has grown over the years
- › Many cattle ranchers feel they are being forced to pay for activities that go against their financial interests and environmental or ethical views on animal welfare and environmental stewardship
- › The American Grassfed Association is introducing much-needed grass fed standards and certification for American-grown grass fed beef and dairy

Editor's Note: This article is a reprint. It was originally published February 7, 2017.

You're probably aware that the food industry has the power to influence your eating habits through the use of advertising and lobbying for industry-friendly regulations. But did you know the U.S. government actually funds some of these activities through the collection and distribution of taxes on certain foods?

And that by doing so, the government is actively supporting agricultural systems that are adverse to public and environmental health, and discouraging the adoption of healthier and more ecologically sound farming systems?

The beef industry in particular appears to be rife with corruption aimed at protecting big factory-style business rather than the up-and-coming grass fed industry. As explained in

Washington Monthly:¹

"Imagine if the federal government mandated that a portion of all federal gas taxes go directly to the oil industry's trade association, the American Petroleum Institute [API].

Imagine further that API used this public money to finance ad campaigns encouraging people to drive more and turn up their thermostats, all while lobbying to discredit oil industry critics ... That's a deal not even Exxon could pull off, yet the nation's largest meat-packers now enjoy something quite like it.

[W]hen you buy a Big Mac or a T-bone, a portion of the cost is a tax on beef, the proceeds from which the government hands over to a private trade group called the National Cattlemen's Beef Association [NCBA].

The NCBA in turn uses this public money to buy ads encouraging you to eat more beef, while also lobbying to derail animal rights and other agricultural reform activists, defeat meat labeling requirements and defend the ongoing consolidation of the industry."

Federal Tax Helps Beef Industry Promote Beef

In a nutshell, the U.S. Department of Agriculture (USDA) beef checkoff program² is a mandatory program that requires cattle producers to pay a \$1 fee per head of cattle sold.

It's basically a federal tax on cattle, but the money doesn't go to the government but to state beef councils, the national Cattlemen's Beef Board (CBB) and the NCBA. All of these organizations are clearly biased toward the **concentrated animal feeding operation** (CAFO) model.

The money is collected by state beef councils, which keep half and send the other half of the funds to the national CBB, headquartered in Colorado, which is in charge of the

national beef promotion campaign. Nationwide, the beef checkoff fees add up to about \$80 million annually.

As the primary contractor for the checkoff program, the NCBA receives a majority of the checkoff proceeds, which is used for research and promotion of beef.

But while the beef checkoff program began with the best of intentions, aiming to help struggling ranchers by pooling their money to pay for the promotion of beef, discontent over how the money is being used has grown over the years.

Checkoff Program No Longer Benefits Small Ranchers – It Harms Them

Many cattle ranchers feel they are being forced to pay for activities that go against their environmental or ethical views on animal welfare and environmental stewardship, for example. Moreover, while being a federal tax, the government has virtually no oversight over how this checkoff money is used. As reported by Harvest Public Media:³

"Checkoff officials say ... every dollar collected by the checkoff delivers \$11.20 in return. Among its successes is a series of iconic commercials called 'Beef, it's what's for dinner.' But there is a lot more to the beef checkoff than meets the eye. That \$1 assessment, critics ... say, flows with limited oversight to state and national interests.

Sellers must pay even if they don't believe they have any say over who gets the money, or why. And they must pay even if they believe the fund advances the interests of multi-millionaire ranchers against their own ...

As many as a fourth of the nation's 730,000 ranchers ... have complained for years that the checkoff has become a billion-dollar bonanza for big ranchers, industry executives and giant beef packers. Federal statistics show larger more efficient cattle operations are forcing out smaller ranchers and feedlots."

One case in point: When a trade complaint was filed against Mexico in 2014, NCBA opposed anti-trust enforcement against the three multinational corporations that control more than 80% of the beef packing industry.

The NCBA also supports the North American Free Trade Agreement (NAFTA), which allows for low-cost beef imports, thereby undercutting American ranchers.⁴

What's Good for Large Meatpackers Often Hurts Small Ranchers

Also, since the \$1 per head fee is mandated by federal law, checkoff funds are not allowed to be used for lobbying or political contributions. However, critics have argued that both state beef councils and the national beef board have strong ties to beef industry lobbying groups – some of them even share office space.⁵

At the national level, a majority of the checkoff money gets funneled into the NCBA, which has a strong political voice in the Washington D.C., where it has spent millions in campaign contributions and lobbying efforts. According to Harvest Public Media:⁶

"In the 2014 mid-term elections alone, the NCBA gave nearly \$800,000 to mainly Republican political candidates ... That amounts to more than 98% of total checkoff revenue and 82% of NCBA's total budget, according to a recent lawsuit filed by small producers ...

That same lawsuit claims that the NCBA controls half the seats on the beef checkoff's contracting committee. 'I think it is a broken system,' said Wil Bledsoe, president of the Colorado Independent Cattle Growers Association ...

'I don't want them using my money to fight my livelihood like they have been,' he said. 'What's good for packers isn't usually good for the little guy, and vice versa. So how can they claim to represent both?'

... And government monitors overseeing the program are aware of the problems, said one former U.S. Department of Agriculture official.

'The administration is well aware that the NCBA has misappropriated producer money and the NCBA has helped defeat policy reforms that would have helped small producers,' said Dudley Butler, who resigned as a top USDA official in 2012. Butler, a lawyer, says the checkoff is nothing more than an 'illegal cattle tax.'"

The Livestock Marketing Association (LMA) has been calling for the USDA to hold a referendum on the possible termination of the beef checkoff, and more than 146,000 cattle ranchers have signed the petition.⁷

In 2001, the national checkoff program for pork was terminated by a nationwide referendum that took place in late 2000,⁸ but, as the Des Moines Register bluntly put it:⁹

"The USDA ignored the vote. Instead, it created the National Pork Producers Council and diverted the money into that – where it is used to lobby for corporate hog interests. What that means is that the checkoff now funds lobbying to support hog confinements that are damaging our water supplies and our environment at the cost of family hog farmers who continue to be squeezed out of the business."

So, still to this day the fight to terminate the program continues.

Beef Council Accountant Investigated for Embezzlement

Misuse of checkoff funds is not the only problem ranchers are railing against. In the beef industry, federal authorities began investigating embezzlement charges against Melissa Morton, a former Oklahoma Beef Council accounting and compliance manager,¹⁰ according to the council's own internal investigation \$2.6 million allegedly came up missing under Morton's watch. As reported by the Cornucopia Institute:

"In 2014, according to the council's latest federal tax records, the group took in \$3.6 million in revenue. That same year the compliance manager allegedly embezzled \$316,231, nearly 9% of the state beef council's annual revenue."

In 2016, Morton allegedly forged 131 checks totaling nearly \$557,790. According to Mike Callicrate, a cattleman and founding member of the Organization for Competitive Markets (OCM), news of the embezzlement added to "the suspicion that ... our dollars are not being utilized in a way that actually benefits the cowboy that's paying the beef checkoff."

Embezzlement aside, critics have also pointed out the exorbitant salaries collected by NCBA management — salaries paid for by checkoff dollars collected from ranchers. In a 2015 article, California cattleman Lee Pitts wrote:¹¹

"... [T]he last info I was privy to about the salary of NCBA's CEO, Forrest Roberts, was from his 2013 federal tax forms when he was paid \$428,319. That's extravagant enough but according to a Cattleman's Beef Board big wig who called me, Mr. Roberts is now allegedly making \$550,000 per year!

... I wouldn't have a problem if Mr. Roberts was being paid with NCBA dues money, that's their money and let them spend it how they want. But according to my source, 72% of Robert's salary is paid by the beef checkoff because that's how much time the NCBA says he spends on checkoff matters. 72%!

The NCBA sure couldn't pay that kind of a salary if they had to live off dues, now could they? ... According to one source, there are at least 10 people working for the checkoff who are making more than \$290,000 per year! NCBA paid out \$13 million in yearly salaries and 82% of NCBA's budget comes from your checkoff dollars."

Checkoff Funds Used to Promote International Beef

Last year, the Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America (R-CALF USA) filed a lawsuit against the USDA, claiming the beef checkoff tax is "being unconstitutionally used to promote international beef, to the detriment of U.S. beef products and producers."¹² According to R-CALF USA CEO Bill Bullard:

"The Checkoff's implied message that all beef is equal, regardless of where the cattle are born or how they are raised, harms U.S. farmers and ranchers and deceives U.S. citizens.

Despite what we know to be clear evidence about the high quality of beef raised by independent U.S. cattlemen, we are being taxed to promote a message that beef raised without the strict standards used by our members is the same as all other beef, a message we do not support and do not agree with."

R-CALF USA's co-counsel J. Dudley Butler of the Butler Farm & Ranch Law Group PLLC, added: "This is not only a battle to protect constitutional rights but a battle to ensure that our food supply is not corralled and constrained by multi-national corporations leaving independent farmers and ranchers as mere serfs on their own land."

The lawsuit was filed in response to Montana Beef Council's ad campaign for Wendy's — a fast food chain whose hamburgers can contain meat originating in 41 different countries. The NCBA also has a history of promoting beef, regardless of origin, which is a significant detriment to the ranchers paying the checkoff fees that pay for all this advertising and marketing.

The NCBA promotes the idea that "beef is beef, whether the cattle were born in Montana, Manitoba or Mazatlán" and, joining forces with trade groups representing both national and international meat-packers, the NCBA also fought against the USDA's implementation of country-of-origin labeling (COOL), and has been tireless in its opposition against demand for higher standards in the treatment of animals.

Pitts' article also points out that NCBA's CEO has clear conflicts of interest that color the organization's stance on things like the use of veterinary drugs. Prior to becoming the CEO of NCBA, Roberts held marketing and sales positions with Upjohn Animal Health (which merged with Pharmacia Animal Health and later Pfizer Animal Health) and Elanco Animal Health's beef business unit.

"Gee, do you think he might be a bit prejudiced when it comes to antibiotics, hormones and natural versus chemically produced beef?" Pitts writes.¹³

Great News: Grass Fed Dairy Standard Introduced!

Fortunately, you need not worry as there is an alternative certification that will bypass most of this nonsense. The American Grassfed Association (AGA) introduced much-needed grass fed standards and certification for American-grown grass fed dairy,¹⁴ which will allow for greater transparency and conformity.

Prior to this certification, dairy could be sold as "grass fed" whether the cows ate solely grass, or received silage, hay or even grains during certain times. As reported by Organic Authority:¹⁵

"The new regulations are the product of a year's worth of collaboration amongst dairy producers like Organic Valley as well as certifiers like Pennsylvania Certified Organic and a team of scientists.

'We came up with a standard that's good for the animals, that satisfies what consumers want and expect when they see grass fed on the label, and that is economically feasible for farmers,' says AGA's communications director Marilyn Noble of the new regulations.

The standard will be launched officially in February at the American Grassfed Association's annual producer conference at the Stone Barns Center for Food and Agriculture in New York State, though the exact start date for certification remains to be determined."

Considering how important a cow's diet is when it comes to the quality of its milk, especially when we're talking about RAW milk, I would strongly advise you to ensure your raw dairy is AGA certified as grass fed (once the certification becomes officially available).



USDA Grass Fed Beef Label Rescinded

Also be sure to look for the AGA's grass fed label when buying grass fed meats, as in January 2016, the USDA's Agricultural Marketing Service (AMS) rescinded its official standards for the grass fed beef claim.¹⁶ According to the AMS, a review of its authority found the agency does not have the authority to develop and maintain marketing standards, hence it had to eliminate its definition of "grass fed."

The USDA's Food Safety and Inspection Service (FSIS), which approves meat labels in general, still approves grass fed label claims. However, producers of grass fed meats are free to define their own standards. According to the AGA, "FSIS is only considering the feeding protocol in their label approvals – other issues such as confinement; use of antibiotics and hormones; and the source of the animals, meat and dairy products will be left up to the producer."

In other words, a producer of "grass fed beef" could theoretically confine the animals and feed them antibiotics and hormones and still put a grass fed label on the meat as long as the animals were also fed grass. As noted by the AGA at the time:¹⁷

"The unfortunate thing for producers who have worked hard to build quality grass fed programs is that, with no common standards in place, they will be

competing in the marketplace with the industrial meatpackers who can co-opt the grass fed label.

Once again, consumers lose out on transparency and an understanding of what they are buying. Grass fed has always been a source of some confusion, but not, with no common standards underpinning it, consumers will find it increasingly difficult to trust the grass fed label.

Like other mostly meaningless label terms like natural, cage-free and free-range, grass fed will become just another feel-good marketing ploy used by the major meatpackers to dupe consumers into buying mass-produced, grain-fed feedlot meat."

When Buying Grass Fed Meat, Look for the AGA Grass Fed Label

On the upside, the AGA grass fed standards are more comprehensive and more stringent than the AMS standards were. So, to ensure you're actually getting high-quality grass fed beef, be sure to look for the AGA grass fed label on your beef as well as your dairy. No other grass fed certification offers the same comprehensive assurances as the AGA's grass fed label, and no other grass fed program ensures compliance using third-party audits.

Alternatively, get to know your local farmer and find out first-hand how he raises his cattle. Many are more than happy to give you a tour and explain the details of their operation. Barring such face-to-face communication, the AGA grass fed logo is the only one able to guarantee that the meat comes from animals that:

- Have been fed a 100% forage diet
- Have never been confined in a feedlot
- Have never received antibiotics or hormones
- Were born and raised on American family farms (a vast majority of the grass fed meats sold in grocery stores are imported, and without COOL labeling, there's no

telling where it came from or what standards were followed)

Sources and References

- ¹ Washington Monthly February 2014
- ² Beef Checkoff Program (Archived)
- ^{3, 6} Harvest Public Media January 19, 2015
- ^{4, 7} Nebraska Public Media December 26, 2018
- ⁵ The Atlantic August 5, 2010
- ⁸ Virginia Cooperative Extension. USDA National Pork Checkoff Referendum Results. February 2001
- ⁹ Des Moines Register. September 15, 2015
- ¹⁰ The Cornucopia Institute. Another Corrupt Checkoff Program Comes to Light. January 26, 2017
- ^{11, 13} Kansas Cattlemen June 1, 2015 (Archived)
- ¹² Oklahoma Farm Report May 3, 2016
- ¹⁴ American Grassfed December 21, 2016
- ¹⁵ Organic Authority January 6, 2017
- ¹⁶ Business Insider March 21, 2016
- ¹⁷ American Grassfed January 12, 2017